

Net Pay Comparison by Pay Method

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Direct Payment PAYE				
		Hours	Hourly Rate	Total
Hours Worked	Basic	37.5	20.52	769.61
	Holiday Pay	37.5	2.48	91.89
Gross Pay			23.00	862.50
Deductions				
Employee National Insurance			8%	49.64
Income Tax			1257L	124.15
Net Pay				688.71

Umbrella Company			
	Hours	Hourly Rate	Total
Amount Paid To Umbrella	37.5	26.00	975.00
Company Deductions			
Umbrella Company Margin*			23.00
Employer National Insurance		13.8%	111.11
Apprenticeship Levy		0.5%	4.18
Gross Pay			836.71
Basic	37.5		746.60
Holiday Pay	37.5		90.11
Deductions			
Employee National Insurance		8%	47.58
Income Tax		1257L	119.00
Net Pay			670.13

Personal Service Company (Inside IR35)			
	Hours	Hourly Rate	Total
Hours Invoiced To Agency	37.5	25.00	937.50
Deemed Deductions (Employer)			
Employer National Insurance		13.8%	92.46
Notional Gross Pay			845.04
Deemed Deductions (Employee)			
Employee National Insurance		8%	48.24
Income Tax		1257L	120.66
Net Payment Into PSC			676.14
Accountant's Fees*			23.00
Net Pay			653.14

Note 1: If paid via Direct Payment PAYE, Employer NI and Apprenticeship Levy are paid by the Agency

Note 2: Assumes no pension contributions

** figures detailed are illustrative*