

Net Pay Comparison by Pay Method

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Direct Payment PAYE				
		Hours	Hourly Rate	Total
Hours Worked	Basic	37.5	20.09	753.38
	Holiday Pay	37.5	2.43	91.13
Gross Pay			22.52	844.50
Deductions				
Employee National Insurance			8%	48.20
Income Tax			1257L	120.55
Net Pay				675.75

Umbrella Company			
	Hours	Hourly Rate	Total
Amount Paid To Umbrella	37.5	25.00	937.50
Company Deductions			
Umbrella Company Margin*			23.00
Employer National Insurance		13.8%	89.12
Apprenticeship Levy		0.5%	4.60
Gross Pay			820.78
Basic	37.5		732.38
Holiday Pay	37.5		88.40
Deductions			
Employee National Insurance		8%	46.30
Income Tax		1257L	115.81
Net Pay			658.67

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