



Hugh Davies & Co.
CHARTERED ACCOUNTANTS

National Insurance Contributions (NIC)

£ per week	2020/21	2021/22
Lower earnings limit, primary Class 1	£120	£120
Earnings threshold	£166	£169
Upper earnings limit, primary Class 1	£962	£967
Employees' primary Class 1 rate between primary threshold and upper earnings limit	12%	12%
Employees' primary Class 1 rate above upper earnings limit	2%	2%
Secondary threshold	£169	£170
Employers' secondary Class 1 rate above secondary threshold	13.8%	13.8%
Class 1A rate on employer provided benefits*	13.8%	13.8%
Employers allowance	£4,000	£4,000
Class 2 rate	£3.05	£3.05
Class 2 small earnings exception	£6,475	£6,515
Class 3 rate (voluntary contributions)	£15.30	£15.40
Class 4 lower profits limit	£9,500 per year	£9,568 per year
Class 4 upper profits limit	£50,000 per year	£50,270 per year
Class 4 rate between lower profits limit and upper profits limit	9%	9%
Class 4 rate above upper profits limit	2%	2%

Class 4 is not payable if pensionable age is reached by the beginning of the tax year.

Class 1A is payable in July and is calculated on the value of taxable benefits provided in the previous tax year.

For more information, contact Hugh, Shirley, Karen or Michael at Hugh Davies & Co on 01722 336647.