

Factsheet 7: Employer Information #2

STAFF, TAX & NATIONAL INSURANCE CONTRIBUTIONS

If you choose to employ your own personal assistants, you need to decide whether to be responsible for PAYE yourself, or to request the Rowan Salary Service to provide this service on your behalf (see Factsheet 14).

If you choose to be personally responsible, you need to first register with the Inland Revenue as a new employer, and they will send you all the relevant information and forms. Contact the special Registration Helpline on 0845 6070143. For other guidance, there is an Employers Helpline 08457 143143, or enquire at your designated tax office.

- You need your new employee's tax code which should be on their P45. If this is not available, contact your tax office for a code to use. The tax code tells you how much they can earn each year without paying tax. It is possible that your personal assistant will not be liable for tax if they do not earn enough.
- If your employees are liable to pay tax, as their employer you will probably forward their deductions to the Collections Agency by monthly or quarterly installments. Use the tax tables to find out how much your assistants have to pay.
- National Insurance Contributions (NIC's) are made up of an employees contribution taken from their wages and a contribution from the employer. You will also be given tables to work this out. Your personal assistant might not be liable for this either. The level of earnings above which NIC's are due changes periodically and is normally announced in the Chancellors budget.

If your payments to the tax office are less than a certain amount per month, you can send them quarterly. This includes all tax and National Insurance contributions.

Version 3.2

Version Date: 2nd August 2005

© The Rowan Organisation Supporting Independent Living