



Hugh Davies & Co.  
CHARTERED ACCOUNTANTS

## National Insurance Contributions (NIC)

£ per week	2010/11	2009/10
Lower earnings limit, primary Class 1	£97	£95
Earnings threshold	£110	£110
Upper earnings limit, primary Class 1	£844	£844
Upper accruals point	£770	£770
Employees' primary Class 1 rate between primary threshold and upper earnings limit	11%	11%
Employees' primary Class 1 rate above upper earnings limit	1%	1%
Secondary threshold	£110	£110
Employers' secondary Class 1 rate above secondary threshold	12.8%	12.8%
Class 1A rate on employer provided benefits	12.8%	12.8%
Class 2 rate	£2.40	£2.40
Class 2 small earnings exception	£5,075	£5,075
Class 3 rate (voluntary contributions)	£12.05	£12.05
Class 4 lower profits limit	£5,715 per year	£5,715 per year
Class 4 upper profits limit	£43,875 per year	£43,875 per year
Class 4 rate between lower profits limit and upper profits limit	8%	8%
Class 4 rate above upper profits limit	1%	1%

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

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