



Class 1 National Insurance thresholds

Class 1 National Insurance thresholds 2023 to 2024

Lower earnings limit	£123 per week £533 per month £6,396 per year
Primary threshold	£242 per week £1,048 per month £12,570. per year
Secondary threshold	£175 per week £758 per month £9,100 per year
Freeport upper secondary threshold	£481 per week £2083 per month £25000 per year
Upper secondary threshold (under 21)	£967 per week £4,189 per month £50,270 per year
Apprentice upper secondary threshold (apprentice under 25)	£967 per week £4,189 per month £50,270 per year
Veterans upper secondary threshold	£967 per week £4,189 per month £50,270 per year
Upper earnings limit	£967 per week £4,189 per month £50,270 per year



Class 1 National Insurance rates

Employee (primary) contribution rates

Deduct primary contributions (employee's National Insurance) from your employees' pay through PAYE.

National Insurance category letter	Earnings at or above lower earnings limit up to and including primary threshold	Earnings above the primary threshold up to and including upper earnings limit	Balance of earnings above upper earnings limit
A	0%	12%	2%
B	0%	5.85%	2%
C	nil	nil	nil
F (Freeport)	0%	12%	2%
H (apprentice under 25)	0%	12%	2%
I (Freeport – married women and widows reduced rate)	0%	5.85%	2%
J	0%	2%	2%
L (Freeport – deferment)	0%	2%	2%
M (under 21)	0%	12%	2%
S (Freeport – state pensioner)	Nil	Nil	Nil
V (veteran)	0%	12%	2%
Z (under 21 – deferment)	0%	2%	2%



Employer (secondary) contribution rates

You pay secondary contributions (employer's National Insurance) to HMRC as part of your [PAYE bill](#).

[Pay employers' PAYE tax and National Insurance.](#)

National Insurance category letter	Earnings at or above lower earnings limit up to and including secondary threshold	Earnings above secondary threshold up to and including Freeport upper secondary threshold	Earnings above Freeport upper secondary threshold up to and including upper earnings limit, upper secondary thresholds for under 21s, apprentices and veterans	Balance of earnings above upper earnings limit, upper secondary thresholds for under 21s, apprentices and veterans
A	0%	13.8%	13.8%	13.8%
B	0%	13.8%	13.8%	13.8%
C	0%	13.8%	13.8%	13.8%
F (Freeport)	0%	0%	13.8%	13.8%
H (apprentice under 25)	0%	0%	0%	13.8%
I (Freeport — married women and widows reduced rate)	0%	0%	13.8%	13.8%
J	0%	13.8%	13.8%	13.8%
L (Freeport — deferment)	0%	0%	13.8%	13.8%
M (under 21)	0%	0%	0%	13.8%
S (Freeport — state pensioner)	0%	0%	13.8%	13.8%
V (veteran)	0%	0%	0%	13.8%



National Insurance category letter	Earnings at or above lower earnings limit up to and including secondary threshold	Earnings above secondary threshold up to and including Freeport upper secondary threshold	Earnings above Freeport upper secondary threshold up to and including upper earnings limit, upper secondary thresholds for under 21s, apprentices and veterans	Balance of earnings above upper earnings limit, upper secondary thresholds for under 21s, apprentices and veterans
Z (under 21 — deferment)	0%	0%	0%	13.8%

Class 1A National Insurance: expenses and benefits

You must pay Class 1A National Insurance on work benefits you give to your employees, for example a company mobile phone. You report and pay Class 1A on expenses and benefits at the end of each tax year.

The National Insurance Class 1A rate on expenses and benefits for 2023 to 2024 is 13.8%.

Find out more about [expenses and benefits for employers](#).

Class 1A National Insurance: termination awards and sporting testimonial payments

Class 1A National Insurance contributions are due on the amount of [termination awards](#) paid to employees which are over £30,000 and on the amount of [sporting testimonial payments](#) paid by independent committees which are over £100,000. You report and pay Class 1A on these types of payments during the tax year as part of your payroll.

The National Insurance Class 1A rate on termination awards and sporting testimonial payments for 2023 to 2024 is 13.8%.

[Pay employers' Class 1A National Insurance](#).

Class 1B National Insurance: PAYE Settlement Agreements (PSAs)

You pay Class 1B National Insurance if you have a [PAYE Settlement Agreement](#). This allows you to make one annual payment to cover all the tax and National Insurance due on small or irregular taxable expenses or benefits for your employees.

The National Insurance Class 1B rate for 2023 to 2024 is 13.8%.

[Pay Class 1B National Insurance](#).