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# MINIMIUM WAGE AND KICK START SCHEME

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# National insurance thresholds for 2021/22:

## Class 1

Software developers have since been provided with the following tables of class 1 national insurance thresholds for 2021/22:

Class 1 NIC thresholds	2021/22	2020/21
	£	£
Lower earnings limit (LEL)	120 per week	120 per week
	520 per month	520 per month
	6,240 per year	6,240 per year
Primary threshold (PT)	184 per week	183 per week
	797 per month	792 per month
	9,568 per year	9,500 per year
Secondary threshold (ST)	170 per week	169 per week
	737 per month	732 per month
	8,840 per year	8,788 per year
Upper earnings limit (UEL)/ upper secondary threshold/ apprentice upper threshold	967 per week	962 per week
	4,189 per month	4,167 per month
	50,270 per year	50,000 per year

The upper secondary threshold (UST) and the apprentice upper secondary threshold (AUST) remain aligned with the value of the upper earnings limit in 2021/22.

## Class 2

For the self-employed in 2021/22:

- small profits threshold (SPT) increases from £6,475 to £6,515 per annum
- weekly rate remains at £3.05 per week

## Class 3

This is the class of NIC that can be used to fill in any gaps that may exist in a person's NIC record. Individuals should access their personal tax account to see whether any such gaps exist and whether they are eligible to pay voluntary contributions to fill them. For 2021/22 the weekly rate increases from £15.30 to £15.40.

## Class 4

Where self-employed profits are higher than the lower profits limit (LPL) class 4NIC is payable. For 2021/22:

- the LPL increases from £9,500 to £9,568 per annum
- upper profits limit increases from £50,000 to £50,270 per annum

# Current rates for the minimum wage

Wage band	Current rate from 1 April 2020	April 2021 rate
25 and over	£8.72	£8.91
21 to 24	£8.20	£8.36
18 to 20	£6.45	£6.56
Under 18	£4.55	£4.62
Apprenticeship	£4.15	£4.30

Rate	2019-20	2020-21
0%	£0 to £12,500. If you earn this much, you won't pay any Income Tax.	£0 to £12,500
Basic rate: 20%	£12,501-£50,000. If you earn between these amounts per year, you pay 20%. Keep in mind that you only pay it on income above £12,500, so 20% tax is not applied to all the money you earn, just the top part.	£12,501-£50,000
Higher rate: 40%	£50,001 to £150,000. If you earn between these figures, you pay 40% Income Tax. Again, you only pay at 40% on income over £50,000, it's not charged on everything you earn, just the bit that takes you above the threshold.	£50,001-£150,000
Additional rate: 45%	Over £150,000. This brings a 45% Income Tax rate for the amount you earn over £150,000 a year.	Over £150,000

# Kick Start Scheme

## Under 18 2020

hourly wage of £4.55 and 25 hours per week = £492.92 (Monthly)  
 $698.75 * 12 = £5915$

## Under 18 2021

hourly wage of £4.62 and 25 hours per week = £500.50 (Monthly)  
 $698.75 * 12 = £6006$

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## 18 – 20 Year Olds 2020

hourly wage of £6.45 and 25 hours per week £698.75 (Monthly)  
 $698.75 * 12 = £8385$

## 18 – 20 Year Olds 2021

hourly wage of £6.56 and 25 hours per week £698.75 (Monthly)  
 $£710.67 * 12 = £8385$

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## 21-24 yr 2020

hourly wage of £8.20 and 25 hours per week = £888.33 (Monthly)  
 $698.75 * 12 = £10660$

## 21-24 yr old 2021

hourly wage of £8.36 and 25 hours per week = £905.67 (Monthly)  
 $698.75 * 12 = £10703.84$