

## Understanding your payslip

So it's payday, time to be rewarded for all your hard work!

You are entitled to an individual, itemised, written pay statement (payslip), at or before the time you are paid. Your payslip doesn't have to be on paper, it could be sent to you by email, or accessed through an employer's intranet website.

### What information must your payslip contain?

By law, your payslip **must** show:

- gross pay, your pay before deductions (for this period)
- tax deducted
- National Insurance contributions
- any other deductions such as pension contributions or student loan repayments
- net amount for this pay (your take-home pay after deductions)
- how the wages are to be paid. Most employers will pay your wages directly into your bank account using BACS (the Bankers Automated Clearing Service).

Other things to look out for:

- your National Insurance number
- your tax code
- any overtime or bonus payment due
- total pay and deductions for current tax year.

### Things to check

- The first thing to check is that all your personal details are correct, including your National Insurance number.
- Check the money has actually been paid into your bank.
- If the total is correct, including any overtime worked or bonus or commission due.
- Make sure you are on the correct tax code. The amount of tax you pay depends on your income. The standard tax code for tax year 2021/22 is 1257L. This means you won't start paying tax until you earn over £12,570 a year.
- If you are on the wrong tax code you could end up paying too much or too little tax. Check the tax code against the notification you should have received from HM Revenue and Customs (HMRC).
- Sometimes when you start a new job you are put on an emergency tax code, but this is usually sorted out quickly and you will be refunded for any overpayments. Visit the [Gov.uk Tax codes website](https://www.gov.uk/tax-codes) for more information on tax codes.
- Check your deductions are correct and your employer is not taking off anything that hasn't been authorised by you.
- If you have been off work sick, check if you have been paid Statutory Sick Pay (SSP). This may be less than your usual rate of pay. SSP Pay will show under your Basic Salary on the payslip. For further information

see [Gov.uk Statutory Sick Pay \(SSP\) website](https://www.gov.uk/statutory-sick-pay).

If there is anything on your payslip you don't understand, or you think a mistake has been made, speak to your employer or payroll department.