

Year 11 | Session 1 | Resource 3

Owning your income tax



Choose two jobs for Li and calculate the total income tax they'd need to pay for each of the two salaries.

Job 1: _____

Question 1: Calculate annual income tax

Band	What's taxable?	Tax to pay
Personal Allowance (0%) £0 to £12,570		$\text{£} ______ \times 0$ = £0
Basic Rate (20%) £12,571 to £50,270		$\text{£} ______ \times 0.20$ = £
Total tax		

Question 2: Calculate monthly income tax

Question 3:

Calculate how much monthly income is left after income tax is deducted _____

Job 2: _____

Question 1: Calculate annual income tax

Band	What's taxable?	Tax to pay
Personal Allowance (0%) £0 to £12,570		$\text{£} ______ \times 0$ = £0
Basic Rate (20%) £12,571 to £50,270		$\text{£} ______ \times 0.20$ = £
Total tax		

Question 2: Calculate monthly income tax

Question 3:

Calculate how much monthly income is left after income tax is deducted _____

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Stretch: Calculate the income tax for a pilot with a salary of £75,000 per year and a footballer with a salary of £175,000.

* People earning between £100,000 and £125,000 gradually lose their entitlement to their personal allowance. By the time they reach £125,000, the personal allowance is gone and everything they earn up to £50,270 is taxed 20%

Job 3: Pilot

Question 1: Calculate annual income tax

Band	What's taxable?	Tax to pay
Personal Allowance (0%) £0 to £12,570		$\text{£} ____ \times 0$ = £0
Basic Rate (20%) £12,571 to £50,270		$\text{£} ____ \times 0.20$ = £
Higher Rate (40%) £50,271 to £125,140		$\text{£} ____ \times 0.40$ = £
Additional Rate (45%) Over £125,140		$\text{£} ____ \times 0.45$ = £
Total tax		

Question 2: Calculate monthly income tax

Question 3:

Calculate how much monthly income is left after income tax is deducted _____

Job 2: Footballer

Question 1: Calculate annual income tax

Band	What's taxable?	Tax to pay
Personal Allowance (0%) £0 to £12,570		
Basic Rate (20%) £12,571 to £50,270		
Higher Rate (40%) £50,271 to £125,140		
Additional Rate (45%) Over £125,140		
Total tax		

Question 2: Calculate monthly income tax

Question 3:

Calculate how much monthly income is left after income tax is deducted _____