

# Module 5 | Session 1 | Resource 1

## Understanding a payslip



Financial Literacy & Inclusion Campaign  
Supported by the Financial Times

### What are the key features of a payslip?

What is gross pay?

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What is net pay?

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What is income tax?

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What is national insurance?

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What is a pension?

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How much is a person allowed to earn before they are taxed?

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Employee No.	Employee	Tax Code	Date	National Insurance No.		
123	Li Smith	1257L	30 - 07 - 2022	AA 12 34 56 Z		
Payments	Units	Rate	Amount	Deductions	Amount	
Basic Pay			£2625	Income Tax	£315.50	
<b>Total Payments</b>			<b>£2625</b>	National Insurance	£208.95	
				Student Loan Plan 2	£31.00	
				Pension	£157.50	
				<b>Total Deductions</b>	<b>£712.95</b>	
Li Smith Address Line 1 Address Line 2 Postcode			Totals This Period		Totals Year To Date	
			<b>Total Payments</b>	<b>£2625</b>	Taxable Gross Pay	£2625
			<b>Total Deductions</b>	<b>£712.95</b>	Income Tax	£315.50
				Employee NIC	£208.95	
				Employer NIC	£280.98	

Net Pay

£1912.05