



Guide to Payroll

Facts and figures 2025/2026

UK wide Tax

UK Personal Allowance	£12,570 pa £1,048 pm £242 pw
Standard/Emergency tax code	1257L

UK Bands England & Northern Ireland

20%	up to £37,700*
40%	from £37,701 - £125,140
45%	above £125,141 >


Welsh Bands C Suffix

20%	up to £1 - £37,700*
40%	from £37,701 - £125,140
45%	above £125,141 >

Scottish Bands S Suffix

19%	up to £2,827*
20%	from £2,828 - £14,921
21%	from £14,922 - £31,092
42%	from £31,093 - £62,430
45%	from £62,431 - £125,140
48%	above £125,141 >

*value above personal allowance

 **Xero Payroll helps you to remain compliant by automatically updating rates and thresholds.**

Statutory Pay

Maternity, Adoption (SMP) (SAP) Paternity, Shared (SPP) (ShPP) Bereavement (SPBP) <i>commence 6th April</i>	£187.18 pw
Statutory Sick Pay (SSP) <i>commence 6th April</i>	£118.75 pw
Small Employers Relief (SER) threshold of combined class 1 NI of prior yr	£45,000 pa
SER Recovery	108.5%
Normal Recovery	92%


National Minimum Wage (NMW)

 **£7.55 Under 19, Apprentice in first year**

 **£7.55 Under 18**

 **£10.00 18 to 20 yr old**

National Living Wage (NLW)

 **£12.21 21 yr old & above**



Year ahead

April

1st - NLW & NMW

6th - P60's live

6th - Start of the new tax year

19th - Final RTI Submission

May

31st - P60 deadline

June

July

6th - P11D for Non-payrolled BIK

6th - Submit P11D (b)

22nd - Payment of class 1A NIC on BIK

August

September

2nd - 6th Let's celebrate National Payroll Week

October

November

December

Don't forget to register BIK for payroll with HMRC

January

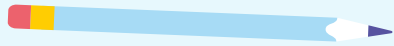
Tax season and SA deadlines



Student loans

Student loan repayment thresholds

Plan 1	Annually £26,065
Plan 2	Annually £28,470
Plan 4	Annually £32,745
Postgraduate	Annually £21,000



Employment allowance £10,500

Review your eligibility and declare your industry each year

* **Xero Payroll automates charges and deduction calculations, helping to make Benefits in Kind easier to process.**

Company Car

CO2 emissions g/km	Electric mileage range	NEDC%	WLTP%
0 to 0	N/A	3	3
1 to 50	130 and above	3	3
	70 to 129	6	6
	40 to 69	9	9
	30 to 39	13	13
	less than 30	15	15
50g/km > Each Additional 5g/km		+1	+1
Non-RDE2 diesel supplement cars	+4		
Maximum benefits charge		37%	37%
Car fuel benefit multiplier	£28,200 pa		
Car - zero carbon emissions	0%		

Company Van

Van benefit charge	£4,020 pa
Van fuel charge	£769 pa
Van - zero carbon emissions	0%

National Insurance rates

Class 1 NICs	Weekly	Monthly	Annual
Lower earnings limit (LEL)	£125	£542	£6,500
Primary threshold (PT)	£242	£1,048	£12,570
Secondary threshold (ST)	£96	£417	£5,000
Freeport upper secondary threshold (FUST)	£481	£2,083	£25,000
Veterans upper secondary threshold (VUST)	£967	£4,189	£50,270
Upper earnings limit (UEL)	£967	£4,189	£50,270
Upper secondary threshold (UST)	£967	£4,189	£50,270
Apprentice upper secondary threshold (AUST) for under 25s	£967	£4,189	£50,270

Class 1A and Class 1B NICs will be calculated at 15%

Employee (primary contributions)	LEL to PT	Above PT to UEL	Above UEL
A, H, M, N, F, V	0%	8.00%	2.00%
D, J, L, Z	0%	2.00%	2.00%
B, E, I	0%	1.85%	2.00%
C, K, S	nil	nil	nil

Employer (secondary contributions)	Earnings below ST	Earnings above ST and below LEL	Earnings above LEL up to and including FUST/IZUST	Above FUST to UST/AUST/VUST	Above UST/AUST/VUST
A, B, C, J	0%	15%	15%	15%	15%
H, M, Z, V	0%	0%	0%	0%	15%
D, E, F, I, K, L, N, S	0%	0%	0%	15%	15%

Workplace pensions



	Weekly	Monthly	Annual
Lower level of qualifying earnings	£120	£520	£6,240
Earnings trigger for automatic enrolment	£192	£833	£10,000
Upper level of qualifying earnings	£967	£4,189	£50,270

8% total minimum contribution



Approved mileage rates

From tax year 2011 to 2012 onwards	First 10,000 business miles in tax year	Each business mile over 10,000 in tax year
Cars and vans	45p	25p
Motor cycles	24p	24p
Bicycles	20p	20p

Car and van passenger payments - 5p per mile

Payroll and accounting in one

- ✓ Pay employees the correct amount, every time
- ✓ HMRC compliance made easy
- ✓ Employee self-service

“Having our payroll and accounting in one system is priceless”

Clemi Hardie, Founder of Noodle Live, UK

- ✓ RTI compliant
- ✓ HMRC recognised

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