



# Tax calculations

Name \_\_\_\_\_ Date \_\_\_\_\_

If it's not too taxing fill out tables 1 & 2 to work out the take-home pay for these people (before National Insurance (NI) is deducted).

1)

Gross income per annum	**Tax Free Allowance	Taxable Amount @ 20%	Tax Payable	Net Income	Weekly Net Income
£12000	£6475				

2)

Gross income per annum	**Tax Free Allowance	Taxable Amount @ 20%	Tax Payable	Net Income	Weekly Net Income
£25000	£6475				

Calculate the Net income for these people after tax and National Insurance.

3)

Gross Income	**Tax Free Allowance	Taxable Amount @ 20%	Tax Payable	** Allowance before NI	** Amount liable for NI (11%)	NI payable	Annual Net Income
£17000	£6475			£5720			

4)

Gross Income	**Tax Free Allowance	Taxable Amount @ 20%	Tax Payable	** Allowance before NI	** Amount liable for NI (11%)	NI payable	Annual Net Income
£25000	£6475			£5720			

\*\*Tax free allowance / NI liability/allowance based on 2010-11 rates. Both rates have been increased for the 2011-2012 tax period. See <http://www.hmrc.gov.uk/rates/it.htm> and <http://www.hmrc.gov.uk/rates/nic.htm> for more info.



# Tax calculations

Name \_\_\_\_\_ Date \_\_\_\_\_



5) The following person earns £6 per hour and works 40 hours per week. Work out their yearly income and fill in the table.

Gross Income	Tax Free Allowance	Taxable Amount @ 20%	Tax Payable	Allowance before National Insurance	Amount liable for national insurance (11%)	National insurance payable	Annual Net Income
	£6475			£5720			

6) This person earns £10 per hour for a 35 hour week plus 5 hours overtime at "time and a half" rate.

Gross Income	Tax Free Allowance	Taxable Amount @ 20%	Tax Payable	Allowance before National Insurance	Amount liable for national insurance (11%)	National insurance payable	Annual Net Income
	£6475			£5720			

7) Why does the Government give people a tax free allowance?

---



---



---

8) What have you noticed about the percentage of wages that people pay in tax as they earn more?

---



---



---

9) Should you be taxed more or less?

---



---