

**INCOME TAX RATES, INCOME SUPPORT/JOBSEEKER'S
ALLOWANCE/EMPLOYMENT AND SUPPORT
ALLOWANCE/STATE PENSION CREDIT BENEFIT RATES,
SOCIAL SECURITY CONTRIBUTIONS RATES AND
INCREASES OF EMPLOYMENT RIGHTS LIMITS FROM
APRIL 2015**

Contents	Paragraphs
Introduction	1 - 2
Uprating	
Benefit rates	3
Trade disputes	4 - 5
Housing costs non-dependant deductions – Income Support/income-based Jobseeker's Allowance/income-related Employment and Support Allowance/State Pension Credit	6
Third party deductions for miscellaneous accommodation costs	7
Social Security Contributions	
Class 1 contributions	8
Class 2 contributions	9
Small earnings exception	10
Class 4 contributions	11
Class 4 rate	12
Income Tax	
Allowances	13
Rates	14

Employment rights – increase of limits 15 – 16

Carer's Allowance – increase of earnings limit 17

Annotations

Contacts

INTRODUCTION

1. This memo contains details about the income tax and the Social Security contribution rates for 2015/2016 and the increase in Income Support/Jobseeker's Allowance/Employment and Support Allowance/State Pension Credit benefit rates from 6.4.15. The rates are introduced by the Social Security Benefits Up-rating Order (Northern Ireland) 2015 (S.R. 2015 No 124), the Social Security Benefits Up-rating Regulations (Northern Ireland) 2015 (SR 2015 No 139), the Social Security (Contributions) (Re-rating and National Insurance Funds Payments) Order 2015 (SI 2015/588), and the Social Security (Contributions) (Limits and Thresholds) (Amendment) Regulations 2015 (SI 2015/577).
2. It also provides details of the increases in the amount of Statutory Guarantee Payments and the Maximum Weekly Amount for the purposes of Employment Rights law as introduced by the Employment Rights (Increase of Limits) Order (Northern Ireland) 2015 (S.R. 2015 No 169). These increases apply from 22.03.15.

UPRATING

Benefit rates

3. New rates of Income Support/Jobseeker's Allowance/Employment and Support Allowance/State Pension Credit benefits will apply from the first day of the first benefit week to commence on or after 6.4.15. Decision makers can find the new rates in benefit desk aids and should bear them in mind when reading examples in the DMG that contain benefit rates.

Trade disputes

4. For Income Support, the relevant sum from the first day of the first benefit week which begins on or after 6.4.15 is £40.50¹.

1 SS C&B (NI) Act 92, sec 125(7)

5. For Jobseeker's Allowance, the prescribed sum from the first day of the first benefit week which begins on or after 6.4.15 is £40.50¹.

1 JSA Regs (NI), reg 170

**Housing costs non-dependant deductions – Income Support/
income-based Jobseeker’s Allowance/income-related Employment
and Support Allowance/State Pension Credit**

6. Where a non-dependant lives with the claimant, a deduction from the allowable housing costs may be appropriate (see DMG 23756, DMG 44586 or DMG 78500 et seq). See Appendix 7 to DMG Chapter 23 for details of previous rates appropriate to Income Support/Jobseeker’s Allowance, Appendix 5 to DMG Chapter 44 for details of previous rates appropriate to Employment and Support Allowance and Appendix 4 to DMG Chapter 78 for details of previous rates appropriate to State Pension Credit.

Gross weekly income	Deduction
less than £129.00	£14.55
£129.00 to £188.99	£33.40
£189.00 to £245.99	£45.85
£246.00 to £327.99	£75.05
£328.00 to £407.99	£85.45
£408.00 or more	£93.80

Third party deductions for miscellaneous accommodation costs

7. The amount for personal expenses for the purposes of deductions for miscellaneous accommodation costs is¹
1. for a single person, £24.00
 2. for a couple where both members are in accommodation where deductions for miscellaneous accommodation costs are appropriate, £24.00 each
 3. in the case of a polygamous marriage, where more than one member of the marriage is in accommodation where deductions for miscellaneous accommodation costs is appropriate, £24.00 for each member in the accommodation.

1 SS (C&P) Regs (NI), Sch 8A, para 4(2A); SS Benefits Up-rating Regulations (NI) 2015

SOCIAL SECURITY CONTRIBUTIONS

Class 1 contributions

8. From 6.4.15 the new earnings limits are as follows:

Lower earnings limit - £112 weekly

Upper earnings limit - £815 weekly

Class 2 contributions

9. The ordinary Class 2 rate is £2.80 per week.

The share fisherman rate is £3.40.

Small earnings exception

10. The small earnings exception limit is £5,965.

Class 4 contributions

11. The rates for Class 4 contributions are:

Lower level - £8,060 per year

Higher level - £42,385 per year

Class 4 rate

12. £8,060 to £42,385 - 9%

Above £42,385 - 2%

INCOME TAX

Allowances

13. The rates for allowances are

Personal - under 65 £10,600

- 65-74 £10,600

- 75 and over £10,660

Married couple - over 75 £8,355

Rates

14. The rates for tax are

Basic rate of 20% - up to £31,785

Higher rate 40% - over £31,785

Additional rate 45% - over £150,000

EMPLOYMENT RIGHTS – INCREASE OF LIMITS

15. The daily amount of a statutory guarantee payment from 22.03.15 is increased from £25.00 to £25.60¹.

1 The Employment Rights (Increase of Limits) Order (NI) 2015, Art 1(1) & Sch

16. The maximum weekly amount in order to calculate certain awards under employment law is increased from £470 to £490 from 22.03.15¹.

1 The Employment Rights (Increase of Limits) Order (NI) 2015, Art 1(1) & Sch

CARER'S ALLOWANCE – INCREASE OF EARNINGS LIMIT

17. The Carer's Allowance weekly earnings limit from 6.4.15 is increased from £102 to £110¹.

1 The Social Security (Invalid Care Allowance) Regs (NI), reg8(1)

ANNOTATIONS

Please annotate the number of this memo (DMG Memo Vol 3/92, 4/128, 5/100, 6/88, 8/68, 9/29, 10/63, 13/61 & 14/57) against the following DMG paragraphs:

Appendix 1, 2 & 6 to Chapter 15, Appendix 1 to Chapter 21, Appendix 7 to Chapter 23, Appendix 2 & 3 to Chapter 26, Appendix 1 & 2 to Chapter 27, 33413, Appendix 5 to Chapter 44, 46223, Appendix 2 & 3 to Chapter 49, Appendix 4 to Chapter 60, Appendix 4 to Chapter 78, 79422 and Appendix 1 & 2 to Chapter 86.

CONTACTS

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