

## Amendment Sheet - 'NI Guidance for Software Developers'

1. Para 1.7 Please amend the last sentence to read:  
  
Alternatively, you can contact the Employer's Helpline 0345 143 143, Mon - Fri between 08:30 and 17:00.
  
2. Page 8 Add the following to the table of validation:  
  
SMP An error message should be displayed to confirm that the employer holds a certificate of confinement. (MAT B1)
  
3. Para 5.1 Appendix A Please amend the last term to read:  
  
ETa Annual Earnings Threshold
  
4. Para 5.2 Please amend to show the following:  
  
For all Employee contribution calculations, if  $GP \leq LEL = \text{No NI Due}$   
  
For all Employer contribution calculations (including director calculations), if  $GP \leq ET = \text{No NI Due}$   
  
NB: Under current rules, earnings in the range  $LEL + 0.01p$  and  $LEL + 0.05p$  inclusive would attract no liability - 10% of 0.01p to 10% of 0.05p rounded down to zero. The intention is to amend regulations so April 1999, earnings in the above range will attract employee £0.01p.  
  
being that, from 6th contributions of
  
5. Para 5.2.3 Appendix B **Calculation One** Amend the legend to read:  
  
$$\underline{ET_{w/m} \geq GP_{w/m}}$$
  
6. Para 5.2.3 Appendix B **Calculation Two** Please replace with (including change to legend):  
  
$$\underline{UEL_{w/m} \geq GP_{w/m}}$$
  
  
$$[(ET_{w/m} - LEL_{w/m}) \times RR(R)] \times p = \text{Rebate}$$
  
  
$$[((GP_{w/m} - ET_{w/m}) \times (ERR - RR))(R)] \times p = \text{Employer Contribution}$$
  
7. Para 5.2.3 Appendix B **Calculation Three** Please replace with:  
  
$$[(ET_{w/m} - LEL_{w/m}) \times RR(R)] \times p = \text{Rebate}$$
  
  
$$[((UEL_{w/m} - ET_{w/m}) \times (ERR - RR))(R) + ((GP_{w/m} - UEL_{w/m}) \times ERR)(R)] \times p = \text{Employer Contribution}$$
  
8. Para 5.3.3 Appendix B **Calculation One** Please replace with (including change to legend):  
  
$$\underline{ET_a \geq GP_{td}}$$
  
  
$$[(GP_{td} - LEL_a^*) \times RR(R)] - \text{Rebate prev claimed} = \text{Rebate due this period}$$
  
9. Para 5.3.3 Appendix B **Calculation Two** Please replace with (including change to legend):  
  
$$\underline{UEL_a \geq GP_{td}}$$
  
  
$$[(ET_a - LEL_a) \times RR(R)] - \text{Rebate Prev Claimed} = \text{Rebate due this period}$$

$(((\text{GPtd} - \text{ETa}) \times (\text{ERR} - \text{RR})) (\text{R}) ] - \text{ERpd} = \text{Employer Contribution due this period}$

10. Para 5.3.3 **Calculation Three** Please replace with:  
Appendix B

$[(\text{ETa} - \text{LELa}) \times \text{RR}) (\text{R}) ] - \text{Rebate Prev Claimed} = \text{Rebate due this period}$

$(((\text{UELa} - \text{ETa}) \times (\text{ERR} - \text{RR}))(\text{R}) + ((\text{GPtd} - \text{UELa}) \times \text{ERR})(\text{R}) ] - \text{ERpd} = \text{Employer Contribution due this period}$

11. Appendix C Please note that there will be three percentage rates for Employee's Percentage Rate (EER) - Not Contracted-Out, Contracted-Out and Reduced Rate.

**IMPORTANT NOTE:**

The 'NI Guidance for Software Developers' is only a **guide** for the development of software products incorporating budget changes. It has not been compiled as a definitive specification and should only be used in conjunction with the information contained within the Employer's Annual Pack. Therefore, the formulae contained within the guide is not exhaustive and developers should continue to create their own formulae for scenarios not covered by the guidance.

Date: 30.11.98