

## **AMENDED - COLLECTION OF STUDENT LOANS (CSL) SPECIFICATION**

1. The Routines described in this Specification below make use of two distinct classes of parameters: Annual Constants (shown in **bold** typeface) whose values are supplied by HM Revenue & Customs, and Weekly/Monthly Constants (shown in *Italics*) derived from them for the payroll run.

### 2. Annual Constants - definitions

#### **Symbol**

Definition 1 - Annual Threshold for CSL

**aT**

Definition 2 - Rate of Student Loan Recovery

**Rs**

3. Annual Constants. The practical maximum field sizes recommended for the Annual Constants are:

<b>aT</b>	-	99999
<b>Rs</b>	-	99.99%

These values will always have to be subject to change but for all practical purposes the maximum values given in the Specification are likely to remain fixed for several years.  
**NB. The first set of parameter values for the Annual Constants were included in Notes on PAYE for Computer Users (Series 9 Number 10) issued in October 1998.**

### 4. Weekly/Monthly Constants

Definition 1 :- Threshold (*T1*) =  $\mathbf{aT} \times \frac{\mathbf{Npp}}{\mathbf{Z}}$

Take the calculations for Definition 1 to 4 decimal places of a pound and then round down, if necessary, to the nearest 1p below.

Having calculated the pay period threshold the Routine will pass through the following stage.

### 5. Calculation of Student Loan Deductible

$\mathbf{SL} = [\mathbf{En} - \mathbf{T1}] \times \mathbf{Rs}$

Take the calculation to 2 decimal places and then round down the result, if necessary, to the nearest pound below.

### Glossary of Symbols

Npp	=	Number of days*/weeks/months in this pay period
Z	=	Number of days*/weeks/months in the tax year
<b>aT</b>	=	Annual Threshold
<b>Rs</b>	=	Rate of Student Loan Recovery
<i>T1</i>	=	Pay period threshold
En	=	Earnings in pay period liable to student loan deductions
SL	=	Student Loan Deductible

**\*Use days only for earnings periods that are longer than 1 week but not a multiple of a week or a month. For earnings periods of less than 7 days, use 1 week.**