



Statutory Maternity Pay Tables

Use from
6 April 2001 to
5 April 2002 inclusive

Contents

	page
General information about Statutory Maternity Pay	
About this leaflet	2
When to start and stop using the tables	2
New Rates of Statutory Maternity Pay	2
The Statutory Maternity Pay (General) (Modification and Amendment) Regulations 2000	2
Employers' Helpline	2
Recovering Statutory Maternity Pay in 2001/2002	3
More information	3
Customer service and education	3
If you are unhappy with our service	3
Statutory Maternity Pay Tables	
Explanation of Statutory Maternity Pay Tables	4
How to work out Statutory Maternity Pay using form SMP3	7
Recovering Statutory Maternity Pay	
Small Employers' Relief Scheme for Statutory Maternity Pay	9

Changes for the 2001/2002 tax year

At the time this leaflet was printed, changes in the rates of Statutory Sick Pay and Statutory Maternity Pay and percentages for recovery under Small Employers' Relief Scheme, and the Gross NIC level to qualify under the Scheme for the 2001/2002 tax year were still subject to Parliamentary approval. Should Parliamentary approval not be obtained, the Inland Revenue will inform you of any further changes before 6 April 2001.

General information about Statutory Maternity Pay

About this leaflet

This leaflet tells you the:

- new lower rate of Statutory Maternity Pay which applies from week commencing Sunday 1 April 2001.

It contains tables to help you work out:

- the important dates in deciding if Statutory Maternity Pay is payable.

It also contains an example of how to work out:

- Statutory Maternity Pay using form SMP3.

You can get more copies of this leaflet and form SMP3 from the Employers Orderline on **0845 7 646 646** or from your nearest Inland Revenue office.

When to start and stop using the tables

Use these tables from 6 April 2001.

Do not use these tables after 5 April 2002.

When paying Statutory Maternity Pay – use the new weekly rate of payment when paying Statutory Maternity Pay from week ending Saturday 7 April 2001. Do not use it after paying Statutory Maternity Pay for week ending Saturday 6 April 2002.

New rates of Statutory Maternity Pay

The Maternity Pay Period always runs for 18 consecutive weeks. Statutory Maternity Pay is payable at two rates:

- the higher rate remains at 90% of the employee's average weekly earnings and is payable for the first 6 weeks for which you pay Statutory Maternity Pay
- the lower rate is £62.20 from 1 April 2001 and is payable for any of the remaining 12 weeks of the 18 week Maternity Pay Period for which Statutory Maternity Pay is paid.

Important

Remember that an employee can still be entitled to Statutory Maternity Pay whether or not she has paid any Class 1 NICs.

The Statutory Maternity Pay (General) (Modification and Amendment) Regulations 2000

These regulations, which come into effect for women with an EWC of 4th March 2001 or later:

- restore the SMP entitlement of certain women who are dismissed or whose employment is terminated during or after the qualifying week without their consent, for example they are dismissed or made redundant.

Employers' Helpline

For the price of a local call, you can now telephone one number to obtain expert guidance on all aspects of National Insurance including Statutory Sick Pay and Statutory Maternity Pay, general PAYE inclusive of P11D, Tax Credits, Student Loan repayments and basic VAT registration.

Call now on 0845 7 143 143

The service is available for PAYE, TAX CREDITS AND STUDENT LOAN REPAYMENTS ENQUIRIES:

Monday to Friday from 8.00 to 20.00
Saturdays, Sundays and Bank Holidays from 8.00 to 17.00
(Except Christmas Day, Boxing Day and New Years Day)

Service is available for National Insurance, Statutory Sick Pay and Statutory Maternity Pay enquiries from Monday to Friday from 8.30 to 17.00

Customers with hearing and/or speech difficulties, who have a textphone, can call on 0845 7 419 402 - Monday to Friday from 8.30 to 17.00

Random calls are listened to or recorded for training purposes and maintaining standards. These tapes are erased after use. If you do not want to have your call recorded, please tell the operator. These procedures comply with OFTEL regulations.

- do not affect women who stop working voluntarily for reasons wholly unconnected with their pregnancy. They will not be entitled to SMP.

For more detailed information see the *Statutory Maternity Pay Manual for employers, CA29*, from April 2001.

Recovering Statutory Maternity Pay in 2001/2002

You can recover 92% of the Statutory Maternity Pay you pay to your employee if you do not qualify for Small Employers' Relief.

For details of the Small Employers' Relief Scheme and to find out if you qualify for Small Employers' Relief, see page 9 of this leaflet.

For the 2001/2002 tax year, employers who qualify as a small employer can recover 100% of the Statutory Maternity Pay that they have paid plus 5% in compensation.

More information

More detailed information on Statutory Maternity Pay is in the *Statutory Maternity Pay Manual for employers, CA29*, from April 2001.

You can get copies of this manual from the Employers Orderline on **0845 7 646 646**. Calls will be charged at the local rate.

We have a range of services for people with disabilities, including leaflets in Braille, audio and large print. For details please ask at your nearest Inland Revenue office or Enquiry Centre.

Customer service and education

Business Support Teams throughout the country are available to give you advice on National Insurance, SSP and SMP. They can outline the help available to businesses and individuals on all National Insurance and PAYE issues, offering advice at no cost to you other than your time.

A wide selection of business advice workshops are available. They are suitable for new employers in their first year of trading or experienced employers who need help with a specific topic.

If you wish to arrange a workshop, you can get in touch with the Business Support Team at your nearest Inland Revenue office. You will find their number in the telephone directory under 'Inland Revenue'.

There is also a special helpline available for new and prospective employers, New Employers Support Initiative (NESI)

**Telephone 0845 60 70 143
(calls charged at local rate)**

Open 8am - 8pm Monday to Friday

If you are unhappy with our service

If you are unhappy with any aspect of the service you have received from Inland Revenue, you should complain to the manager at the office you have been dealing with.

Leaflet IR120 You and the Inland Revenue gives full details of our complaint procedures. You can get this leaflet from any Social Security office, Inland Revenue Enquiry Centre, Citizens Advice Bureau and main libraries.

Statutory Maternity Pay tables

Explanation of Statutory Maternity Pay tables

Column 1 -

Expected Week of Confinement (EWC)

This is the calendar week in which the baby is expected. The dates in this column show a complete calendar week, Sunday to Saturday.

Column 2 - Qualifying Week (QW)

This is the 15th week before the start of the Expected Week of Confinement. The woman must either have been employed by you or be treated as employed for some time during this week. The dates in this column show a complete calendar week, Sunday to Saturday.

A woman may be treated as employed in the Qualifying Week if:

- her baby was born earlier than this week or
- she was not employed during the Qualifying Week because she was absent from work for specific reasons and, depending on the type of employment, has returned to the employment since the Qualifying Week, see the *Statutory Maternity Pay Manual for employers*, CA29, pages 9-14.

Column 3 -

Latest start date for 26 weeks employment

This column shows the last possible date by which an employee must have started working for you for there to be 26 weeks of continuous employment up to and including the Qualifying Week. Please note:

- if you employed the woman, or she can be treated as your employee, for some time during the Qualifying Week, the Qualifying Week counts as a full week of continuous employment
- certain breaks in employment can be treated as part of continuous employment, for further details see the *Statutory Maternity Pay Manual for employers*, CA29, pages 9-14.

Column 4 -

11th week before the EWC commencing Sunday

This column shows the Sunday of the earliest week that the Maternity Pay Period can start, unless the baby was born earlier, see the *Statutory Maternity Pay Manual for employers*, CA29, pages 15-21.

Column 5 - 6th week before the EWC commencing Sunday

This column shows the Sunday of the 6th week before the Expected Week of Confinement. It is relevant if the employee is absent from work with a pregnancy-related illness, see the *Statutory Maternity Pay Manual for employers*, CA29, pages 15-21.

Medical Evidence

You must have medical evidence of the date the baby is due. This will normally be a maternity certificate, form MATB1, but you can accept other medical evidence if it shows the date the baby is due. You cannot accept medical evidence issued more than 14 weeks before the week the baby is expected. The date of issue is the date it was signed by the doctor or midwife, for more information see the *Statutory Maternity Pay Manual for employers*, CA29, page 8.

The Statutory Maternity Pay tables can help you to find the 14th week to check if the MATB1 is issued too early.

By using columns 1 and 2 of the tables to find the EWC and the QW, you can determine the 14th week before the week the baby is expected by moving to the next line down in column 2.

Example

The EWC (Col 1) is 22 July 2001 to 28 July 2001
The QW (Col 2) is therefore 8 April 2001 to 14 April 2001, ie. the 15th week before the EWC.

The next week down in column 2 is 15 April 2001 to 21 April 2001, the 14th week before the week the baby is expected.

You would not be able to accept a MATB1 which had been signed earlier than 15 April 2001.

Column 1	Column 2	Column 3	Column 4	Column 5
Expected Week of Confinement week commencing Sunday	Qualifying week (QW) commencing Sunday	Latest start date for 26 weeks employment Saturday	11th week before the EWC commencing Sunday	6th week before the EWC commencing Sunday
(See note 1)	(See note 2)	(See note 3)	(See note 4)	(See note 5)
25/02/01 to 03/03/01	12/11/00 to 18/11/00	27/05/00	10/12/00	14/01/01
04/03/01 to 10/03/01	19/11/00 to 25/11/00	03/06/00	17/12/00	21/01/01
11/03/01 to 17/03/01	26/11/00 to 02/12/00	10/06/00	24/12/00	28/01/01
18/03/01 to 24/03/01	03/12/00 to 09/12/00	17/06/00	31/12/00	04/02/01
25/03/01 to 31/03/01	10/12/00 to 16/12/00	24/06/00	07/01/01	11/02/01
01/04/01 to 07/04/01	17/12/00 to 23/12/00	01/07/00	14/01/01	18/02/01
08/04/01 to 14/04/01	24/12/00 to 30/12/00	08/07/00	21/01/01	25/02/01
15/04/01 to 21/04/01	31/12/00 to 06/01/01	15/07/00	28/01/01	04/03/01
22/04/01 to 28/04/01	07/01/01 to 13/01/01	22/07/00	04/02/01	11/03/01
29/04/01 to 05/05/01	14/01/01 to 20/01/01	29/07/00	11/02/01	18/03/01
06/05/01 to 12/05/01	21/01/01 to 27/01/01	05/08/00	18/02/01	25/03/01
13/05/01 to 19/05/01	28/01/01 to 03/02/01	12/08/00	25/02/01	01/04/01
20/05/01 to 26/05/01	04/02/01 to 10/02/01	19/08/00	04/03/01	08/04/01
27/05/01 to 02/06/01	11/02/01 to 17/02/01	26/08/00	11/03/01	15/04/01
03/06/01 to 09/06/01	18/02/01 to 24/02/01	02/09/00	18/03/01	22/04/01
10/06/01 to 16/06/01	25/02/01 to 03/03/01	09/09/00	25/03/01	29/04/01
17/06/01 to 23/06/01	04/03/01 to 10/03/01	16/09/00	01/04/01	06/05/01
24/06/01 to 30/06/01	11/03/01 to 17/03/01	23/09/00	08/04/01	13/05/01
01/07/01 to 07/07/01	18/03/01 to 24/03/01	30/09/00	15/04/01	20/05/01
08/07/01 to 14/07/01	25/03/01 to 31/03/01	07/10/00	22/04/01	27/05/01
15/07/01 to 21/07/01	01/04/01 to 07/04/01	14/10/00	29/04/01	03/06/01
22/07/01 to 28/07/01	08/04/01 to 14/04/01	21/10/00	06/05/01	10/06/01
29/07/01 to 04/08/01	15/04/01 to 21/04/01	28/10/00	13/05/01	17/06/01
05/08/01 to 11/08/01	22/04/01 to 28/04/01	04/11/00	20/05/01	24/06/01
12/08/01 to 18/08/01	29/04/01 to 05/05/01	11/11/00	27/05/01	01/07/01
19/08/01 to 25/08/01	06/05/01 to 12/05/01	18/11/00	03/06/01	08/07/01
26/08/01 to 01/09/01	13/05/01 to 19/05/01	25/11/00	10/06/01	15/07/01
02/09/01 to 08/09/01	20/05/01 to 26/05/01	02/12/00	17/06/01	22/07/01
09/09/01 to 15/09/01	27/05/01 to 02/06/01	09/12/00	24/06/01	29/07/01
16/09/01 to 22/09/01	03/06/01 to 09/06/01	16/12/00	01/07/01	05/08/01
23/09/01 to 29/09/01	10/06/01 to 16/06/01	23/12/00	08/07/01	12/08/01
30/09/01 to 06/10/01	17/06/01 to 23/06/01	30/12/00	15/07/01	19/08/01
07/10/01 to 13/10/01	24/06/01 to 30/06/01	06/01/01	22/07/01	26/08/01
14/10/01 to 20/10/01	01/07/01 to 07/07/01	13/01/01	29/07/01	02/09/01
21/10/01 to 27/10/01	08/07/01 to 14/07/01	20/01/01	05/08/01	09/09/01
28/10/01 to 03/11/01	15/07/01 to 21/07/01	27/01/01	12/08/01	16/09/01
04/11/01 to 10/11/01	22/07/01 to 28/07/01	03/02/01	19/08/01	23/09/01
11/11/01 to 17/11/01	29/07/01 to 04/08/01	10/02/01	26/08/01	30/09/01
18/11/01 to 24/11/01	05/08/01 to 11/08/01	17/02/01	02/09/01	07/10/01
25/11/01 to 01/12/01	12/08/01 to 18/08/01	24/02/01	09/09/01	14/10/01

Column 1	Column 2	Column 3	Column 4	Column 5
Expected Week of Confinement week commencing Sunday	Qualifying week (QW) commencing Sunday	Latest start date for 26 weeks employment Saturday	11th week before the EWC commencing Sunday	6th week before the EWC commencing Sunday
(See note 1)	(See note 2)	(See note 3)	(See note 4)	(See note 5)
02/12/01 to 08/12/01	19/08/01 to 25/08/01	03/03/01	16/09/01	21/10/01
09/12/01 to 15/12/01	26/08/01 to 01/09/01	10/03/01	23/09/01	28/10/01
16/12/01 to 22/12/01	02/09/01 to 08/09/01	17/03/01	30/09/01	04/11/01
23/12/01 to 29/12/01	09/09/01 to 15/09/01	24/03/01	07/10/01	11/11/01
30/12/01 to 05/01/02	16/09/01 to 22/09/01	31/03/01	14/10/01	18/11/01
06/01/02 to 12/01/02	23/09/01 to 29/09/01	07/04/01	21/10/01	25/11/01
13/01/02 to 19/01/02	30/09/01 to 06/10/01	14/04/01	28/10/01	02/12/01
20/01/02 to 26/01/02	07/10/01 to 13/10/01	21/04/01	04/11/01	09/12/01
27/01/02 to 02/02/02	14/10/01 to 20/10/01	28/04/01	11/11/01	16/12/01
03/02/02 to 09/02/02	21/10/01 to 27/10/01	05/05/01	18/11/01	23/12/01
10/02/02 to 16/02/02	28/10/01 to 03/11/01	12/05/01	25/11/01	30/12/01
17/02/02 to 23/02/02	04/11/01 to 10/11/01	19/05/01	02/12/01	06/01/02
24/02/02 to 02/03/02	11/11/01 to 17/11/01	26/05/01	09/12/01	13/01/02
03/03/02 to 09/03/02	18/11/01 to 24/11/01	02/06/01	16/12/01	20/01/02
10/03/02 to 16/03/02	25/11/01 to 01/12/01	09/06/01	23/12/01	27/01/02
17/03/02 to 23/03/02	02/12/01 to 08/12/01	16/06/01	30/12/01	03/02/02
24/03/02 to 30/03/02	09/12/01 to 15/12/01	23/06/01	06/01/02	10/02/02
31/03/02 to 06/04/02	16/12/01 to 22/12/01	30/06/01	13/01/02	17/02/02
07/04/02 to 13/04/02	23/12/01 to 29/12/01	07/07/01	20/01/02	24/02/02
14/04/02 to 20/04/02	30/12/01 to 05/01/02	14/07/01	27/01/02	03/03/02
21/04/02 to 27/04/02	06/01/02 to 12/01/02	21/07/01	03/02/02	10/03/02
28/04/02 to 04/05/02	13/01/02 to 19/01/02	28/07/01	10/02/02	17/03/02
05/05/02 to 11/05/02	20/01/02 to 26/01/02	04/08/01	17/02/02	24/03/02
12/05/02 to 18/05/02	27/01/02 to 02/02/02	11/08/01	24/02/02	31/03/02
19/05/02 to 25/05/02	03/02/02 to 09/02/02	18/08/01	03/03/02	07/04/02
26/05/02 to 01/06/02	10/02/02 to 16/02/02	25/08/01	10/03/02	14/04/02
02/06/02 to 08/06/02	17/02/02 to 23/02/02	01/09/01	17/03/02	21/04/02
09/06/02 to 15/06/02	24/02/02 to 02/03/02	08/09/01	24/03/02	28/04/02
16/06/02 to 22/06/02	03/03/02 to 09/03/02	15/09/01	31/03/02	05/05/02
23/06/02 to 29/06/02	10/03/02 to 16/03/02	22/09/01	07/04/02	12/05/02
30/06/02 to 06/07/02	17/03/02 to 23/03/02	29/09/01	14/04/02	19/05/02
07/07/02 to 13/07/02	24/03/02 to 30/03/02	06/10/01	21/04/02	26/05/02
14/07/02 to 20/07/02	31/03/02 to 06/04/02	13/10/01	28/04/02	02/06/02
21/07/02 to 27/07/02	07/04/02 to 13/04/02	20/10/01	05/05/02	09/06/02
28/07/02 to 03/08/02	14/04/02 to 20/04/02	27/10/01	12/05/02	16/06/02

How to work out Statutory Maternity Pay using form SMP3

Example

An employee, Jane Gray, is expecting a baby.

First check her maternity certificate (MAT B1) for the date the baby is due.

Jane's baby is due on 7 November 2001.

In the Statutory Maternity Pay tables, look up:

- the Expected Week of Confinement in column 1.
This will be 04/11/01 - 10/11/01
- the Qualifying Week in column 2.
This will be 22/07/01 - 28/07/01

Was Jane employed, or can she be treated as employed, by you in the Qualifying Week?

Next, you must check if she has been continuously employed by you for 26 weeks up to and including the Qualifying Week. Column 3 of the Statutory Maternity Pay tables shows the latest date she can start work for you and still complete 26 weeks' employment.

Jane has been continuously employed by you since before 4 February 2001 so she satisfies this condition.

Now you must work out Jane's average weekly earnings. You usually use the eight weeks ending on the last payday on or before the Saturday of the Qualifying Week.

Can I pay Statutory Maternity Pay?

- 2 To work out the Expected Week of Confinement (EWC) find out the:
- date your employee's baby is due by checking her form MATB1, and
 - week the baby is due from column 1 on the SMP tables CA36.

When does the EWC start?

4 / 11 / 01

- 3 To find out the Qualifying Week (QW):
- count back 15 weeks from the beginning of the EWC, or
 - look up the date in column 2 on the SMP tables CA36.

When does the QW start?

22 / 07 / 01

- 4 Check she will be employed by you in the QW. Please note, she still counts as 'employed by you' if she had her baby prematurely before the QW, but would have still been 'employed by you' if she hadn't.

Is she / can she be treated as employed in the QW?

Yes Go to step 5

No You **cannot** pay SMP. Give her form SMP1 and note this on your own SMP record.

♦ please turn over

Can I pay Statutory Maternity Pay? (continued)

- 5 Check that you have employed her continuously for at least 26 weeks up to and including the QW. This is called the 26 week employment rule. Column 3 of the SMP tables CA36 shows the Saturday date for the last week in which she can start work for you and still complete 26 weeks of employment.

Does she satisfy the 26 week employment rule?

Yes Go to step 6

No You **cannot** pay SMP. Give her form SMP1 and note this on your own SMP record.

- 6 Work out your employee's average weekly earnings. You usually use the 8 weeks ending with the last payday before the end of the QW, see paragraphs 44 to 51 of CA29. If she had her baby in the QW or earlier, take the 8 weeks ending with the payday before she had her baby. SMP is payable to employees whose average weekly earnings are at or above the lower earnings limit. You can find the lower earnings limit for each year in the SMP tables CA36. You may wish to use the space below to record your calculation of her average weekly earnings.

What are her average weekly earnings?

£ 196.18

Are her average weekly earnings less than the lower earnings limit?

Yes You **cannot** pay SMP. Give her form SMP1 and note this on your own SMP record.

No Go to step 7

Text and form continue on page 8.

Example (continued)

Jane's average weekly earnings are £196.18 which is more than the lower earnings limit for 2001/02, ie. £72.00.

Find out the date Jane wants to start her maternity leave.

This is 12 October 2001.

You must now work out the start of the Maternity Pay Period.

This will be 14 October 2001.

Then work out the higher rate of Statutory Maternity Pay, 90% of average weekly earnings.

For Jane, this is £176.57.

This is payable for the first six weeks you pay.

Your company does not have an occupational maternity pay scheme, but you decide to pay Jane her normal wages while she is on maternity leave.

Now, check if there is a reason you cannot pay Statutory Maternity Pay.

None of these reasons apply.

Jane works for you on 25 and 26 October, so Statutory Maternity Pay is not payable for that week. Remember Statutory Maternity Pay lost in this way is at the lower rate first so six weeks at the higher rate are still payable.

You must continue to pay Statutory Maternity Pay at the lower rate after you have paid six weeks at the higher rate.

Jane returns to work on 21 January 2002.

You cannot pay her any Statutory Maternity Pay after 19 January 2002.

When do I start to pay?

- Find out the date your employee wants to start her maternity absence. She must give you reasonable notice of her maternity absence. See paragraph 15 of CA29.
- The overall time you could pay your employee SMP is called the Maternity Pay Period (MPP). It usually starts on the Sunday after the day she has last worked and can last up to 18 weeks. The earliest an MPP can start is 11 weeks before the EWC. However, if she has the baby early, the MPP starts on the Sunday after the baby's date of birth. The latest the MPP can start is the Sunday following the baby's date of birth. If your employee is absent with a pregnancy related illness, see paragraphs 29 and 30 of CA29.

When does she want the maternity absence to start?

12 / 10 / 01 *Go to step 8*

When do you expect the MPP to start?

14 / 10 / 01 *Go to step 9*

How much do I pay?

- There are 2 rates of SMP. You will pay SMP at the higher rate for the first 6 weeks of payment. The higher rate is 90% of her average weekly earnings as shown at step 6, rounded up to the nearest whole pence. If the lower rate of SMP exceeds 90% of her average weekly earnings, the lower rate of SMP is payable throughout the 18 weeks.

The lower rate is a set amount fixed by the Government. The SMP tables CA36 shows the current rate.

Do not pay SMP for a week, or part week, starting on a Sunday, your employee does any work for you. Any SMP lost in this way is always at the lower rate first. If your employee does work in any week, the MPP cannot be extended. SMP will be payable for any weeks remaining in the MPP during which your employee has not worked for you. See paragraph 65 of CA29 if your employee works for someone else.

What amount will you start to pay?

£ 176.57 *Go to step 10*

† please see opposite page

What happens now?

- Keep this form until your employee is due to stop work. Before SMP is paid, check there is no reason to stop you from paying SMP, that is, if your employee:

- did not give you reasonable notice of her maternity absence
- did not give you medical evidence of her EWC at all or in time, or
- was in legal custody at some time in the first week of the MPP.

Do any of these apply?

- Yes *You cannot pay SMP. Give her form SMP1 and note this on your own SMP record.*
- No *SMP is payable. Go to step 11*

Recovering Statutory Maternity Pay

Small Employers' Relief Scheme for Statutory Maternity Pay

Can I claim back any Statutory Maternity Pay?

The rules about recovery of Statutory Maternity Pay changed in September 1994. Since then, employers who do not qualify for Small Employers' Relief can recover 92% of the Statutory Maternity Pay paid to their employees.

Employers who qualify for Small Employers' Relief, in 2001/02 can recover 100% of the Statutory Maternity Pay they have paid their employees plus 5% compensation.

How to work out if you qualify in 2001/02

For the 2001/02 tax year, a small employer will continue to be defined as an employer who paid, or was liable to pay, gross Class 1 National Insurance contributions (including employer's and employees' share but excluding Class 1A and Class 1B contributions but taking into account any National Insurance contributions rebate) of £20,000 or less in the qualifying tax year. The qualifying tax year is defined as the last complete tax year before the employee's qualifying week.

For qualifying weeks beginning:

Sunday 8 April 2001 to Sunday 31 March 2002 inclusive, the qualifying tax year is 2000/2001

Sunday 9 April 2000 to Sunday 1 April 2001 inclusive, the qualifying tax year is 1999/2000

What to do if you are a new employer If you were a new employer for less than twelve months in the qualifying tax year:

To work out if you qualify for Small Employers' Relief:

- 1 Add together the total Class 1 National Insurance contributions due in the year
- 2 Divide by the number of months you were an employer **and**
- 3 Multiply by twelve

Example

Your employee's qualifying week begins Sunday 8 April 2001 so the qualifying tax year is 2000/01

In 2000/01 your Class 1 National Insurance contribution liability was:

Tax month	9	£1300
Tax month	10	£1250
Tax month	11	£1920
Tax month	12	£1270

Total **£5740**

£5740 divided by 4 = £1435
£1435 multiplied by 12 = £17220

This is less than the set amount set for 2000/01, ie £20000, so you would qualify for Small Employers' Relief.

If you become an employer in 2001/2002

To work out if you qualify for Small Employers' Relief:

- 1 Add together the total Class 1 National insurance contributions due to date
- 2 Divide by the number of months **and**
- 3 Multiply by 12.

Example

Your employee's qualifying week begins Sunday 25 November 2001 so the qualifying tax year is 2000/01 but you had no liability to pay in that year.

In 2001/02 your Class 1 National Insurance contribution liability is:

Tax month	2	£1420
Tax month	3	£1750
Tax month	4	£1470
Tax month	5	£1230
Tax month	6	£1920
Tax month	7	£2030
Tax month	8	£1940
Tax month	9	£1750

Total **£13510**

£13510 divided by 8 = £1688.75

£1688.75 multiplied by 12 = £20265

This is more than the set amount for 2001/02 so you would not qualify for Small Employers' Relief.

How to get your money back

Deduct the amount you are entitled to recover from your payments to the Inland Revenue. You do not need to make a special entry.

Records you must keep

Record the amount of Statutory Maternity Pay you are due to recover on your employee's form P12.

This leaflet gives general guidance only and should not be treated as a complete and authoritative statement of the law.

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