

Class 1 National Insurance thresholds

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2025 to 2026

Lower earnings limit	£125 per week £542 per month £6,500 per year
Primary threshold	£242 per week £1,048 per month £12,570 per year
Secondary threshold	£96 per week £417 per month £5,000 per year
Freeport upper secondary threshold	£481 per week £2,083 per month £25,000 per year
Investment Zone upper secondary threshold	£481 per week £2,083 per month £25,000 per year
Upper secondary threshold (under 21)	£967 per week £4,189 per month £50,270 per year
Apprentice upper secondary threshold (apprentice under 25)	£967 per week £4,189 per month £50,270 per year
Veterans upper secondary threshold	£967 per week £4,189 per month £50,270 per year
Upper earnings limit	£967 per week £4,189 per month £50,270 per year



Class 1 National Insurance rates

Employee (primary) contribution rates

National Insurance category letter	Earnings at or above lower earnings limit up to and including primary threshold	Earnings above the primary threshold up to and including upper earnings limit	Balance of earnings above upper earnings limit
A	0%	8%	2%
B	0%	1.85%	2%
C	nil	nil	nil
D (Investment Zone — deferment)	0%	2%	2%
E (Investment Zone — married women and widows reduced rate)	0%	1.85%	2%
F (Freeport)	0%	8%	2%
H (apprentice under 25)	0%	8%	2%
I (Freeport – married women and widows reduced rate)	0%	1.85%	2%
J	0%	2%	2%
K (Investment Zone — state pensioner)	Nil	Nil	Nil
L (Freeport – deferment)	0%	2%	2%
M (under 21)	0%	8%	2%
N (Investment Zone)	0%	8%	2%
S (Freeport – state pensioner)	Nil	Nil	Nil



National Insurance category letter	Earnings at or above lower earnings limit up to and including primary threshold	Earnings above the primary threshold up to and including upper earnings limit	Balance of earnings above upper earnings limit
V (veteran)	0%	8%	2%
Z (under 21 – deferment)	0%	2%	2%

Employer (secondary) contribution rates

You pay secondary contributions (employer's National Insurance) to HMRC as part of your PAYE bill. Find out more about [running payroll and paying HMRC](#).

[Pay employers' PAYE tax and National Insurance](#).

National Insurance category letter	Earnings above secondary threshold up to and including lower earnings limit	Earnings above lower earnings limit up to and including Freeport and Investment Zone upper secondary thresholds	Earnings above Freeport and Investment Zone upper secondary thresholds up to and including upper earnings limit, upper secondary thresholds for under 21s, apprentices and veterans	Balance of earnings above upper earnings limit, upper secondary thresholds for under 21s, apprentices and veterans
A	15%	15%	15%	15%
B	15%	15%	15%	15%
C	15%	15%	15%	15%
D (Investment Zone — deferment)	0%	0%	15%	15%
E (Investment Zone — married women and	0%	0%	15%	15%



National Insurance category letter	Earnings above secondary threshold up to and including lower earnings limit	Earnings above lower earnings limit up to and including Freeport and Investment Zone upper secondary thresholds	Earnings above Freeport and Investment Zone upper secondary thresholds up to and including upper earnings limit, upper secondary thresholds for under 21s, apprentices and veterans	Balance of earnings above upper earnings limit, upper secondary thresholds for under 21s, apprentices and veterans
widows reduced rate)				
F (Freeport)	0%	0%	15%	15%
H (apprentice under 25)	0%	0%	0%	15%
I (Freeport — married women and widows reduced rate)	0%	0%	15%	15%
J	15%	15%	15%	15%
K (Investment Zone — state pensioner)	0%	0%	15%	15%
L (Freeport — deferment)	0%	0%	15%	15%
M (under 21)	0%	0%	0%	15%
N (Investment Zone)	0%	0%	15%	15%
S (Freeport — state pensioner)	0%	0%	15%	15%



National Insurance category letter	Earnings above secondary threshold up to and including lower earnings limit	Earnings above lower earnings limit up to and including Freeport and Investment Zone upper secondary thresholds	Earnings above Freeport and Investment Zone upper secondary thresholds up to and including upper earnings limit, upper secondary thresholds for under 21s, apprentices and veterans	Balance of earnings above upper earnings limit, upper secondary thresholds for under 21s, apprentices and veterans
V (veteran)	0%	0%	0%	15%
Z (under 21 – deferment)	0%	0%	0%	15%

Class 1A National Insurance: expenses and benefits

You must pay Class 1A National Insurance on work benefits you give to your employees, for example a company mobile phone. You report and pay Class 1A on expenses and benefits at the end of each tax year.

The National Insurance Class 1A rate on expenses and benefits for 2025 to 2026 is 15.00%.

Find out more about [expenses and benefits for employers](#).

Class 1A National Insurance: termination awards and sporting testimonial payments

Class 1A National Insurance contributions are due on the amount of [termination awards](#) paid to employees which are over £30,000 and on the amount of [sporting testimonial payments](#) paid by independent committees which are over £100,000. You report and pay Class 1A on these types of payments during the tax year as part of your payroll.

The National Insurance Class 1A rate on termination awards and sporting testimonial payments for 2025 to 2026 is 15%.

[Pay employers' Class 1A National Insurance](#).



Class 1B National Insurance: PAYE Settlement Agreements (PSAs)

You pay Class 1B National Insurance if you have a [PAYE Settlement Agreement](#). This allows you to make one annual payment to cover all the tax and National Insurance due on small or irregular taxable expenses or benefits for your employees

The National Insurance Class 1B rate for 2025 to 2026 is 15%.

[Pay Class 1B National Insurance.](#)

