

Income tax 2017–2018

D Gale

Everyone in the UK has a personal allowance. This is their annual amount of tax-free income. The standard personal allowance for 2017–2018 is £11 500

Rate	Taxable income
Basic: 20%	up to £33 500
Higher: 40%	over £33 500 and up to £150 000
Additional: 45%	over £150 000

National Insurance (NI) 2017–2018

Percentage NI due	Minimum weekly income	Maximum weekly income	Minimum yearly income	Maximum yearly income
0%		£157		£8164
12%	£157.01	£866	£8164.01	£45 032
2%	above £866		above £45 032	

Martin currently works at home earning £17 300 (gross) per year.

He is tempted to take a job working four days a week with a gross salary of £19 000 per year.

He will have to pay for travel costs and for membership of his profession's association.

Travel costs £4 per day

Association membership £20 per month

The association membership is tax deductible so he does not have to pay income tax or national insurance on it.

Martin would have three weeks of paid holiday where he would not need to travel.

Assuming that Martin is going to make his decision on a purely financial basis, would you recommend he applies for this job?