

PREMIER TRAINING

Level 2 or Level 3?

One of the most common questions we get asked at Premier Training concerns the most appropriate level to choose when starting the AAT Payroll qualification. It is possible to start at Level 3 but it should be remembered that this level assumes a certain amount of knowledge of basic payroll.

In order to help you judge whether you need to brush up on these skills and to give your tutor an idea of your current knowledge, we have designed a short series of tasks covering Taxable pay, Income Tax calculations, National Insurance tables, and recovery rules for Statutory payments. These tasks should take about 40 minutes to complete.

You can download the tasks, complete either on the computer or manually, and then return to Premier Training, either by email or post. A tutor will then review your answers and telephone you to discuss the most appropriate level for you. Please ensure that you complete the details below.

Name	
Address	
Contact telephone number	
Email	
Date completed	
Brief outline of your experience to date	

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1) George Ellis is paid monthly and in April 2007 he receives the following payments:

Basic Pay	£1,000.00
Overtime	£ 103.25
Bonus	£ 200.00

He contributes 5% of basic pay to an occupational pension fund.

What would his Taxable pay be for this month?

- 2) Mr Andrew Murphy's contributes to the company pension scheme which is a COMP arrangement and employee's contributions are 6% of basic pay only. You do not hold an age exception certificate or a Certificate of Deferment for him. Which National Insurance table would you use?
- 3) Mrs Maureen Morgan contributes to a personal pension plan of £100 per month. You do not hold an age exception certificate or a certificate of deferment for her. Which National Insurance Table would you use?
- 4) Mr Joseph West contributes to COSR company pension scheme and pays 10% of basic pay only. You do not hold an age exception certificate or a Certificate of Deferment for him. Which National Insurance table would you use?
- 5) Maud Atkin has not joined any pension scheme and is 67 years old (you have a copy of her birth certificate) Which National Insurance table would you use?
- 6) Miss Maureen Morgan gross pay for June is £508.00 Her tax code is 568L M1 Please calculate Maureen's tax due showing all calculations.
- 7) Mr James Russell gross pay for June 2007 is £3842.00. His tax code is K62 cumulative. Taxable pay to date £4,000.00 Tax paid to date £858.00 Please calculate James's tax due showing all calculations.
- 8) If an Employer Class 1A NIC payment for July totals £696.10. The total SSP paid during July was £204.60. How much SSP can you recover?
Remember SSP can be recovered if the total amount paid in a tax month exceeds 13% of the total Class 1 NIC's for that month
- 9) Can SPP be recovered? If yes, how much can be recovered if the Employer's annual NIC's are £40,000 and the SPP in July was £451.00