

AAT Personal Tax AQ2016 FA 2016 Course Book errata

The **bolded and underlined** text shows the necessary amendments required.

Page 27 – Illustration 3 - Bill

Secondary contributions

	£
11 months	
$\pounds(3,400 - 676) = \pounds2,724 \times 13.8\% \times 11$	4,135
1 month (December)	
$\pounds(3,400 + 3,000 - 676) = \pounds5,724 \times 13.8\%$	790
Total secondary contributions	4,925

Page 241 – Elizabeth

3 Elizabeth's primary contributions are £ **4,253**

Elizabeth's secondary contributions are £ **5,229**

Elizabeth is a director so her National Insurance is calculated on a cumulative basis. This means that the calculation can be one on an annual basis.

Her annual earnings are $\pounds36,000 + \pounds10,000 = \pounds46,000$

Primary contributions

	£
$\pounds(43,000 - 8,060) = \pounds34,940 \times 12\%$ (main)	4,193
$\pounds(46,000 - 43,000) = \pounds3,000 \times 2\%$ (additional)	60
Total primary contributions	<u>4,253</u>

Secondary contributions

	£
$\pounds(46,000 - 8,112) = \pounds37,888 \times 13.8\%$	<u>5,229</u>