

Payslips

Understanding your payslip

Organisations you work for must provide you with a payslip. You should check your payslips and keep them for at least a year.

Why is important to check your payslip?

- To make sure you are being paid correctly.
- To make sure you are taxed correctly. If you are taxed too much you can claim the difference back. You should contact HMRC if you have any queries. If you are taxed too little, you will need to pay it back eventually.

Important Tips:

P45

- When you stop working for an employer you should automatically be given a P45.
- If you do not receive one then ask for it, you are entitled to it by law and it is really important that you have one.
- The P45 states all the earnings details from that tax year of that job. You can then give the correct part of the form to your next employer to make sure that you are then not overtaxed or run into problems.
- If you lose your P45 then you will **not** be able to get a replacement.

P60

- A P60 is a statement issued at the end of each tax year (which is in April, not January).
- It is important a taxpayer does not destroy the P60 forms issued to them, as they are crucial bits of paperwork that cannot be replaced.
- As an adult, you may be filling in forms that require P60's for anything up to 20 years of employment. This is why you should keep your P60s permanently safe.