2.2.3: Class 1 Contributions – employers

Employers also must pay Class 1 NICs (known as ‘**Class 1 secondary’**) once the employee’s earnings exceed the **secondary threshold.**

The secondary threshold levels have sometimes matched those for primary Class 1 payments, but in the current tax year, the secondary threshold (ST) is lower at £96.00 per week (£5,000 per annum).

There is one other crucial difference: there is **no UEL for employers**, so they pay the same level of NICs on **all** earnings above the ST. The current rates of secondary Class 1 NICs as shown in the R03 tax tables are:

Earnings up to the ST (£96 pw or £5,000 pa)	0%
Earnings above the ST (no limit)	15% (the ‘main rate’)