

## National insurance

### What is national insurance

National insurance is a kind of government insurance scheme which helps to pay for certain benefits including **State Retirement Pension**.

Most people who work in the UK have to pay **national insurance contributions**. The amount you pay depends on how much you earn and whether you're employed or self-employed.

If you're employed, you pay **Class 1 contributions**. These are taken off your wages, together with income tax, and paid to the government by your employer. Your employer also has to pay contributions.

If you're self employed, you pay **Class 2 contributions** and, if your profits are high enough, **Class 4 contributions**. You are responsible for paying your own contributions direct to the government.

To pay national insurance contributions, you must have a national insurance number – known as a **NINO**.

Paying national insurance contributions in the UK may help you build up entitlement to benefits in other European countries.

### Who has to pay national insurance

You must pay national insurance if you're working in the UK, you're 16 or over and you're earning more than a certain amount. You stop paying when you reach state pension age.

Your state pension age depends on when you were born. You can use a calculator on the GOV.UK website at [www.gov.uk/calculate-state-pension](http://www.gov.uk/calculate-state-pension) to find out what it is.

People who earn very little don't pay national insurance. If you are self-employed, it's important to apply for an exception if you are on low earnings.

For most people, it's against the law not to pay national insurance. Some employers may offer you a job without paying tax or national insurance (known as cash in hand). This is against the law – for both you and your employer – and you should avoid this kind of job.

### How to get a national insurance number

You must have the right to work or study in the UK to get a national insurance number (NINO).

[www.adviceguide.org.uk](http://www.adviceguide.org.uk)

If you don't already have a NINO, you'll need to apply for one if:

- you start working for an employer or become self-employed. Apply for a NINO by phoning Jobcentre Plus on 0845 600 0643, or
- you or your partner needs to claim benefits or tax credits. The benefit office dealing with your claim will start the NINO application process, or
- you have applied for a student loan. The Student Loans Company will start the NINO application process.

Jobcentre Plus will usually ask you to attend an interview as part of the application process. At the interview, you'll need to prove who you are (your **identity**) and that you have the right to work in the UK. Take your passport and any other documents which prove your identity. These can include a national identity card, a birth certificate or a driving licence. The documents must be originals, not photocopies.

If you've already got a job, you should take your contract of employment with you or a letter from your employer. If you haven't got a job yet, you could take details of employment agencies you are registered with.

If you are allowed to work, you should apply for a national insurance number as soon as you arrive in the UK. As long as you have applied for a number, you can start work, even if you haven't got it yet. Tell your employer you have applied for one.

## Further help

### Citizens Advice Bureau

Citizens Advice Bureaux give free, confidential, impartial and independent advice to help you solve problems. To find your nearest CAB, including those that give advice by e-mail, click on [nearest CAB](#), or look under C in your phone book.

### Other information on Adviceguide which might help

- National insurance – contributions and benefits
- National Minimum Wage
- Employer withholds your pay
- Income tax
- Migrant workers
- Sick pay

This fact sheet is produced by [Citizens Advice](#), an operating name of The National Association of Citizens Advice Bureaux. It is intended to provide general information only and should not be taken as a full statement of the law. The information applies to England, Wales and Scotland only.

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