

National Insurance

jobcentreplus

Part of the Department for Work and Pensions



This leaflet is only a guide and does not cover every circumstance. We have done our best to make sure that the information in this leaflet is correct as of March 2010.

It is possible that some of the information is oversimplified, or may become inaccurate over time, for example because of changes to the law.

Contents

About National Insurance	5
What is National Insurance?	5
Do I have to pay National Insurance? ...	5
Why do I have to pay National Insurance?	6
How much do I have to earn to pay National Insurance?	6
What if something changes?	7
Your National Insurance number	7
What is a National Insurance number? ...	7
When should I apply for a National Insurance number?	8
How do I get a National Insurance number?	8
How do I prove who I am?	9
What do I do with my National Insurance number?	10
What if I can't find my National Insurance number?	10
Getting a National Insurance number when you come from abroad	11
What identification do I need if I come from abroad?	11

Paying National Insurance	13
How do I pay National Insurance?	13
Classes of National Insurance contributions	13
What National Insurance do I pay if I am in work?	14
What National Insurance do I pay if I work for myself?	14
Can I choose to pay National Insurance?	15
What are National Insurance credits?	15
National Insurance credits for men over 60	16
To find out more	17

About National Insurance

What is National Insurance?

You pay National Insurance so that you can get certain benefits when you need them – and so that you can get a State Pension. The amount you pay depends on the kind of work you do and how much you earn.

Do I have to pay National Insurance?

You have to pay National Insurance if you are aged 16 or over, you work, and you earn over a certain amount.

Once you reach State Pension age you will stop paying National Insurance. You don't have to retire to stop paying it.

If you work for yourself you have to pay National Insurance, except in some cases where the profit you are left with after paying tax and other expenses is below a certain amount. To find out more contact HM Revenue & Customs.

HM Revenue & Customs:

Newly self-employed

Phone:

0845 915 4515

Textphone:

0845 915 3296

Lines are open Monday to Friday, from 8am to 8pm and on Saturday and Sunday, from 8am to 4pm.

Why do I have to pay National Insurance?

Getting some benefits depends on how much National Insurance you have paid. These benefits include:

- contribution-based Jobseeker's Allowance
- contribution-based Employment and Support Allowance
- Incapacity Benefit
- State Pension, and
- bereavement benefits.

Paying National Insurance will help you if, for example, you lose your job or become too sick to work. It will also help you when you retire.

How much do I have to earn to pay National Insurance?

You can ask the person you work for to tell you if you earn enough to pay National Insurance if you are not sure. If you have access to the internet, you can visit www.hmrc.gov.uk/rates for the amounts for this year.

What if something changes?

If you move house, get married, get divorced or are widowed, or change your name, you must let HM Revenue & Customs know. If you are claiming benefit, you must also tell Jobcentre Plus what the change is and when it happened.

When you get close to State Pension age, we will invite you to claim any State Pension you are entitled to.

We cannot do this if we do not have your current address.

Your National Insurance number

What is a National Insurance number?

Your National Insurance number is given only to you. It is made up of letters and numbers and looks a bit like this:

AB 11 22 33 C

This is just an example – you can't use this number.

You need your National Insurance number to:

- pay your National Insurance, and
- get benefits.

You can't use your National Insurance number to prove who you are – it is not a form of identification.

When should I apply for a National Insurance number?

You should get a National Insurance number when you turn 16, but some people have to apply for one.

You should apply for a National Insurance number if you don't already have one, and:

- you want to claim benefits
- your partner is claiming benefit for you
- you have started or are about to start work
- you are self-employed
- the Student Loans Company tell you to, or
- you are entitled to, and want to, pay class 3 National Insurance contributions.

How do I get a National Insurance number?

If you need a National Insurance number because you have started or are about to start work, phone **0845 600 0643** (textphone **0845 600 0644**). If you need a National Insurance number for any other reason, contact Jobcentre Plus.

We will need to check a couple of things with you before we can give you a National Insurance number. First, we will make sure you need a National Insurance number. Then we will make sure you haven't already got one.

Partner

We will treat you as a couple if you live with your husband, wife or civil partner, or if you live with someone as if they were your husband, wife or civil partner. We call this other person your partner.

If you haven't got a National Insurance number and you need one, we will write to you and ask you to come and see us. We will then check that you are who you say you are and, where relevant, if you have a right to work in the UK. This is to protect your National Insurance and benefit claims.

After we have seen you, we will write to you as soon as possible. If you can get a National Insurance number, we will tell you what it is. You will then get a card with your number on it. If you can't get a National Insurance number we will tell you why not.

How do I prove who I am?

If you are from the UK or the European Union (see page 18), we will ask you about who you are, and why you want a National Insurance number. This will help prove who you are, but you will also need to bring some identification. You may also have to fill in a form.

When we give you a date to meet us, we will tell you what you must bring. What you need to bring depends on why you need a National Insurance number. But, if you want an idea of what it might be, you can ask one of our advisers.

You will have a meeting with one person, unless you need someone to interpret for you. We may need to keep your proof of identification for a short time. We will give you a receipt for anything we need to keep.

What do I do with my National Insurance number?

You should keep your National Insurance number safe.

You need to tell us your National Insurance number when you claim certain benefits.

When you get a job or start a new job, you should tell the person you work for your National Insurance number.

If you work for yourself, you should contact HM Revenue & Customs and tell them your National Insurance number so that you can start paying National Insurance yourself.

You may also need to provide your National Insurance number to apply for a student loan. The Student Loans Company will tell you if this is the case.

What if I can't find my National Insurance number?

Your National Insurance number will be on some forms or letters, such as your payslips and tax forms.

If you can't find your National Insurance number, you can ask one of our advisers and they will tell you what you need to do. If you can't find the card we sent you with your National Insurance number on it, you should contact HM Revenue & Customs. There is a form to fill out to get a new card, but you can only have one new card so you should make sure that you take care of it.

Getting a National Insurance number when you come from abroad

If you move to the UK, we will ask you to come and see us to get your National Insurance number.

If you need a National Insurance number because you want to work, we will ask you to tell us about your right to work in the UK. What you tell us will help prove who you are and that you can work in the UK. When you meet us you can ask us for an interpreter if you need one.

We may ask to see your work permit or letter from the Home Office that says you can work in the UK.

What identification do I need if I come from abroad?

Everyone who applies for a National Insurance number must be able to prove their identity.

If you have just come to the UK after living outside the European Union (see page 18), you must bring proof of who you are. This could be your passport or National Identity card.

If you are an asylum seeker, you should bring the form you got when you applied for asylum. If you have anything else that you think may help prove who you are, please bring it with you.

If you do not have any identification, you must still come to see us. You may be able to prove who you are by what you tell us.

Paying National Insurance

In this part of the leaflet we will tell you how you pay National Insurance. We will explain what types of National Insurance there are – these are called ‘classes’ of National Insurance contributions. We’ll also tell you what happens if you can’t pay National Insurance but still want to make sure you can get benefits and a State Pension in the future.

How do I pay National Insurance?

If you are in work and you earn enough, your National Insurance payments will come straight out of your pay – you do not have to do anything.

If you work for yourself, you can choose to pay National Insurance every three months (you will get a bill), or by direct debit straight from your bank or building society account. You should contact HM Revenue & Customs to set this up.

Classes of National Insurance contributions

There are six classes of National Insurance contributions. Only three count towards benefit – classes 1, 2 and 3.

What National Insurance do I pay if I am in work?

If you are in work, you pay a part of the money you earn towards your National Insurance contributions. The money is taken from your pay before you receive it. This is known as a **class 1 contribution**.

If you don't earn enough money, you don't have to pay National Insurance. There are also other limited circumstances where you might not pay National Insurance but we may be able to treat you as having paid it if your earnings are near the level where you would have to pay it.

What National Insurance do I pay if I work for myself?

If you work for yourself, you will have to pay a set amount of National Insurance each week. This is known as a **class 2 contribution**.

If you make enough profit, you will also have to pay a further contribution as a percentage of that profit. This is known as a **class 4 contribution**.

If you do not make much profit, you can apply not to pay National Insurance, but this will affect the benefits you might become entitled to receive in the future.

Can I choose to pay National Insurance?

If you don't pay enough National Insurance if you are in work or work for yourself, you may be able to pay voluntary National Insurance contributions.

You can choose to pay voluntary National Insurance contributions if you want to maintain or improve your entitlement to bereavement benefits and your State Pension. This is known as a **class 3 contribution**.

What are National Insurance credits?

If you can't work, we may pay your National Insurance for you. These payments are called 'National Insurance credits'. If you can't work, it means that you can't pay class 1 or class 2 National Insurance – and that could affect your benefits in the future.

You can also get National Insurance credits with some benefits. But even if you can't get the benefits, you may still be able to get National Insurance credits. Contact Jobcentre Plus (see page 17) to find out if you can get National Insurance credits because you can't work. If you can get National Insurance credits, we will tell you how to apply.

National Insurance credits for men over 60

State Pension age is currently 60 for women and 65 for men. Women's State Pension age is rising in stages between April 2010 and 2020, from 60 to 65.

Men can get automatic National Insurance credits from the tax year that a woman the same age would get State Pension. A tax year goes from April to the following April.

If you were born on or before 5 October 1954, this applies to you. You'll keep on getting credits until the tax year of your 64th birthday. To get these credits you must not have to pay National Insurance yourself, and you must not leave the UK for more than six months. If you're in this situation you don't have to apply to get National Insurance credits, we will sort it out for you.

To see when this applies to you, use our calculator to look up the State Pension age for women born on the same date as you. Visit www.direct.gov.uk/spacalculator

To find out more

To find out more about National Insurance

Phone: 0845 302 1479

Textphone: 0845 915 3296

Website: www.direct.gov.uk/money
Monday to Friday 8am to 5pm.

This helpline deals with most general enquiries about National Insurance.

To contact Jobcentre Plus

Visit www.direct.gov.uk or see the entry in your phone book.

Glossary

Great Britain (GB)

This is England, Scotland and Wales.

United Kingdom (UK)

This is England, Scotland, Wales and Northern Ireland, but not the Channel Islands or the Isle of Man.

Countries where European Union (EU) regulations apply

European Union countries: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain (including Balearic and Canary Islands), Sweden and the UK (including Gibraltar but excluding the Isle of Man and the Channel Islands).

The EU health care and social security rules also apply to Iceland, Liechtenstein, Norway and Switzerland.

Call charges

Charges were correct as of the date on the back of this leaflet.

Calls to **0800** numbers are free from BT land lines but you may have to pay if you use another phone company, a mobile phone, or if you are calling from abroad.

Calls to **0845** numbers from BT land lines should cost no more than 4p a minute with a 9p call set-up charge. You may have to pay more if you use another phone company or a mobile phone, or if you are calling from abroad.

Calls from mobile phones can cost up to 40p per minute, so check the cost of calls with your service provider.

Textphones

Where textphone numbers are provided, these are for people who find it hard to speak or hear clearly.

If you do not have a textphone, some libraries or citizens advice bureaus may have one.

Textphones do not receive text messages from mobile phones.

Directgov provides information from UK government departments on topics ranging from benefits to driving licenses and local NHS services. Visit www.direct.gov.uk

Jobcentre Plus is committed to applying the principles of equal opportunities in its programmes and services.

Produced by Jobcentre Plus, part of the Department for Work and Pensions

ISBN 978-1-84763-040-7

DWP1006 | v1.1 (March 2010)