



Northern Ireland

Employment Fact Sheet: Migrant Workers - tax and national insurance

Who is a migrant worker?

A migrant worker is someone who has come from abroad to work in the UK. The UK includes Northern Ireland. Migrant workers often work in hotels or restaurants, food processing, fruit picking and shellfish gathering.

You may be working here legally, that is, you have permission from the UK immigration authorities (**UK Border Agency**) to work in the UK, or you may be working here illegally, that is, you don't have permission to work here. If you're from a **European Union (EU)** country, you will almost certainly have permission to work in the UK, although, you may have had to register on the Workers Registration Scheme first. The rules about your rights might be different if you come from Bulgaria or Romania.

As long as you have permission to work in the UK, you will have certain rights.

If you're working in the UK illegally, or aren't sure whether you have permission to work here, you **must** get advice as soon as possible from an expert adviser.

Tax and national insurance contributions

Nearly all workers in the UK have to pay tax and national insurance contributions. The Government uses tax to run the country. National Insurance pays for benefits when people retire or are sick or unemployed. Tax and national insurance are deducted from your wages by your employer and sent to **HM Revenue and Customs (HMRC)**, the Government tax department.

The amount of tax and national insurance you pay depends on how much you earn.

Your employer has to give you a pay slip which should show you what money is being taken from your wages and what this money is for. You will see how much tax and national insurance has been deducted on your pay slip. At the end of the tax year, you should get a form called a **P60**. This will have details of what tax and national insurance you have paid over the year. These documents are very important as you may need them to prove that you have paid your tax and national insurance.

Tax

Everyone has the right to earn a certain amount, before any tax is deducted. This is called a **personal allowance**. HMRC will send you a statement of how your tax is worked out. This is called a **Notice of Coding**.

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If you have arrived in the UK for the first time, you need to get a form called a **P86**. This also applies if you have been out of the UK for some time and have come back to live and work here. You use the form to tell HMRC about your position. You can get it from the HMRC website at www.hmrc.gov.uk. It is used to give HMRC the information they need to make sure the right amount of tax is paid while you are in the UK.

If you are starting your first job in the UK, you will probably start to pay **emergency tax** until you have been given a proper tax code. This means you may pay more tax to start off with. You may also be given a temporary national insurance number.

National insurance

To pay national insurance contributions, you must have a national insurance number - a **NINO**.

To get a national insurance number, you need to be interviewed. To arrange an interview you can telephone the **NINO application number** depending on where you live (see below) or you can ask for help from your local Social Security or Jobs & Benefits Office:

- Belfast - **028 9054 5476/77**
- Portadown - **028 3839 7200**
- L'Derry - **028 7131 9300**

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 along 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. To find out which other documents you can use, contact your local Social Security or Jobs & Benefits Office or look on the Department for Social Developments' (DSD) website at www.dsdni.gov.uk. Type national insurance in the **search box**.

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.

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.

For more information about paying national insurance for people coming to the UK, visit HMRC's website at www.hmrc.gov.uk.

Tax refunds

If you pay tax while you are in the UK but you don't work a whole year, you may be able to get a tax refund. For more information about claiming a refund after leaving your job, visit the HMRC website at www.hmrc.gov.uk and follow the links from the Income tax page to Reclaiming tax if you've overpaid through your job.

National insurance if you go back home

If you come from another EU country and return home, the national insurance contributions you have paid in the UK can count towards benefits in your home country. This may not apply if you come from a country outside the EU.

What if you don't pay tax and national insurance

Some employers may offer you a job without paying tax or national insurance. This is known as **cash in hand** and it's against the law. If your employers are breaking this law, it is very likely they will break other employment laws as well, especially those which protect workers. It will be very hard for you to take action to get your legal rights if you aren't working legally. You should avoid this type of job.

What if your employer doesn't pass on your tax and national insurance

Some employers deduct money from you. They say it is for tax and national insurance but don't pass it on to HMRC. You should make sure that you're getting pay slips and a P60 at the end of the tax year. These documents prove that you paid tax and national insurance. If your employer has kept the money, HMRC will investigate them. However, if you don't have your pay slips and your P60, it will be hard for you to prove you have paid tax and national insurance. This may affect what benefits you can get and HMRC could chase you for unpaid tax which they say you owe.

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 visit www.citizensadvice.co.uk or look under C in your phone book.

UK Border Agency

For more information about immigration matters, visit the UK Border Agency website at www.bia.homeoffice.gov.uk. Go to Working in the UK and then to For European citizens.

This fact sheet is produced by Citizens Advice, an operating name of The Northern Ireland 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 Northern Ireland only.

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