

Potential impact on take-home pay

It is proposed that the contributions payable by members and employers will increase in phases from 1 April 2019, 1 October 2019, and 1 April 2020.

These tables will help you estimate the impact that increased contributions would have on your take home pay. These are only estimates, as your actual take home pay depends on your personal tax circumstances (which can be affected by many things), but they are intended to be reasonable guides.

You can use these tables if:

- Your earnings are taxed at the rates applied in Scotland
- You pay your USS pension contributions by salary sacrifice

These tables are not correct for you if:

- Your earnings are taxed at the rates applied in England, Wales and Northern Ireland or elsewhere
- You pay your USS pension contributions directly from your pay, not by salary sacrifice

[Table 1](#) estimates the impact on your take home pay if you are on the Higher Education pay spine.

[Table 2](#) is for those not on the Higher Education pay spine.

If you are not sure how you are taxed or whether you pay your contributions by salary sacrifice, please speak to your HR or payroll contact before using these tables.

The [appendix](#) gives details of current Income Tax and National Insurance bands.

Table 1

How to use this table – Higher Education pay spine

1. Before using the table, make sure to read the important notes and messages below.
2. Use the links to go to your salary range.
3. Find the nearest matching salary to your annual income¹ in the left hand column of the table.
4. Next to that you will find the typical monthly take home pay that someone on that salary would receive (please see the notes below the table on how this is calculated). Check these are the same as (or close to) your own salary and your own monthly take-home pay, which should be shown on your payslip.
5. Read across the estimated change in your monthly take-home pay for each of the proposed phased increases in contributions (proposed increases would move from 8% currently, to 8.8% from 1 April 2019, 10.4% from 1 October 2019, and 11.7% from 1 April 2020). The increase in contributions shown at each level are in comparison to the rate currently being paid at 8%.

¹ The salaries shown in Table 1 are based on the new Single Pay Spine for HE Academic and support staff 2018/19 applicable from 1 August 2018. The implementation date of the 2018/19 pay award may vary between institutions depending on payroll cut off dates and systems capabilities. It is important to note that not all USS participating employers use this pay spine.

Important Notes

1. The estimated take-home pay figures have been calculated based on the assumptions that the user:
 - has the standard 2018/19 Personal Allowance for Income Tax for a UK taxpayer of £11,850 (subject to reduction for salaries over £100,000) and standard National Insurance rates;
 - is aged under 65;
 - has no other taxable earnings or tax-free deductions;
 - pays tax via PAYE
 - and currently makes the basic USS contributions of 8%.
2. The salaries shown are based on the Single Pay Spine for HE Academic and support staff 2018/19 provided by UCEA.
3. The annual salaries shown are assumed to remain unchanged.
4. The figures assume a tax code of “L” applies, i.e. the taxation and National Insurance rates and bands used are those applicable for Scotland for the tax year 2018/19, summarised in the appendix.

The government has yet to confirm those applicable from 6 April 2019 as at the time of writing. The figures shown in the table are based on a month-by-month basis and assume that there is no change in annual salary, income tax or National Insurance band over the year.

5. The calculations assume there is no change in the standard tax-free Personal Allowance and tax and National Insurance rates and bands that apply to you in the years shown. Additional voluntary National Insurance contributions are not included in the table.
6. The contributions illustrated assume you currently pay 8% of your salary to USS. If you currently pay more than this (for example because you pay the match or any other additional contributions), or less than this (for example you have taken enhanced opt-out or have a voluntary salary cap in place), the figures will not be correct for you.

7. The figures also exclude other payments or deductions from your salary made through payroll (e.g. student loan repayments or childcare vouchers).
8. The amounts shown have been rounded to the nearest whole pound.
9. The figures assume no other income applies other than your USS salary (e.g. pensions, dividends, rental income, etc).

Important Messages

- The figures shown in these tables are for illustration only; they are not guaranteed. You should not rely on these figures for financial planning purposes or when considering your options in relation to USS.
- The actual impact on your take-home pay may be higher or lower than this, but the figures shown are intended to provide a reasonable guide.

Pay spine point/salary range

[£15,000-£30,000](#)

[£30,001-£51,000](#)

[£50,500-£65,000](#)

**Table 1 – Higher Education
pay spine**

Annual salary	Estimated monthly take-home pay (8% contribution)	Change in estimated monthly net take home pay compared with current monthly net take home pay		
		From 1 April 2019 (8.8% contribution)	From 1 October 2019 (10.4% contribution)	From 1 April 2020 (11.7% contribution)
£15,842	£1,109	-£7	-£22	-£33
£16,146	£1,125	-£7	-£22	-£34
£16,460	£1,142	-£7	-£22	-£35
£16,766	£1,158	-£8	-£23	-£35
£17,079	£1,174	-£8	-£23	-£36
£17,408	£1,191	-£8	-£24	-£36
£17,751	£1,209	-£8	-£24	-£37
£18,189	£1,232	-£8	-£25	-£38
£18,688	£1,258	-£8	-£25	-£39
£19,202	£1,285	-£9	-£26	-£40
£19,730	£1,312	-£9	-£27	-£41
£20,275	£1,341	-£9	-£28	-£43
£20,836	£1,370	-£9	-£28	-£44
£21,414	£1,400	-£10	-£29	-£45
£22,017	£1,431	-£10	-£30	-£46
£22,659	£1,465	-£10	-£31	-£48
£23,334	£1,500	-£11	-£32	-£49
£24,029	£1,536	-£11	-£33	-£50
£24,771	£1,575	-£11	-£34	-£52
£25,482	£1,612	-£12	-£35	-£53
£26,243	£1,652	-£14	-£36	-£55
£27,025	£1,692	-£16	-£36	-£56
£27,830	£1,733	-£16	-£37	-£57
£28,660	£1,776	-£17	-£38	-£59
£29,515	£1,820	-£17	-£40	-£61

**Table 1 – Higher Education
pay spine**

		Change in estimated monthly net take home pay compared with current monthly net take home pay		
Annual salary	Estimated monthly take-home pay (8% contribution)	From 1 April 2019 (8.8% contribution)	From 1 October 2019 (10.4% contribution)	From 1 April 2020 (11.7% contribution)
£30,395	£1,865	-£18	-£41	-£63
£31,302	£1,911	-£18	-£42	-£65
£32,236	£1,959	-£19	-£43	-£67
£33,199	£2,009	-£19	-£44	-£69
£34,189	£2,060	-£20	-£46	-£71
£35,211	£2,112	-£21	-£47	-£73
£36,261	£2,166	-£21	-£49	-£75
£37,345	£2,222	-£22	-£50	-£77
£38,460	£2,279	-£23	-£52	-£79
£39,609	£2,338	-£23	-£53	-£82
£40,792	£2,399	-£24	-£55	-£84
£42,036	£2,463	-£25	-£56	-£87
£43,267	£2,526	-£25	-£58	-£89
£44,559	£2,592	-£26	-£60	-£92
£45,892	£2,661	-£27	-£61	-£95
£47,263	£2,731	-£26	-£63	-£97
£48,677	£2,782	-£15	-£46	-£78
£50,132	£2,834	-£16	-£47	-£73

**Table 1 – Higher Education
pay spine**

		Change in estimated monthly net take home pay compared with current monthly net take home pay		
Annual salary	Estimated monthly take-home pay (8% contribution)	From 1 April 2019 (8.8% contribution)	From 1 October 2019 (10.4% contribution)	From 1 April 2020 (11.7% contribution)
£51,630	£2,897	-£20	-£58	-£84
£53,174	£2,965	-£20	-£61	-£93
£54,765	£3,034	-£21	-£62	-£96
£56,403	£3,106	-£21	-£64	-£99
£58,089	£3,180	-£22	-£66	-£102
£59,828	£3,256	-£23	-£68	-£105
£61,618	£3,334	-£23	-£70	-£108

Table 2

How to use this table –salary scale

1. Before using the table, make sure to read the important notes and messages below.
2. Use the links to go to your salary range.
3. Find the nearest matching salary to your annual earnings in the left hand column of the table.
4. Next to the annual salary is the typical monthly take home pay that someone on that salary would receive (please see the notes below the table on how this is calculated). Check this is the same as (or close to) your own monthly take-home pay.
5. Read across the estimated change in your monthly take-home pay for each of the proposed phased increases in contributions (proposed increases would move from 8% currently, to 8.8% from 1 April 2019, 10.4% from 1 October 2019, and 11.7% from 1 April 2020). The increase in contributions shown at each level are in comparison to the rate currently being paid at 8%.

Important Notes

1. The estimated take-home pay figures have been calculated based on the assumptions that the user:
 - has the standard 2018/19 Personal Allowance for Income Tax for a UK taxpayer of £11,850 (subject to reduction for salaries over £100,000) and standard National Insurance rates;
 - is aged under 65;
 - has no other taxable earnings or tax-free deductions;
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 - and currently makes the basic USS contributions of 8%.
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4. The calculations assume there is no change in the standard tax-free Personal Allowance and tax and National Insurance rates and bands that apply to you in the years shown. Additional voluntary National Insurance contributions are not included in the table.
5. The contributions illustrated here assume you currently pay 8% of your salary to USS. If you currently pay more than this (for example because you pay the match or any other additional contributions), or less than this (for example you have taken enhanced opt-out or have a voluntary salary cap in place), the figures will not be correct for you.
6. The figures also exclude other payments or deductions from your salary made through payroll (e.g. student loan repayments or childcare vouchers).

7. The amounts shown have been rounded to the nearest whole pound.
8. The figures assume no other income applies other than your USS salary (e.g. pensions, dividends, rental income, etc).

Important Messages

- The figures shown in these tables are for illustration only: they are not guaranteed. You should not rely on these figures for financial planning purposes or when considering your options in relation to USS.
- The actual impact on your take-home pay may be higher or lower than this, but the figures shown are intended to provide a reasonable guide.

Salary range

[£5,000-£25,000](#)

[£26,000-£46,000](#)

[£47000-£65,000](#)

[£70,000-£115,000](#)

[£120,000-£200,000](#)

Table 2 – Salary scale

		Change in estimated monthly net take home pay compared with current monthly net take home pay		
Annual salary	Estimated monthly take-home pay (8% contribution)	From 1 April 2019 (8.8% contribution)	From 1 October 2019 (10.4% contribution)	From 1 April 2020 (11.7% contribution)
£5,000	£383	-£3	-£10	-£15
£6,000	£460	-£4	-£12	-£19
£7,000	£537	-£5	-£14	-£22
£8,000	£613	-£5	-£16	-£25
£9,000	£690	-£6	-£18	-£28
£10,000	£759	-£6	-£18	-£27
£11,000	£826	-£6	-£19	-£30
£12,000	£894	-£7	-£21	-£33
£13,000	£960	-£6	-£21	-£34
£14,000	£1,013	-£6	-£19	-£30
£15,000	£1,066	-£7	-£21	-£32
£16,000	£1,118	-£7	-£22	-£34
£17,000	£1,170	-£8	-£23	-£36
£18,000	£1,222	-£8	-£24	-£38
£19,000	£1,274	-£9	-£26	-£40
£20,000	£1,326	-£9	-£27	-£42
£21,000	£1,378	-£10	-£29	-£44
£22,000	£1,430	-£10	-£30	-£46
£23,000	£1,483	-£10	-£31	-£48
£24,000	£1,535	-£11	-£33	-£50
£25,000	£1,587	-£11	-£34	-£52

Table 2 – Salary scale

		Change in estimated monthly net take home pay compared with current monthly net take home pay		
Annual salary	Estimated monthly take-home pay (8% contribution)	From 1 April 2019 (8.8% contribution)	From 1 October 2019 (10.4% contribution)	From 1 April 2020 (11.7% contribution)
£26,000	£1,639	-£12	-£35	-£55
£27,000	£1,690	-£16	-£36	-£56
£28,000	£1,742	-£16	-£38	-£58
£29,000	£1,793	-£17	-£39	-£60
£30,000	£1,845	-£18	-£40	-£62
£31,000	£1,896	-£18	-£42	-£64
£32,000	£1,947	-£19	-£43	-£66
£33,000	£1,999	-£19	-£44	-£68
£34,000	£2,050	-£20	-£46	-£70
£35,000	£2,101	-£21	-£47	-£72
£36,000	£2,153	-£21	-£48	-£74
£37,000	£2,204	-£22	-£50	-£76
£38,000	£2,255	-£22	-£51	-£79
£39,000	£2,307	-£23	-£52	-£81
£40,000	£2,358	-£23	-£54	-£83
£41,000	£2,410	-£24	-£55	-£85
£42,000	£2,461	-£25	-£56	-£87
£43,000	£2,512	-£25	-£58	-£89
£44,000	£2,564	-£26	-£59	-£91
£45,000	£2,615	-£26	-£60	-£93
£46,000	£2,666	-£27	-£62	-£95

Table 2 – Salary scale

		Change in estimated monthly net take home pay compared with current monthly net take home pay		
Annual salary	Estimated monthly take-home pay (8% contribution)	From 1 April 2019 (8.8% contribution)	From 1 October 2019 (10.4% contribution)	From 1 April 2020 (11.7% contribution)
£47,000	£2,718	-£28	-£63	-£97
£48,000	£2,757	-£15	-£52	-£87
£49,000	£2,793	-£15	-£46	-£74
£50,000	£2,829	-£16	-£47	-£72
£51,000	£2,870	-£19	-£53	-£79
£52,000	£2,914	-£20	-£59	-£88
£53,000	£2,957	-£20	-£60	-£93
£54,000	£3,001	-£21	-£62	-£95
£55,000	£3,045	-£21	-£63	-£97
£56,000	£3,088	-£21	-£64	-£98
£57,000	£3,132	-£22	-£65	-£100
£58,000	£3,176	-£22	-£66	-£102
£59,000	£3,220	-£22	-£67	-£104
£60,000	£3,263	-£23	-£68	-£105
£61,000	£3,307	-£23	-£70	-£107
£62,000	£3,351	-£24	-£71	-£109
£63,000	£3,394	-£24	-£72	-£111
£64,000	£3,438	-£24	-£73	-£112
£65,000	£3,482	-£25	-£74	-£114
£70,000	£3,700	-£27	-£80	-£123

Table 2 – Salary scale

		Change in estimated monthly net take home pay compared with current monthly net take home pay		
Annual salary	Estimated monthly take-home pay (8% contribution)	From 1 April 2019 (8.8% contribution)	From 1 October 2019 (10.4% contribution)	From 1 April 2020 (11.7% contribution)
£75,000	£3,919	-£29	-£86	-£132
£80,000	£4,137	-£30	-£91	-£141
£85,000	£4,356	-£32	-£97	-£149
£90,000	£4,574	-£34	-£103	-£158
£95,000	£4,793	-£36	-£108	-£167
£100,000	£5,011	-£38	-£114	-£176
£105,000	£5,230	-£40	-£120	-£185
£110,000	£5,428	-£27	-£105	-£173
£115,000	£5,568	-£28	-£84	-£129

Table 2 – Salary scale

		Change in estimated monthly net take home pay compared with current monthly net take home pay		
Annual salary	Estimated monthly take-home pay (8% contribution)	From 1 April 2019 (8.8% contribution)	From 1 October 2019 (10.4% contribution)	From 1 April 2020 (11.7% contribution)
£120,000	£5,708	-£29	-£88	-£135
£130,000	£5,987	-£32	-£95	-£146
£140,000	£6,354	-£53	-£160	-£244
£150,000	£6,791	-£57	-£171	-£264
£160,000	£7,228	-£61	-£182	-£281
£170,000	£7,638	-£59	-£177	-£273
£180,000	£8,037	-£62	-£187	-£289
£190,000	£8,436	-£66	-£198	-£305
£200,000	£8,834	-£69	-£208	-£321

APPENDIX
**Summary of Income Tax Bands and Rates applicable in Scotland for 2018/19
(the latest available at time of publication).**

Annual Income	Income Tax rate	Notes
First £11,850 you earn	0%	This is the standard personal allowance for an individual and applies as long as you have income no more than £100,000. Depending on your circumstances, you may be entitled to more or less personal allowance.
On earnings between £11,851 and £13,850	19%	
On earnings between £13,851 and £24,000	20%	
On earnings between £24,001 and £43,430	21%	
On earnings between £43,431 and £150,000	41%	In addition, £1 of the personal allowance is also lost for each £2 of income between £100,001 and £123,700.
On any earnings of £150,001 and above	46%	

**Summary of National Insurance Bands and Rates applicable for 2018/19 –
based on monthly pay, category A**

Annual Income	National Insurance rate	Notes
First £8,424 you earn	0%	These are the standard National Insurance Thresholds for an individual aged 64 or below. There is no National Insurance payable up to this level (the “Primary Threshold”).
On earnings between £8,424 and £46,356	12%	These thresholds are the Primary Threshold and the Upper Earnings Limit respectively.
On earnings above £46,356	2%	There is no upper limit on earnings on which National Insurance is payable.

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