



Accountancy Co-operative

the Approachable & Friendly accountancy service

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An example of a Deemed Payment Calculation for the purposes of IR35

The deemed calculation is done like this:

Income:

Invoice no:	Amount
1	561.26
2	733.95
3	733.95
4	301.91
Total	2331.07

Deductions:

5% company Allowance:	116.55 (5% of total invoice value £2331.07)
Own Car Allowance:	575.00 (e.g. monthly 1437.50 miles at 40ppm)
Employers NI:	159.23 (from PAYE/IR calculation sheets)
Total Deductions	850.78

TOTAL Subject to tax & NI: 1480.29 (Income less Deductions)

PAYSLIP

Gross Pay:	1480.29
Tax :	221.79
Less NI:	119.35
Plus Own Car Allowance	575.00
NET PAY:	1714.15



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