

## 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. 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 receive some of their income tax-free every year. 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**.

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.

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

## 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 **National Employment NINO application telephone number** on 0845 600 0643. Or, you can ask for help from **Jobcentre Plus** on 0800 055 6688.

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 Jobcentre Plus or look at the national insurance pages under the Money Tax and Benefits section on the Directgov website at: [www.direct.gov.uk](http://www.direct.gov.uk).

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.

For more information about paying national insurance for people coming to the UK, visit HMRC's website at: [www.hmrc.gov.uk](http://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](http://www.hmrc.gov.uk).

## 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 toward 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 payslips 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, including those that give advice by e-mail, click on [nearest CAB](#), or look under C in your phone book.

#### HMRC leaflets

You can find more information about coming to work in the UK on the HMRC website at [www.hmrc.gov.uk/migrantworkers](http://www.hmrc.gov.uk/migrantworkers), including leaflets in several different languages.

### Other information on Adviceguide which might help

- Migrant workers – rights at work
- The Pay As You Earn (PAYE) system
- Tax refunds
- National insurance

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