

Junior Doctors' Pay & Tax

mindthebleep.com

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Introduction to Pay

You're paid (after deductions) at the end of each month. The amount is defined in the NHS Pay Circular. Your take home pay depends on how many hours, weekends & nights you do & the deductions on your circumstances e.g. if you have a student loan. For those in London, you get an extra £2,162 per year.

The calculation

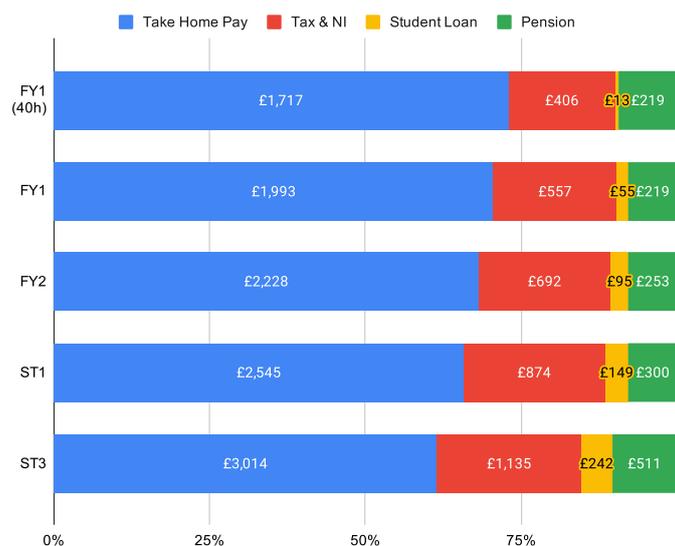
All hours (days/weekends/nights) are averaged over the rota which means your monthly pay is stable.

Income Tax

Some pay is income tax free. Your tax code defines how much. The default is 1250L, so 1250x10 (£12,500) is tax free per year. If your code is <1250, there may be an error e.g. if you work one bank shift the tax office might think you have 2 jobs & taxes you extra.

Here's a calculated example of a 43h week (1 in 4 weekends, 7h overnight average) & FY1 with 40 hours only for comparison

Monthly Pay for Junior Doctors



Terms

Take Home Pay = Gross Pay - Deductions

Gross Pay: formed of the components below. Amount will be in your work schedule

Deductions: income tax, national insurance, pensions & student loans

Gross Pay = Basic Pay + Additional Hours + Weekend + Night

Basic Pay: pay based on 40h working week for your grade e.g. FY1

Additional Hours: pay for working >40h per week (as 1/40th of basic pay per hour)

Weekend Allowance: pay for weekends (% of basic pay)

Night Duty: 37% extra pay for overnight hours (between 9pm-7am)

Deductions

Income Tax: 20% on monthly earnings between £12,500-£50,000

Student Loan: Starts from April at 9% of earnings above £2,214/month (Plan 2 Loan)

Pension: 9.3% of basic pay (more if £48k+)

Claiming Tax Relief

Some things required for work aren't taxed e.g. GMC/BMA/Defense Union, exam fees.

You can claim income tax paid on these back eg. if the total is £200, then you get £40 back (i.e. 20%)