

JLT Employee Benefits

AE Smart



FACT SHEET 140. THRESHOLDS SUMMARY

This factsheet summarises the auto-enrolment thresholds which are used to categorise employees and calculate earnings for statutory minimum contributions.

Key Facts

Earnings thresholds are limits that determine

- > how much people need to earn to be automatically enrolled
- > how much people need to earn to have a right to an employer's contribution
- > the earnings band for earnings on which minimum contributions are based

The thresholds change every year. Although they are currently the same as tax and National Insurance limits, this does not have to be the case in the future.

Threshold Amounts

The threshold amounts are detailed in table below.

You need to use the amount that applies to your payroll frequency.

Threshold Earnings Trigger	2013/14	2014/15
Annual	£9,440	£10,000
1 week	£182	£192
2 weeks	£364	£384
4 weeks	£727	£768
1 month	£787	£833
Lower limit		
Annual	£5,668	£5,772
1 week	£109	£111
2 weeks	£218	£222
4 weeks	£436	£444
1 month	£473	£481
Upper limit		
Annual	£41,450	£41,865
1 week	£797	£805
2 weeks	£1,594	£1,611
4 weeks	£3,188	£3,221
1 month	£3,454	£3,489

What does this mean?

- If people earn above the Earnings Trigger, then they could be automatically enrolled, provided they are aged between 22 and State Pension Age.
- They must earn over the Lower Limit in order to be entitled to a contribution from the employer.
- Minimum contributions are based on earnings between the Lower Limit and the Upper Limit.

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