

# Types of Income


# Minimum Wage

**Salary is**

**Gross pay**

**Topic 4: What is Income?**

The Grand Hotel Plc			
Marion Baker		October 201X	
PAYMENTS		DEDUCTIONS	
Description	Amount	Description	Amount
Gross pay	2,000.00	PAYE Tax Paid	216.66
		N. I.	159.38
		Workplace pension	80.00
Minus deductions	456.04	Total deductions	456.04
Net pay	1,543.96		

**Net pay is**

**Deductions**

$$\boxed{\phantom{0000}} - \boxed{\phantom{0000}} = \boxed{\phantom{0000}}$$

**Net pay is**

## Benefits

**Targeted Benefits**

- 
- e.g.

**Universal Benefits**

- 
- e.g.

## Minimum Wage

25+  
21-24  
19-20  
<18

Extra Notes...

## Types of Income

Salary & wages	Gifts & presents	Pocket money
State benefits	Interest on savings	Pensions
Loans & Borrowing	Selling something	Prize & Lottery

## Minimum Wage

**Salary** is a regular fixed payment for work done, usually paid monthly but described as an annual (yearly) amount.

**Gross pay** is the amount you are paid before deductions.

### Topic 4: What is Income?

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**Net pay** is what is left after deductions

**Deductions** taken from gross pay

## Minimum Wage

25+	£7.83
21-24	£7.38
19-20	£5.90
<18	£4.20

$$\text{Income} - \text{Expenses} = \text{Disposable Income}$$

Amount you have to spend on extras

## Benefits

**Targeted Benefits**

- Aimed at certain groups who meet specific criteria
- e.g. job seekers' and disability allowance

**Universal Benefits**

- Available to everyone
- e.g. state pension and child benefit

Extra Notes...