



Getting to know your payslip

Róisín O'Connell advises new graduates on everything they need to know about payslips

OVER the past few weeks, I have received queries from internship students across the country about pay, increments and payslips. There are so many different terms about pay that can be incredibly difficult to understand, but it is important to try to fully understand your payslip so that you can ensure you are being paid the correct amount.

Payslips

Under the Payment of Wages Act 1991, all employees have a right to a payslip. A payslip is a written statement outlining your gross wages and details the deductions made by your employer. Payslips in the private and public sectors tend to have a very similar format and are typically sent to you electronically. The main differences between the public and private sector payslips are the pension contributions.

Payslips will generally state your employer details, your employee number and your position, eg. staff nurse/staff midwife. It will also have a section outlining the period for which you are being paid, eg. week of the year if you are being paid weekly/fortnightly, or a number outlining the month if you are paid monthly. Your payslip will also contain a section outlining your PPS number. This is unique to you and is used as a reference number for tax purposes. It also allows you access to social welfare benefits and public services in Ireland. Your payslip is divided into two columns.

Payments

On the left-hand side of your payslip is your payments column. In this column you will see your gross pay: This is the total amount paid to you before any deductions are made for that pay period. Net pay is the total amount of money paid once all deductions are made for that pay period. Basic pay is the standard amount paid before any additional premiums or allowances are added.

It is important to monitor your basic pay to ensure that it is increasing in line with

your increments. To calculate your salary point from your hourly rate of pay you must multiply your hourly rate of pay by 39 to give you your weekly rate. Then you must multiply your weekly rate by 52.18 to give you an estimate of what your yearly salary would be. Graduates from 2021 need to remember that after working 16 weeks post finishing their internship, they will skip point 2 of the salary scale and proceed directly to point 3. It is also important for 2020 graduates to remember that they will not progress to point 4 of the salary scale and are eligible to apply for the enhanced nurse contract and avail of the higher rate of pay.

Premium pay includes Saturday, Sunday, night duty pay and bank holiday pay and time plus one-sixth. These are all itemised separately from your basic pay.

Allowances: some nurses and midwives will also be eligible to receive allowances such as the specialist qualification allowance (€3,561 per annum) or the location allowance (€2,371 per annum).

Deductions

On the right-hand side of your payslip, you will see the deductions column. This includes tax, USC and PRSI. Pay as you earn (PAYE) is a form of income tax that is deducted by your employer on behalf of the government and is calculated as a percentage of your gross income. We are all eligible to apply for tax credits. Registering for the correct tax credits reduces the amount of tax you need to pay during the year. Tax credits are specific to your personal circumstances. To learn more about your tax and tax credits visit www.revenue.ie

Remember that your employer applies PAYE based on the information that they receive from revenue. It is important to update revenue of any relevant changes that may affect your tax credits, eg. having dependants or changing marital status. The universal social charge (USC) is another

Current rates of USC

Rate of USC	Year 2022
0.5%	First €12,012
2%	From €12,012.01 to €21,295
4.5%	From €21,295.01 to €70,044
8%	From €70,044.01 ON

form of tax deducted from your wages (see *Table*). These rates/bands may change yearly depending on the current budget.

Your pay-related social insurance (PRSI) will also be stated in your payslip and specifies the mandatory PRSI contributions that you are paying. Generally, most employees are class A. These contributions determine future eligibility to access social insurance payments (provided you meet the eligibility criteria). PRSI contributions are calculated as 4% of your total earnings.

Pension deductions: nurses and midwives who entered employment in a pensionable public service post on or after January 1, 2013 are members of the Single Public Service Pension Scheme, also known as the Single Scheme. The rules and regulations of this scheme are outlined in the Public Service Pensions (Single Scheme and Other Provisions) Act 2012.

Union membership: undergraduates have free INMO membership, but once you graduate there is a fee for membership. If you choose to pay your membership by deduction at source, the fee will come directly from your salary and will be listed as a deduction on your payslip.

If you experience any questions, please do not hesitate to get in touch. If your queries relate to your pay, please contact your salaries department/payroll first.

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