Payroll Taxes

Accounting & Finance

The deductions from pay, and who bears each.

The components of payroll cost.

Deducted from the employee

Income tax withheld at source	Employee social contributions
Pension contributions	Student loan repayments where applicable

Paid by the employer

Employer social contributions	Employer pension contributions
Levies on the payroll bill	These sit above gross pay as a cost

Educational reference. Employer contributions are part of the true cost of employment, often 10-30% above gross pay.