



---

---

## PRACTICE NOTE

---

---

**PN 21/89 (Revised)**

**Date: 18<sup>th</sup> February 1989**

### **I.T.I.P. - Coding Changes For 1989/90**

#### **New Codes**

A review of the system, following the introduction of two rates of income tax, has shown the need for a code requiring tax to be deducted at only the standard rate. For 1989/90 a new code - CODE SB will be brought into use. At the same time the existing code OA will be changed to CODE HR.

#### **New Suffix**

The ability for a married couple to make the full use of their combined personal allowances has also created the need for an additional SUFFIX M which will also be introduced with effect from 6th April 1989. Suffix R is also being replaced by a new SUFFIX L.

#### **Summary**

With effect from 6th April 1989 the following suffixes and codes will be in use: -

SUFFIXES - F, W, L, M, S (suffix R has been replaced by L)

CODES - NT Remains the same and means no tax to be deducted.

- SB Tax is to be deducted at the standard rate of 15% from the gross pay using TABLE D.

- HR Replaces code OA but has the same effect of requiring tax to be deducted at the higher rate of 20% using TABLE C.

Anyone requiring further information should contact the Income Tax Division. If required, arrangements can be made for an officer to visit an employer to give advice on the operation of the I.T.I.P. system - Telephone 26262 Extensions 2338, 2360, 2369