



SALARY EXCHANGE GUIDE

Salary Exchange Explained

Many companies are now offering Salary Exchange Schemes to their staff (also known as salary sacrifice). How exactly do these schemes work, and what are the benefits to employees and employers?

How Salary Exchange Works

It's actually very simple. When an employee agrees to participate in a Salary Exchange Scheme, they give up part of their salary in exchange for a non-cash benefit that's exempt from tax and National Insurance. There are a wide range of schemes to select from, with benefits to suit all lifestyles.

Benefits to Employees

Salary Exchange gives you the flexibility to exchange part of your earnings for a benefit that will make a real difference to your lifestyle – without having to pay tax or National Insurance. The diversity of schemes available gives you access to benefits which might otherwise be unaffordable.

Benefits to Employers

Operating a Salary Exchange Scheme will save you Employer's National Insurance, but the real benefits extend far beyond the financial. A scheme will help enhance workplace culture, engender loyalty, and differentiate your company by demonstrating that you're a caring employer who values its workforce.

Want to know more?

If you are an employee or employer, and you have any questions relating to Salary Exchange Schemes, give us a call now on 01280 851113 and we'll be happy to help.