



Finance Act 2016

2016 CHAPTER 24

PART 6

APPRENTICESHIP LEVY

Basic provisions

99 Charge to apprenticeship levy

- (1) Apprenticeship levy is charged if—
- (a) a person has a pay bill for a tax year, and
 - (b) the relevant percentage of that pay bill exceeds the amount of the person's levy allowance (if any) for that tax year.

- (2) The amount charged for the tax year is equal to—

$$N - A$$

where—

N is the relevant percentage of the pay bill for the tax year, and

A is the amount of the levy allowance (if any) to which the person is entitled for the tax year.

- (3) The person mentioned in subsection (1) is liable to pay the amount charged.
- (4) Except so far as section 103 provides otherwise, a person who has a pay bill for a tax year is entitled to a levy allowance for the tax year.
- (5) The amount of the levy allowance is £15,000 (except where section 101 or 102 provides otherwise).
- (6) For the purposes of this section the “relevant percentage” is 0.5%.