

# Your Island Pension (YIP) Contribution and Pay Period Scenarios

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The below scenarios give examples of what contributions an employer would be required to pay, in what pay period and what returns they would be required to make in certain circumstances.



## Scenario 1

1. Employer pays its employees weekly.
  2. Employer will pay the minimum contribution rates for all employees.
  3. Employer uses Returns Creator to submit its quarterly Tax and Social Security returns.
- The relevant 'pay period' for this employer will be weekly as they pay their employees on a weekly basis.
  - The employer will be required to contribute at least 1% of all of their employee's total relevant earnings in the pay period.
  - The employer can make weekly Secondary Pensions returns via Returns Creator.



## Scenario 2

1. Employer pays its employees monthly.
  2. Employer will pay the minimum contribution rates for all employees.
  3. Employer outsources its payroll to a payroll service provider.
- The relevant 'pay period' for this employer will be monthly as they pay their employees on a monthly basis.
  - The employer will be required to contribute at least 1% (2024/2025) of all of their employee's total relevant earnings in the pay period.
  - The payroll provider can make monthly Secondary Pensions returns on behalf of the employer.



### Scenario 3

1. Employer pays its employees monthly.
  2. Employer will pay the minimum contribution rates for all employees.
  3. Employer pays staff a bonus every 6 months, paid with monthly salary in June and December.
  4. Employer outsources its payroll to a payroll services provider.
- The relevant 'pay period' for this employer will be monthly as they pay their employees on a monthly basis.
  - The employer will be required to contribute at least 1% (2024/2025) of all of their employee's total relevant earnings in the pay period.
  - In June and December the amount paid to all of their employee's as a bonus will count towards their total relevant earnings in the pay period and so at least 1% of their total relevant earnings (including the amount paid as a bonus) will need to be contributed in the pay period.
  - The payroll provider can make monthly Secondary Pensions returns on behalf of the employer.

Further information on the contribution rates payable can be found here: [How much do we need to pay? - States of Guernsey \(gov.gg\)](#)

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