

# Government urges businesses to take advantage of National Insurance relief when hiring veterans

Businesses hiring military veterans can now save their firms thousands of pounds in employee National Insurance contributions, thanks to a scheme launched by the government's Office of Veterans' Affairs.

From today (6 April 2022), employers will not have to pay National Insurance contributions for veterans in their first year of civilian employment after leaving the armed forces. Businesses will also be able to claim this relief retrospectively for any qualifying employees who joined their company in the last 12 months.

The tax incentive provides a double boost to businesses – providing them with potential savings of up to £6,200 per employee, while also allowing them to benefit from the fantastic skills and experience that veterans bring.

Businesses could save £2,567 per employee on the average salary in the UK. A business hiring 10 qualifying veterans could save over £25,000.

Minister for Defence People and Veterans Leo Docherty said:

Our veterans have made important contributions to keeping our country safe. The skills they gain during service are invaluable, and businesses can greatly benefit from their dedication.

I encourage all businesses to consider hiring veterans and supporting their journey to civilian life after service.

Lucy Frazer, Financial Secretary to the Treasury, said:

If it wasn't for our heroic servicemen and women protecting our country, we would not have a United Kingdom to live in.

That is why as a society we must do all we can to help them when they come home – employers across the UK can benefit from our veterans' vast wealth of knowledge, skills and experience to help their organisation grow and thrive.

The policy, which delivers on the government's manifesto commitment, was launched in April 2021. The move is part of wider incentives to support

veteran employability, including the roll out of the 'Great Place to Work for Veterans' scheme across government.

This National Insurance contributions holiday provides an incentive for employers to hire veterans. Businesses will benefit from the numerous transferable skills veterans gain in service, including collaboration and dedication.

The relief is available to all employers of veterans, regardless of when the veteran left the regular armed forces, providing that they have not been employed in a civilian capacity since leaving service. The relief will be available to all qualifying veterans each time they leave HM Armed Forces.

Employers will be able to claim National Insurance contributions relief on the earnings of qualifying veterans. A person qualifies as a veteran if they have served at least one day in the regular armed forces.

Detailed guidance on how employers can claim back national insurance is available [here](#).