

Tax Code Decoder Card

£ PayToolkit

What 1257L, BR, K, M, N and emergency tax codes mean

2026/27 EDITION • PERSONAL ALLOWANCE £12,570

A tax code is a number plus a letter. The number is your tax-free allowance divided by ten, so 1257 means £12,570. The letter tells your employer or pension provider how to treat the rest. A prefix of S means Scottish rates and C means Welsh rates.

1. What the letters mean

Code	Meaning
L	Standard Personal Allowance. 1257L is £12,570 of tax-free income.
M	Marriage Allowance received: adds £1,260 to your allowance (for example 1383M).
N	Marriage Allowance given: cuts your allowance by £1,260 (for example 1131N).
T	Your allowance includes other items HMRC needs to review.
BR	No allowance: all income taxed at 20%. Common on a second job or pension.
D0 / D1	No allowance: all income taxed at 40% (D0) or 45% (D1).
OT	No Personal Allowance. Often used when a job starts and HMRC has too little information.
NT	No tax taken.
K	Negative allowance: HMRC adds an amount to your taxable pay (K475 adds £4,750), usually for untaxed income or benefits.

2. Emergency codes

A code ending **W1**, **M1** or **X** (for example 1257L W1) is an emergency code. Tax is worked out on each pay period alone instead of across the year, so you can be over-taxed or under-taxed until HMRC sends your real code. Give your employer your P45 or starter checklist and check your HMRC online account.

3. If your code looks wrong

What you see	Likely cause
Code ends W1, M1 or X	Emergency code: HMRC is missing your details
BR on your main job	HMRC thinks this is a second income, or has no details
Lower than 1257L	Benefits in kind, underpaid tax from an earlier year, or other income
K code	Untaxed income or benefits larger than your allowance
Higher than 1257L	Marriage Allowance received, or an expenses claim

Quick action checklist

- Compare your payslip code with your HMRC online account and your latest tax code notice
- Paste your code into the tax code checker at paytoolkit.co.uk
- Tell HMRC straight away if your circumstances change: a new job, a second job, a benefit
- If you have paid too much tax, use the tax refund claim checklist

This document is general information, not tax advice. Figures are for the 2026/27 tax year and can change: always check GOV.UK for your own situation. Full guide: paytoolkit.co.uk/downloads/tax-code-decoder-card/