



Taskmaster Payroll End of Year Guide April 2023

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1. Month 12/Week 52 or Week 53 procedures

Identify your final submission

If you are submitting an EPS, this will be your last submission of the year and you enter Y in the Final submission field before submitting it.

If you are not submitting an EPS, then you must indicate on your last FPS that it is the final submission for this tax year by entering Y in the appropriate field.

If you only pay monthly, then it will be your March monthly FPS which will be your final one for the year. If you pay some employees weekly and others monthly, your final submission is the **LAST** one of these, most probably a week 52 or week 53 FPS.

If you forget to indicate it is the last FPS, you can also send an EPS and mark it as the final one.

The same time limits apply to final submissions as they do for normal submissions. So, unless an exception or relaxation applies, you should send your final submission on or before the date of your last employee payment in the tax year (or by 19 April if you are sending an EPS).

Please note that if you don't make your final submission on time you may get a penalty.

Once you have updated your final period, the only remaining task pertaining to the old year is to email P60s to all employees in your employment at the Year End. This task is completed once the Year End procedures have been followed. Please see details of P60s in Section 4 of this document.

2. Perform Year End

Run the last period of the year in the normal way, printing out or saving all period reports before updating the YTD files. On update, the system will remind you that it is time to perform the Year End.

- From the Payroll menu, select the ***Payroll Year End Routine***.
The screen will warn you that all reports and forms must have been printed or saved prior to continuing.
- Select ***Perform Year End***. This will clear out all YTD files and details of employees who have left during the year and will leave only the current employees for processing in period one of the new tax year. This process also removes all week one/month one indicators for the start of the new year.

NB : Once you have completed this procedure in all payroll accounts, weekly & monthly, please contact Task so that we can load system updates. These updates are required before you start to prepare your system for the new tax year.

3. Prepare Payroll for New Year

Once Task has uploaded the updates required for the new tax year, you are ready to prepare the payroll parameters for 2023/24. You may have more than one Payroll Account which you log on to – for example, a weekly and a monthly account. You must follow the procedures detailed below in each different account that you log on to so that each one is ready to process payroll in the new year.

3.1 Calculate Monthly PAYE/NIC Totals Screen

NB – This routine should be run once, after both weekly and monthly year ends have been done, and after you have taken note of the PAYE/NIC figures for month 12. It must be run before you update the first week and/or month so that the system can keep a cumulative total of Weekly/Monthly PAYE or NIC due in any month.

- From the **Payroll Parameter Menu** select the **Calculate Months/Weeks** option.
- Enter the first week ending date (if you do not have weekly, just enter 07/04/23). For those with weekly payroll enter the date at the end of your first week. This date is important for calculating which weeks are allocated to months for PAYE/NIC totals.
- Select **Continue**

3.2 Enter New Tax Bands & Rates inc. Scottish & Welsh Rates

You will find the latest guidance detailing the new rates on the HMRC web site – <https://www.gov.uk/guidance/rates-and-thresholds-for-employers-2023-to-2024>. All HMRC guidelines are now generally only available online.

If you have a mix of employees with S codes (Scottish) and C codes (Wales) and rest of UK codes you must set up all three parameters. It is important to note that you should only change an employee's code once notified by HMRC.

The figures detailed below are those to be implemented for the first payroll run on or after 6th April 2023.

- Select **Payroll Parameters**
- Select **Maintain Tax Bands & Rates, Maintain Scottish Tax Bands & Rates and Wales if applicable**. The rates and bandwidths for Wales are the same as the UK for this tax year but should still be entered on separate screens if you have Welsh resident employees with a suffix C tax code.
- The screens should be completed so that the figures are the same as in the examples below. The first screen shows the details for England & NI. The same details should be entered in the Wales screen. The second screen shows the bands & rates for Scotland.

Rates for England, NI Rates Screen (also use for Wales Screen)

07 Mar 23		PAYROLL - Maintain Tax Bands & Rates			DEMO
Tax Bands	1)	Tax Rate	Cumulative	Bandwidth	
		1: 20	37700.00	37700.00	
		2: 40	125140.00	87440.00	
		3: 45	999999.00	999999.00	
Base Rate	2)	1			
"D" Rate	3)	2			
Max Tax Rate	4)	45.00			
Field number File Quit Print					

Rates for Scotland

07 Mar 23		PAYROLL - Maintain Sco Tax Bands & Rates			DEMO
Tax Bands	1)	Tax Rate	Cumulative	Bandwidth	
		1: 19	2162.00	2162.00	
		2: 20	13118.00	10956.00	
		3: 21	31092.00	17974.00	
		4: 42	125140.00	94048.00	
		5: 47	999999.00	999999.00	
Base Rate	2)	2			
"D" Rate	3)	4			
Max Tax Rate	4)	47.00			
Field number File Quit Print					

3.3 Update Employee Tax Codes

You will find the latest P9X form which gives information on implementing tax code changes on the HMRC website – www.hmrc.gov.uk. There is **not** a general uplift of codes to be carried out this year.

You may however have received some P9(T) forms for some of your employees, these will need to be implemented from 6th April 2023. These may only be available on your gateway account, so it is important to check online.

- Once logged into your account select **Messages, PAYE for Employers Messages, View Your Tax Code Notices**. Here you can view unread notifications and search for past notices by employee NI number.
- When entering search parameters remember to choose the Tax Year **2023/24** as the form defaults to the current tax year.
- The issue date fields should cover a historic period e.g. *Issue date from: 06/04/22, Issue date to: the current date on which you are filling out the form.*

You must enter any of these tax codes manually into each individual Employee master file.

The code on the P9(T) is the code that must be used.

The emergency code for 2023/24 is 1257L W1/M1, there is no Scottish or Welsh emergency code, use the 1257L W1/M1 code until notified otherwise by HMRC.

3.4 Maintain NI Rates & Tables & Student Loans

Postgraduate Loans – England & Wales Only

England & Wales have a loan product called Postgraduate Loan (PGL), this is separate from the Student Loan system already in place. If your employee has a PGL, HMRC will send you a start notice instructing you to start deductions. You will make the deductions through payroll in the same way as with Student Loans. You may have employees with both a student loan and a PGL. The parameter and pay entry screens have been amended to allow for this. For the tax year beginning 6 April 2023 the threshold for PGL will be £21,000 per annum, deductions will be set at 6% for this type of loan.

Student Loans – all of UK

Since April 2016 there have been 2 student loan plan types, known as Plan 1 and Plan 2. You will need to deduct student loan repayments using the appropriate plan type. The rate for both plans is the same, at 9%, but the threshold at which they start is different. For the tax year beginning 6 April 2023, the thresholds will be £22,015 per annum for Plan 1 (which includes your employees already repaying student loans), and £27,295 per annum for Plan 2.

Scottish Student Loans – Please note applies to whole of UK employers.

On 6 April 2021, the Scottish Government introduced a new plan type for Scottish Student Loans known as Plan 4. For the tax year beginning 6 April 2023, the Plan 4 threshold will be £27,660 per annum. Student Loan deductions will be calculated at 9% on earnings above the Plan 4 threshold. Scottish borrowers, who drew down their loan from the Student Award Agency for Scotland (SAAS) were previously repaying their loans under the Plan 1 threshold. Eligible borrowers should now have been switched to Plan 4 following the issue of SL1s at the start of the 2021/22 tax year.

Please note that the Scottish Student Loans apply to all employees who are paying back loans under the Scottish system, and as such all UK employers should be aware of Plan 4.

Identifying Plan Type

Form P45 will only indicate whether an employee is already repaying a student loan. It will not indicate a plan type. You must ask the new employee for this information. If your employee does not know their plan type you should ask your employee to check their correct plan type with Student Loans Company.

Please ensure you amend the Student Loans thresholds for all plan types as shown in the table below.

Statutory Maternity, Paternity, Adoption, Shared Parental and Parental Bereavement Pay

There are two recovery rates for these payments, details of which can be found on the HMRC website at <https://www.gov.uk/guidance/rates-and-thresholds-for-employers-2023-to-2024#statutory-maternity-paternity-adoption-shared-parental-and-parental-bereavement-pay>.

If your total Class 1 National Insurance (both employee and employer contributions) is above £45,000 for the previous tax year then the recovery rate is 92%

If your total Class 1 National Insurance (both employee and employer contributions) is £45,000 or lower for the previous tax year then the recovery rate is 103%

For demonstration purposes the 92% rate has been used in the table below, it is the responsibility of employers to ensure that the correct rate for their own position is used.

NI Rates & Limits

From the TASKMASTER Payroll Module choose the **Payroll Parameters Menu**, followed by **Maintain NI Threshold Limits**. Amend the screen to look as shown below.

07 Mar 23		PAYROLL - Maintain NI. Threshold Limits				DEMO
		weekly	Monthly			
LEL	1) 1:	123.00	533.00			
ST	2:	175.00	758.00			
PT	3:	242.00	1048.00			
UST	4:	967.00	4189.00			
AUST	5:	967.00	4189.00			
UEL	6:	967.00	4189.00			
SSP Recoverable %	2) 0.00					
SMP Recoverable %	3) 92.00					
STUDENT LOAN DEDUCTIONS						
		PLAN 1	PLAN 2	PLAN 4	POSTGRAD	
weekly Threshold	4)	423.36	7) 524.90	10) 531.92	13)	403.84
Monthly Threshold	5)	1834.58	8) 2274.58	11) 2305.00	14)	1750.00
Percentage	6)	9.00	9) 9.00	12) 9.00	15)	6.00
Field number File Quit Print screen						

Update NI Tables

From the TASKMASTER Payroll Module choose the **Payroll Parameters Menu** followed by **Maintain NI Tables**. Enter the letter of the tables which need to be amended. The screens should be the same as the screens overleaf for tables A, B, C. If you have any other NI tables please check online with HMRC to ensure you enter the correct parameters. In particular, if you have any employees under the age of 21 or apprentices under the age of 25, you will need to ensure they are allocated to the correct table so that you benefit from the reduction in Employer NI. Please note there is no longer a Table D.

N.B. There are additional NI tables for employers with business premises within a Freeport tax site, and for employers who hire veterans (in first year of their civilian employment). If you are in either of these categories, please contact Task so that these tables can be set up.

It is the responsibility of employers to ensure that the correct NI table is used for each employee. For more information, please check the HMRC website.

Table A

TABLE CODE		PAYROLL - Maintain NI. Tables						DEMO
TABLE CODE		A						
	Band Limits		Employee's Contrib	Employer's Contrib	Employee's Rebate	Employer's Rebate		
LEL	1: 533.00	1)	1: 0.00	0.00	0.00	0.00		
ST	2: 758.00		2: 0.00	0.00	0.00	0.00		
PT	3: 1048.00		3: 0.00	13.80	0.00	0.00		
UST	4: 4189.00		4: 12.00	13.80	0.00	0.00		
AUST	5: 4189.00		5: 12.00	13.80	0.00	0.00		
UEL	6: 4189.00		6: 12.00	13.80	0.00	0.00		
	Employee Threshold Rate	2)	2.00					
	Employer Threshold Rate	3)	13.80					
Field number File Quit Print								

Table B

TABLE CODE		PAYROLL - Maintain NI. Tables					DEMO
TABLE CODE B							
	Band Limits		Employee's Contrib	Employer's Contrib	Employee's Rebate	Employer's Rebate	
LEL	1: 533.00	1)	1: 0.00	0.00	0.00	0.00	
ST	2: 758.00		2: 0.00	0.00	0.00	0.00	
PT	3: 1048.00		3: 0.00	13.80	0.00	0.00	
UST	4: 4189.00		4: 5.85	13.80	0.00	0.00	
AUST	5: 4189.00		5: 5.85	13.80	0.00	0.00	
UEL	6: 4189.00		6: 5.85	13.80	0.00	0.00	
	Employee Threshold Rate	2)	2) 2.00				
	Employer Threshold Rate	3)	3) 13.80				
Field number File Quit Print							

Table C

TABLE CODE		PAYROLL - Maintain NI. Tables					DEMO
TABLE CODE C							
	Band Limits		Employee's Contrib	Employer's Contrib	Employee's Rebate	Employer's Rebate	
LEL	1: 533.00	1)	1: 0.00	0.00	0.00	0.00	
ST	2: 758.00		2: 0.00	0.00	0.00	0.00	
PT	3: 1048.00		3: 0.00	13.80	0.00	0.00	
UST	4: 4189.00		4: 0.00	13.80	0.00	0.00	
AUST	5: 4189.00		5: 0.00	13.80	0.00	0.00	
UEL	6: 4189.00		6: 0.00	13.80	0.00	0.00	
	Employee Threshold Rate	2)	2) 0.00				
	Employer Threshold Rate	3)	3) 13.80				
Field number File Quit Print							

Table H

TABLE CODE		H		PAYROLL - Maintain NI. Tables					DEMO
	Band Limits		Employee's Contrib	Employer's Contrib	Employee's Rebate	Employer's Rebate			
LEL	1: 533.00	1)	1: 0.00	0.00	0.00	0.00			
ST	2: 758.00		2: 0.00	0.00	0.00	0.00			
PT	3: 1048.00		3: 0.00	0.00	0.00	0.00			
UST	4: 4189.00		4: 12.00	0.00	0.00	0.00			
AUST	5: 4189.00		5: 12.00	0.00	0.00	0.00			
UEL	6: 4189.00		6: 12.00	0.00	0.00	0.00			
	Employee Threshold Rate	2)	2.00						
	Employer Threshold Rate	3)	13.80						

Field number **File** Quit Print

Table M

TABLE CODE		M		PAYROLL - Maintain NI. Tables					DEMO
	Band Limits		Employee's Contrib	Employer's Contrib	Employee's Rebate	Employer's Rebate			
LEL	1: 533.00	1)	1: 0.00	0.00	0.00	0.00			
ST	2: 758.00		2: 0.00	0.00	0.00	0.00			
PT	3: 1048.00		3: 0.00	0.00	0.00	0.00			
UST	4: 4189.00		4: 12.00	0.00	0.00	0.00			
AUST	5: 4189.00		5: 12.00	0.00	0.00	0.00			
UEL	6: 4189.00		6: 12.00	0.00	0.00	0.00			
	Employee Threshold Rate	2)	2.00						
	Employer Threshold Rate	3)	13.80						

Field number **File** Quit Print

3.5 Auto Enrolment minimum pension contribution

The most recent increase came into effect in April 2019.

Please check with your pension provider as to what the correct rates are for your scheme.

Some of you may already be paying more than the minimum. In all cases you must ensure that your enrolled employee details have at least the new minimum rates included in their master files, depending on the rates agreed under your pension scheme.

Maintain Employee Details.

Go to **Screen Two** to enter the rate for employees where the minimum pension % amount should be in most cases 5%. **NB this will need to be adjusted depending on whether your scheme is a net pay arrangement or not.**

Go to **Screen Four** for employers where the minimum pension % amount in most cases should be 3%.

3.6 Employment Allowance Information

You will only be able to claim Employment Allowance if your Class 1 National Insurance bill was below £100,000 in the previous tax year. If you are eligible to claim, the Employment Allowance is **£5000** for 2023/24.

How to claim your Employment Allowance

You'll continue to claim through your Employer Payment Summary (EPS), but claims will not renew, and you'll need to make a new claim for each year.

If you still comply with this and are eligible to claim, please submit an EPS after the start of the new tax year and enter Y against the Employment Allowance Indicator.

If you are no longer eligible, you must submit an EPS with the Employment Allowance indicator field set to N or blank.

It is your responsibility to check with HMRC if you are eligible and you may need to submit a new EPS if your eligibility changes over the course of the year.

You will be able to see how much of the Employment Allowance you have used in 'View PAYE Liabilities and Payments' in HMRC's Online Service using your Government Gateway ID.

For more information about the Employer Allowance, please see www.hmrc.gov.uk

4. Output P60s

It is no longer possible to receive pre-printed P60 forms from HMRC for printing. All P60s will be produced digitally from the Task system and emailed either to individual employees or to an administrator to print out from the email. Please contact us if this is not already set up on your payroll system.

P60s should be output in the new tax year after you have set up the payroll parameters above. Remember also that **employees must have their P60s by 31st May**.

5. Other Payroll Information

National Minimum Wage

There are new rates of National Minimum wage which will apply from 1 April 2023. Please ensure that you have reviewed each of your employees pay details to make sure that you will be compliant with the new rates. The HMRC website has a National Minimum Wage and Living Wage calculator for employers which allows you to check that you are paying the minimum wage or above, this can be found at <https://www.gov.uk/minimum-wage-calculator-employers>.

The rates from 1 April 2023 can be seen in the table below.

Category of worker	Hourly rate
Aged 23 and above (national living wage rate)	£10.42
Aged 21 to 22 inclusive	£10.18
Aged 18 to 20 inclusive	£7.49
Aged under 18 (but above compulsory school leaving age)	£5.28
Apprentices aged under 19	£5.28
Apprentices aged 19 and over, but in the first year of their apprenticeship	£5.28

Further details can be found at <https://www.gov.uk/national-minimum-wage-rates>.

Any changes required to an employee's pay can be entered on the TASKMASTER Payroll Module by selecting Monthly or Weekly Payroll then choosing **Employee Master File, Maintain Employee Details, Screen 2 Maintain Employee Pay**.

It is the responsibility of employers to ensure that these rates are implemented.

Apprenticeship Levy

This affects employers in all sectors, but the levy will only be paid on annual pay bills in excess of £3 million. Connected companies or groups of companies may find that they fall into the criteria. The Taskmaster Payroll will facilitate the reporting of this levy using the EPS form which will be sent monthly to HMRC. Please contact us if you fall into this category. Full information about the Apprentice Levy can be found at www.hmrc.gov.uk

Payrolling Benefits

As this remains a voluntary option, The Taskmaster Payroll module will now be amended on request to facilitate the option to report benefits in kind through the payroll system. If you would like to have this facility implemented, please contact us. Please note that you must register with HMRC on or before 5th April to be eligible to start using the payrolling benefits system. Further information on what benefits can be payrolled can be found on the HMRC web site.

Disclaimer:

Please note that Task Computer Logic Ltd cannot be held responsible for the accuracy of the payroll parameters detailed in this guide.

It is each Employer's responsibility to ensure that all parameters in the payroll are entered correctly and that all RTI submissions are correct.

We recommend that you regularly log on to your company Government Gateway account to check that your submissions are correct and to check for online code notifications or messages. It is also useful to subscribe to the regular **HMRC Employer Bulletin** which has up to date information published throughout the year.

All details can be found online at www.hmrc.gov.uk