

Reporting PAYE in Real Time using Taskmaster Payroll Further Information April 2013

Following on from a previous document posted on the www.etcl.co.uk web site, this document provides further information detailing procedures to follow for each weekly or monthly payroll that you run after the 6th April 2013. This is additional information and should be read in conjunction with the RTI document posted on our web site earlier.

To get ready for making weekly and/or monthly submissions, there are certain one off procedures which need to be followed in order to comply with the new RTI regulations. Please note that submissions to the revenue can only be made on or before the first payroll of the new financial year, (and cannot be made before 6th April).

Therefore we will be dealing with these issues starting from the week beginning 8th April.

You will need to have performed the year end following normal procedures and be ready with new Tax and NIC parameters set up before proceeding with the new system:

The tasks required are as follows:

1. Download the Taskmaster Payroll Online Form submission module

Go to the www.etcl.co.uk web site and click on *Updates*, followed by *Taskmaster Payroll Updates*. Click on *Download Taskmaster Payroll Online Form Submission module*.

You can contact us for help in installing this software and this should be installed on any PC which may be used to submit forms to HMRC.

2. Enter your Government Gateway ID details

As this is currently required for existing Year End submissions, most companies will already have these details in place. To check that your details are correct, select *Payroll Parameters* from your Payroll menu, followed by *Maintain Company Details*. Press *S5* to go to Screen Five. Check that the Sender ID is your Government Gateway ID and that your password is correct.

3. Enter the additional Company Reference Numbers required by HMRC

There are new fields to be entered on the main *Maintain Company Details* Screen. These are:

Accounts Office Reference Number

This can be found on your P30BC payment booklet or P30B – Paying Electronically and will be in the format 123PA00012345 (please note this reference is only an example and should not be used to make a submission.)

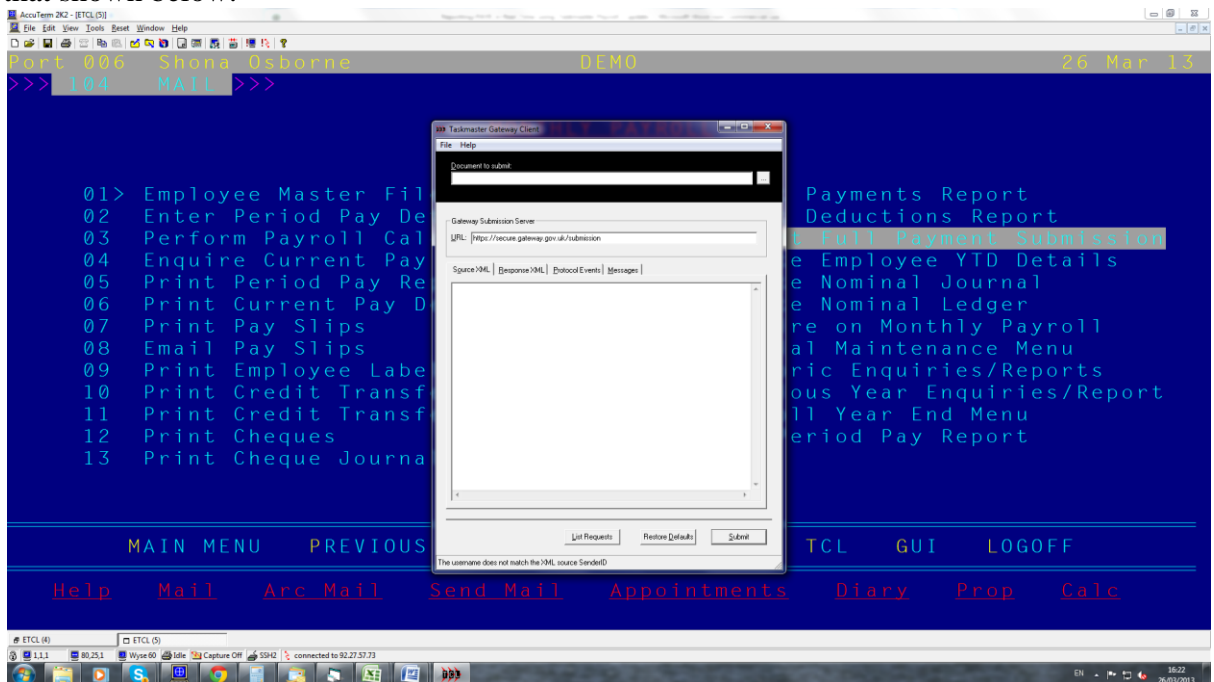
Corporation Tax Reference

Every Limited Company must enter their Corporation Tax Reference number. If you have more than one, enter the reference for the company that holds the employment contracts.

Full Payment Submission (FPS)

This form has to be submitted to HMRC every time you make payments to your employees, whether it is weekly or monthly. It has to be submitted on or before the employees are paid and it **MUST** be submitted **BEFORE** you close the payroll period.

1. If any employees have started during this period, ensure that you have entered all their details including a Starter Declaration if they have no P45. If they have a P45, enter the Previous Pay /Tax details and tax code as normal but you do not have to submit the P45 or P46 details online anymore.
Run the payroll in the normal way and print out all the reports you would normally keep.
If any employee has left during this period, ensure that you have entered their Leaving Date.
2. On or before the payment date, select **Export Full Payment Submission** from the main weekly or monthly payroll menu depending on which payroll you are reporting.
NB – This will only work if you have already downloaded the online form submission module as detailed in this document.
3. Enter the **Payment Date** and press **Return** followed by **Continue**
4. A File Transfer Status box will be displayed and then you will see a box similar to that shown below:



5. In the top of the box you will see **Document to Submit** field with a small square with 3 dots to the right of this field. Click on the square with the dots and double click on the filename FPS from the list shown.

6. This file will now be displayed in the Document to Submit field –
C:\Payroll\FPS.XML .
The Gateway Submission field will display :
<https://secure.gateway.gov.uk/submission>
Click on Submit and the file will be transferred to the HMRC server.

7. It is important to wait until the transmission has completed and you see a message telling you that the file has been received by HMRC. Once you see this, simply press the Red Cross box at the top right to come out of the submission software. If any error messages appear in the box, please contact us for advice.

At the year end, ie first one being April 5th 2014, you will also need to complete the second screen of information on the FPS telling HMRC that this is the final submission for the year and completing the onscreen declarations. However there will be more information about this in the Payroll Year End procedures which will be uploaded in March 2014.

Submitting an Employer Payment Summary (EPS)

You only need to submit an EPS if the amount of PAYE/NIC that you are actually paying to HMRC differs from the figures submitted on your FPS submissions for that tax month or if no payments to employees are made within a pay period.

Once you've sent an EPS to HMRC, they can then offset the amounts you want to recover against the payments you're due to make. So if you want the deduction to apply to a specific month, you'll need to send the EPS before your payment to HMRC is due on the 19th of the following month. For example, if you wish to inform HMRC that you are reducing the June tax month (6 June to 5 July) liability the EPS showing these details must be received in HMRC before 19 July. If HMRC does not receive the EPS until 20 July it will apply the reduction to the July tax month.

Even if you operate separate payrolls on the same PAYE scheme, for example a weekly payroll and a monthly payroll, you must send one EPS to cover the whole PAYE scheme. The EPS relates to the whole company and to all pay periods within a tax month .

In order to submit an EPS, select the *Payroll Year End Menu* from the *Monthly Payroll* menu (even if you also have weekly) and then select the *Export Employer Pay Summary* option.

All the fields on this form are manually entered. You will need to refer to payroll reports to collect the necessary amounts for each field.

Enter the following fields:

No Payment

If you have made no payments to employees or directors for an earlier period of one or more complete tax months and there was no FPS made, You must submit an EPS and indicate no payment is due and show dates in 'no payments due' fields after the end, but within 14 days of, the end of the tax month.

For example, if you didn't pay anyone between 6 April and 5 May you should send the EPS between 6 May and 19 May.

No Payment From Date

Enter a start date of the 6th of the first month in which no payments were made.

For example, if you didn't pay anyone between 6 April and 5 May you should enter 6 April here.

No Payment To Date

Enter the date of the last day in the preceding tax month. This date must always be 5th as a tax month always ends on the 5th of a calendar month.

For example, if you didn't pay anyone between 6 April and 5 May you should enter 5 May here.

Period of inactivity

If you know - for a future period of one or more (but up to a maximum of six) complete tax months - you will have no paid employees or directors (so you won't be making an FPS), you

can send an EPS now to let HMRC know you won't be sending an FPS for any of these future months.

Inactive from date: Enter the start date of the first tax month of your 'period of inactivity'. This date must be the 6th of the calendar month, as a tax month always starts on the 6th of a calendar month. The last date of inactivity must be the 5th of a month as a tax month always ends on the 5th.

You must complete the up to date position for one of the other sections - statutory payments, CIS deductions suffered, NICs Holiday, no payment dates or final submission for year - on the same EPS. If none of the other sections apply when sending the EPS re-enter one of the statutory payment recovered (year to date) figures you have previously submitted in this tax year or enter '£0' in 'SSP Recovered' field if no other figure is applicable.

For example, if you know in April that you will have no paid employees or directors between 6 August and 5 December you should enter 6 August here, and complete one of the other sections - statutory payments, CIS deductions suffered, NICs Holiday, no payment dates or final submission for year - on the same EPS.

SSP

Enter the total **year to date** amount of SSP you have recovered.

SMP

Enter the total **year to date** amount of SMP you have recovered followed by any additional year to date compensation you are entitled to.

OSPP

Enter the total **year to date** amount of OSPP you have recovered followed by any additional year to date compensation you are entitled to.

SAP

Enter the total **year to date** amount of SAP you have recovered followed by any additional year to date compensation you are entitled to.

ASPP

Enter the total **year to date** amount of ASPP you have recovered followed by any additional year to date compensation you are entitled to.

CIS Deductions

If you are a limited company that has had CIS deductions made from payments received for work in the construction industry, enter the total amount of CIS deductions suffered year to date.

NICs Holiday

Enter the total amount of employer Class 1 NICs you are entitled to withhold in the tax year to date. Only applies to employers who have successfully applied for the Regional Employer NICs Holiday for New Businesses scheme.

Once you have entered all the appropriate amounts, press *Continue*.

A File Transfer Status box will be displayed as shown in the FPS details above.

In the top of the box you will see **Document to Submit** field with a small square with 3 dots to the right of this field. Click on the square with the dots and double click on the filename **EPS** from the list shown.

This file will now be displayed in the Document to Submit field – C:\Payroll\EPS.XML .

The Gateway Submission field will display :

<https://secure.gateway.gov.uk/submission>

Click on Submit and the file will be transferred to the HMRC server.

It is important to wait until the transmission has completed and you see a message telling you that the file has been received by HMRC. Once you see this, simply press the Red Cross box at the top right to come out of the submission software. If any error messages appear in the box, please contact us for advice.

Please note that the information in this document and previous Taskmaster RTI documents detailing what has to be reported to HMRC has all been taken from the HMRC web site and software developer guidelines as it stands at the moment. It is each employers' responsibility to ensure that they submit the correct information at the correct time and keep up to date with any changes in legislation which change any of the details stated here.