



# **Guide to Real Time Information (RTI) for PAYE**

**IRIS Payroll Basics**

April 2017



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## How to use this Guide

This guide will give you an overview of what Real Time Information (RTI) for PAYE is as well as how it is going to work within the payroll software. You can read it straight through or just jump to the section you are interested in using the links in the [Contents](#) page.

There is a [Glossary of Terms](#) towards the back.

If text within the guide looks like [this](#), it is a link which will take you to more information on that topic.

We recommend you start with [What is RTI and how will it affect me?](#) and [What do I need to do first?](#)

## What is RTI and how will it affect me?

Real Time Information (RTI) is a system for reporting Pay, Tax, National Insurance and other details about your employees to HMRC.

It is thought that by collecting payroll data in real time, individuals' tax deductions will be more accurate throughout the year. This should also make the PAYE system easier to operate thus releasing the burden on employers and providing better tax administration to HMRC.

As an employer you are responsible for all tax deductions and calculations. HMRC require you to return year to date figures at the same time as payment is made to your employees, be that weekly, fortnightly or monthly.

## What's involved?

- All employers must go through a one-off 'alignment' process in order to synchronise their data with HMRC. This is achieved by sending the first **Full Payment Submission**
- Employers and pension providers tell HMRC about Tax, National Insurance contributions and other deductions on or before pay day, be that weekly, monthly or any other period via a **Full Payment Submission**
- Any adjustments to the expected monthly payment that an employer is making to HMRC are reported via an **Employer Payment Summary**
- New starters and leavers are reported via the **Full Payment Submission**

## What do I send to HMRC and when?

### Full Payment Submission (FPS)

- Every pay period on or before payday
- First FPS contains all current employees plus leavers paid this year

### Employer Payment Summary (EPS)

- Only sent in months where you reduce the payment to HMRC for things like SMP recovered or because no employees were paid
- must be sent if you are paying Apprenticeship Levy

### NINO Verification Request (NVR)

- Only if you want to trace an NI number before you pay an employee
- Tracing process is automatic if you include an employee with a blank NI number on the FPS

### Earlier Year Update (EYU)

- Used for reporting amendments to an employee's year to date figures in the previous tax year, if the date in the current tax year is on or after 20th April

## What do I need to do first?

Prepare your data



Identify Pensions

## Prepare your data

HMRC require accurate employee data for RTI. You need to make sure your **Employee Details** are up to date and accurate.

### Mandatory fields for RTI are:

#### Company data

- District No \*
- PAYE Reference \*
- PAYE Accounts Office Reference (Account No) \*

#### Employee data

- Surname
- Forename
- Date of Birth
- Address – first two lines and Postcode (this is required if the NI Number field is blank)
- NI Number HMRC will be using NI Number as the main identifier for employees, so it's important to complete the field, however it will not stop an FPS from being accepted

\* This information can be found on your P30BC 'Payment booklet' or the P30B 'Paying electronically'

**You need at least Surname, Forename and Date of Birth in all Employee Details or you will not be able to send a Full Payment Submission**

It is also important to make sure that:

- **Forename1** field is completed with employees' given names, for example Catherine rather than Kate or Matthew rather than Matt
- Nicknames should be entered into the **Known As** field
- Where known, include middle names in the **Forename2** field. HMRC will be using these as a secondary identifier when NI number is not present
- An individual's correct date of birth should always be recorded, not a default or fictitious date

According to HMRC, over 80 per cent of PAYE data quality issues are caused by incorrect information about an individual's name, date of birth, or NINO. It is important you ensure the information you receive from your employee is accurate and complete by checking the validity of this information using official documentation.

For further information on checking documentation, a guide '**Check a job applicant's right-to-work documents**' is provided on [www.gov.uk](http://www.gov.uk).

## Employee Data

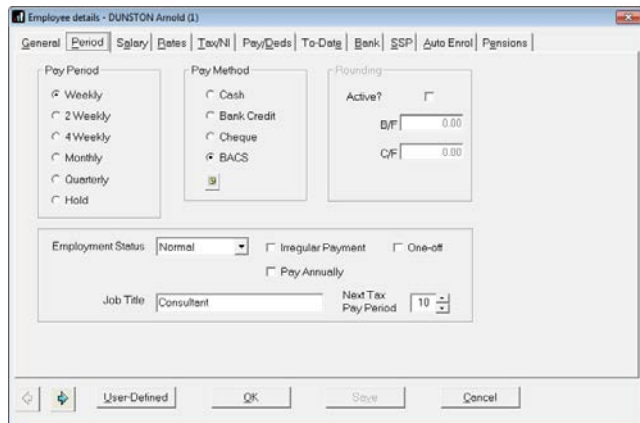
You may need to add certain employee data to the payroll system; **Irregular Payment Indicator**, **Normal Hours Worked per Week**, **Passport No** and **Occupational Pension**, **Trivial Commutation Payments**, **Country**, **On Strike & Employee Requested Zero Contracted Hours**, and **Payment to a Non-Individual**.

When setting up a new employee the **Irregular Payment** indicator will be ticked if you select **Casual** or **Occasional** as the **Employee Status**

## Irregular Payment Indicator

This new field is important to complete for any Casual or Occasional workers you may have, particularly those who may not work for you for 13 weeks or more. It informs HMRC that the individual is still employed by your company.

If you have employees who have their **Employment Status** set to Casual or Occasional, the **Irregular Payment Indicator** field will be ticked and disabled by default.

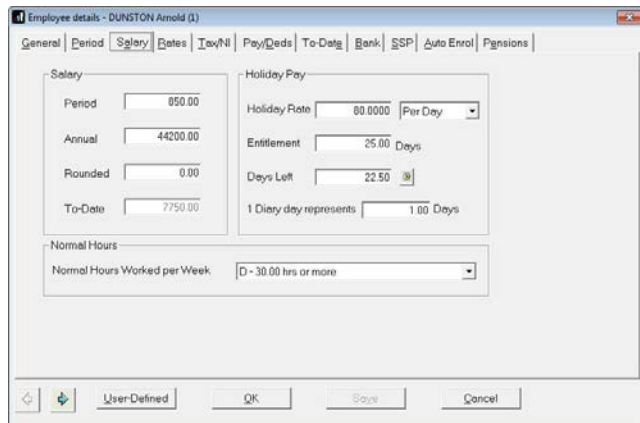


The screenshot shows the 'Employee details - DUNSTON Arnold (1)' window with the 'Pay' tab selected. The 'Employment Status' is set to 'Normal'. The 'Irregular Payment' checkbox is checked and disabled. The 'Pay Method' is set to 'BACS'. The 'Rounding' section shows 'Active?' checked, with 'B/F' and 'C/F' both set to 0.00. The 'Job Title' is 'Consultant' and the 'Next Tax Pay Period' is '10'.

## Normal Hours Worked per Week

This field should hold the normal hours worked in a week by an employee. Normal hours aren't always the same as contracted hours and need to be calculated.

An explanation of what counts as working hours can be found on HMRC website [here](#). It also provides an explanation of how to work out usual weekly working hours. This field will be used by HMRC to calculate eligibility for tax credits, so it is important you complete it.

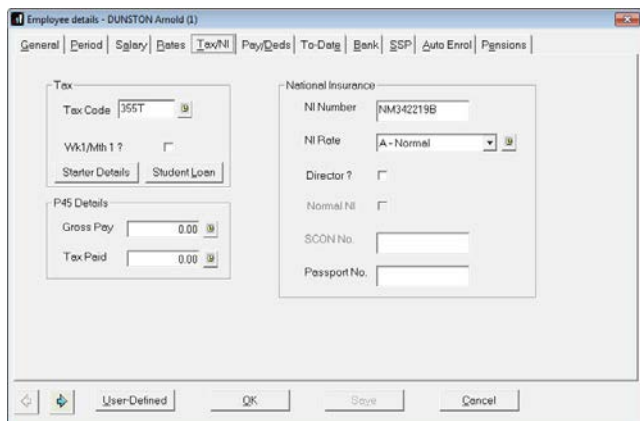


The screenshot shows the 'Employee details - DUNSTON Arnold (1)' window with the 'Salary' tab selected. The 'Normal Hours Worked per Week' is set to 'D - 30.00 hrs or more'. Other fields include 'Period' (850.00), 'Annual' (44200.00), 'Rounded' (0.00), 'To-Date' (7750.00), 'Holiday Rate' (80.0000), 'Entitlement' (25.00 Days), 'Days Left' (22.50), and '1 Diary day represents' (1.00 Days).

The system operates in bands of hours which are: **A - up to 15.99 hrs**, **B - 16.00-23.99 hrs**, **C - 24.00-29.99 hrs** and **D - 30.00 hrs** or more. If you are paying a pension select **E - Other**.

## Passport No

This only needs to be used for employees who are unable to provide you with an NI number, such as foreign nationals.



The screenshot shows the 'Employee details - DUNSTON Arnold (1)' window with the 'Tax/NI' tab selected. The 'Tax Code' is '355T'. The 'NI Number' is 'NM342219B'. The 'NI Rate' is 'A - Normal'. The 'Passport No.' field is empty. Other fields include 'Gross Pay' (0.00) and 'Tax Paid' (0.00).



### Occupational Pension

If an employee is receiving an Occupational Pension the **Receiving Occupational Pension** box must be ticked.

This field can be found in **Employee Details**, on the **Tax/NI** tab. Click the **Starter Details** button and open the **Penioner** tab.

### Trivial Commutation Payments

When paying pension payments you may be required to pay a **Trivial Commutation Payment**. These one-off lump sum payments may have a non-taxable proportion. The type of **Trivial Commutation Payment** declared will be included on your FPS together the value of the payment.

Further information regarding Trivial Commutation Payments can be found [here](#).

### Country

**Country** must be included as part of an employee's address. The field will default to United Kingdom and you can add new countries by typing directly into the box.

### On Strike & Employee Requested Zero Contracted Hours

These new fields are available when clicking the RTI button on the **Input Edit Payroll Details** screen, and should be used if the employee is not being paid for one of these reasons:

- On Strike
- Employee Requested Zero Contracted Hours



**Reasons for Unpaid Leave** will be included on the FPS and will stay ticked for any subsequent pay periods until un-ticked.

### Payment to a Non-Individual

This field should only be used if you are making a payment to a non-individual on behalf of the employee, for example a charity. If this box is ticked the information will be included on the FPS and will stay ticked for any subsequent pay periods until un-ticked.

## Alignment Process

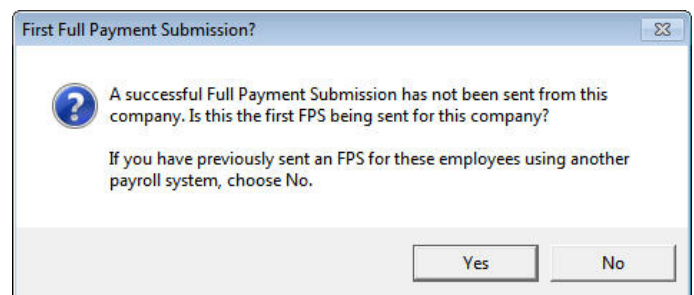
The first **Full Payment Submission** you submit will align your company's data with the data HMRC hold.

**NOTE:** Your first **FPS** will contain all current employees from your IRIS Payroll Basics company, plus any employee paid during the tax year that has since left, that is, all employees that would normally have a P14 printed. Each subsequent **FPS** will generally only include employees paid in any pay period.

### To send the **FIRST FPS** (after you have run your first payroll):

1. Click on the **Online Services** menu
2. Select **Send Full Payment Submission**
3. If IRIS Payroll Basics detects that this is the first FPS sent for this company you will see this message:

Click **Yes**



4. The screen will show **This is the first Full Payment Submission**
5. Enter **Employee Type & Period**
6. In **Who to Select**, click **All**
7. Select **Submission Type Live**

Under the section **Submission**, there is '**Reason for Late Reporting**'. This is an optional field allowing you to decide if the FPS is late, and if so, what reason to select

8. Click **Next**
9. The **Final Confirmation Screen** will be displayed
10. Check details and **Print Summary** or **Print Details** (if required). **Print Summary** gives a report showing the totals due. **Print Details** gives a breakdown of all employees
11. Click **Send**

## What do I need to do each payroll run?

Each time you pay your employees you need to send a **Full Payment Submission** to HMRC via the Government Gateway. It should be sent for every payment on or before payday.

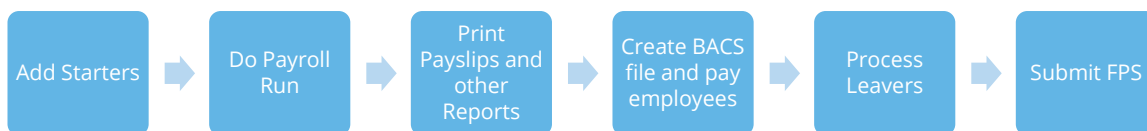
Generally FPS submissions should be sent on or before the pay date with few exceptions. HMRC allow up to 7 days to report PAYE in certain circumstances:

- Where payments are made on the day of work which vary depending on the work done
- Where it is impractical to report in real time – such as:
  - A crop picker paid in cash at the end of the day, when their pay is based on how much they have picked

Click [here](#) for HMRC information on Timing of Real Time Returns and [here](#) for HMRC information on paying Harvest Casuals and Beaters.

The **Full Payment Submission** contains employees' pay period and year to date figures, Forename, Surname, Birth date, address changes, Hours worked, details of **new starters** and **leavers**, the **Payment after leaving** indicator, and the **Irregular Payment** indicator.

We recommend the following as a payroll process:



This makes sure that any leavers you have created are marked as such with their final payments.

If an employee included on the **Full Payment Submission** has an incorrect or missing NI number, HMRC will automatically begin a search for the correct one or allocate a new one.

## To send an FPS:

1. Click on the **Online Services** menu
2. Select **Send Full Payment Submission**
3. Select **Employee Type & Period**
4. In **Who to Select**, click **All**
5. The screen will show **Last Full Payment Submission was for ...** This is the last **FPS** that was submitted
6. Select **Submission Type** (Live or File only – File only does not send the data to HMRC, it may be requested by Payroll Support if they ever need to assist you with your **FPS**)

Under the section **Submission**, there is **Reason for Late Reporting**. This is an optional field allowing you to decide if the FPS is late, and if so, which reason to select

7. Click **Next**
8. The **Final Confirmation Screen** will be displayed
9. Check details and **Print Summary** or **Print Details** (if required). **Print Summary** gives a report showing the totals due. **Print Details** gives a breakdown of all employees
10. Click **Send**

If you have a pending **FPS** submission that has not been sent for the company, you will receive the following message:

“You have a previous Full Payment Submission where you have not received a response from HMRC. It is very important that these are completed before sending any new submissions. Do you want to complete the previous pending submission now?”

## What do I need to do each month?

Payments should be made to HMRC by the 19<sup>th</sup>/22<sup>nd</sup> of the following month as before. You will still use the **Month End Summary** to help you with this.

If there are any changes to the payment that HMRC are expecting or no employees were paid in the current month, resulting in no Tax and NIC liability, you need to do an **Employer Payment Summary**. For example, you are paying an employee SMP so you have reduced your payment to HMRC by the SMP Recovered amount, and by the Compensation amount if you are a small employer.

An EPS must also be sent if you are claiming **Employment Allowance** to offset up to £3,000 per year off your employer's NIC liability.

**Employment Allowance** allows an employer to offset up to £3000 per year of their Employer's NI against their liability to HMRC at the end of each month. **Employment Allowance** is per business and not for every separate PAYE reference. It can be split across more than one **Company**

We recommend the following as your month-end process:



### To submit an EPS:

1. Click on the **Online Services** menu and select **Send Employer Payment Summary**
2. Select the relevant **Month** and **Submission Type**
3. If you are submitting an EPS because no employees were paid this month, resulting in no Tax and NIC liability, tick the **No Employees Paid In Current Month** box and enter the relevant dates
4. If you are submitting an EPS because you are not going to be paying any employees in future months then tick the **No employees will be paid in Future Months** box and enter the relevant dates
5. If this is the final EPS for the year, tick the box
6. Click **Next**

7. This screen shows the year to date amounts for each month, as required for the **EPS**. The **Current Month** row contains the amounts which have been calculated for this month. These will be added to the year to date values and submitted. If you need to alter these figures, for example if you have other payrolls with the same tax reference which are not run on this software, you can do so by typing directly into the relevant boxes \*\*
8. When you are happy with the **Current Month** values, click **Print** if you need a hard copy of the figures then click **Next**
9. Click **Back** if you want to amend anything, **Send** when you are finished

\*\* Please note, if you start using IRIS Payroll Basics or enable RTI mid-year, you will need to enter any Statutory Payment year to date values. Go to **Company | Alter Company Details** and on the **Company** tab click **Payment Summary**. Here you can enter the year to date values in the month prior to using IRIS Payroll Basics or enabling RTI. For instance, if you enabled RTI in July, enter the year to date values for June in the June row. These values will then be populated in the EPS screen.

You may find that after doing month end processing and sending the EPS, you need to recalculate the payroll. If so, you will need to redo month end processing and manually enter the newly calculated values onto the EPS screen and resubmit

### Apprenticeship Levy

An EPS must be sent if you are paying Apprenticeship Levy. Once enabled, Month-end processing will calculate the **Apprenticeship Levy** due in each month. Monthly values will then be populated to the EPS screens at each pay period.

An **App. Levy** column can be found on the **Employer Payment Summary** screen, to the right of **CIS Suf**. You are able to enter/amend the value for Apprenticeship Levy in the **Current Month** row or the total row against the month itself, as with any other EPS values.

## Employment Allowance

**Employment Allowance** allows an employer to offset up to £3,000 per year of their employer's NI against their liability to HMRC at the end of each month. **Employment Allowance** is per business and not for every separate PAYE reference.

To set up **Employment Allowance**:

1. Go to **Company | Alter Company Details | Tax tab** and tick the **Enable** box under **Employment Allowance**
2. Enter the **Max Allowance** applicable
3. Click **OK**

When you first set up **Employment Allowance**, an **EPS** must be sent in that period to notify HMRC accordingly, even if you have no other reason to send an EPS

**Important Reminder:** If you are claiming **Employment Allowance**, you must do **Month-end processing** each Month in order for the **Employment Allowance** amount to accumulate correctly



## How do I process a new starter?

New starters are reported to HMRC via the **Full Payment Submission**.

### Mandatory information for new starters

- **Surname**
- **Forename 1**
- **Date of Birth**
- **Date Started**
- **Starting Declaration (P46)**
- **Address** – first two lines and Postcode

### Desirable information for new starters

- **Forename 2**
- **NI Number** is desirable; however not knowing the NI Number for some of your employees will not stop submission to HMRC
- **Normal Hours Worked Per Week**

### Information required for new starters in certain circumstances

- **Irregular Payment Indicator** (if applicable to an employee, requires completion prior to your first RTI alignment being carried out by either **Employee Alignment Submission** or **Full Payment Submission**)
- **Passport Number**
- **Occupational Pension** (only applicable if you are running a pensioners' payroll)

## How to process a new starter with a P45

1. Create new employee via **Employee | Add New Employee**
2. Enter mandatory employee information
3. Enter the to-date values from the P45 in **Tax/NI** tab | **P45 Details** section
4. Enter the **Tax Code** from the P45 onto the **Tax/NI** tab
5. Click **Starter Details**
6. Tick the required response on the **Starting Declaration** or complete **Pensioner** or **Expat** details
7. Tick **Student Loan Deduction** if required
8. Click **Save** then **Close**

## How to process a new starter without a P45

1. Create new employee via **Employee | Add New Employee**
2. Enter mandatory employee information
3. Leave the **Tax Code** on **Tax/NI** tab blank– this field will be automatically completed based on the response given to the **Starter Declaration** (unless the new starter will be receiving a pension, in which case follow the guidance on **HMRC's website**)
4. Click **Starter Details**
5. Tick the required response on the **Starting Declaration** or complete the **Pensioner** or **Expat** details \*\*
6. Tick **Student Loan Deduction** if required
7. Click **Save** then **Close**

\*\* If you haven't received the employee information in time for their first pay day you must still notify HMRC by completing the information on **Starter Details** to the best of your knowledge. If P45 figures have not been entered and you have provided a response to the Starter questions, IRIS Payroll Basics will set the Tax Code as required.

If you are setting up a new employee record for an individual who is not a new starter, for instance transferring from another PAYE system, select the Starter option **This is not a new employee**

## Receiving a P45 after the employees first payday

If a new starter gives you a P45 after their first payday, but you have already submitted the FPS for that pay period and you have already received the employee's Tax Code from HMRC you should:

1. Disregard the tax code on the P45
2. Continue to use the tax code received from HMRC
3. Enter the **Gross Pay** and **Tax Paid** figures from the P45 in **Employee Details | Tax/NI tab | P45 Details**

However, if you haven't yet received a tax code from HMRC for the employee:

1. Confirm the figures on the P45 are correct and enter the relevant tax code in **Employee Details | Tax/NI tab**
2. Enter the Gross Pay and Tax Paid figures from the P45 in **Employee Details | Tax/NI tab | P45 Details**

## How do I process a leaver?

Leavers are reported to HMRC via the **Full Payment Submission**.

We recommend that you process your leavers after you have run the BACS for their last pay period, but before you have submitted the **Full Payment Submission** for that period. This is because when an employee leaves, the leaving date **MUST** be included with their final payment on the **Full Payment Submission**

## How do I make a payment after leaving?

If you are recalculating the employee's final pay:

1. Click on the **Employee** menu
2. Select **P45 Routines**, then **Restore Leavers**
3. Select the relevant employee from the list and click **OK**
4. The system will check if the employee has already appeared on an **FPS** as a leaver. If they have, a warning message will appear:

'Are you restoring this employee to continue paying them or are you making a payment after leaving?

Click 'Yes' to continue paying the employee or make an adjustment to their final pay

Click 'No' to make an additional payment to the employee after they left'

5. Click **Yes** to restore the leaver
6. Make adjustments as required to the employee's current pay period
7. Remember to recreate the leaver in the system, by returning to **Issue P45** and using the original leave date before you send the FPS

If you are making an additional payment after the employee's leave date:

1. Click on the **Employee** menu
2. Select **P45 Routines**, then **Restore Leavers**
3. Select the relevant employee from the list and click **OK**
4. The system will check if the employee has already appeared on an **FPS** as a leaver. If they have, a warning message will appear:

'Are you restoring this employee to continue paying them or are you making a payment after leaving?

Click 'Yes' to continue paying the employee or make an adjustment to their final pay

Click 'No' to make an additional payment to the employee after they left'

5. Click **No** and the following message will appear:

'A Full Payment Submission including the leave date has already been sent to HMRC for this employee. Since you have indicated you are making a payment after leaving, the employee's Tax Code will be set to 0T week1/month1.'

6. Click **OK** and the system will allow you to restore the employee but change their **Tax Code** to 0T week 1/month 1
7. Pay the leaver as needed in the current pay period
8. Remember to recreate the leaver in the system, by returning to **Issue P45** and using the original leave date
9. The employee will appear in the next FPS and their payment will be flagged as a **Payment After Leaving**

## I have made the wrong employee a leaver and have sent the FPS

If the wrong employee has been made a leaver and the FPS has been sent, in the current tax year, you can restore the leaver and continue to pay them by taking the following steps:

1. From the **Employee** menu, select **P45 Routines** then **Restore Leaver**
2. Select the relevant employee
3. The system will check if the employee has already appeared on an FPS as a leaver. If they have, this message will appear:

'Are you restoring this employee to continue paying them or are you making a payment after leaving?

Click 'Yes' to continue paying the employee or make an adjustment to their final pay

Click 'No' to make an additional payment to the employee after they left'

4. Click **Yes** to restore the leaver and then continue to pay them as normal

## Previous Employee Code

You are now able to record a **Previous Employee Code** and have it sent via FPS ensuring HMRC do not create a duplicate employee in their system. This is for use when you have paid an employee under a different employee code but within the same PAYE reference.

1. When you add the employee to the company, in their **Employee Details** on the **Tax/NI** tab, click on the **Starter Details** button
2. On the **New Starter** tab, make sure **This is not a new employee** is ticked and enter the old employee code in the **Previous Employee Code** box
3. The **Previous Employee Code** box will only be enabled for employees who have not yet had a successful FPS submitted for them. Once a successful FPS has been sent the field will be hidden
4. The **Previous Employee Code** will then be sent via FPS so HMRC do not create a duplicate employee in their system

**Please note:** The **Previous Employee Code** must be entered prior to sending the FPS. This field can also be used where you are transferring payroll data from another payroll system

These fields should ONLY be used when you are transferring an employee to another company with the same PAYE reference or if you are moving from another payroll system to IRIS Software and are using different employee codes

## What do I do at year end?

To print the **Year-end Guide**, from the **Year-end** menu select **Year-end Guide**

## What if I cease trading?

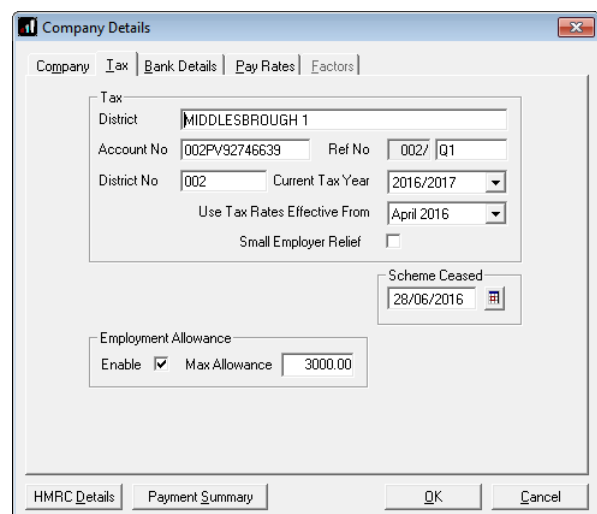
If your company ceases trading, the ceased trading date will be used by either the **EPS** or **FPS** process for identifying the final submission.

The process for a company that has ceased trading depends on whether you have to complete an **EPS** or not.

If you are submitting an **EPS**, the ceased trading date should be set **after** you have submitted your final **FPS**.

If you do not have to submit a final **EPS**, set the ceased trading date **before** you send your final **FPS**.

1. Enter the Scheme Ceased date on the Tax tab in Company | Alter Company Details.
2. Click **OK** after entering the **Scheme Ceased** date and the following message will be displayed. Click **'Yes'** to issue leaving dates to all employees.



The screenshot shows the 'Company Details' dialog box with the 'Tax' tab selected. The 'Scheme Ceased' date is set to 28/06/2016. Other fields include District (MIDDLESBROUGH 1), Account No (002PV92746639), Ref No (002/ Q1), District No (002), Current Tax Year (2016/2017), and Use Tax Rates Effective From (April 2016). There is also an 'Employment Allowance' section with 'Enable' checked and 'Max Allowance' set to 3000.00. Buttons for 'HMRC Details', 'Payment Summary', 'OK', and 'Cancel' are visible at the bottom.



The screenshot shows a warning dialog box titled 'Ceased Trading Date'. It contains a yellow warning icon and the following text: 'You have entered a Ceased Trading date which will assign a leaving date of 10/10/2013 to all of your employees. This means you will not be able to pay any of your employees again. If you intend to copy this company to continue trading in receivership you should not set the Ceased Trading date here. Set the Ceased Trading date when making a copy of the company for receivership in the Administration section of Earnie. Do you want to continue and set the leaving dates now?'. There are 'Yes' and 'No' buttons at the bottom.

## Earlier Year Update (EYU)

An **Earlier Year Update** is used to send an employee's amended year to date figures for a previous tax year. HMRC only accept these changes via an **FPS** prior to the 20<sup>th</sup> April in the current tax year. If the date is on or after 20<sup>th</sup> April, use the **Earlier Year Update** facility to submit the new details to HMRC.

The **Earlier Year Update** can only be sent for a single employee at a time, you cannot select multiple employees.

Use the **Earlier Year Update** to enter the original year to date values sent via an **FPS**; IRIS Payroll Basics will automatically calculate the difference between previously submitted values and the new, year to-date values.

### To Submit an Earlier Year Update

There are three options when submitting an EYU. The values in the EYU Value column are sent.

1. From the **Year-end** menu, select **Use Last Year's Company Data** (we recommend you take a backup of your current data first)
2. Check the title bar at the top of the payroll software is now displaying the previous tax year
3. Open the relevant **Employee Details**. Make a note of the employee's existing year to date values, on the **To-Date** tab, which have already been submitted via an **FPS**
4. From the Employee menu, select **Override Figures** then **Alter To-date Totals**
5. Make the necessary amendments to the employee's year to date figures i.e. Gross Taxable Pay, Tax Paid, Student Loan Recovery, Employee Total NIC via **Employee | Override Figures | Alter To-date Totals**. Click **OK** and save the changes.

### Option 1

1. From the **Online Services** menu, select **Send Earlier Year Update** and select the relevant employee
2. Enter the figures already submitted to HMRC via **FPS** in the **YTD already sent** column
3. If the employee had more than one NI letter during the tax year, click **Multiple NICs** to enter the relevant breakdown then **OK** to save the changes
4. Click **Sundry** if you need to amend values for **Gross pension deductions, Net pension deductions, Trivial commutation payments** or **Benefits taxed in payroll**

The **Sundry** screen also has a tick box, **Enable Annual Pension & Recently Bereaved**; tick this box to enable **Recently Bereaved** and **Annual Pension Amount**. **Annual Pension Amount** will display the value held in **Employee Details**



1. Click **Next** to display the **Earlier Year Update – Final Confirmation** screen
2. Click **Print** if you require a copy of the figures
3. Click **Send** to start the submission
4. Once complete, from the **Year-end** menu, select **Use Last Year's Company Data** again to return the data to the current tax year

**Please Note:** The **YTD already sent** column needs to be completed for all values

**Please Note:** With **Enable Annual Pension** ticked and **Recently Bereaved** set to **Yes** or **No**, the **Annual Pension Amount** will be submitted on the EYU. **Annual Pension** is a year to-date field and will overwrite any previously submitted value

## Option 2

### Enter the EYU Value

1. From the **Online Services** menu, select **Send Earlier Year Update**
2. Tick **Enter EYU Values** only
3. In the **EYU Value** column, enter the difference between what was sent on the last FPS and what should have been sent (the **New YTD value** and **YTD already sent** columns will be disabled)
4. If the employee had more than one NI letter during the tax year, click **Multiple NICs** to enter the relevant breakdown then **OK** to save the changes
5. Click **Sundry** if you need to amend values for **Gross pension deductions; Net pension deductions; Trivial commutation payment** or **Benefits taxed in payroll**, then click **OK**

The **Sundry** screen also has a tick box, **Enable Annual Pension & Recently Bereaved**; tick this box to enable **Recently Bereaved** and **Annual Pension Amount**. **Annual Pension Amount** will display the value held in **Employee Details**

6. Click **Next**, this will display the **Earlier Year Update – Final Confirmation** screen
7. Click **Print** if you require a copy of the figures
8. Click **Send** to start the submission
9. Go to **Employee | Overrule Figures | Alter To-dates**
10. Make any necessary amendments to the employee's year to date figures i.e. Gross Taxable Pay, Tax Paid, Student Loan Recovery, Employee Total NIC then click **Save** then **Close**

### Option 3

#### Populate EYU Values with last FPS values

This option would primarily be used when the last FPS has not been sent for the last period of the year.

1. From the **Online Services** menu, select **Send Earlier Year Update**
2. Tick **Populate with last pay period values** (the **New YTD value** and **YTD already sent** columns will be greyed out)
3. Click **Next**, this will display the **Earlier Year Update – Final Confirmation** screen
4. Click **Print** if you require a copy of the figures
5. Click **Send** to start the submission

## Glossary of Terms

<b>RTI</b>	<b>Real Time Information</b>	Collection of PAYE information as it happens instead of at month end or year end
<b>FPS</b>	<b>Full Payment Submission</b>	Sent every payroll. Also used as an alignment before starting RTI by companies without split schemes or less than 250+ employees
<b>EAS</b>	<b>Employer Alignment Submission</b>	Sent once before starting RTI, used by companies with split schemes or 250+ employees
<b>EPS</b>	<b>Employer Payment Summary</b>	Sent monthly to inform HMRC about adjustments made to the monthly payment
<b>NVR</b>	<b>NINO Verification Request</b>	Sends a request for a National Insurance number to HMRC
<b>EYU</b>	<b>Earlier Year Update</b>	This allows you to make amendments to earlier year submissions. More details on this will be available in the Year-end Guide.
<b>DPS</b>	<b>Data Provisioning Service</b>	This is the system HMRC uses to send messages to your payroll
<b>YTD</b>	<b>Year To Date</b>	The FPS and EPS always send Year to Date values to HMRC
<b>Irregular Payment indicator</b>		For any Casual or Occasional workers, particularly those who may not work for you for three months or more. It informs HMRC that the individual is still employed by your company
<b>Payment after leaving indicator</b>		This is needed if an employee has appeared as a leaver on an FPS but you need to pay them again
<b>NINO</b>	<b>National Insurance Number</b>	
<b>Split Scheme</b>		Where a company's payrolls are split, e.g. a company runs its own payroll on IRIS Payroll Basics but their Directors payroll is run by a bureau or the company is split across two or more IRIS Payroll Basics companies

## What are the RTI arrangements for Casual Harvesters and Beaters?

HMRC has an existing agreement with the National Farmers Union covering payments to harvest casuals and one with the Country Land & Business Association for casual beaters. These agreements set out how payments to daily paid harvest casuals and casual beaters should be treated for tax and NI. These agreements remain the same under RTI but there is a change in how they are reported to HMRC.

A **One-Off** function has been added to IRIS Payroll Basics to reduce the burden on employers who pay Harvest Casuals and Beaters.

If the individual is a daily harvest casual or beater and:

- Is taken on for one day or less
- Is paid off at the end of that period
- Has no contract for further employment

### And if the Employee appears once in a single FPS:

You need to:

1. Create the employee in IRIS Payroll Basics including their full name, date of birth, gender, National Insurance number and address
2. Tick the **One-off** indicator on the **Period** tab
3. Run the payroll and send the FPS
4. The system will set the **Start Date** and **Leave Date** to be the same as the Pay date

If you pay this employee again another day in a different pay period:

1. Create a new employee record for the employee
2. Enter the '**Start Date**' (same as the pay date)
3. Tick the '**One-off**' indicator on the **Period** tab
4. Alter the '**Next Tax Pay Period**' to the pay period you are paying the employee for and save the changes
5. Run the payroll and send the FPS
6. The system will set the **Start Date** and **Leave Date** to be the same as the Pay date

### Or the Employee appears multiple times per FPS:

1. Create the employee in IRIS Payroll Basics including their full name, date of birth, gender, National Insurance number and address
2. Tick the '**One-off**' indicator
3. Create a new employee record with the one off indicator ticked, for as many times as you need to pay the employee
4. Run the payroll for each record with different pay dates
5. Send the FPS as needed
6. The system will set the **Start Date** and **Leave Date** to same as Pay date

More advice on paying Casual Harvesters and Beaters can be found on the HMRC website [here](#).

## Additional Software and Services Available

### IRIS AE Suite™

The IRIS AE Suite™ works seamlessly with all IRIS payrolls to easily manage auto enrolment. It will assess employees as part of your payroll run, deduct the necessary contributions, produce files in the right format for your pension provider\* and generate the necessary employee communications.

### IRIS OpenPayslips

Instantly publish electronic payslips to a secure portal which employees can access from their mobile phone, tablet or PC. IRIS OpenPayslips cuts payslip distribution time to zero and is included as standard with the IRIS AE Suite™.

### IRIS Auto Enrolment Training Seminars

Choose from a range of IRIS training seminars to ensure you understand both auto enrolment legislation and how to implement it within your IRIS software.

### Useful numbers

HMRC online service helpdesk	HMRC employer helpline
Tel: 0300 200 3600	Tel: 0300 200 3200
Fax: 0844 366 7828	Tel: 0300 200 3211 (new business)
Email: helpdesk@ir-efile.gov.uk	

### Contact Sales (including stationery sales)

For IRIS Payrolls	For Earnie Payrolls
Tel: 0844 815 5700	Tel: 0844 815 5677
Email: sales@iris.co.uk	Email: earniesales@iris.co.uk

### Contact support

Your Product	Phone	E-mail
IRIS PAYE-Master	0844 815 5661	payroll@iris.co.uk
IRIS Payroll Business	0844 815 5661	ipsupport@iris.co.uk
IRIS Bureau Payroll	0844 815 5661	ipsupport@iris.co.uk
IRIS Payroll Professional	0844 815 5671	payrollpro@iris.co.uk
IRIS GP Payroll	0844 815 5681	gpsupport@iris.co.uk
IRIS GP Accounts	0844 815 5681	gpaccsupport@iris.co.uk
Earnie or Earnie IQ	0844 815 5671	earniesupport@iris.co.uk