



IRIS Payroll Professional

Year-end Guide

April 2015

16/02/2015



Dear Customer

Welcome to your guide to completing payroll year end 2015.

The guide contains:

- [Year-end preparation](#) – what you need to do before starting year-end procedures
- [Year-end help](#) - step by step instructions for completing and submitting your final **Full Payment Submission/Employer Payment Summary** for the Tax Year and moving your companies into the new tax year
- [Company checklist](#) - you can print a checklist for EACH of your companies and use it along with the year-end guide, ticking each step as you complete it
- [Dates to Remember](#) – all the dates relevant to year end at a glance
- [Legislation information](#) - details of the legislation changes that have been included in the software

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Year-end preparation

Before you start your year-end procedures, there are some important checks to make:

Have you got enough of the correct year-end forms?

You need to print P60s for your current employees; you do not need forms for employees who have left.

IRIS has produced a variety of forms specifically designed for your software. Please contact us for details on 0844 815 5700 or go to www.iris.co.uk/stationery to order your stationery online. You can also email us at stationery@iris.co.uk.

Alternatively you can print the P60s on plain A4 paper using the **Plain Paper Laser P60** – click on **'Reports', 'Year-end Forms'** and select **'Plain Paper Laser P60'** from the menu (if it is not included in the menu you need to select it from the Report Library first).

You can also order P60 forms from HMRC - order P60 Single Sheet forms for 2014/2015.

Forms must be PORTRAIT LASER style. Remember to order well in advance

Have you downloaded and installed the year-end update?

The version number in the title bar along the top of the screen should read 1.22.*

Have you read this guide through carefully?

Familiarise yourself with the year-end process before you start.

Are you ready to back up your data?

Make sure you know your back up procedure.

IMPORTANT – From April 6 2015 if you have employees with an NI Rate of D, E, I, K or L it is mandatory to complete the ECON and SCON number fields prior to sending an FPS. A dummy SCON number will no longer be accepted.

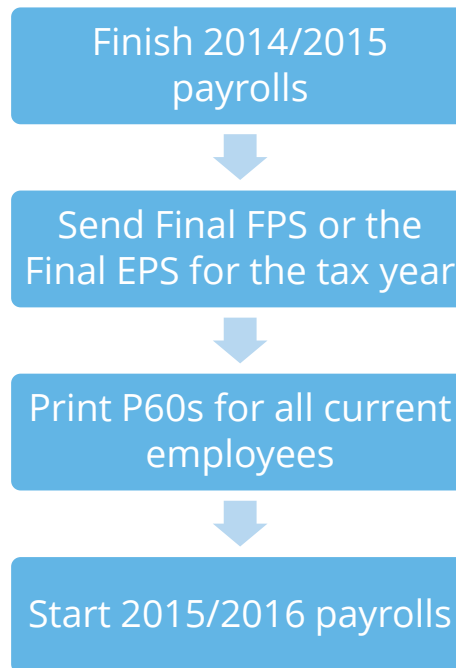
ECON No is on **Company | Alter Company Details | Tax** tab

SCON No is on **Employee | Select Employee | Tax/NI** tab

HMRC's Gateway is ready now for your submissions - you do not need to wait until the 6 April to file your Final FPS/EPS. The **Full Payment Submission** should be submitted on or before the pay date, no later than 19 April

Remember to install version 1.22.* of IRIS Payroll Professional first.

Overview of year-end return and starting 2015/2016 tax year



Checklist – Complete year end and start 2015/2016 tax year

Use this checklist if you plan to send your final RTI submissions before you start running payrolls in the 2015/2016 tax year.

Company name	
Company number	
Completed by	
Date	

Before you start make sure you have downloaded and installed version 1.22.* of IRIS Payroll Professional

- Step 1** Do payrolls up to the end of 2014/2015
- Step 2** Issue outstanding P45s for 2014/2015
- Step 3** Check year-to-date NI for Directors if you started using IRIS Payroll Professional part way through the tax year
- Step 4** Back up your 2014/2015 data. Use the space below to keep a record of where you saved it and when you did this:
 - Back up details**
 - Location/filename _____
 - Date/Time _____
- Step 5** Submit your **Full Payment Submission**. If an **Employer Payment Summary** is NOT required for March, tick **'Final Submission for Year'** and complete the **Questions & Declarations**
- Step 6** Submit your **Final Employer Payment Summary for Year**, if required, to HMRC Complete the **Questions & Declarations**
- Step 7** Print **P60**s and give to your employees by 31 May 2015
- Step 8** Run the **'Year-end Restart'**
- Step 9** If your company newly qualifies as a small employer, tick the **'Small Employer Relief'** box

Make sure you know about changes to the software and payroll legislation – click on **'Help'** and select **'Update Notes'**.

Final Submission of the tax year

Carry out steps 1 to 9 for each company you have in IRIS Payroll Professional.

Before you start, make sure you have installed version 1.22.* of IRIS Payroll Professional

Step 1. Do payrolls

Complete payrolls up to the end of the 2014/2015 tax year.

Step 2. P45s

Issue P45s for employees you do not intend to pay in the 2015/2016 tax year.

Step 3. Check Directors' NI calculation

If you started using IRIS Payroll Professional part way through the 2014/2015 tax year AND imported your data from another payroll system, check year-to-date NI calculations for any Directors.

Follow the procedures in HMRC leaflet **CA44 National insurance for Company Directors** or use HMRC's National Insurance Calculator – Directors' Annual Earnings Period 2013/2014 on their website [here](#)

Step 4. Back up your data

Back up 2014/2015 data. From the **File** menu select '**Backup & Restore**' or follow your standard back up routine.

Step 5. Send Final FPS for the tax year (if no EPS needs to be sent for March)

If you need to send an Employer Payment Summary for March to indicate any adjustments due to Statutory Payments reclaimed/recovered or no employees have been paid, go to **Step 6** now

- Go to **Online Services | Send Full Payment Submission**, tick '**Final Submission for Year**' on the FPS Selection screen and click '**Next**'
- **Complete Questions & Declarations**

HMRC have now made this non-mandatory, however you will still need to complete the screen. The announcement was made too late for us to change our software.

Tick the boxes which apply and complete any additional information that is relevant to

your company. Click **'Next'**

- **Check Totals**

Check the figures on the **Full Payment Submission – Final Confirmation** screen. Click **'Print Summary'** and/or **'Print Details'** to print a copy for your records

- **Start the submission**

Click **'Send'** to submit the **Full Payment Submission**. Go to **Step 7**

Step 6. Send FPS then Final Employer Payment Summary for year

Complete this step if you need to send a **Final Employer Payment Summary for year** to indicate adjustments due to Statutory Payments reclaimed/recovered in the final pay period or if no employees have been paid this month:

- **Send your FPS**

Following your normal procedures, send an FPS for your final pay period with **Final Submission for year** un-ticked

- **Send your Final EPS**

Go to **Online Services | Send Employer Payment Summary** and on the selection screen tick **'Final Employer Payment Summary for Tax Year'** then click **'Next'**

Submission Type should be **'Live'**

- **Check Totals**

Check the figures on the **Employer Payment Summary Values** screen and amend them if necessary. For example, if you pay some employees in a company via IRIS Payroll Professional and some in another payroll system, and the company has the same PAYE tax reference in each, the EPS values must be combined before submitting. Click **'Next'**

- **Complete Questions & Declarations**

HMRC have now made this non-mandatory, however you will still need to complete the screen. The announcement was made too late for us to change our software.

Tick the boxes which apply. Complete any additional information that is relevant to your company. Click **'Next'**

- **Start the submission**

Check the values on the **Employer Payment Summary – Year to Date Values** section (click **'Print'** if you require an EPS Confirmation report). Click **'Send'** to submit to HMRC

A Test submission, even if it is successful, is not accepted as a valid submission by HMRC

Step 7. Print P60 year-end forms

If you are using pre-printed P60 forms, make sure your printer is loaded with forms designed for the **current tax year**, then from the **Year-end** menu select **'Print Year-end Forms'**.

P60s are given to each employee who was working for you on the last day of the tax year (5 April). Employees should receive them before 31 May 2015

If you experience difficulties aligning your forms, try using the HP LaserJet 2100 printer driver with your printer. You can install it from your Windows CD. You could also adjust the report margins using the **Margins** button on the **Print Report** screen. Remember to set these back to their original values when you have finished printing the P60s.

Important Note: Returning to the previous year

If you need to start running payrolls before printing P60s, perform the **Year-end Restart** and then run payrolls in the new tax year as normal.

When you perform the **Year-end Restart** the company is copied automatically.

Remember, your final FPS, must be sent before 19 April 2014. After this ANY changes from the previous tax year must be submitted via the Earlier Year Update.

When you are ready to print your P60s:

- From the **'Year-end'** menu, select **'Use Last Year's Company Data'**. This restores the data to what it was before the **Year-end Restart**
- A confirmation message is displayed. When the previous year's data is in use, the tax year is displayed in the title bar after the company name
- Print P60s as described in the **Final Submission of the tax year** section of this guide

- Once finished return to your current data by again selecting **'Use Last Year's Company Data'** from the **'Year-end'** menu. **Do not** perform a second **Year-end Restart** when you are using last year's data.

- The Last Year copy is **NOT** a substitute for your end of year back up. When IRIS Payroll Professional makes the automatic copy during the **Year-end Restart**, data already stored in the **Last Year** folder for the current company is overwritten. This happens every time a **Year-end Restart** is done for that company; consequently only the previous tax year's copy is ever available.

Step 8. Year-end restart

From the **Year-end** menu, select '**Year-end Restart**'.

The **Year-end Restart** clears all **to-date** information for the 2014/2015 tax year:

- Select '**Yes**' on the first screen to start the full year-end clear down process
- **Pay Rate** and **Payment/Deduction** annual totals are now cleared. Ticked items are set to zero. Un-tick those you do not wish to clear. Any items with a reducing balance should **NOT** be cleared

Only the To Date amounts for 2014/2015 are cleared; Standard amounts in Employee Details are NOT affected

- Do you wish to clear any **History, Diary** or **Costing** records for previous tax years? Alter the years to clear the figures or leave them set to **None**, then click '**OK**'

If you decide to clear out this information you can still access the 2014/2015 data via Year-end | Use Last Year's Company Data or from your own back-up

- Click '**OK**' on the next screen to confirm the new tax year is 2015/2016. Employee tax codes will also be updated automatically if required
- If the company qualified for **Small Employer's Relief** in 2014/2015, you are asked if you need to un-tick the '**Small Employer's Relief**' box for the new tax year. If you respond '**Yes**', IRIS Payroll Professional automatically removes the tick for you
- Click '**OK**' to complete the process

Step 9. Small employer relief

If your company NEWLY qualifies as a small employer for the 2015/2016 tax year, you need to click on the '**Company**' menu, select '**Alter Company Options,**' tick the '**Small Employer Relief**' box and click '**OK.**'

The definition of a small employer for tax year 2015/2016 is one who paid, or was liable to pay, total gross employees' plus employer's Class 1 National Insurance contributions of £45,000 or less during the 2014/2015 tax year. Companies who qualify for small employer relief can claim extra compensation for SMP, OSPP, ShPP and SAP payments.

Step 10. Select updated reports

Go to **Reports | Library Selection** and reselect any reports you use regularly (unless they are bespoke) to make sure you have the latest versions.

Step 11. Software changes

Make sure you are aware of changes to the software by reading **Help | Update Notes**

Dates to Remember

Date	Requirement
5 April 2015	2014/15 tax year ends
6 April 2015	2015/16 tax year begins
19 April 2015	Final payments due to HMRC for tax year 2014/15. Corrections to Full Payment Submissions for tax year 2014/2015 cannot be made after this date. An EYU would have to be submitted
31 May 2015	P60s to be given to employees by this date, excluding any leavers during the tax year
6 July 2015	P9D and P11D forms to HMRC by this date
19 July 2015	Payment of Class 1A NIC on P11D benefit in kind due

Legislative Rates and Bands for 2015 / 2016

Income Tax												
Tax Bands						Other Details						
Rate	Band (£)		Emergency Tax Code			1060L						
20%	1 to 31785		L Tax Code Uplift			60						
40%	31786 to 150000		Student Loan threshold			17335						
45%	Over 150000		Student Loan rate			9%						
National Insurance												
NI Bands (£)												
Pay Period	LEL		ST		PT		UAP		UST		UEL	
	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2015-16	2014-15	2015-16	
Weekly	111	112	153	156	153	155	770	770		815	805	815
2 Weekly	222	224	306	312	306	310	1540	1,540		1,631	1611	1,631
4 Weekly	444	448	612	624	612	620	3080	3,080		3,261	3221	3,261
Monthly	481	486	663	676	663	672	3337	3,337		3,532	3489	3,532
Annual	5772	5,824	7956	8,112	7956	8,060	40040	40,040		42,385	41865	42,385
LEL = Lower Earnings Limit			PT = Primary Threshold			UST = Upper Secondary Threshold						
ST = Secondary Threshold			UAP = Upper Accrual Point			UEL = Upper Earnings Limit						
NI Rates (Employee) (%)							NI Rates (Employer) (%)					
Band	A,M	D,I	B,E	C	J,Z	L,K	A,B,C, J	M, Z	D,E,L	I,K		
< LEL	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil		
LEL to threshold	Nil	1.4*	Nil	Nil	Nil	1.4*	Nil	Nil	3.4*	3.4*		
Threshold to UAP	12	10.6	5.85	Nil	2	2	13.8	Nil	10.4	3.4*		
UAP to UEL	12	12	5.85	Nil	2	2	13.8		13.8			
UAP to UST								Nil		Nil		
> UEL	2	2	2	Nil	2	2	13.8	13.8	13.8	13.8		

*Values in section LEL to Threshold show the appropriate NIC Rebate % to the Primary and Secondary Thresholds

Statutory Payments

SSP Rate (Weekly)	88.45	ShPP Rate (Weekly)	139.58
SAP Rate (Weekly)	139.58	Small Employers Relief Threshold	45000
SMP Rate (Weekly)	139.58	Recovery Normal / Small Employer	92% / 100%
SPP & ASPP Rate (Weekly)	139.58	Compensation (Small Employer)	3%

Automatic Enrolment & Pensions

	Weekly	2 Weekly	4 Weekly	Monthly	Quarterly	Bi-annual	Annually
QE_LT	112	224	448	486	1,456	2,912	5,824
AE_trig	192	384	768	833	2,499	4,998	10,000
QE_UT	815	1,631	3,261	3,532	10,597	21,193	42,385

Additional Details

Construction Industry Scheme	Registered Rate (Matched Net)	20%
	Unregistered Rate	30%
	VAT Rate	20%

National Minimum Wage		2014
	Aged 21 and above	6.50
	Aged 18 to 20 inclusive	5.13
	Aged under 18 (but above compulsory school age)	3.79
	Apprentices aged under 19	2.73

Employment Allowance

£2000

Software available from IRIS

IRIS Payroll Basics

Free, RTI compliant payroll software for companies with fewer than 10 employees

IRIS Payroll Business

Intelligent, easy to use payroll software for smaller businesses

IRIS Payroll Professional

Flexible payroll software for medium sized businesses

IRIS Bureau Payroll

Intelligent management for multiple payrolls

KashFlow Payroll

Cloud-based UK payroll software – accessible from anywhere on PC, Mac or tablet

IRIS P11D

The easy way to complete employee expenses and benefits returns

IRIS HR Manager

The easy way to keep employee data up-to-date

IRIS OpenPayslips

A secure web based solution that allows your employees to access, and download their e-payslips via an online portal

Stationery order line

Tel: 0844 815 5656

HMRC online service helpdesk

Tel: 0300 200 3600

Fax: 0844 366 7828

Email: helpdesk@ir-e-file.gov.uk

HMRC employer helpline

Tel: 0300 200 3200

HMRC employer helpline (for new business)

Tel: 0300 200 3211

Support

Tel: 0844 815 5671

Fax: 0844 815 5665

Email: payrollpro@iris.co.uk