

IRIS Exchequer

RTI Year-end Guide

April 2013

Dear Customer

Welcome to your guide to completing payroll year end 2013 using RTI.

The guide contains:

- **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 checklists** - 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
- **Troubleshooting** - solutions to common problems
- **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?**

With RTI enabled, you only need to print P60 forms. Only give P60s to current employees; you do not need to print them 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 2012/2013.



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

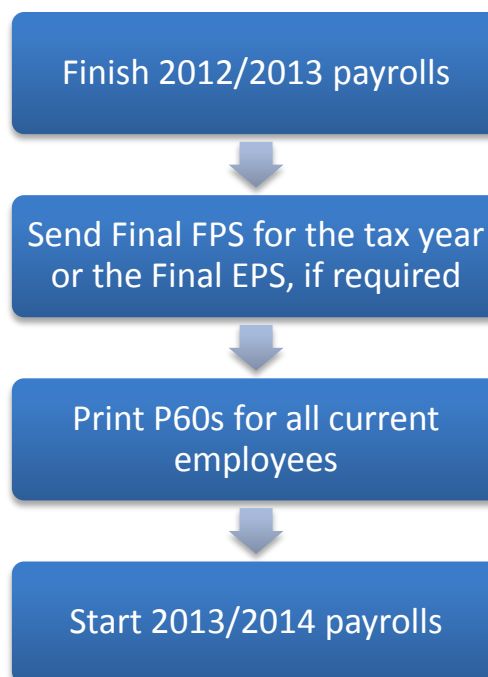
- **Have you downloaded and installed the year end update?**


To make sure, check the version number in the title bar along the top of the screen. It should read 1.20.10

- **Have you read this guide through carefully?**

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

Overview of sending your year-end return then starting 2013/2014 tax year



 **Important note:** 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. Remember to install version 1.20.10 of IRIS Exchequer first.

- **Are you ready to back up your data?**

Make sure you know your back up procedure.

Checklist – Complete year end and start 2013/2014

Use this checklist if you plan to send your final RTI submissions before you start running payrolls in the 2013/2014 tax year.

Company name	
Company number	
Completed by	
Date	

 **Before you start make sure you have downloaded and installed version 1.20.10**

- Step 1** Do payrolls up to the end of 2012/2013
- Step 2** Issue any outstanding P45s for 2012/2013
- Step 3** Check year-to-date NI for Directors if you started using IRIS Exchequer part way through the tax year
- Step 4** Back up your 2012/2013 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
- Step 7** Print **P60** forms and give to your employees by 31 May 2013
- Step 8** Run the **Year-end Restart** process
- 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 Exchequer.



Before you start, make sure you have installed version 1.20.10 of IRIS Exchequer.

Step 1. Do payroll runs

Complete payroll runs up to the end of the 2012/2013 tax year.

Step 2. P45s

Issue any P45s for employees you do not intend to pay in the 2013/2014 tax year.

Step 3. Check Directors' NI calculation

If you started using IRIS Exchequer part way through the 2012/2013 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](http://www.hmrc.gov.uk/nitables/ca44.pdf) at <http://www.hmrc.gov.uk/nitables/ca44.pdf> or use HMRC's National Insurance Calculator – Directors' Annual Earnings Period 2012-2013 on their website at <http://www.hmrc.gov.uk/calcs/nicd.htm>

Step 4. Back up your data

Back up 2012/2013 data. From the **File** menu select '**Backup & Restore**' or follow your standard back up routine.

Step 5. Send Final FPS for the tax year (where 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 SMP, SAP, ASPP, OSPP or SSP 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** from the **FPS Selection** screen and click **Next**.

5.1 Complete Questions & Declarations

Tick the boxes which apply and complete any additional information that is relevant to your company and click **Next**.

5.2 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, if you wish.

5.3 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

Follow this step if you need to send a **Final Employer Payment Summary for year** to indicate adjustments due to SMP, SAP, ASPP, OSPP or SSP reclaimed/recovered in the final pay period or no employees have been paid this month:

6.1 Send your FPS

Following your normal procedures, ensure you send an FPS for your final pay period and **Final Submission for year** is un-ticked

6.2 Send your Final EPS

Go to **Online Services | Send Employer Payment Summary** and from the selection screen tick **Final Employer Payment Summary for year** then click **Next**

6.3 Check Totals

Check the figures on the **Employer Payment Summary Values** screen and amend the values if necessary. For example, if you pay employees via IRIS Exchequer and another payroll system for a company with the same tax reference, the EPS values must be combined before submitting.

Click **Next**.

6.4 Complete Questions & Declarations

Tick the boxes which apply and complete any additional information that is relevant to your company and click **Next**.

6.5 Start the submission

Check the values on the **Employer Payment Summary – Year to Date Values** section and click **Print** if you require an EPS Confirmation report. Click **Send** to submit to HMRC. **Submission Type** should be set to **Live**.



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 2013

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, you will need to 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, if you need to rerun an FPS, you need to do so before 19 April 2013. After this any changes from the previous tax year need to be submitted via the Earlier Year Update.

When you are ready :

- Select '**Use Last Year's Company Data**' from the '**Year-end**' menu. This restores the data as 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 you have finished you can return to your current data by again selecting '**Use Last Year's Company Data**' from the '**Year-end**' menu. It is important that you **do not** perform a second **Year-end Restart** when you are using last year's data.

The Last Year copy is **NOT** a suitable substitute for your end of year back up. When IRIS Exchequer 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 there will only ever be the previous tax year's copy available.

Step 8. Year-end restart

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

The **Year-end Restart** process clears all **to-date** information for the 2012/2013 tax year:

8.1 Select '**Yes**' on the first screen to start the full year-end clear down process.

8.2 **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.



Please note: Only the **To Date** amounts for 2012/2013 will be cleared; **Standard** amounts in **Employee Details** are **NOT** affected.

8.3 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**'.



Please note: If you decide to clear out this information you can still access the 2012/2013 data via **Year-end | Use Last Year's Company Data** or from your own back-up.

8.4 Click '**OK**' on the next screen to confirm the new tax year is 2013/2014. Employee tax codes will also be updated **AUTOMATICALLY** (if required).

8.5 If the company qualified for **Small Employer's Relief** in 2012/2013, 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 Exchequer will automatically remove the tick for you.

8.6 Click '**OK**' to complete the process.

Step 9. Small employer relief

If your company **newly qualifies** as a small employer for the 2013/2014 tax year, you need to click on the '**Company**' tab, click '**Company Details**' select the '**HMRC**' tab and tick the '**Small Employer Relief**' box.

The definition of a small employer for tax year 2013/2014 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 2012/2013 tax year. Companies who qualify for small employer relief can claim extra compensation for SMP, OSPP, ASPP and SAP payments.

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

Dates to Remember

Date	Requirement
5 April 2013	2012/13 tax year ends
6 April 2013	2013/14 tax year begins
19 April 2013	Final payments due to HMRC for tax year 2012/13
31 May 2013	P60s to be given to employees by this date, excluding any leavers during the tax year
6 July 2013	P9D and P11D forms to HMRC by this date
19 July 2013	Payment of Class 1A NIC on P11D benefit in kind due

Tax, NI and Statutory Payments Rates for 2013 / 2014

Income Tax										
Tax Bands			Other Details							
Rate	Band (£)		Emergency Tax Code					944L		
20%	1 to 32010		Student Loan threshold					16365		
40%	32011 to 150000		Student Loan rate					9%		
45%	Over 150000									
National Insurance										
NI Bands (£)										
Pay Period	LEL		ST		PT		UAP		UEL	
	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14
Weekly	107	109	144	148	146	149	770	770	817	797
2 Weekly	214	218	288	296	293	299	1540	1540	1634	1595
4 Weekly	428	436	576	592	585	597	3080	3080	3268	3189
Monthly	464	473	624	641	634	646	3337	3337	3540	3454
Annual	5564	5668	7488	7696	7605	7755	40040	40040	42475	41450
LEL = Lower Earnings Limit PT = Primary Threshold UEL = Upper Earnings Limit ST = Secondary Threshold UAP = Upper Accrual Point										
NI Rates (Employee)(%)							NI Rates (Employer)(%)			
Band	A	D	B/E	C	J	L	A,B,C, J	D,E	L	
< LEL	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
LEL to threshold	Nil	1.4	Nil	Nil	Nil	1.4	Nil	3.4	3.4	
Threshold to UAP	12	10.6	5.85	Nil	2	2	13.8	10.4	10.4	
UAP to UEL	12	12	5.85	Nil	2	2	13.8	13.8	13.8	
> UEL	2	2	2	Nil	2	2	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)	86.70	Small Employers Relief Threshold	45000
SAP Rate (Weekly)	136.78	SSP Reclaim Threshold	13%
SMP Rate (Weekly)	136.78	Recovery Normal / Small Employer	92% / 100%
SPP & ASPP Rate (Weekly)	136.78	Compensation (Small Employer)	3%

Additional Details

Construction Industry Scheme	Registered Rate (Matched Net)	20%
	Unregistered Rate	30%
	VAT Rate	20%
National Minimum Wage		Hourly rate from 1 Oct 2012
	Aged 21 and above	£6.19
	Aged 18 to 20 inclusive	£4.98
	Aged under 18 (but above compulsory school age)	£3.68
	Apprentices aged under 19	£2.65