



IRIS PAYE-Master

Release Notes

April 2020 & Patches

IRIS. Look forward

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Coronavirus Job Retention Scheme & Furlough Payment Reclaim

HMRC have made further changes to the Coronavirus Job Retention Scheme. We have added further functionality to the software to assist you with the changes. The changes include up and coming reductions to the reclaim values.

For further information with regards to the changes and the new functionality, please see the guide [here](#).

April 2020 Version 5.25.0.26

Coronavirus Job Retention Scheme & Furlough Payment Reclaim

Following the introduction of the Coronavirus Job Retention Scheme, we have added functionality to the payroll software to assist you when making a claim.

For further information with regards to using the new functionality and making a Furlough reclaim, please see the guide [here](#).

Updated Income Tax Bands – Scotland Only

The new Scottish Income Tax bands, effective from May 11th 2020, have been added to the software.

Rate Type	Taxable Earnings Banding (£)	Percentage Rate
Starter Rate	1-2,085	19
Basic Rate	2,086 – 12,658	20
Intermediate Rate	12,659 – 30,930	21
Higher Rate	30,931 – 150,000	41
Top Rate	>150,000	46

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Legislation

Statutory Parental Bereavement Pay

Following the introduction of the Parental Bereavement (Leave and Pay) Act 2018, employees will be entitled to two weeks' leave following the death of a child, which subject to meeting the relevant criteria, will be paid at the statutory rate. This new act comes into effect from April 6th, 2020 (Tax Year 2020/2021).

Bereaved parents will be entitled to at least two weeks' leave following the death of a child under the age of 18, or if they suffer a stillbirth from 24 weeks of pregnancy. The leave must be taken within 56 weeks and whereas statutory sick pay has qualifying days, these do not apply to statutory parental bereavement leave.

Points

- 26 weeks continuous service required
- Rate is the same as statutory paternity and shared parental pay, £151.20 per week
- Leave can be taken in one block or in two separate blocks of one week
- Leave must be taken within a 56-week window following the child's death – this allows the parent to use the statutory leave for things such as anniversaries. Notice requirements will be flexible in order that leave can be taken without prior notice
- A copy of the death certificate is not required by employers as evidence

System Parameters

Under the Govt menu, **SMP/SAP/SPP/ShPP Rates** has been renamed **SMP/SAP/SPP/ShPP/SPBP Rates**.

On the **SMP/SAP/SPP/ShPP/SPBP Rates** screen, there is a new **SPBP** row.

Additions/Deductions

On the **Company | Details | Additions/Deductions** tab, we have added a **SPBP** addition. The **Tax, NI** and **QE** tick boxes will be ticked by default and disabled. The **Pen** tick box will be selected but can be deselected, if required.

Automatic Enrolment Configuration Tool

The **Pensions | Auto Enrolment Configuration Tool | Step 7 – Qualifying Earnings and Pensionable Earnings** screen now includes the new **SPBP** addition. Here, if required, you can deselect **SPBP** if you want to exclude it from **Pensionable Earnings**.

Employee Details

To cater for SPBP, on the **Employee | Details | Sundry** tab, a new **Total SPBP** field has been added.

Pay Variations

The following areas under the **Pay | Variations | Statutory Payments** have been amended to include SBPB:

- **SMP/SPP/ShPP/SAP/SPBP**
- **Auto Absence Calculation | Other | Detail View**
- **Auto Absence Calculation | Other | Add**
- **Auto Absence Calculation | Other | Delete - Please Note:** you are required to keep SPBP records for at least 3 years. If the **Date** field is 3 years ago or older a prompt will be displayed asking you to confirm you want to delete the record, click **Yes** to proceed

To add a new SPBP Absence:

- Go to **Pay | Variations**
- From the **Statutory Payments** tab, click **Other**
- Click **Add** and from the **Type** drop-down menu, select **SBPB** then **Submit**
- The **Absences** screen will be displayed for the individual
- Enter the **Date of Child's Death**
- **Average Weekly Earnings** will be populated with the calculated value, this can be overwritten if necessary – perhaps you were not using the software in the periods needed for the calculation
- Enter the **First Leave Start Date** (SPBP is paid for 2 weeks and this can be taken in one block or two separate blocks of one week. However, leave must be taken within 56 weeks from the child's death)
- If the employee is not taking the 2 weeks together, adjust **No of Weeks** to 1
- Click **Save** then **Close**

Please Note: If you pay one week's SPBP and then pay a second week (at a later date) you should amend the existing absence for the second week, not create a new one.

PAYE Remittance Report

The **PAYE Remittance Report** now includes two new columns for SPBP Recovery and SPBP Compensation. These are included in the calculation of Net NI, as with other statutory payments. Any references on this report to **SMP/SPP/SAP/ShPP** have been changed to **SMP/SPP/SAP/ShPP/SPBP**.

Reports

Statutory Parental Bereavement Pay has been added to all relevant reports

Termination Payments

At Budget 2016, the government announced that from April 2018, it would tighten the scope of the termination payment exemption, to prevent manipulation and align the rules. Employer NICs are now due on those payments above £30,000, which are already subject to Income Tax:

- Employers are now required to pay NI on any part of a termination payment exceeding the £30,000 threshold, to be reported via the Full Payment Submission
- Payments in lieu of notice (PILONs) are taxable and subject to Class 1 NICs

Additions/Deductions

To cater for this, we have added to the **Company | Details | Additions/Deductions** screen, two new columns:

- **T'mn**
- **S'Tes**

If you select the **T'mn** or **S'Tes** tick box next to an addition, the system will automatically apply the necessary tax and Class 1A NIC liability for Termination payments or Sporting Testimonial payments.

The **T'mn** and **S'Tes** tick boxes will be unticked by default.

If a Termination payment or Sporting Testimonial payment refund is required, you would need to enter a negative value in the **Pay | Variations | Enter Variations** screen.

These new columns will only be visible from the 2020/2021 Tax Year.

As part of this change, we have amended other column titles as follows:

- **Pay Code** has changed to **Pay Cd**
- **Pay Type** has changed to **Type**

Sundry Rates

The **Govt | Sundry | Sundry Statutory Rates** screen will now include a new **Termination & Sporting Testimonial** section containing the **Termination Threshold** and the **Sporting Testimonial Threshold**.

Employee Details

On the **Employee Details | Sundry** screen we have added a new frame **Termination & Sporting Testimonial**. Within this section are the new fields: **Total Termination Pay** and **Total Sporting Testimonial Pay**. When the pay period is finalised, this field will be populated with the total value of payments processed as **Termination** or **Sporting Testimonial**.

A new **Class 1A** frame and field has also been added to this screen to record any Class 1A calculated.

These fields can be entered or amended manually, if required.

The **Total Termination Pay** and **Total Sporting Testimonial Pay** fields include any redundancy or testimonial payment the employee has received; this could include payments made in a previous tax year.

Please Note: Termination and Sporting Testimonial payments do not affect:

- Student Loans
- Postgraduate Loans
- Apprenticeship Levy

Full Payment Submission

The Full Payment Submission has been amended to include the necessary Termination Payment and Sporting Testimonial Payment information.

Reports

The following amendments have been made to reports to cater for Termination Payments:

- **Additions & Deductions List Report**
- **Government/Pension Parameters Report**
- **PAYE Remittance**
- **Payroll Summary**
- **Company Totals**
- **Department Totals**

Additions & Deductions List

New columns **T'mn** and **S'Tes** have been added to this report. This column will display **Yes** or **No** based on whether **T'mn** or **S'Tes** is ticked/unticked in the **Company | Details | Additions/Deductions**.

Government/Pension Parameters

The Termination Threshold and Sporting Testimonial Threshold have been added to this report.

PAYE Remittance Report

A new column to cater for the **Class 1A** has been added to the right of the **Student Loans** column. To enable this change we have had to remove the **SSP Paid** column from the report as this does not affect the calculation of the payment due to HMRC.

Payroll Summary

A new column to cater for the **Class 1A** has been added to the right of the **Employer's NI** column.

Company Totals

The **This Period** value for **Class 1A** has been added to the **COST OF PAYROLL** section.

Department Totals

The **This Period** value for **Class 1A** has been added to the **COST OF PAYROLL** section.

Conversion

When converting from IRIS PAYE-Master to IRIS Payroll Business or Earnie, the conversion will include any **Total Termination Pay** and **Total Sporting Testimonial Pay** values and **Class 1A This Period** and **Class 1A To-Date** fields. The addition/deduction type for Termination of **T'mn** and for Sporting Testimonial of **S'Tes** will also be converted.

Employment Allowance

Following reforms, from 2020/2021 Employment Allowance will be limited to businesses and charities with an Employer National Insurance Contributions bill below £100,000 in the previous tax year.

There are some restrictions, regardless of the size of the company. You cannot claim Employment Allowance if:

- You are the director and the only employee paid above the Secondary Threshold (ST)
- You employ someone for personal, household or domestic work, unless they are a care or support worker
- You are a public body or business doing more than half your work in the public sector, unless you are a charity
- You are a service company working under 'IR35 rules' and your only income is the earnings of the intermediary (such as your personal service company, limited company or partnership)

From tax year 2020/2021, if a company is already claiming Employment Allowance (selected in **Pay | Employment Allowance**), during the year-end process you are required to confirm if you are going to continue to claim.

Please Note: From 2020/2021, an EPS **must** now be sent in month 1 to notify HMRC you are claiming employment allowance or that your status has changed

When you select **Year-end | Clear totals**, and you have Employment Allowance selected, follow these steps:

1. An information screen will be displayed (when moving from 2019/2020 to 2020/2021 only) detailing the changes to **Employment Allowance**, click **Next**
2. From the **Year-end Restart Employment Allowance** screen select from the options:

- **Claim Employment Allowance**

Continue to claim Employment Allowance. My Employer's NI bill for 2019/2020 was below £100,000

- **Do not claim Employment Allowance**

Stop claiming Employment Allowance

3. If you have selected to claim employment allowance, select the **relevant de minimis state aid** option from:

- De minimis state aid does not apply
- Agriculture
- Fisheries and Aquaculture
- Road Transport
- Industrial

If de minimis state aid rules apply to your business, you must make sure that receipt of the full £4,000 allowance in the claim year (when added to any other de minimis State aid already received or allocated in the claim tax year and the previous 2 years) would not result in you exceeding the de minimis State aid threshold for your trade sector(s)

4. Click **Next**

5. The **Year-end | Clear Totals** process will continue (**Cancel** will stop the **Year-end | Clear Totals** process and close the screen)

State Aid

Under **Pay | Employment Allowance**, a new **State Aid** button has been added. This button will be enabled if **Employment Allowance** is set to **Yes**. Click **State Aid** to open the screen where you can select the relevant **de minimis state aid** option from:

- De minimis State aid does not apply
- Agriculture
- Fisheries and Aquaculture
- Road Transport
- Industrial

Company Details Report

The **Company Details Report** will now include the **State Aid** fields.

Student Loan Thresholds

The annual thresholds have been updated in line with legislation for 2020/2021.

- Plan Type 1 increased from £18,935 to £19,390
- Plan Type 2 increased from £25,725 to £26,575
- Postgraduate Student Loans remains at £21,000

Tax, NI, SSP, SMP, SAP, SPP & ShPP

The rates for tax, NI and statutory payments have been updated for 2020/2021.

Minimum Wage

Minimum wages rates have been updated in line with legislation for 2020/2021.

AE Parameters

The AE Parameters have been updated in line with legislation for 2020/2021.

RTI

Earlier Year Update (EYU)

We have updated the EYU schema for submissions relating to tax year 2019/2020. Postgraduate Loans and Welsh Tax Codes can now be included in an EYU.

Full Payment Submission (FPS)

We have updated the FPS schema for submissions relating to tax year 2020/2021.

RTI Audit – FPS Report

The **RTI Online Services | Audit | View | Message Type – Full Payment Submission | Full Payment Submission report** now includes a **Postgraduate Loan** column.

Employer Payment Summary (EPS)

We have updated the EPS schema for submissions relating to tax year 2020/2021.

On the **RTI Online Filing | Employer Payment Summary | Employer Payment Summary Monthly Values** screen and the **Employer Payment Summary Year to Date Values** screen, we have added the following new fields:

- **SPBP Recovered**
- **SPBP Compensation**

As with SMP Compensation, if **Company Details | Sundry | Small Employer Relief** is not selected, the **RTI Online Filing | Employer Payment Summary | Employer Payment Summary Monthly Values | SPBP Compensation** field will be disabled.

EPS Reports

EPS reports have been updated to include SPBP Recovered and SPBP Compensation.

Employment Allowance – EPS

From 2020/2021, if **Pay | Employment Allowance** is set to **Yes**, you are required to send the first EPS of the tax year. This will also include the Employment Allowance indicator if the status has been changed from **Yes** to **No**. The de minimis state aid field selection will also be included in the EPS submission.

Other

P60s

The P60 reports have been updated for the year-end 2019/2020. The P60 reports to include Postgraduate Loan deductions.

Standard Life WPH Payments File

We have updated the Standard Life WPH Payments File in line with their requirements. Included in this update is the format of the value field which has changed from whole numbers to 2 decimal places.

Online Services Password

We have updated the **Company Details | Online Services | Password** field to display more securely as asterisks.

Useful numbers

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

Contact Sales (including stationery sales)

For IRIS Payrolls	For Earnie Payrolls	For IRIS Payroll Professional
Tel: 0344 815 5656 Email: sales@iris.co.uk	Tel: 0344 815 5676 Email: earniesales@iris.co.uk	Tel: 0345 057 3708 Email: payrollsales@iris.co.uk

Contact Support

Your Product	Phone	E-mail
IRIS PAYE-Master	0344 815 5661	payroll@iris.co.uk
IRIS Payroll Business	0344 815 5661	ipsupport@iris.co.uk
IRIS Bureau Payroll	0344 815 5661	ipsupport@iris.co.uk
IRIS GP Payroll	0344 815 5681	gpsupport@iris.co.uk
IRIS GP Accounts	0344 815 5681	gpaccsupport@iris.co.uk
Earnie or Earnie IQ	0344 815 5671	earniesupport@iris.co.uk
IRIS Payroll Professional (formerly Star)	01273 715300	payroll-support@iris.co.uk

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