HMRC - PAYE55001 - Introduction

From April 2012, an employer who is within RTI will have the ability to submit the following:

Employer Alignment Submission (EAS)

Every PAYE scheme must pass through a data alignment process as the first step of moving onto Real Time Information (RTI). It is a means for employers to send in details of active employments to HMRC (along with details of starters and leavers in the current tax year) so that HMRC and employer data can be aligned.

It ensures that the employee details held on an employer payroll match with our HMRC systems and that payment information matches immediately to the correct employee record, once the employer starts to submit their RTI submissions.

To enable this alignment to take place, employers with 250 or more employees or those who administer on two or more payroll systems will be required to complete an Employer Alignment Submission (EAS). All other employers will do their alignment when they submit their First Full Payment Submission (FPS).

Although only large employers are required to submit an EAS prior to their first FPS, other employers also have the option to make an alignment submission prior to their first FPS. Some payroll software providers are advising all of their software users to submit an EAS when they migrate to RTI.

Full Payment Submission (FPS)

Employers will submit a Full Payment Submission (FPS) each time they pay an employee, whether this is weekly, monthly or any normal payroll date. The employer must provide the following mandatory information in each FPS

Employer information (HMRC office number, PAYE reference, Accounts Office reference and the income tax year to which the submission relates)

Scheme information - in particular when an employer has ceased

Employee information (title, surname or family name, forename, second forename, date of birth, gender, full address including postcode)

Note: The entry of the employee’s full address is only mandatory for new starters and where the NINO is unknown. Where the NINO is unknown, the employer must continue to provide the employee’s address on every subsequent FPS until able to provide the NINO.

Payroll ID - current payroll ID (including old payroll ID if any changes made)

Notes:

Employment starter information - for new employees including start dates

Employment leaver information - date the employment ended including payment after leaving

There will be other information contained within the FPS including full details relating to NIC and deductions made by the employer such as NICs, tax, student loan repayments and Statutory Payments made, for example Statutory Sick Pay and Statutory Maternity Pay.

Employment Payment Summary (EPS)

Employers will use the Employer Payment Summary (EPS) to report

Statutory Payments recovered (Statutory Sick Pay will no longer be viewable for tax years 2014-15 onwards)

NIC Compensation on Statutory Payments

CIS Deductions suffered

Deductions an employer is entitled to make under the Regional Employer NICs Holiday for New Businesses (This will no longer be viewable for tax years 2014-15 onwards)

Details of any advance received from HMRC.

For tax years 2014-15 the following will also be viewable

Account Name

Account Number

Branch Sort Code

Building Society Reference (only visible where there is an entry on the submission)

This submission will allow HMRC to offset these against any payments due.

The submission will also include

Employer information (HMRC office number, PAYE reference, Accounts Office reference and the income tax year to which the submission relates)

Scheme information (where an employer has ceased or a period of inactivity)

Note: If no payments are made within a pay period and no FPS is submitted, the employer will submit an EPS to show that no return or payment is due for that pay period.

Final submission for the tax year

An employer must complete and submit an FPS whenever they make a payment to an employee. When an employer submits a final RTI submission for the tax year on or before 5 April, whether it is an FPS or EPS, they must indicate that it is their ‘Final Submission’ for the tax year.

For submissions relating to 2013-14 and earlier it is mandatory to complete the Questions and Declaration statement.

From 2014-15 completing the Questions and Declaration statement is no longer mandatory.

Earlier Year Update (EYU)

After the 19 April, following the end of the tax year, an employer cannot submit an FPS for the closed year. Where an employer needs to submit FPS details for a previous year or amend year to date FPS figures for a previous year they can only do this by submitting an EYU. The EYU must only show the difference between the year to date figure on the final FPS and what the figure should be.

If an EYU is received for an employer record that does not already have a joining date EBS will set a joining date derived as 5 April within the tax year to which the EYU refers.

Note: This will not trigger the alignment process.

Where a joining date has been derived from an EYU the first FPS will start the alignment process, but it will not change the joining date.

However, where a joining date has been derived from an EYU and another EYU is received relating to a tax year earlier than the joining date tax year the date will be changed to 5 April within the tax year to which the earlier EYU refers.

The employer must provide the following mandatory information in each EYU

Employer information (HMRC office number, PAYE reference, Accounts Office reference and the income tax year to which the submission relates)

Employee information (title, surname or family name, forename, second forename, date of birth, gender, full address including postcode)

Note: The entry of the employee’s full address is only mandatory for a new starter that has not appeared on a previous FPS or where the NINO is unknown. Where the NINO is unknown, the employer must continue to provide the employee’s address on every subsequent EYU until they are able to provide the NINO.

Payroll ID - current payroll ID

Note: If the employee has two or more employments under the same PAYE scheme the employer must use a different Payroll ID for each employment under that scheme.

Employment starter information - for new employees including start dates

Employment leaver information - date the employment ended including payment after leaving

There will be other information contained within the EYU including details relating to NIC and deductions made by the employer such as NICs, tax, student loan repayments and Statutory Payments made, for example Statutory Maternity Pay. For tax years 2013-14 onwards the EYU will also contain details of the total number of non-individual charges and a count of the non-individual charges.

NINO Verification Request (NVR)

From April 2012, an employer who is within RTI will have the ability for new employees only to submit a NINO Verification Request (NVR) to allow them to either verify a NINO, or obtain a NINO for the employee details supplied on the NVR.

This submission will include

Surname of family name

Forename

Initials

Second forename

Date of birth

Current gender

Address

Further information around the NVR can be found at PAYE55035.

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