

QuickBooks

Get Ready for Payroll Year End

April 2011



intuit.



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Optional Features	2 weekly 4 weekly pay frequencies	Yes
	Directors National Insurance	Yes
	Contracted-out Pension Deductions	Yes

QuickBooks 2010 has been reviewed and meets the requirements of the published by HM Revenue & Customs Payroll Standard, version 8.2, and the relevant sections of the HM Revenue & Customs Quality Standard, version 2.0. It incorporates online filing capability by the Internet.

Tips for a successful year end

□ Remember

All users who file online must be registered with HMRC via their Online services Web site.

After you register with HMRC for Online services, you must activate the service. The password (PIN) sent by the HMRC expires after 28 days.

Online filing of P14 and P35 certificates is now mandatory for all employers.

Blank P35s are not required. If there is no return to make, you will need to write to your tax office to inform them.

Check your data for online filing errors, which most commonly include incorrect NINO's, field formatting, and negative numbers on returns.

Checklist: things to remember

□ Register for online filing with HM Revenue & Customs (HMRC)

Before you file your end of year forms using the Process Year End feature in QuickBooks®, you need to be registered for HMRC Online services (for example, register for PAYE for Employers). When you register, you will be sent a User ID and Password (PIN) by post. You cannot file online without your password, so register well before 19 May to receive your password and avoid a late filing penalty.

Important: Keep a copy of your User ID and Password in a safe location. QuickBooks does not save this information.

If you don't yet have a User ID, please visit the [HMRC](#) to learn more about registering for HMRC Online services.

For more information on HMRC Online services, visit <https://online.hmrc.gov.uk/home> to view HMRC Frequently Asked Questions.



Where do I find the information I need to register?

Refer to the yellow PAYE paying-in booklet supplied to you by HMRC to obtain the following information:

Tax office reference: the first part of the reference is three digits and comes before the forward slash on the long reference number.

Employer reference: the second part of the reference comes after the forward slash and is your tax office employer reference.

Accounts office reference: if your enrolment fails, you may need to adjust the format of the accounts office reference. If you have entered 123XX4567, you may need to insert two or three leading zeros after the letters (for example, 123XX004567 or 123XX0004567). Do not enter any spaces.

□ Order Year End Forms

Don't get caught without P60 forms. We support the Laser-Sheet Portrait version of the P60. From 2010/11 HMRC will not be issuing P14 certificates for printing. This is as all employers are now required to file P14s online.

To enable you to complete 2010-2011 P60s, we have produced year end tax forms approved by HM Revenue & Customs.

To order forms, visit [QuickBooks Stationery](#) or call 0800 833 414.

How do I know that the values printed on the P60 are correct?

Check the following:

Create a Payroll Summary report and a Statutory Payments Detail report. Compare these reports to the P14/P60 and P35.

The amounts on the P11 should match the P14/P60.

Consult with your accountant to ensure the values are correct.

Check for common online filing errors

Before you complete your online filing, visit HMRC and read their guidance on [Avoiding and correcting errors in your Employer Annual Return \(P35 and P14s\)](#) to read about common online filing errors. The most common errors include incorrect:

NINO's (National Insurance Numbers)

Date of Birth and Gender complete, but NINO is blank.

Characters in the name or address field.

Postcode format

Note: The later versions of QuickBooks will either automatically verify data on saving the employee record or, it will verify when running the [Test File Online](#) facility.

Get questions answered

Helpbooks

Refer to the [E10\(2011\) Employer Helpbook](#) for information about finishing up the 2010 - 2011 tax year up to 5 April, 2011, including information for filling in the following forms:

P11 - Deductions working sheet

P14 - End of year summary

P35 - Employer annual return

P60 -End of Year Certificate

For additional employer helpbooks, visit <http://www.hmrc.gov.uk/payee/forms-publications.htm>.

□ QuickBooks Frequently Asked Questions (FAQs)

Intuit frequently updates the QuickBooks Support Site with new FAQs. To view FAQs about online filing, visit <http://support.intuit.co.uk/quickbooks/> and search for keyword "filing online." Some common questions include the following:

How do I file end of year payroll forms online?

Who has to file online?

What are the deadlines for filing online?

How do I amend my end of year return after it has been filed online?

How do I know HMRC has received my forms and returns?

What do the errors in the Test File Online feature in QuickBooks mean?

Is there anything I can do to make the e-file process go more smoothly?

□ Important Dates: check your calendar

Before 5 April update QuickBooks to ensure you've received the April 2011 Payroll Update so you can finish your end of year and create accurate payroll payments.

6 April check you have made all necessary changes to your employee's tax codes for 2011-12 as explained in the P9X.

19 April cheque payments to be received by HMRC for PAYE and Class 1 NICs for month/quarter ended 5 April, including any outstanding amounts for 2010-11 Class 1a NICs.

22 April last day for electronic payments for PAYE and Class 1 NICs to be cleared through the HMRC bank account for month/quarter ended 5 April, including any outstanding amounts for 2010-11 Class 1a NICs.

9 May latest that employers should register with HMRC for online filing (This is for users who have not registered with HMRC previously).

19 May last date for your 2010-2011 P14s and P35 to reach your HMRC office. You have until midnight on the 19th to file your return. Penalties are chargeable on returns received after 19 May.

31 May all employees still employed on 5th April, 2011 must have received their 2010-2011 P60 form. Do not send P60s to employees who left during the tax year.

6 July last day for submission of 2010-2011 P9D, P11D (or substitutes), return of Class 1A NICs on the P11D(b), and copies of P9D and P11D to be given to employees. (QuickBooks does not handle these payroll forms.)

19 July cheque payments to be received by HMRC for PAYE and Class 1 NICs for month/quarter ended 5 July, including any outstanding amounts for 2010-11 Class 1a NICs.

22 July last day for electronic payments to be cleared through the HMRC bank account for month/ quarter ended 5 July, including any outstanding amounts for 2010-11 for PAYE and Class 1 NICs.

Note Late fees will apply to payments that have not been received by the above dates.



Recommended times to file online

Between 21:00 Monday 21st March 2011 and 00:59 Tuesday 22nd March 2011 HMRC will be performing maintenance on the End of Year PAYE service. According to HMRC, you will be unable to send returns via commercial software, such as QuickBooks, during this time.

Please refer to [HMRC Service Availability](#) for regular service updates

Installing the latest QuickBooks Product Update

We have released a Payroll product update for QuickBooks 2010. This release contains legislative updates for:

- P14/P60 forms for 2010-11
- Statutory payment rates for SMP, OSPP and SAP, effective Sunday 3rd April 2011
- SPP has been renamed OSPP Ordinary Statutory Paternity Pay
- Introduction of Additional Statutory Paternity Pay (ASPP). This is for babies due/matched on/after 3rd April 2011
- Tax Tables effective 6th April 2011

NI Changes:

- Previously the Employee and Employer earning bands were aligned at the same level, and were known as the Earnings Threshold (ET)
- From 6th April 2011, these have been split
 - Employer = Secondary Threshold (ST) £136 p.w.
 - Employee = Primary Threshold (PT) £139 p.w.
- Class 1 Employee & Employer contributions have increased by 1 %
- SER (Small Employer Relief) has been reduced from 4.5 % to 3 %
- Tax Code D1 has been introduced
 - Taxes at the additional rate of 50 %

How do I receive QuickBooks product updates?

You can receive a QuickBooks product update three different ways.

Automatic Update

QuickBooks provides automatic background downloading of new product releases through QuickBooks Automatic Update. QuickBooks will prompt you to install available updates the next time you start QuickBooks. To ensure you have Automatic Updates turned on, complete the following:

1. Go to the **Help** menu and click **Update QuickBooks**.
2. Click the **Options** tab.
3. For the **Automatic Update** option, click Yes.

Download

Visit [QuickBooks product updates](#) on our support site and download the latest QuickBooks update.

Note: This download feature is only available for QuickBooks 2008 users.

What's in the product update?

To see what has been included in the product update once you've updated QuickBooks, complete the following:

1. From the Help menu, select Update QuickBooks.
2. Click the Update Now tab, and then click the Maintenance Releases link.

Contacting us

QuickBooks Support (toll free) - 0808 168 9535

QuickBooks Web site - <http://quickbooks.intuit.co.uk>

Customer Feedback - email us at uksales@intuit.com to let us know your opinion of QuickBooks Small Business Payroll.

Discussion group - ask questions and share expertise about QuickBooks Payroll at the UK [QuickBooks online community](#),

Contacting HMRC

Employers' Helpline - 0845 714 3143

Employers' Online Services helpline - 0845 605 5999

Employers' Orderline - 0845 764 6646

Starting the new tax year

Updating the tax codes

Before you run your first payroll in the new tax year, you will need to update your employee's tax codes.

Please refer to the guidance in the [P9X – Tax codes to use from 6 April 2011](#)

What's new?

P46

From 6th April, if an employee has not ticked any of the boxes on the P46, then code 0T must be operated on a Week1/Month 1 basis. Here is a table showing the different tax codes to be used depending on the Box ticked by the employee.

Item	6th April 2011	6 April 2010
Box A Employees first job since 6 April – not been receiving benefits / pensions	<ul style="list-style-type: none"> Emergency Tax Code Operated on a cumulative basis (No change) 	<ul style="list-style-type: none"> Emergency Tax Code Operated on a cumulative basis
Box B Employees only job, but since 6 April has worked and/or received benefits / pensions	<ul style="list-style-type: none"> Emergency Tax Code Operated on a non-cumulative (Week 1/Month 1) basis (No change) 	<ul style="list-style-type: none"> Emergency Tax Code Operated on a non-cumulative (Week 1/Month 1) basis
Box C Employees with another job or in receipt of a state or occupational pension	<ul style="list-style-type: none"> Code BR Operated on a cumulative basis (No change) 	<ul style="list-style-type: none"> Code BR Operated on a cumulative basis
If no box has been ticked	<ul style="list-style-type: none"> Code 0T Operated on a non-cumulative (Week 1/Month 1) basis 	<ul style="list-style-type: none"> Code BR Operated on a cumulative basis

ASPP

Additional Statutory Paternity Pay has been introduced for babies due/matched on/after 3rd April 2011.

ASPP can be paid to eligible fathers, partners or civil partners of mothers and adopters where there is entitlement to Statutory Maternity Pay (SMP), Maternity Allowance (MA) or Statutory Adoption Pay (SAP) and that payment has been brought to an end by the mother or adopter returning to work. The employee must be taking time off work to care for their child.

Full details of ASPP can be found in the [E19](#)

ASPP can be found in QuickBooks under the Statutory Payments tab.

Statutory rates card

We have put together a statutory rates card, which can be found at the end of this document.

Statutory Rates 2011/2012

NATIONAL INSURANCE

Earnings		Contribution on earnings						NIC Rebates on Earnings				
		EMPLOYEE			EMPLOYER			EMPLOYEE LEL-ET	EMPLOYER LEL-ET			
LEL	ST	PT	UAP	UEL	A	D,F %	B,E,G %	J %	L,S %	A,B,C,J %	D,E,I %	F,G,S %
Weekly	£102	£136	£139	£770	£817							
Monthly	£442	£589	£602	£3,337	£3,540							
Annual	£5,304	£7,072	£7,225	£40,040	£42,475							
				Below LEL	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
				LEL - ST	0	0	0	0	0	0	0	1.6
				ST - PT	0	0	0	0	0	13.8	10.1	12.4
				PT - UAP	12	10.4	5.85	2	2	13.8	10.1	12.4
				UAP - UEL	12	12	5.85	2	2	13.8	13.8	13.8
				Over UEL	2	2	2	2	2	13.8	13.8	13.8

SSP, SMP, SAP, OSPP & ASPP Effective Sunday 3rd April 2011

Average Weekly Wage (AWE) Conditions	Weekly Rates		
	SSP	SMP (39 weeks)	SAP/ASPP/OSPP (39 weeks)/(19/39* weeks)/(2 weeks)
Less than AWE	Not Eligible	Not Eligible	Not Eligible
AWE and above	£81.60	Higher for 6 weeks Lower for 33 weeks	90% of AWE Lesser of 90% of AWE or £128.73 <small>* 39 wks special circumstances apply (Refer E15)</small>

Contacting Us

QuickBooks Support
0808 168 9535
Monday – Friday, 8 a.m. – 8:00 p.m.
QuickBooks Support Site
faq.quickbooks.co.uk

QuickBooks Community
<http://community.intuit.com/quickbooks/uk/>

Small Employers Relief

Threshold
£45,000
Rate
3.0%

Emergency Tax Code

747L

Income Tax Rates

Basic rate 20% £1 to £35,000
Higher rate 40% £35,000 to £150,000
Additional rate 50% £150,000+

Student Loans

Threshold
£15,000
Rate
9%

Minimum Wage

16-17 21+
£3.64 £4.92 £5.93
Rates effective 1 October 2010