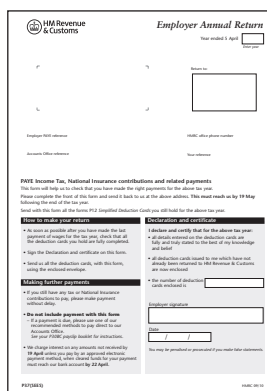


# These Notes provide help with completing the Simplified PAYE Deduction Scheme forms and tell you what you need to do and when

**For the tax year  
ending 5 April 2011**



The image shows the top portion of the P37 Employer Annual Return form. It includes the HM Revenue & Customs logo, the title 'Employer Annual Return', and a section for 'PAYE Income Tax, National Insurance contributions and related payments'. There are several checkboxes and fields for providing details about the employer and the tax year.

P37 Employer Annual Return

## Helplines

- New employers (less than 3 years) **0845 60 70 143**.
- Experienced employers (3 years or more) **08457 143 143**.
- Employer with hearing or speech impairment textphone **0845 602 1380**.

*Calls may be recorded for quality and training purposes.*

As soon as you have made your last payment of wages, pay us your final quarter of tax, National Insurance contributions (NICs) and Student Loan deductions.

### By 19 April 2011

All payments for the tax year ending 5 April 2011 **must** be sent to your Accounts Office by 19 April 2011. We will charge interest on payments that arrive after 19 April.

However, if you pay us by an approved electronic payment method and your payment reaches our bank account by or no later than 22 April then we will not charge you interest.

We will send you form P37 *Employer Annual Return* towards the end of the tax year. As soon as possible after you have made your last payment of wages for the tax year:

- check that all the P12 deduction cards you hold are completed
- make sure you sign and complete the Declaration and certificate on the front page of the form P37 *Employer Annual Return*.

### By 19 May 2011

You must submit all the P12 deduction cards with the P37 *Employer Annual Return* to your HM Revenue & Customs (HMRC) office by 19 May 2011.

### Do it online

Unlike most other employers, if you operate the Simplified PAYE Scheme you don't need to file your Employer Annual Return online. However, if you still complete your Employer Annual Return P12s and P37 on paper, we recommend that you consider using our free Online Returns and Forms - PAYE product. Using our online service means that you can:

- complete electronic versions of the P12 deduction card (just enter the gross pay. Any statutory payments and/or Student Loan deductions and the net pay, Income Tax and NICs are calculated and recorded automatically each pay period)
- file your Employer Annual Return P12s and P37 online
- print a P60 *End of Year Certificate* for your employee.

It can also save you time, reduce errors and is available 24/7 so you can use it at a time that suits you.

For further information about your online filing options and how to register go to [www.businesslink.gov.uk/domesticemployees](http://www.businesslink.gov.uk/domesticemployees) or contact the Online Services Helpdesk:

- email [helpdesk@ir-efile.gov.uk](mailto:helpdesk@ir-efile.gov.uk)
- phone **0845 60 55 999**.

If you have a hearing or speech impairment, and use a textphone, phone **0845 366 7805**.

You can still file these forms on paper if you choose to do so.

### **P60 End of Year Certificate**

If you operate your Simplified Deduction Scheme online, you can print out a form P60 that will be prepared automatically for you by the software or online service that you use – you won't need to complete a paper form P60. You must give your employee their P60 by 31 May after the end of the tax year.

If you operate your Simplified Deduction Scheme on paper, we will send a form P60 to each of your employees who were employed at 5 April 2011. We will take the information from the P12 deduction card that you sent to us for 2010–11.

The P60 provides your employee with a record of their pay and deductions for the year. If your employee disputes the figures on the P60, please tell them to contact their HMRC office.

## **For the tax year beginning 6 April 2011**

In March 2011 we will send you a P12 deduction card for the new tax year for each employee you have told us about. Each deduction card will show the weekly or monthly amount of tax-free pay for that employee.

### **Employee no longer with you**

If we send you a P12 deduction card for an employee who has left your employment, write 'Employee Left' on the deduction card and send it back to us.

### **Employee's card not received**

Fill in and send us a form P16A *Employer's report: Taking on a new employee*. We will send you a P12 deduction card to use from April 2011. A form P16A is enclosed. Further copies are available from the Employer Orderline.

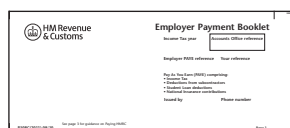
### **Making payment**

At the end of each quarter you must pay us any tax, NICs and Student Loan deductions due. Payment must be made direct to your Accounts Office.

Your Accounts Office will send you a P30BC *Employer Payment Booklet* before your first payment is due. The inside cover of the booklet is designed to help you work out how much to pay and to help you keep a record of your payments.

There are various ways to make payment, but we recommend that you pay electronically. For information on how to pay, please read the notes in the payment booklet or go to [www.hmrc.gov.uk/payinghmrc/paye.htm](http://www.hmrc.gov.uk/payinghmrc/paye.htm)

If you do not receive your payment booklet in time to make your first payment, phone us on **0845 366 7816** to find out what to do.



P30BC *Employer Payment Booklet*

### When payment is due

Payment is due at the end of each quarter. It must reach us by the 19th day of the month in which the tax quarter ends.

Payments for the quarter ending:

- 5 July, must reach the Accounts Office by 19 July
- 5 October, must reach the Accounts Office by 19 October
- 5 January, must reach the Accounts Office by 19 January
- 5 April, must reach the Accounts Office by 19 April.

If you make payment electronically it must reach our bank account by the 22nd day of the month.

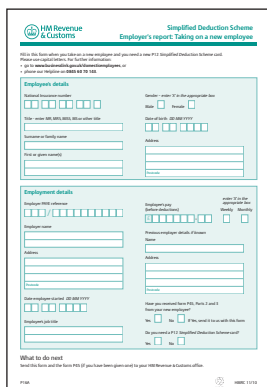
### Taking on a new employee

If you take on a new employee:

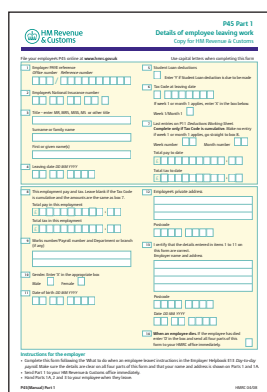
- who earns more than £102 each week or £442 each month (the Lower Earnings Limit for NICs), or
  - has another job, or
  - is receiving either a State or occupational pension,
- fill in and send us a form P16A *Employer's report: Taking on a new employee*.

Please also send form P45 parts 2 and 3. Part 2 is headed 'Details of employee leaving work, Copy for new employer' and Part 3 is headed 'New employee details, For completion by new employer'. You do not need to complete Part 3.

We will send you a P12 *Simplified Deduction Scheme card*.



P16A *Simplified Deduction Scheme Employer's report: Taking on a new employee*



Form P45 *Details of employee leaving work*

### Your employee doesn't give you a National Insurance (NI) number

If your employee has never had a NI number, tell them to contact their nearest Department for Work and Pensions office (in Northern Ireland the Department for Social Development office).

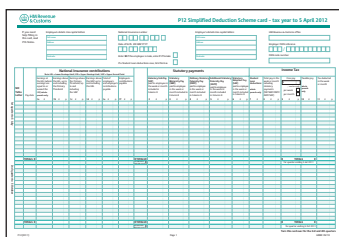
If your employee cannot give you their NI number for any other reason, fill in and send us form P16A and we will trace the NI number for you. We will tell you the NI number when we find it. Please give your employee their NI number and advise them to keep it in a safe place for future reference.

### Tax code changes

If your employee asks for their tax code to be changed, tell them to contact their HMRC office.

Do not change the entries against the tax code or free pay on the P12 deduction card. If the tax code is altered, we will send you a new P12 deduction card, to use for future paydays.

Any changes to your employee's code, for example, because of the Budget, will be dealt with in the same way.



P12 Simplified Deduction Scheme card

### New P12 Simplified Deduction Scheme card

If you are sent a new P12 deduction card during the year, start using it from the next pay date. You will also need to finish off the old deduction card by:

- adding up the figures in NICs, statutory payments and Income Tax columns
- transferring these figures to the P30BC *Employer Payment Booklet* and sending the payslip to your Accounts Office. You can do this straight away or when your next quarterly payment is due
- sending the old P12 deduction card back to your HMRC office.

**Do not** transfer the totals from the old deduction card to the new one.

### When an employee leaves

When an employee leaves your employment you must complete their P12 deduction card by:

- adding up the figures in NICs, statutory payments and Income Tax columns
- transferring these figures to the P30BC *Employer Payment Booklet* and sending the payslip to your Accounts Office. You can do this straight away or when your next quarterly payment is due
- sending the P12 deduction card to your HMRC office.

If your only employee leaves and you do not intend to employ anyone else, please tell us when you send the completed form P12 deduction card.

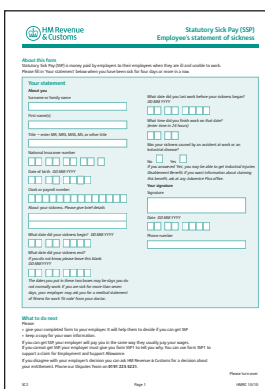
### Paying expenses and benefits

If you provide benefits and/or expenses for your employee during the tax year, please call the Employer Helpline for advice on how to record and report them to us.

## Statutory payments

### Employee off sick (Statutory Sick Pay)

You may have to pay Statutory Sick Pay (SSP) if your employee is sick. You can find a basic guide and tables to help you work out SSP in the E14 *Employer Helpbook for Statutory Sick Pay*, included in this pack.



Form SC2 Statutory Sick Pay (SSP Employee's statement)

### Form SC2 Employee's statement of sickness

We provide a form called SC2 *Employee's statement of sickness*, which employees can use to certify themselves sick for the first seven days of sickness for SSP. You can view, download or order the SC2 from the Employer Orderline.

### Employee expecting a baby (Statutory Maternity Pay)

If your employee is pregnant, you may have to pay Statutory Maternity Pay (SMP).

The E15 *Employer Helpbook for Statutory Maternity Pay*, explains:

- how to work out if you have to pay SMP, and
- if you do, how much you will have to pay, and
- how to obtain funding if required.

### **Employee adopting a child (Statutory Adoption Pay)**

If your employee is adopting a child, you may have to pay Statutory Adoption Pay (SAP).

The E16 *Employer Helpbook for Statutory Adoption Pay*, explains:

- how to work out if you have to pay SAP, and
- if you do, how much you will have to pay, and
- how to obtain funding if required.

### **Employee's wife or partner gives birth to a child or the employee's spouse or partner is adopting a child (Ordinary and Additional Statutory Paternity Pay)**

If your employee is going to take time off to care for a baby or support the mother in the first few weeks after the birth of a child, or their partner is adopting a child, you may have to pay Ordinary and, subsequently, Additional Statutory Paternity Pay (OSPP and ASPP).

The E19 *Employer Helpbook for Ordinary and Additional Statutory Paternity Pay* explains:

- how to work out if you have to pay OSPP and ASPP, and
- if you do, how much you will have to pay, and
- how to obtain funding if required.

For further advice about Statutory payments, call the Employer Helpline. All the guidance, tables, worksheets and forms for SSP, SMP, OSPP, ASPP and SAP are available from the Employer Orderline.

## **Employee repaying a Student Loan**

At any time during the year we may send you a Start Notice, form SL1. It will tell you to start making Student Loan deductions from an employee.

Use the SL3 *Student Loan Deduction Tables* to start making Student Loan deductions from the first payday after the start date shown on the SL1.

For a copy of SL3 *Student Loan Deduction Tables*:

- go to [www.hmrc.gov.uk/taxtables/sl3.pdf](http://www.hmrc.gov.uk/taxtables/sl3.pdf) or
- contact the Employer Orderline.

## **Stakeholder pensions**

Stakeholder pension schemes provide a way for your employees to save for their retirement. If you employ five or more employees you need to consider whether you should make a stakeholder pension available. Details of the scheme together with exemptions are listed in the Helpbook *Stakeholder pensions - A guide for employers*.

For a copy of Helpbook *Stakeholder pensions - A guide for employers* go to [www.thepensionservice.gov.uk/pdf/pme/pme1nov05.pdf](http://www.thepensionservice.gov.uk/pdf/pme/pme1nov05.pdf)

## Help and further guidance

### Your rights and obligations

Your *Charter* explains what you can expect from us and what we expect from you. For more information go to [www.hmrc.gov.uk/charter](http://www.hmrc.gov.uk/charter)

#### By phone - Employer Helplines

(We may record calls for quality and training purposes.)

For new employers and employers with less than 3 years payroll experience, phone the New Employer Helpline **0845 60 70 143**.

For employers with more than 3 years payroll experience, phone the Employer Helpline **08457 143 143**.

If you have a hearing or speech impairment, and use a textphone, phone **0845 602 1380**. Only people with specialised equipment such as Minicom are able to use this service.

#### Braille, large print and audio

For details of employer guidance in Braille, large print or audio call the Employer Orderline on **08457 646 646** and ask to speak to the Customer Service Team.

#### Yr Iaith Gymraeg

Ffoniwch **0845 302 1489** i dderbyn fersiynau Cymraeg o ffurflenni a chanllawiau.

#### Employer Helpbooks

You can view, download and order copies of forms and helpbooks from the Employer Orderline:

- go to [www.businesslink.gov.uk/payeformsandpublications](http://www.businesslink.gov.uk/payeformsandpublications)
- or phone **08457 646 646**.

#### In person

We can offer you education and support on all aspects of your payroll explaining:

- what you need to do
- the deadlines you need to meet
- the forms you need to fill in
- the records you need to keep.

We also have a range of workshops which are free of charge on many payroll topics.

You can get further information about the workshops from our website.

Go to [www.hmrc.gov.uk/bst](http://www.hmrc.gov.uk/bst) or you can call the:

- New Employer Helpline on **0845 60 70 143**
- Employer Helpline on **08457 143 143**.

#### Online services

For information about our online services, go to [www.hmrc.gov.uk/online](http://www.hmrc.gov.uk/online)

For help and assistance using our online services contact the Online Service Helpdesk:

- email [helpdesk@ir-efile.gov.uk](mailto:helpdesk@ir-efile.gov.uk)
- phone **0845 60 55 999**.