

Part Scheme Transfer

Example 6

SS Ltd has one PAYE scheme and builds ships at location R S & T.

It sells the site at location T to FES Ltd.

The employees of SS Ltd at location C are taken on by FES Ltd on 1 July. A Part Scheme Transfer in respect of these employees can take place.

Contact the employer to obtain a list of the employees to be included in the part scheme transfer.

The list must show:

Each employee's name

And

Their National Insurance number

The Employer's Annual Return P35 from SS Ltd will include the P14 details up to 30 June for the transferred employees.

The Employer's Annual Return P35 from FES Ltd will include the P14 details from 1 July for the transferred employees

Further information can be found in subject 'Part Scheme Transfer' in the 'Movement of an Employer Record' section of the PAYE Manual

Example 7

A group of travel companies (each company being a separate legal entity) consists of

Employer A

Employer B

Employer C

Employer D

Employer E

The group re-organises so that all employees within the group, excluding directors of each legal entity, are employed by Employer A from 1 January.

The employees are transferred to Employer A by Part Scheme Transfer.

Contact the employer to obtain a list of the employees to be included in the part scheme transfer.

The list must show:

Each employee's name and

Their National Insurance number

The PAYE schemes for Employer B, C, D & E will remain open for the relevant directors.

The employee details up to 31 December will be included on the Employers Annual Return P35 of the company that they worked for up to this date.

Employee details for the transferred employees will be included on the Employers Annual Return P35 of Employer A from the 1 January.

Further information can be found in subject 'Part Scheme Transfer / Transfers in Error' in the 'Movement of an Employer Record' section of the PAYE Manual.

Note:

P45's are not appropriate in Part Scheme Transfers.

Refer to PAYE66001 and NWB509/10 for guidance on how to input these lists using NPS.