

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. Strictly forms P45 for these employees are required, however, if requested we would be content for forms P45 not to be issued and to accept a list from SS Ltd giving the information that would have been shown on each employee's P45. The list would be worked using the normal movements functions to cease the employees and move the employee record to the PAYE scheme for FES Ltd. The Employers Annual Return P35 from SS Ltd will include the P14 details up to 30 June for the transferred employees.

The Employers 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. Forms P45 should strictly be issued by each company to its employees, but if requested we would be content to accept a list giving the same information that would have been shown on each employee's Form P45.

The PAYE schemes for Employer A, B, C & D will remain open.

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