

Payroll processing checklist

This isn't an exhaustive list but should act as a reminder of the main things you need to do

✓ General

- Are there any changes to employee data to enter into your payroll records, e.g. change of address?
- Have you entered the hours normally worked by your employee?

✓ Pay and deductions

- Are there any salary changes this month? E.g. a new minimum wage rate (*see here: <https://disabilitytaxguide.org.uk/Minimum-wage>*) due to annual uprating/employee birthday? Overtime? Additional pay items?

- Are there any tax code updates?

See our website for more information on tax codes:

<https://disabilitytaxguide.org.uk/paying-wages/taking-on-a-new-employee/tax-codes/>

- Have you received any student loan start or stop notices?

See our website for more information on student loans:

<https://disabilitytaxguide.org.uk/paying-wages/pay-and-deductions#stu>

- Are there any new attachment of earnings etc. to be processed?

See our website for more on attachment of earnings: <https://disabilitytaxguide.org.uk/paying-wages/pay-and-deductions#court>

- Are there any additional deductions to process? Under or overpayments to correct?

See our website for more on correcting payroll mistakes:

<https://disabilitytaxguide.org.uk/paying-wages/getting-things-wrong/#errors>

- Check pay and deductions details carefully.

- Is employee's net pay as you would expect?
- If the employee is due a tax refund – does that make sense in light of their pay and tax to date?

Find out more about dealing with employee tax refunds on our website here:

<https://disabilitytaxguide.org.uk/paying-wages/taking-on-a-new-employee/tax-codes/#How>

Logon to HMRC's PAYE for Employers online service and collect these notices or, if you are not set up for online notices, action any paper notices

✓ Auto-enrolment

- Do you need to auto-enrol any employees? (e.g. due to wage rise/birthday) or send any auto-enrolment letters?

- If applicable, have you sent your pension data/payment to the pension provider?

Find out more about auto-enrolment on our website here:

<https://disabilitytaxguide.org.uk/pensions-auto-enrolment>

✓ Starters

- Are there any new employees to process?

- Do you have full and complete new employee data, such as their date of birth and National Insurance number? (*See here: <https://disabilitytaxguide.org.uk/paying-wages/taking-on-a-new-employee/>*)
- Where applicable, have you added their payroll year to date figures from their P45 to your payroll records and verified the 'total tax to date' amount?
- If necessary, do you have a completed 'starter checklist'?
- Remember to add the start date to your FPS (RT2 if paper filing)

See our website for more information on processing starters:

<https://disabilitytaxguide.org.uk/paying-wages/taking-on-a-new-employee/starter-procedure/>

✓ Leavers

- Are there any leavers to process?
 - If so, is there any outstanding holiday to be calculated?
 - Do you need to adjust pay for actual days/hours worked in the final period?
 - Make sure you add the leaving date to your FPS (RT2 if paper filing)
 - Remember to give your employee a P45 (you do not need to send this to HMRC)

See our website for more information on processing leavers under RTI:

<https://disabilitytaxguide.org.uk/paying-wages/reporting-payee-in-real-time/employee-leaving3/> (If paper filing, see here instead: <https://disabilitytaxguide.org.uk/paying-wages/paper-filing1/employee-leaving/>)

✓ Leave

- Has your employee taken any holiday?
 - If so, make sure holiday records are up to date.
- Has your employee taken any time off sick – are they entitled to Statutory Sick Pay?
 - If required, have they provided you with a self-certificate/doctors certificate?
- Has your employee started any parental leave – are they entitled to statutory parental pay?
 - Do you have their MATB1 form (or equivalent?)

Find out more about holiday pay, sick pay and parental pay on our website here:

<https://disabilitytaxguide.org.uk/paying-wages/pay-and-deductions/#Pay>

✓ RTI Submissions

- Complete FPS and/or EPS as necessary (RT2/RT5 if paper filing)
 - Remember you may need to tell HMRC even if you've not paid any employees
 - Do you need to tick the 'Irregular payment' indicator?
 - Do you need to claim the National Insurance Employment Allowance?
 - Have you reclaimed any statutory parental pay you are owed?
 - If online filing, do you need to complete a late reporting reason field?

For more on all of these elements, see our website: <https://disabilitytaxguide.org.uk/paying-wages/reporting-payee-in-real-time/> (or here if you are a paper filer:

<https://disabilitytaxguide.org.uk/paying-wages/paper-filing1/>)

- If this is the final submission of the year, have you indicated 'Final submission of the year'?
 - Remember to give your employee their end of year forms at the appropriate times, e.g. P60 by 31st May, P11D by 6 July.
 - Do you need to do anything for the new tax year, e.g. increase L suffix tax codes?

See our website for more information on RTI submissions and end of year tasks:

<https://disabilitytaxguide.org.uk/End-of-year-processes>

- If online filing, has the submission actually gone to HMRC? Have you received an error message/confirmation of receipt? Remember to post any paper submissions (and keep copy).

✓ Final tasks

- Have you issued your employee with a payslip/sent it electronically and paid them?

For more on payslips, see our website: <https://disabilitytaxguide.org.uk/paying-wages/payslips1/>

- Do you need to make any payments of PAYE to HMRC?

For more on paying HMRC see our website: <http://disabilitytaxguide.org.uk/paying-wages/paying-hmrc/>