

## 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. new NMW hourly rates? Overtime? Additional pay items?

- Are there any tax code updates?

*See our website for more information on tax codes:*

*<http://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:*

*<http://disabilitytaxguide.org.uk/paying-wages/payslips-and-deductions/#stu>*

- Are there any new Attachment of Earnings etc. to be processed?

*See our website for more on Attachment of Earnings: <http://disabilitytaxguide.org.uk/paying-wages/payslips-and-deductions/#court>*

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

*See our website for more on correcting payroll mistakes:*

*<http://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:*

*<http://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 assess any employees for auto-enrolment/send any auto-enrolment letters?
- If applicable, have you checked for any changes to pension contribution levels?
- If applicable, have you sent your pension data to the pension provider?

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

*<http://disabilitytaxguide.org.uk/paying-wages/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?
  - 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 under RTI:*

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

✓ **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:*  
<http://disabilitytaxguide.org.uk/paying-wages/reporting-payee-in-real-time/employee-leaving3/> (If paper filing, see here instead: <http://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 SSP?
    - If required, have they provided you with a self-certificate/doctors certificate?
  - Has your employee started any parental leave – are they entitled to SMP etc.?
    - Do you have their MATB1 form (or equivalent?)
- Find out more about holiday pay, sick pay and parental pay on our website here:*  
<http://disabilitytaxguide.org.uk/paying-wages/pensions-auto-enrolment/>

✓ **RTI Submissions**

- Complete FPS and/or EPS as necessary (RT2/RT5 if paper filing)
    - Remember you still 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?
  - If this is the final submission of the year, have you ticked 'Final submission of the year'?
    - Remember to give your employee their end of year forms at the appropriate times, e.g. P60 by 31<sup>st</sup> 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:*  
<http://disabilitytaxguide.org.uk/paying-wages/reporting-payee-in-real-time/ongoing-payroll-tasks/> (If paper filing, see here instead: <http://disabilitytaxguide.org.uk/paying-wages/paper-filing1/end-of-year-process/>)
- If online filing, has the submission actually gone to HMRC? Have you received an error message/confirmation of receipt?

✓ **Final tasks**

- Have you issued your employee with a payslip/sent it electronically and paid them?  
*For more on payslips, see our website: <http://disabilitytaxguide.org.uk/paying-wages/payslips-and-deductions/>*
- Do you need to keep any payroll processing reports for your records?
- 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/>*