



25/09/12

PAYE: online or off limits

Dental practice owners around the country could be doing themselves a service by preparing for the changes to PAYE in April 2013. This advice comes from Elizabeth Duncan of Wylie Bisset LLP, a member of the National Association of Specialist Dental Lawyers and Accountants (NASDAL). The major change ahead is the regular and routine online reporting of what you pay your staff, known as Real Time Information (RTI).

Each time you pay your employees you will be required to submit an online report to HMRC about what you have paid and the deductions from your employees' salaries. This report will be known as the Full Payment Submission (FPS). On behalf of NASDAL, Elizabeth advises that in advance of the introduction of the new Real Time Information (RTI) system, thorough checks on all staff contact details will be necessary.

She stresses the data that you hold about your employees must be complete and accurate for the RTI system to work. If it isn't, the reports that you send to HMRC will be rejected. "Let your staff know about these changes and start checking and updating the following employee information now: National Insurance number, full name, date of birth, gender, address, post code and payroll ID. HMRC require these details to be full and correct."

Some payroll procedures will be simplified, others will remain the same. But you will need to be registered for PAYE Online. If you currently prepare the payroll manually, HMRC offer a PAYE Basic Tools package which can cope with up to nine employees. This package can work out your employees' deductions and report your payroll information online, and report basic payroll information on line, but is limited and will not be suitable for many practices.

Bob Cummings, tax specialist for NASDAL predicts that many more dentists will

be outsourcing their payroll procedures. ““Up until now, employers could be late or inaccurate from month to month and then sort things out at the end of the year. With RTI they will need to provide much more information and provide it on time. RTI will have a major impact and will move many clients towards outsourcing their payroll. “

He said: “If you are not undertaking RTI online by April 2013, or having it done on your behalf, prepare to find yourself in trouble. It’s a question of ‘online or off-limits’.” More information from www.hmrc.gov.uk/rti

Note to editors

If you have any queries, please call Caroline Holland on 020 8679 9595 or 07974 731396

For more information about NASDAL or its members, visit www.nasdal.org.uk