

PAYROLL END OF YEAR FACTSHEET

IMPORTANT DATES FOR 2017/18 END OF YEAR PROCESS

5th April 2018	Final RTI FPS (Full Payment Submission) Submission deadline to HMRC.
19th April 2018	EPS Deadline (Employer Payment Submission for any Statutory Recovery or CIS deductions suffered) and amendments to final submission deadline, note this may incur late filing penalties if changes to employee payments made.
4 April 2018	Gender Pay Gap Reporting - Private and Voluntary Sectors – Effective 5 April 2017
30 March 2018	Gender Pay Gap Reporting - Public Sector – Effective 31 March 2017



2018/19 TAX YEAR PAYROLL CHANGES:



NATIONAL MINIMUM WAGE, NATIONAL LIVING WAGE AND STATUTORY RATES

25 yrs old and over	£7.83 per hour
21-24 yrs old	£7.38 per hour
18-20 yrs old	£5.90 per hour
16-17 yrs old	£4.20 per hour
apprentices under 19 or 19 or over in first year of apprenticeship	£3.70 per hour
SMP	90% Average Weekly Earnings for first 6 weeks, £145.18 per week or 90% average weekly earnings, whichever is lower for remaining 33 weeks
SPP	£145.18 per week or 90% average weekly earnings, whichever is lower
SAP	90% Average Weekly Earnings for first 6 weeks, £145.18 per week or 90% average weekly earnings, whichever is lower for remaining 33 weeks
SSP	£92.05 per week
SMP/SPP/SAP Recovery	92% Large Employers (NIC above £45,000 pa for previous tax year) or 103% Small Employers (NIC below £45,000 pa for previous tax year)
Student Loan Plan - Type 1	Annual threshold increased to £18,330
Student Loan Plan - Type 2	Annual threshold remains at £25,000



UK INCOME TAX THRESHOLDS

PAYE Tax Threshold	£11,850 per annum (£987.50 pcm)
Emergency Tax Code	1185L
Tax Code Uplifts	L = +35, M = +38
20% (basic rate)	£1 to £34,500
40% (higher rate)	£34,501 to £150,000
45% (additional rate)	over £150,000 (no change)



NATIONAL INSURANCE THRESHOLDS




Class 1 NICs	Weekly	Monthly	Annual
Lower earnings limit (LEL)	£116	£503	£6,032
Primary Threshold	£162	£702	£8,424
Secondary Threshold	£162	£702	£8,424
Upper earnings limited (UEL)	£892	£3,863	£46,350
Upper secondary threshold (UST) for under 21s	£892	£3,863	£46,350
Apprentice upper secondary threshold (AUST) for under 25s	£892	£3,863	£46,350


SCOTTISH INCOME TAX THRESHOLDS

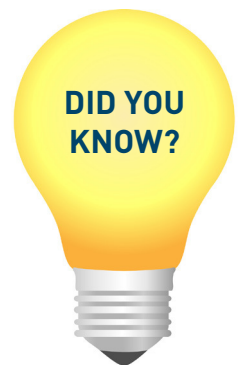


19%	0 - £2,000
20%	£2,001 - £12,150
21%	£12,151 - £32,423
41%	£32,424 - £150,000
46%	£150,001 and above

POINTS TO NOTE

 **Employment Allowance (EA) £3,000 available for 2018/19 tax year:** deducted from Employers National Insurance paid during the tax year.

 **Auto Enrolment:** Proposed qualifying earnings increased to lower level £6,032 (£503 pcm) and upper level £46,350 (£3,862.50 pcm). Minimum contributions increased to 5% total, with 3% employee and 2% employer as standard minimum.



💡 Apprenticeship Levy: As per previous year, all companies with 'Pay Bill' (employee earnings subject to Class 1a NIC) of £3 million and over in 2017/18 and expected to be over £3 million in 2018/19 (total pay bill for all connected companies) must pay a 0.5% Apprenticeship Levy. An annual allowance of £15,000 is available to offset against the levy which is applied cumulatively across the tax year (£1,250 pcm).



💡 BIK Cars: If registered before 6 April 2018 or 'payrolled' in the 2017/18 Tax Year, this must continue to be reported via payroll.



💡 Termination Payments; From 6 April 2018, income tax, class 1 NIC for employee and employer is due on all Pay In Lieu of Notice (PILON) payments. From April 2019, Class 1A NIC will be introduced for employer on non-contractual termination payments over £30,000. From 6 April 2018, foreign service relief will no longer be available for employees who are resident in the UK upon termination.



💡 Gender Pay Gap Reporting; Reminder that all employers with over 250 employees are required to register with the governments GPGR service and publish statutory calculations each year showing how large the pay gap is between their male and female employees. There are 2 sets of regulations which carry different reporting deadlines as follows;



- Private and Voluntary Sectors – Effective 5 April 2017, Deadline to report 4 April 2018
- Public Sector – Effective 31 March 2017, Deadline to report 30 March 2018

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