



**Opera 3 Payroll  
RTI Processing**

**Accreditation  
Training Courseware**



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Accreditation Training Courseware  
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# Accreditation Training Courseware

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# Accreditation Training Courseware

## Introduction

### About Opera 3

Opera 3 is the most versatile and user-friendly accounting, supply chain management, payroll & HR, manufacturing and reporting solution from Pegasus Software. A modular solution, Opera 3 enables you to select the components that match your current business model, whilst making it possible to add further functionality as requirements change. This means that the capability or capacity of a system can be seamlessly expanded whilst safeguarding the investment.

For more information about Opera 3, select the Solutions link on the [Pegasus](#) web site.

### About this Guide

This Accreditation Training Courseware offers an accompanying guide to the accreditation training course.

If you are new to Opera 3, read the Getting Started section of the Opera 3 Help that covers the application in more detail. You can access this from the Windows Start menu, or by using the F1 Key or Help menu when you have logged in to the product.

Opera 3 is available for both Visual FoxPro and SQL Server database platforms. This Accreditation Training Courseware applies to both database platforms, however, there are certain elements that are only included in one or the other database, and as such, the relevant sections or paragraphs are clearly identified with the following labels:

**[SQL]** – only relevant if you are running the application on an SQL Server database.

**[VFP]** – only relevant if you are running the application on a Visual FoxPro database.

Sections that are not identified with these labels are relevant to both database types.

For more information, see the [section Functional Differences between Opera 3 Enterprise & Opera 3 Enterprise SQL section in the release guide](#).

### Introducing the module

The Pegasus Opera 3 Payroll is designed to be an integral part of your overall Pegasus Opera 3 Accounting System, although it can be used on a stand-alone basis without integration to the Nominal Ledger, Costing or Cashbook.

Pegasus has provided all of the functionality necessary for coping with the increasing requirements and complexities of Payroll to HMRC Standards. For example, optional automated SSP recording and payments, SMP and OSPP (Birth) processing and Advanced Pension Processing are included within the product.

### Feedback

Pegasus is interested to hear your views on the documents we provide. To give your feedback, send an email to [training@pegasus.co.uk](mailto:training@pegasus.co.uk). Please type "O3Training\_Accreditation\_PAY12RTIPProcessingR1.0.docx Accreditation Training Courseware" in the subject box.

Please note that product support is not offered through the above email address.

## Key

### Icon

**Example –**  
Examples



**Question**  
Answer



*Red Text (Small)*



### Meaning

Useful Hint, Tip or Note. General Comments / Notes

Useful Report obtained from clicking on the print icon while sitting on the form

During the literature, some basic Question and Answer / Troubleshooting points are discussed. May include a few did you knows...

Website link

Exercises / Example solution

Report to XLS

Potential Report Enhanced from Opera II (more than simple field adjustments)

FAQs - Only

Used to highlight changed (sometimes removed) legislation, but still found useful to have in the training manual.

Action Menu example of the corresponding form.

## Training Literature Releases

Release	Added Information
R1.0	Originating document for a RTI Processing Document

# Accreditation Training Courseware

## 1 What is RTI?

### 1.1 What is RTI?

HMRC is introducing a new way of reporting PAYE - called Real Time Information, or RTI.

From April 2013, employers will be legally required to report PAYE in real time. This means that information about all PAYE payments needs to be submitted to HMRC online each time a payment is made as part of the payroll process, rather than at the end of the year as they are now.

Moving to a real time reporting system will bring PAYE into the 21st century. It will make operating payroll easier for employers and pension providers and make the PAYE system easier for HMRC to administer. Over time it will also make PAYE deductions more accurate for individuals.

Looking ahead, this new way of reporting payroll information will also support the operation of Universal Credit when the Department for Work and Pensions (DWP) introduce it in October 2013.

Further information can be found on the following links;

Pegasus (Main RTI) : <http://www.pegasus.co.uk/content.asp?Pageld=3620>

Pegasus (Factsheet) : <http://partners.pegasus.co.uk/downloads/marketing-materials/rti-guide.pdf>

Pegasus (Presentation) :  
[http://www.pegasus.co.uk/downloads/videos/RTI\\_presentation.wmv](http://www.pegasus.co.uk/downloads/videos/RTI_presentation.wmv)

HMRC : <http://www.hmrc.gov.uk/rti/>

### 1.2 Reporting in real time: what's changing

#### 1.2.1 What it means:

The way you report PAYE information to HMRC will change from your first payday that's on or after 6 April 2013. You will report in real time by sending PAYE information to HMRC for all employees:

- Every time you pay your employees, on or before the time that you pay them
- Using payroll software, or HMRC's Basic PAYE Tools, that will calculate your PAYE and send the PAYE information to HMRC as part of your routine payroll process

## 1.2.2 What you'll need to do:

There is work you will need to do to get ready by April 2013:

- Update or acquire software or use a payroll service provider.
- Ensure your employee data is up-to-date, complete and correct.
- Register for PAYE Online (if you haven't already).
- Include some new information in your payroll records.
- Align HMRC's data with yours.

## 1.2.3 The changes you'll see:

Here are some of the differences you will see:

Reporting PAYE at the moment	Reporting in real time from April 2013
Report PAYE at end of year	Report PAYE each time you pay employees when you pay them – eg if you pay weekly, you will tell HMRC weekly. This applies to all employers however large or small and how frequently they pay their employees or pay HMRC.
Send forms P14	Using payroll software, send: <ul style="list-style-type: none"> <li>• Full Payment Summary (FPS) each time you pay employees.</li> <li>• Employer Payment Summary (EPS) each month for adjustments to what you owe.</li> </ul>
Send forms P35	<ul style="list-style-type: none"> <li>• Earlier Year Update (EYU) to amend details for earlier years where PAYE information was submitted in real time.</li> </ul>
Report starters and leavers using forms P45 parts 1 and 3, P46, P46(Pen) or P46(Expat)	Include starters and leavers on your FPS. Please check the guidance as some of the information you report will change.
Report PAYE using the HMRC Online service (sometimes known as the "portal" or "on-line forms")	Report using commercial payroll software. If you have nine or fewer employees, some products are available free or you can download HMRC's free Basic PAYE Tools.
Report PAYE using paper forms	
If you currently operate PAYE, you do not need to include all employees in your PAYE reports	If you currently operate PAYE, include all employees in your PAYE reports, including nannies and domestic staff, casual employees, part-time staff, students working in their vacation and those below the Lower Earnings Limit.
No data alignment between employer and HMRC records	You will tell us about all your employees when you start reporting PAYE in real time so that we can align our data with yours, using an Employer Alignment Submission (EAS) or FPS (our website has more information).
Use form CA6855 to trace or check a National Insurance Number	Use payroll software to issue a National Insurance Number Verification Request (NVR) to trace or check a National Insurance Number once you are reporting PAYE in real time and we have fully processed your first submission.

## 1.2.4 Other things to remember:

- Reporting in real time does not change your legal obligation to pay us in full and at the right time what you deduct from your employees as you go through the year.
- HMRC will have a more accurate in-year view of the deductions you are making from your employees and the amounts you are due to pay to us each month, each quarter or annually. So HMRC will be able to resolve any discrepancies or errors more quickly than before.
- You may need to change the way you collect information about your employees to make sure that you can send your PAYE information to HMRC when or before you pay your staff.

### Real Time Information

Most employers will start operating the new Real Time Information PAYE processes from April 2013, with all employers doing so by October 2013.

HMRC will send each employer a letter to inform them when they need to start reporting their payroll information in real time. Employers must make their first Real Time Information submission on or after the first payment date after their 'RTI on-board' date. Some employers are already following Real Time Information processes because they are in a Real Time Information pilot scheme.

**Note:** HMRC also refers to Real Time Information as 'RTI' and 'Operating PAYE in real time'.

Real Time Information affects procedures for reporting individuals' earnings and pension and annuity payments, for recording new starters and leavers and for processing the tax year-end:

- Information about all earnings and deductions must be submitted to HMRC for each pay period rather than at the end of the tax year.
- Employees who leave must still be given a P45 form but employers must not submit P45 or P46 returns to HMRC; starter and leaver information must be included when necessary with a pay period's Full Payment Submission (FPS).
- P35 (Employer Annual Return) and P14 (End of Year Summaries) will not be used at the year-end; this information will be included in the Employer Payment Summary (EPS). Employees must still be given their P60 before the end of May 2013.

### Changes to PAYE Online Reporting

In the 2013-14 tax year employers will no longer send the following returns to HMRC because the information will be sent in the FPS or in the EPS:

- P45 Part 3, P46, P46 (Pen) or P46 (Expat) returns (information about *new starters*)
- P45 Part 1 (information about leavers)
- P35, P14 and P38A returns (information for the year end).

Expenses and benefits for the tax year must still be submitted to HMRC using the P11D return. Also tax codes and notices will still be received from HMRC as normal, for example by using HMRC Online Services.

#### P46 (Pen) –

From 6 April 2009, the P46 (Pen) return replaced the P160 form or PENNOT online submission. The P160 form or the PENNOT online submission are currently used by pension providers and employers that run their own pension or annuity schemes to inform HMRC when someone starts their retirement

## Accreditation Training Courseware

### 2 RTI Preparation

#### 2.1 RTI Data preparations

##### *What should you do?*

Make sure your employee data is correct. Review your current payroll processes, check that the data is in the correct format and perform 'housekeeping' of your employee data to ensure correct spelling of their name, National Insurance (NI) number and date of birth.

In order to ensure accuracy, you may want to check employee information against official documents, such as a passport, Birth Certificate or HMRC and/or DWP documentation.

If an employee cannot find their NI number, they can download Form CA5403 from the HMRC website or call 0845 915 7006. If they have never had an NI number, then they need to call the Job Centre on 0845 600 0643. Also see the National Insurance Number Verification Request on page 10.

For further information please visit [www.hmrc.gov.uk/rli/dip/get-payroll-right.htm](http://www.hmrc.gov.uk/rli/dip/get-payroll-right.htm)

##### *How to accurately record your information for RTI*

###### *Company Information*

- Enter your Accounts Office Reference
- Enter your full company name and address
- Enter your correct Tax District and Reference Number

###### *Employee Information*

- Enter the employee's full forenames and surname (not a nickname, or shortened name). Do not enter any initials, it must be the full name
- If the employee has a double-barrelled forename or surname, this must be entered in full too
- Enter the correct date of birth. This must be in the correct format dd/mm/yyyy, eg 14/05/1990
- Enter the correct employee's NI number

For further advice on data quality please visit <http://www.hmrc.gov.uk/rli/dip/data-quality.htm>

There are key employee details that you need to record correctly to help with this, in particular the following as they contribute most to data quality issues:

- name – full and official forename(s) and surname
- date of birth, and
- National Insurance number (NINO).

Further guidelines from HMRC as per the instructions in the table below.

Name	Title (Mr, Mrs, Dr)	<p>—Enter the title in the title box.</p> <p>—Do not enter it in the forename or surname box.</p>
	Forename(s) and surname	<p>—Enter the full official forename(s) and surname in the right order and in the right boxes, taking care to spell them correctly.</p> <p>—Be careful, as in some official documents surnames are presented first.</p>
	Initials	<p>—Avoid using initials where possible (you should enter John Smith and not J Smith or Smith J).</p>
	Double-barrelled forenames (such as John-Paul)	<p>—Enter the whole double-barrelled forename in the forename box.</p>
	Middle name	<p>—If the employee has a middle name, enter it in full in the appropriate box, not together with the forename.</p> <p>—Do not use an initial (enter John Michael Smith and not John M Smith).</p>
	Double-barrelled surnames	<p>—Enter the whole double-barrelled surname in the surname box.</p>
Date of birth		<p>—Only enter an employee's correct date of birth.</p> <p>—Enter the day, month and full year.</p> <p>—Do not enter a default date of birth or make one up.</p>
National Insurance number (NINO)		<p>—Only enter an employee's correct NINO. A NINO begins with two letters, followed by six numbers and then a final letter which will be either A, B, C or D.</p> <p>—If you do not know the correct NINO, leave the box blank. Do not make up a NINO or use a default NINO.</p>

HMRC also require accurate address details, post code and Gender data for RTI submission.

Before changing to report PAYE information in real time both employers and organisations paying pensions and annuities must ensure that the employee or pensioner data they hold in their payroll records are complete and accurate. Details such as an individual's name, date of birth and National Insurance number must be corrected if the information is missing, incomplete, made up or recorded in the wrong boxes. HMRC advises that the data must be checked and corrected if necessary before you send your first RTI submission..

**Tip:** Guidance for employers is included on the 'Improving your payroll data' pages on the HMRC web site at [www.hmrc.gov.uk/rtdip/index.htm](http://www.hmrc.gov.uk/rtdip/index.htm). These pages include practical tips to help ensure that an employee's name, date of birth and National Insurance number are correct.

This is a suggested list of steps to check your employee data. These tasks can be completed before upgrading to Opera 3 (1.80) or Opera II (7.20).

## Checking Existing Data Using the Pegasus RTI Validator

This is a utility available from Pegasus Software that checks whether employee data is comprehensive and correct. Details that need to be corrected are highlighted and displayed on a report so that the changes can be completed in the Payroll application in Opera.

1. Request the Pegasus RTI Validator from your Pegasus partner.
2. Copy the files into the Opera 3 or Opera II Client installation folder.  
The default Opera II installation folders are (where XXX is either VFP or SQL):
  - C:\Program Files\Pegasus\Client XXX\ or C:\Program Files (x86)\Pegasus\Client XXX\
 The default Opera 3 installation folders are:
  - C:\Program Files\Pegasus\O3 Client XXX\ or C:\Program Files (x86)\Pegasus\O3 Client XXX\
3. Run the relevant program and log on using your usual Opera login ID. The file that you need to run depends on the edition of Opera 3 or Opera II that you use:
  - rtiv.exe (for Opera II VFP installations) or rtivsql.exe (for Opera II SQL installations)
  - rtiv3.exe (for Opera 3 VFP installations) or rtiv3sql.exe (for Opera 3 SQL installations).
 Only users who normally use the Payroll - Processing form, and therefore have menu access permissions for that form, can use the utility. For assistance please use the rtivReadme.html file that accompanies the utility.

## Using Opera 3 or Opera II

1. Print the Employee Record Print report (Payroll - Periodical Reports) for all payroll groups. This report displays each individual's name, address and National Insurance number, along with pay details for the current period and year-to-date. Check these details for each individual to ensure that they are comprehensive and correct:
  - Forenames and surname. They should match the name shown on official documentation like a birth or marriage certificate, or on official HMRC correspondence.
  - Date of birth. If this is unknown it must be left blank.
  - National Insurance number. This is usually two letters, followed by six digits, followed by a letter. It can be found on a P60 certificate, a payslip or a PAYE Coding Notice; or a letter from HMRC, Department for Work and Pensions or Jobcentre Plus. If the National Insurance number is not correct it must be left blank rather than being recorded. See [www.hmrc.gov.uk/payerti/employee-starting/verify-nino.htm](http://www.hmrc.gov.uk/payerti/employee-starting/verify-nino.htm) for details. If the employee does not know their number they can request it from HMRC using form CA5403. You can apply on their behalf using form CA6855.

## 2.1.1 RTI Data Validator

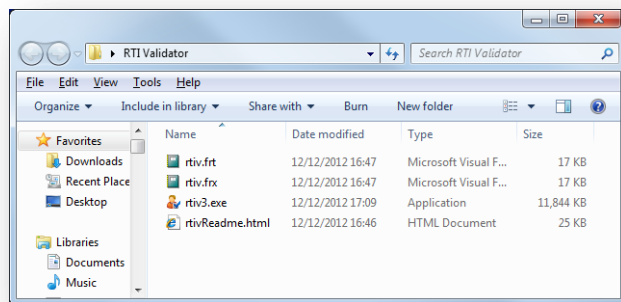
### 2.1.1.1 Why run RTI Validator?

Most employers will be required to submit their employee's pay period data to HMRC in real time from the start of the 2013-14 tax year. This utility will help you to validate your data now well before your first RTI submission to HMRC. It will identify employee data that is either missing or is in the wrong format expected by HMRC. You can then correct it if necessary before the first submission is sent to align the data you have with HMRC records.

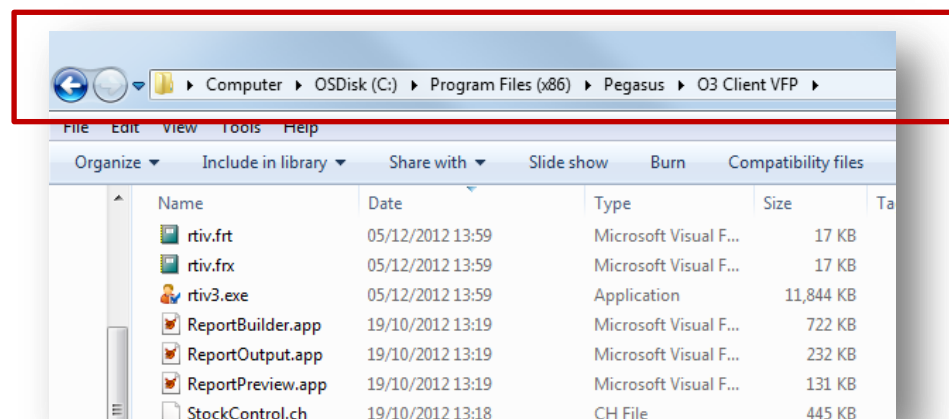
**NB:** This is a chargeable utility

### 2.1.1.2 Installing RTI Validator

A different utility is available for Opera 3 and Opera 3 SQL (1.40 & later), and Opera II Enterprise and Opera II Enterprise SQL (7.00 & later). Each utility performs the same tasks but is designed specifically with your Opera edition in mind.



All the files must be copied into the Opera Client installation folder.



These files are included with the RTI Validator:

Opera 3	Opera 3 SQL	Opera II Enterprise	Opera II Enterprise SQL
<b>rtiv3.exe</b>	<i>rtiv3sql.exe</i>	<i>rtiv.exe</i>	<i>rtivsql.exe</i>
<b>rtiv.frt</b>	<i>rtiv.frt</i>	<i>rtiv.frt</i>	<i>rtiv.frt</i>
<b>rtiv.frx</b>	<i>rtiv.frx</i>	<i>rtiv.frx</i>	<i>rtiv.frx</i>

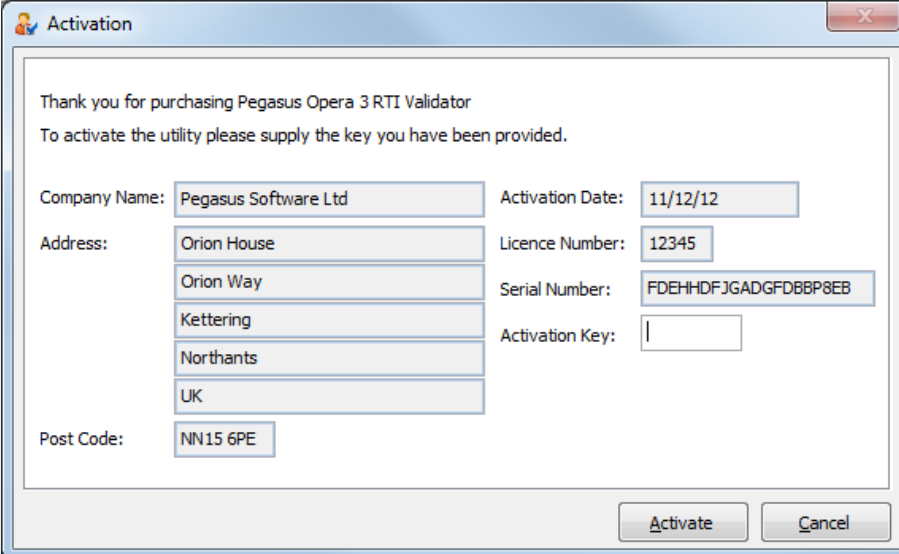
These are the default Opera Client installation folders (they may not match your set up if an alternative location was used when the Opera Client was installed):

	64-bit Windows	32-bit Windows
Opera 3	<i>C:\Program Files (x86)\Pegasus\O3 Client VFP</i>	<i>C:\Program Files\Pegasus\O3 Client VFP</i>
Opera 3 SQL	<i>C:\Program Files (x86)\Pegasus\O3 Client SQL</i>	<i>C:\Program Files\Pegasus\O3 Client SQL</i>
Opera II Enterprise	<i>C:\Program Files (x86)\Pegasus\Client VFP</i>	<i>C:\Program Files\Pegasus\Client VFP</i>
Opera II Enterprise SQL	<i>C:\Program Files (x86)\Pegasus\Client SQL</i>	<i>C:\Program Files\Pegasus\Client SQL</i>

### 2.1.1.3 Activating RTI Validator

Notes

Once you have copied over the files, the first time you run the utility you must activate it.



The screenshot shows a Windows-style dialog box titled "Activation". Inside, it says "Thank you for purchasing Pegasus Opera 3 RTI Validator" and "To activate the utility please supply the key you have been provided." Below this are several input fields. On the left, "Company Name:" is followed by a text box containing "Pegasus Software Ltd". Below that, "Address:" is followed by four stacked text boxes containing "Orion House", "Orion Way", "Kettering", and "Northants", and a "Post Code:" field with "NN15 6PE". On the right, "Activation Date:" is followed by a date box with "11/12/12". Below that, "Licence Number:" is followed by a box with "12345". Below that, "Serial Number:" is followed by a box with "FDEHHDFJGADGFDBBP8EB". Finally, "Activation Key:" is followed by an empty text box. At the bottom right are "Activate" and "Cancel" buttons.

Company Name:	Pegasus Software Ltd	Activation Date:	11/12/12
Address:	Orion House	Licence Number:	12345
	Orion Way	Serial Number:	FDEHHDFJGADGFDBBP8EB
	Kettering	Activation Key:	
	Northants		
	UK		
Post Code:	NN15 6PE		

Once activated it will adjust the Opera.sys with confirmation the RTI validator can be used.

### 2.1.1.4 Using RTI Validator

To run the utility double-click the RTI Validator 'exe' file in the Opera client folder. The usual Logon form is displayed - log on in the same way as you log on to Opera. You just need your Opera login details (login ID and password) and to have security rights to the **Payroll – Processing** form. If you use multiple systems you can also log on to these in the same way.

**Opera 3 RTI Validator Logon**

Licensed for use: Pegasus Software Ltd  
Orion House  
Orion Way  
Kettering  
Northants  
NN15 6PE

Licensed User(s): 5 Users  
Release Number: 1.80.00 (65)  
Licence: 12345  
Serial Number: VVU3G5J5J89HUEE8PWBL

To enter Opera 3 RTI Validator you must supply a valid user name and password.

User I.D.:   
Password:

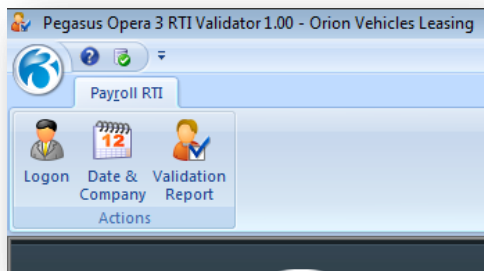
[?](#)

Logon on will take you to the main working screen.

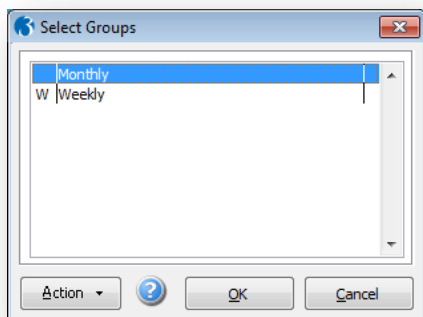


Select **Validation Report** from the navigator or ribbon bar.

Notes



The **Select Groups** form is displayed so you can select the payroll groups you want to check.



The utility will then read your employee's data and display each employee's record in a grid. If any changes are needed these are highlighted for you on the screen and on the report. The utility displays the data by payroll group and then by department.

RTI Validator

Show: ☒ All Employees ☐ Exceptions only ☐ Duplicate NINOs

All groups (selected) All Departments

Ref	Title	Forenames	Surname	NI Number	DoB	Address Line 1	Address Line 2	Postcode	Dept	Group
1001	Mr	Richard	Godson	GY548374A	03/06/1952	6 The Grove	Wiston Mallet	NN4 7RW	ADMIN	
1003	Mr	David Charles	Wellington	WE187556D	20/04/1959	65 Hemmingway Court	Beechwell	NN6 3ST	ADMIN	
2001	Mrs	Laura	Quigley	JX692876D	19/09/1932	12 Laurel Road	Kettering	NN16 5FH	ADMIN	
3002	Mrs	Anne	Owen	AZ509843A	27/02/1966	14 Wilson Road	Kettering	NN16 7LL	ADMIN	
3004	Mrs	Pamela	Fadden	TL104978A	21/12/1971	9 Shelley Road	Kettering	NN16 9JZ	ADMIN	
4001	Mrs	Joan	Elsworth	CE103984B	24/08/1971	8 Rose Avenue	Kettering	NN16 4JS	ADMIN	W
4002	Mrs	Jill	Fisher	MA439875D	12/05/1948	44 Regent Street	Kettering	NN16 9SW	ADMIN	W
4003	Mr	Harrold	Saddler	TN120471M	12/04/1971	12 Green Lane	Kettering	NN16 8QQ	ADMIN	W
4004	Mrs	ms		WE789078C	12/03/1975	11 The Hedgeway	Peterborough	PE4 7BX	ADMIN	W
TEST	sdf	sdf	sdf	<BLANK>	01/01/1980	<BLANK>	<BLANK>	<BLANK>	ADMIN	S
2003	Mrs	Liz	Gins	ES598237B	26/01/1953	55 Harley Road	Kettering	NN15 8KJ	LEAS	W
4006	Mr	Mark	Johnson	KR652378A	25/11/1975	17 The Close	Kettering	<BLANK>	LEAS	
2002	Mr	Brian	Jones	ES569871A	11/11/1957	152 Crowborough Lane	Marley	NN14 6KW	SALE	
3003	Mr	Gary	Derwent	NW104598B	15/10/1968	104 Stone Road	Kettering	NN16 5KS	SALE	
3005	Mr	Denis	Jackson	HM409128C	22/02/1968	51 Green Lane	Kettering	NN16 6TE	SALE	
3006	Mr	Stephen	Newheart	AA123412A	16/11/1968	43 St Andrew's Close	Peterborough	PE1 3RX	SALE	
1002	Mr	Andrew	Gregory	BE598375C	12/02/1964	4 London Road	Marston	NN7 5RG	TECH	
2004	Miss	Wendy	Turner	NW598237B	13/06/1972	79 Grange Avenue	Kettering	NN16 6DN	TECH	
3001	Mr	Keith	Harris	CE398743D	17/08/1966	89 Ward Road	Kettering	NN16 4TT	TECH	
3007	Mr	Stuart	Thompson	KR652378A	27/05/1981	13 Bridge Street	Hanslope	<BLANK>	TECH	
4005	Mr	Gary	Harper	NS084386X	23/04/1984	22 High Street	<BLANK>	<BLANK>	TECH	W

Report Close

You can filter the employee records in three ways:

- All employees (regardless of whether there are data issues)
- Only those employees with data issues (what are referred to as exceptions in the utility)
- Only records with the same National Insurance numbers.

Data for these fields from the employee details file are checked according to HMRC requirements:

- Title
- Forenames
- Surname
- NI Number
- Date of Birth
- Address Line 1
- Address Line 2
- Post Code.

Exceptions are displayed at the bottom of the form. For example, if a post code is missing or a National Insurance number is invalid, this information will be displayed after the field is selected. There may be some scenarios where the data does not meet HMRC requirements but the utility does not highlight an exception. For example, an employee's full forename or names must be used in a submission but the utility will not highlight it if an employee's forename is abbreviated.

### 2.1.1.5 The RTI Validator Report

After running the utility you can read the report on screen, print it, save it as a file or send it via email. You must then close RTI Validator and log in to Opera using your Opera login ID if corrections need to be made.

Ref	Surname	Forenames	Title	NINO	Date of Birth	Address Line 1	Address Line 2	Postcode
<b>Orion Vehicles Leasing</b> Created on 13/12/2012 at 15:09 For Group: All groups For Department: All Departments Showing: Exceptions only								
<b>Orion Vehicles Leasing</b>								
2001	Quigley	Laura	Mrs	JX692876D	18/09/1932	12 Laurel Road	Kettering	NN16 5FH
4003	Saddler	Harold	Mr	IN120471M	12/04/1971	12 Green Lane	Kettering	NN16 8QQ
4004	/	ms	Mrs	WE789078C	12/03/1975	11 The Hedgeway	Peterborough	PE4 7BX
The Forenames appear to contain a Title. The Surname is a single character. It should be a complete name.								
TEST	sdf	sdf	sdf	<BLANK>	01/01/1980	<BLANK>	<BLANK>	<BLANK>
The NI Number is blank. Address Line 1 is blank. Address Line 2 is blank. The postcode is missing.								

### 2.1.1.6 Correcting the Data in Opera

Use the Payroll – Processing form to correct the details displayed on the RTI Validator report. Remember to log out of RTI Validator first before logging in to Opera because your user ID will otherwise be in use.

### 2.1.1.7 Checks performed by the utility

The following apply to forenames and surname

- ... is a single character. It should be a complete name.
- ... appears to be a pair of initials. It should be a complete name.
- ... appears to contain a Title. [Mr, Ms, Dr, Mrs, Miss]
- ... contains invalid characters.
- ... does not appear to be a real name.

*Applies to OTHER, DUMMY, X, XX etc, TEST, TEMP, STAFF, CASUAL, WORKER, CLEANER, STUDENT, KNOWN, UNKNOWN, DO NOT USE,*

#### Surname Fields

The surname contains a space.

#### Titles, forenames and surnames Fields

- A single character title is not valid.
- The employee's forename(s) are missing.
- The employee's surname is missing.
- The first character of ... must be alphabetic
- The ... contains invalid characters.

#### NI Number Field

- The NI Number is blank.
- The NI Number contains all the same digits.
- The NI Number contains the sequence 123456.
- The NI Number must be nine characters long.
- The first two characters of the NI Number must be letters.
- D, F, I, U, and V are not valid letters for the first character of the NI Number.
- D, ,F, I, O, U, and V are not valid letters for the second character of the NI Number.
- Temporary NI Numbers are no longer valid. [e.g. TNnnnnnn]
- The NI Number prefix is invalid.[e.g. AQnnnnnn]
- The NI Number prefix is not valid this year. [e.g.NCnnnnnn]
- Characters three to eight of the NI Number must be numeric digits.
- The last character of the NI Number must be A, B, C, D, or a Space.

#### Age (DOB Field)

- The employee's date of birth is blank.
- Based on this date of birth the employee is under 16.
- Based on this date of birth the employee is over 70.
- The employee's start date must be after their date of birth.
- The date of birth must be today or earlier.

## Address Field(s)

The address is blank.

The address is a single character.

Address Line 1 [2] contains one or more invalid characters.

First character of the Address Line 1 [2] must be a letter or number character.

## Post Code Field

The postcode is missing.

The postcode contains too many spaces.

The postcode contains invalid characters.

The postcode must be six to eight characters long (including the space).

The first and second parts of the postcode must be separated by a space.

The second part of the postcode must be three characters long.

The first character of the postcode must be a letter.

The last two characters of the postcode must be letters.

The second part of the postcode must begin with a numeric digit.

The second character must be a numeric digit for this form of postcode.

The second or third character (or both) must be numeric digits for this form of Postcode."

The second character must be a letter for this form of postcode.

The third character must be a numeric digit for this form of postcode.

The second character of the postcode cannot be 'I' or 'Z'.

## 2.2 Manually Checking Data

The data may be checked manually. The key information required for successful RTI processing requires the following fields to be accurate;

## 2.3 Correcting Existing Data Before Upgrading Opera

After checking the completeness and accuracy of each individual's forename, surname and National Insurance number, any errors must be corrected before the first Real Time Information submission is sent.

1.	Open the Processing form (Payroll - Processing) for all payroll groups. Use either the List tab or the search form (CTRL+F) to find the individuals.
2.	<p>The forenames, surname and National Insurance number are recorded on the General tab. Amend them for each individual as necessary.</p> <p><b>Names</b></p> <ul style="list-style-type: none"> <li>• Enter full forenames and not initials</li> <li>• Enter forenames and surnames in the correct order</li> <li>• Make sure the spelling is correct</li> <li>• Do not put titles in name boxes</li> </ul> <p>Each employee's forenames and surname should match the name shown on official documentation like a birth or marriage certificate, or on official HMRC correspondence.</p> <p><b>Date of birth</b></p> <ul style="list-style-type: none"> <li>• Enter the full day, month and full year. If this is unknown it must be left blank.</li> </ul> <p><b>National Insurance number</b></p> <p>This is usually two letters, followed by six digits, followed by a letter. It can be found on a P60 certificate, a payslip, a PAYE Coding Notice, or a letter from HMRC, Department for Work and Pensions or Jobcentre Plus. HMRC use the National Insurance number to keep an individual's entitlement to benefits up to date; if the wrong number is used, the employee's entitlement may be affected. If the number is not known it must be left blank; a 'dummy' number must not be used.</p> <p>See <a href="http://www.hmrc.gov.uk/payerti/employee-starting/verify-nino.htm">www.hmrc.gov.uk/payerti/employee-starting/verify-nino.htm</a> for details.</p>

## 2.3.1 Company Information

- Accounts Office Reference
- Full company name and address
- Tax District and Reference Number

Notes

*Payroll & HR - Payroll – Utilities – Set Options*

Main group – Tab 1

Set Options : Monthly Group (Licensed for 50 Employees)

Options Page 1 | Options Page 2 | Options Page 3

Sort Code : 34-82-22 HSBC plc  
 Bank Account No. : 32873945 Kettering Branch  
 Account Name : ORION VEHICLES  
 BACS System : HSBC

PAYE Reference : 360/453968  
 Tax District : Kettering  
 Accounts Office Ref. : 123PX45678901  
 ECON : E3333333L

P32 Co. Consolidation ID : Z  
 P32 Payment Frequency : ☒ Monthly ☐ Quarterly  
☒ P32 by Income Tax Month  
☐ Use Real Time Information

Child Maint. ER Ref. No. :  
 Current Tax Year : 1213

OK Cancel

*Administration - System – Maintenance – Company Profiles*

Company Profiles : Z - Orion Vehicles Leasing

General | Options | List

Company Code : Z  
 Company Name : Orion Vehicles Leasing  
 Address : Orion House  
 Orion Way  
 Kettering  
 Northants  
 Post Code : NN15 6PE

Telephone : 01536 495000 Facsimile : 01536 495001  
 Contact : Mr James Drage VAT Reg. No. : 112 2332 42  
 Home Currency : Sterling Tax Description : VAT  
 Company E-mail :  
 Company Web Site :  
 Data Path : \\UKKENAANGELL01\O3 SERVER VFP DYNAMIC\DATA

Action ? Close

View

## 2.3.2 Employee Information

### 2.3.2.1 Using Payroll Forms

Notes

- Forename
- Surname
- Date of birth (This must be in the correct format dd/MM/yyyy, eg 14/05/1990)
- NI number
- Gender
- Address Line 1
- Address Line 2
- Post Code.
- Title

#### Payroll & HR - Payroll Processing

#### NI Number –

Currently you can submit a CA6855 form which acts as a NINO Verification Request  
<http://www.hmrc.gov.uk/forms/ca6855.pdf>

#### Payroll & HR - Payroll Processing – Action – Details & Bank (Tab 1)



## 2.4 Upgrading the Software

**Note:** This checklist details the suggested steps for this process. Please amend as necessary for local requirements.

This section includes the steps required to upgrade to either Opera 3 (1.80) or Opera II (7.20) before completing the year-end tasks in the Payroll application. After upgrading the software some additional data about employees will need to be recorded for Real Time Information.

**Important:** Upgrade your software before processing the final pay period of the tax year.

### 2.4.1 Before Upgrading the Software

1. Run the System - Utilities - Backup command to back up each company's data files.
2. Close Opera and make sure that no one is logged in to the system.

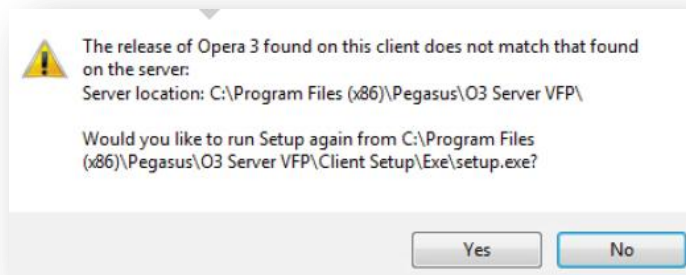
### 2.4.2 Upgrading the Software on the File Server

The upgrade process involves updating both the Server software and Client software.

**IMPORTANT - OPERA 3 ONLY:** A FULL MICROSOFT .NET FRAMEWORK 4 MUST BE INSTALLED ON THE OPERA 3 SERVER. IF IT IS NOT INSTALLED THE INSTALLATION OF THE SERVER SOFTWARE WILL BE PREVENTED. TWO VARIANTS OF MICROSOFT .NET FRAMEWORK 4 ARE AVAILABLE: THE CLIENT PROFILE AND THE EXTENDED FRAMEWORK. THE EXTENDED FRAMEWORK MUST BE INSTALLED; IT IS AVAILABLE FOR DOWNLOAD FROM THE MICROSOFT WEB SITE AT

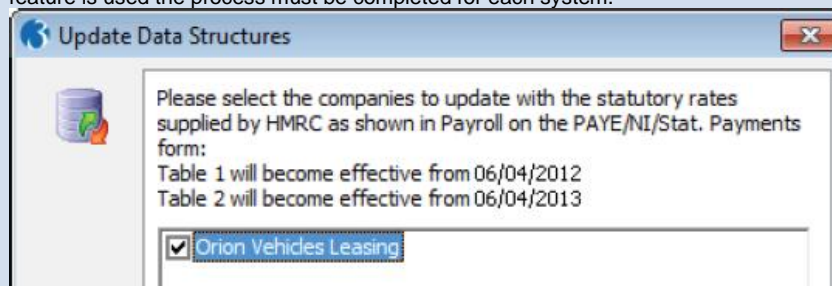
[WWW.MICROSOFT.COM/DOWNLOAD/EN/DETAILS.ASPX?ID=17851](http://WWW.MICROSOFT.COM/DOWNLOAD/EN/DETAILS.ASPX?ID=17851).

3. Upgrade the Opera Server software to Opera 3 (1.80) or Opera II (7.20) using the supplied Opera CD. The Installation Setup menu is displayed when the CD is inserted into the computer or when Menu.exe is run from the main folder.  
  
Click either Opera 3 or Opera II as relevant for the installation and then click the Install ... option. Follow the instructions on the screen until the upgrade is finished. If you need assistance with the upgrade, follow the instructions in the relevant section in the product's Installation Guide. You can open the guide from the Setup menu shown above. Use the 'Upgrading from earlier versions' bookmark on the left of the installation guide to find the relevant section.
4. Upgrade the client software on the server computer by running Opera on the Opera Server as normal and then clicking the Yes button on this form to upgrade the software.



You must enter a new activation key when you log on. This is provided with the software. Follow the instructions in the relevant section in the Opera Installation Guide if you need assistance with the upgrade. Use the 'Upgrading from earlier versions' bookmark on the left of the installation guide to find the relevant section.

5. Run the System - Utilities - Update Data Structures command on each company to update the installation to the new data structures and update the PAYE, National Insurance, Statutory Payments for the new tax year. This may take some time if there are many companies or if there are companies with large data sets to update. If the Additional Systems feature is used the process must be completed for each system.

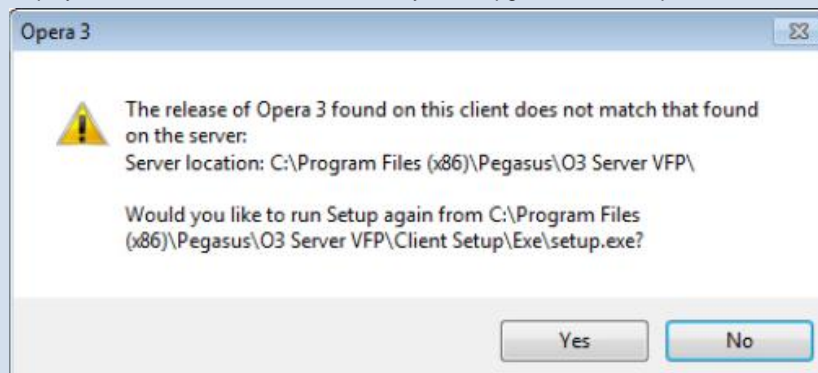


**Note:** Rates and thresholds for Scottish Courts Earnings Arrestment Orders will be automatically updated even if you choose not to update the statutory rates.

### 2.4.3 Upgrading the Software on the Client Computers

The upgrade process also involves updating the Client software on client computers.

6. Upgrade the client software by running Opera on each client computer. This message is displayed if the Server software has already been upgraded on the Opera file server.



Click the Yes button to upgrade the software.

The Update Data Structures command must be run on each company if it was not run from the Server computer.

## 2.5 Check Existing Employee Data for RTI after Upgrade

If each individual's forename, surname, date of birth and National Insurance number have not already been checked for completeness and accuracy, this must be done now. Any errors must be corrected before the first Real Time Information submission is sent.

1. Open the **Processing** form (**Payroll - Processing**) for all payroll groups. Use either the **List** tab or the search form (CTRL+F) to find the individuals.
2. The forenames, surname and National Insurance number are recorded on the General tab. Amend them for each individual as necessary.
 

**Names**

  - Enter full forenames and not initials
  - Enter forenames and surnames in the correct order
  - Make sure the spelling is correct
  - Do not put titles in name boxes

Each employee's forenames and surname should match the name shown on official documentation like a birth or marriage certificate, or on official HMRC correspondence.

**Date of birth**

  - Enter the full day, month and full year. If this is unknown it must be left blank.

**National Insurance number**

This is usually two letters, followed by six digits, followed by a letter. It can be found on a P60 certificate, a payslip, a PAYE Coding Notice, or a letter from HMRC, Department for Work and Pensions or Jobcentre Plus. HMRC use the National Insurance number to keep an individual's entitlement to benefits up to date; if the wrong number is used, the employee's entitlement may be affected. If the number is not known it must be left blank; a 'dummy' number must not be used.

See [www.hmrc.gov.uk/payerti/employee-starting/verify-nino.htm](http://www.hmrc.gov.uk/payerti/employee-starting/verify-nino.htm) for details.
3. Open the Set Options form (Payroll - Set Options) for the main payroll group. Then check that your PAYE reference and Accounts Office Reference are entered correctly.

**NB:** You can use the help guidance from the earlier chapters to help check the required information

## 2.6 Register for PAYE Online (if you have not done so already)

### Using PAYE Online for employers

<http://www.hmrc.gov.uk/payerti/getting-started/using-payee-online.htm>

HM Revenue & Customs (HMRC) sends important notices and messages to employers that they need to correctly operate PAYE. You can read these notices and messages through the PAYE Online service, and also set up email notifications so you know when there's a new message or notice.

PAYE Online is also how you submit certain PAYE returns and requests to HMRC. And you can use it to view your current tax position.

It may be more convenient for you to use the PAYE Desktop Viewer (PDV) to read some of the information sent to you by HMRC, and some commercial payroll software may allow you to read messages and notices and submit certain returns directly too.

You can browse and register online. Remember you must register and confirm your details for using HMRC Gateway.

<https://online.hmrc.gov.uk/login?GAREASONCODE=-1&GARESOURCEID=PayeAorEAI&GAURI=https://online.hmrc.gov.uk/payee/&Reason=-1&APPID=PayeAorEAI&URI=https://online.hmrc.gov.uk/payee/>

HMRC: Login - Windows Internet Explorer

File Edit View Favorites Tools Help

Star Favorites Suggested Sites Get more Add-ons

HM Revenue & Customs: ... HM Revenue & Customs: ... HM Revenue & Customs: ... HMRC: Login

HM Revenue & Customs Online Services

HMRC home | Contact us | Help

### Welcome to HMRC Online services

#### Existing users

If you are already signed up to use HM Revenue & Customs (HMRC) Online Services and have a Government Gateway account, please enter your User ID and password, then click the 'Login' button below.

**Please note:** Fields are not case sensitive.

User ID:

Password:

Login

- Digital Certificate user
- Lost User ID?
- Lost password?
- Lost or expired Activation PIN?

If you have lost both your User ID and password please contact the HM Revenue & Customs (HMRC) [Online Services Helpdesk](#).

#### New user

To sign up to use HMRC Online Services and to register a business for HMRC taxes, please click the 'Register' button below.

Register

- Digital Certificate user
- Frequently Asked Questions (FAQs)
- Computer requirements
- View a demo of HMRC's services
- Registration and Enrolment process

#### News

**Are your contact details up to date?**  
It's really important that your contact details are kept up to date so that HMRC can confirm your submission receipt by email and you can obtain new passwords online.

**Are you having problems logging in?**  
If you've entered the wrong User ID or password three times or more, your account will be locked and you won't be able to use HMRC Online Services for the next two hours.

**Online Security**  
We are committed to your security. Find out how we keep you safe online and what you can do to protect yourself online.

**Online Service Availability**  
HMRC regularly provides information detailing HMRC [Online Services Availability](#). You can also view current important issues that you may come across when using HMRC Online Services on the HMRC [service issues pages](#).

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## 2.7 Recording New Data about Individuals

Notes

Employers and pension providers may need to record new information about the individuals they pay. These details will have to be saved in new boxes in the payroll application and included in the Real Time Information submissions.

Employers may need to develop new processes to get this information from individuals and record it in their payroll software.

These new details must now be recorded:

- The approximate number of hours worked in a week. The employee will be aligned with one of these relevant HMRC bands when their details are submitted:
  - Up to 15.99 hours
  - 16 to 29.99 hours
  - 30 hours or more
  - Other.
- Whether the individual is paid on an irregular basis, for example a seasonal worker or someone on maternity leave or long term unpaid absence for three or more months. This includes people with earnings below the Lower Earnings Limit (LEL) or those paid just once a year.
- Whether an individual has been paid in the current pay period but has also had time off that is unpaid.
- Whether an individual is paid a pension or an annuity but the payment is made to a third party, for example a trustee.
- Whether an individual is drawing funds from a pension or an annuity.
- The individual's passport number if it was checked as part of ensuring that they have the right to work in the UK.

This must be updated for each Employee

*Payroll & HR - Payroll Processing – Action – Details & Bank – Additional Information (Tab 2)*

Details & Bank : 1001 - Richard Godson

Details & Bank | **Additional Information**

Number of Normal Hours Worked : 0.00

Passport Number :

☐ Irregular Employment Payment Pattern

☐ Unpaid Absence

☐ Pension Payment to a Non Individual

☐ Employee is being paid an Occupational Pension or Annuity

**NB:** Leaving the Normal Hours Worked blank or 0 means it is classed as "Other"

**NB:** If users are unsure of when to set or use settings, flags or anything related to RTI or Payroll, we recommend contacting HMRC for further clarification and help

**Why do HMRC require the normal hours worked?**



Normal Hours Worked are generally required to help calculate out Tax Credits. This will probably also be used when the Universal Tax Credit is introduced.

For example;

<http://www.hmrc.gov.uk/tax-credits/start/claiming/income-hours/work-out-hours.htm>

### Number of Normal Hours Worked

Indicate one of the following 4 bandings that is most appropriate to your employee, based on the number of hours you expect them to normally work in a week:

- a) Up to 15.99 hrs
- b) 16-29.99 hrs
- c) 30 hrs or more, or
- d) Other (0 or blank denotes Other)

If your employee is on paid leave, for example annual leave or sick leave, please report the normal hours worked.

If you consider a, b or c are not appropriate then indicate d. For occupational pension schemes indicate d) Other.

### Passport Number

Enter your employee's passport number, including UK or non UK passports. You enter the passport number where you have collected it as part of your checks that the employee is entitled to work in the UK.

<http://www.businesslink.gov.uk/bdotg/action/layer?r.l1=1073858787>

You do not have to do this for employees engaged before you join RTI.

### Irregular Employment Payment Pattern

Indicate 'Yes' if your employee is paid on an irregular basis, for example;

- casual or seasonal employees whose employment contract continues
- employees on maternity leave, long term sick leave or leave of absence and will not be paid for a period of three months or more – but you still regard them as employees

HMRC will check if employees have not been paid for a specific period of time and will treat them as having left that employment.

To avoid that happening for employees who do not get paid regularly, we ask that you use the irregular payment pattern indicator on every FPS submitted for that employee.

### EE is being paid an Occupational Pension or Annuity

Indicate 'Yes' for the first and every payment of pension or income provided from registered pension schemes (including annuities, income from drawdown arrangements and trivial commutation payments) to an individual.

### Pension Payment to a Non Individual

If entry needed indicate 'Yes'. For example payments to a body such as a Personal Representative, Trustee or Body Corporate - that is, a third party or non individual.

### Unpaid Absence

Indicate 'Yes' if your employee's pay in this pay period has been reduced due to being on an unpaid absence.

## 2.7.1 Recording Additional Data for Real Time Information

Some additional data about individuals must be collected so new procedures may need to be developed for this. New boxes have been added to Opera 3 (1.80) or Opera II (7.20) so the software must be upgraded before this data can be recorded. Some of the requirements apply only to certain individuals, for example people drawing funds from a pension or annuity. Other requirements, for example the hours worked per week, apply only to employees rather than pensioners. See [www.hmrc.gov.uk/payerti/getting-started/rti.htm](http://www.hmrc.gov.uk/payerti/getting-started/rti.htm) for details.

**Note:** This information can be recorded after completing the year-end by following STEP 8 on page 15. However it **MUST** be entered before sending your first Real Time Information submission.

1. Open Processing form (Payroll - Processing) for all payroll groups and update each employee's record with additional information  
For each employee do the following:
  - i. Use the List tab or use CTRL+F to select the employee.
  - ii. Open the Details & Bank form and select the Additional Information tab.
  - iii. Enter the details and select the necessary options for the selected employee.
  - iv. Close this form and then select the next employee to update.

### 2.7.1.1 For Employees

2. In the Number of Normal Hours Worked box, enter the approximate number of hours that the employee normally works in a week. The employee will be aligned with one of these relevant HMRC bands when their details are submitted:
  - Up to 15.99 hours
  - 16 to 29.99 hours
  - 30 hours or more.
  - Other
3. Select the Irregular Employment Payment Pattern option if the individual is paid on an irregular basis, for example a seasonal worker or someone on maternity leave or long term unpaid absence for three or more months.  
**Note:** HMRC will check if an employee has not been paid for a certain period of time and will treat them as having left that employment. Including this indicator on every FPS submitted for that employee avoids that happening
4. Select the Unpaid Absence option if the employee's pay has been reduced due to being on unpaid absence during this pay period.
5. In the Passport Number box, enter the passport number for the individual if their passport was checked to ensure they have the right to work in the UK.

### 2.7.1.2 For Pensioners

2. Select the Pension Payment to a Non Individual option if the individual is paid a pension or an annuity but the payment is made to a third party, for example a trustee.
3. Select the Employee is being paid an Occupational Pension or Annuity option if the individual is drawing funds from a pension or an annuity.

## 2.8 Other RTI Changes & Considerations in Opera

### 2.8.1 Paying Employees by BACS through a BACS Accredited Software Supplier

HMRC has introduced a new requirement for BACS payments that are made through a BACS Accredited Software Supplier (BASS) or through a BACS Approved Bureau using the employer's own Service User Number (SUN). These payments are made from the employer through the BACS system rather than indirectly through internet banking with a 'high street' bank.

#### 'Hash' Reference

The payment format includes an additional reconciliation reference (used to create a 'hash' reference) which is used in the FPS for the pay period. This will enable HMRC to cross-reference the data against the BACS payment. It will also assist DWP's administration of the Universal Credit.

This new BACS payment format does not affect employers who pay their employees by cash or cheque, or electronically using internet or telephone banking using a high street bank. Their payment method does not need to change for Real Time Information.

#### New RTI BASS BACS Payment Options

If an employer uses a BASS supplier to pay their employees, they will need to select a new BACS payment format in the payroll software. This will only affect employers that currently use the 'STDBACS' format in Opera II and Opera 3 and the 'Albany BACS' format in Capital Gold Payroll.

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**Important:** Please note other BACS formats (such as HSBC, Nat West etc) are not affected by this HMRC BACS payment format. Employers that use these formats do not need to change the BACS format they use in their payroll software.

---

### 2.8.2 HMRC Generic Notification Service

The Generic Notification Service (GNS) will be used to send notifications like reminders, instructions and warnings to employers electronically using the existing Data Provisioning Service (DPS) or Electronic Data Interchange (EDI) channels.

From October 2013, the GNS will also be used for the following:

- non-filing
- late filing
- late payment warning notices.

These notices are intended to help employers and remind them when a Full Payment Submission or payment is not received as expected.

Selecting the new BACS format if require (i.e only if using STDBACS) must be done in Set Options.

**Payroll & HR - Payroll – Utilities – Set Options**

Notes

**Main group – Tab 1**
**2.8.3 Payment Profiles Form****2.8.3.1 Trivial Commutation Payments**

A new combo box is available on the Payment Profile form to mark these profiles for relevant pensions as 'trivial commutation payments', which is a term used by HMRC for small pension funds which are paid in full. The default setting for this new option is 'No' so it does not need to be changed unless one of the other settings is relevant. These payments need to be identified separately in a pay period's Full Payment Submission (FPS).

These options can be selected as appropriate for the type of lump sum paid in place of a small pension:

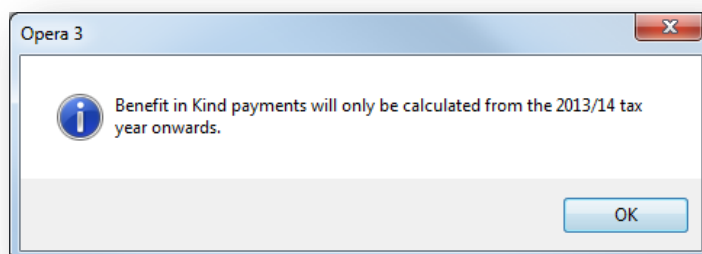
- Trivial commutation lump sum (TCLS)
- Other lump sum (from personal pension schemes)
- Other lump sum (from occupational/public service pension schemes).

**2.8.3.2 Benefits in Kind**

A new payment type has also been added for benefits in kind. The non-cash benefits are also referred to as 'Payroll Benefits' and can only be used when HMRC agree to it. The benefits, which are provided in addition to an employee's salary without their tax code being modified, are subject to either NI or Income Tax.

There is a wide range of benefits in kind, for example company cars, or interest-free loans, and free accommodation. Most of these benefits are taxable but there are some exemptions.

**Note:** Benefit in kind payments are calculated in Opera for the 2013-14 tax year and later because where relevant they need to be included in Real Time Information submissions.



Further information may be found @ <http://www.hmrc.gov.uk/guidance/cwg2chapter5.pdf>

## 2.8.4 Leavers Form

One of the requirements is to identify an employee who has left an employment and been given a P45 but is then subsequently paid. For example, where they leave and are paid as normal but then it is realised that another payment is due, like an overtime payment. The Leavers form (Processing - Action - Leavers) now includes a new box called Payment After Leaving to record payments for employees who have already left but are then paid.

This new box can be selected when an employee who has already left (D-type leaver) is reset to an employee who left in this period (L-type leaver). It is hidden until the start of the 2013-14 tax year.

## 2.8.5 To-Date Form

The To-Date form (Processing - Action - 'To - Date') has been redesigned for when Real Time Information is in use. New boxes have been added and others have been removed, for example the boxes related to P45 and P46 returns, which will be obsolete when Real Time Information is in use. The top section is now called 'Starter Details' that includes details for new starters, including whether their first FPS has been sent to HMRC.

The screenshot shows the 'To-Date' form for Richard Godson. The form is divided into three tabs: 'To-Date Details', 'NI To-Date Details', and 'SSP Details'. The 'To-Date Details' tab is active. It contains a 'Starter Details' section with fields for Status (Unknown), Present Circumstances (A - Employee's first job since last 6th April), and checkboxes for EEA, EPM6, Employee's First FPS Already Submitted, and Recently Bereaved. Below this is a section for 'Pay & Tax from Previous Employment that applies to the Current Tax Year' with fields for Gross Pay (0.00) and Tax Paid (0.00). The bottom section, 'To-Date Totals', contains a grid of fields for various payments and taxes, all set to 0.00, except for Total Absent Days (4) and Holiday Days Taken (0.0).

These sections have been removed:

- 'General Details of Previous Employment'
- 'Pay & Tax from Previous Employment as Shown on the P45'
- 'Details Provided by You'.

**Note:** You must still record a previous employment's gross pay and tax for the current tax year on this form.

## 2.8.6 ASPP Forms

If an employee is paid ASPP for new births or for adoptions, their partner's forenames, surname and National Insurance number must also be included in the Full Payment Submissions (FPS) for the pay period.

ASPP (Birth) Details : 1001 - Richard Godson

General Entitlement **Memo & Misc.** History

Memo :

Partner Details

Surname :

Forenames :

N.I.Number :

Action ? Close

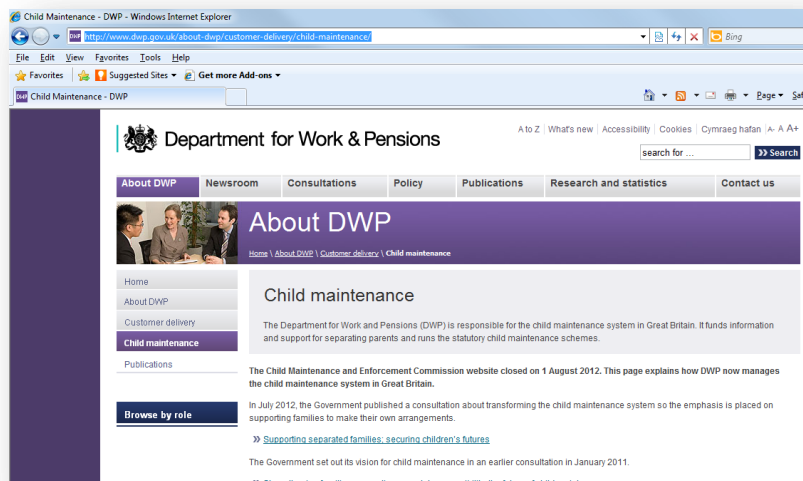
View

The ASPP Birth and ASPP Adopt forms (Processing - Action - Statutory Payments - ASPP) include new boxes on the Memo & Misc tab (renamed from Memo) to include some details of the employee's partner.

## 2.9 CMEC & Pensions Auto Enrolment

### Child Maintenance Enforcement Commission

As the Child Maintenance Enforcement Commission (CMEC) was closed in August 2012 and its responsibilities moved to the Department of Works and Pensions, all references to CMEC in Opera have been removed. Now the 'Child Maintenance Service' (part of the DWP) is referred to instead of CMEC..



<http://www.dwp.gov.uk/about-dwp/customer-delivery/child-maintenance/>

## 2.10 Pensions Auto Enrolment

### Employees Who Reach 75

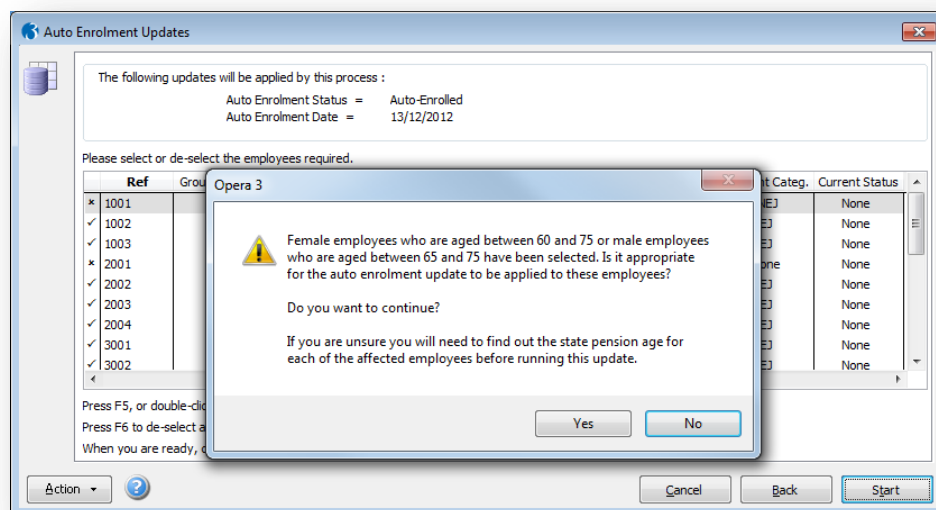
When an employee reaches state pension age they must not be auto enrolled but they can opt in to a pension if they want to. When an employee reaches 75 they can neither be auto enrolled nor can they opt in to a pension.

The Pensions Regulator has clarified some of the requirements for these employees. In particular that payroll software must check whether employees reach the state pension age or 75 on their assessment date rather than at the end of the pay reference period.

These changes have been made:

The Payroll - Calculation command now checks whether an employee has either reached their state pension age or 75 on their assessment date. Relevant warnings are still displayed on the audit report which is displayed after the calculation.

- The Payroll - Global Changes - Auto Enrolment Updates form now displays a warning message if any employees are found to be aged between 60 and 75 and the relevant boxes are selected to update the employees' auto enrolment status or auto enrolment category.



**Tip:** The Pensions Regulator may sometimes clarify the requirements for auto enrolment so additional information may need to be recorded. It is possible to enter additional memo information regarding the auto enrolment of employees on the Memo tab of the Payroll - Processing - Pensions - Auto Enrolment Details form and the Notes box on the Payroll - Utilities - Auto Enrolment Settings form.

## 2.11 Upgrading Online Filing Manager

**Note:** This checklist details the suggested steps for this process. Please amend as necessary for local requirements.

This section includes the steps required to upgrade to Online Filing Manager (3.30) so that the P35 (Employer Annual Return) and P14 (End of Year Summaries) can be submitted online and Real Time Information submissions can be sent during the 2013-14 tax year.

Most employers must send the year-end returns online.

### 2.11.1 Before Upgrading the Software

1. It is advisable to upgrade Online Filing Manager after upgrading to Opera 3 (1.80) or Opera II (7.20). It must be upgraded before submitting the year-end returns and Real Time Information submissions to the Government Gateway.  
Make sure Online Filing Manager is closed.

### 2.11.2 Upgrading the Software

2. Upgrade to Online Filing Manager (3.30) using the Opera CD. The Setup menu is displayed when the CD is inserted into the computer or when Menu.exe is run from the main folder. Click Pegasus Online Filing Manager and click Install Online Filing Manager. Then follow the instructions on the screen until the upgrade is finished.  
  
If you need assistance with the upgrade, follow the instructions in the relevant section in the product's Installation Guide. You can open the guide from the Setup menu shown above. Use the 'Upgrading from earlier versions of Online Filing Manager' bookmark from the left pane to find the relevant section.

## Accreditation Training Courseware

### 3 Year End 2012-2013

With the introduction of Real Time Information in the new tax year, this will be the final year that the employer's P35 and each employee's P14 returns must be submitted to HMRC. Most employers must still file the returns online although some are allowed to use paper returns.

#### 3.1 Matrix of Software Changes

These tables provide lists of the new statutory requirements and indicate whether Opera and Online Filing Manager (OFM) have changed for each requirement.

2012-13 tax year		Opera	OFM
1.	The format of the employees' P60 (End of Year Certificates) is the same as last year but some older P60 options have been removed. Two formats are still available in Opera. Each employee must still receive their P60 for this tax year by 31 May 2013 using one of the remaining options.	✓	✗
2.	The PAYE End of Year wizard in Online Filing Manager has changed so that employees' P14 (End of Year Summaries) and your P35 (Employer Annual Return) can be filed as normal for this tax year.	✗	✓
3.	Other changes have been made that affect the software both before and after the 2012-13 year-end : <ul style="list-style-type: none"> <li>• All references to Child Maintenance Enforcement Commission (CMEC) now refer to the 'Child Maintenance Service', which is part of the Department of Works and Pensions.</li> <li>• Additional checks for employees who reach 75 and new options on the Auto Enrolment Updates wizard to allow employees to be selected based on a range of postponement dates.</li> </ul>	✓	✗

**Note:** The format of the P11D form is the same as last year.

2013-14 tax year		Opera	OFM
1.	Real Time Information will be introduced for all employers, which means that they will need to report PAYE in real time. This will affect most employers from 6 April 2013. The remaining employers will be affected between April and October 2013.	✓	✓
2.	The PAYE, NI and Statutory Payments rates and bandwidths will change, as will the tax allowances.	✓	✗
3.	The student loan threshold will increase from £15,795 to £16,365 per annum.	✓	✗
4.	The Department of Works and Pensions has changed the pension auto-enrolment thresholds.	✓	✗
5.	The Scottish Court Service has changed the earnings bands used when earnings arremts are calculated.	✓	✗

## 3.2 End of Year Returns

The format of the year-end paper returns and the online files for filing to HMRC using Online Filing Manager have not changed for this year-end. However, some older P60 options are no longer available to use because of low demand last year for the relevant stationery.

These options have been removed from the End of Year Returns form:

Removed Option	Old Stationery Codes
Peg. Continuous 12 inch P60	TAX-830P
Peg. Laser Portrait P14/P60	TAX-402P, TAX-405P, TAX-410P, TAX-425P, TAX-202P, TAX-205P, TAX-210P, TAX-200

These options for P60s are available for this year-end:

Option	Stationery Codes	Supplier
HMRC Single Sheet (Laser Portrait) P60	P60 (Single Sheet)	HMRC
Peg. Laser P60 Mailer (and file copy)	<p>MAL-P60 (OPERA): this is a sealed P60 that was also available last year. These are sealed by the heat of the laser printer.</p> <p>MAL-P60PS (PEG): this is a new format which is the same format as the MAL-P60 but is a 'peel and seal' version of the form. This format means the returns can be printed and then checked at a later time before they are sealed. It has a protective seal to peel off and fits a wide range of printers.</p>	Pegasus Business Forms

This option must be used to file P14 and P35 returns online:

PAYE	<p>This creates the year-end file with P14 details for the 2012-13 tax year to submit to HMRC using Online Filing Manager (3.30). The file for this uses the naming convention x_PAYEYOY_g.NET, where x is the company ID and g is the code for the payroll group or groups.</p> <p><b>Note:</b> The Prepare Internet P35 command must be run to gather the P35 figures after using this option.</p>
------	--

End of Year Returns

Sequence : Employee

Range

First Employee : Godson Richard

Last Employee : Turner Wendy

☒ HMRC Single Sheet (Laser Portrait) P60  
☐ Peg. Laser P60 Mailer (and file copy)  
☐ Internet Service for PAYE

☒ Include Leavers  
☐ Exclude Leavers  
☐ Leavers Only

Report Order

☒ Alphabetic  
☐ Employee Ref

? OK Cancel

### 3.3 Completing the Tax Year-End

**Note:** This checklist details the suggested steps for this process. Please amend as necessary for local needs.

This is a reminder of the tasks that employers submitting their year-end returns online must carry out at the end of the 2012-13 tax year for each of the companies in Opera after upgrading to Opera 3 (1.80) or Opera II (7.20).

These steps should be followed for each company after calculating all the employees' payments and deductions using the Calculation command. If payroll groups are used these steps must be followed for each group. If the Additional Systems feature is used - which allows more than 36 companies to be used - the process must be completed for each system.

#### 3.3.1 Before Completing the Year-end

1. Take a data backup, run the **System - Utilities - Backup** command to back up each company.
2. Check that the **Current Tax Year** box on the **Payroll - Utilities - Set Options** form is set to 12 13 for the 2012-13 tax year.

#### 3.3.2 Completing the Year-end

3. Print the Payroll - Summary Reports - To-Date Summary report, which provides an audit trail for every employee for the income tax year to date.
4. Open the Payroll - P32 Processing form and make sure funding and payments are up to date. If other companies in Opera are marked to be consolidated into a P32 consolidation 'parent' company, use the Consolidate P32 command on the Action menu in that company to combine the P32 values. Then add values if necessary to update funding and payments using the respective command on the Action menu.
5. Open the Payroll - EOY/Special Reports - End of Year Returns form and select the Internet Service for PAYE option to create the .NET file for online submission of employees' P14 (End of Year Summaries).
6. Open the Payroll - EOY/Special Reports - Prepare Internet P35 form to create the .NET file for online submission of the P35 (Employer Annual Return). If other companies in Opera are marked to be consolidated into a P32 consolidation 'parent' company, the .NET file must be created in the parent company.  
Check the 'Recovered' and 'Compensation' values for Statutory Payments and amend them if required. Then select OK. A confirmation message is displayed before it is possible to submit the returns to HMRC using Pegasus Online Filing Manager. If you decide to do so, follow the instructions in the Filing year-end returns using Online Filing Manager checklist.
7. Open the Payroll - EOY/Special Reports - End of Year Returns form and print the required P60 (End of Year Certificates) for all employees. For guidance on the different options, please see the Help topic for this form.
8. Open the Payroll - EOY/Special Reports - Print P35 Substitute form and print a file-copy P35 Deductions Working Sheet if required. Employers that are allowed to submit their year-end returns on paper can use this option to print the P35 on HMRC stationery.
9. Print the Payroll - EOY/Special Reports - Pay/Ded List to print a file copy of the list of payments and deductions for the final pay period. Then print any other reports needed for the final pay period.
10. If Payroll is linked to the Nominal Ledger, run the Payroll - Utilities - N/L Analysis command to update the Nominal Ledger.
11. If Payroll is linked to the Cashbook, run the Payroll - Utilities - Cashbook Transfer command to update the Cashbook.
12. If employees are paid by BACS, run the Payroll - Payment Reports - Produce & List BACS command to create the BACS payment file.

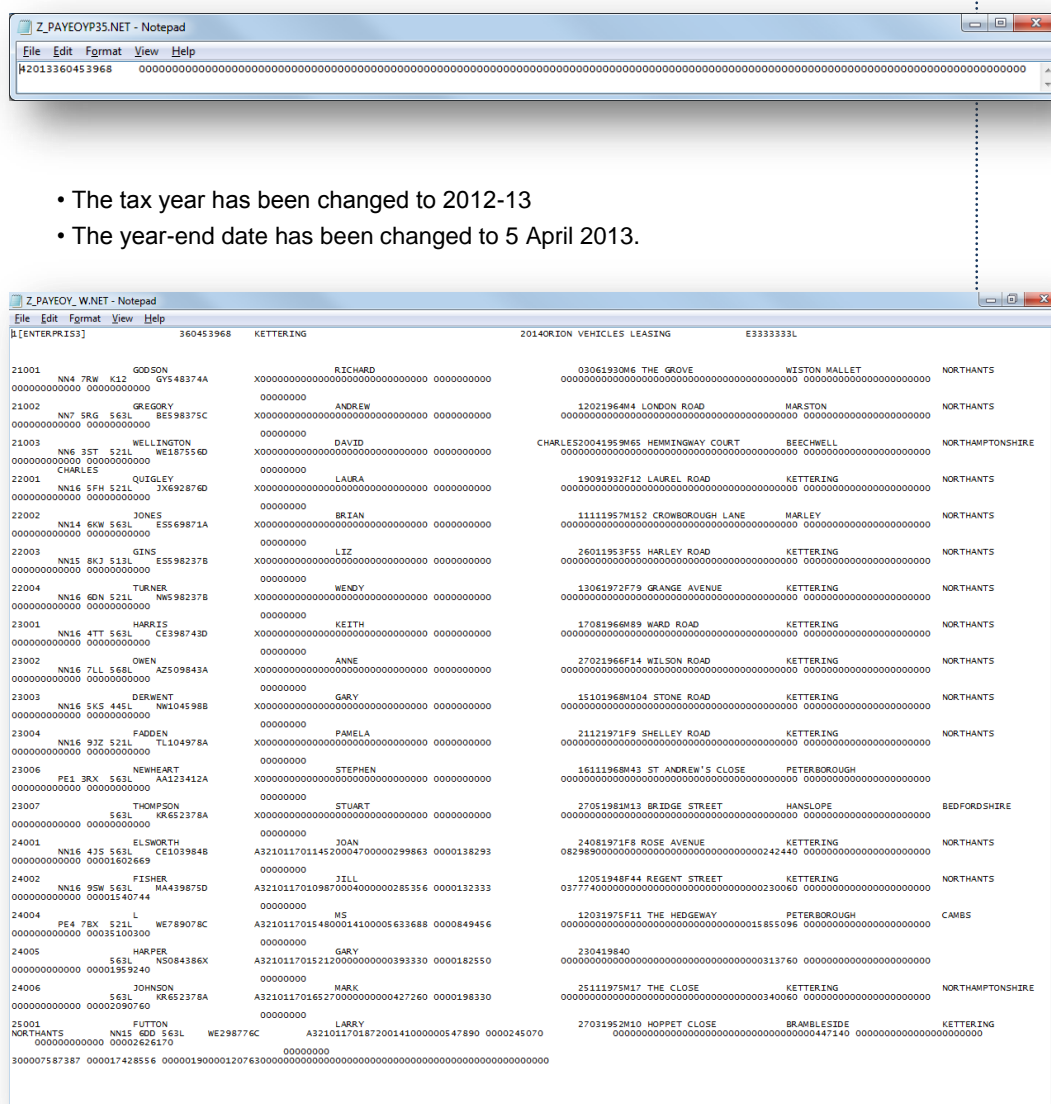
13. Run the Payroll - Utilities - Update command for the final pay period.
14. Run the Payroll - EOY/Special Reports - End of Year Cleardown command. This clears the to-date values such as income tax and NI contributions from the employee's records and makes the payroll ready for the next tax year. Click to select those you want to clear balances or press F5 to select all payments and deductions.
15. Check that the Current Tax Year box on the Payroll - Utilities - Set Options form is set to 1314 for the new tax year. Also, check the 2013-14 pay calendar on the Payroll - Utilities - Calendar form to ensure that the details are correct.
16. To retain a copy of the data before processing in the new tax year, run the System - Utilities - Backup command to back up each company's data.

Notes

### 3.4 Submitting End of Year Returns in Online Filing Manager

The format of the XML file used by Online Filing Manager to file the P35 (Employer Annual Return) and P14 (End of Year Summaries) returns online has changed:

- The tax year has been changed to 2012-13
- The year-end date has been changed to 5 April 2013.



**Note:** Almost all employers must file their P35 (Employer Annual Return) and their employees' P14 (End of Year Summaries) returns online.

## 3.5 Filing Year-End Returns using Online Filing Manager

**Note:** This checklist details the suggested steps for this process. Please amend as necessary for local needs.

This is a reminder of the tasks to carry out in Online Filing Manager after completing the year-end tasks in Opera at the end of the 2012-13 tax year. The submission must include the .NET file/s for the P35 (Employer Annual Return) and P14 (End of Year Summaries) created in Opera 3 (1.80) or Opera II (7.20).

If more than one company in Opera has the same employer's PAYE reference, Online Filing Manager will submit their .NET files together only if they are in the same folder when the submission is sent. You must copy them to a common folder before sending the submission.

**Important:** The deadline date for the submission is 19 May 2013.

### 3.5.1 Sending a Test Submission

1. Check that Online Filing Manager (3.30) is installed. To check, run Online Filing Manager and click the Help menu. Then click About.
2. Run the Processing – Send a Test Submission – Test PAYE End of Year command to send a test submission to HMRC.  
The .NET file that includes the year-end information is saved in the company's data folder. This is different for the various Windows products; for example: c:\Documents and Settings\All Users\Application Data\Pegasus\Server XXX\Data or c:\ProgramData\Pegasus\O3 Server XXX\Data (where XXX is either VFP or SQL).

### 3.5.2 Sending a Live Submission

A LIVE SUBMISSION WILL BE REJECTED BY HMRC IF THE EMPLOYER'S GOVERNMENT GATEWAY CREDENTIALS ARE INCORRECT OR IF A PROBLEM EXISTS IN THE FILE THAT WAS NOT DETECTED IN A TEST SUBMISSION.

3. Run the Processing – Send to Government Gateway – PAYE End of Year command to send the P35 and P14s to HMRC. The .NET file that includes the year-end information is saved in the data folder for the company. This is different for the various Windows products; for example: c:\Documents and Settings\All Users\Application Data\Pegasus\Server XXX\Data or c:\ProgramData\Pegasus\O3 Server XXX\Data (where XXX is either VFP or SQL).  
EACH EMPLOYER CAN MAKE ONLY ONE LIVE SUBMISSION TO HMRC PER TAX YEAR SO ALL .NET FILES MUST BE SUBMITTED AT THE SAME TIME. THE SUBMISSION MUST BE SENT BY 19 MAY 2013.
4. A message is normally displayed to indicate whether the submission has been successfully received by HMRC or has failed. Print and save the report as required.  
If a message is not displayed after sending a live submission, check the status of the submission by running the Processing – Check Submission Status command.  
THE TIME NEEDED FOR A MESSAGE TO BE DISPLAYED DEPENDS ON HOW MANY EMPLOYERS ARE SENDING SUBMISSIONS AT THE SAME TIME. DO NOT SEND THE SUBMISSION AGAIN UNLESS YOU ARE SURE THE ORIGINAL SUBMISSION HAS FAILED.

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### 4 Starting the New Tax Year 2013-2014

#### 4.1 Matrix of Software Changes

This table provides a list of the new statutory requirements and indicates whether Opera and Online Filing Manager (OFM) has changed for each requirement.

2013-14 tax year	Opera	OFM
1. Real Time Information will be introduced for all employers, which means that they will need to report PAYE in real time. This will affect most employers from 6 April 2013. The remaining employers will be affected between April and October 2013.	✓	✓
2. The PAYE, NI and Statutory Payments rates and bandwidths will change, as will the tax allowances.	✓	×
3. The student loan threshold will increase from £15,795 to £16,365 per annum.	✓	×
4. The Department of Works and Pensions has changed the pension auto-enrolment thresholds.	✓	×
5. The Scottish Court Service has changed the earnings bands used when earnings arrearments are calculated.	✓	×

#### 4.2 Rates and Bandwidths for NI, PAYE and Statutory Payments

From 6 April 2013, the National Insurance, Income Tax and Statutory Payments rates and bandwidths will be the following:

##### 4.2.1 NICs Bandwidths

	Weekly	2 Weekly	4 Weekly	Monthly	Yearly
Lower Earnings Limit (LEL)	109	218	436	473	5668
Secondary Threshold (ST)	148	296	592	641	7696
Primary Threshold (PT)	149	299	597	646	7755
Upper Accrual Point (UAP)	770	1540	3080	3337	40040
Upper Earnings Limit (UEL)	797	1595	3189	3454	41450

Contributions percentages are unchanged at 12% on earnings above the PT up to and including the UEL and 2% on earnings above the UEL. COSR rebate is 1.4% on earnings above the LEL up to and including the UAP. Married Women's Reduced Rate remains at 5.85%.

Employer and employee NIC rates are unchanged from the 2012-13 tax year.

## 4.2.2 Employer (Secondary) NIC Rates

	Not Contracted Out A, B, C & J	Contracted Out (COSR) D, E & L
Above UEL	13.8%	13.8%
UAP - UEL	13.8%	13.8%
PT - UAP	13.8%	10.4%
ST - PT	13.8%	10.4%
LEL - ST *	0%	3.4%

Contributions percentages are unchanged at 13.8% on earnings above the ST. COSR rebate is also still 3.4% on earnings above the LEL up to and including the UAP.

\* This band is the NIC rebate percentage for earnings between the LEL and ST.

## 4.2.3 Employee (Primary) NIC Rates

Not Contracted Out				Contracted Out (COSR)		
Std	Red	Def		Std	Red	Def
A	B	J	C	D	E	L

Above UEL	2%	2%	2%	NIL	2%	2%	2%
UAP - UEL	12%	5.85%	2%	NIL	12%	5.85%	2%
PT - UAP	12%	5.85%	2%	NIL	10.6%	5.85%	2%
ST - PT *	0%	0%	0%	NIL	1.4%	0%	1.4%
LEL - ST *	0%	0%	0%	NIL	1.4%	0%	1.4%

Std = Standard, Red = Reduced, Def = Deferred

Contributions percentages are unchanged at 12% on earnings above the PT up to and including the UEL and 2% on earnings above the UEL. COSR rebate is 1.4% on earnings above the LEL up to and including the UAP. Married Women's Reduced Rate remains at 5.85%.

\* These bands are the NIC rebate percentages for earnings between the LEL and the ST and between the ST and the PT.

## 4.2.4 Income Tax Rates & Bandwidths

The Basic Rate bandwidth will be reduced from £34,370 per annum to £32,010 and the Higher Rate bandwidth now starts at £32,011. The Additional Rate will be taxed at 45% rather than 50% but the bandwidth has not changed.

	2012-13		2013-14	
Basic rate	20%	£0 - 34,370	20%	£0 - 32,010
Higher rate	40%	£34,371 - 150,000	40%	£32,011 - 150,000
Additional rate	50%	£150,001+	45%	£150,001+

## 4.2.5 Tax Allowances

The Income Tax Personal Allowance will be increased from £8,105 to £9,440. Other allowances have also changed.

	2012-13	2013-14	Change
Income Tax Personal Allowance	£8,105	£9,440	£1,335
Personal Allowance for people aged 65-74	£10,500	£10,500	-
Personal Allowance for people aged 75 and over	£10,660	£10,660	-
Married Couples Allowance (aged less than 75 and born before 6th April 1935)	£7,705	£7,915	£210
Blind Person's Allowance	£2,100	£2,160	£60

## 4.2.6 Changes in Tax Codes

There will be a general uplift of tax codes with suffix 'L'. These suffix codes increase by 134; code 810L becomes 944L. The emergency tax code with effect from 6 April 2013 is 944L.

## 4.2.7 SSP Rates

From 6 April 2013, the weekly rate for days of absence due to sickness has increased from £85.85 to £86.70 for employees with average weekly earnings of £109 or more.

## 4.2.8 SMP, SPP (Ordinary & Additional) and SAP Rates

The weekly rate of SMP, OSPP and ASPP, and SAP has increased from £135.45 to £136.78.

The amount of Statutory Maternity Pay paid to an employee for payment weeks starting on or after Sunday 7 April 2013 remains unchanged at 90% of the employee's average weekly earnings (the earnings-related rate) for the first six weeks of payment. For the remaining weeks, it will be the lesser of the standard rate of £136.78, or the earnings-related rate, which is 90% of the employee's average weekly earnings.

For both Ordinary and Additional Statutory Paternity Pay and Statutory Adoption Pay, the weekly rate paid to an employee for payment weeks starting on or after Sunday 7 April 2013 will be the lesser of the new standard rate of £136.78, or the earnings-related rate, unchanged at 90% of the employee's average weekly earnings.

### 4.2.9 Small Employers Relief

The recovery and compensation rates for Small Employers Relief (SER) and the classification of a small business have not changed.

- Employers who qualify for SER are those with a total annual Class 1 NICs including primary (employee) and secondary (employer) liability of £45,000 or less.
- Employers who qualify for SER are allowed to recover 100% of Statutory Payments (SMP, OSPP, ASPP & SAP) paid to their employees plus 3% compensation.
- Employers who do not qualify for SER can recover 92% of the Statutory Payments paid to their employees.

### 4.2.10 Student Loan Threshold

From 6 April 2013, the student loan threshold will increase from £15,795 to £16,365 per annum.

### 4.2.11 Pensions Auto Enrolment

A requirement of the Pensions Act 2008 is that the thresholds for auto enrolment are reviewed annually. Subject to confirmation by the Department of Works and Pensions, the Earnings Trigger for Auto Enrolment and the Lower and the Upper limits of the Qualifying Earnings Bands (QEB) remain aligned with the PAYE Threshold.

Threshold	2012-13	2013-14	
Earnings Trigger	£8,105	£9,440	Aligned with the PAYE Threshold
QEB Lower Limit	£5,564	£5,668	Aligned with the Lower Earnings Limit (LEL)
QEB Upper Limit	£42,475	£41,450	Aligned with the Upper Earnings Limit (UEL)

## 4.2.12 Scottish Courts Earnings Arrestment Orders

Subject to confirmation by the Scottish Courts Service, the earnings bands that are used in the calculation of earnings arrestment orders (a Scottish Court Order), are the following:

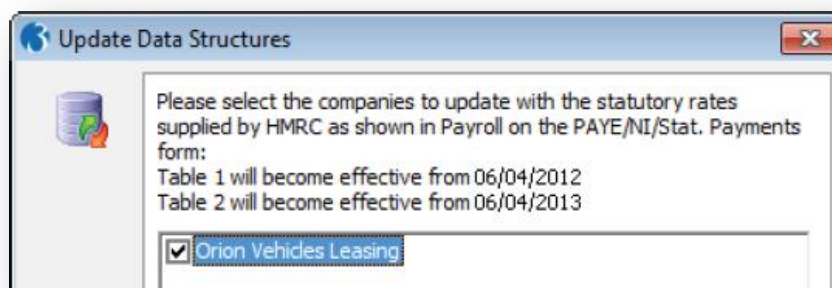
Deductions from Weekly Earnings	
Net Earnings	Deduction
Not more than £106.17	Zero
More than £106.17 but not exceeding £383.74	Greater of £4 or 19% of earnings exceeding £106.17
More than £383.74 but not exceeding £576.92	£52.74 plus 23% of earnings exceeding £383.74
More than £576.92	£97.17 plus 50% of earnings exceeding £576.92
Deductions from Monthly Earnings	
Not more than £460.06	Zero
More than £460.06 but not exceeding £1,662.88	Greater of £15 or 19% of earnings exceeding £460.06
More than £1,662.88 but not exceeding £2,500	£228.54 plus 23% of earnings exceeding £1,662.88
More than £2,500	£421.07 plus 50% of earnings exceeding £2,500

## 4.2.13 Updating Rates & Thresholds

The rates and thresholds must be updated prior to processing in the new Tax Year.

### 4.2.13.1 Update using UDS

Run the System - Utilities - Update Data Structures command on each company to update the installation to the new data structures and update the PAYE, National Insurance, Statutory Payments, Pensions Auto Enrolment and Scottish Courts Earnings Arrestment Orders' tables for the new tax year. This may take some time if there are many companies or if there are companies with large data sets to update. If the Additional Systems feature is used the process must be completed for each system.

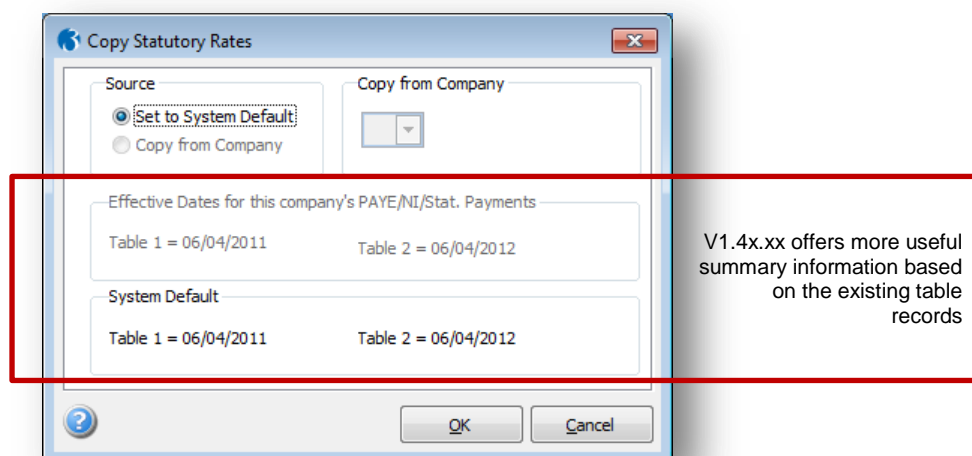


### 4.2.13.2 Update using Copy Statutory Rates

The Copy NI tables command on the Utilities menu in Payroll has been replaced by a new command called Copy Statutory Rates to set the tax, NI and statutory payments rates in the active company to the system defaults as updated by Pegasus Software, or copy the rates from another company. The system default is always set to the latest available rates for employers and employees in the United Kingdom. Use this command to update the rates for individual companies if they were not updated when Update Data Structures was run.

Statutory rates for all companies can be updated by the Update Data Structures command.

Box	Description
Set to System Default	The system default is always set to the latest available rates for employers and employees in the United Kingdom. <b>Tip:</b> Always use this option to update the statutory rates in the company. These rates are updated by Pegasus Software and supplied with Opera.
Copy from Company	This option allows you to copy the statutory rates from another company in Opera rather than use the System default. You should only use this option if the system default rates are not available. <b>Warning:</b> Copying statutory rates from another company may be risky if the rates in the other company were entered manually rather than by using the system default rates.
Effective Dates for this company's PAYE/NI/Stat. Payments	These are the effective dates for the PAYE, NI and Statutory Payments tables for this company, taken from the <a href="#">Payroll - Utilities - PAYE/NI/Stat. Payments</a> form.
System Default	The effective dates for the system tables that are maintained by Pegasus Software.



**Note:** If the Date Table Becomes Effective date for either table has been set to be ahead of the system defaults provided with Opera, the table will not be overwritten. This provides a fail-safe mechanism if the Date Table Becomes Effective is changed manually. An appropriate message is displayed instead.

## To Copy NI Tables from the Demonstration Data

1. Open the Payroll folder and then click Utilities or click the Payroll & HR tab on the Ribbon Bar and then click Payroll - Utilities.
2. Click Set Options.
3. In the Copy From box, select the company from which you want to copy the latest income tax, national insurance, and statutory payments' rates.
4. Click OK.

Various methods are available to update the NIPY tables;

1. A new step in Update Data Structures now allows the selection of the companies that need to be updated to the new rates.
2. When Update Data Structures is scheduled to run in the Scheduler application, the new rates can also be updated in each company.
3. The Copy NI tables command on the Utilities menu in Payroll has been replaced by a new command called Copy Statutory Rates to set the tax, NI and statutory payments rates in the active company to the system defaults as updated by Pegasus Software, or copy the rates from another company.

## 4.3 PAYE/NI/Statutory Payments Form

This is how the new rates and thresholds for the 2013-14 tax year look on the Table 2 tab of the PAYE/NI/Stat Payments (Payroll - Utilities) form after they have been updated using either the Update Data Structures or the Copy Statutory Rates commands.

These rates and thresholds will be used automatically in Opera in the 2013-14 tax year.

### 4.3.1 PAYE & Misc

The screenshot shows the 'PAYE/NI/Stat. Payments' window with the 'Table 2' tab selected. The form is divided into several sections:

- Table 2:** A table with 20 rows and 4 columns: % Rate, Cumulative Bandwidth, % Rate, and Cumulative Bandwidth. The first four rows are populated with values:
 

% Rate	Cumulative Bandwidth	% Rate	Cumulative Bandwidth
10.00			
20.00	32010		
40.00	150000		
45.00			
- Date Table Becomes Effective:** 06/04/2013
- Year Number for Table:** 1314
- First Week Number for Table:** 1
- First Month Number for Table:** 1
- Student Loans:**
  - Annual Threshold: 16365
  - % Rate: 9.00
- PAYE:**
  - Emergency Tax Code: 944L
  - Base Rate: 2

At the bottom, there is an 'Action' dropdown menu, a help icon, and 'OK' and 'Cancel' buttons.

## 4.3.2 NI ERs

Notes

PAYE/NI/Stat. Payments

Table 1 Table 2

PAYE & Misc. NI ER's NI EE's SSP Other Stat. Payments

Weekly Monthly Annual

	Weekly	Monthly	Annual		A	B	C	D	E	F	G	J	L	S
109.00	473.00	5668.00	L											
148.00	641.00	7696.00	S											
149.00	646.00	7755.00	P	13.80	13.80	13.80	10.40	10.40				13.80	10.40	
770.00	3337.00	40040.00	A	13.80	13.80	13.80	10.40	10.40				13.80	10.40	
797.00	3454.00	41450.00	U	13.80	13.80	13.80	13.80	13.80				13.80	13.80	
				13.80	13.80	13.80	13.80	13.80				13.80	13.80	

LEL : 2

ST : 3

PT : 4

UAP : 5

UEL : 6

Action ? OK Cancel

## 4.3.3 NI EE's

PAYE/NI/Stat. Payments

Table 1 Table 2

PAYE & Misc. NI ER's NI EE's SSP Other Stat. Payments

Weekly Monthly Annual

	Weekly	Monthly	Annual		A	B	C	D	E	F	G	J	L	S
109.00	473.00	5668.00	L											
148.00	641.00	7696.00	S											
149.00	646.00	7755.00	P											
770.00	3337.00	40040.00	A	12.00	5.85		10.60	5.85				2.00	2.00	
797.00	3454.00	41450.00	U	12.00	5.85		12.00	5.85				2.00	2.00	
				2.00	2.00		2.00	2.00				2.00	2.00	

Action ? OK Cancel

### 4.3.4 SSP

Notes

The screenshot shows the 'PAYE/NI/Stat. Payments' window with the 'SSP' tab selected. The window contains a table for Rate and Range, and a list of parameters for SSP.

	Rate	Range
0		109.00
1	86.70	
2		
3		
4		
5		
6		
7		
8		
9		

Parameters for SSP:

- Waiting Days : 3
- Days to make PIW : 4
- PIW Link Period Days : 56
- Maximum SSP Weeks : 28
- Warning Week No. : 23
- Max PIW Link Years : 3
- Relevant Period : 8
- Recovery Percentage : 13.00

### 4.3.5 Other Stat. Payments

The screenshot shows the 'PAYE/NI/Stat. Payments' window with the 'Other Stat. Payments' tab selected. The window contains several sections for different types of payments: SMP, OSPP, SAP, and ASPP.

**SMP**

- Earnings Related % Rate : 90.00
- Standard Rate : 136.78
- Max Wks for Earn Rel % Rate : 6
- Max Wks for Standard Amount : 33
- Reclaim Percentage Regular : 92.00
- NIC Compensation % Regular : 0.00
- Reclaim Percentage SER : 100.00
- NIC Compensation % SER : 3.00
- Use Minimum Value : ☐
- Any Day MPP Start : ☒
- Weeks For Maternity Pay Period : 39
- Weeks for Earliest MPP Start : 11
- Weeks for Medical Evidence : 20
- Qualifying Weeks : 15
- Weeks for Continuous Employment : 26
- Pregnancy End Weeks : 16
- Pregnancy Related Illness Weeks : 4
- Employee Notification Days : 28
- Relevant Period : 8

**OSPP**

- Earnings Related % Rate : 90.00
- Standard Rate : 136.78
- Weeks For Paternity Pay Period : 2
- Time Limit Days : 56
- Employee Notification Days : 28

**SAP**

- Earnings Related % Rate : 90.00
- Standard Rate : 136.78
- Weeks for Adoption Pay Period : 39
- Weeks for Earliest APP Start : 2

**ASPP**

- Earnings Related % Rate : 90.00
- Standard Rate : 136.78
- Min. No. of APL Weeks : 2
- Weeks For Earliest APP start : 20
- Employee Notification Days : 56

## 4.4 Set Options

A new option is available on the Set Options form (Utilities - Set Options) to switch on the features needed for Real Time Information in the 2013-14 tax year.

Set Options: Monthly Group (Licensed for 50 Employees)

Options Page 1 | Options Page 2 | Options Page 3

Sort Code : 34-82-22 HSBC plc  
 Bank Account No. : 32873945 Kettering Branch  
 Account Name : ORION VEHICLES  
 BACS System : HSBC  
 PAYE Reference : 360/453968  
 Tax District : Kettering  
 Accounts Office Ref. : 123PX45678901  
 ECON : E3333333L  
 Child Maint. ER Ref. No. :  
 Current Tax Year : 1314

P32 Co. Consolidation ID : Z  
 P32 Payment Frequency : Monthly  
☒ P32 by Income Tax Month  
☒ Use Real Time Information

OK Cancel

If payroll groups are used, this option need only be selected for the default group; the other groups inherit the default group's setting. Real Time Information will only be applicable to groups in the 2013-14 tax year. Any groups in the 2012-13 tax year will follow HMRC rules for that year.

### 4.4.1 New STDBACS RTI Option

An option that determines the Banker's Automated Clearing System (BACS) in use and therefore the format of the files created when you use the Payroll - Payment Reports - Produce and List BACS command.

**Important:** BACS files created in Payroll are mostly in bulk format. This means that your bank statement will have a single debit entry even when many employees are paid. Where the list item is suffixed with "Std", they are in Standard, or non-bulk format. However these formats are also available in bulk formats - suffixed with "Blk". Where the list item does not mention either "Std" or "Blk", the bulk format is used. BACS files created in non-bulk format have one debit entry for every payment into payee's bank accounts.

You can select one of the following from a list: AIB, Bank of Cyprus, Bank Ireland, BankWare, BBMII Lite, BOS, Bankline (Bankline is a product from NatWest and The Royal Bank of Scotland that will replace their older BACS products including NW Autopay, NW Payaway, NW Payment Manager, Royline, and Royline for Windows) , Bankline Ad Hoc (The key benefit from using ad-hoc bulk payments compared to the standard bulk payments is that you do not have to use an existing Bankline bulk list (payment template). You can upload payments from one bank account to multiple beneficiaries without having to first of all set up each payee in Bankline that are already set up in Opera) , Clydesdale, Co-op, Lloyds TSB, HSBC (HSBCnet), Northern Bank (Northern Ireland), NW Autopay, NW Payaway, NW Payment Manager, Royline Blk, Royline Win Blk, Royline Std, Royline Win Std, Santander (This works in MULTIBACS (multiple payments) format with the Santander online banking application called 'MyBusinessBank'), STDBACS and Yorkshire.

**Important:** If you pay your employees by BACS and use the 'STDBACS' format, you must select the new 'STDBACS RTI' format after switching on Real Time Information in the 2013-14 tax year.

#### 4.4.1.1 'Hash' Reference

The new payment format includes a random reference for Vocalink to create a cross reference 'hash' number for each employee included in the payment file. Vocalink will pass the payment details including the 'hash' reference to HMRC to cross-reference the data against the pay details in the Full Payment Submission (which also includes the 'hash' number).

## 4.5 Starting the New Tax Year –Checklist

**Note:** This checklist details the suggested steps for this process. Please amend as necessary for local requirements.

This is a reminder of the tasks that employers need to carry out at the start of the 2013-14 tax year for each of the companies in Opera. Checking & Setting Options

1. If the new rates and thresholds were not updated by the System - Utilities - Update Data Structures command after Opera 3 (1.80) or Opera II (7.20) was installed, they must be updated now.
  - To check open the Payroll - Utilities - PAYE/NI/Stat. Payments form and select the Table 2 tab. The Date Table Becomes Effective box must be 06/04/2013.
  - To update the table, open the Payroll - Utilities - Copy Statutory Rates form and ensure that the Set to System Default option is selected and click OK. This will set the rates to those provided by HMRC.
2. Update the Set Options form:
 

**Options Page 1**

  - i. Select the Use Real Time Information option if HMRC has told you to start reporting your payroll information in real time.
  - ii. Choose the new 'STDBACS RTI' option from the BACS System list box if a BACS Accredited Software Supplier (BASS) is used to pay employees through Vocalink

**Important:** This will only affect you if you currently use the 'STDBACS' format in Payroll. Do not change the BACS option if you do use the 'STDBACS' format. Internet banking is not changing for Real Time Information so do not change the BACS System setting if you use internet banking with a 'high street' bank like HSBC, Barclays etc

  - iii. Select the P32 by Income Tax Month option if weekly, two-weekly or four-weekly payrolls are used.

**Options Page 2**

  - iv. Select the Entitled to Small Employer's Relief option for the default payroll group if the company qualifies as a small employer for the purposes of recovering Statutory Payments (SMP, SPP etc).

## 4.6 Review Employee Records

3. Employee details may need to be reviewed and amended. For example, changes to an individual's tax or NI status, or company director status will require changes to be made to the employee records.  
Open the **Payroll – Processing** form to check and update employee records:
  - Ensure that each individual's details are recorded correctly for real time information submissions before processing payrolls in the 2013-14 tax year. See [www.hmrc.gov.uk/payerti/getting-started/rti.htm](http://www.hmrc.gov.uk/payerti/getting-started/rti.htm) for details.
  - If new employees start at the beginning of the new tax year, their records must be set up before processing the first payroll period.
4. Update all employees with the new tax free allowances.  
Open the **Payroll - Global Changes - Tax Code Changes** form. Then enter a number for each tax code described on form P9X as part of the HMRC employer's pack.
5. If tax code notifications on form P6 have been received for individuals, apply the necessary changes before processing the first payroll period.

## 4.7 Aligning Employee Data with HMRC Records for RTI

**Important:** This section affects you only if you will start operating Real Time Information PAYE processes from April 2013. Ignore it if you will start using RTI later in the 2013-14 tax year.

Alignment submissions must include every person who has been employed in a PAYE scheme since the start of the tax year, including leavers and people not paid in the period of alignment. If individuals are not included in the alignment submission HMRC will assume they have left and will close their record. HMRC will respond to submissions using the online Data Provisioning Service (DPS) as appropriate.

**Tip:** See the 'Real Time Information Submissions for Alignment & Payment Cycles' in the Legislative Changes guide for more details of the 'EAS' and 'First FPS'. For help with the options on the forms please see the Opera Help.

<p><b>a.</b></p>	<p>Use the <b>Payroll - RTI Submissions - Employer Alignment Submission</b> command to align your records if one of these apply:</p> <ul style="list-style-type: none"> <li>• you have more than 250 employees OR</li> <li>• you have fewer than 250 employees but you cannot include all employees in one FPS alignment submission OR</li> <li>• you prefer to use the EAS before your first pay day in the 2013-14 tax year.</li> </ul> <p><b>Important:</b> This must be sent as soon as possible after receiving your 'on-boarding' date from HMRC.</p> <p>This submission separates the alignment from the processing of payments information for complex or large payrolls. It is also used for schemes that need to be aligned in parts (processed in multiple payroll software, separate payroll bureaux, different pay frequencies that make consolidation impracticable, or submission file would be too large). It includes everyone employed in the current tax year, including new starters and leavers.</p>
<p><b>OR</b></p>	
<p><b>b.</b></p>	<p>Use the <b>Payroll - RTI Submissions - Full Payment Submission</b> to align your records on or before your first pay day under Real Time Information if both of these apply:</p> <ul style="list-style-type: none"> <li>• you have fewer than 250 employees AND</li> <li>• you can include all employees in a single alignment submission.</li> </ul> <p><b>Note:</b> This is sent instead of an EAS on or before the first payment date after receiving your 'on-boarding' date from HMRC. It must include all employees. Only single submissions are allowed; FPS cannot be used for schemes that need to be aligned in parts. It includes everyone employed in the current tax year, including new starters and leavers, and pay details for the first pay period.</p>

### Tips:

1. You can check the availability of the Government Gateway before sending a submission by selecting 'Pay As You Earn (PAYE)' from the menu at <http://customs.hmrc.gov.uk/maint/>.
2. For more details of the EAS and 'First FPS' see the 'Types of Real Time Information Submissions for Alignment & Payment Cycles' section in the Legislative Changes Guide.
3. For help with the options and boxes on the forms please use the Opera F1 Help.

## Accreditation Training Courseware

### 5 Processing Under RTI

#### 5.1 Payroll Calculation

The global and individual employee calculations have changed to calculate the information for Real Time Information in the 2013-14 tax year.

##### 5.1.1 Global Calculation Form

If Real Time Information is in use the global payroll Calculation command (Payroll - Calculation) will calculate the required information for submissions to HMRC. Appropriate new warnings are also displayed on the audit report after the calculation.

Orion Vehicles Leasing		Calculation Report	
Printed 07/01/2013 at 15:01 by ADMIN			
Orion Vehicles Leasing		Calculation Report	
Report Dated 07/01/2013			
Employee			
Group - Monthly	Current Period 3	Starts 01/06/2013	Ends 30/06/2013 Paid on 30/06/2013
1001 Mr R Godson			
Please complete HMRC form CA6855 to obtain the correct NI number as soon as possible.			
Auto Enrol: Incorrect status. Status should be set as appropriate for an Eligible Jobholder			

##### 5.1.2 Individual Calculation Form

As well as calculating the necessary Real Time Information details, the caption used for occupational pension payments on the Calculate form (Payroll - Processing - Calculate) has changed to reflect that these types of pensions are actually referred to by HMRC as either 'Not net pay arrangement pensions' (pension deducted after tax) or 'Net pay arrangement pensions' (pension deducted before tax).

Calculate: 1001 - R Godson	
This Period	
Total payments :	9000.00
Tax :	5031.57
Employees NI :	457.92
Not net pay arrange. pen. :	0.00
Net pay arrange. pen. :	0.00
Other deductions :	32.00
Net pay :	3478.51
Employers NI :	1155.88
NIable earnings :	9000.00

#### 5.2 Starters & Leavers

##### 5.2.1 P45 Report

Because leavers' details in the 2013-14 tax year will be included in the FPS, P45 returns (Part 1) must not be submitted to HMRC if Real Time Information is in use. Because of this the File Online box on the P45 form (Periodical Reports - P45) has been removed.

#### Expenses, benefits and cars

You may need to send reports if you provide expenses or benefits - see the link below. And you must submit a P46 (Car) when you first provide an employee with a car which is available for private use, and again when you either provide them with an additional car or withdraw their car without replacing it.

[Completing forms P9D, P11D and P11D\(b\)](#)

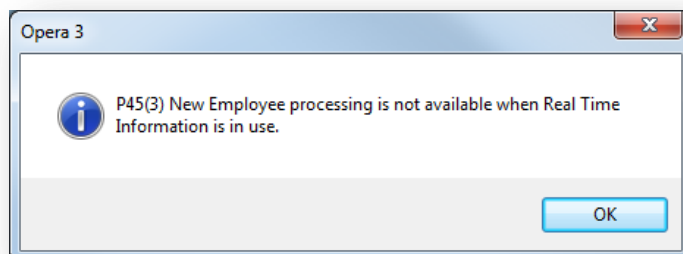
[Reporting company cars on form P46 \(Car\)](#)

This form is still available so that the employee can be given their copy of the P45.

Notes

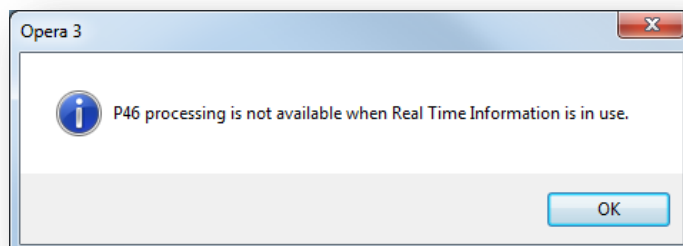
## 5.2.2 P45 (3) New Employee Report

The P45 (3) New Employee report (Periodical Reports - P45 (3) New Employee) cannot be used if Real Time Information is in use because a new starter's first pay details will be included in the FPS for that pay period.



## 5.2.3 P46 Reports

The P46 reports (Periodical Reports - P46, P46 Expat and P46 Pen) cannot be used if Real Time Information is in use because the individual's first pay details will be included in the FPS for that pay period.



## 5.3 ASPP Reports

Partner details that can now be entered on the ASPP (Birth) Details and the ASPP (Adopt) Details forms are also included on the ASPP reports (Periodical Reports - ASPP (Birth) Report and ASPP (Adopt) Report).

## 5.4 RTI Processing



<http://www.hmrc.gov.uk/rti/employerfags.htm>

Most employers will start operating the new Real Time Information PAYE processes from April 2013, with all employers doing so by October 2013.

HMRC will send each employer a letter to inform them when they need to start reporting their payroll information in real time. Employers must make their first Real Time Information submission on or after the first payment date after their 'RTI on-board' date.

**Note:** HMRC also refers to Real Time Information as 'RTI' and 'Operating PAYE in real time'. If you have questions that are not answered in this guide please contact HMRC.

Real Time Information affects procedures for reporting individuals' earnings and pension and annuity payments, for recording new starters and leavers and for processing the tax year-end:

- Information about all earnings and deductions must be submitted to HMRC for each pay period rather than at the end of the tax year.
- Employees who leave must still be given a P45 form but employers must not submit P45 or P46 returns to HMRC; starter and leaver information must be included when necessary with a pay period's Full Payment Submission (FPS).
- P35 (Employer Annual Return) and P14 (End of Year Summaries) will not be used at the year-end. Employees must still be given their P60 as before.

HMRC provide some good troubleshooting information which can be found @ <http://www.hmrc.gov.uk/payerti/troubleshoot/index.htm>

### Changes to PAYE Online Reporting

In the 2013-14 tax year employers will no longer send the following returns to HMRC because the information will be sent in the FPS or in the EPS:

- P45 Part 3, P46, P46 (Pen) or P46 (Expat) returns (information about *new* starters)
- P45 Part 1 (information about leavers)
- P35, P14 and P38A returns (information for the year end).

Expenses and benefits for the tax year must still be submitted to HMRC using the P11D return. Also tax codes and notices will still be received from HMRC as normal, for example by using HMRC Online Services.

### The Advantages of Real Time Information

There are a number of advantages to the new system, including alignment of employees' records between payroll software and HMRC, the correct tax codes being issued and more accurate payments to HMRC. Real Time Information also supports the introduction of the Universal Credit benefits scheme by giving the DWP up to date information on a claimant's employment income.

#### Notes

Where can I find out more about generating the



cross-reference (hash) or the four character entry for Field 7?

Please read 'Real Time Information - Generating the RTI Cross-reference (RTI hash)' on HMRC's website.

Real Time Information - Generating the RTI Cross-reference (RTI hash)

Where the STDBACS RTI format is being used to pay an employee, Opera will generate the associated cross-reference when the FPS is produced (and will include the cross-reference accordingly in the employee's FPS record). For employees who are not paid by STDBACS RTI then they will not have a cross-reference generated or populated for the FPS.

#### P46 (Pen) –



From 6 April 2009, the P46 (Pen) return replaced the P160 form or PENNOT online submission. The P160 form or the PENNOT online submission are currently used by pension providers and employers that run their own pension or annuity schemes to inform HMRC when someone starts their retirement

Does everyone need to use RTI in April?



Eventually HMRC require all ERs to use RTI.

On the 6<sup>th</sup> April 2013 all small ERs are required to start using RTI. Large ERs are classed as >=5000 EEs (Only for RTI Purposes) and will be phased in between June to Sept. 2013 – unless requested to start earlier.

For Large ERs starting RTI mid-year, they must follow the same process of set-up, configuration and switch on etc for RTI. The relevant files will have TD data as required.

## Holding Incomplete and Inaccurate Data about Individuals

HMRC reports that over 80% of PAYE data quality problems are caused by incorrect information about an individual's name, date of birth or National Insurance number. Employers must ensure the comprehensiveness and accuracy of the employee data they retain well before the end of the 2012-13 tax year.

In particular each employee's full name, home address, date of birth, National Insurance number and gender must be checked so that payroll data can be aligned with HMRC records. HMRC suggests that these details are verified against employees' birth certificates, passports, driving licences or other official documents from HMRC or the DWP.

These details are particularly important:

- **Forenames and Surname:** Each employee's forenames and surname should match the name shown on official documentation like a birth or marriage certificate. Initials should not be used.
- **National Insurance Number:** This is normally two letters, followed by six digits and a letter. It can be found on a P60 certificate, a payslip, a PAYE Coding Notice, or a letter from HMRC, Department for Work and Pensions or Jobcentre Plus. HMRC use the National Insurance number to keep an individual's entitlement to benefits up to date; if the wrong number is used, the employee's entitlement may be affected. If the number is not known it must be left blank; a 'dummy' number must not be used.

## Implications for Incomplete and Inaccurate Data

These are the implications for individuals, employers and HMRC:

- Individuals are taxed either more or less than they should be. Their entitlement to state benefits can also be affected.
- Employers spend more time dealing with PAYE related issues.
- HMRC has duplicated and inaccurate details for individuals, meaning that tax codes are incorrect and work volumes to correct errors increase.

## Recording New Data about Individuals

Employers and pension providers may need to record new information about the individuals they pay. These details will have to be saved in new boxes in the payroll application and included in the Real Time Information submissions.

Employers may need to develop new processes to get this information from individuals and record it in their payroll software.

These new details must now be recorded:

- The approximate number of hours worked in a week. The employee will be aligned with one of these relevant HMRC bands when their details are submitted: up to 15.99 hours, 16 to 29.99 hours or 30 hours or more, or 'other'.
- Payments paid on an irregular basis, for example a seasonal worker or someone on maternity leave or long term unpaid absence for three or more months.
- The employee's pay has been reduced due to being on unpaid absence during this pay period.
- Pension or income provided from a registered pension scheme (including annuities, income from drawdown arrangements and trivial commutation payments) to an individual.
- If you have checked the employee's passport, as part of checking that they have the right to work in the UK, you must include their passport number here.

### Paying Employees by BACS through a BACS Accredited Software Supplier

HMRC has introduced a new requirement for BACS payments that are made through a BACS Accredited Software Supplier (BASS) or through a BACS Approved Bureau using the employer's own Service User Number (SUN). These payments are made from the employer through Vocalink rather than indirectly through internet banking with a 'high street' bank.

#### 'Hash' Reference

The new payment formats include a random reference for Vocalink to create a cross reference 'hash' number for each employee included in the payment file. Vocalink will pass the payment details including the 'hash' reference to HMRC to cross-reference the data against the pay details in the Full Payment Submission (which also includes the 'hash' number).

This will assist HMRC to verify the details and the Department of Works and Pensions administration of the Universal Credit.

#### New RTI BASS BACS Payment Options

If an employer uses a BASS supplier to pay their employees, they will need to select a new BACS payment format in the payroll software. This will only affect employers that currently use the 'STDBACS' format in Opera. If you use this BACS format you must instead use the 'STDBACS RTI' option when Real Time Information is switched on.

**Important:** Please note other BACS formats (such as HSBC, Barclays etc) are not affected by this HMRC BACS payment format. Employers that use these formats do not need to change the BACS format they use in their payroll software.



What to report is very important – further guidance and clarification can be found @ <http://www.hmrc.gov.uk/payerti/reporting/what-to-report.htm>.

#### Notes

**What information will need to be added to Bacs payment**



**instructions where the payment relates to RTI?**

*The employer or pension provider will need to include additional information in the Bacs payment file. They will include a four character entry in Field 7 (currently spare) of the Bacs payment file.*

*This entry will consist of an initial 'I' to identify it as an RTI payment and three random characters, which will normally be generated by a customer's payroll software.*

*If you pay by Bacs under your own SUN (see the questions set out below), you will be obliged to do two things:*

- *include the entry in Field 7 as mentioned above*
- *include in your RTI submission to HMRC a cross-reference (or 'hash') calculated using the Field 7 reference plus other data from the payment file*

*Under RTI, Opera will offer an additional payroll 'BACS System' choice called STDBACS RTI; that new format will include the associated four character (random) string. Please note that the STDBACS RTI format (as per the existing STDBACS format) is encrypted and is intended for use with Albany software (and has been tested by Albany). Also, an employer should only use the STDBACS RTI format in Opera for RTI if they currently pay using STDBACS, or (to coincide with RTI) they decide to switch from, for example: High Street banking software, to making genuine (SUN) BACS payments via Albany.*

## Differences between Very First FPS

After EAS Submitted - This very first FPS will contain:	No EAS Submitted - This very first FPS will contain:
Employees who have been paid since the start of the tax year (whether that be paid in the current period or only in a prior period).	Employees who have been paid since the start of the tax year (whether that be paid in the current period or only in a prior period)
Employees who have left since the start of the current tax year (even if they left prior to the current pay period).	Employees who have left since the start of the current tax year (even if they left prior to the current pay period).
Employees who left in a prev. tax year but who have been paid in the current tax year ('payment after leaving').	Employees who left in a prev. tax year but who have been paid in the current tax year ('payment after leaving').
<b>DOES NOT</b> include employees who have not been paid at all in the current tax year.	<b>ALSO INCLUDES</b> Employees who have not been paid at all in the current tax year (e.g. on maternity leave).

## Differences between First and Regular FPS

The 'very first FPS' will contain:	The 'regular' FPS will contain:
Employees who have been paid since the start of the tax year (whether that be paid in the current period or only in a prior period).	All employees who have been paid in the current period (that also means any prior period leavers who have been re-instated to be given a 'payment after leaving' in the current period).
Employees who have left since the start of the current tax year (even if they left prior to the current pay period).	New employees (i.e. those who have joined in the current period) who for some reason have not been paid anything in the current period (i.e. to ensure HMRC are informed of all new starters). All new employees will have additional 'starter details' included in their FPS data.
Employees who left in a prev. tax year but who have been paid in the current tax year ('payment after leaving').	Employees (new or existing) who have not been paid anything in the current period but for whom the user has selected the 'unpaid absence' setting.
<b>DOES NOT</b> include employees who have not been paid at all in the current tax year.	<b>Note:</b> Other than the exceptions stated above, in general an ongoing FPS will <b>NOT</b> include employees who have not been paid in the current period, or employees who left in a prior period.

Further information found @ <http://www.hmrc.gov.uk/payerti/reporting/payroll-alignment.htm>

## HMRC Generic Notification Service

The Generic Notification Service (GNS) will be used to send notifications like reminders, instructions and warnings to employers electronically using the existing Data Provisioning Service (DPS) or Electronic Data Interchange (EDI) channels.

From October 2013, the GNS will also be used for the following:

- non-filing
- late filing
- late payment warning notices.

These notices are intended to help employers and remind them when a Full Payment Submission or payment is not received as expected.

## Real Time Information Submissions for Alignment & Payment Cycles

The first step for every employer is to align their employee data with HMRC records in the 2013-14 tax year. This will ensure that both the employer and HMRC hold a consistent view of the employees on the employer's PAYE scheme. More than one alignment submission may be needed for complex PAYE schemes.

### Alignment Submissions

Alignment submissions must include every person who has been employed in a PAYE scheme since the start of the tax year, including leavers and people not paid in the period of alignment. If people are not included in the alignment submission HMRC will assume they have left and will close their record.

Submission	Submitted By	Submitted When	Purpose	Notes
<b>Employer Alignment Submissions (EAS)</b>	Employers with > 250 employees or complex payrolls Employers with < 250 employees that cannot include all employees in a 'First' FPS alignment submission  Any employer who prefers to use the EAS rather than the first FPS for alignment	On the 'on-boarding' date received from HMRC or as soon as possible afterwards	Specifically to align employee data with HMRC records before the first FPS	This submission separates the alignment of employee details from the processing of payments information for complex or large payrolls, or for those employers that prefer to do the alignment before their 'First' FPS. It is also used for schemes that need to be aligned in parts (processed in multiple payroll software, separate payroll bureaus, different pay frequencies that make consolidation impracticable, or the submission file would be too large). It includes everyone employed in the current tax year, including new starters and leavers but may also include leavers in the previous year if they have been paid in the 2013-14 tax year after leaving. It must be sent on the 'on-boarding' date received from HMRC or as soon as possible afterwards.
<b>'First' Full Payment Submission (FPS)</b>  <u>Note: The 'First FPS' is both an alignment submission and the first payment cycle submission.</u>	Employers with < 250 employees that can include all employees in a single alignment submission	On first payment date after receiving 'on-boarding' date from HMRC	Aligns employer data with HMRC records and includes earnings detail for the first pay period under RTI	<p>The first FPS you send can be used to align your employee data with HMRC records instead of sending an Employer Alignment Submission. If the first FPS is used to align your data it <u>must</u> include all employees. Only single submissions are therefore allowed for alignment; the first FPS cannot be used to align data for schemes that need to be aligned in parts.</p> <p>The submission will include everyone employed in the current tax year, including new starters and leavers, and pay details for the first pay period following Real Time Information processes.</p> <p>If you want to align your employee data with HMRC records before the first FPS, use an EAS submission.</p>

## Payment Cycle Submissions

Notes

Employers are deemed to have joined Real Time Information after sending the alignment submissions. Real Time Information submissions should now be sent to HMRC for every pay period. P45 or P46 forms must not be sent; details for leavers and starters will be included in the FPS submissions.

Submission	Submitted By	Submitted When	Purpose	Notes
<b>Full Payment Submission (FPS)</b>	All employers if their employees are paid	On or before payment date (must be within a month of an EAS if used for alignment but not on the same day as the EAS)	Informs HMRC of earnings and deductions for the pay period	<p>This submission includes pay details for the pay period: for example payments, Income Tax, NI, and other deductions such as student loans. It also includes details of new starters, leavers this year and people who have irregular payment patterns. The first FPS is also used to align your employee data with HMRC records if an EAS is not used for that purpose.</p> <p>HMRC will expect you to send at least one FPS per month. You will be informed via the 'Generic Notification Services (GNS)' - a new service for Real Time Information messages - if an FPS is not received. The GNS is part of the Data Provisioning Service (which is used to notify you of tax code changes, for example).</p>
<b>Employer Payment Summary (EPS)</b>	All employers	Before payment to HMRC is due on the 19th of the following tax month	Reports recoverable Statutory Payments, NIC compensation on Statutory Payments, CIS Deductions Suffered and NIC holiday deductions	<p>This submission is used to reduce the charge calculated from the most recent FPS submission. It is also used to notify HMRC if no employees are paid in a pay period meaning Income Tax, NI, and other deductions such as student loans are not due. If this is your first EPS the year to date figures for any recovered payments for statutory payments, CIS Deductions and NICs Holiday in the current year are also included.</p> <p>The year to-date recoverable amounts displayed on page two are derived from the <a href="#">Payroll - P32 Processing</a> form. If you operate more than payroll company using the same Accounts Office reference, the EPS must be sent from the consolidation P32 company (defined in the P32 Co. Consolidation box on the <a href="#">Payroll - Utilities - Set Options</a> form).</p> <p>The EPS must be submitted before payment to HMRC is due on the 19th of the following tax month.</p>
<b>NINO Verification Request (NVR)</b>	All employers	When required	Verifies NINOs or requests new NINOs	This submission verifies an employee's National Insurance number. NVRs can only be sent after the first FPS has been submitted for a PAYE scheme. Up to one hundred employees can be included in the same submission.

## 5.4.1 Full Payment Submission (FPS)

Real Time Information submissions can only be sent in the 2013-14 tax year after the Use Real Time Information option on the Payroll - Utilities - Set Options form has been selected.

This submission includes pay details for the pay period: for example payments, Income Tax, NI, and other deductions such as student loans. It also includes details of new starters, leavers this year and people who have irregular payment patterns. The first FPS is also used to align your employee data with HMRC records if an EAS is not used for that purpose.

HMRC will expect you to send at least one FPS per month. You will be informed via the 'Generic Notification Services (GNS)' - a new service for Real Time Information messages - if an FPS is not received. The GNS is part of the Data Provisioning Service (which is used to notify you of tax code changes, for example).

### The Wizard

The Full Payment Submission wizard is designed to enable the file for the submission to be quickly created before it is submitted to HMRC using Pegasus Online Filing Manager.

If you use more than one payroll groups these can be selected together providing that the groups are in the same tax year. This is to prevent groups that are in the 2012-13 tax year being included in a submission.

### First Page

The first page of the wizard includes initial choices for the submission, for example whether the FPS is the first one to be created or whether it is a second or subsequent FPS. You can also select to include only certain employees if they have been paid at different times to other employees.

### Why do we have the option for compressing RTI Submissions?

*Essentially it offers a potential alternative if the Gateway has any problems processing compressed submissions. Although compressing means a faster submission for the employer, it does mean HMRC need to de-compress once received. It was felt best to leave this option in to offer a choice to the employer. Please note that with a very small number of employees, the compressed file might end up being larger than an uncompressed file.*



### Notes

#### Compression



When making any kind of online submission to HMRC via the Government Gateway, there is a maximum limit to the size of an XML message that can be submitted; that limit is approximately 25Mb. When submitting an FPS for example, if the FPS contains approx. 10,000 employees then the uncompressed size of the XML file will be approx. 18Mb. Even if the uncompressed size of the XML file were less than the 25Mb, compression of the submission will give significant performance improvements when submitting to the Government Gateway; so compression will/can be a benefit to all, and not just to those employers who may exceed the max. limit.

Compression is provided for the FPS and EAS submissions (the more likely submissions to exceed the limit); HMRC do not cater for compression on the EPS or NVR. The option to compress will (still) be captured via the associated FPS and EAS forms within Opera. When Opera creates the interim XML file for the RTI submission, if the user has chosen to compress the submission then extra information will be included in the interim XML file to highlight that compression is required.

**Note:** it will not be Opera that actually performs the compression process. When OFM then reads in the interim XML file, if that XML file contains the extra information that indicates that compression is required then OFM will compress the associated XML data prior to its submission. If the interim XML does not contain the extra information that indicates that compression is required then OFM will submit the XML in an uncompressed format.

## Second Page

Unless you select the I only want to include specific employees in the FPS option, the second page summarises the number of employees who will be included, the Income Tax, National Insurance for both the employer and employee, and the student loan repayments. If you do select the I only want to include specific employees in the FPS option the second page is where you select the required employees.

Note: The HMRC website indicates that an employer's Self Assessment reference (SA UTR) or Corporation Tax (COTAX) reference must be included in a Full Payment Submission. In fact these details are not mandatory and these references cannot be entered in Opera. If the references become mandatory in future Opera will be changed so that they can be entered and also included in the FPS.

## Notes

### Resending FPS Files 🤔

If an employer re-submits the exact same FPS again (e.g. send one FPS, which is accepted by HMRC, then accidentally re-send the exact same FPS again) the duplicate (second) FPS will be rejected by HMRC.

Otherwise (i.e. where each subsequent FPS varies from the previous one sent) then each FPS will update HMRC's backend system accordingly (Note: because the FPS contains data items such as pay date, pay period etc., even if you pay the same employees the exact same pay each period, the associated FPS's will be slightly different, and will hence be accepted by HMRC as you'd expect).

### No FPS 🤔

HMRC will be expecting at least one FPS per tax month from an employer; if there are no FPS's then HMRC will inform the employer that they haven't been sent any (if they really aren't due to send any FPS's then the employer should use the EPS to notify HMRC accordingly).

Note that such notifications will be sent to the employer via the Data Provisioning Service (DPS) in the same way the employer is notified about employee tax code changes, however, for RTI-specific DPS messages, they are actually being processed by a new service (that sits within DPS) that is called the Generic Notification Service (GNS).

## Options

Notes

Box	Description																					
Process	<p>You can choose to only see a report without creating an FPS file or see a report and also create the file. You can choose the report destination from the Publisher form before the file is created.</p> <p>If you choose to create a file you will be asked to confirm this after you have started the wizard process.</p>																					
Report Type	<p>The summary report includes the same details that are displayed on the second page of the wizard.</p> <p>The detailed report includes each employee's details for the pay period, including their title, name, date of birth, Income Tax and National Insurance paid this period.</p>																					
FPS Type	<p>The 'First FPS' must be used if you do not want to send an Employer Alignment Submission to align your employee records with those held by HMRC. Even if you send an EAS, your first FPS must be a 'First FPS' rather than a 'Regular FPS'. All subsequent FPS are then 'Regular FPS', which should be sent for all subsequent pay periods.</p> <p><b>First FPS</b></p> <p>Depending on whether the First FPS was sent for alignment or not, the submission contains these employees:</p> <table><tr><th></th><th>First FPS sent for alignment</th><th>First FPS after EAS sent for alignment</th></tr><tr><td>Those who have been paid since the start of the tax year</td><td>Yes</td><td>Yes</td></tr><tr><td>Those who have left since the start of the tax year. Employees who left in a previous tax year are only included if you paid them in the current tax year and also selected the Payment After Leaving box for their record on the <a href="#">Payroll - Processing - Leavers</a> form.</td><td>Yes</td><td>Yes</td></tr><tr><td>Those not paid in the current tax year, for example people on maternity leave or on unpaid absences, people who receive irregular payments and who are paid quarterly or annually.</td><td>Yes</td><td>No</td></tr></table> <p>After the First FPS has been sent all subsequent submissions are termed 'Regular FPS' in Opera. They contain these employees:</p> <table><tr><th></th><th>Regular FPS after alignment</th></tr><tr><td>Those who have been paid in the current pay period.</td><td>Yes</td></tr><tr><td>New employees who joined in the current pay period who have not yet been paid.</td><td>Yes</td></tr><tr><td>Both new and existing employees who are currently on unpaid leave (the <a href="#">Unpaid Absence</a> indicator on the employee record has been selected).</td><td rowspan="2">Yes</td></tr><tr><td><b>Note:</b> Unless this indicator is selected for employees who have not been paid in the current pay period, they will not be included in the FPS.</td></tr></table> <p><b>Note:</b> This setting will default to Regular FPS after the first Payroll Update under RTI</p>		First FPS sent for alignment	First FPS after EAS sent for alignment	Those who have been paid since the start of the tax year	Yes	Yes	Those who have left since the start of the tax year. Employees who left in a previous tax year are only included if you paid them in the current tax year and also selected the Payment After Leaving box for their record on the <a href="#">Payroll - Processing - Leavers</a> form.	Yes	Yes	Those not paid in the current tax year, for example people on maternity leave or on unpaid absences, people who receive irregular payments and who are paid quarterly or annually.	Yes	No		Regular FPS after alignment	Those who have been paid in the current pay period.	Yes	New employees who joined in the current pay period who have not yet been paid.	Yes	Both new and existing employees who are currently on unpaid leave (the <a href="#">Unpaid Absence</a> indicator on the employee record has been selected).	Yes	<b>Note:</b> Unless this indicator is selected for employees who have not been paid in the current pay period, they will not be included in the FPS.
	First FPS sent for alignment	First FPS after EAS sent for alignment																				
Those who have been paid since the start of the tax year	Yes	Yes																				
Those who have left since the start of the tax year. Employees who left in a previous tax year are only included if you paid them in the current tax year and also selected the Payment After Leaving box for their record on the <a href="#">Payroll - Processing - Leavers</a> form.	Yes	Yes																				
Those not paid in the current tax year, for example people on maternity leave or on unpaid absences, people who receive irregular payments and who are paid quarterly or annually.	Yes	No																				
	Regular FPS after alignment																					
Those who have been paid in the current pay period.	Yes																					
New employees who joined in the current pay period who have not yet been paid.	Yes																					
Both new and existing employees who are currently on unpaid leave (the <a href="#">Unpaid Absence</a> indicator on the employee record has been selected).	Yes																					
<b>Note:</b> Unless this indicator is selected for employees who have not been paid in the current pay period, they will not be included in the FPS.																						

### EE Details

#### Error correction



If after sending the first FPS (or EAS where applicable) for an employee the employer realises that for the employee's start date is wrong then the employer must contact HMRC (by phone) to discuss how to resolve/correct it; the employer must not simply change the start date in their software at the point they come to send the employee's next FPS (if the employee were to do that then HMRC would assume that the employer has stated an additional employment/job with the employer and would therefore create another employment record in their backend system, which could then for example affect the employee's tax code)

Certain other corrections must also be discussed with HMRC first, for example: if the employee's DOB was recorded incorrectly (again the employer should check with HMRC first about how to correct it, and not just do so regardless).

Again, after the initial FPS (or EAS) has been sent, the employer should not change other personnel data such as names (e.g. changing Steven to Steve); even changing a woman's surname after she's got married can potentially cause issues with HMRC employee matching (so again, the employer should check with HMRC to be re).

<http://www.hmrc.gov.uk/softwaredvelopers/rli/errors-corrects-payroll.pdf>

Correcting payroll reporting errors - current tax year

<http://www.hmrc.gov.uk/payerli/reporting/errors.htm>

**NB:** For any changes we recommend contacting HMRC

<b>EAS has/has NOT been submitted</b>	<p>This option applies only if the FPS Type option is set to 'First FPS'.</p> <p>If you have not submitted an EAS, this will automatically be set to 'EAS has NOT been submitted'. In this situation the FPS will be used to align employer data with HMRC records and will also include earnings detail for the pay period. The FPS will include everyone employed since the start of the tax year, including new starters and leavers.</p>
<b>I only want to include specific employees in the FPS</b>	<p>Select to include only certain employees in an FPS. This option can be used for ad-hoc FPS submissions where one or more employees were not included in the FPS for the pay period. The submission will then include only the selected employees; the details for the other employees will not be sent to HMRC again.</p> <p>Note: You should not normally select this option if you are submitting your first FPS because all employees should be included in the submission.</p>
<b>Compress the submission</b>	<p>This is to compress the file in Pegasus Online Filing Manager before it is submitted to the Government Gateway. There is a maximum file-size limit that can be submitted - approximately twenty five Megabytes. Selecting this option will reduce the size of the file and thereby help with the speed of the submission to HMRC. The submission will also be quicker even if the file size is much smaller than the maximum size allowed.</p> <p><i>For example, when submitting an FPS, if it contains approximately ten thousand employees then the uncompressed size of the XML file will be about eighteen Megabytes. Even if the uncompressed size of the XML file were less than the 25 Megabytes, compression of the submission will give significant performance improvements when submitting to the Government Gateway; so compression can be a benefit even if your submission does not exceed the maximum limit.</i></p>

#### 5.4.1.1 To Send a Full Payment Submission (FPS) to HMRC

This submission includes pay details for the pay period: for example payments, Income Tax, NI, and other deductions such as student loans. It also includes details of new starters, leavers this year and people who have irregular payment patterns. The first FPS is also used to align your employee data with HMRC records if an EAS is not used for that purpose.

HMRC will expect you to send at least one FPS per month. You will be informed via the 'Generic Notification Services (GNS)' - a new service for Real Time Information messages - if an FPS is not received. The GNS is part of the Data Provisioning Service (which is used to notify you of tax code changes, for example).

#### 5.4.1.2 Using the First FPS to Align Data with HMRC Records

The first FPS you send can be used to align your employee data with HMRC records instead of sending an Employer Alignment Submission. If the first FPS is used to align your data it must include all employees. Only single submissions are therefore allowed for alignment; the first FPS cannot be used to align data for schemes that need to be aligned in parts.

The submission will include everyone employed in the current tax year, including new starters and leavers, and pay details for the first pay period following Real Time Information processes.

If you want to align your employee data with HMRC records before the first FPS, use an EAS submission.

**Tip:** For details about alignment submissions, [please see the Introduction to Real Time Information](#) Help topic.

#### Notes

**Can you send an FPS for the same period again?**



*Ideally, employers would send one FPS for the pay period for their employees. However if a multiple FPS was sent for the same period for the same EEs (say by accident), the second FPS should simply overwrite the existing details held on HMRC's database with the latest To-Date values for the employees included in the second FPS, so there should be no problems in resending an FPS (we always recommend checking with HMRC)*

<http://www.hmrc.gov.uk/pa/verti/reporting/errors.htm>

**Why would I send an FPS for selected EEs?**



*An example of the need for an ad-hoc FPS would be, where the employer has by mistake not paid a specific employee at all but the employer has already created and submitted the FPS for rest of the workforce who were paid (perhaps the employee's timesheet was misplaced for example). In such a situation the employer will need to create an FPS just for that 'missing employee'; the employer should not really re-submit the FPS again for the entire workforce*

### 5.4.1.3 Creating & Submitting Submission Files

The creation and submission of Real Time Information files is done in two steps: firstly the file is created in Opera, and secondly the file is submitted to the Government Gateway from Pegasus Online Filing Manager. If Pegasus Online Filing Manager is installed on the same computer you can run it directly after creating the file. The respective submission wizard will then be opened automatically in Pegasus Online Filing Manager.

1. Open the Payroll folder and then click RTI Submissions or click the Payroll & HR tab on the Ribbon Bar and then click Payroll - RTI Submissions.
2. Click Full Payment Submission.
3. If you are using groups, in the Select Payroll Groups list, click to select the group(s) you want to process and then click OK. You can only select groups that are all in the 2013-14 tax year or later.
4. On the first page, choose the Report Only option to print a report with FPS details or choose the Create FPS and Report option to create an FPS file to submit to the Government Gateway using Pegasus Online Filing Manager.
5. Under FPS Details, choose either 'First FPS' if this is the first FPS or 'Regular FPS' if it is a subsequent FPS. If this is the first FPS you must also indicate whether an EAS has been sent to align your employee data with HMRC records.

Choose either of the following:

- Choose 'EAS has been submitted' if the EAS has been submitted to align your employee data with HMRC records.
  - Choose 'EAS has NOT been submitted' if this FPS will be used to align your employee data with HMRC records.
6. If you want to include only some employees in the FPS, select the I only want to include specific employees in the FPS box. You will then be able to select the employees on the next page. If this is the first FPS you should normally include all employees who you have employed this year.
  7. Select the Compress the submission option to compress the file in Pegasus Online Filing Manager before it is submitted to the Government Gateway. There is a maximum file-size limit that can be submitted - approximately twenty five Megabytes. Selecting this option will reduce the size of the file and thereby help with the speed of the submission to HMRC. The submission will also be quicker even if the file size is much smaller than the maximum size allowed.
  8. Click Next.
  9. The final page summarises the details in the FPS, including the following:
    - The number of current employees, and leavers in the current period and earlier periods
    - The period totals for Income Tax, National Insurance (employer and employee contributions) and student loan repayments.
  10. Check the information on the screen to make sure the details are correct.
  11. Click Start. Then submit the file to the Government Gateway using Pegasus Online Filing Manager. You can do this straight away or at another time using the Online Filing Manager option on the RTI Submissions menu. Pegasus Online Filing Manager (3.30) or later must be installed on the computer.

**Tip:** The **Submission Information** form (**Payroll - RTI Submissions**) displays details about the most recent Full Payment Submission, Employer Payment Summary, NINO Verification Request. If an Employer Alignment Submission was used to align your employee data with HMRC records, those details are displayed on the **EAS** tab.

#### Notes

**Will subsequent FPSs need to include 'suspended' employees**



**(eg sabbaticals or on nil pay) or do they run risk of having employment ceased after three months?**

*You must set the irregular payment indicator on the FPS for employees who do not get paid regularly.*

*If an employee is to be paid on an irregular basis, or not paid for a period of three months or more (for example takes a leave of absence) you must set the irregular payment indicator on the last FPS before the start of the period in which they won't be paid.*

*If the irregular payment indicator is not set, HMRC will check if employees have not been paid for a specific period of time and will treat them as having left that employment.*

*Opera will provide an irregular employment payment pattern option that can be set at employee level. Related to this, Opera will also offer an Unpaid Absence option as well at employee level (for use in the FPS).*

## 5.4.2 Employer Payment Summary (EPS)

Real Time Information submissions can only be sent in the 2013-14 tax year after the Use Real Time Information option on the Payroll - Utilities - Set Options form has been selected.

This submission is used to reduce the charge calculated from the most recent FPS submission. It is also used to notify HMRC if no employees are paid in a pay period meaning Income Tax, NI, and other deductions such as student loans are not due. If this is your first EPS the year to date figures for any recovered payments for statutory payments, CIS Deductions and NICs Holiday in the current year are also included.

The year to-date recoverable amounts displayed on page two are derived from the Payroll - P32 Processing form. If you operate more than payroll company using the same Accounts Office reference, the EPS must be sent from the consolidation P32 company (defined in the P32 Co. Consolidation box on the Payroll - Utilities - Set Options form).

The EPS must be submitted before payment to HMRC is due on the 19th of the following tax month.

### The Wizard

The Employer Payment Summary wizard is designed to enable the file for the submission to be quickly created before it is submitted to HMRC using Pegasus Online Filing Manager.

If you use more than one payroll group they are automatically selected because the EPS must include all information for the whole company. For this reason the wizard must be run from the same company that you generate your P32 values from.

### First Page

The first page of the wizard includes initial choices for the submission, for example whether the EPS is a regular submission or the last one of the year.

### Notes

#### EPS

Employers need to remember that where they are required to submit an Employer Payment Summary (e.g. in order to recover statutory payments) the figures provided must be for 'the year to date' and not just for 'the income tax month'.

#### No Payment for Period

'Yes' if you are submitting an EPS because no employees or subcontractors were paid in this tax month.

If no payments are made in this tax month (so there is no FPS to make) you must submit an EPS and indicate no payment is due for this tax month. This should be done within 14 days of the end of the tax month.

For example, if you didn't pay anyone between 6 April and 5 May send the EPS by 19 May.

**Note:** You cannot report statutory payments, CIS deductions suffered or NICs Holiday on the same EPS; you must submit a separate EPS to report these items.

From April 2013 if no payments are made for one or more complete tax months within the tax year you can use the 'period of inactivity' or 'no payments due' fields

**NB:** If no payments to employees are made within a pay period, or you want to recover statutory payments, CIS deductions suffered or NICs Holiday send an EPS

## Second Page

The second page is where you enter the recoverable amounts for Statutory Payments, National Insurance Contributions (the figures that are displayed initially are taken from the updated figures on the Payroll - P32 Processing form but you can change them if required). You need to enter CIS Deductions Suffered and NICs Holiday if necessary - these are not derived from the P32 Processing form.

Employer Payment Summary (EPS)

Please verify that the details below are correct and make any amendments where necessary.  
Then click Start to create the EPS.

Recoverable Amounts for 2013/14 (year to date)

SSP Recovered :	0.00	CIS Deductions Suffered :	0.00
SMP Recovered :	0.00	NICs Holiday :	0.00
NIC Compensation on SMP :	0.00		
OSPP Recovered :	0.00		
NIC Compensation on OSPP :	0.00		
ASPP Recovered :	0.00		
NIC Compensation on ASPP :	0.00		
SAP Recovered :	0.00		
NIC Compensation on SAP :	0.00		

Buttons: ? Cancel Back Start

## Third Page

If you choose 'Final EPS of the year' or 'Scheme has ceased' from the EPS Type list, the third page displays various questions and declarations that need to be submitted to HMRC. The first time that you would use the 'Final EPS of the year' option is for the end of the 2013-14 tax year.

Employer Payment Summary (EPS)

Because this is the final EPS of the 2013/14 tax year you must complete the following questions and declarations.  
Then click Start to create the EPS.

Questions and Declarations

Did you make any 'free of tax' payments to an employee? In other words, did you bear any of the tax yourself rather than deduct it from the employee ? ☒ No ☐ Yes

As far as you know, did anyone else pay expenses, or in any way provide vouchers or benefits to any of your employees while they were employed by you during the year ? ☒ No ☐ Yes

Did anyone employed by a person or company outside the UK work for you for 30 or more days in a row ? ☒ No ☐ Yes

Have you paid any of an employee's pay to someone other than the employee, for example to a school ? ☒ No ☐ Yes

Are you a service company ? ☒ No ☐ Yes

Completed forms P11D and P11D(b) Returns of expenses payments, benefits and Class 1A contributions ☐ Are due ☒ Are not due

Buttons: ? Cancel Back Start

## Options

Notes

Box	Description
<b>Process</b>	<p>You can choose to only see a report without creating an EPS file or see a report and also create the file. You can choose the report destination from the Publisher form before the file is created.</p> <p>If you choose to create a file you will be asked to confirm this after you have started the wizard process.</p>
<b>EPS Details</b>	<p>There are three types of EPS:</p> <ul style="list-style-type: none"> <li>the 'Regular EPS' (for a normal tax month sent before payment to HMRC is due on the 19th of the following tax month)</li> <li>the 'Final EPS of the year'. Before sending the final EPS submission for the tax year you must make sure that all Full Payment Submissions for the tax year have been submitted. The final EPS for the year includes questions and declarations that must be answered - similar to those on the P35 (Employer Annual Return) for 2012-13 tax year.</li> <li>'Scheme has ceased' (if you cease being an employer).</li> </ul>
<b>No Payments Due</b>	<p>Select if you have made no payments to employees or directors for an earlier period of one or more complete tax months, and so an FPS was not submitted. If no payments were made in a one or more complete tax months (so there was no FPS to submit) you must submit an EPS and indicate no payment is due and show dates in 'no payments due' fields.</p> <p><b>Note:</b> You must also select a date range for the relevant tax month using the From and To dates below.</p>
<b>Period of Inactivity</b>	<p>Select if you know that for one or more future tax months in the tax year you will not be paying any employees. The purpose of the EPS in this situation is to inform HMRC in advance that no EPS will be submitted for the chosen period of time. In this situation Full Payment Submissions will also not be submitted for the future tax months. You must also enter the dates for the relevant pay period/s in the From and To boxes.</p>

### 5.4.2.1 To Send an Employer Payment Summary (EPS) to HMRC

This submission is used to reduce the charge calculated from the most recent FPS submission. It is also used to notify HMRC if no employees are paid in a pay period meaning Income Tax, NI, and other deductions such as student loans are not due. If this is your first EPS the year to date figures for any recovered payments for statutory payments, CIS Deductions and NICs Holiday in the current year are also included.

The year to-date recoverable amounts displayed on page two are derived from the Payroll - P32 Processing form. If you operate more than payroll company using the same Accounts Office reference, the EPS must be sent from the consolidation P32 company (defined in the P32 Co. Consolidation box on the Payroll - Utilities - Set Options form).

The EPS must be submitted before payment to HMRC is due on the 19th of the following tax month.

### Creating & Submitting Submission Files

The creation and submission of Real Time Information files is done in two steps: firstly the file is created in Opera, and secondly the file is submitted to the Government Gateway from Pegasus Online Filing Manager.

If Pegasus Online Filing Manager is installed on the same computer you can run it directly after creating the file. The respective submission wizard will then be opened automatically in Pegasus Online Filing Manager.

1. Open the **Payroll** folder and then click **RTI Submissions** or click the **Payroll & HR** tab on the Ribbon Bar and then click **Payroll - RTI Submissions**.
2. Click **Employer Payment Summary**.
3. On the first page, choose the **Report Only** option to print a report with EPS details or choose the **Create EPS and Report** option to create an EPS file to submit it to the Government Gateway using Pegasus Online Filing Manager.
4. Under **EPS Details**, choose one of the following options:
  - the 'Regular EPS' (for a normal tax month sent before payment to HMRC is due on the 19th of the following tax month)
  - the 'Final EPS of the year'. Before sending the final EPS submission for the tax year you must make sure that all Full Payment Submissions for the tax year have been submitted. The final EPS for the year includes questions and declarations that must be answered - similar to those on the P35 (Employer Annual Return) for 2012-13 tax year.
  - 'Scheme has ceased' (if you cease being an employer).
5. Select the **No Payments Due** option only if the EPS is being submitted because no employees were paid in an earlier pay period that ended more than a complete tax month ago. The EPS informs HMRC that no payments were made in that earlier tax month (and so an FPS was not submitted). You must also enter the dates for the relevant pay period/s in the **From** and **To** boxes.
6. Set the **Period of Inactivity** option to 'Applicable' only if you know that for one or more future tax months in the tax year you will not be paying any employees. The purpose of the EPS in this situation is to inform HMRC in advance that no EPS will be submitted for the chosen period of time. In this situation Full Payment Submissions will also not be submitted for the future tax months. You must also enter the dates for the relevant pay period/s in the **From** and **To** boxes.
7. Click Next.
8. The second page is where you enter the recoverable amounts. If the PAYE scheme has ceased you must enter the date that it ended.
9. The third page is where you answer questions and declarations for the year-end. The third page is displayed only if this is the final EPS for the tax year.
10. Click **Start**. Then submit the file to the Government Gateway using Pegasus Online Filing Manager. You can do this straight away or at another time using the **Online Filing Manager** option on the **RTI Submissions** menu. Pegasus Online Filing Manager (3.30) or later must be installed on the computer.

**Tip:** The **Submission Information** form (**Payroll - RTI Submissions**) displays details about the most recent Full Payment Submission, Employer Payment Summary, NINO Verification Request. If an Employer Alignment Submission was used to align your employee data with HMRC records, those details are displayed on the **EAS** tab.

The holiday value entered for an EPS is defined as follows;

Value of NICs holiday year to date	<p><b>This only applies to employers who are registered for the Regional Employer NICs Holiday for New Businesses scheme.</b> Enter the total amount of employer Class 1 NICs you are entitled to withhold in the tax year to date.</p> <p>You can find guidance on the NICs Holiday scheme at <a href="http://www.hmrc.gov.uk/payee/intro/nics-holiday/index.htm">http://www.hmrc.gov.uk/payee/intro/nics-holiday/index.htm</a></p>
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This is different to the NIC Construction Holiday scheme which ceased in 2012.

**“Note** - National Insurance Concession for CIHP: From 30 October 2012 the National Insurance Concession for CIHP will be removed. From that date any holiday pay using a CIHP payment type is then subject to both employer's and employee's national insurance contributions. Existing payment profiles for CIHP should not be used after that date. Instead a new payment profile must be created with an empty Type and with at least the NI'able box selected. **“**

## Notes

### Expenses, benefits and cars

You may need to send reports if you provide expenses or benefits - see the link below. And you must submit a P46 (Car) when you first provide an employee with a car which is available for private use, and again when you either provide them with an additional car or withdraw their car without replacing it.

[Completing forms P9D, P11D and P11D\(b\)](#)

[Reporting company cars on form P46 \(Car\)](#)

### 5.4.3 NINO Verification Request (NVR)

Real Time Information submissions can only be sent in the 2013-14 tax year after the Use Real Time Information option on the Payroll - Utilities - Set Options form has been selected.

This submission verifies an employee's National Insurance number. NVRs can only be sent after the first FPS has been submitted for a PAYE scheme. Up to one hundred employees can be included in the same submission.

HMRC will send you confirmation that the NVR has been received in the same way that you currently receive updates, for example by post or by using the HMRC site. These updates are not displayed in Opera.

When you send HMRC a request via your payroll you will receive a reply which will tell you if the number is right or not, or will provide a number if you haven't got one.

#### The Wizard

The NINO Verification Request wizard is designed to enable the file for the submission to be quickly created before it is submitted to HMRC using Pegasus Online Filing Manager.

If you use more than one payroll group these can be selected together providing that the groups are in the same tax year. This is to prevent groups that are in the 2012-13 tax year being included in a submission.

#### First Page

The first page of the wizard includes initial choices for the submission, for example whether the NVR is for new starters only.

#### Notes

##### NVR

A NINO Verification Request (NVR) cannot be accepted or submitted prior to a successful Full Payment Submission (FPS).

##### If I submit a National Insurance number for verification



##### and it turns out to belong to someone else, will HMRC tell the employer?

If the National Insurance number provided on a FPS or EAS is wrong, or no National Insurance number is provided, and HMRC manage to trace the correct National Insurance number for the Individual, HMRC would tell both the employer and the employee the correct National Insurance number. HMRC do not tell the employee about the results of any National Insurance number Verification Requests submitted by an employer.

Communication from HMRC about employee NINOs will be sent to the employer via the same route HMRC currently uses for sending, for example, employee tax code updates (i.e. via what HMRC refer to as the Data Provisioning Service (DPS)). It's worth highlighting that at the point an employer submits and FPS/EAS/NVR to HMRC, the associated response they'll receive back from HMRC to say that the submission was successful will not include any low-level details such as whether any employee's NINOs was wrong (e.g. someone else's); such information will come at a later date/time via DPS (and it will be the employer's responsibility to check DPS to see if any such updates have been issued by HMRC, however I'm sure HMRC have a mechanism whereby they inform employers that there are updates on DPS for the employer to go and check).

## Second Page

## Notes

The second page is where you choose the employee/s that need to be included in the NVR.

**NINO Verification Request (NVR)**

Please specify the employees to be included in the NVR.  
Only selected employees will be included in the NVR.

Employees to be included in the NVR

Select the employee reference required and then press Enter to add the employee to the list.

Employee Ref. :

Ref	Group	Name	NINO	Date of Birth

Press F5 to remove the highlighted employee from the list.  
Press F7 to remove all employees from the list.

### Third Page

The third page summarises the numbers of employees categorised as new starters, leavers in the current period or current employees.

**NINO Verification Request (NVR)**

Please verify that the employee and submission details are correct. Then click Start to create the NVR.

Numbers of employees that will be included in the NVR

New starters this period :	0
Leavers this period :	0
Current employees :	5
Total :	5

After the NVR has been submitted you will receive information from HMRC at a later date regarding the NINO status of employees contained within the NVR.

The information can be viewed online by using the HMRC PAYE desktop viewer application or the Data Provisioning Service.

? Cancel Back Start

## Options

These options control the employees that can be selected on the second page of the wizard for an NVR.

Box	Description
<b>Only allow selection of new starters in this period</b>	<p>Tick to be able to include on the second page only employees who have started work for you in this period. If this option is selected employees who have worked for you for longer than the current pay period cannot be selected on the second page.</p> <p><b>Note:</b> If this option is ticked the Automatically add employees to the list option is enabled. Tick that option if you want all the chosen employees to be displayed on the second page automatically or leave it blank if you want to select the employees yourself.</p>
<b>Only allow selection of employees that are not new starters in this period</b>	<p>Tick to include on the second page only employees who have worked for you for more than one pay period. If this option is selected new starters in this pay period cannot be selected on the second page.</p>
<b>Allow selection of all employees</b>	<p>Tick to be able to include on the second page any employee who has worked for you, including both new starters and employees who have worked for you for more than one pay period.</p>
<b>Only include those selected employees who have a blank NINO</b>	<p>Tick to be able to include on the second page only employees who have a blank National Insurance Number on the <a href="#">Payroll - Processing</a> form.</p> <p><b>Note:</b> If this option is ticked the Automatically add employees to the list option is enabled. Tick that option if you want all the chosen employees to be displayed on the second page automatically or leave it blank if you want to select the employees yourself.</p> <p><i>Example: if you want to send NVRs for all new starters in this period who do not have a National Insurance Number, and have these employees displayed automatically, select these options:</i></p> <ul style="list-style-type: none"> <li>- Only allow selection of new starters in this period</li> <li>- Only include those selected employees who have a blank NINO</li> <li>- Automatically add employees to the list</li> </ul>

### 5.4.3.1 To Send a NINO Verification Request (NVR) to HMRC

This submission verifies an employee's National Insurance number. NVRs can only be sent after the first FPS has been submitted for a PAYE scheme. Up to one hundred employees can be included in the same submission.

### 5.4.3.2 Creating & Submitting Submission Files

The creation and submission of Real Time Information files is done in two steps: firstly the file is created in Opera, and secondly the file is submitted to the Government Gateway from Pegasus Online Filing Manager. If Pegasus Online Filing Manager is installed on the same computer you can run it directly after creating the file. The respective submission wizard will then be opened automatically in Pegasus Online Filing Manager.

## Notes

**Roughly how long it will take form HMRC to provide an**



**employer with corresponding NINO information upon the employer submitting an NVR (or EAS or FPS) to HMRC?**

**More specifically; Where an employer submits and EAS/FPS/NVR, I know that HMRC will (eventually) provide the employer with NINO verification information e.g. details of incorrect/mismatched NINOs etc., and that that information will be provided to the employers via DPS (e.g. when the employer submits an NVR for example the NVR submission response from the Gov. Gateway will not include NINO details as such, the immediate NVR response will just be a general 'it has been successfully submitted' response). However, does HMRC have any idea as to what the likely turnaround will be for sending NVR details back via DPS i.e. it is likely to happen within a few hours of an EAS/FPS/NVR submission, the next day, the next week etc.)?**

*The NINO notifications generated in response to a pro-active NINO Verification Request should be available from the DPS in a matter of "minutes", whereas the notifications generated after further downstream processing of an EAS or FPS could be in the region of a couple of weeks. There is no guarantee that all NINOs within a single NVR request will be validated in the same timescales, each NINO notification (at individual employee level) is actually a separate Notification and therefore these may not all be available for retrieval from DPS at the same time.*

1. Open the Payroll folder and then click RTI Submissions or click the Payroll & HR tab on the Ribbon Bar and then click Payroll - RTI Submissions.
2. Click NINO Verification Request.
3. If you are using groups, in the Select Payroll Groups list, click to select the group(s) you want to process and then click OK. You can only select groups that are all in the 2013-14 tax year or later.
4. On the first page, choose the Report Only option to print a report with NVR details or choose the Create NVR and Report option to create an NVR file to submit to the Government Gateway using Pegasus Online Filing Manager.
5. Under NVR Details, choose one of the following:
  - Only allow selection of new starters in this period so that only those people who have started in the current period can be selected on page two.
  - Only allow selection of employees that are not new starters in this period so that new employees in the current period cannot be selected on page two.
  - Allow selection of all employees so that all employees can be selected on page two.
6. Select the Only include those selected employees that have a blank NINO box if required. This option works together with the radio buttons above. For example, if you selected the Only allow selection of new starters in this period box and tick this box, only new starters with blank NINOs can be selected on page two.

*Example: if you want to send NVRs for all new starters in this period who do not have a National Insurance Number, and have these employees displayed automatically, select these options:*

- Only allow selection of new starters in this period
- Only include those selected employees who have a blank NINO
- Automatically add employees to the list

7. The second page is where you select the employee records. If the Automatically add employees to the list option on page one was not selected, press F4 in the Employee Ref. box and select the record or enter either part or all of each employee's reference.

Click Next.

8. The third page summarises the number of new starters, leavers in the current period and current employees in the NVR. Check the information on the screen to make sure the details are correct.
9. Click Start. Then submit the file to the Government Gateway using Pegasus Online Filing Manager. You can do this straight away or at another time using the Online Filing Manager option on the RTI Submissions menu. Pegasus Online Filing Manager (3.30) or later must be installed on the computer.

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**Tip:** The Submission Information form (Payroll - RTI Submissions) displays details about the most recent Full Payment Submission, Employer Payment Summary, NINO Verification Request. If an Employer Alignment Submission was used to align your employee data with HMRC records, those details are displayed on the EAS tab.

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### 5.4.4 Employer Alignment Submission (EAS)

Real Time Information submissions can only be sent in the 2013-14 tax year after the Use Real Time Information option on the Payroll - Utilities - Set Options form has been selected.

This submission separates the alignment of employee details from the processing of payments information for complex or large payrolls, or for those employers that prefer to do the alignment before their 'First' FPS. It is also used for schemes that need to be aligned in parts (processed in multiple payroll software, separate payroll bureaux, different pay frequencies that make consolidation impracticable, or the submission file would be too large). It includes everyone employed in the current tax year, including new starters and leavers but may also include leavers in the previous year if they have been paid in the 2013-14 tax year after leaving. It must be sent on the 'on-boarding' date received from HMRC or as soon as possible afterwards.

#### **The Wizard**

The Employer Alignment Submission wizard is designed to enable the file for the submission to be quickly created before it is submitted to HMRC using Pegasus Online Filing Manager.

If you use more than one payroll group these can be selected together providing that the groups are in the same tax year. This is to prevent groups that are in the 2012-13 tax year being included in a submission.

#### **First Page**

The first page of the wizard includes initial choices for the submission, for example whether the EAS should be compressed to make the submission quicker.

Employer Alignment Submission (EAS)

Use this process to create an EAS ready for submission to HMRC via Pegasus Online Filing Manager. Alternatively you can simply produce a report listing the employees that would be included in the EAS.

**Process**

☐ Report Only

☒ Create EAS and Report

**Report Type**

☐ Detailed

☒ Summary

**Most Recent EAS**

Date Created :

Time Created :

**EAS Details**

☐ Compress the submission

? Cancel Back Next

## Second Page

Notes

The second page summarises the number of employees who will be included.

**Employer Alignment Submission (EAS)**

Please verify that the employee and submission details are correct. Then click Start to create the EAS.

Number of employees that will be included in the EAS

Prior period leavers :	0
Leavers this period :	0
Current employees :	23
Total :	23

Submission Details

☐ EAS to be submitted in multiple parts

Total number of parts :

Unique Part ID to be used for this submission :

Unique Part ID of the previous part's submission :

After the EAS has been submitted to HMRC you may receive information from HMRC at a later date regarding the NINO status of employees contained within the EAS. The information can be viewed online by using the HMRC PAYE desktop viewer application or the Data Provisioning Service.

## Options

Box	Description
<b>Process</b>	You can choose to only see a report without creating an EAS file or see a report and also create the file. You can choose the report destination from the Publisher form before the file is created. If you choose to create a file you will be asked to confirm this after you have started the wizard process.
<b>Report Type</b>	The summary report includes the same details that are displayed on the second page of the wizard. The detailed report includes each employee's details for the pay period, including their title, name, date of birth, National Insurance Number, start date, leave date and so on.
<b>EAS to be submitted in multiple parts</b>	Enter the number of parts you are sending to make up your EAS. You must also enter a unique ID in the Unique Part ID to be used for this submission box. The ID can include any combination of the characters A to Z, a to z, digits 0 to 9 and spaces.
<b>Compress the submission</b>	Select to compress the file in Pegasus Online Filing Manager before it is submitted to the Government Gateway. There is a maximum file-size limit that can be submitted - approximately twenty five Megabytes. Selecting this option will reduce the size of the file and thereby help with the speed of the submission to HMRC. The submission will also be quicker even if the file size is much smaller than the maximum size allowed.

#### 5.4.4.1 To Send an Employers Alignment Submission (EAS) to HMRC

This submission separates the alignment of employee details from the processing of payments information for complex or large payrolls, or for those employers that prefer to do the alignment before their 'First' FPS. It is also used for schemes that need to be aligned in parts (processed in multiple payroll software, separate payroll bureaus, different pay frequencies that make consolidation impracticable, or the submission file would be too large). It includes everyone employed in the current tax year, including new starters and leavers but may also include leavers in the previous year if they have been paid in the 2013-14 tax year after leaving. It must be sent on the 'on-boarding' date received from HMRC or as soon as possible afterwards.

**Tip:** For details about alignment submissions, [please see the Introduction to Real Time Information](#) Help topic.

#### 5.4.4.2 Creating & Submitting Submission Files

The creation and submission of Real Time Information files is done in two steps: firstly the file is created in Opera, and secondly the file is submitted to the Government Gateway from Pegasus Online Filing Manager. If Pegasus Online Filing Manager is installed on the same computer you can run it directly after creating the file. The respective submission wizard will then be opened automatically in Pegasus Online Filing Manager.

**Note:** The EAS must be submitted before an FPS is sent to HMRC.

1. Open the Payroll folder and then click RTI Submissions or click the Payroll & HR tab on the Ribbon Bar and then click Payroll - RTI Submissions.
2. Click Employer Alignment Submission.
3. If you are using groups, in the Select Payroll Groups list, click to select the group(s) you want to process and then click OK. You can only select groups that are all in the 2013-14 tax year or later.
4. On the first page, choose the Report Only option to print a report with EAS details or choose the Create EAS and Report to create an EAS file to submit to the Government Gateway using Pegasus Online Filing Manager.
5. Select the Compress the submission option to compress the file in Pegasus Online Filing Manager before it is submitted to the Government Gateway. There is a maximum file-size limit that can be submitted - approximately twenty five Megabytes. Selecting this option will reduce the size of the file and thereby help with the speed of the submission to HMRC. The submission will also be quicker even if the file size is much smaller than the maximum size allowed.
6. Click Next.
7. If more than one EAS file will be submitted for alignment, select the EAS to be submitted in multiple parts option. You will need to do this if you process payrolls for the same Accounts Office Reference in different Opera companies, for example different companies for directors, office employees, factory employees and so on. Also, if you process payrolls in different payroll products, say some in Opera but others in another application, you will need to submit multiple EAS.

Enter the number of parts you are sending to make up your EAS. You must also enter a unique ID in the Unique Part ID to be used for this submission box. The ID can include any combination of the characters A to Z, a to z, digits 0 to 9 and spaces.

8. Click **Start**. Then submit the file to the Government Gateway using Pegasus Online Filing Manager. You can do this straight away or at another time using the **Online Filing Manager** option on the **RTI Submissions** menu. Pegasus Online Filing Manager (3.30) or later must be installed on the computer.

**Tip:** The **Submission Information** form (**Payroll - RTI Submissions**) displays details about the most recent Full Payment Submission, Employer Payment Summary, NINO Verification Request. If an Employer Alignment Submission was used to align your employee data with HMRC records, those details are displayed on the **EAS** tab.

## 5.4.5 Submission Information

Real Time Information submissions can only be sent in the 2013-14 tax year after the **Use Real Time Information** option on the [Payroll - Utilities - Set Options](#) form has been selected.

The **Submission Information** form (**Payroll - RTI Submissions**) displays details about the most recent Full Payment Submission, Employer Payment Summary, NINO Verification Request. If an Employer Alignment Submission was used to align your employee data with HMRC records, those details are displayed on the **EAS** tab.

The current period, and date and time of the most recent submission is displayed for each type of submission. The group identifier is also displayed where relevant; if groups are used a separate record is displayed for each, as each groups' current period is likely to be different.

Group	Description	Current Period	Created for Current Period?	Date/Time Most Recently Created
W	Monthly	3	✓	04/01/2013 12:07:28 PM
	Weekly	1		

Most recent EPS

EPS Type : None Created

Tax Year :

Date Created :

Time Created :

Recoverable Amounts year to date :

SSP Recovered :	0.00	CIS Deductions Suffered :	0.00
SMP Recovered :	0.00	NICs Holiday :	0.00
NIC Compensation on SMP :	0.00		
OSPP Recovered :	0.00		
NIC Compensation on OSPP :	0.00		
ASPP Recovered :	0.00		
NIC Compensation on ASPP :	0.00		
SAP Recovered :	0.00		
NIC Compensation on SAP :	0.00		

### What is an EYU Submission?

An EYU stands for Earlier Year Update

Via HMRC's own 'downloadable payroll product' they will be providing a limited Earlier Year Update (EYU) capability that allows an employer to manually input and submit an EYU 'for one employee at a time'.

Note: an EYU allows an employer to amend an employee's pay details for the previous tax year (i.e. in effect, it's for sending amendments after the tax year has ended).

For April 2013, none of Pegasus Opera customers should use the EYU. The EYU can only be used for those employers who are on the RTI pilot during 2013/14. For Pegasus customers, they will not be able to use an EYU until after the 2013/14 tax year (i.e. not until April 2014).

Notes

Submission Information

EPS EPS NVR EAS

Group	Description	Current Period	Created for Current Period?	Date/Time Most Recently Created
	Monthly	3		
W	Weekly	1		

Submission Information

EPS EPS NVR EAS

Group	Description	Current Period	Created for Current Period?	Date/Time Most Recently Created
	Monthly	3	Not Created	
W	Weekly	1	Not Created	

Total number of parts : 1

Most recent unique part ID :

## 5.4.6 Online Filing Manager

Online Filing Manager is a Pegasus application that submits HMRC returns to the Government Gateway. Online Filing Manager is a separate software product that must be installed beforehand.

You have to register and enrol with the Government Gateway and activate the PAYE Internet Service for Employers. Refer to the HMRC web site for guidelines about the nature of the service, who is eligible and the steps you need to take to enrol. Make sure you enrol in plenty of time to send in your returns by their due dates.

You use the **Online Filing Manager** command on either of these menus to run the application from Opera:

- Payroll - EOY/Special Reports
- Payroll - RTI Submissions

**Important:** To submit each company's P14 (End of Year Summaries) and P35 (Employer Annual Return) in one submission in Online Filing Manager, all the output files must be in the same folder on the computer.

**Tip:** Pegasus Online Filing Manager can also be used to submit VAT100 Returns to HMRC using VAT details for invoices and credit notes posted in Opera 3. For more information, see the [Online VAT100 Returns](#) Help topic.

Please refer to OFM help for further information if required.

### Notes

#### RTI OFM



Running OFM as part of the RTI wizard (i.e. when running the wizard to create an RTI submission, the system will prompt to submit now and once selected will launch OFM) will now (when loaded after the FPS, EAS etc. in Opera) it will automatically load with the file just created already selected (in the wizard page) ready to then progress

#### Will submission of information via the Government Gateway be a manual process, with the employer being required to log onto the gateway and manually key the information, or is the intention to set up an automated link from the payroll system to the gateway?



**Gateway be a manual process, with the employer being required to log onto the gateway and manually key the information, or is the intention to set up an automated link from the payroll system to the gateway?**

*It is intended that employers will be able to submit their information direct from their payroll. However, each payroll provider will develop their own product.*

*For Opera customers, the RTI submission will work in a similar way to that as at present for EOY and in-year submissions i.e. they employer will create the submission details from Opera and then submit them to HMRC via OFM.*

#### EYU



An Earlier Year Update (EYU) cannot be submitted if the Joined date for the Payroll Scheme has not been set.

#### RTI Submissions –



Employers will/get an email confirmation from HMRC/Gov-Gateway confirming that the Submission has been successfully filed online - This will be for All submissions under RTI.

## 5.5 Update of Pay Periods

### Payroll Update Form

The Update command (Utilities - Update) has changed for the 2013-14 tax year to check whether appropriate Real Time Information submissions have been sent to HMRC. Appropriate warnings are displayed if necessary.

The existing checks to ensure that P45 (Part 3) and P46 returns have been submitted to HMRC for new starters have been removed when Real Time Information is in use in the 2013-14 tax year. Details for leavers and starters will be included in the FPS.

Group to be updated			
Code :		Desc :	Monthly
		Pay Freq. :	Monthly

Period to be updated			
Period	Year	Usual Pay Date	Actual Pay Date
3	1314	30/06/2013	30/06/2013
Weeks Co. Holiday		Start Date	End Date
0		01/06/2013	30/06/2013

Action	Status
Has Calculation been run?	✓
Has BACS been run?	
Has FPS been created?	✓
Has Nominal transfer been run?	

In Opera 3, the Update form displays whether the FPS has been created for the pay period.

## Accreditation Training Courseware

### Appendix

## Appendix A - RTI & BACS FAQs

Provided by HMRC based on various queries during the Pilot Scheme

### Questions asked by employers during the pilot

**Q. How can I check whether I pay by Bacs Direct Credit using my own Service User Number?**

**A.** For RTI purposes, a Bacs Direct Credit payment is one that is submitted directly or indirectly into Bacs using an employer's own Service User Number (SUN) either using software provided by a Bacs Approved Solution Supplier (BASS provider) or through a Bacs Approved Bureau. The following three questions will help employers identify if payments will be treated as Bacs Direct Credit payments for RTI purposes:

1. Do you make payments covered by the PAYE Regulations (e.g. wages/salaries/pensions?)

**Yes** – go to question 2

**No** – the cross reference does not apply

2. Do you make these payments using Bacs?

**Yes** – go to question 3

**No** – the cross reference does not apply

3. Have you been allocated your own SUN?

**Yes** – you must include a four character sub-reference into field 7

**No** – the cross reference does not apply

**I don't know** - Please speak to your BASS provider or payment bureau.

**Q. What does HMRC regard as a Bacs payment for RTI purposes?**

**A.** A Bacs payment is one that is submitted directly or indirectly into Bacs using an employer's own Service User Number (SUN).

If an employer has any doubts about whether they have their own SUN, they should approach their Bacs Accredited Software Supplier (BASS) or BAB.

**Q. Will we be compelled to develop a Bacs route (where payments are made via Bacs) once HMRC's strategic solution is available. If EDI and the Government Gateway route provide HMRC with adequate information, will employers have to fund the development of additional systems to utilise Bacs?**

**A.** HMRC does not intend to change the way employees are paid, or to force employers to pay via Bacs. To accommodate those employers who do not pay by Bacs, there will need to be an alternative means of submitting RTI once the strategic solution is implemented. This is likely to be the Government Gateway.

**Q. What information will need to be added to Bacs payment instructions where the payment relates to RTI?**

**A.** The employer or pension provider will need to include additional information in the Bacs payment file. They will include a four character entry in Field 7 (currently spare) of the Bacs payment file.

This entry will consist of an initial '/' to identify it as an RTI payment and three random characters, which will normally be generated by a customer's payroll software.

If you pay by Bacs under your own SUN (see the questions set out below), you will be obliged to do two things:

- include the entry in Field 7 as mentioned above
- include in your RTI submission to HMRC a cross-reference (or 'hash') calculated using the Field 7 reference plus other data from the payment file (please contact your payroll software supplier for further information)

**Q. What will Bacs do with Field 7 information?**

**A.** When Bacs process the payment, they will use it and other information in the payment file to re-create the encrypted cross-reference and send it to HMRC.

This reference should be the same as the reference in the RTI submission you will have sent to HMRC.

HMRC will then match the cross-reference sent from Bacs with the information sent by you.

HMRC will not have access to the source information (such as bank account details).

**Q. Are changes required to Bacs software if an employer pays using that method?**

**A.** You should check if any changes are needed with your BASS or Bacs Approved Bureau.

**Q. I pay others, such as suppliers, through Bacs - what will be the impact on those payments?**

**A.** Any Bacs payments (Bacs Direct Credits or Direct Debits) you submit that aren't salary or pension payments won't be affected and will be processed as they are today.

**Q. I pay my employees by cash, cheque or electronically using internet or telephone banking, but not Bacs. Do I have to use the cross-reference?**

**A.** No.

**Q. Is HMRC proposing to force everyone to use Bacs for making salary payments?**

**A.** There is no question of HMRC forcing employers to use Bacs to make salary payments. Employers or pension providers who choose to make payments by other methods can continue to do so.

**Q. Where can I find out more about generating the cross-reference (hash) or the four character entry for Field 7?**

**A.** Please read 'Real Time Information - Generating the RTI Cross-reference (RTI hash)' on our website.

[Real Time Information - Generating the RTI Cross-reference \(RTI hash\)](#)

**Q. What happens if expenses go through Bacs after RTI has been sent?**

**A.** If expenses which are not liable to tax or NICs are added to the payment after the RTI submission then RTI needs to be amended to reflect that the payment will now include an amount not subject to tax and NICs.

**Q. I run my monthly payroll which generates payslips and payment instructions some time before the Bacs payments reach my employees' accounts. I frequently need to 'recall' or 'exclude' some of these payments before they are made due to information reaching payroll late, eg long-term sick. When this happens, we recalculate a revised payment for the employee, but do not rerun the payroll until the next month. How do I deal with this situation using RTI?**

**A.** As now, using RTI employers must operate PAYE at the time that they make a relevant payment. They must also take reasonable care to report accurately to HMRC. In this scenario, the employer will have reported a payment, but some of the details were incorrect.

If it is not feasible for the employer to run the payroll again, and supply the correct information at the time the payment is made, the employer should correct the employee's position in the FPS for the next relevant payroll run. They would do this by ensuring that the YTD figures are accurate in that FPS.

## **Questions asked by software developers during the pilot**

**Q. How do I deliver the interim solution if I don't have access to employee bank details?**

**A.** A key feature of RTI is to link RTI data and payment information together where employees are paid by direct Bacs. This will reduce errors and improve accuracy, particularly when Universal Credits is introduced. Employers need to use employee bank details to generate the hash cross reference. HMRC appreciate that this may result in a change to business processes for some employers.

**Q. I only produce the payroll - the employer produces the standard 18 file - how will RTI affect us?**

**A.** Employers will be required to include the hash cross references in RTI submissions where employees are paid by direct Bacs. This means the payroll producer will need details of the entries to be included in specified fields of the standard 18 payment instruction.

**Q. Will the interim solution accept multiple submissions for different employer PAYE scheme references?**

**A.** Multiple submissions will not be accepted through the Government Gateway from April 2012, but HMRC is investigating whether it will be possible to facilitate multiple submissions in a later release. However they will be accepted through EDI as at present.

**Q. Why must we submit the hash with RTI data where earnings are paid by direct Bacs?**

**A.** The hash provides HMRC with the facility to validate RTI data by cross referencing with hashes generated by VocaLink once the Bacs payment has been made.

**Q. An employee has his net pay paid via Direct Bacs into two accounts. How should I report this for the hash to work?**

**A.** The matching process will take place against the largest value payment. The Bacs payment instruction for the largest amount should contain the 4 character string in Field 7, and the data used for this payment should be used to construct the 64 character hash that is reported on the FPS.

Consider this example to see how the FPS should be completed: Suppose the employee is paid £850; £600 into account A and £250 into account B.

Step one is to total all the payments other than the largest and add this to any figure already in box 58B.

Box 59 less box 58B plus Box 58A should equal the largest payment.

So the total payment, before it is proportioned between recipient accounts, is the figure in box 59, box 58B reflects the value of the payment to account B. HMRC will use the amount  $59 - 58B - 60 + 58A$  i.e. £600 (where 60 and 58A are 0) to match against the largest payment.

**Q. What should an employer do where a payment covers more than one tax year?**

**A.** If the payment consists of two or more net amounts for two or more tax years, then the amounts for all but the latest tax year should be totalled and added to any amounts in box 58A (the net amount for previous years are not subject to tax or NIC in the current year).

**Q. Will VocaLink process the hash immediately they receive the file from the employer, or will they process it at the payment date (which could be in the future)?**

**A.** VocaLink will process the hashes once payment has been made.

**Q. Could an employer recall a Bacs transfer?**

**A.** Yes.

**Q. Will the “/” in field 7 of the Std 18 file be part of the PAYE regulations?**

**A.** The appropriate field 7 entry will be required where an employer sends a payment instruction to Bacs that relates to a relevant payment, within the meaning given by the PAYE Regulations.

Please note that the solidus has a hex value of “2F” under the ASCII character codes.

**Q. An employee receives part of his net pay via Direct Bacs, and part of it by another means, eg cheque. How should I report this for the hash to work?**

**A.** The matching process will take place against the Bacs payment amount. The Bacs payment instruction should contain the 4 character string in Field 7, and the data used for this payment should be used to construct the 64 character hash that is reported on the FPS.

Consider this example to see how the FPS should be completed: Suppose the employee is paid £850, of which £600 in a cheque and £250 into account B via Bacs.

Step one is to total all the payments being paid other than by Bacs and this should be added to any figure already in box 58B.

Box 59 less box 58B plus Box 58A should equal the Bacs payment.

So the total payment, before it is proportioned between recipient accounts is the figure in box 59, box 58B includes the value of the payment by cheque. HMRC will use the amount  $59 - 58B - 60 + 58A$  ie £250 (where 60 and 58A are 0) to match against the largest payment.

**Q. How will the software be able to determine whether to include the hash if it doesn't know if the employer is paying by Bacs?**

**A.** The employer will need to be able to indicate this in the software.

**Q. Will HMRC be publishing what happens where the hash does not match the one created by Vocalink?**

It will feed into HMRC and DWP risk assessment procedures used to target education and compliance activities.

**Q. What is the submission 'window' between making a Bacs payment and making an RTI submission?**

**A.** RTI submissions should be made on or before the time of payment. Where the payment is made by Bacs, the payment will be for a given settlement date and the RTI submission should be submitted by that date.

**Q. Can employers still pay HMRC on a quarterly basis?**

**A.** Yes, if they meet the relevant criteria. But if your payroll is run weekly then FPSs will be required on a weekly basis. The fact that an employer is a 'quarterly payer' does not change the requirement to send in an FPS when payments are made.

**Q. How should I report payments made to an employee with multiple employments across two or more PAYE schemes, when they are paid with a single payment? For example, an employee has job A and job B in scheme 1, and job C in scheme 2, and is paid for all three jobs together in one Bacs payment.**

**A.** At the point the employer aggregates the results of the calculation into a single payment he must attach the hash relating to the single payment to each line of RTI which are then returned separately. The RTI data for jobs A and B in scheme 1 are aggregated so one box 59 is completed covering jobs A and B. The details relating to job C are returned separately under scheme 2. The same hash is returned with each piece of RTI.

Aggregation of RTI data must only be done within each PAYE reference

# Accreditation Training Courseware

## Other Guides and Help

The following user documents are also provided with the respective software. Guides are available from various sources including Answerlink, the Opera 3 CD and from the Opera 3 Client installation's main folder, normally *C:\Program Files\Pegasus\Client XXX\User documents* (where XXX is either VFP or SQL). Some guides are also available from the Opera 3 Help menu or respective software Help menu.

### Readme File

The Readme file is an HTML document. It contains late breaking news and any other release specific important information.

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**Note:** This file can also be accessed from the Opera 3 CD Installation Menu with regards to Opera 3.

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### Release Guide

When new versions are released such as Opera 3, they are normally accompanied by a Release Guide that contains information such as What's New in this Release, Release History, and Functional Differences between versions.

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**Note:** This guide can also be accessed from the Opera 3 CD Installation Menu with regards to Opera 3.

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### Installation Guide

The Installation Guide is provided to help you install the application in your chosen Windows environment. It contains technical information and advice to ensure the installation process is successful.

### Demonstration Data Guide

This guide is provided to assist the use of the demonstration data and contains pertinent information that is not contained elsewhere in the product documentation. It is recommended that the Help be used at the same time.

### Implementation Guide

The Implementation Guide provides a high-level view of an application such as Opera 3 and how to approach an implementation. It details how the modules are integrated, and recommends the order in which elements should be set up.

### System Requirements Guide

The System Requirements Guide details the minimum and recommended computer hardware and software requirements that are required to install and use software such as Opera 3 Enterprise and Opera 3 Enterprise SQL.

It also includes guidance on using Opera 3 Enterprise and Opera 3 Enterprise SQL in a Terminal Services environment run in Windows Server 2003 and Windows Server 2008 (32-bit & 64-bit).

### Help

F1 Help provides details of all the functions available in the application.

### Document Management & Executive Dashboards Guides

Installation Guides are available for both Document Management and Executive Dashboards. A user guide is also available for Executive Dashboards. Help for Document Management is in the Opera 3 Help.

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**Note:** The guides are in the respective folders on the Opera 3 CD and can be accessed from the Opera 3 CD Installation Menu.

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