

2019 PAYROLL NEWSLETTER

We have summarised some key changes to payroll below for your information. If you wish to discuss any of these further, please contact Kelly Cummings, our payroll manager at our Ledbury office.

Kelly can help with more specialised areas of payroll, including redundancy pay, childcare vouchers and Auto-Enrolment, please contact her if you would like any assistance.



Welcome Harry

We would like to welcome Harry Bushell to our team, who is our new payroll assistant and book-keeper in the Ledbury office. Harry joined us in May 2018 and has started to study his AAT qualification at Hereford College.

On-Line Payslips

In the previous tax year, we have set up many employees with online payslips, saving the hassle of paper payslips for the employer and at no extra cost! We feel this has worked extremely well for those now using online payslips. If you are interested in this please speak to Kelly, who will need a list of e-mail addresses for your employees.

National Living Wage & National Minimum Wage (NLW & NMW)

On the 1 April 2019, the National Minimum Wage and National Living Wage rates for all bands will be increased. Please make sure that all employees are being paid at or above the correct level depending on their age. The new hourly rates are as follows:

25 and over	21-24	18-20	Under 18	Apprentice
£8.21	£7.70	£6.15	£4.35	£3.90

Employment Allowance

There is a slight change in the Employment Allowance for the 2019/20 tax year. You can claim employment allowance of up to £3,000 in the tax year against Employer National Insurance contributions. For 2019/20, this will be restricted to companies with National Insurance Contributions (NIC) of less than £100,000.

There is no employers NIC for employees aged under 21 and apprentices aged up to 25 on earnings of up to £962 per week.

Tax Free Personal Allowance

The basic personal allowance will increase for the 2019/20 tax year from £11,850 to £12,500, giving a standard tax code of 1250L. However, Employees National Insurance is paid on income over £8,632 per annum.

Automatic Enrolment – Re-Enrolment and Contributions Increases

Payroll clients are now starting to approach the third anniversary of their Auto-enrolment Staging date – which means they need to re-enrol. This involves a similar process to first setting up the pension scheme, where all employees need to be assessed and if they meet the right criteria, enrolled onto the pension scheme, even if those employees had previously opted out. Employees do have the chance to opt out again if they wish to.

The minimum contribution levels increase again as from 6 April 2019 and all employees should be made aware of this. We do have a standard template letter for employees, which hopefully you have received, but if not and you would like a copy, please contact the office.

<u>Date effective</u>	<u>Employer minimum contributions</u>	<u>Employee contributions</u>	<u>Total minimum contributions</u>
6 April 2018 – 5 April 2019	2%	3%	5%
6 April 2019 onwards	3%	5%	8%

PAYE/NI Payments due to HM Revenue & Customs

HM Revenue & Customs are trying to make all businesses pay electronically. Please note that if you pay PAYE/NI liability electronically you have until the 22nd of the month, if not then this is shortened to the 19th, where payment needs to be cleared.

Key Payroll Dates

- 19th of every month – Deadline to pay PAYE/NI/CIS to HMRC by non-electronic method
Last date to submit RTI EPS and CIS returns
- 22nd of every month – Deadline to pay PAYE/NI/CIS electronically
- 31st May – Employees must receive their P60 before today
- 6th July – Filing deadline for P11Ds and give forms to employees
- 19th July – Deadline to pay Class 1 A NIC by non-electronic method
- 22nd July – Deadline to pay Class 1 A NIC electronically

QDOS EMPLOYMENT LAW HELPLINE - 0116 243 7891

This is free for clients, please contact Kelly if you require our reference number

Ledbury Office

10 The Southend
Ledbury
Herefordshire
HR8 2EY
Tel: 01531 631500

Cheltenham Office

15 St Georges Road
Cheltenham
Gloucestershire
GL50 3DT
Tel: 01242 309001

Pershore Office

The Courtyard, 19 High Street
Pershore
Worcestershire
WR10 1AA
Tel: 01386 552644