

To All Windows Paydata Users

March 2018

The NI and Tax Tables change on 6th April, 2018.

The purpose of this document is to describe the amendments you, the user, are required to make to the tables held in your computer system. Read the notes at the end of this document before proceeding.

Timing

The Tables must be amended before the first payroll run is processed for tax year 2018-2019 after the last run for tax year 2017-2018 and after the year end has been processed.

Computer Tax Tables

These last changed on the 6th April, 2017. Code changes are notified to you by the Tax Office, forms P6(T) and P9X. You may download the relevant P9X from:

<https://www.gov.uk/government/publications/p9x-tax-codes>

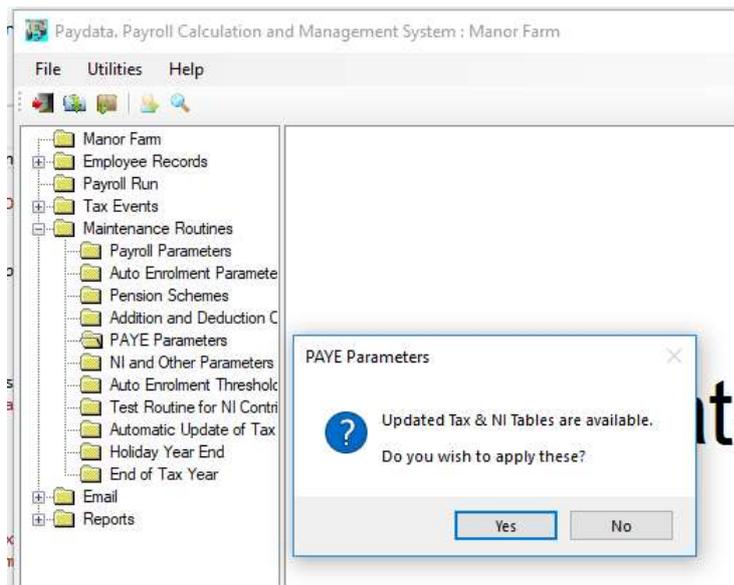
There are block changes for 6th April, 2018 detailed in the P9X. These block changes may be implemented using "Automatic Update of Tax Codes" in the Maintenance Routines. You should process the block update **BEFORE** adjusting individual tax codes.

Using the Master Tables from the Installed Program

Every time the Paydata package is installed or updated a master set of Tax, NI and AE Tables is included. These were initially only used when a completely new Paydata system was initiated to prime the relevant database tables. We have decided to make greater use of them in order to make the annual update of the tables easier for users to apply. Obviously, these tables are set at a point in time when an update is produced. As we now invariably produce an update to Paydata in the latter months of a Pay Year (February, March), if nothing else for the appropriate P60 layout for the year about to end, we intend to include the next years master tables in that update. We have, therefore, provided a mechanism to pull these master tables values into the day to day working values.

We expect users to install updates more or less as soon as we notify them that the update is available. In particular, those notified prior to the end of a pay tax year must be installed before any of the year end processes are attempted. Thus, the next year tables will be sitting in the background. As of the Paydata 12 update, it will no longer be possible to process a Payroll year end unless the appropriate P60 layout for the year being closed is available.

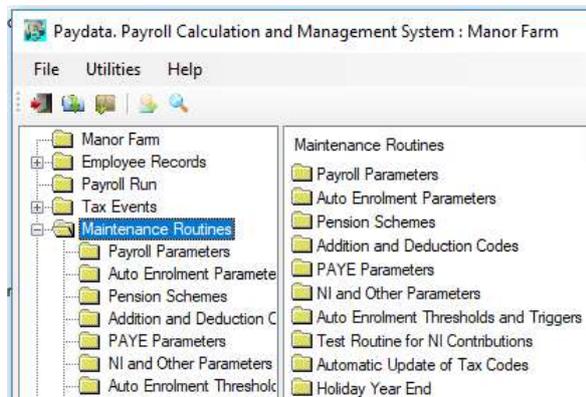
With regard to the timing indicated above, after all year ends have been processed for all payrolls, the user is in a position to update their Tax and NI Tables. The user must select either 'PAYE Parameters' or 'NI and Other Parameters' from within Maintenance Routines. Because the 'Tax Year in Progress' is ahead of that for the current working tables and equal to that of the master tables, the system will produce the following:



If the user selects Yes, the master Tax, NI and AE values are imported into the working tables and the first tab of the selected option is displayed for verification. If the user selects No, the usual warning is displayed and the user proceeds as below.

Using Table Amendment Options

These are to be found in the Maintenance Routines section: 'PAYE Parameters', 'NI and Other Parameters' & 'Auto Enrolment Thresholds and Triggers'.



The following sections are screen shots from these options. The highlighted items are the ones that have changed. It is advisable to check all the values.

1. PAYE Parameters

Tab 1 – Tax Rates

Paydata. PAYE Parameters: Manor Farm

Tax Rates | Tax Bands | Tax Pointers

Non Scottish: Scottish:

No of Rates:

	Non-Scottish Rates (%)	Scottish Rates (%)
▶ Rate 1	10.00	19.00
Rate 2	20.00	20.00
Rate 3	40.00	21.00
Rate 4	45.00	41.00
Rate 5	0.00	46.00
Rate 6	0.00	0.00
Rate 7	0.00	0.00
Rate 8	0.00	0.00
Rate 9	0.00	0.00

OK Cancel Help

All of the Scottish Rates change. The No of Rates under Scottish will change to 5 after Rate 5 is entered

Tab 2 – Tax Bands

Paydata. PAYE Parameters: Manor Farm

Tax Rates | Tax Bands | Tax Pointers

Non Scottish: Scottish:

No of Bands:

	Non-Scottish Cumulative Bands	Non-Scottish Cumulative Annual Tax	Scottish Cumulative Bands	Scottish Cumulative Annual Tax
▶ Band 1	£0.00	£0.00	£2,000.00	£380.00
Band 2	£34,500.00	£6,900.00	£12,150.00	£2,410.00
Band 3	£150,000.00	£53,100.00	£31,580.00	£6,490.30
Band 4	£0.00	£0.00	£150,000.00	£55,042.50
Band 5	£0.00	£0.00	£0.00	£0.00
Band 6	£0.00	£0.00	£0.00	£0.00
Band 7	£0.00	£0.00	£0.00	£0.00
Band 8	£0.00	£0.00	£0.00	£0.00
Band 9	£0.00	£0.00	£0.00	£0.00

OK Cancel Help

All but one of the values change. The No of Bands under Scottish will change to 4 after the first entry is made in Band 4.

Tab 3 - Tax Pointers

Paydata. PAYE Parameters: Manor Farm

Tax Rates | Tax Bands | Tax Pointers

Non-Scottish 'G' Pointer:

Scottish 'G' Pointer:

Overriding Regulatory Limit (%): %

Maximum Tax Code covered by Tables:

[Collection of Student Loans:](#)

Plan Type:	Threshold (£):	Rate (%):
1:	<input type="text" value="£18,330.00"/>	<input type="text" value="9"/> %
2:	<input type="text" value="£25,000.00"/>	<input type="text" value="9"/> %

Date PAYE Parameters last changed officially:

There are 3 changes.

2. National Insurance and Other Parameters

Tab 1- Earnings Limits and Thresholds

Paydata. NI and Other Parameters: Manor Farm

Earnings Limits and Thresholds | Percentage Rates | Other Parameters

Annual

Lower Earnings Limit (LEL):

Primary Threshold (PT, ie EE Threshold):

Secondary Threshold (ST, ie ER Threshold):

Upper Earnings Limit (UEL):

Upper Secondary Threshold (UST):

Apprentice Upper Secondary Threshold (AUST):

All values change.

Tab 2 - Percentage Rates

Percentages	
Employee's Rate:	12 %
Employee's Reduced Rate:	5.85 %
Employee's Deferred Rate:	2 %
Employee's Rate above UEL:	2 %
Employer's Rate:	13.8 %

None of the values change.

Tab 3 – Other Parameters

Average Weekly Earnings	
£116.00 or more:	£92.05
Less than £116.00:	£0.00

Weekly Rate of SSP	
Weekly Rate of SSP:	£92.05

SSP Recovery Rate Percentage:	0 %
SMP Recovery Rate Percentage:	92 %
SPP Recovery Rate Percentage:	92 %
ShPP Recovery Rate Percentage:	92 %
SAP Recovery Rate Percentage:	92 %
Apprenticeship Levy Percentage Rate:	0.5 %
Annual Apprenticeship Levy Allowance:	£15,000.00
Date NI, SSP Parameters last changed officially:	06/04/2018

Three values change.

* SMP, SPP, ShPP & SAP Recovery Rate Percentages may be set at 103% if the employer qualifies for Small Employers Relief.

3. Auto Enrolment Thresholds and Triggers

Date	Annual Lower Threshold	Annual Upper Threshold	Annual Earnings Trigger	Minimum Total Contributions Percentage	Minimum Employer Contributions Percentage
06/04/2017	£5,876.00	£45,000.00	£10,000.00	2.00	1.00
06/04/2016	£5,824.00	£43,000.00	£10,000.00	2.00	1.00
06/04/2015	£5,824.00	£42,385.00	£10,000.00	2.00	1.00
06/04/2014	£5,772.00	£41,865.00	£10,000.00	2.00	1.00
06/04/2013	£5,668.00	£41,450.00	£9,440.00	2.00	1.00
06/04/2012	£5,564.00	£42,475.00	£8,105.00	2.00	1.00
06/04/2018	£6,032.00	£46,350.00	£10,000.00	5	2

A 7th entry is required for 2018-2019. You can use the yellow '+' on the Navigation Taskbar or arrow down to an empty line or click on an empty line and then make the entries. The new line will always be at the end. If you 'OK', then re-select the option, you will find the new line at the top.

Date	Annual Lower Threshold	Annual Upper Threshold	Annual Earnings Trigger	Minimum Total Contributions Percentage	Minimum Employer Contributions Percentage
06/04/2018	£6,032.00	£46,350.00	£10,000.00	5.00	2.00
06/04/2017	£5,876.00	£45,000.00	£10,000.00	2.00	1.00
06/04/2016	£5,824.00	£43,000.00	£10,000.00	2.00	1.00

Note that this is the first increase of Minimum Contribution Rates since the introduction of Automatic Enrolment. If you have any Pension Schemes setup that use AE Thresholds and are **NOT** flagged to use AE Minimum Percentages **YOU** must ensure that the rates in use in such schemes satisfy the above minimums after 6th April 2018.

Note also that it is the Pay Reference Period Start Date that dictates the line in this table that the assessments and calculations use. This is per the specifications issued by DWP to software providers which we must adhere to. Thus, it is more than likely that the first payroll run of the new Tax Year will use the previous years thresholds and rates. This is particularly noticeable on a monthly payroll where April's Pay Reference Period is likely to be 1/4/2018 to 30/4/2018. It may be advisable to check with your Pension Provider in advance as to the rates they are expecting you to use. If they are expecting the new rates immediately, and your schemes are setup to use AE Minimum Percentages, you can adjust the date for the new line to 01/04/2018 (or earlier if required) to force the new rates into use.

DISCLAIMER & NOTES

1. No responsibility can be accepted by Farmdata Limited for errors in the calculation of Income Tax or National Insurance deductions arising out of User's failure to maintain their computer tables properly. Neither can Farmdata Limited accept responsibility for errors arising from User's failure to implement program updates or previous payroll parameter changes at the designated times. As Employers, users receive official notification directly from the Inland Revenue of Statutory Payroll changes. These are your alerts that table changes are required in your payroll system.
2. Some of the above changes may be subject to Parliamentary Approval and Royal Assent. Confirmation of the rates will appear in the relevant contribution tables that all employers will receive before the changes come into effect.