

### H M Revenue & Customs Deadline Dates

|          |   |
|----------|---|
| April 6  | Start using the new National Insurance and Taxable Pay tables B to D from today. Also use correct employee tax codes for 2010/11. |
| April 19 | All PAYE/NIC/CIS for 2009/10 due to be paid by today to avoid any interest charges.   |
| May 19   | Last date for Employers Annual Returns (P35) to be submitted to avoid any penalties. All returns must be filed on-line.           |
| May 31   | Last date for giving a paper Form P60 to employees working for you at 5 April 2010.   |
| July 6   | Last date for Forms P11D to be submitted.   |

**INTEREST AND PENALTIES ARE PAYABLE IF THESE DEADLINES ARE MISSED.**

### INCORRECT CODING NOTICES

HMRC has sent out a large number of incorrect P2 tax coding notices to employees. HMRC aim to correct these before the start of the new tax year.

Employers must use the P9 Notice to Employers when processing payroll. If an employee thinks their tax code is wrong they should contact HMRC on 0845 3000 627 or [www.hmrc.gov.uk/incometax](http://www.hmrc.gov.uk/incometax)

### PAYROLL BUREAU CLIENTS

Please ensure that the yellow payslip booklets P30BC (2010) and ALL other payroll documents you receive from H M Revenue & Customs are sent to us immediately.

Tell us IMMEDIATELY when you have a new employee or as soon as an employee leaves. (It can be costly to make payroll corrections at a later date if earlier weeks have to be re-processed)

Tell us your employees' new address if they move house.

For those clients in the construction industry please arrange to forward any remaining CIS statements and/or documents for 2009/10 tax year as soon as you receive these as this will enable your tax payment to be reduced or increase any refund.

### 2010/11 - PAYE/National Insurance

The earnings threshold remains at £110 per week (£476 per calendar month).

A 2010/11 P11 card should be maintained for all employees earning £97 per week (£421 per calendar month) and over.

The PAYE emergency code remains at 647L WK1/M1.

SSP remains the same. The allowances for SMP/SPP and SAP have increased. Please refer to your new tables or telephone Sharon or Andy.

Tax Rates are as follows:

|                 |                         |
|-----------------|-------------------------|
| Basic Rate      | 20% upto £37,400        |
| Higher Rate     | 40% £37,401 to £150,000 |
| Additional Rate | 50% £150,001 and above  |

### STAFF PARTIES

HMRC are now implementing the Annual Event scheme rules very strictly. Care needs to be taken when planning any event. Check the regulations or contact us for guidance.

### WORKING TAX CREDIT

If you have low paid employees who work 30 hours or more they may be able to make a claim if they are:

- aged 25 or over
- earn up to £13,190 a year (£17,956 per couple)
- they do not have to have a child to make a claim.

## TAX SAVINGS

- A computer has now become an asset that we all need. Full tax relief can be claimed on this. Ensure the invoice is in your business name.
- Broadband bills should also be changed into your business name to receive full tax relief and re-claim VAT.

These have become essential now HMRC require forms to be filed on-line.

- Businesses can now pay for Health Screening for all or selected directors/employees without P11D implications.
- There is a Nil benefit charge for cars or vans propelled by electricity for 5 years from 2010-11.
- 100% first year tax allowance is available on qualifying low emission cars. A list of these can be found on our website:  
[www.shapcotts-accountants.co.uk/tax-news](http://www.shapcotts-accountants.co.uk/tax-news)
- 100% first year tax allowance is available on new electric vans from 1 April 2010.

## ONLINE FILING

If you do not currently use our Payroll Bureau Service and you require us to complete the P35 on your behalf, please contact Janet or Sharon no later than 9 April 2009.

### NEW PAYE PENALTIES MAKE SURE YOU PAY ON TIME

From tax periods starting after 5 April 2010 a late payment penalty will be charged on payments made after the due date. The monthly deadline for the payments is 19th of each month. Penalties will be charged after the end of the 2010/11 tax year. Letters for these will be sent in April 2011. You may not receive a letter every time you pay late. If for any reason you cannot pay on time you should contact HMRC before the payment falls due to discuss a time to pay agreement.

## FREE LEGAL HELPLINE

Most Clients will be aware of our Tax Investigation Service to cover our fees in the event of a Tax, PAYE or VAT enquiry. This year we have held the price at 2009 levels and increased the cover. This gives free access to a 24 hour, 365 day Business telephone helpline. This advisory line will advise you on:

- Employment and personnel
- Health and Safety
- Business legal Advice

If you would like any further details of this service please contact Janet or Jane.

## FILING FORMS ON-LINE

All businesses must now file the Employers Annual Return (P35) on-line. If you send it in on paper you may incur a penalty that can be up to £3000. You will also receive a further penalty if HMRC do not receive your return by the due date.

Employers with 50 employees or more already have to file certain forms on-line. From 2011 small businesses will start having to file online. Businesses should start to put plans in place and start filing P45's P46's on-line before it becomes compulsory.

## MOBILE TELEPHONES UPDATE

Company mobile telephones should be in the company name, not an individual's name. There should also be only one telephone per employee. If more than one telephone this will be treated as a benefit in kind.

## MILEAGE LOG

HMRC are insisting on the completion of mileage logs to record all business miles. If on a PAYE inspection or tax enquiry a mileage log is not available this may result in all mileage that has been claimed being disallowed resulting in additional tax and penalties.

## VAN FUEL BENEFIT CHARGE

This increases to £550 for 2010-11 onwards.

## HERE TO HELP

If we can be of any further assistance on any payroll matters please do not hesitate to contact Sharon or Andy. Our complete Payroll Bureau Service is available from a minimum cost of £6.75 plus VAT per week/month for up to 3 employees. For details of this service contact Janet Shapcott.

Celebrating 25 Years of Growth and Success

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