

# JTC NEWSLINE

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## Pensions - automatic enrolment

A step by step guide to help small businesses prepare for automatic enrolment has been launched by the Pensions Regulator. The online guide has been written for employers with up to 50 employees. It explains how to complete key tasks such as knowing when to be ready, providing a point of contact for the regulator, checking who needs to be enrolled and creating a plan of action. It includes information for Director only companies. Visit [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk) ■

## New digital services launched

Three new parts of the HMRC digital platform went live at the end of March. The new services are;

- **Your tax account:** A homepage summarising everything in one place.
  - **Digital self-assessment:** The taxpayer provides HMRC with their email address and after it has been confirmed and validated their tax information will be held online with correspondence emailed rather than sent by post.
  - **PAYE for employees:** This allows employees to check their tax codes, although currently it works only for company car information.
- Users access these services through [www.gov.uk](http://www.gov.uk) ■

## Common errors on P11Ds

- Submitting duplicate P11D information online and paper. Duplicates are sometimes different and cause problems.
- Using a paper P11D which relates to the wrong year. Check the top right hand corner for the tax year.
- Not ticking the Director box if a Director.
- Not including a description or abbreviation when amounts are included in sections A B L M or N of the form.
- Leaving the cash equivalent box empty when a figure has been entered in the corresponding 'cost to you' box of a section.
- Not advising HMRC by paper or online that there are no benefits in kind or expenses return to make.
- If a benefit has been provided for mixed business and private use then the full gross value not the private use proportion must be reported.
- Not completing the fuel benefit box/field where this should be done – amended P11Ds have to be sent later.
- Incorrectly reporting the dates that a car was available in the appropriate boxes – check and check again. ■

## PAYE Employers

HMRC have announced that employers can order forms P45 and P60 from the Revenue if they cannot produce them using their payroll software. This is particularly useful for employers using 'Basic Tools'. Employers who have yet to make their final full payment submission should now use the 'earlier year update' to show corrections for 2014/15. More information is available at [www.gov.uk](http://www.gov.uk) at FPS15. Remember that all employees who were working for you at 5 April 2015 and from whose pay tax was deducted should have received their P60 by 31 May 2015. ■

## Who has to do a self-assessment tax return and who does not?

The season of tax returns is upon us and it is important to know and send in a tax return if you are legally obliged to. The list is extensive but the main categories are as follows;

- Most Directors.
  - Where taxable income exceeds £100,000.
  - High-income child benefit charge is required.
  - If your PAYE code includes certain items such as professional subscriptions which exceed £2,500.
  - If other earnings exceed £2,500.
  - If you are self-employed, a partner in a business or a landlord.
  - If you receive untaxed income, or if you are in PAYE and your untaxed income is in excess of £2,500 and there is a tax liability.
  - If you have foreign income.
  - If you have savings or investment income of £10,000 or more.
  - If you have Capital Gains Tax to pay.
- If none of these apply to you but you are still asked to complete a return it may be worth asking HMRC why and getting yourself out of the automatic returns system. ■

## Holiday pay - CIJC

Following extensive negotiation with the CIJC signatory trade unions, revisions to the Working Rule Agreement have been agreed. This is to ensure that those using the NWRs comply with the new requirements resulting from the Employment Appeal Tribunal judgement in the Bear Scotland & Ors -v- Fulton & Ors case. Please contact Liz Bridge if you would like a copy [Liz@thetaxbridge.com](mailto:Liz@thetaxbridge.com). ■

Continued overleaf

**Paying taxes and penalties for late payment**

There is an inconsistency in the penalty regime for late payment of different taxes which means that VAT is the most important tax to pay on time. If money is short and choices have to be made **always** pay VAT. If money runs short and you cannot pay all of a tax bill, pay as much as you can.

Remember, always phone the HMRC Time to Pay unit before a due date to tell them of any difficulty meeting a tax deadline. Before and not after a deadline gives you the chance of avoiding a penalty. ■

**VAT thresholds**

These changed on 1 April 2015. The VAT threshold has increased from £81,000 to £82,000 and the deregistration threshold has increased from £79,000 to £80,000. Take care if you are paying subcontractors more than this in a year but they claim to not be VAT registered.

**Notice 700/11** Cancelling your registration has been updated to provide information on how to deregister for VAT online. ■

**New version of CT600 - the company tax return**

HMRC has introduced a new version of form CT600 which must be used for accounting periods after 1 April 2015. The old version must still be used for periods ending before this date or spanning it. The software developers are aware of the changes and are updating their online filing products. ■

**Guidance on PAYE reporting for employment intermediaries**

From 6 April 2015 employment agencies **must** return details of all workers they place with clients where they do not operate PAYE on payments to the workers. The returns must be sent to HMRC quarterly using the HMRC report template. The template and online service for the submission of reports are now available. The deadline for the first report which covers the period 6 April 2015 to 5 July 2015 is 5 August 2015. This report can be replaced and corrected until 5 November before penalties will be charged for an incorrect or incomplete report. There are penalties for incorrect or incomplete reports. HMRC published guidance on the details required for each worker on 6 April 2015. If you require a copy email **Liz@thetaxbridge.com** ■

**Peer to peer lending**

This is a new area in the UK and there is new legislation proposed allowing individuals operating as peer to peer lenders to offset losses from bad debts against other peer to peer income. The legislation is likely to come into force in April 2016 but to allow losses incurred from April 2015. ■

**Reinstatement of aggregates levy exemptions**

On 1 August 2013 the European Commission (EC) notified the UK Government that they were investigating certain Aggregates Levy exemptions. HMRC were obliged to suspend the exemption on the commercial exploitation of the materials under investigation. The Government indicated that it would reinstate all exemptions found to be lawful and refund any levy paid by businesses as a result of a suspension.

The EC have decided that the following exemptions were lawful:

**Clay, coal, lignite, slate, spoil from the separation of coal, lignite and slate, spoil from china clay extraction, anhydrite, ball clay, barites, china clay, feldspar, fireclay, fluorspar, fuller's earth, gems, semi-precious stones, gypsum, metal and the ore of any metal, muscovite, perlite, potash, pumice, rock phosphates, sodium chloride, talc and vermiculite.**

The EC found that the exemption covering shale was unlawful.

The decision is detailed and this is a summary. Email **Liz@thetaxbridge.com** for a copy of the full text. ■

**If you have any questions regarding any of the issues raised in this edition of Newsline please contact Liz Bridge.**

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