Global Payroll - Mid Year 2004-2005

This bulletin details Global Payroll developments in the first half of the 2004-2005 tax year and work planned for the second half of the year.

PROGRESS IN THE TAX YEAR TO DATE

Work on Global Payroll V7.1 to add year-end PAYE and Benefits in Kind processing for tax year 2004-2005 has completed to schedule and the software is now in the throes of Inland Revenue Payroll Standard accreditation testing which is progressing well. When the accreditation is complete, Global Payroll will be added to the list of accredited payroll software products and suppliers on the Inland Revenue web site.

Test submissions of EDI messages P3505 and P1405 have received the green light from the Revenue's Electronic Exchange Certification group and we have successfully transmitted a single part end of year P35/P14 test message to the Government Gateway. When formal approval for EDI submission is obtained, Global Payroll will be added to the list of PAYE Electronic Data Interchange software products on the Inland Revenue website.

Significant effort has been devoted to producing context sensitive On-line Help for Global Payroll in the style used for the Global 3000 V5.0 suite.

SCHEDULE FOR THE SECOND HALF OF THE YEAR

Year-end changes to V7.1 for tax year 2004-2005 will be released in the "V7.1 End of Year" service pack which will be issued once V7.1 is formally accredited to the Inland Revenue Payroll Standard. This is expected to occur during October 2004.

Obtaining formal accreditation to the payroll standard involves a site visit by the Inland Revenue Accreditation Team to check TIS Software support procedures and validate test results we have already submitted plus final approval of the EDI end of year messages.

Work will continue to establish or identify a suitable Service Routine to transmit a live single part end of year P35/P14 message.

The new context sensitive help will undergo quality assurance checking prior to its issue as an extension to the existing release.

Global Payroll V7.2 for tax year 2005-2006 will be developed to take into account budget changes coming into effect in April 2005. These include known items such as the change in the Student Loan threshold plus any variations the

Chancellor brings into play in the November mini-budget. A pilot scheme for Attachment of Earnings floated by the Department for Constitutional Affairs brought to our attention by a vigilant payroll user (many thanks) will be monitored for impact on the formal Employer's Handbook issued by the Court Service.

GOVERNMENT GATEWAY

A significant event in the coming year for many payrolls will be the move towards electronic communication with the Inland Revenue through the Government Gateway.

The Inland Revenue is working hard to make the transition from paper and magnetic media to electronic communication as painless as possible.

Nevertheless it is important to remember:-

1. The department has to provide services for individuals, organisations and agents for both in areas as diverse as self assessment, corporation tax and stamp duty in addition to PAYE,

2. It has to cope with three different electronic forms of communication (EDI, FBI and Direct Entry Online),

3. And, for payroll alone, the department has to cover four different categories of electronic communication (payment of tax, receiving in-year forms, sending in-year forms and filing end of year documentation)

In light of the problems that these complexities may cause, an additional target has been added to the payroll schedule for the second half of the tax year to create a "Global Payroll Step by Step Guide to Electronic Filing".

The guide will list in detail the steps involved and options available to companies that run their own Global Payroll software when moving to electronic communication with the Inland Revenue.

It will look also at the impact on companies employing agents to run their Global Payroll software and on agents who run Global Payroll.

The current intention is to issue the guide during the final quarter of 2004 after the V7.1 End of Year service pack has been released.