



Real Time Information

A guide to RTI for Mamut Payroll 2013/14

You can find videos on our YouTube Channel which will give you information about RTI and show you how to make RTI submissions.

Search '**QTAC RTI**' on YouTube for or visit <http://ow.ly/eLueL>



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Introduction

Welcome to our Real Time Information guide, which will explain what RTI is, what you will need and what you will need to do.

Rest at ease though because **we have tried to make the process as easy as possible for you**, so that in most cases processes will be automated or achievable with as few mouse clicks as possible.

We have been working directly with HMRC on implementing RTI, to make it as easy as possible for you to submit RTI to HMRC. We also have clients as part of the RTI pilot scheme.

Don't panic! It's easier than you might think.

What is RTI?

In April 2013 HMRC are introducing a new way of reporting PAYE (Pay as You Earn) called **Real Time Information (RTI)**.

RTI is being introduced to improve the operation of PAYE, which means **PAYE information will be collected more regularly and efficiently**.

This means that every time you pay your employees, be it weekly, 2 or 4 weekly, Monthly etc, you will have to submit the payroll information to HMRC.

MAMUT will collect the necessary information and send it, online, to HMRC. As a result HMRC are advised about PAYE payments throughout the year, rather than at the end of the year when you currently submit your returns (P35's and P14's).

How will this affect me?

The majority of UK employers will have to submit RTI – **you can use MAMUT1314 to submit this information for you, this guide will help take you through what to do**.

Most employers will start using the RTI service **from April 2013** and **all employers** will be routinely reporting PAYE in real time **before October 2013**.

What will I need?

You may need to collect information about employees that is critical to RTI. You will **not** be able to make RTI submissions to HMRC without:

- **Employee Data**

Surname, forename (not initials), **gender** and **date of birth** for **each employee**. The **address** is also mandatory for new starters but **not** existing employees. NI number is desirable; however not knowing the NI number for some of your employees will not stop submission to HMRC

- **Company Data**

You will need your government gateway 'User ID' and 'Password' (which you should already use to submit info to HMRC in MAMUT) as well as the company 'Accounts Office Reference' number

The User ID and Password will go into '**File by Internet**' > '**Setup**' and the Accounts Office Reference will go into '**Company**' > '**Company Maintenance**' and then the '**Tax & NI**' tab

Note: Make sure you run the RTI Data check report: '**Reports**' > '**Employee**' > '**RTI Data Check**'
– [this report helps identify any missing data you need for RTI](#)

When will I have to submit RTI?

You will be **legally required to use RTI from April 2013** with all employers' data being sent through RTI by October 2013. HMRC will tell you when your business needs to make this move.

It's important to start preparing now for RTI, and although RTI will be a highly automated process, with reporting to HMRC embedded into our payroll software, you will need to think about what RTI means for your organisation, so you need to start getting your employee detail together right away.

Terminology

RTI – Real Time Information

The term used to describe the changes to Payroll from April 2013. HMRC collect PAYE information as it happens in real time instead of at the end of the year.

FPS – Full Payment Submission

Sent every time employees are paid and closed, so every month for monthly, every week for weekly, every 2 weeks for 2 weekly etc. It is also used for alignment of data for companies with less than 250 employees.

EAS – Employer Alignment Submission

Used to align data with HMRC. It would only be submitted for employers with 250+ employees. If you have less than 250 employees then the EAS is submitted in your **first** FPS automatically.

EPS – Employer Payment Summary

If you have any recovery from statutory payments like SMP, OSPP, SSP etc or CIS deductions suffered then you would submit an EPS each month/quarter (depending on how you pay HMRC) to inform HMRC of a reduction in your liabilities.

An EPS would also be submitted if you have not paid any employees in a tax period, so that HMRC do not expect any payment from you. If you do not pay any employees, then you wouldn't submit an FPS and instead submit an EPS.

YTD – Year to Date

YTD figures are always submitted when sending an FPS or EPS to HMRC.

DPS – Data Provisioning Service

This is the system HMRC uses to send messages to MAMUT.

Irregular Payment Indicator

For any casual or occasional workers, particularly those who may not work for 13 weeks or more - This informs HMRC that the individual is still employed.

Payment after leaving Indicator

This is needed if an employee has appeared as a 'leaver' on an FPS but you need to pay them again.

Period of Inactivity

Used on an EPS to inform HMRC of periods where no employees or directors are paid.

A Guide to RTI in MAMUT

RTI submissions from MAMUT1314 are made via the Government Gateway in the same way as current submissions - End of Year (P35) and In-Year submissions (P45/P46).

If you have not been submitting online forms through MAMUT then you will need your government gateway '**User ID**' and '**Password**' which can be entered into '**File by Internet**' > '**Setup**' – this is the same user ID and password you use to log into the Government Gateway (www.gateway.gov.uk).

Note: Step by step flowcharts on these processes can be found on pages 10 and 11

Check your Employee Data

Run the '**RTI Data Check**' report, which can be found under the menu '**Reports**' > '**Employee**' > '**RTI Data Check**' - This will report any employees that have data that could be improved. If all the employee data is correct then a message 'All data has passed RTI validation checks' will appear. Congratulations!

Most importantly, any employee who is missing a date of birth needs to have one in order to be able to submit any RTI submissions. Do not make up a date of birth for the employee and do not use any default date either. An employee with no NI number must have at least one line of address.

In order to submit RTI an '**Accounts Office Reference Number**' for the company must be entered under '**Company**' > '**Company Maintenance**' > '**Tax, NI**'. Your Accounts Office Reference will be in this format '**123PA00012345**' (this reference is only an example and should not be used to make the submission). This reference can be found on the front of the P30BC Employer Payment Booklet that HMRC send you or on the P30B 'Paying PAYE Electronically' letter sent in place of a booklet.

Decide how you want to submit – 'User Options'

Every time employees are paid, a **Full Payment Submission (FPS)** should be submitted to **HMRC** and then at the end of the month/quarter (depending how you pay HMRC) an **EPS** should be submitted to inform HMRC of any reduction in liabilities or when needing to make a nil return. Submitting an FPS every pay period or an EPS (if needed) can be done in 3 different ways, which depend on your MAMUT '**User Options**' (Continued on page 7).

Setting your 'User options'

On the main screen of the payroll, where you have the company name in the drop down menu, next to the 'New Employee' button, there is a 'User Options' button. Click this button and you will see the 'RTI Options' section:

RTI Options Disable RTI Submission User Interface <input checked="" type="checkbox"/> Hide "View XML Messages" <input checked="" type="checkbox"/>	RTI after payslip <input type="radio"/> Take no action <input type="radio"/> Create FPS XML <input checked="" type="radio"/> Submit FPS XML	RTI after P32 print <input type="radio"/> Take no action <input type="radio"/> Create EPS XML <input checked="" type="radio"/> Submit EPS XML
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Note: The 'RTI after payslip' and 'RTI after P32 Print' options will have been set to 'Submit FPS XML' and 'Submit EPS XML' by default. You can change these settings permanently on the above 'User Options' screen.

- **Take no action**

If you select 'Take no Action' then you will need to manually submit the FPS/EPS submissions. An FPS/EPS can be submitted manually via 'File by Internet' > 'Submit to HMRC'

- **Create FPS XML and Create EPS XML**

This will allow you to schedule submissions later on. If you select 'Create FPS/EPS XML' then after you print/print preview the payslips/P32 Reports for closed employees then the FPS/EPS will be built and will need to be submitted to HMRC manually through MAMUT using the 'File by Internet' > 'Schedule Submission' screen

- **Submit FPS XML and Submit EPS XML**

The default setting for each option. 'Submit FPS XML' will cause the FPS to be submitted immediately after you print/print preview payslips for closed employees

'Submit EPS XML' will cause the EPS to be submitted immediately after you print/print preview a P32 Report. **Note:** It is possible to change this setting on a one off basis before you print/print preview the payslips/P32 Report

You also have two tick boxes on this screen: 'Disable RTI Submission User Interface' hides any RTI submission polling screens. 'Hide view XML messages' will hide any prompts asking if you'd like to view the XML file before submitting.

If you want MAMUT to submit RTI automatically but still wish to run the payslips or P32 report for checking, then we advise to **PRINT PREVIEW** the payslips and P32 Report **BEFORE** closing the employees for the pay period. Once you are happy with the payslips and the figures, if you then close the employees and then run the payslips and P32 again the FPS and EPS submission will then be automatically sent to HMRC.

The First Submission

Employee Alignment with HMRC

The very first submission you make depends on the amount of employees you have in a company. HMRC must be informed of the employees in each company to allow them to correct their records relating to your employees. Employees not submitted will be regarded by HMRC as having left your employment.

Companies with LESS than 250 employees

The first FPS submission sends employee alignment details to HMRC. Before submitting an FPS you will need to **pay** and **close** the employees for the first pay period of the year. **This first FPS will inform HMRC of all the employees in the company**, regardless of their pay frequency, and whether they have left, or not yet been paid.

Companies with 250+ employees

An EAS (Employer Alignment Submission) will need to be submitted first before any other submissions. The alignment of employee data will be done by submitting an EAS. Once the EAS has been submitted you can pay and close the employees for the first pay period and then submit an FPS.

To submit an EAS and FPS go into '**File by Internet**' > '**Submit to HMRC**'.

If there are any data errors that would be rejected by HMRC, an anomaly report will be created and the submission will not be allowed to continue until those data errors are corrected. **This only applies to the first submission.** The RTI Data check report will inform you of any data issues.

After the first Submission and Going Forward

Once the **first** FPS submission has been successfully received by HMRC, and the success response obtained by the MAMUT Software, **FPS submissions should be made every time you pay your employees – so every week/month.**

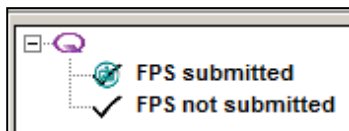
Note: EVERY TIME EMPLOYEES ARE PAID, AN FPS WILL NEED TO BE SUBMITTED TO HMRC.

If a company has both weekly and monthly employees, an FPS should be submitted every time the weekly employees are paid and **a separate FPS** should be submitted every time the monthly employees are paid.

(Continued on Page 9....)

These submissions will contain the separate weekly/monthly employees and any starters/leavers that have been set since the last FPS submission - for more info on processes with starters and leavers, see page 12.

When an FPS has been successfully submitted for an employee they are indicated in the tree-view with a tick to indicate they are closed with an HMRC Crown stamp.



Important note: If you back process an employee, if you have already submitted an FPS for them, then you will need to submit a new FPS submission for that employee. When the employee has been re-processed and closed again you can submit that single employee FPS pay record by **right-clicking** the employee and selecting '**Submit RTI FPS**'.

Informing HMRC of reduction in liabilities (if any)

Once you have submitted the FPS, if the employer liability (what you owe the HMRC in that month/quarter depending on how you pay HMRC) is reduced because you are **recovering statutory recovery (SMP/OSPP/ASPP/SAP Recovery) and NIC compensation (Small employer relief)** then HMRC should be informed before the payment due date by submitting an **EPS** which contains the total reductions in liability for the company for the tax year to date.

Note: You do not need to submit an EPS if there isn't any recovery for statutory payments or CIS Deductions Suffered

How to submit an EPS

Depending on the 'User Options' you have set, either print your P32 report under '**Reports**' > '**Pay Period**' > '**P32 Report**' when employees have been closed for the period or manually submit the EPS under '**File by Internet**' > '**Submit to HMRC**'.

Under RTI HMRC can calculate the Tax and NI contributions withheld from employees and the employer NI contributions due, this means they will expect a payment every month or quarter of the total Tax and NI contributions.

Note: You would also submit an EPS if you have not paid any employees in the pay period

Step by Step RTI Flowcharts

The 4 flowcharts on page 10 and 11 will help you through '**Setting your User Options**', '**Setting up and Submitting RTI for the first time**', '**Submitting an FPS each Pay Period**' and '**Submitting an EPS each Month/Quarter**'.

QTAC RTI: Setting your 'User Options'

You must set your **User Options** in the payroll - they will determine how RTI submissions are sent to HMRC:
Click the '**User Options**' button on the main payroll screen next to the 'New Employee' button.

You can set an option for FPS and EPS separately. An FPS can be sent automatically when printing payslips for closed employees.
An EPS can be sent automatically when printing a P32 Report. Both can be sent manually if you prefer.

RTI after Payslip

'Take no action'

You can manually submit an FPS through the payroll later under:
'File by Internet' > 'Submit to HMRC'

'Create FPS XML'

This will build the FPS XML allowing scheduling of submissions later under 'File by Internet' > 'Schedule Submissions'

'Submit FPS XML'

When print previewing or printing payslips for closed employees – the FPS will automatically be submitted to HMRC

RTI after P32 Print

'Take no action'

You can manually submit an EPS through the payroll later under:
'File by Internet' > 'Submit to HMRC'

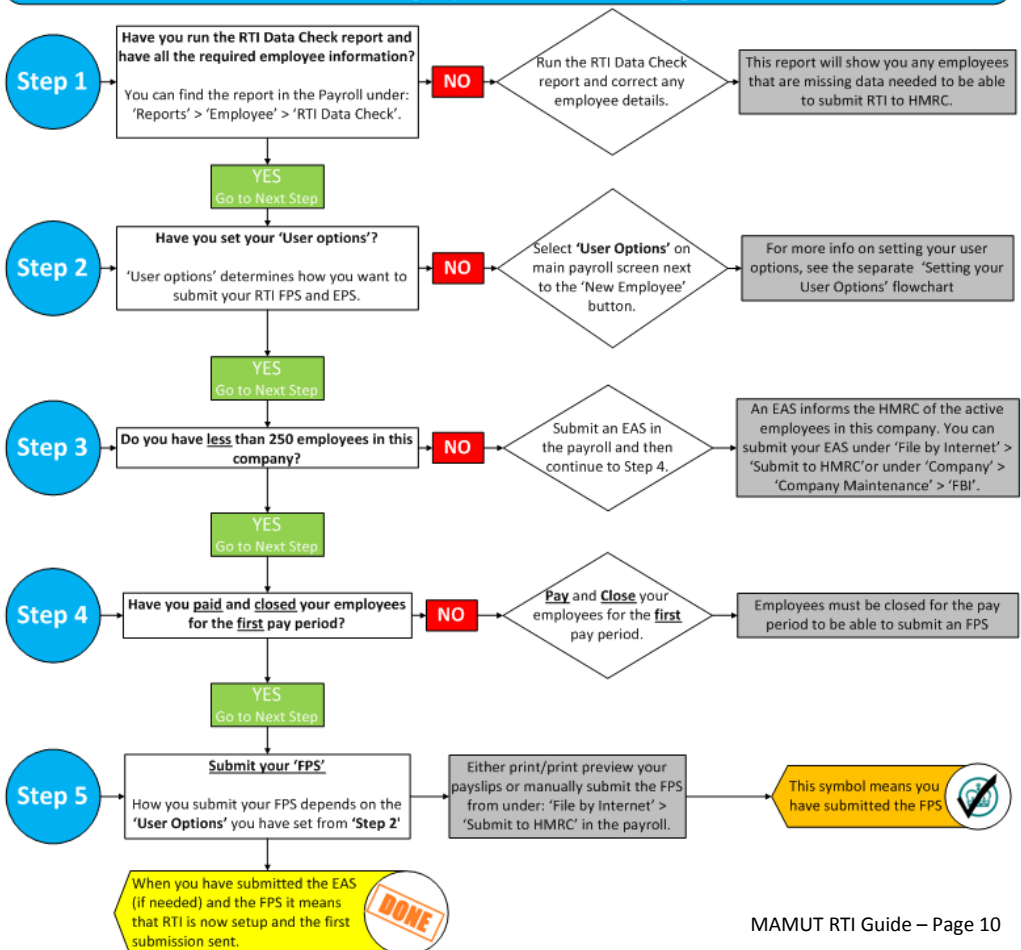
'Create EPS XML'

This will build the EPS XML allowing scheduling of submissions later under 'File by Internet' > 'Schedule Submissions'

'Submit EPS XML'

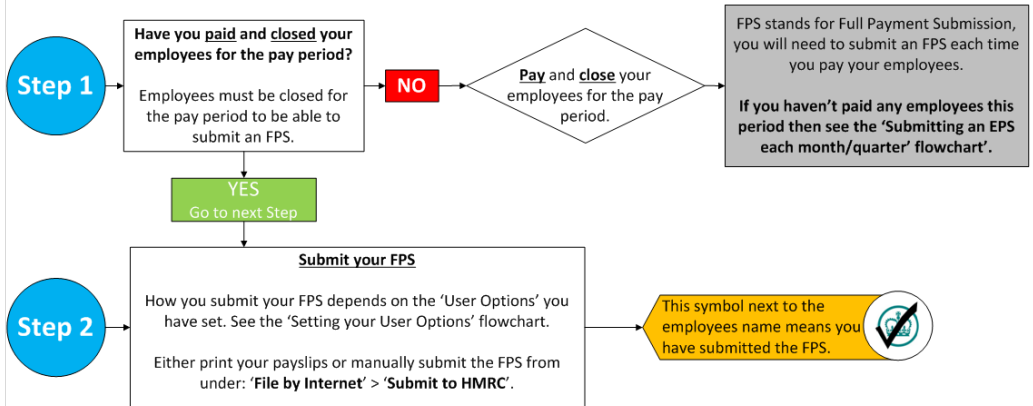
When print previewing or printing the P32 Report – the EPS will automatically be submitted to HMRC (if applicable)

QTAC RTI Flowchart: Setting up and Submitting RTI for the first time



QTAC RTI Flowchart: Submitting an FPS every Pay Period

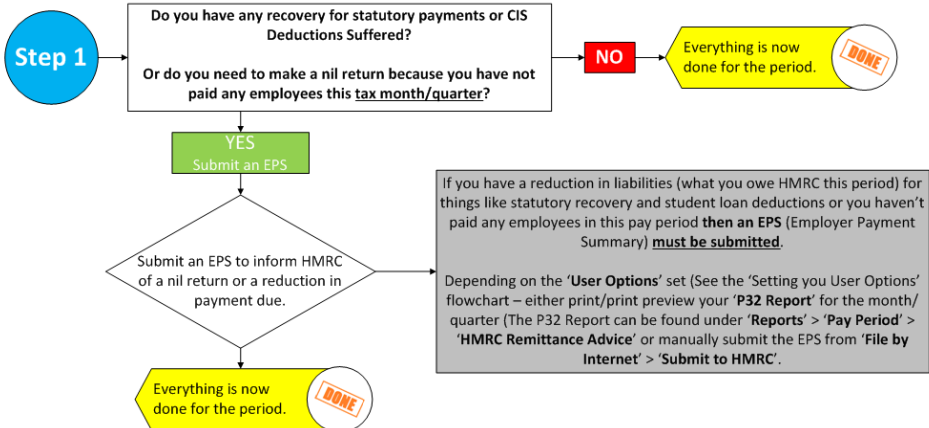
AFTER SUBMITTING RTI FOR THE FIRST TIME, YOU CAN FOLLOW THIS FLOWCHART EVERY PAY PERIOD



QTAC RTI Flowchart: Submitting an EPS each Month/Quarter

Depending on how often the company pay HMRC, either monthly or quarterly, you MAY need to submit an EPS submission.

If the company has any statutory recovery pay (recovery for Sick/Maternity/Paternity/Adoption payments), CIS Deductions Suffered against the company or that you have not paid any employees in this month/quarter then you will need to submit an EPS at the end of the month or quarter (again, depending on how often the company pay HMRC)



Changes to Starters and Leavers

Currently a P45 (3)/P46 would have to have been submitted electronically to HMRC when an employee joins a company and a P45 (1) submitted if an employee left the company through the software - these processes will change in MAMUT1314 due to RTI.

Note: Any starter or leaver details will be sent to HMRC automatically when submitting the next FPS after the employee(s) have joined/left the company.

▪ Leavers

When an employee leaves the company you need to set them to be a leaver by going into 'Employee Maintenance' > 'Personal' and changing the 'Payroll Status' from 'Active' to 'Left' and then entering in a 'Date Left', click 'Save' and 'Close'.

Note: You still need to print out P45's to give to the employee when leaving

▪ Starters

When an employee joins a company, **even when they provide you with a P45, a P46 declaration is still required under RTI** when setting up the employee in the payroll.

If an employee joins and provides a P45 then you would enter the P45 details under 'Employee' > 'Employee Maintenance' > 'Tax and NI' in the 'Previous Employment P45 Pay and Tax' section.

The previous employer details are not required under RTI and can be left blank. When you click 'Save' any new employee that has a start date within the current tax year you will be prompted to enter P46 details, whether P45 details have been entered or not. A P46 starter declaration is mandatory within the FPS for a new employee.

Remember: The next time you submit the company FPS - the starter/leaver details would be transmitted to HMRC automatically.

FAQ's

Q: What is RTI and when does it take effect?

A: RTI stands for Real Time Information – which means you will submit payroll information to HMRC every time you pay the employees. RTI will take effect from April 2013, so the 2013/14 tax year.

Q: What's the first thing I need to do?

A: Run the RTI Data Check Report under 'Reports' > 'Employee' > 'RTI Data Check' and get your employee data together. This data is needed to submit RTI to HMRC.

Q: Then what do I need to do?

A: If you have more than 249 employees in a company, then you will need to submit an EAS to 'On-board' the company for RTI with HMRC. If do not have more than 249 employees then you will only need to pay and close the employees for the first pay period and submit an FPS – any EAS information to 'On-board' with HMRC will be included in the FPS submission.

Q: I've just paid my employees, what do I do now?

A: If you've paid and closed the employees then you will need to submit an FPS and then at the end of the month/quarter (depending on how you pay HMRC) if you have any statutory recovery or CIS deductions suffered, submit an EPS for the month/quarter.

Q: I haven't paid any employees this pay period, do I need to submit an FPS?

A: No. You would submit an EPS instead – an EPS would only be submitted each month/quarter – depending on how you pay the HMRC.

Q: I don't have any recovery (for SSP/SMP/OSPP etc) or CIS Deductions Suffered this month/quarter - do I need to submit an EPS?

A: No. If there is no recovery or CIS Deductions Suffered then no EPS needs to be submitted.

Q: I have statutory recovery (for SSP/SMP/OSPP etc) or CIS Deductions Suffered this month/quarter - do I need to submit an EPS?

A: Yes. If there is a reduction in the liability you owe HMRC due to statutory recovery or CIS Deductions Suffered then an EPS needs to be submitted.

Q: I have an employee that has left, do I still need to submit the P45 electronically and print out a P45 (1)?

A: When an employee leaves an employment then HMRC should be informed – the P45 will be submitted automatically for the employee(s) in the next FPS after the employee has left. You still to print out a P45 and to give to the employee(s).

Q: I have an employee who has joined the company, do I still need to submit the P45 (3)/P46 to HMRC?

A: When an employee joins an employment then HMRC should be informed. After entering the P45 details/selecting the P46 option, the P45 (3)/P46 will submitted automatically for the employee(s) in the next FPS to HMRC.

Q: I've submitted the FPS but I paid someone incorrectly and need to back process

A: If you have already submitted an FPS for that period and then back processed an employee, then after re-processing them you will need to submit an FPS for that individual employee. Simply **right click** them and select **'Submit RTI FPS'**.

Q: The option 'Submit RTI FPS' is greyed out when right clicking the employee's name?

A: This will be because you haven't yet 'On-boarded' the company for RTI and submitted your first submission **or** that the employee(s) have just to be paid and closed for the pay period **or** that you have already submitted an FPS for a pay period.

Q: Do I need to submit a P35 at the end of the 2013/14 tax year?

A: Not a P35 in the format you currently send. Because you will be submitting FPS and perhaps EPS documents throughout the year, the HMRC will know the employee and employer liabilities of each pay period. You will however have to submit a P35 Declaration done so in the final FPS submission.

Q: I currently submit CIS submissions through the payroll, do I need to do anything different?

A: No. There are no changes to the way Subcontractors are paid and submissions made through MAMUT. RTI is only for PAYE.

How to

Run the RTI Data Check Report

In the payroll, go into **'Reports' > 'Employee' > 'RTI Data Check'**.

Set your 'User Options'

On the main screen of the payroll, to the right of company name in the drop down menu, next to the 'New Employee' button there is a **'User Options'** button. You can make your selection on how you want to submit your FPS and EPS submissions.

Submit an EAS

You would only submit an EAS if a company has 250+ employees. To submit an EAS manually, go into **'File by Internet' > 'Submit to HMRC'** or into **'Company' > 'Company Maintenance' > 'FBI' >** and click **'Submit EAS'**.

Submit an FPS

Depending on your 'User Options' either print your payslips after paying and closing the employees or manually submit the FPS under **'File by Internet' > 'Submit to HMRC'** or by going into **'Company' > 'Submit RTI FPS'**.

Submit an EPS

Depending on your 'User Options' either print your P32 report under **'Reports' > 'Pay Period' > 'P32 Report'** or manually submit the EPS under **'File by Internet' > 'Submit to HMRC'**.

No Employees being paid

If you have no employees in a company, or no employees being paid in a period then the **first** RTI submission you do is different.

- **BEFORE 6th May 2013 – Future Period of Inactivity**

You must submit an EPS (under 'File by Internet' > 'Submit to HMRC') and enter in a 'Future Period of Inactivity' from May 2013 to whichever period you foresee paying employees. For example if you aren't paying employees for 6 months, then you can select 'October 2013' – so HMRC know not to expect any RTI submissions for the company in that period. If you later pay employees in this period of inactivity then you can still submit RTI submissions to HMRC.

Period of inactivity

Select option

☐ Submit no employees for month

Month
1

☒ Submit future inactivity period

From To

May 2013 May 2013

☐ Submit earlier inactivity period

From To

Submit Cancel

You submit a Period of Inactivity when submitting an EPS submission under 'File by Internet' > 'Submit to HMRC' > 'EPS – Employer Payment Summary (P32)'

- **AFTER 5th May 2013 – Earlier Period of Inactivity**

Once you have submitted the future period of inactivity (detailed above) you can submit an EPS with an 'Earlier Period of Inactivity' for April 2013 if no payments have been made in April 2013/there are no employees in April 2013.



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