

Year-end payroll processing checklist

As an employer, you'll know that paying your people is an important responsibility. So with the UK payroll year-end fast approaching, we've put together this payroll processing checklist to help you meet the calendar deadlines.



Step 1. Check when your payroll ends



Most payrolls run on a monthly pay frequency. If this is you, then you can skip this step. You'll only need to check when your payroll ends if you process payroll weekly, every two weeks or every four weeks, as opposed to monthly, or if your usual processing deadline falls on 5 April in any year or 4 April on a leap year.



Step 2. Ensure leavers and starters are processed



Next, you need to account for any new or leaving employees. While you probably processed leavers and starters when they joined or left, payroll year-end is a good time to check everything is in order. Check your employees are all up to date. This needs to happen before you submit your Full Payment Submission (FPS) or Employer Payment Summary (EPS).



Step 3. Process the year-end payroll



Once you've clarified your final payroll end date, accounted for any starters or leavers, and got all the relevant forms ready, you're ready to finally process your year-end payroll. The normal payroll calendar deadline for submission of your FPS



Step 4. Generate P60 and P11D reports



As an employer, there are a lot of key forms you need to generate and send out to both your employees and the government at the end of the tax year. Two of the most important forms for the payroll year-end are P60s and P11Ds. By 31 May, you need to send a P60 to all employees who are employed by you on 5 April. You'll also need to produce a P11D form for each eligible employee and send it to HMRC by 31 July.



Step 5. Get ready for the new tax year



As one tax year ends, another begins. With this in mind, it makes sense to get ready for your next payroll year now. Think of your end-of-year and start-of-year tasks as one overall process instead of two. First, ensure the tax codes for the new tax year are correct. Then you can set your employees up for the next year of payroll.