



# IRIS Payroll Basics

Release Notes

Version: 22.80

IRIS. Look forward

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## Release Notes

Welcome to your software update for the 2022/2023 tax year. This update includes new features, enhancements, and any necessary legislative changes. You will find information on all software improvements in this document. For detailed information on legislative changes, click [here](#). If you encounter any difficulties, please visit: [www.iris.co.uk/contactus](http://www.iris.co.uk/contactus)

## IRIS Payroll Basics 2022 Release 22.80

### National Insurance

On the 23<sup>rd</sup> September 2022, the Government announced that from 6<sup>th</sup> November 2022, the 1.25% Health and Social Care Levy added to National Insurance Contributions for the 2022/2023 tax year is reversed, and the NI contribution rates lowered to their previous percentage rates.

Directors' NI contribution rates will differ from employees' NI rates and will use an average rate from 6<sup>th</sup> November 2022.

From 6<sup>th</sup> November 2022, there will be three sets of National Insurance parameters for the 2022/2023 tax year. Those used for pay periods between 6<sup>th</sup> April 2022 and 5<sup>th</sup> July 2022, those in use between 6<sup>th</sup> July 2022 and 5<sup>th</sup> November 2022, and those in use between 6<sup>th</sup> November 2022 and 5<sup>th</sup> April 2023. These National Insurance parameters apply to the tax year 2022/2023 only.

The National Insurance Contribution rates in use on the actual pay date apply when calculating employees' National Insurance when paying employees in advance, e.g., for holidays or paying employees late, including new starters.

We have updated the software to reflect the changes to NI.

### Payslip Message

For the 2022/2023 tax year, HMRC recommended that a message be included on your employees' payslips to advise that the Health and Social Care Levy was added to National Insurance contributions. From 6<sup>th</sup> November 2022 onwards, the payslip message is no longer required.

### Employee Verification Connector

We have integrated an API-based **Employee Verification Connector (EVC)** into the system as part of our partnership with Experian.

The Employee Verification Connector works with Experian Work Report and this service is fully compliant with GDPR and the Information Commissioners Office (ICO) guidelines.

This is how the process works:

1. Minimal payroll-specific data is sent from the software to IRIS' holding database at the point of sending an FPS.
2. An employee applies for a mortgage, personal loan, tenancy agreement etc using a third party, e.g., their bank. This triggers a verification request to Experian.
3. Experian connects to the IRIS database to verify the employee's data.

For example, an employee applies for a loan through their bank and completes an application. The bank will then contact Experian to verify the information. Experian then connects to IRIS Employee Verification Connector to verify the data.

## Opt-in/Out of the EVC Process

In **Admin**, we have added a new **Employee Verification** menu which opens a **Management Dashboard**. Here you can opt your payroll companies in or out of the EVC process.

EARNIE - 22.60.22 - Admin  
File Operators/Groups Licence Log Employee Verification Help

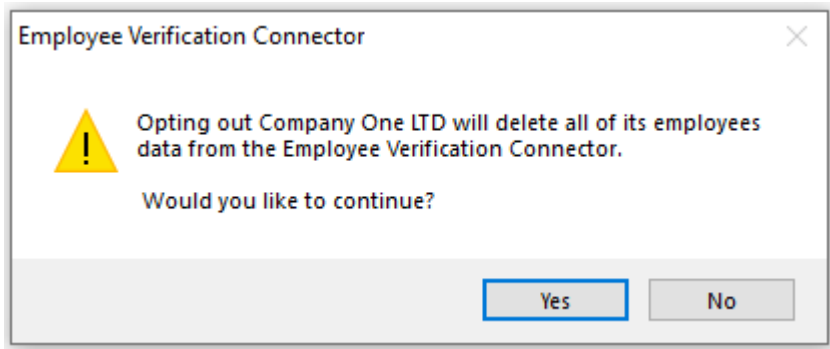
IRIS Employee Verification

### Management Dashboard

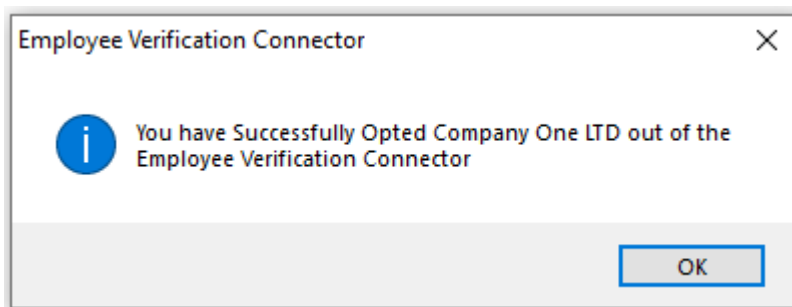
Company Name	PAYE Reference	Employee Count	Status	Action	Last Changed
Company One LTD	/	99	Opted In	Opt Out	26/08/2022 13:31:44
Company Two Limited	002/Q1	0	Opted Out	Opt In	26/08/2022 09:02:54
First Company Inc	002/Q1	150	Opted Out	Opt In	26/08/2022 13:05:32
Furlough Test Company	002/Q1	2	Opted In	Opt Out	26/08/2022 08:55:33
Furlough Test Company Two	002/q1	2	Opted In	Opt Out	26/08/2022 08:55:33
New Test	/	0	Opted In	Opt Out	26/08/2022 08:55:34
Now Pensions	002/Q1	1	Opted In	Opt Out	26/08/2022 08:55:33

IRIS | Employee Verification Close

Select **Opt Out** to remove a company from the **Employee Verification**. This opens a pop-up window asking you to confirm:

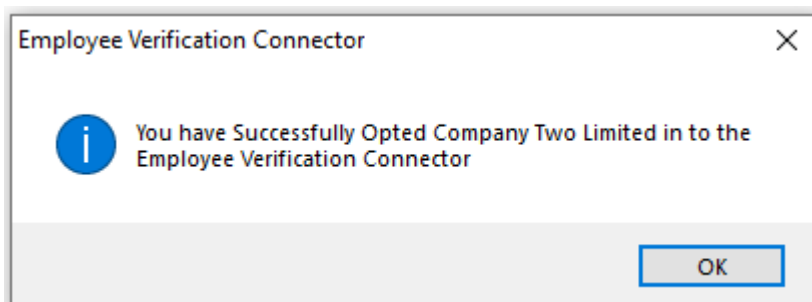
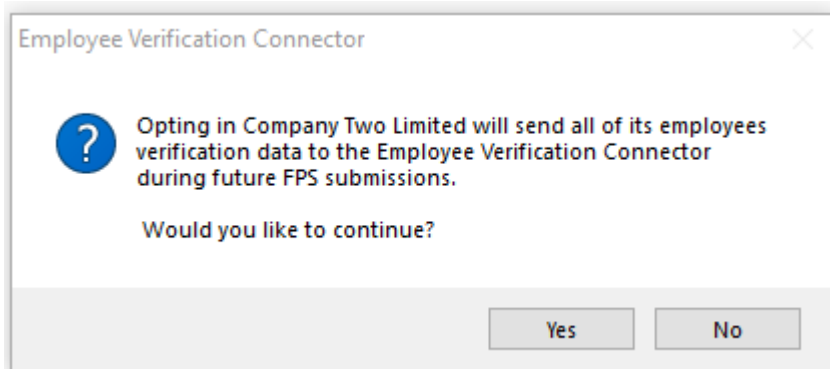


After processing, a confirmation pop-up displays:



The **Status** on the **Management Dashboard** then shows as Opted Out.

If the employer later decides to Opt back in, you can select **Opt In** which generates this message:



## myePayWindow

### Holiday Type

We have resolved an issue found when publishing to myePayWindow and the incorrect holiday type displayed.

### Link to myePayWindow indicator

On **Pension > Auto Enrolment Configuration Tool > 3. Contact details of the pension administrator at your company** and **Pension > Configure Auto Enrolment > Pensions**, we have renamed the **Link to OpenEnrol** indicator to **Link to myePayWindow**.

**Note:** On the **Company** menu, you must first select **Use myePayWindow** for the indicator to display.

### myePayWindow Login

On the **Pension** menu, we have added a **myePayWindow Login** item.

## Legislation Site

Visit our newly launched **Legislation** site, which contains important information relating to payroll legislation.

## IRIS Payroll Basics 2022 Release 22.30

### NI Primary Thresholds

From 6 July 2022, new primary thresholds will be introduced for National Insurance, which means during the 2022/2023 tax year, there will be two sets of NI parameters. The first set applies to pay periods from 6 April 2022 to 5 July 2022, and the second for pay periods from 6 July 2022 to 5 April 2023.

**Note:** The two sets of National Insurance parameters only relate to the 2022/2023 tax year

### Director NI Thresholds

The annual Primary Threshold for Directors is £11,908 and differs from the standard threshold of £12,570. This threshold is effective for the duration of the 2022/2023 tax year. Directors using the annual method will use the new pro-rata annual Primary Threshold of £11,908 for pay periods with a pay date from 6 July 2022 to 5 April 2023.

Directors using the alternative method will use the new period Primary Threshold for pay periods with a pay date from 6 July 2022 onwards. The Primary Threshold of £9,880 will apply for pay periods with a pay date from 6 April 2022 to 5 July 2022 for Directors, as permitted by HMRC.

## Examples

### Director – Annual Method

The table below shows annual Director NI calculations from the beginning of the 2022/2023 tax year.

Month	Pay Date	Gross	EE's Period	EE's YTD	ER's Period	ER's YTD
1	25/04/2022	10000.00	15.90	15.90	135.45	135.45
2	25/05/2022	10000.00	1325.00	1340.90	1505.00	1640.45
3	25/06/2022	10000.00	1325.00	2665.90	1505.00	3145.45
4	25/07/2022	10000.00	1056.29	3722.19	1505.00	4650.45
5	25/08/2022	10000.00	1325.00	5047.19	1505.00	6155.45

**Note:** The reduced employee NI in month 4 is because the primary threshold of £11,908 is applied.

### Weekly Paid Employee

The table below shows weekly National Insurance calculations before 5 July 2022 and from 6 July 2022 for an employee with their NI rate set to A. The table also shows the NI calculations for an employer.

	To 05 July 2022	From 06 July 2022	Whole Year
<b>Gross Ni-able Pay</b>	Employee NI	Employee NI	Employer NI
<b>190.04</b>	0.00	0.00	2.26
<b>190.05</b>	0.01	0.00	2.26
<b>242.04</b>	6.89	0.00	10.09
<b>242.05</b>	6.90	0.01	10.09
<b>242.06</b>	6.90	0.01	10.09
<b>242.07</b>	6.90	0.01	10.09
<b>242.13</b>	6.91	0.02	10.10
<b>967.00</b>	102.95	96.06	119.20
<b>1000.00</b>	104.02	97.13	124.17



## Print Tax NI Pension Parameters

The **Print Tax NI Pension Parameters** report now includes two sets of NI thresholds for the 2022/2023 tax year, as well as:

- A new title below **Tax Year 2022/2023 National Insurance Rates** labelled **Thresholds in use 06 April 2022 to 05 July 2022**
- A new title and table containing the new threshold labelled, **Thresholds in use for 06 July 2022 to 05 April 2023**
- A new **Director's Annual Threshold £11,908** bullet point

## OpenPayslips

We have resolved an issue found when attempting to publish a P45 to OpenPayslips.

## IRIS Payroll Basics 2022 Patch Release 22.11

### Employment Allowance

Employment Allowance will increase to £5000 for the 2022/2023 tax year.

If you have completed year-end and moved into the new tax year, the system will automatically increase your Employment Allowance from £4000 to £5000.

### Publishing P45s to OpenPayslips

We have resolved a publishing issue some users experienced when sending P45s to OpenPayslips.

### Employee Selection Options

On the **Employee | Select Employee | Configure | Employee Selection Options** screen, we have fixed an error that occurred when removing the **NI Number** from the grid, adding an **NI Rate**, and selecting the **OK** button.

# IRIS Payroll Basics 2022 Release 22.10

## PAYE Legislation

### National Insurance

#### NI Holidays for Veterans NIC Relief

In April 2021, HMRC introduced legislation allowing employers to claim a reduction in the Employer National Insurance paid for qualifying veterans in their first year of civilian employment after leaving the regular armed forces. From the 2022/2023 tax year onwards, you can process this relief in real-time through RTI.

To allow employers to claim the NI reduction from the 2022/2023 tax year, HMRC has introduced a NI category letter V and the Veteran's Secondary Threshold (VUST).

If claiming this relief for veterans from April 2021 to March 2022, HMRC requires you to pay the Employer National Insurance contributions as usual and then claim them back retrospectively from April 2022 onwards.

#### Freeport Employer's NIC Relief

From April 2022, employees in their first three years of freeport employment will qualify for reduced Employer National Insurance contributions. Following this, HMRC has introduced NI category letters F, I, S and L and the Freeport Upper Secondary Threshold (FUST) for the 2022/2023 tax year onwards.

To qualify for the relief, employees must not have been employed by their current employer, or a connected employer, in the previous 24 months.

#### NI Rates

The system now includes the following rates:

- V – (standard category for Veterans)
- F – (standard category for employees working in a Freeport)
- I – (Married women and widows entitled to pay reduced NICs working in a Freeport)
- S – (Employees over state pension age working in a Freeport)
- L – (Employees entitled to deter paying full NI rate working in a Freeport)

#### Employee Details

Updates to the **Employee | Employee Details | Tax/NI** tab include:

- Two new fields within the **National Insurance** frame:

- **Veteran Date** and
- **Working in a Freeport**
- The **NI Rate** drop-down now includes letters V, F, I, S and L

**Note:** The **Working in a Freeport** field automatically selects when setting the NI rate to F, I, S or L and cannot be unticked.

## Import /Export

On the **File | Import Data/Export Data | Fields** tab, below **Date of Birth**, a new **Date of veteran's first civilian employment** option displays, and under **Worker Status**, we have added a **Working in a Freeport** field.

## Employee Record

On **Reports | Print Other Reports | Employee Record Card, Preview**, we have added two additional options, **Veteran Date** and **Working in a Freeport**.

## P11 Report

We have made the following changes to the P11 report:

- Earnings 1a is now Earnings to LEL
- Earnings 1b is now LEL to PT
- Earnings 1c is now PT to UEL

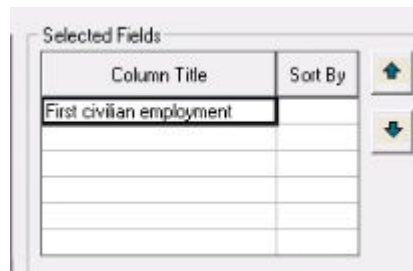
## Payroll Preview

On **Payroll | Do/Redo Payroll | Preview | Pay Preview**, a new **Breakdown of NI Earnings** label displays for veterans, employees working in a freeport and those aged under 21 and 25. Clicking on this label gives you a full breakdown of the employee's NI earnings and includes FUST and VUST calculations, where applicable.

## Quick Report Writer

On **Reports | Quick Report Writer | Fields | Main**, in the **Standard** section, we have included a new option below **Date of Birth** labelled, **Date of veteran's first civilian employment**. Also, within the **Auto Enrolment | Main, Standard** section, we have added an option under **Worker Status** labelled **Working in a freeport**.

**Note:** When selected, the **Date of veteran's first civilian employment** field will display in the system as **First civilian employment** and **Working in a Freeport** will show as **Freeport**.



Column Title	Sort By	
First civilian employment		

## Select Employee

On **Employee | Select Employee | Configure | Fields to Display | Employee Fields**, under **Date of Birth**, we have included a **Date of veteran's first civilian employment** field and below **Title**, a new **Working in a freeport** option now displays.

## Filter

The filter function now has two additional options. Below **Date of Birth**, we have added a **Date of veteran's first civilian employment** field. Under **Worker Status**, we have included a **Working in a Freeport** option.

## Health & Social Care Levy

### Payslip Options

On 7 September 2021, the Government announced plans to introduce a 1.25% Health & Social Care levy. Following this, during the 2022/2023 tax year, National Insurance Contributions (NICs) will increase by 1.25% for working-age employees, the self-employed and employers. From April 2023, the Health & Social Care levy will be effective and will include the groups listed above and anyone working above State Pension age. National Insurance Contribution rates will return to 2021/2022 levels in April 2023.

HMRC advises all employers to inform their employees about the 1.25% NIC increase for the 2022/2023 tax year.

## Student/Postgraduate Loan Thresholds

In line with legislation for 2022/2023, we have updated the annual thresholds for student and postgraduate loans. The revised rates are:

- Plan Type 1 is increasing from £19,895 to £20,195
- Plan Type 2 is remaining at £27,295
- Plan Type 4 is increasing from £25,000 to £25,375
- Postgraduate Student Loans is remaining at £21,000

## **Tax Code Changes**

Due to all personal allowances remaining at 2021/2022 levels, there is no increase in tax codes for the 2022/2023 tax year.

## **AE Parameters**

In line with legislation for 2022/2023, we have updated the AE Parameters.

## **National Minimum Wage/National Living Wage**

Updated national minimum and living wage rates for the 2022/2023 tax year are now available in the system.

## **Tax, NI and Statutory Payment Rates**

System updates include amended tax, NI, and statutory payment rates for the 2022/2023 tax year.

## **RTI**

### **FPS – 2022/2023**

In line with government legislation, we have updated the FPS schema for the 2022/2023 tax year.

### **EPS - 2022/2023**

We have updated the EPS schema for submissions relating to the 2022/2023 tax year.

### **Earlier Year FPS Changes for 2021/2022**

We have updated the EYFPS schema for the 2021/2022 tax year, allowing you to claim a refund from HMRC for the Employer National Insurance contributions paid in the tax year for qualifying veterans.

To claim a refund, you need to complete an EYFPS. To do this, go to **Online Services | Send Earlier Year FPS** and on the **NI Rate** drop-down, select NI letter **V** and after completing the relevant fields, click the **Send** button.

Earlier Year FPS - Tax Year 2021/2022 - A WEEKLY, HMRC

Amend the year to date values to send to HMRC, where data has been populated from the last payment in the selected tax year.  
Enter year to date values in all relevant fields where no previous data has been found for this employee in the selected tax year.

Submission		National Insurance	
Submission Type	Over Liable	NI Rate	V - Veteran

Tax		National Insurance	
Tax Code	1257L	Nilable Gross	2000.00
Week 1/Month 1?	<input checked="" type="checkbox"/>	Employer's	48.72
Taxable Gross	2000.00	Employer's	72.58
Tax Paid	0.00	At LEL	1040.00
Student Loan	0.00	LEL to PT	554.00
Postgraduate Loan	0.00	PT to UEL	406.00

Sundry		Statutory Payments	
Gross Pension Deductions	0.00	Statutory Maternity Pay	0.00
Net Pension Deductions	0.00	Statutory Adoption Pay	0.00
Benefits Taxed In Payroll	0.00	Statutory Paternity Pay	0.00
Annual Pension	0.00	Shared Parental Pay	0.00
Class 1A NICs	0.00	Statutory Bereavement Pay	0.00

Click the 'Multiple NICs' button to enter new NIC year-to-date values for multiple NI rates.

Pending Help Print Multiple NICs Back Next Close

## Other Improvements

### P60

We have updated all P60s for year-end 2021/2022 and renamed P60 (OpenPayslips) to (P60 Published).

## Useful numbers

HMRC online service helpdesk	HMRC employer helpline
Tel: 0300 200 3600	Tel: 0300 200 3200
Fax: 0844 366 7828	Tel: 0300 200 3211 (new business)
Email: <a href="mailto:helpdesk@ir-efile.gov.uk">helpdesk@ir-efile.gov.uk</a>	

## Contact Support

Your Product	Phone	E-mail
IRIS PAYE-Master	0344 815 5555	<a href="mailto:payroll@iris.co.uk">payroll@iris.co.uk</a>
IRIS Payroll Business	0344 815 5555	<a href="mailto:ipsupport@iris.co.uk">ipsupport@iris.co.uk</a>
IRIS Bureau Payroll	0344 815 5555	<a href="mailto:ipsupport@iris.co.uk">ipsupport@iris.co.uk</a>
IRIS GP Payroll	0344 815 5555	<a href="mailto:gpsupport@iris.co.uk">gpsupport@iris.co.uk</a>
IRIS GP Accounts	0344 815 5555	<a href="mailto:gpaccsupport@iris.co.uk">gpaccsupport@iris.co.uk</a>
Earnie or Earnie IQ	0344 815 5555	<a href="mailto:earniesupport@iris.co.uk">earniesupport@iris.co.uk</a>
IRIS Payroll Professional (formerly Star)	0344 815 5555	<a href="mailto:payroll-support@iris.co.uk">payroll-support@iris.co.uk</a>