PAYEsoft.com
the art of software

Timesaver:Calc for Tax UK User's Manual

Version 1.0.1

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2019

Contents

Payslip Screen

This is the main screen and you should find everything you need to calculate a payslip here, with addition to the Employee Info button.

Tax Year

By default shows the current tax year set in the options screen but you can also select previous years when available.

Frequency

Depending on the employees pay frequency, this can be Monthly, Weekly, Fortnightly (2 weekly) or Lunar (4 weekly).

Pay Period

Monthly pay periods range from 1 to 12 with pay period 1 starting on the 6th of April and ending on 5th of the following month. Weekly pay periods range from 01 to 52 with pay period 1 starting on the 6th of April and lasting for 7 days, the next period then starting on the 8th day. If the first pay period of the year is on a Thursday subsequent weekly pay period will always start on a Thursday and end on a Monday.

Fortnightly pay periods start from 02 to 54 in steps of two. Period 54 is calculated using week 2 basis. Lunar pay periods start from 04 to 56 in steps of four, pay period 56 is calculated using week 4 basis.

There is a pay-date box visible when calculating monthly in period 2 for tax years before 09/10. We use this to select an effective date before or after the 18th may

Tip: For an easy way to select a pay period, use the Calendar.

Tax Code

Defaults to the emergency tax code for the selected year, and can accept standard suffix codes and K, D, BR, NT, 0T codes. Adding 'S' to the front of a tax code will calculate using Scottish rates & 'C' will use Welsh rates.

Basis

There are two options, 'cumulative' and 'week 1/month'; cumulative being the standard basis. You can change the default basis in the options.

Cumulative basis uses figures to date plus this period to calculate tax and national insurance, whereas 'week 1/month 1' uses only the figures for this period. There are no rebates given when using 'week 1/month 1' basis.

NI Code (Category)

Selects the rate national insurance is calculated at, that reflects your employee's circumstances.

Director

N. Not applicable.

A. Calculate a Director on an annual basis

P. Calculate a Director on a pro-rata basis, this is to be used for someone who becomes a director after the start of the financial year. When this field has been selected there will be a further field where you can enter the applicable number of weeks.

Director's national insurance contributions are calculated the same way as an employee's, unless there is a change to their NI Category during the year, or this is the last period of the year, then it will be calculated annually.

If an employee becomes a director in the middle of the year, select P and enter the number of weeks left in the tax year. Example 53, minus weeks worked as an employee.

Method

Exact percentage method for calculating NIC's uses a calculated method to work out national insurance, whereas table method produces the same results as the national insurance tables supplied by HMRC.
Table method for calculating NIC's

Selecting Payments

Click on a row in the description column and select a description from the list. If there is not the description in the list, select custom and enter your own.

- If the payment is Tax' able, put a tick in the Tax' able tick-box (T).
- If the payment is NI' able, put a tick in the NI' able tick-box (N).
- If the payment is Pension' able, put a tick in the Pension' able sick-box
  (Only available from the custom or <u>definitions</u> window).

Then enter a value for the payment.

Selecting Deductions

Click on a row in the description column and select a description from the list. If there is not the description in the list, select custom and enter your own.

- If you want the deduction to be deducted before Tax is deducted, put a tick in the tax' able tick-box (T).
- If you want the deduction to be deducted before NI is deducted, put a tick in the NI' able tick-box (N)
- If you want the deduction to be deducted before any pension schemes are calculated, put a tick in Pension' able tick box
  (Only available in from the custom or <u>definitions</u> window).
- If the deduction is a Pension scheme then tick Pension and input the relevant information for Employee's contribution, employer's contribution and disregarded (See <u>Pension Deductions</u>).

Then enter a value for the deduction.

Brought Forwards

This is where you can enter your P45 or totals from the previous period if the Employee started after period 1.
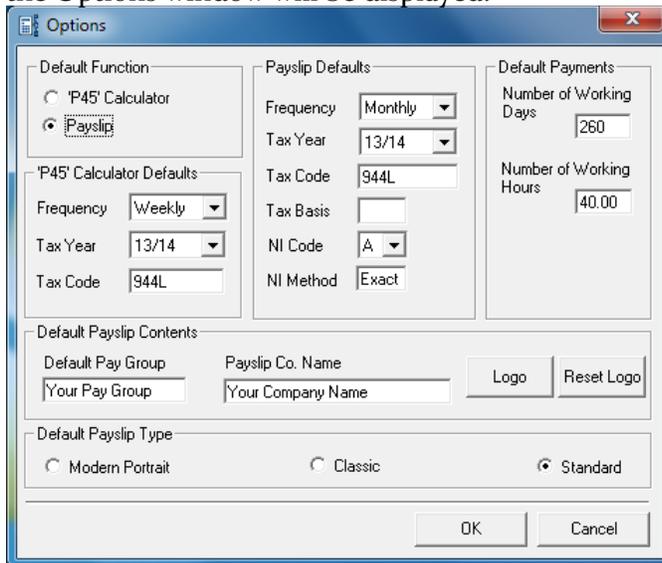
Calculators

You can access calculators by clicking the '>' at the end of a payments row.

Overtime calculator

The hours/rates calculator can be used to work out the gross amount due for overtime. Enter the number of hours, the overtime rate, and the type of overtime, i.e. 1.5 in the multiplier. The calculated values will be transferred to the payslip screen automatically and the number of hours and the rate will print on the payslip.

Tax credits calculator

Enter the information from the revenue i.e. number of days (units) and the rate. Please ensure that the 'T' and 'N' columns are blank as these net payments are made directly to the employee and no statutory deductions are made.

Salary calculator

Select the salary tab. enter a salary value and either the number of days or hours to be paid. If you input days, the system will divide the salary figure by the number of working days held by the options window and multiply by the number of days that you have entered, e.g. if the default value for working days is 260 and you enter the annual salary of £12,000 and a period of 5 days, the result will be £230.77. Note: the default number of working days and hours can be changed on the options screen.

Starters/ Leavers – Part week/month

You can also pay the number of days in a specific month, i.e. a starter commenced on the 9th May and completed 19 days in a 31 day month. For this calculation enter the monthly salary. This method can also be used for leavers.

Using the calculation screen will result in the calculated values being transferred to the Payslip screen automatically.

Calendar

You can accessible the calendar from the calendar button at the bottom of the payslip screen.
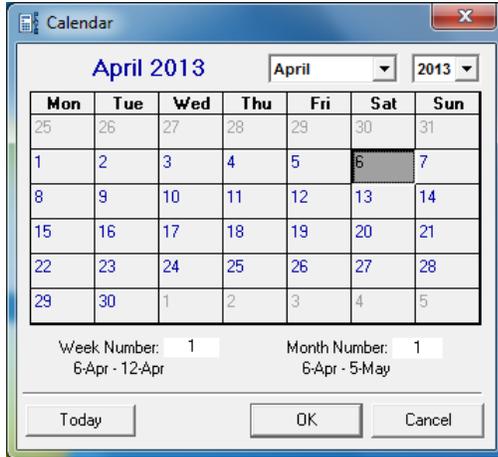
The calendar can be used to quickly select a pay period, when you click on a date in the calendar and click OK, the relevant pay period is transferred over to the payslip screen.

Customize

Select Options from the edit menu and the Options window will be displayed.

The Default Function

Here you can choose to see either the P45 or payslip screen when you start the program. If you are mainly doing payslips then choose payslips.

P45 Calculator Defaults

Set the 3 default options to the most common type of P45 that you receive. This will save you keying them in each time.

Payslip Defaults

By changing the default values here, they will be used when you first start the software or click the new button on the payslip screen. Enter the most common values you use, for example, you may wish to enter opening pay period as '1' while working in April.

Default Payments

The first is the number of working days used in the salary calculator, e.g. the standard number of working days is 260 days a year (52 weeks X 5 days a week). The figure that you enter here will be used as the divisor for the salary that you enter. This is useful for calculating starters and leavers who only receive a part period payment.

For example, a new employee is on £20,000 a year and the standard number of working days a year is 260. He has worked for 12 days in this pay period. His salary will be £923.08

20000 divided by 260 times 12 = salary to be paid. The second field is for the contracted number of hours worked per week. This is very similar to the working days above, e.g. an employee is paid £300 a week and normally works a 40-hour week. He only worked 25 hours so the salary will be £187.50.

300 divided by 40 times 25 = salary to be paid.

Default Payslip Contents

Print out a payslip to see where the fields appear on the payslip then enter a suitable title in each. The first is the payroll group name and this will be set to Your Pay group. The second field is for the company name. When you save a payslip you will be able to change the default Pay group.

Default Payslip Type

Select which of the 3 styles of payslip you use the most.

Logo

Firstly get your logo file into a compatible format. The file should be in one of the following formats:

Bitmaps (*.bmp;*.dib), GIF Images (*.gif), JPEG Images (*.jpg), Metafiles (*.wmf;*.emf), Icons (*.ico;*.cur)

Once you have created your logo file you can then store it somewhere easy to remember.
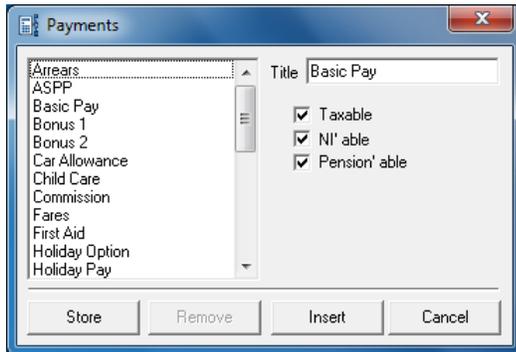
Add Logo

Click on the logo button on the right hand side of the options window. Find your logo, highlight it and click open and OK. The next time you print a payslip you will see your logo on it.

Remove Logo

To remove the logo click 'Reset Logo'. This will remove the logo so you can apply a new one or leave the area blank.

Payment list

This window can be activated in three different ways depending on where you are on the system:
- Clicking on the edit menu/definitions/payments.
- Right click on payment on the payslip screen.
- Selecting "custom" from the payments drop down list on the payslip screen.

Once the window is up, you can enter a new deduction title, defining whether it is allow-able against tax, national insurance and pension.

Click 'insert' for a one off payment or 'store' to add it permanently to the list.

SMP - Statutory Maternity Pay

This is a minimum level of statutory pay to most employees who are off work due to giving birth or the arrival of a baby. It must be included in Gross pay at the time it is paid. PAYE and NIC's are then worked out in the normal way

SSP – Statutory Sick Pay

SSP is the minimum level of sick pay you must pay to most employees who are off sick for 4 or more calendar days in a row. It is paid for qualifying days (after an employee has served 3 waiting days) for employees with average weekly earnings of not less than the lower earnings limit for the payment of National Insurance Contributions.

SSP must be included in Gross pay at the time it is paid. PAYE and NIC's are then worked out in the normal way.

Payments for Expats

There are two simple facilities for expats on the system.

*Non Payable Payments

If you put an '*' in front of a custom payment, it will not be calculated as a payment but will be taxed if T is ticked on the payment row.

Ex-Pat Tax-Back

This function will calculate a Net to Gross figure and add the tax back into a payment; this will then be calculated again until the net value is as specified. Simply Tick Ex-Pat Tax-Back in the Net to Gross dialog.

Deduction list
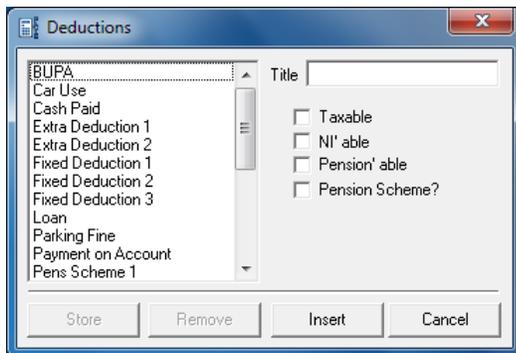
This window can be activated in three different ways depending on where you are on the system:
- Clicking on the edit menu/definitions/deductions.
- Right click on deduction on the payslip screen.
- Selecting 'custom' from the deductions drop down list on the payslip screen.

Once the window is up, you can enter a new deduction title, defining whether it is deducted before tax, national insurance and pension.

Click 'insert' for a one off deduction or 'store' to add it permanently to the list.

You can delete a payment or deduction by selecting it in the list and then clicking the remover button.

Student Loan Deductions

Select SLD1, SLD2 or PGLD from the drop down screen in the deductions section of the on 'payslip' screen. The amount will be calculated when you click Calc. You will need to manually record this value on your P 11.

Tax

Each employee is given a PAYE (Pay As You Earn) tax code that reflects the tax allowances due against their pay.

You normally work out PAYE on a cumulative basis. That is you take into account an employee's previous pay and tax figures in the tax year to find out the PAYE to deduct from a payment.

However, sometimes you need to work out PAYE on a non-cumulative basis Week1/month1 basis. In these cases, no account is taken of an employee's previous pay and tax figures and each payment is taxed separately.

There are also K codes, which instead of giving you a tax-free allowance actually add an amount to your taxable pay.

Pension deductions

To set up pension details insert a heading from the deduction list then right click to reach a further screen with three more settings. Select '%' or '£' and enter a figure under amount.
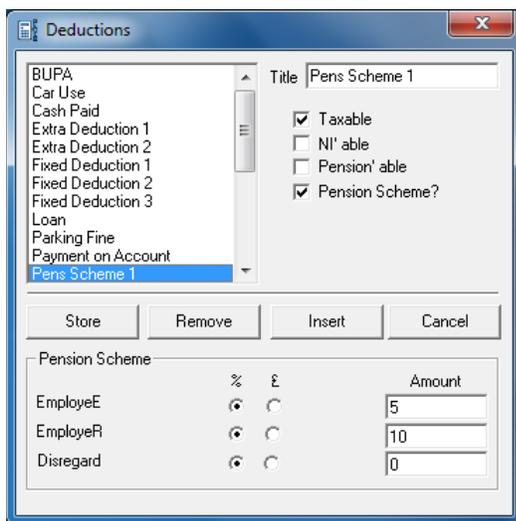
Employee - This is the employee's deduction you want made.
Employer - This is the employer's deduction you want made.

Disregard - this is the percentage or value that must be deducted from the pensionable pay prior to the employee and employer calculations being made.

Click insert and the values will be inserted when the payslip is calculated.

NB. Pension schemes that have been authorized by the Inland Revenue allow employees to obtain tax relief on their pension contributions (Including any Additional Voluntary contributions) but not against their earnings for NIC purposes. This scheme is called the 'Net pay arrangement'. Until you receive authorization you must not use the scheme.

Net to gross calculation

Occasionally you may need to 'gross up' a net payment to arrive at the gross value before the deduction of tax and National Insurance.

To operate Timesaver: Calc for Tax in this way, set the 'conditions of payment' - such as 'Frequency'; 'period and basis', etc., - as you would for a normal 'Gross to Net' calculation.

Now click on the 'Net Pay' box at the bottom right of the payslip screen or from the File menu to reveal the 'Net to Gross Calculator' Window.
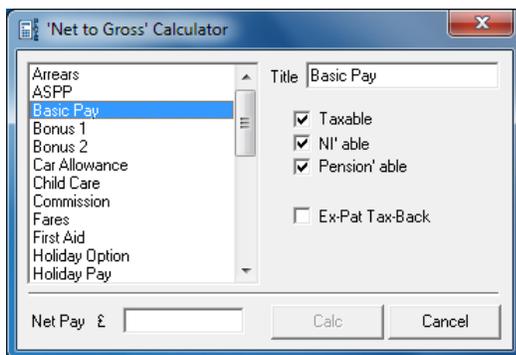
Enter the description of the payment you wish to make or select one from the list and enter the net pay target figure.

NOTE: The 'Tax' and 'NI' e.c.t boxes allow you to decide the basis for calculation, just as you would in a normal 'Gross to Net' calculation.

Cumulative Payments

You may wish to calculate a series of payslips for an individual. When producing further payslips the values held and displayed as 'C/F' Cumulative will remain but will be changed to 'B/F'. The 'Period' will automatically advance when you press 'Next'.
(See commencing an employee's next payslip)

Enter or amend any payments or deductions due and press 'Calc' to perform the second calculation, which will update the cumulative

IMPORTANT: If you intend to provide the individual with separate payslips for each of the pay periods, then you will need to store each calculation separately, changing the pay period accordingly.

Copy Payslip Information

On the Menu bar in the Edit function there is a 'Copy facility'. When you are in the payslip screen the 'Copy' function will copy summary details of the payslip details
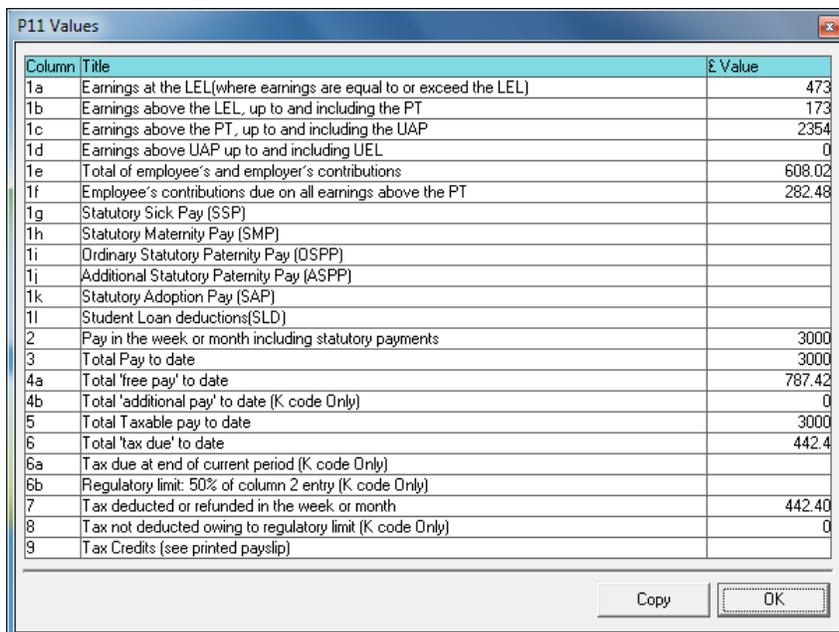
View current payslip figures
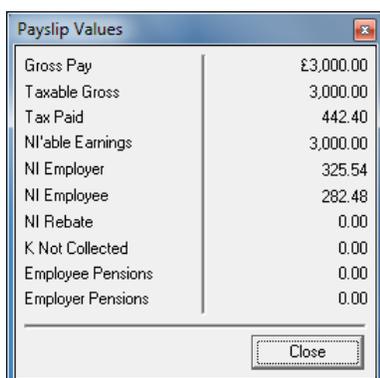
All the current values of a payslip displayed on the payslip screen can be accessed by selecting 'View' then Payslip Values from the menu bar. This includes employer's contribution and pension deduction.

View P11 Values

Selecting 'View' from the menu bar can access the P11 values. The details can be copied to the clipboard for pasting into any other Windows product.

Additional Payslip Information

This screen can be assessed threw the employee information button on the payslip screen. You will also be prompted to fill in this information when storing a new payslip or by selecting 'Store As' from the File menu.

It is important you assign a different Employee reference number to each employee you manage, even if they do not have one. This information is used for RTI submissions to HMRC and they currently use it to identify the employee.

Mandatory fields are marked yellow until filled in; the NI No. number will remain yellow if the NI number is invalid.

The Payment date is the date payment is made to the employees Bank not the pay period date.

All other fields should be self-explanatory.

Payslips

You should always save your payslips for later use; you will need to recall then when doing cumulative/sequential calculations.
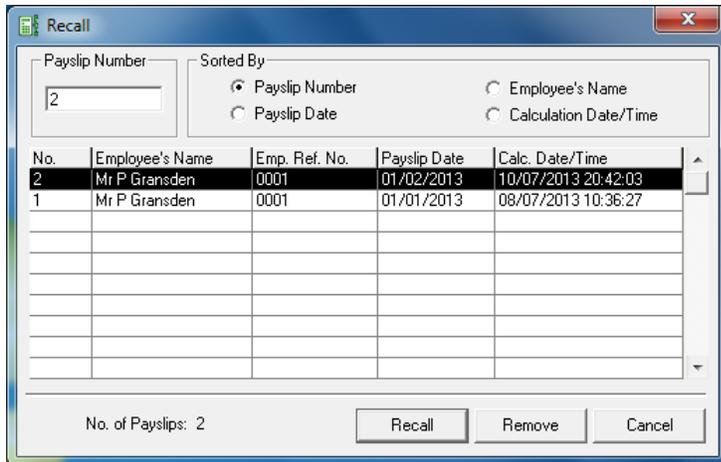
Store a Payslip

Once a payslip has been calculated, you can save/store it by clicking on the 'File' menu, then 'Store'. This will activate the additional payslip information screen if needed. When you complete and confirm a window will be displayed that tells you the storage number of the new payslip.

Duplicate a payslip.

Recall the payslip you wish to duplicate and then from the 'File' menu select 'Store As' This will activate the additional payslip information screen. When you complete and confirm the entries a window will be displayed that will tell you the storage number of the new payslip.

Recall a Payslip

Once stored, you can recall any payslip by simply clicking on 'File', then 'Recall'. A window details all payslips held by the system and offers a choice of four sort sequences. Select the payslip you require by highlighting it and then pressing the 'Recall' button.

Amend a Payslip

This is only advisable before a payslip has been issued to an employee. To amend a payslip click on 'File' on the menu bar, then 'Recall'. Make your changes then click on 'File' on the menu bar, then 'Store'.

Delete a Payslip

Select a payslip from the list and click Remove.

Print a Payslip

Once a payslip has been calculated or recalled you can print it from the 'File' menu. There is a selection of three different payslip layouts to choose from.

Commencing an employee's the next payslip.

Recall the last payslip for an employee then press 'next'. You are now commencing a new calculation and the pay period has been advanced. You can now make changes were needed before clicking calculate and then store. The payslip will be assigned a new storage number; not overwriting its previous one.

Additional payment

Making a second payment in a pay period is always an issue because it is impossible to determine the amount of statutory deductions previously deducted in that period; therefore you have to give the system sufficient information to proceed.

The first step is to re-create the first payslip and ensure you have the same values. Remember that your brought forward values will come from the previous period's payslip.

Once the figures are the same add the new payments or deductions and recalculate. This will now give you the revised figures for the pay period. You can now store and print the payslip.

P45 Calculator

The P45 screen has been designed to allow you to quickly check details of any P45 you receive from a starter to ascertain whether it has been correctly prepared. Just enter the information in the relevant fields and click on 'Calculate' to display the correct answer in seconds. Should there be a discrepancy; a window will advise you of the difference.

Copy P45 screen

On the Menu bar in the Edit function there is a 'Copy facility'. When you are in the P45 screen click on the 'Copy' function and P45 details will be copied to the clipboard for pasting into any other Windows product

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Add P45 figures to a new starter

Press 'New' to start a new record. Enter the tax code from the P45. Then enter the P45 total pay to date into the gross pay and Tax Gross on the payslip screen. Then enter Total tax to Date in the Tax Paid area.

Add P45 figures to an existing employee

Recall the payslip and click 'Next' to start a new payslip. You will now have the figures from the previous payment brought forward. Change the tax code if needs be and add any figures on the tax forms to these figure. Note total pay to date must be added to both the Gross pay and Tax Gross boxes on the screen.

Backing up Payslips

Payslips are stored electronically in a database in '…\Documents\My Payslip Database\Taxcalc_2013.mdb'.

Make Calc for Tax stay on top of other windows

You can make Calc for Tax stay on top of other program windows by clicking on the View menu and selecting 'Stay on top'. This is useful if you want to check figures in applications and don't want to keep switching between programs.

Updates

Each year the Timesaver: Calc for Tax software is upgraded with the new rates and bandwidths as decided upon by the Inland Revenue.

Each time the software is re-issued specific instructions are given so that you will know what to do.

Contact information

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About

Timesaver software from PAYEsoft.com, cutting costs & saving time...

Increasing productivity is a key issue for all businesses. The most basic of financial calculations can occupy Human Resources or Payroll staff for hours when they could be more profitably employed elsewhere. Now, PAYEsoft.com has developed a range of software packages which automate these time-consuming manual operations.

PAYEsoft.com are dedicated to providing software that increases productivity. Our software is used where ever there is a need to replace time consuming operations, work prone to error or to display data accurately and quickly.

For anther details on how the Timesaver series can help your staff to save time and increase your company's productivity, please contact us: admin@payesoft.com

Installed files

COMCAT.DLL	VB Setup Runtime
STDOLE2.TLB	VB Setup Runtime
ASYCFILT.DLL	VB Setup Runtime
OLEPRO32.DLL	VB Setup Runtime
OLEAUT32.DLL	VB Setup Runtime
MSVBVM60.DLL	VB6 Runtime
CALCFORTAX.EXE	Calc for Tax Main Program
TAXCALC.BK	Database file (your payslips)
COMDLG32.OCX	Microsoft Common Dialog
MSCAL.OCX	Microsoft Calendar Control
MSCOMCTL.OCX	Microsoft Common Controls
TDBGPP.DLL	TrueGrid Runtime
TODGUB8.DLL	TrueGrid Runtime
TODG8.OCX	TrueGrid Runtime
XARRAYDB.OCX	TrueGrid X-Array libary