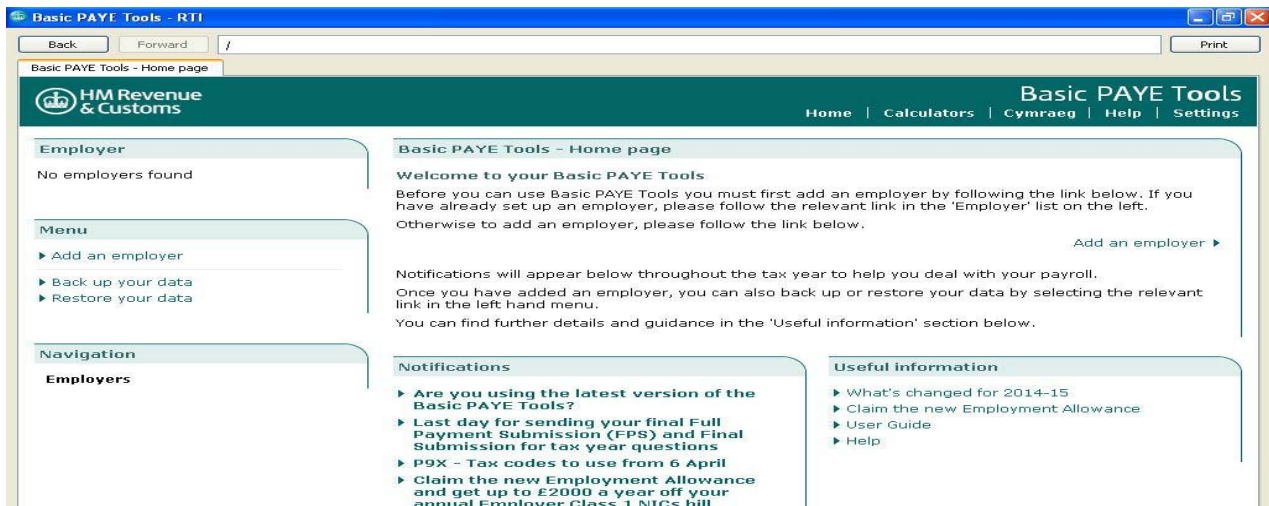


# Basic PAYE Tools

## Using Basic PAYE Tools Earlier Year Update - payroll user



The screenshot shows the 'Basic PAYE Tools - RTI' web application interface. The browser window title is 'Basic PAYE Tools - RTI'. The page header includes the HM Revenue & Customs logo and the text 'Basic PAYE Tools' with navigation links: Home | Calculators | Cymraeg | Help | Settings. The main content area is titled 'Basic PAYE Tools - Home page' and contains several sections:

- Employer:** No employers found.
- Menu:**
  - ▶ Add an employer
  - ▶ Back up your data
  - ▶ Restore your data
- Navigation:** Employers
- Welcome to your Basic PAYE Tools:** Before you can use Basic PAYE Tools you must first add an employer by following the link below. If you have already set up an employer, please follow the relevant link in the 'Employer' list on the left. Otherwise to add an employer, please follow the link below. [Add an employer ▶](#)
- Notifications:**
  - ▶ Are you using the latest version of the Basic PAYE Tools?
  - ▶ Last day for sending your final Full Payment Submission (FPS) and Final Submission for tax year questions
  - ▶ P9X - Tax codes to use from 6 April
  - ▶ Claim the new Employment Allowance and get up to £2000 a year off your annual Employer Class 1 NICs bill
- Useful information:**
  - ▶ What's changed for 2014-15
  - ▶ Claim the new Employment Allowance
  - ▶ User Guide
  - ▶ Help

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### Introduction

This is the Basic PAYE Tools guide for making an Earlier Year Update (EYU). This guide is intended for use if you are currently using the Basic PAYE Tools to operate payroll.

The screenshots in this guide are the main ones you will need to know about, but does not include them all as there are some that most employers will not use because they apply to more unusual circumstances.

Due to continuing improvements the screens in the Basic PAYE Tools may look slightly different to those shown within this Guide.

### Need to know

You need to submit an EYU for any employee that requires payroll data for the previous tax year to be corrected.

### Getting Started

This guide assumes you are already using the Basic PAYE Tools for running payroll, and you have already:

1. Downloaded and installed the software. Check that your computer is connected to the internet, then open the Basic PAYE Tools.
2. Set up the employer.
3. Set up your employees.

### Can I create multiple EYU submissions?

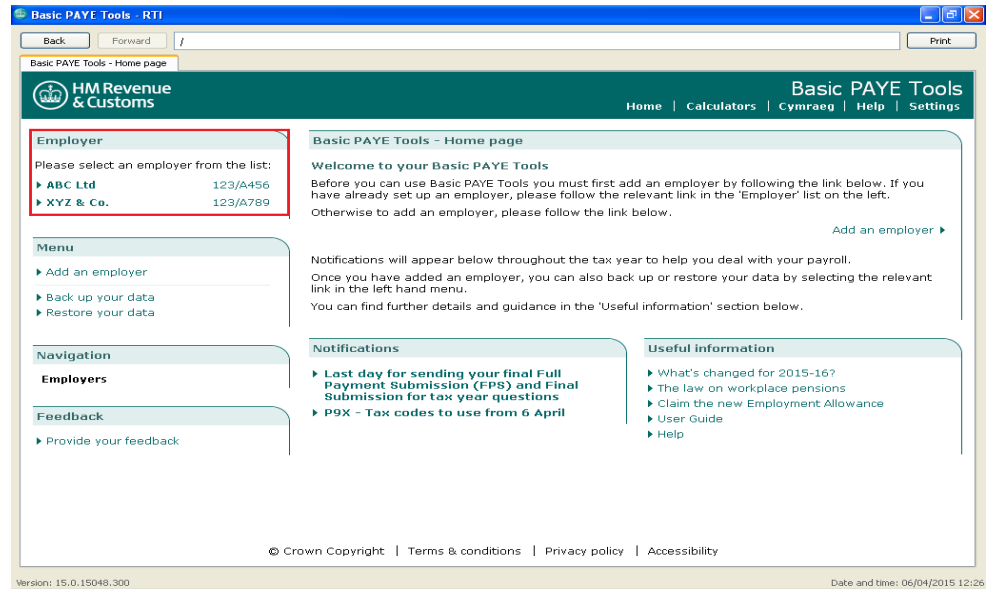
We recommend that you complete the **full** process below for each employee separately.

## Part 1: Select the correct employer

If you have added more than 1 employer to the Basic PAYE Tools you will need to select the correct employer.

From the 'Home' screen select the correct employer from the list of employers at the top left of your screen.

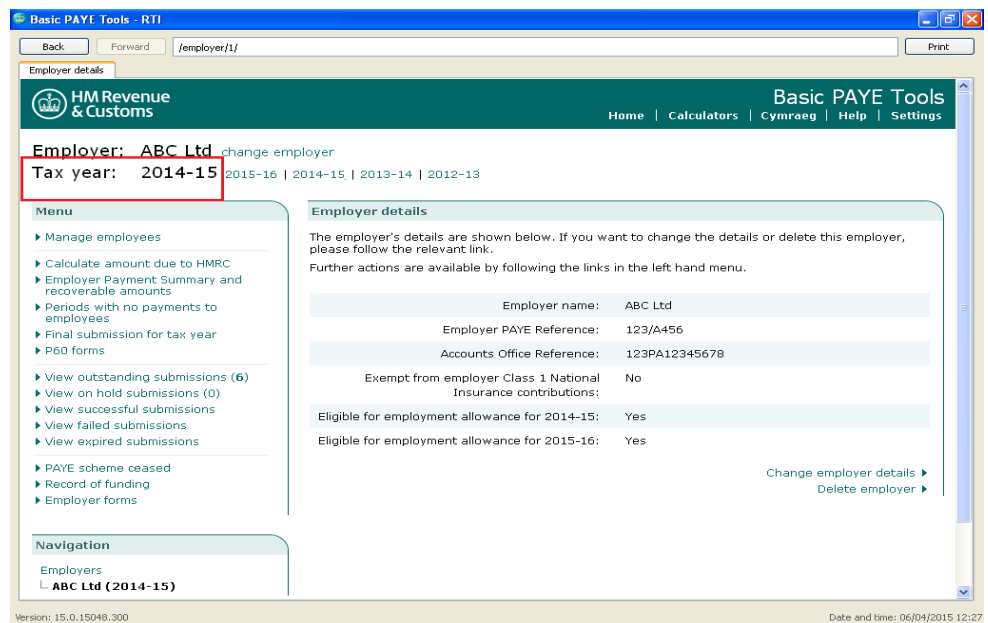
In the example below 'ABC Ltd' will be selected.



This will take you to the 'Employer details' screen as shown below.

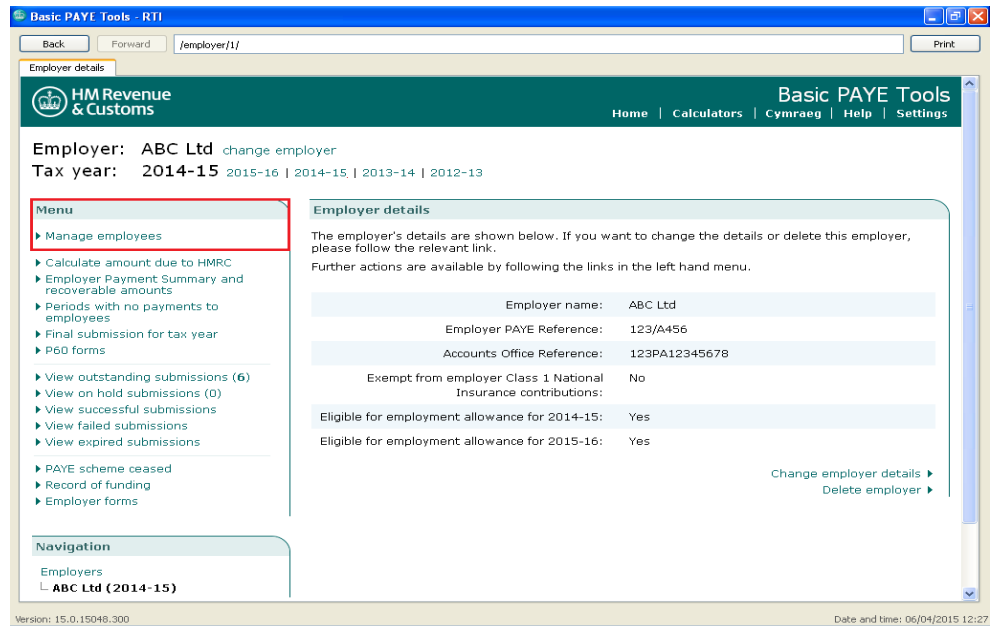
Check that you have the correct tax year selected.

For example if you are creating an EYU for the 2014 to 2015 year make sure you select the 2014 to 2015 tax year - as shown below.



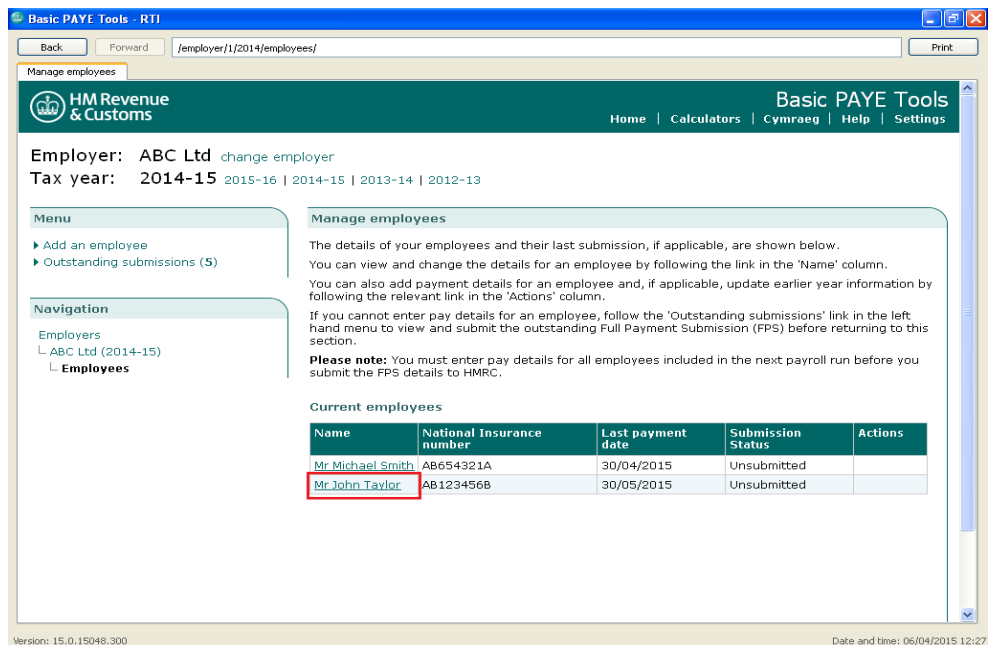
## Part 2: Select the correct employee for the EYU submission

Select 'Manage employees' from the Menu.

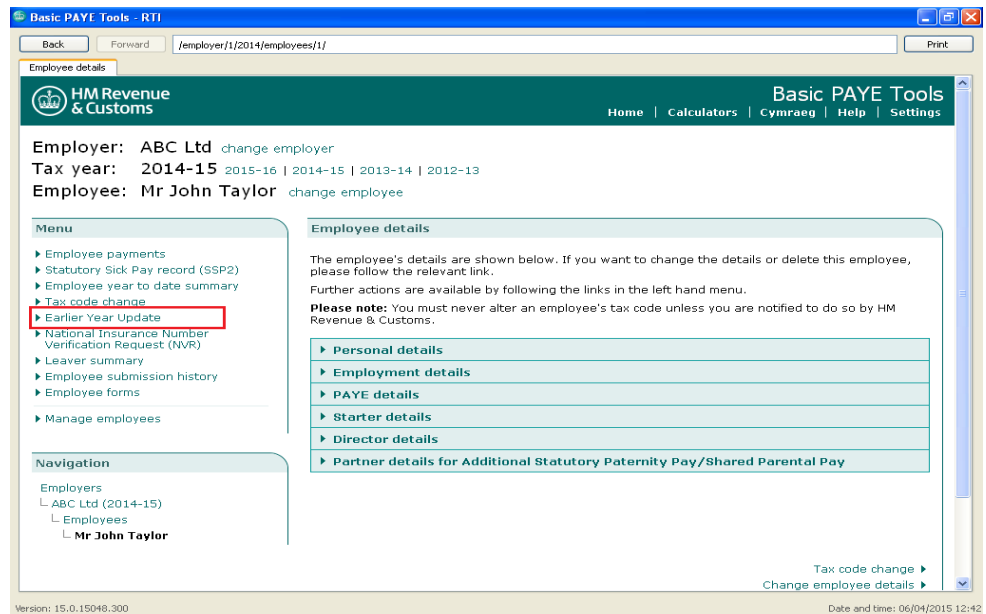


The next screen presents a list of all 'Current employees' for the employer.

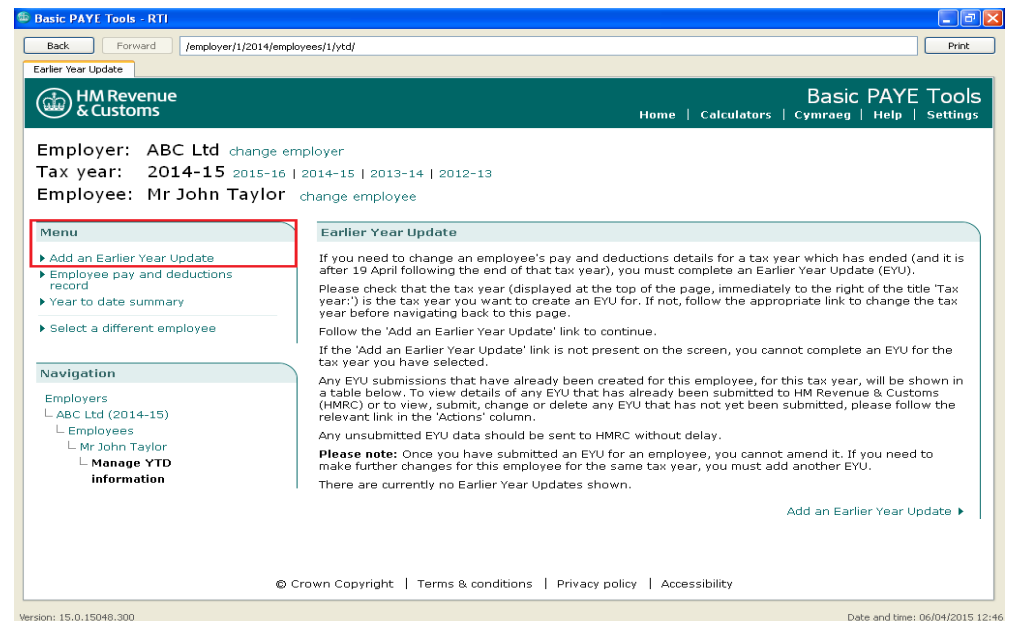
Select the relevant employee from the list.



From the 'Employee details' screen, select 'Earlier Year Update' from the Menu.



Read the guidance on the next screen and then select 'Add an Earlier Year Update' to continue.



### Enter the correct information

You will now see the screen 'Earlier Year Update (EYU) - Correction details'.

The purpose of this screen is for you to enter the correct amounts where either of the following applies:

- there is an amount shown in the 'Previously submitted amount' column
- you have new figures to supply for items that have not been submitted before

You will see the amounts in the 'Previously submitted amount' column have been imported from the last FPS for the previous year. Please check that these are as you expected. If not check the guidance by selecting the '?' button, if you are still not sure contact the Employer Helpline.

Basic PAYE Tools - RTI

Back Forward /employer/1/2014/employees/1/eyu/add/ Print

Earlier Year Update (EYU) - Correction details

Employer: ABC Ltd  
Tax year: 2014-15  
Employee: Mr John Taylor

Earlier Year Update (EYU) - Correction details

If any values shown in the 'Previously submitted amount' column in the table below are incorrect or any fields are blank when they should contain a value full correct amount in the 'Correct amount' column.  
You must enter the full correct amount and not just the difference between the correct figures and the previously submitted figures.  
If you are reducing any of the values to zero you **must** enter an amount of 0.00 in the 'Correct amount' field.  
Only enter an amount in the field where a change is required, except where you have entered National Insurance details. For National Insurance details enter the previously submitted amount into the correct amount fields or if applicable the corrected amount.  
Once you have entered the correct details, click the 'Next' button to continue.  
**Please note:** Values should be entered in pounds sterling, including pence.  
\* indicates required information

Tax details

Tax code: 944L ⓘ

Was this tax code operated on a week  
1/month 1 basis?  Yes  No ⓘ

| Description                  | Previously submitted amount (£) | Correct amount (£) |
|------------------------------|---------------------------------|--------------------|
| Pay for Income Tax purposes: | 20000.00                        | £ 21000.00 ⓘ       |
| Tax deducted:                | 2379.00                         | £ 2579.00 ⓘ        |

Version: 15.0.15048.300 Date and time: 06/04/2015 12:57

### Example

If you submitted a year to date figure of pay of £20,000 on your last FPS for the tax year 2014 to 2015 but realised this should have been £21,000, you must enter £21,000 at this stage.

### Important

If you did not send the last FPS for the 2014 to 2015 tax year to HM Revenue and Customs (HMRC) then the values in the 'Previously submitted amount' column will not represent the latest data sent to HMRC.

You will need help to create correct values on your EYU. Do not proceed any further, please telephone the HMRC Employer Helpline on Telephone: 0300 200 3200.

### Tax code

In the 'Tax details' box, enter the tax code and basis of operation correct for that year.

### National Insurance category letters

Note that a National Insurance letter is already shown together with the amounts of earnings liable to National Insurance that were previously reported. Enter the correct amounts for that National Insurance letter.

If you need to enter details for a different National Insurance letter, scroll down to the next drop down as shown in the red box below.

The screenshot shows the 'Basic PAYE Tools - RTI' interface. The main window is titled 'Earlier Year Update (EYU) - Correction details'. At the top, there is a navigation bar with 'Back', 'Forward', and 'Print' buttons. Below this, there is a dropdown menu for 'National Insurance category letter in the earlier year:' with the value 'A' selected. A 'Please note' message states: 'If you select category letters D, E, L, N or O, then you must enter an ECON for the employer before you can submit this earlier year update.' Below the note is a table with three columns: 'Description', 'Previously submitted amount (£)', and 'Correct amount (£)'. The table contains the following rows:

| Description                                                                 | Previously submitted amount (£) | Correct amount (£) |
|-----------------------------------------------------------------------------|---------------------------------|--------------------|
| Gross earnings for National Insurance contributions (NICs):                 | £                               | £                  |
| Earnings at the Lower Earnings Limit (LEL) in the earlier year:             | £                               | £                  |
| Earnings above the LEL, up to and including the Primary Threshold (PT):     | £                               | £                  |
| Earnings above the PT, up to and including the Upper Accrual Point (UAP):   | £                               | £                  |
| Earnings above the UAP, up to and including the Upper Earnings Limit (UEL): | £                               | £                  |
| Total of employee's National Insurance contributions in the earlier year:   | £                               | £                  |
| Total of employer National Insurance contributions in the earlier year:     | £                               | £                  |

Below the table, there is another dropdown menu for 'National Insurance category letter in the earlier year:' with the value 'Please select' shown. This dropdown menu is highlighted with a red box. A second 'Please note' message is located below the dropdown menu, identical to the one above. At the bottom of the window, the version number '15.0.15048.300' and the date and time '06/04/2015 13:07' are displayed.

### Statutory payments and student loans

Enter details of any statutory payments and/or student loan deductions that now need amending.

When you have completed all relevant boxes on this screen, select 'Next' to continue.

### Important

You must enter the full amounts in the 'Correct amount' column, **not** the difference between the previously submitted figure and the correct figure.

Select 'Next' to move to the next screen.



### Review Earlier Year Update (EYU)

The next screen will show the differences between the amounts you previously submitted to HMRC and the correct amounts.

The 'differences' are the figures that will be sent to HMRC on the EYU.

Basic PAYE Tools - RTI

Back Forward /employer/1/2014/employees/1/eyu/add/ Print

Review Earlier Year Update (EYU)

HM Revenue & Customs Basic PAYE Tools  
Home | Calculators | Cymraeg | Help | Settings

Employer: ABC Ltd  
Tax year: 2014-15  
Employee: Mr John Taylor

**Review Earlier Year Update (EYU)**

The information below shows the **differences** between the details you originally submitted to HM Revenue & Customs (HMRC) and the correct details you have now provided for this employee.  
It is these differences that need to be submitted to HMRC as an Earlier Year Update (EYU).  
Please check that these details are correct.  
Click the 'Back' button to change any of these details otherwise click the 'Next' button to continue.

**Tax details**

|                               |           |
|-------------------------------|-----------|
| Tax code in the earlier year: | 944L      |
| Pay for Income Tax purposes:  | £ 1000.00 |
| Tax deducted:                 | £ 200.00  |

**National Insurance details**

|                                                             |           |
|-------------------------------------------------------------|-----------|
| National Insurance category letter in the earlier year:     | A         |
| Gross earnings for National Insurance contributions (NICs): | £ 1000.00 |

Version: 15.0.15048.300 Date and time: 06/04/2015 13:32

Ensure you have fully reviewed this screen, checking the differences between the previous and corrected figures are what you expected.

This data will form the submission that is sent to HMRC.

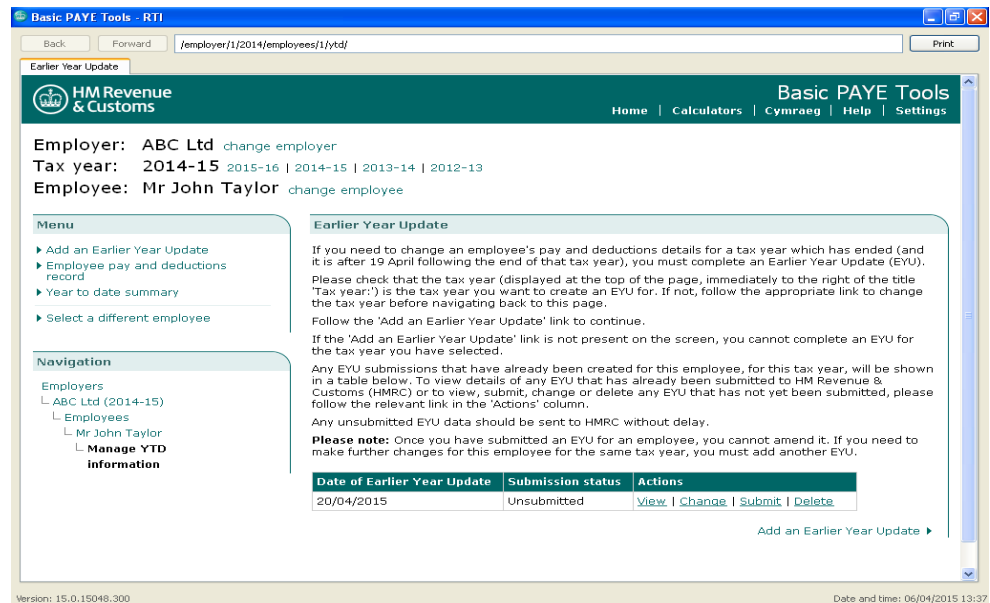
Select 'Next' to move to the next screen.

## What if I've made a mistake?

If you have not yet submitted the EYU you can do either of the following:

- 'Change' the 'Correct amount' details
- 'Delete' the EYU and start again

To do this, select the relevant employee from the Menu, then select 'Earlier Year Update' from the Menu.



The screenshot shows the 'Basic PAYE Tools - RTI' web interface. The page title is 'Earlier Year Update'. The header includes the HM Revenue & Customs logo and navigation links: Home, Calculators, Cymraeg, Help, Settings. The main content area displays the following information:

Employer: ABC Ltd [change employer](#)  
Tax year: 2014-15 | [2015-16](#) | [2014-15](#) | [2013-14](#) | [2012-13](#)  
Employee: Mr John Taylor [change employee](#)

**Menu**

- ▶ Add an Earlier Year Update
- ▶ Employee pay and deductions record
- ▶ Year to date summary
- ▶ Select a different employee

**Navigation**

- Employers
  - ABC Ltd (2014-15)
    - Employees
      - Mr John Taylor
        - Manage YTD information**

**Earlier Year Update**

If you need to change an employee's pay and deductions details for a tax year which has ended (and it is after 19 April following the end of that tax year), you must complete an Earlier Year Update (EYU). Please check that the tax year (displayed at the top of the page, immediately to the right of the title 'Tax year:') is the tax year you want to create an EYU for. If not, follow the appropriate link to change the tax year before navigating back to this page.

Follow the 'Add an Earlier Year Update' link to continue.

If the 'Add an Earlier Year Update' link is not present on the screen, you cannot complete an EYU for the tax year you have selected.

Any EYU submissions that have already been created for this employee, for this tax year, will be shown in a table below. To view details of any EYU that has already been submitted to HM Revenue & Customs (HMRC) or to view, submit, change or delete any EYU that has not yet been submitted, please follow the relevant link in the 'Actions' column.

Any unsubmitted EYU data should be sent to HMRC without delay.

**Please note:** Once you have submitted an EYU for an employee, you cannot amend it. If you need to make further changes for this employee for the same tax year, you must add another EYU.

| Date of Earlier Year Update | Submission status | Actions                                                                                         |
|-----------------------------|-------------------|-------------------------------------------------------------------------------------------------|
| 20/04/2015                  | Unsubmitted       | <a href="#">View</a>   <a href="#">Change</a>   <a href="#">Submit</a>   <a href="#">Delete</a> |

[Add an Earlier Year Update](#) ▶

Version: 15.0.15048.300 Date and time: 06/04/2015 13:37

## Important

Once you have submitted an EYU for an employee, you cannot amend it.

If you need to make further changes for this employee for the same tax year, you must create a further EYU.

## Part 3: Sending the EYU

You have now created the EYU ready to be sent to HMRC.

You can create an EYU for other employees by repeating Part 2 above, but you may prefer to send the one you have created before starting with another employee.

When you have finished creating the EYU(s) you must send the submission(s) to HMRC.

Select the correct employer from employer list on the 'Home' screen.

This will take you to the 'Employer details' screen.

Select the 'View outstanding submissions' link from the Menu.

The screenshot shows the 'Basic PAYE Tools - RTI' web application. The browser address bar shows '/employer/1/'. The page title is 'Employer details'. The header includes the HM Revenue & Customs logo and navigation links: Home, Calculators, Cymraeg, Help, and Settings. The main content area displays the following information:

- Employer: ABC Ltd [change employer](#)
- Tax year: 2014-15 | [2015-16](#) | [2014-15](#) | [2013-14](#) | [2012-13](#)

The left-hand menu contains the following items:

- Manage employees
- Calculate amount due to HMRC
- Employer Payment Summary and recoverable amounts
- Periods with no payments to employees
- Final submission for tax year
- P60 forms
- View outstanding submissions (1)** (highlighted with a red box)
- View on hold submissions (0)
- View successful submissions
- View failed submissions
- View expired submissions
- PAYE scheme ceased
- Record of funding
- Employer forms

The 'Employer details' section on the right contains the following information:

- Employer name: ABC Ltd
- Employer PAYE Reference: 123/A456
- Accounts Office Reference: 123PA12345678
- Exempt from employer Class 1 National Insurance contributions: No
- Eligible for employment allowance for 2014-15: Yes
- Eligible for employment allowance for 2015-16: Yes

At the bottom right of the details section, there are two links: [Change employer details](#) and [Delete employer](#).

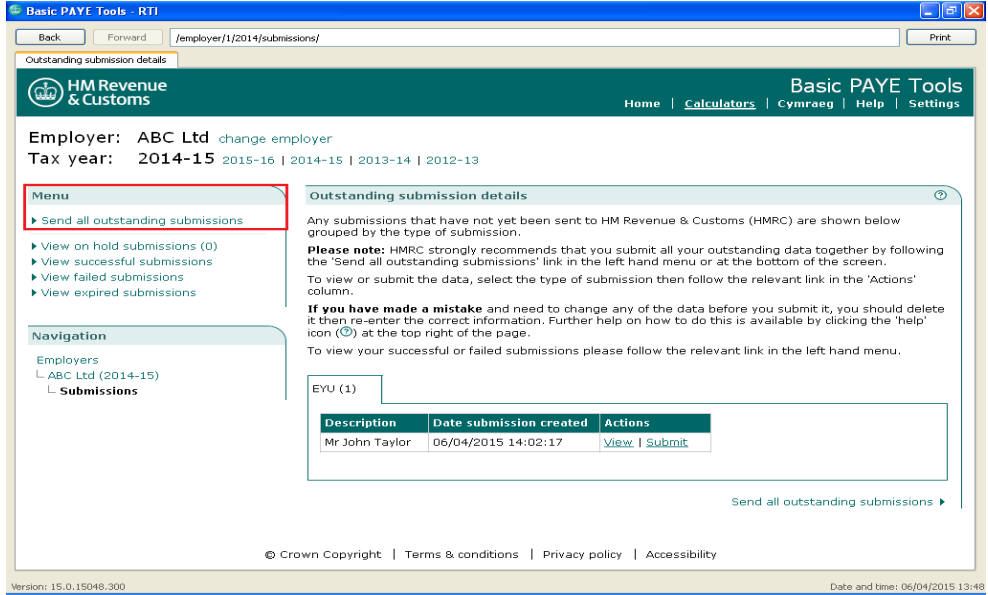
At the bottom of the page, the version number is 15.0.15048.300 and the date and time is 06/04/2015 13:41.

# Using the Basic PAYE Tools for the Earlier Year Update

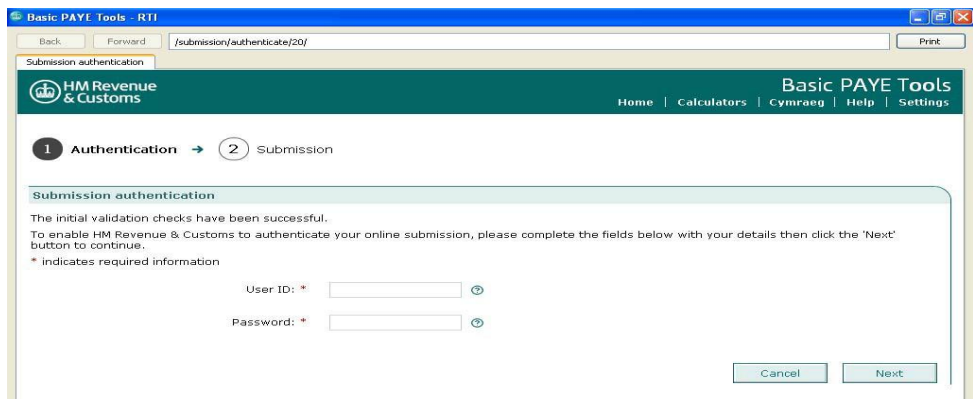
Here you can see there is one outstanding submission which is the EYU for John Taylor.

Select 'Send all outstanding submissions'.

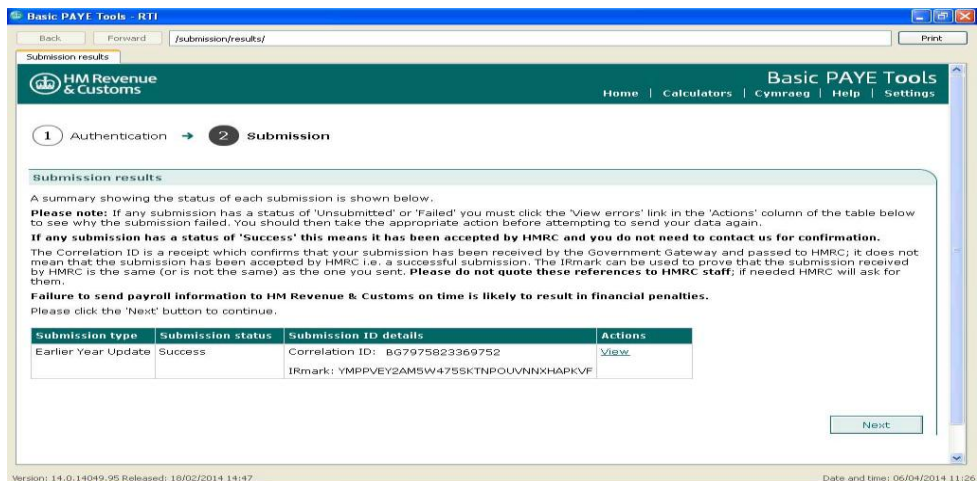
Read the information on the next screen then select 'Next'.



Enter your Government Gateway 'User ID' and 'Password' in the blank boxes below for online submission, and then select 'Next'.



You should then receive the following success message.



### Part 4: Basic PAYE Tools error codes

We are aware that some Basic PAYE Tools users have received error messages when trying to submit an EYU. These messages mean that your submission has not been successfully received by HMRC. The following table gives the error message you may see as well as a description of what you have to do to correct the submission.

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Error Message</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Accounts Office reference or Employer PAYE reference is incorrect                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>What you need to do</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| The Employer reference and/or Accounts Office reference is incorrect. Please check both of them against paperwork from HMRC and amend the incorrect one. For help in doing this please refer to 'All users: using Basic PAYE Tools for real time reporting' and work through the 'Finding your way round the Basic PAYE Tools' and 'Employer overview' sections until you select 'Change employer details'.<br><a href="#">Download 'All users: using Basic PAYE Tools for real time reporting' (PDF 1.6MB)</a> |
| <b>Error Message</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| This submission cannot be accepted as the pre-defined date for the previous tax year has not yet passed                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>What you need to do</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>If you were trying to send an EYU for the <u>2014 to 2015 tax year</u></b><br>You cannot send an Earlier Year Update (EYU) for the 2014 to 2015 tax year until 20 April 2015.<br>Please wait until 20 April 2015 then send the EYU.                                                                                                                                                                                                                                                                          |
| <b>Error Message</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| This submission cannot be accepted as it does not fall within the eligible filing period                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>What you need to do</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>If you were trying to send an EYU for the <u>2012 to 2013 tax year</u></b><br>You can't submit any RTI submissions for 2012 to 2013 unless you were one of the small number of employers who took part in the RTI pilot during 2012 to 2013 or 2013 to 2014. You must send amended forms P35 and P14. You cannot do this using Basic PAYE Tools. You can use the online forms which are part of HMRC's PAYE Online service.                                                                                  |

| Error Message                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>• Error code: 7900</li><li>• The [ECON] is mandatory if any [NILETTER] is one of 'D', 'E', 'I', 'K', 'L', 'N', 'O'</li><li>• [ECON] is mandatory if any [NILETTER] is one of 'D', 'E', 'I', 'K', 'L', 'N', 'O'.</li><li>• Diagnostic</li></ul> <p>Message:</p> <p>Assertion failure:</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| What you need to do                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p>This EYU cannot be sent to HMRC as the employee has a contracted-out NIC letter (D, E, I, K, L, N or O) but you have not provided the Employer Contracted-Out Number (ECON).</p> <p><b>Background:</b></p> <ul style="list-style-type: none"><li>• An ECON is a reference number allocated to an employer who operates, or is part of a group of companies that operate, a contracted-out pension scheme for their employees.</li><li>• An employee can only be on a contracted-out NIC letter (D, E, L, I, K, N or O) if you the employer have a contracted out pension scheme that the employee is a member of.</li><li>• If you have a contracted-out pension scheme then you will have an ECON.</li></ul> <p><b>Action required</b></p> <p>You need to</p> <p><b>Either</b></p> <p>Add the ECON to the Employer details. For help in doing this please refer to 'All users: using Basic PAYE Tools for real time reporting' and work through the 'Finding your way round the Basic PAYE Tools' and 'Employer overview' sections until you select 'Change employer details'.</p> <p><a href="#">Download 'All users: using Basic PAYE Tools for real time reporting' (PDF 1.6MB)</a></p> <p>The ECON is shown on the contracting-out certificate issued by HMRC previously issued by Inland Revenue or Department of Social Security when an employer elects to be contracted- out. If you are unable to find your ECON please contact the HMRC Contracted-out pensions helpline. You can find the details at <a href="http://www.gov.uk/government/organisations/hm-revenue-customs/contact/pensions-helpline-contracted-out">www.gov.uk/government/organisations/hm-revenue-customs/contact/pensions-helpline-contracted-out</a></p> <p><b>Or</b></p> <p><b>If you do not have an ECON</b></p> <ul style="list-style-type: none"><li>• You will need to telephone HMRC's Employer Helpline on Telephone: 0300 200 3200 and advise them you are receiving error code 7900 and that you do not have an ECON.</li></ul> |