

Capital Gold Payroll (4.14.00)

Legislation & Product Changes guide

2024-25 Tax Year

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2024-25 tax year
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Release Summary

This release includes the statutory payroll changes for the 2023-24 tax year end and the new 2024-25 tax year.

New NI Category Letters for Investment Zones:

From 6 April 2024, four new Investment Zone NIC category letters N, E, K, D will come into effect for employers in Britain as part of the Investment Zone NI Relief (IZENR) programme.

Standard Life GTG Payments Pension file:

Renamed the column header and Pensionable Pay Definition(s) column in the file between the Plan Number and Regular (employer) columns.

SPP Changes:

From April 2024 onwards, a new policy allowing an employed father to take Paternity Pay and Leave in two non-consecutive periods will come in to affect.

Statutory Maternity Pay

System validation has been removed which previously prevented male employees from claiming Statutory Maternity Pay (SMP).

PAYE Legislation:

Includes updates to:

- Updated the **student and postgraduate loan thresholds** for the 2024/2025 tax year
- Updated the system with the **automatic enrolment and pensions figures** for the 2024/2025 tax year
- Updated the system with the **National Minimum Wage and National Living Wage rates** for the 2024/2025 tax year.
- Modified the system with the **tax, NI, and statutory payment rates** for the 2024/2025 tax year
- Updated the system with the thresholds for the **Car and fuel benefit thresholds** for the 2024/2025 tax year.
- Updated the system with the Tax Codes for the **Personal allowance tax code rates** for the 2024/2025 tax year.

Capital Gold Payroll User Guides

Capital Gold Payroll PDF guides are available in the User Guides section at docs.pegasus.co.uk.

| PDF Guide | Description |
|---|---|
| Legislation & product changes guide | This Legislation & product changes guide is in PDF format, and in HTML format so that it can be read in your web browser. |
| Installation guide | This PDF guide helps with the installation of Capital Gold Payroll. |
| Checklists guide | This PDF guide describes the steps necessary to upgrade to Capital Gold Payroll, and then complete the payroll year-end and start the new tax year. |
| Auto Enrolment guide | This guide provides information on how Capital Gold Payroll can help you carry out Auto Enrolment responsibilities. It covers how your payroll software can help you with Automatic Enrolment, pension funds, and pension deductions. |
| Auto Enrolment Configuration Tool guide | This guide explains how to use the Auto Enrolment Configuration Tool in Capital Gold Payroll. |
| Rates and Bands guide | This guide explains the new rates and bands for NI, PAYE and Statutory Payments for the new tax year. |

Statutory Changes

New NIC Category letters for Investment Zones

From 6 April 2024, four new Investment Zone NIC category letters will come into effect for employers in Britain as part of the Investment Zone NI Relief (IZENR) programme which provides a package of tax reliefs to employers with employees working in geographic areas, as prescribed by law.

The new letters are:

- N - (standard category letter).
- E - (married women and widows entitled to pay reduced NICs).
- K - (employees over the state pension age).
- D - (employees who can defer paying NICs and pay only 2% because they are already paying it in another job).

Software changes

Following changes have been made to the application:

Tax/NI:

- Added the four new NI letters to the **NI Rate** field.
- Added a **Working in Investment Zone** checkbox under **Working in a Freeport**.
- These updates also apply when creating an employee using another template.

The screenshot shows the 'National Insurance' section of the application. The 'NI Rate' dropdown menu is expanded, displaying the following options: A - Normal, D - Deferral Investment Zone, E - Reduced Investment Zone, F - Normal Freeport, H - Apprentice U25, I - Reduced Freeport, J - Deferral, K - No Ee's Investment Zone, and L - Deferral Freeport. The 'NI Number' field is populated with 'NB662391D'. Other visible fields include 'Director?', 'Normal NI', 'Apprent. Start', and 'Apprent. End'. The 'Tax/NI' tab is selected at the top of the window.

- Reports in the system now include the new NI letters.
- The audit and FPS now include the new NI letters.
- Updated all other system areas affected by the NI changes.

| | |
|------------------|--|
| Applies to | All employees working in Investment Zones. |
| Effective | From 6 April 2024. |
| More information | For details about the new NIC category letters for the Investment Zones, visit: https://www.cipp.org.uk/resources/news/investment-zone-employer-nics-relief.html |

Statutory Paternity Leave

From April 2024 onwards, a new policy allowing an employed father to take Paternity Pay and Leave in two non-consecutive periods totalling 2 weeks within 52 weeks of the birth date or placement date of the child for adoption will come into effect.

This legislation currently does not apply to Northern Ireland.

Software changes

Following this change, in the **Employee > Statutory Payments > SPP** tab, we have added:

A **Pay SPP using Northern Ireland Rules** checkbox in the **SPP** tab, where **Paternity Type selected is Birth or Adoption**.

Statutory Payments - (2) ATKINSON H M

SMP | SAP | SPP | SHPP | SPBP | Show Pay

SPP Details

Pay SPP using Northern Ireland Rules

Paternity Type Birth Adoption

Matching Date 14-04-2024

Average Weekly Earnings 52.17391

Employed for more than 26 weeks?

First Leave Start Date 19-03-2024

Number of SPP weeks already paid 0

Number of SPP weeks to pay 1

Child's Placement Date 07-04-2024

Second Leave Start Date - -

Employee's average weekly earnings are not enough to qualify for SPP

Stop Payment OK Cancel

| | |
|------------------|---|
| | <p>If the date entered in the Week baby due (Sunday) is before 7 April 2024 or the child's Placement Date is before 6 April 2024, the First day to have SPP field displays as First Leave Start Date.</p> <p>If the date in the Week baby due (Sunday) field is on or after 7 April 2024 or the date entered in the child's Placement Date is on or after 6 April 2024, and the Pay SPP using Northern Ireland Rules checkbox is unset:</p> <ul style="list-style-type: none"> • The First day to have SPP field displays as First Leave Start Date. • A Second Leave Start Date field will be displayed if the date in the Date baby born field is on or after 7 April 2024 or if the date in the Childs Placement Date is on or after 6 April 2024. |
| Applies to | All the employees of the UK. |
| Effective | For births, 7 April 2024. For Placements, 6 April 2024 |
| More information | <p>For details about the Statutory Paternity Leave, visit:</p> <p>https://www.gov.uk/employers-paternity-pay-leave#:~:text=Statutory%20Paternity%20Leave,-If%20the%20baby&text=Employees%20can%20choose%20to%20take,child%20(for%20example%20twins).</p> |

Spring Budget 2024

From 6 April 2024:

- The main rate of employee Class 1 NICs is reduced by 2%, from 10% to 8%.
- The Married Women's Reduced Rate decreases from 3.85% to 1.85%.
- The main rate of self-employed Class 4 NICs is also reduced by 2%, from 8% to 6%.
- All other NIC rates and thresholds remain as previously announced.

Other Changes

Includes updates to:

- A new P60 layout for year-end 2023/2024 is now available.
- Local Government Pension Scheme England/Wales & Scotland updates
- Teachers' Pension updates.
- Full Payment Submission (FPS)
- Employer Payment Summary (EPS)
- Earlier Year Full Payment Submission (EYFPS)
- Additional Scottish Rates and Bandwidths.