

Employee Benefits - Feature Overview

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Overview

By law, at the end of each tax year you must provide HMRC particulars of any expenses payments, benefits and facilities provided to employees, unless:

- There are no expenses payments or benefits to be returned
- They are covered by a PAYE settlement agreement
- An exemption has been given by an officer

Assure Expenses collects the information required by assigning a P11D category to an expense item. All expenses incurred against that expense item are collated behind the scenes on a per claimant basis.

Managing Employee Benefits in Assure Expenses

P11D Categories

P11D categories are used to group expenses into set classifications to aid with the arrangement of an employee's annual P11D form. P11D categories are completely optional and can be tailored to match your organisation's requirements. Typical categories include mileage allowance, travel subsistence and personal telephone expenses.

All expenses incurred that have an assigned P11D category will be collated against each claimant and stored within your system. This information is reportable and can be exported to your organisation's existing payroll systems.

PAYE Settlement Agreement (PSA)

A PAYE Settlement Agreement (PSA) allows you to make one annual payment to cover all the tax and National Insurance due on minor, irregular or impracticable expenses or benefits for your employees.

If you get a PSA for these expense items you won't need to:

- Put them through your payroll to work out tax and National Insurance.
- Include them in your end-of-year P11D forms.
- Pay Class 1A National Insurance on them at the end of the tax year (you pay Class 1B National Insurance as part of your PSA instead).

Some employee expenses are covered by exemptions. This means you won't have to include them in your end-of-year reports.

The expense items that need to be provided for a PSA can be collected and reported on through Assure Expenses. Using a 'Reason' classification is a simple way to report expenses for particular events. This will allow you to check the number of attendees that were present at a function to

establish if the exemption rule applies before including in the PSA.

Another method is to capture specific expenses or benefits which are irregular. This could be a non-qualifying company party, taxable event, or taxable relocation costs where the costs exceed £8,000. Using the calculated columns feature within Reports will allow you to report on the 'grossed up' amount including the Class 1B NICs saving valuable time and effort.

Benefits

- **HMRC Compliance** - Ensures your organisation is compliant in declaring all P11D recognised expenses and benefits in kind.
- **Accounting Organisation** - P11D categories allow financial departments to compile employee records more efficiently.
- **Expense Reporting** - Provides accessible data that can be reported on and analysed.

Implementation

1. You will require an Access Role with the 'P11D Categories' element active in order to add or edit P11D categories.
 2. To add a P11D category, navigate from the **Home** page to **Administrative Settings | Base Information | P11D Categories**. For more information, view [Manage P11D Categories](#).
 3. To create and export P11D reports, navigate from the **Home** page to **Reports**. For more information, view [Create a Report](#).
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