

VIAMED Ltd

Company Personnel Manual

Section 30. PAYE – Tax

PAYE is the system by which the taxman collects revenue from people who are employed. The income tax due is deducted at source and then passed on to the Inland Revenue.

This mechanism for bringing in tax is liked by the Inland Revenue because it effectively means employers act as unpaid tax collectors. Therefore, the onus on seeing that the correct amount of tax paid rests with us the employer.

The amount of tax we as an employer pay over for each member of staff depends on such factors as:

- The persons salary
- Whether they are married
- The allowances they are entitled to
- The deductions which need to be made

All the key information relating to how much tax you will pay as an employee is encapsulated in your tax code. Your local tax office sends this to you, usually in January or February giving the details for the financial year ahead, which begins every 6th of April.

At the end of the tax year, each employee receives a summary of their earnings from their employer. This is shown in a standard Inland Revenue form called a “P60”. In the event of you leaving Viamed’ employment, you will receive another standard form showing your earnings for the current tax year, up to the leaving date, this is called a “P45”.

Your tax deductions are taken from your salary on a monthly basis calculated from your tax code.

Any discrepancies with this deduction must be dealt with through the accounts department.