



How Corient Resolved a Payroll Discrepancy with HMRC: Accurate Salary Reporting and Tax Compliance

Highlights

- 1 **Corrected salary discrepancies** on the HMRC portal
- 2 **Resolved tax code confusion** for two employees
- 3 **Accurately reprocessed Year-To-Date (YTD) figures**
- 4 **Implemented long-term payroll safeguards**

Introduction

Even a tiny payroll error can trigger **significant compliance challenges**. In this instance, two employees faced **tax complications** due to salary mismatches on HMRC's portal. With the support of **Corient's payroll outsourcing expertise**, the issue was swiftly addressed and resolved, setting a benchmark for **payroll accuracy and reliability**.



The Initial Problem: What Went Wrong?

Despite submitting salaries correctly, two employees—**Sabina Ng and Rachel Ng** (mother and daughter)—faced a serious issue: **Sabina's salary of £2,500** was mistakenly reported under Rachel's HMRC record, which should have only shown £500. This led to **inflated income figures, unjustified tax deductions, and frequent tax code adjustments**, leaving both employees distressed.

Corient's First Solution: The Fix

The issue stemmed from **a change in reference numbers** introduced in **April 2023**. To correct this:

- Corient planned **reprocessing both employees' YTD figures** using **HMRC's Basic PAYE Tools**.
- The goal was to **resubmit the correct salary data** separately to rectify the misreporting.

This solution was sound, but met with an **unexpected complication**.



The New Problem: A Surprise Roadblock

When contacting HMRC for assistance:

- **No employee-specific details were disclosed** due to privacy restrictions.
- The HMRC advisor was **unfamiliar with this payroll error**, which was delaying progress.

Without proper access or support, resolving the case became more complex than anticipated.

Corient's Second Solution: Fixing the New Problem

To overcome this barrier, Corient executed a strategic five-step plan:

Step 1: Direct Employee Engagement

A **Zoom meeting** was scheduled with one of the affected employees to obtain **authorisation to speak with HMRC** on her behalf.

Step 2: Authorised Contact with HMRC

Once authorised, Corient contacted **HMRC's Employees Helpline**, providing a full explanation of the payroll issue.

Step 3: Identify the Root Cause

HMRC confirmed that the **reference number change in April 2023** caused the mismatch in recorded salaries.

Step 4: Separate Reprocessing of YTD Data

Using **Basic PAYE Tools**, Corient **reprocessed and submitted corrected salary details** for both individuals.

Step 5: Creating New Records

At the start of the new financial year, Corient made both employee **leavers** and established **new payroll records** to prevent future errors.

The company ensured long-term compliance and clarity by relying on expert **payroll outsourcing** services.

OUTCOME



The Final Outcome: A Success Story

- **YTD discrepancies were eliminated**
- **New records prevented further complications**
- **Employee tax code issues were resolved**, restoring peace of mind

What the Client Said



"Thanks to Corient's proactive guidance, we resolved a confusing and frustrating issue. Their clear steps and quick action made all the difference."

Key Takeaways: Why This Matters for Businesses

- **Reference changes must be monitored to prevent misreporting**
- **Timely payroll corrections** can save employees from financial stress
- **Professional support** simplifies HMRC compliance

When payroll is accurate, everything else falls into place.