

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





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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.

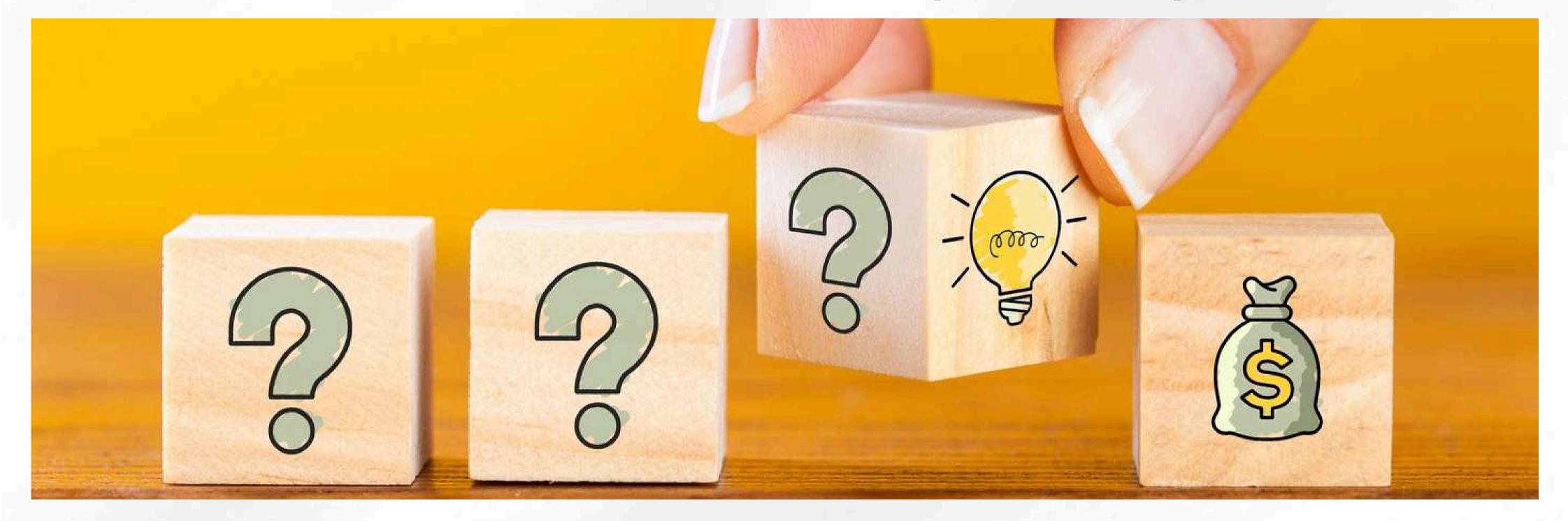


Corient's First Solution: The Fix

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, <u>Corient</u> 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.





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.