

## Payroll Week1/Month1

When a P45 or P46 is received there may be a suffix in the code number of week1/month1.

This means that the tax is calculated on a NON-cumulative basis.

When an employer receives details on an employee the tax office will state if a week1/month1 status should be applied.

All payroll systems are designed to handle this coding system, and it can be selected and de-selected as required.

If a week1/month1 basis should have been selected and has not been applied, it can make a difference to the tax code when the employee gets close to the payment of tax threshold.

Contacting the employer's tax office for advice on what action is required is advisable in these cases to prevent further reduced deductions of tax being made.

A new P45 form has been published by HMRC. This form must be used from 6 April 2009 onwards. In addition all P45 and P46 forms must be sent online from 6 April 2009. There will be a penalty for sending paper forms.