New Automated P9 Process from tax year 24/25

HMRC · https://paiyroll.com/kb/new-automated-p9-process-april-2024/

Starting April 2024, we have completely automated the way tax codes are collected and updated for the new tax year.

1. There is a new input on PAYE Pay Item [click **Show all** to view] called **DPS Update:**

PayItem	Week1_month1	Previous pay	Previous tax	Tax code	DPS update	Effective date	Next Effective Date
PAYE	☐	0.00	0.00	779L	{}	2023-04-06	

2. Before any P9T codes are published by HMRC, the current **Tax code** continues to operate as before e.g. 779L as above with any **Week1_month1, Previous pay** and **Previous tax**

3. As soon as DPS picks up HMRC P9Ts (usually February/March), this value will appear in the **DPS Update** with a **Next Effective Date** – however they won't be used at this point:

PayItem	Week1_month1	Previous pay	Previous tax	Tax code	DPS update	Effective date	Next Effective Date
PAYE	☐	0.00	0.00	779L	{"tax_code": "1274L", "w1m1": false}	2023-04-06	2024-04-06

4. During the first pay run of the new tax year, any new P9T in **DPS Update** will be used. Otherwise, the prior year's Tax Code will be automatically updated to the new year - **Week 1_month 1** and any **Previous pay** and **Previous tax** are not used.

5. After the first pay run of the tax year is approved i.e., on the 2nd and subsequent pay runs, P9T values will automatically be transferred from **DPS Update** to the existing **Tax code** and **Effective Date**. Then **Week 1_month 1** , **Previous pay** and **Previous tax** will be cleared/ zeroed:

PayItem	Week1_month1	Previous pay	Previous tax	Tax code	DPS update	Effective date	Next Effective Date
PAYE	☐	0.00	0.00	1274L	{}	2024-04-06	