What to do when an employee dies

HMRC · https://paiyroll.com/kb/what-to-do-when-an-employee-dies/

Do these steps when an employee dies. A deceased employee gets a final FPS with their date of death as the leaving date. The steps are based on HMRC guidance.

Process

1. **Employees** > search for the employee > **Update**
   - Enter the date they died into the **End date** field
   - **Tax**: Change the employee's **NI Category** to **Exempt**
   - Click **Update**
2. **Pay runs** > **Redo**

The system will deduct tax using their existing tax code, use category letter X (zero National Insurance) and send their ‘Date of leaving’ (the date they died) in the next FPS.