Pay Liabilities

QuickBooks shows all of your payroll liabilities, lets you choose all or just some of them to pay, and creates cheques to pay them. You can also add penalties, expenses, and discounts to the cheques if you need to.

Note: Before your payroll liabilities can be paid, you must have a payee name associated with each liability.

To do this task

1. Click the **Pay Liabilities** icon on this tab of the Payroll Centre.

2. Select a date range then click **OK**.
   Make sure to select dates that correspond to the dates of payroll payments you created in QuickBooks.

3. To review your balances, click **Payroll Liabilities Report**.

4. If you're writing cheques by hand, clear the **To be printed** checkbox.

5. In the **Current Account** field, verify the bank account to be used.

6. In the **Payment Date** field, enter the date that you want to appear on the cheque.

7. In the **Sort By** field, verify your sorting selection.

8. Select your preference to review the liability cheque or create it without reviewing.

9. Verify the date range in the **Show Payroll Liabilities From** and **Through** fields.
   Change the date range if you want to view your liabilities as of a date other than the last day of the previous month. QuickBooks uses this date range to generate the Payroll Liabilities report.

10. Select the liabilities to pay.

11. (Optional) To pay less than the full amount, adjust the **AMT. TO PAY** column.

12. Click **Review** or **Create** depending on your selected preference.

13. If RTI is on, the EPS submission window opens. Review and submit the EPS.

    1. Review and modify the amounts as required.

    2. If you are a limited company that has had Construction Industry Scheme (CIS) deductions made from payments received for work in the construction industry, verify the total amount of CIS deductions suffered year to date.

    3. If you did not pay any employees, tick the **No employees were paid in the period** checkbox and enter the start and end dates of the period.

       Note: No payment for period filing is changed for the 2014-2015 tax year. As of April, 2014, you can submit an EPS for a period of no payments for the current month and you can do so before the end of the current month. You can also submit an EPS for a period of no payments for prior months. The only restriction is that the end date of your period of no payments cannot be later than the end of the current month.

       Caution: If you have employees still to be paid in the current month, we recommend you wait until those payments have been made before submitting the EPS. This will ensure your EPS includes all of the statutory recovery up to and including this full month.

    4. If you intend to claim the employment allowance, tick the **Employment Allowance** indicator checkbox. This notifies HMRC that there is an application.

       Note: Do not reduce the amount of liabilities you pay because you have made an application for the employment allowance. Pay the full amount of liabilities and HMRC will refund you based on the employment allowance application as appropriate. We recommend that you create a

separate subaccount of the payroll expenses account to enter the refund into QuickBooks, rather than affect a liability account. This will reduce the amount of payroll expenses for the year.

5. Click **Add/Edit Account Holder's Info** to review and edit your bank account details as required.

   Note: This information allows HMRC to credit a refund directly to your account. It does not activate a direct debit of liabilities.

6. Click **Submit**.

7. Enter your HMRC credentials and click **Submit**.

14. If you chose the review option, review your liability cheque, then click **Save & Close**.