

Buzzacott

Annual reporting for employee share and share option plans



Who is it for?

If your company operates a share or share option plan for employees or directors, or they have acquired shares in the company, you have an obligation to report any transactions on an annual basis to HMRC. The next filing deadline is 6 July 2018 for the tax year ending 5 April.



Did you know?

All reporting for the tax year ending 5 April 2018 must be done through the HMRC Employment Related Securities (ERS) online service. This is available for companies to register with now and it forms part of the PAYE for employers online service. All annual returns must be filed by 6 July 2018.

Late filing penalties will automatically apply for non-compliance and approved share schemes (such as EMI) may lose any eligible tax advantages if they have not been registered online by 6 July 2018. HMRC no longer issue notices to file or paper reminders for share schemes.

What needs to be reported?

Any share transactions involving employees will need to be reported online on an Employment Related Securities return.

These include but are not limited to:

- Shares, options or securities that have been issued to or acquired by employees or directors
- Options that have been granted, exercised or cancelled

Companies and LLPs that are members of international groups must take particular care to identify situations where their employees have received shares in other group companies, including overseas companies.

For HMRC approved schemes, there is also a self-certification process under which all EMI, CSOPs, SIPs and SAYEs must submit a declaration to HMRC that the criteria for qualification have been met. Self-certification only needs to be done once, therefore only new schemes which commenced operation in 2017/18 need to be completed by 6 July 2018. Failure to register the scheme within the ERS online service could mean the tax benefits of the approved scheme will be lost.



How we can help

HMRC have informed us it can take up to a week to register a scheme on the ERS online service, so we recommend registering sooner rather than later to ensure any technical issues can be resolved without any delay to your filings.

Buzzacott can complete your online registrations and assist with the filing of your Employment Related Security share scheme return, as well as the self-certification of any approved share schemes you have in place.

If you require further assistance please contact your usual Buzzacott representative and we will be happy to help. Alternatively, contact: enquiries@buzzacott.co.uk.