

## Pay & Benefits

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### Payroll expert hits out at Tory tax plans

#### Tax

Tory plans to scrap the current PAYE scheme are “seriously flawed” and will do nothing to help employers and their staff, a payroll expert has warned.

Angela Brake, Head of Payroll at Target Chartered Accountants in Bath, said the proposals to create a new automated bank-based system to deduct income tax and National

Insurance Contributions directly from employees’ pay would increase the potential for error and could bring an already overstretched HM Revenue & Customs to the brink of collapse.

She said: “If the Tory plans went through, it would represent the biggest shake-up of the tax system since WWII.”

She said employers are required to keep records

available going back over a seven-year period so payroll software or a database would still need to be in place.

“The Tories’ claim that the new system would save businesses up to £5.5 billion a year by reducing their ‘administrative burden’ is fundamentally wrong, as they will still be required to produce gross payment records.”

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