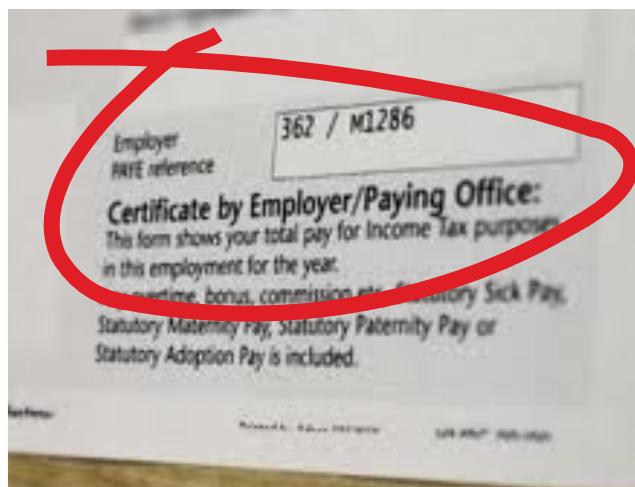


Employer **R**eference **N**umber –

Vital Information for Business Owners

With immediate effect it is a legal requirement for businesses to provide an ERN when purchasing employer's liability insurance.



What is ERN?

ERN is also commonly referred to as 'Employer PAYE Reference'. This is the reference number provided by HM Revenue and Customs (HMRC) under which the employees' income tax and NI contributions are recorded.

The number is specific to all businesses that employ staff who are individually paid more than £503 per month.

Why do I need my ERN when purchasing Employer's Liability Insurance?

All businesses in the UK are required to have the ERN if it employs one or more people and it will be a legal requirement to produce the ERN when purchasing Employer's Liability Insurance from April 2012. Without it, businesses cannot get Employer's Liability cover.

Where can I find my ERN?

The ERN can be obtained from mandatory HMRC documentation, including P45, P60, P11/D and most payslips. This reference is made up of two parts: a three-digit HMRC office number and a reference number unique to your business. It will be provided to you in your employer's welcome pack when you register with HM Revenue and Customs, and will also appear on a range of correspondence from HRMC.

What if I have lost my ERN?

It is important that you keep hold of your ERN, as you will need it regularly throughout the tax year. If you have lost the number, you will be able to find it on correspondence from HMRC relating to PAYE. If you do not have any record of your ERN it may be that you are not registered as an employer. If this is the case, but you are employing or intend to employ someone, it is vital that you register as a matter of urgency.

Is my business exempt from holding an ERN?

A small number of businesses may be exempt from holding an ERN if:

1. They don't employ anybody
2. Staff are paid less than £503 per month, per employee

For further information visit
www.hmrc.gov.uk