Payroll Year End Checklist

2018 – 2019

There is no upgrade to Online Filing Manager this year.

- [ ] **Take a backup of your data before you start – Each company separately! It is very important that you do this before starting your Payroll Year End.**

- [ ] Check that the Current Tax Year box in Payroll > Utilities > Set Options is set to 1819 for the 2018 – 2019 tax year.

- [ ] Once you have run the Payroll for the last Pay Period of the year, print any reports needed for the final Pay Period.

  Send your BACS Payments as normal.

- [ ] Check that Payroll > P32 Processing is up to date and that you have entered your Payments.

  ****NOTE** – if you have more than one Opera Payroll company, (E.G. separate Weekly and Monthly payrolls, NOT Grouped) and you have the same PAYE Reference for each Payroll – you must consolidate the P32 in the main Payroll.

  To check this; go into Payroll > Utilities > Set Options – on the first tab it tells you P32 Co. Consolidation ID – this is the Company you need be in to consolidate your payroll.

  Select P32 Processing > Action > Consolidate

- [ ] Select – EOY/Special Reports > End of Year Returns.

  Run the EOY/Special Reports > End of Year Returns - to print the P14/P60's for the entire payroll.

- [ ] Run the EOY/Special Reports > Print P35 Substitute report – this report is for internal use only, NOT to be sent to HMRC.

- [ ] Select EOY/Special Reports > Payments/Deductions List and print one for each payroll If required.

- [ ] Print out any other reports needed for the final period in the tax year.

Sending Year End to HMRC

- [ ] Go into Payroll – RTI Submissions select **Full Payment Submission** and create the FPS file as normal. Then send the FPS to HMRC.

- [ ] Once you have sent the required FPS files to HMRC you must now send the **EPS – Final Employer Payment Summary** (even if recoverable amounts or CIS deductions don't apply)
To create your Year End file for HMRC.

Select RTI Submissions – Employer Payment Summary

First Page:

From the EPS Type list select: ***Final EPS of the Year***
Update the remaining boxes as normal

Second Page:

Make sure the "Up to Tax Month" list is set to 'Period 12'

Verify your recoverable amounts, CIS Deductions and NICs that were calculated in Opera. If these amounts are not relevant to you leave the values as zero.

- [ ] Run the Utilities > N/L Analysis and Cashbook Transfer command (if in use) – if you have not already done so.

- [ ] Take a backup of the Opera data files.

- [ ] Now run a Payroll Update for all companies / groups.

Once you have completed the steps above, you can now run the

Year End Cleardown

YEAR END CLEARDOWN

You MUST make sure you run the year end cleardown before processing the next payroll run. This routine clears all To-Date figures ready for the new tax year.

- [ ] Make sure you have run your Payroll Update. Go into Payroll Utilities and check that the Pay Period is 1.

- [ ] **Select – EOY/Special Reports – Run the End of Year Cleardown for each Group and Company.**

  When you run this option, it will warn you that it will increase the current tax year to 19/20.

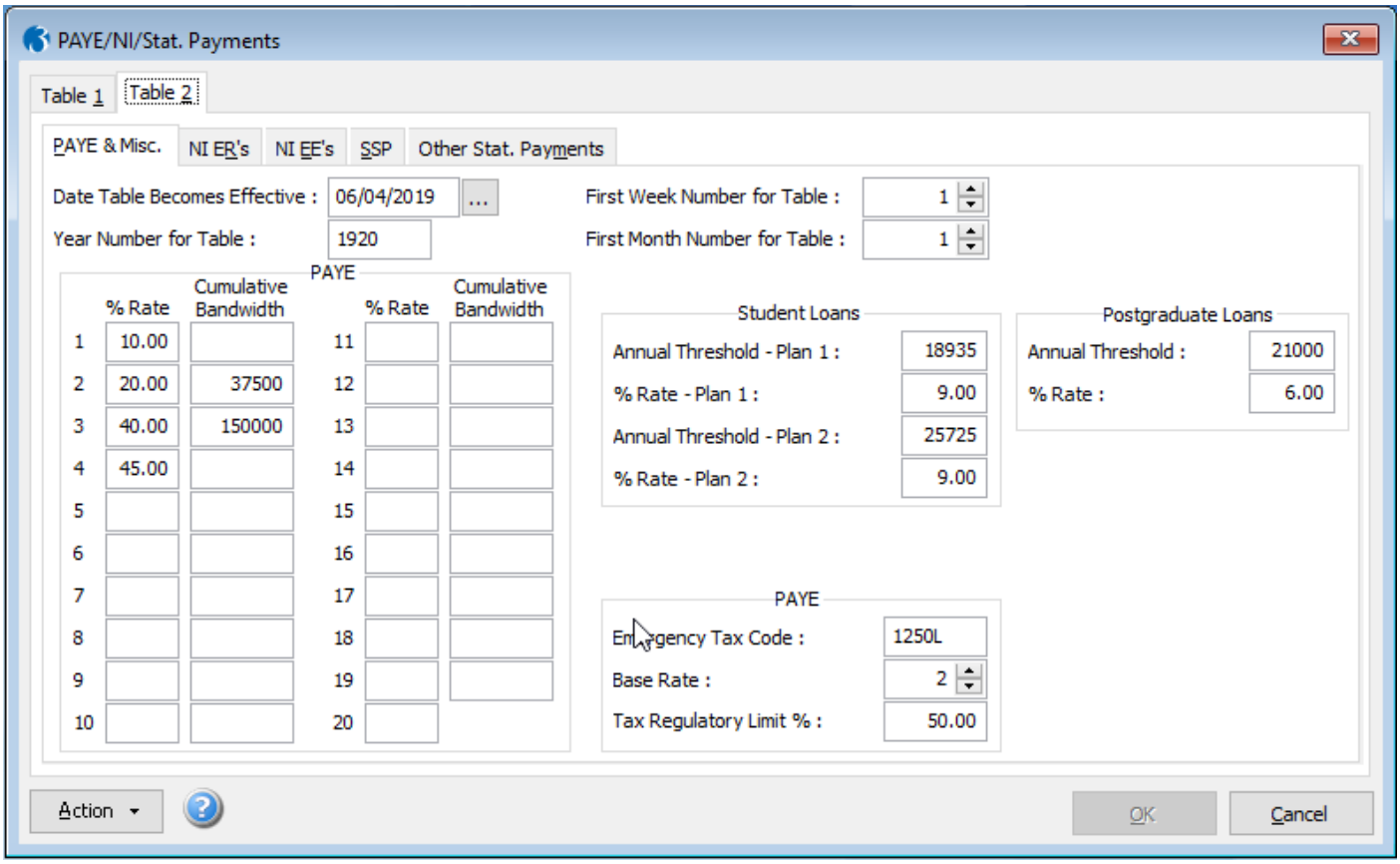
  If it DOES NOT SAY THIS – Call the Profile SystemCare Helpdesk IMMEDIATELY – DO NOT CONTINUE.

- [ ] All balances shown in the list are non-statutory – Click the ones you want to clear or press F5 for all then click OK.

You have now completed your Payroll Year End.

Final Checks

Go into Payroll > Utilities – select PAYE/NI/Stat Tables and check that your tables look like the ones below.



On the NI ER's Tab, review Employment Allowance and Apprenticeship Levy annual allowance.

If you run more than one Company, you can spread the allowances. They must be amended in each Company accordingly.

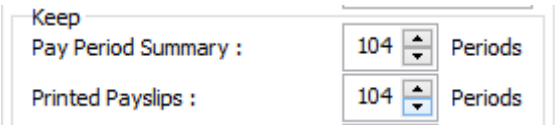
Check the following:

- Scottish & Welsh rates of Income Tax are found in Payroll > Utilities. Check the Date the Table Becomes Effective is 06/04/2019
- Check the 2019-20 Calendar – Payroll > Utilities > Calendar

- Payroll > Utilities > Set Options – Current Tax Year is 1920 (For ALL groups even those not used)

- If you have Weekly, Two Weekly or Four Weekly payrolls set up, ensure that the **P32 by Income Tax Month** option on the **Payroll – Utilities – Set Options – Options Page 1 -** form is ticked.

- Payroll > Utilities > Set Options > Options Tab 3 – Make sure that you Keep Pay Period Summary and Printed Payslips for MORE than 52 Periods for Weekly Payrolls.

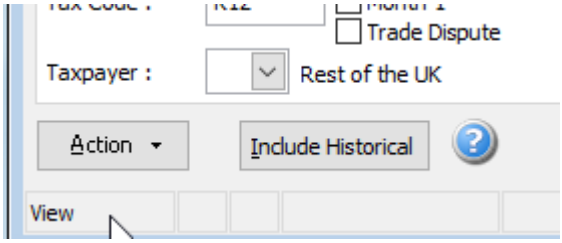


Reviewing Employee Records

Existing employee details may need to be amended. For example, for Tax, NI and taxpayer status and company car details.
Open the **Payroll - Processing** form to review employee records:

1. For Scottish Income Tax payers, select 'Scottish' in the **Taxpayer** box.

2. For Welsh Income Tax payers, select 'Welsh' in the **Taxpayer** box.



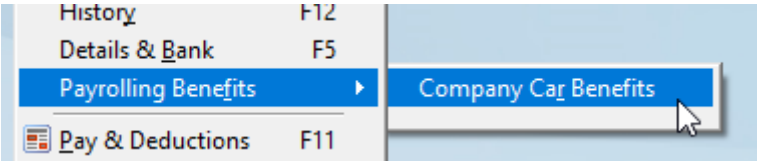
3. On the **Additional Details** tab of the **Details & Bank** form:

   o Check everyone's number of hours worked. The hours entered will be automatically allocated to the bands for the 2019-20 Tax Year.
   o Review the student loan and post graduate loan options for employees repaying loans.

4. Run the **Employee Age List** report to see the employees whose ages cross over the National Minimum and Living Wage ages.

5. Update all employees with the new tax free allowances using the **Payroll - Global Changes - Tax Code Changes** form.
   1. Enter the tax code uplift for L (+65), M (+71) and N (+59) codes.
   2. Apply new tax codes for employees who have tax code notices from HMRC.

6. Where you have applied to HMRC to payroll company cars in the 2019-20 tax year:
   1. Enter the car details for each relevant employee from the **Payroll - Processing - Payrolling Benefits** menu.

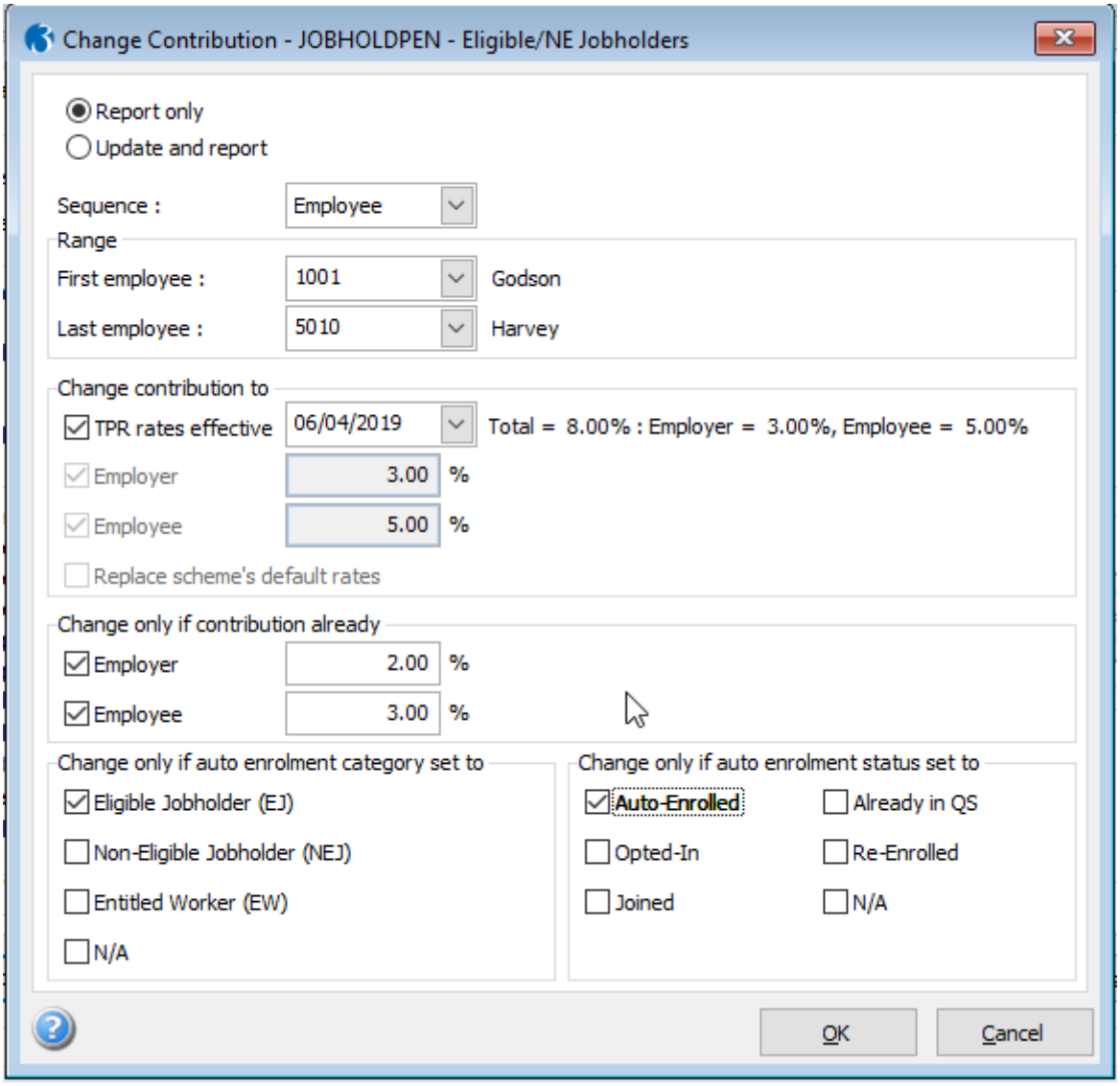


2. Set up a 'Benefit in Kind' Payment Profile for the car benefit.
3. Apply the profile to each employee with a company car on the **Payroll - Processing - Payment & Deductions** form, and enter the relevant value for the benefit in the **Perm. Value** column.

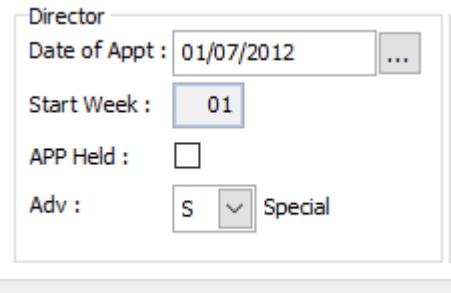
FOR THOSE EMPLOYEES WHO ALREADY HAVE COMPANY CARS, YOU MUST REVIEW AND IF NECESSARY AMEND THE FUEL TYPES AS CHANGES WILL BE INTRODUCED IN THE 2019-20 TAX YEAR.

7. From 06/04/2019 the total minimum Auto Enrolment contributions is 8% - with the employer contributing at least 3%.

If you need to update the contribution rates, use the new **Change Contribution form** on the **Action** menu of the **Payroll - Maintenance - Pensions** form.



8. **Company Directors** will require changes to be made to the ADV box on the Payroll Processing screen to take advantage of special NI processing. You MUST change this BEFORE you process your first payroll. It CANNOT be changed after the first payroll update has been run.



Summary of Legislation changes

Welsh Income Tax

Welsh Income Tax rates and thresholds will be recorded in the software for the new tax year.
From 6 April 2019, some of the Income Tax paid by people living in Wales will be paid to the Welsh government.
The Welsh government will be able to vary the rate paid by Welsh resident taxpayers. This means that they could pay different rates of Income Tax than taxpayers in the rest of the United Kingdom.
In practice the UK government will reduce the basic, higher and additional rates of Income Tax by 10p.
The Welsh government will then decide the rates that will be added to the reduced UK rates.

Company Car Fuel Types
Changes will be introduced to fuel classifications in the 2019-20 tax year. For those employees who already have company cars, you will need to review and if necessary amend the fuel types.

2018-19 fuel types 2019-20 fuel types
D - Diesel Either stays as D - Diesel or F -Diesel cars meeting Euro standard 6d/RDE2
E - Electric A - All other cars
H - Hybrid A - All other cars
A - All other cars A - All other cars

Postgraduate loans
Postgraduate loans will be deducted via the PAYE process from April 2019 in the same way as Student loans. The repayment threshold is set at £21,000 and loans will be repaid at a rate of 6%. The deductions will be based on the pay that is subject to National Insurance contributions.
PGL1 and PGL2 notices are being introduced in paper and electronic formats to start and stop Postgraduate loan deductions. These will run alongside the existing SL1 and SL2 notices for Student loans.

Full Payment Submissions
These new details are included in the FPS in the 2019-20 tax year:
- Values for postgraduate loan repayments
- New fuel types for company cars
- An indicator for Welsh taxpayers.

New NI, PAYE and statutory payments rates and bands
The usual changes to National Insurance rates and earnings limits, Income Tax rates and bands, tax allowances, statutory payment rates and so on will be updated in the system tables in the software.

These will be updated for each company during the Update Data Structures process as usual.

Auto Enrolment
From 06/04/2019 the total minimum Auto Enrolment contributions will be 8% - with the employer contributing at least 3%.

This is the end of the Payroll Processing Guide.