



Infor Infinium International HCM Payroll Guide to Period Ending Functions

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Introduction

Overview

The Period Ending functions supported by Infinium HR/PY are:

- Monthly Functions
- Fiscal Quarter
- Tax Year End
- Fiscal Year End

These are used to capture information processed by payroll operations and can provide the detail information required for accounting purposes.

Monthly Functions

Monthly Period End functions should be run following the completion of all payrolls for a particular month, including normal, on demand and special pay cycles. Functions which can be executed at the end of each month are:

- *Trial Close to General Ledger*
- *Close to General Ledger*
- *Trial Close Statistical Accounts*
- *Close Statistical Accounts*
- *Close Employer Calendar Month*

The *Close Employer Calendar Month* function increments the *Current Calendar Month* field held on the Employer Control by one.

Quarterly Operations

This function can be executed if analysis of company fiscal data is required by quarter. The function which should be executed is *Close Employer Calendar Quarter*.

Tax Year End Operations

This function enables Statutory requirements to be met producing the detailed analysis of statutory deductions to be reported to the regulating bodies at the end of each tax year. The P60 forms and Schedules detailing the required information are produced. The function which must be executed is *Close Employer Current Tax Year*.

This function increments the *Curr. Tax Year Ending Date* held on the Employer Control by one year.

Fiscal Year End Operations

The *Fiscal Period End* function should be run following the completion of all payrolls for a particular company year, including normal, on demand and special pay cycles. This function provides the facility to analyze Company Fiscal Year payroll and accounting data. The function which can be executed is *Close Employer Fiscal Year*.

Trial Close to General Ledger

Overview

The *Trial Close to General Ledger* function should be processed prior to the actual close to General Ledger. Trial Close simulates an actual Close to General Ledger, producing reports which should be checked for accuracy.

Menu Selection

System: Infinium Payroll

Menu Level 1: *Period End Functions*

Menu Level 2: *Trial Close to General Ledger*

Screen 1 of 1

```

27/06/94 17:37:54 Trial Close to General Ledger PYGMEGL PYDMEGL
Type selections, press Enter.
Employer Code . . . . . 111 +
Accounting Year . . . . . 1993
Accounting Month . . . . . 10
Payroll Cycle . . . . . + (Leave blank for all cycles)
Report Date . . . . . 31011993
Employee Labour Expense Ledger . . D (D=detail, S=summary, X=exclude)
Cash Disbursements Ledger . . . . D (D=detail, S=summary, X=exclude)
Employee Deductions Ledger . . . . D (D=detail, S=summary, X=exclude)
Employer Liabilities Ledger . . . . D (D=detail, S=summary, X=exclude)
Deduction Substitution . . . . . H (H=home levels, W=worked levels,
N=no substitution)

F3=Exit F4=Prompt F10=QuikAccess F12=Cancel

```

Figure 1: Trial Close to General Ledger

Key Information

Type a three character *Employer Code*.

Type *Accounting Year* and *Accounting Month*.

Type *Payroll Cycle* or leave blank for all cycles.

Use this screen to define whether reports should be printed in detail or summary. Reports may also be excluded.

Use F4 to view and select values for fields with a + sign.

By using *Deduction Substitution* you may specify whether employee deductions are to be credited to Home reporting levels or pro-rated to Worked reporting levels, where the employee actually performed his work.

Required Fields

Employer Code

Accounting Year

Accounting Month

Report Date

Output

The following reports may be produced as part of the trial run:

- Labour Distribution Ledger
- Cash Disbursements Ledger
- Employee Deduction Ledger
- Employer Liabilities Ledger

Press Enter to continue processing.

Note: If the reports contain invalid Accrued Payroll, Cash or Deduction account numbers, correct the errors and re-run the Trial Close. Invalid Labour Expense Account numbers cannot be changed at this time. Any such numbers should have been corrected during Cycle Processing. If any invalid Labour Expense Account numbers exist, they will need to be corrected within your General Ledger system.

The Trial Close function may be repeated as many times as necessary to achieve satisfactory results.

Controls Setup to Close to General Ledger

Overview

To set up the controls to close to General Ledger you have to access the Employer Controls function.

The General Ledger information found on the Employer Control record tells the system how to send the journal entries to the GL interface file (PYPAC). An **S** indicates summary and makes one entry per cycle, whereas a **D** indicates detail and makes one entry per employee per cycle.

Menu Selection

System: Infinium Payroll

Menu Level 1: *Payroll Control File*

Menu Level 2: *Employer Controls*

Menu Level 3: *Update Employer Controls*

Screen 2 of 3

```

27/06/94 17:43:19      Employer Update      PYGMCO      PYDMCO
                                           Page 2 of 3
Employer . . . : 111 Software 2000 Training Company
General Ledger Information      Use Fiscal Weeks . . 0 (1/0)
Current Fiscal Year & Pd. 1993  G/L Company . . . . 111 +
Accrued Payroll Acct No.      _____ +
Labour Expense Acct No. .      _____ +
General Ledger Close Options
Accrued Payroll @ Employer or Level 1 . . E (E=Employer,L=Level)
Create the following entries in Detail (D) or Summarise (S)
Labour Distribution Entries . . D      Cash Disbursements Entries . . . . S
Employee Deduction Entries . . S      Employer Exp. & Liab. Entries . . S
Paid Time Off Accrual Category Names
1 Annual  2 Sick  3 Long-Serve 4 _____ 5 _____ 6 _____
User Defined Code Descriptions
Type Names      Date Names      Amount Names      Hours Names
                _____      _____      _____      Std Hours
                _____      _____      _____      Extra Hours
                _____      _____      _____      Over Time Hours
                _____      _____      _____
                _____      _____      _____
F3=Exit  F4=Prompt  F10=QuikAccess  F12=Cancel

```

Figure 2: Employer Update

Key Information

The *Accrued Payroll @ Employer or Level 1* field determines how the Accrued Payroll numbers are to be posted.

- Type **E** if the Accrual payroll journal entries are to be posted to the account number on the Employer Controls.
- Type **L** if the Accrual payroll journal entries are to be posted to account numbers in the Level 1 control within *Update Level Controls* function.

Close to General Ledger

Overview

The Close to General Ledger performs the actual posting of all account numbers which have yet to be closed and which fit the selection criteria.

Menu Selection

System: Infinium Payroll

Menu Level 1: *Period End Functions*

Menu Level 2: *Close to General Ledger*

Screen 1 of 1

```

27/06/94 17:45:41      Close to General Ledger      PYGMEGL  PYDMEGL
Type selections, press Enter.
Employer Code . . . . . 111 +
Accounting Year . . . . . 1994
Accounting Month . . . . . 3
Payroll Cycle . . . . .      + (Leave blank for all cycles)
Report Date . . . . . 4111994
Employee Labour Expense Ledger . . D (D=detail, S=summary)
Cash Disbursements Ledger . . . . D (D=detail, S=summary)
Employee Deductions Ledger . . . . D (D=detail, S=summary)
Employer Liabilities Ledger . . . . D
Deduction Substitution . . . . . H (H=home levels, W=worked levels,
                                   N=no substitution)

F3=Exit  F4=Prompt  F10=QuikAccess  F12=Cancel

```

Figure 3: Close to General Ledger

Key Information

Type a three character *Employer Code*.

Type *Accounting Year* and *Accounting Month*.

Type *Payroll Cycle* or leave blank for all cycles.

Use this screen to define whether reports should be printed in detail or summary. Reports may also be excluded.

Use F4 to view and select values for fields with a + sign.

By using *Deduction Substitution* you may specify whether employee deductions are to be credited to 'Home' reporting levels or pro-rated to Worked reporting levels (that is, where the employee actually performed his work).

If a rate override was entered during cycle processing, a report showing rate variances will be produced with the Labour Distribution Ledger.

Note: If *Payroll Cycle* code is entered, nominated cycles only will be closed.

Note: Within the Update Income Controls function, incomes can be set up with 1, Capture Labour Distribution. This data may be printed using the Labour Distribution Analysis reports, or Labour Distribution Expenses by Levels reports.

Required Fields

Employer Code

Accounting Year

Accounting Month

Report Date

Output

The following reports are produced as part of the Close to General Ledger run:

- Labour Distribution Ledger
 - Cash Disbursements Ledger
 - Employee Deduction Ledger
 - Employer Liabilities Ledger
-

Press Enter to continue processing.

Statistical Accounts

Overview

Statistical Accounts are used in the system to create journal entries to be passed to the General Ledger interface file (PYPAC).

Statistical Accounts may be used to track the number of employees within an accounting month by position, job or level. In addition, employees may be tracked by personnel action transaction type, by a supported code type or by an absence. Supported code types are those that are held on the employee's basic data record.

Statistical accounts are reported on four reports as follows:

- Organisation Data (numbers of employees by level, job or position)
- Statistical Codes Data (employees by statistical code)
- Employee Transaction Data (employees by personnel transaction type)
- Employee Absence Data (employees by absence code)

Print Statistical Account File, which produces these reports, is selected from the General Ledger Functions menu.

Trial Close and Close Statistical accounts options are selected within the Monthly Functions options on the Period End Functions menu.

Use of Statistical Accounts is a three stage process:

- 1 Establish Statistical Accounts for the codes that you want reported.
- 2 Each month close Statistical Accounts.
- 3 Print Statistical Account File to produce the reports.

General Ledger account numbers for Statistical accounts are allocated to a code type and value through this function.

Menu Selection

System: Infinium Payroll

Menu Level 1: *Payroll Control Files*

Menu Level 2: *Code Statistical Accounts*

Menu Level 3: *Update Code Statistical Accounts*

Screen 1 of 2

```

27/06/94 17:49:54 Update Code Statistical Accounts PRGSAM PRDSAM

Type selections, press Enter.

Employer . . . . . 111 +
Code Type . . . . . ETH + ETHNIC IDENTIFICATION
Code Value . . . . . A +
Display Existing ? . . 0 +

F3=Exit F4=Prompt F10=QuikAccess F12=Cancel
    
```

Figure 4: Update Code Statistical Accounts

Key Information

Code Types supported are those that are held on the employee's basic data record. For example:

Code	Description
ETH	Ethnic Identification
STS	Status
CLA	Class
EEO	Job Category
MIL	Military Branch
UNI	Union

Required Fields

Employer Code

Code Type

Code Value

Display Existing? will default to 0

Press Enter to continue processing.

Screen 2 of 2

```
27/06/94 17:50:47 Update Code Statistical Accounts PRGSAM PRDSAM
Employer . . . . . : 111 Software 2000 Training Company
Code Type . . . . . : ETH ETHNIC IDENTIFICATION
Code Value . . . . . : A
Display Existing ? . : 0
Code Description . . : EUROPEAN

Enter Statistical Account.

Statistical Account . 111-****-****-ETHOR +

F3=Exit F4=Prompt F10=QuikAccess F12=Cancel F22=Delete
```

Figure 5: Update Code Statistical Accounts

Key Information

Insert the *Statistical Account* number (or portion thereof) as applicable to the selected code value.

The masking hierarchy for Statistical Codes, Transaction Types and Absence Data uses the account number entered through the Update Code Statistical Accounts function, then the Job Control and Level Controls associated with the employee.

Note: No masking facility exists for Organisation Data. The entire account number must be input on either the position, job or level control record.

Required Fields

Statistical Account

Press F3 to exit and save.

Trial Close Statistical Accounts

Overview

Trial Close Statistical Accounts will run a simulation close to general ledger of statistical account.

Menu Selection

System: Infinium Payroll

Menu Level 1: *Period End Functions*

Menu Level 2: *Trial Close Statistical Account*

Screen 1 of 1

```

28/06/94  9:04:06      Trial Close Statistical Account  PYGMEGL  PYDMEGL

Employer . . . . . 111 +
Accounting Year . . . . . 1994
Accounting Period . . . . . 4
Accounting Week . . . . . 14
Beginning Date . . . . . 2041990
Ending Date . . . . . 8041990
Include Organisation Data . . . . 1 (0=no, 1=yes)
Close in Detail . . . . 1
Print in Detail . . . . 1
Include Statistical Codes Data . 1 (0=no, 1=yes)
Close in Detail . . . . 1
Print in Detail . . . . 1
Include Employee Transaction Data 1 (0=no, 1=yes)
Close in Detail . . . . 1
Print in Detail . . . . 1
Include Employee Absence Data . . 1 (0=no, 1=yes)
Close in Detail . . . . 1
Print in Detail . . . . 1

F3=Exit  F4=Prompt  F10=QuikAccess  F12=Cancel
    
```

Figure 6: Trial Close Code Statistical Account

Key Information

Indicate on this screen which type of data is to be included in the close and whether this data is to be printed in detail or summary form. The close options for statistical accounts are also located on this screen and should be completed as desired. Type **1** to close the accounts in detail and **0** to close in summary.

The *Trial Close Statistical Accounts* option may be processed as many times as necessary to achieve satisfactory results.

Details from the last time the function was run are retained on the screen.

Required Fields

Accounting Year

Accounting Period

Include Organisation Data

Include Statistical Data

Include Employee Transaction Data

Include Employee Absence Data

All Close in Detail and Print In Detail fields

Press Enter to continue processing.

Close Statistical Accounts

Overview

Close Statistical Accounts will perform the actual close to the General Ledger interface file (PYPAC) of all statistical accounts that have yet to be posted and which fit the selection criteria.

Menu Selection

System: Infinium Payroll

Menu Level 1: *Period End Functions*

Menu Level 2: *Close Statistical Accounts*

Screen 1 of 1

28/06/94 9:07:32	Close Statistical Account	PYGMEGL	PYDMEGL
Employer	111 +		
Accounting Year	1994		
Accounting Period	4		
Accounting Week	14		
Beginning Date	2041990		
Ending Date	8041990		
Include Organisation Data	1 (0=no, 1=yes)		
Close in Detail	1		
Print in Detail	1		
Include Statistical Codes Data	1 (0=no, 1=yes)		
Close in Detail	1		
Print in Detail	1		
Include Employee Transaction Data	1 (0=no, 1=yes)		
Close in Detail	1		
Print in Detail	1		
Include Employee Absence Data	1 (0=no, 1=yes)		
Close in Detail	1		
Print in Detail	1		
F3=Exit F4=Prompt F10=QuikAccess F12=Cancel			

Figure 7: Close Statistical Account

Key Information

Ensure that this screen is completed identically to the Trial Close. Note that reports may be printed in detail and closed in summary or vice versa.

Required Fields

Accounting Year

Accounting Period

Include Organisation Data

Include Statistical Data

Include Employee Transaction Data

Include Employee Absence Data

All Close in Detail and Print In Detail fields

Press Enter to continue processing.

Close Employer for Calendar Month

Overview

This function should be utilised when all cycles for an accounting month have been posted.

Menu Selection

System: Infinium Payroll

Menu Level 1: *Period End Functions*

Menu Level 2: *Close Employer Calendar Month*

Screen 1 of 1

```
28/06/94  9:08:41  Close Employer Calendar Month  PYGJC50  PYDJC50
Type selections, press Enter.
Employer . . . . . 111 +
Month number . . . . . 10
Year number . . . . . 1994

F3=Exit  F4=Prompt  F10=QuikAccess  F12=Cancel
```

Figure 8: Close Employer Calendar Month

Key Information

Type a three character *Employer* code.

Type the *Month number* and *Year number*.

Month-to-Date registers should be printed prior to executing Close Employer Calendar Month. However, these reports may be processed after the Close, through use of the Print Prior Month secondary options.

This function will test for any unposted cycles in the calendar month if the edit on the Cycle Control record is set to edit for current month data. If the current month is not equal to the month indicated on the Close, an error message will be displayed. There is also an edit provided to ensure a month cannot be closed more than once.

The *Current Calendar Month* field found on the Employer Control record will be increased by one when this function is executed.

Current Month Income amounts, Hours and Deduction amounts are moved to the prior month fields. Current month fields are then cleared. Monthly income and deduction limits will be reset to zero and begin again.

If any special reports have been indicated on the Income/Deduction control records, these will be produced at this time.

WARNING! Prior to running Close Employer Calendar Month, all cycles for this month must have been closed using this option.

Required Fields

Employer

Month Number

Year Number

Press Enter to continue processing.

Close Employer for Calendar Quarter

Overview

This function should be utilised to print any user defined reports attached to the income and deduction controls. If there are any quarters to Date limit balances, these are also set to D by this run.

Menu Selection

System: Infinium Payroll

Menu Level 1: *Period End Functions*

Menu Level 2: *Close Employer for Calendar Quarter*

Screen 1 of 1

```
28/06/94  9:10:12  Close Employer Calendar Quarter  PYGJC50  PYDJC50
Type selections, press Enter.
Employer . . . . . 111 +
Quarter . . . . . 4
F3=Exit  F4=Prompt  F10=QuickAccess  F12=Cancel
```

Figure 9: Close Employer Calendar Quarter

Key Information

Type a three character *Employer* code.

Type the *Quarter*.

A 4th quarter close will move the data into the Prior 4th Quarter field held on the Employee Income and Deduction files.

Required Fields

Employer Code

Quarter

Press Enter to continue processing.

Close Employer for Current Tax Year

Overview

Use this option to:

- Print any standard reports and user-defined reports attached in the income or deduction control records.
- Move current yearly and quarterly accumulators into the previous year accumulators.
- Zero out yearly and quarterly accumulators in the employee income and employee deduction files.

Menu Selection

System: Infinium Payroll

Menu Level 1: *Period End Functions*

Menu Level 2: *Close Employer Current Tax Year*

Screen 1 of 1

```

28/06/94  9:11:16  Close Employer Current Tax Year  PYGJC50  PYDJC50
Type selections, press Enter.
Employer  . . . . . 111 +
Year      . . . . . 1994

```

F3=Exit F4=Prompt F10=QuikAccess F12=Cancel

Figure 10: Close Employer Current Tax Year

Key Information

Type a three character *Employer* code.

Type the *Year*.

The tax year must be closed after the last payroll run has been posted with a period end date within the current year.

P60 forms and statutory return information will be produced using data stored in the prior year fields held on the employee income and deduction files.

Note: Remember to close the current tax year prior to the first payroll run within the new year.

Required Fields

Employer Code

Year

Press Enter to continue processing.

Close Employer for Fiscal Year

Overview

This function should be utilised when all cycles for an accounting year have been posted and all months closed to General Ledger.

Menu Selection

System: Infinium Payroll

Menu Level 1: *Period End Functions*

Menu Level 2: *Close Employer for Fiscal Year*

Screen 1 of 1

```
28/06/94  9:12:33  Close Employer for Fiscal Year  PYGJC50  PYDJC50
Type selections, press Enter.
Employer  . . . . . 111 +
Year      . . . . . 1994
F3=Exit  F4=Prompt  F10=QuikAccess  F12=Cancel
```

Figure 11: Close Employer for Fiscal Year

Key Information

Type a three character *Employer* code.

Type the *Year*.

Fiscal year registers should be produced prior to executing Close Employer for Fiscal Year.

Close Employer for Fiscal Year will clear the fiscal year-to-date amounts and hours. This can be viewed at the *Fiscal Year* field in Correct Employee Income Data and Correct Employee Deduction Data in Supervisors Functions.

The *Current Fiscal Year Date* held on the Employer Control record is incremented by one year.

The current employer year must be closed prior to releasing the first payroll of the new fiscal year. The system will not allow a cycle to be released until the *Current Year* field coincides with the year of the cheque date in the pay cycle.

Annual income and deduction limits are reset to zero and will begin again.

If any special annual reports have been indicated on the Income/Deduction control records, these will be produced at this time.

A new Accounting Year control will be required before processing can commence in the new Fiscal Year.

Required Fields

Employer Code

Year

Press Enter to continue processing.

Year End Procedures

This section describes the steps required to perform tax year end processing within Infinium PY(I).

Caution: Back up your Infinium IHCM database before processing the tax year end.

Caution: These steps are guidelines for year-end processing. You may find it necessary to modify these steps to meet your organization's year-end requirements.

Processing steps for tax year end

Follow the steps below to process the tax year end.

- 1 Ensure that you ran and posted all payroll cycles for the current tax year.
 - 2 Ensure that you submitted Full Payment Submissions (FPS) to HMRC for all cycles for the current tax year. For the final payroll cycle of the tax year, you must use the *Final Submission for Year FPS* function. This function includes a screen where you must complete the end-of-year declarations. If you run cycles for multiple pay frequencies, for example, weekly and monthly, you do not need to run this function separately for the weekly and the monthly cycles. You need run it only for the last cycle run in the tax year.
 - 3 Ensure that you created and submitted your final Employer Payment Summary (EPS), if applicable, for the tax year by using the separate *Final Employer Payment Summary* function. This function includes a screen where you must complete the end-of-year declarations. This ensures that you have submitted the final year-to-date balances for the EPS.
 - 4 Ensure that you performed your normal monthly period-end functions for the last month of the tax year, that is, March.
 - 5 From the Infinium PY(I) main menu or desktop select *Period End*.
 - 6 Under * *Tax Year End Operations* options, run the following reports and save the output:
 - *Print YTD Payroll Register*
-

- *Print YTD Earnings Register*
- *Print YTD Supplemental Register*

WARNING! You must run these functions before you perform your tax year end close, as they take data from the current year fields of the employee records.

- 7 Select *Close Employer Current Tax Year*. You are required to enter the employer code and the year. Ensure that the year is the correct tax year you want to close. For example, to close the 2009/2010 tax year, type **2010**.

This function performs the following actions:

- Ensures that no unposted cycles exist for the current tax year. The system displays an error message if unposted cycles exist.
- Runs annual custom reports set up in the Special Reports section of the income and deduction control records.
- Moves current year data in the employee payroll master and employee income and deduction records to the prior year fields and sets the current year data to zero.
- Resets the cycle tax week/month numbers to **1** for weekly or monthly cycles, **4** for lunar pay frequency cycles, or **2** for fortnightly cycles.
- Resets the employee tax week/month numbers to **1** for weekly or monthly cycles or **4** for lunar paid employees.
- Moves the employee's current tax code to the *Previous Year Tax Code* field.
- If an entry exists in the *Next Year Tax Code* field of the payroll master record for an employee, the system moves the value to the *Current Year Tax Code* field. If the employee also has a current tax year code with a suffix of, L, P or V, the system enters the value ***UPD** in the *Next Year Tax Code* field.

This value indicates that the employee's tax code has already been updated for the new tax year. If you subsequently run the *Mass Change PAYE Tax Code* function, the system does not update the code for this employee. This allows you to enter specific next year tax codes for individuals prior to the tax year end and protect them from being changed if you run the *Mass Change PAYE Codes* function.

- Increments by one year the tax year end date on the employer control record.
- Creates employee annual income and deduction history for the year that you are closing. This is a summary history that comprises one record per employee per income and deduction per year. You can review this summary history by using the *Display Employee Annual History* function.

- 8 Select and run the *P60/P14 Pay and Tax Proof List* function to produce a report of employees' pay and PAYE tax for the year. Type **0** in the *Values to use* field to specify the prior year. This function also produces reports of employees' student loans and an exceptions report that lists any negative annual pay or tax. Check the exceptions report to ensure the data is correct.
- 9 Select and run the *P60/P14 NI Contributions* function to produce a detailed report of employee National Insurance data for the year. Type **0** in the *Values to use* field to specify the prior year. This function produces an exceptions report that lists any negative NI or employees employed during the tax year with no prior year pay. Check the exceptions report to ensure the data is correct.

Note: Customers can use the *NP60 cycle group to exclude certain employees from this report, where the employee's payroll cycle code is defined in the *NP60 cycle group.

- 10 Select and run the *Print P35 Working Sheet* function.

This function produces an exceptions report that lists various potential error conditions. Check the exceptions report to ensure the data is correct.

Note: You can also run this function during the year, independent of payroll cycles, to identify any data errors relating to Real Time Information reporting.

- 11 To adjust an employee's prior year balances manually, use the *Correct Employee Income Data* or *Correct Employee Deduction Data* functions in *PY Supervisor's Functions*. The system automatically generates an audit log report of any updates that you make through these functions. Refer to the *Infinium Payroll Guide to Correcting and Adjusting Payroll Totals* for more information.

- 12 Select and run the *Print P14/P60 Forms* function.

Note: You can use the *NP60 cycle group to exclude employees from this function, where the employee's payroll cycle code is defined in the *NP60 cycle group.

Running your first payrolls for the new tax year

As the P60 and P14 year-end reporting functions all use the prior year balance fields for their calculations, you can run your first payrolls for the new tax year as soon as you perform the tax year close and while you are still checking or adjusting the year end figures.

Earlier Year Update

The Earlier Year Update (EYU) message is one of a suite of messages introduced by HMRC to support the Real Time Information reporting by employers. It is used to send data which enables HMRC to update their records received from previous Full Payment Submissions relating to employee pay and deductions for the previous tax year. We support this through the *Earlier Year Update* function, where you can report any adjustments needed to employee RTI pay data.

Refer to the updated “Reporting Real Time Information” chapter in the *Payroll Guide to Processing* for information on how to use this function.

Reporting of employee SCONS for an occupational contracted-out scheme

If you operate an occupational contracted-out scheme, you must report the scheme contracting-out number (SCON) for all employees who have the National Insurance category letter of D, E, or L.

With the introduction of Real Time Reporting, the SCON numbers must be reported for each payroll in the Full Time Submissions.

You must define the SCON number for a contracted-out scheme by entering it on the deduction control of the associated pension deduction.

If you operate multiple contracted-out schemes and have different SCONS for different groups of contributing employees, you must define the SCON number for each scheme on its relevant pension deduction control.

Defining SCONS on deduction controls

Your deduction controls for pension contributions should already be set up as type **P**, indicating pension. For these deductions, the system displays the *Identification Number* field on screen 2.

For deductions used for COMPS contributions, type the SCON in the first nine characters of this field. The SCON uses the following format:

- The letter **S** or **A**, followed by
- Seven numeric characters, followed by
- One letter

An example of a valid SCON is **S1301234T**.

Using the SCON deduction reporting group to identify deductions

For the system to identify the contracted-out pension deductions that contain the SCON numbers, you must define the contracted-out pension deductions in a deduction reporting group named **SCON**.

Set up a **SCON** employer code value, and use code type DRG. Use the *Update Deduction Reporting Group* function to enter **SCON** as the deduction reporting group code. The system displays a list of all deductions. Type **X** next to all relevant contracted-out pension deductions.

Employer's contracted-out certificate number (ECON)

Customers with contracted-out employer pension schemes, operated with National Insurance letters D, E, or L, have an Employer Contracted Out Certificate Number (ECON).

You define the ECON by using the first nine digits of the *Scheme Contracted Out Number* field on the Update Employer Controls screen 3 in Infinium PY(I). The system reports the ECON at the employer level.

The ECON uses the following format:

- The letter **E**, followed by
- Seven numeric characters, followed by
- A letter

An example of a valid ECON is **E1234567A**.

Reporting SCONs and ECONs together

If you operate contracted-out schemes, you must define both the SCONs and the ECON for reporting as described above.

Tax code uplift

If there is a general uplift of tax codes with suffix **L**. HMRC will issue full instructions to employers on form P9X in the employer CD-ROM as part of employer's pack.

The **L** suffix code represents a point's increase. For example, if the increase is 44, the 0603L code becomes 0647L.

Use the *Update PAYE Tax Code Increase* function to specify the points increase for the **L** suffix code.

Use the *Trial Mass Change PAYE Tax Codes* function to preview the changes.

Then run the *Mass Change PAYE Tax Codes* function to apply the changes.

Notes