# Micropay Professional
# Payroll Year End 2010
# User Guide

**This guide is designed to help you to complete the Sage Micropay Professional Payroll Year End 2010 process.**

**If you find that you're having trouble following the guide onscreen, we recommend that you print out the relevant pages.**

**And you can find additional Payroll Year End information by selecting your payroll software's 'Year End – Tax - FAQs' menu option.**

## News Feeds

Use Micropay Professional's News Feeds feature to help make sure you stay up to date. As soon as the Budget 2011 Update is available, you'll receive a News Feed message about it.

To enable news feeds, select the **Help – View Micropay News** menu option, or click the **Read News Feeds** button on your Micropay Professional desktop.

## Automatic Software Updates

You can set up Sage Micropay Professional to check for and install software updates automatically.

This means that as soon as the Budget 2011 Update is available, you'll be able to download and install it. (Note, however, that the Payroll Year End 2010 Update is available on CD or on http://www.sage.ie/pye, but is not available through Auto Updates.)

To configure your system for Auto Updates, select the **Tools – Internet Options** menu option. In the **Software Updates** tab, select one of the **Automatic** checkboxes.

## Video Tutorials

The Sage web site provides a set of video tutorials that go through the steps involved in the Payroll Year End 2010 process.

To access these tutorials, go to:

http://www.sage.ie/pye

## Payroll Year End 2010 Checklist

(This checklist is also available as a separate printable document. Select the **Year End – Tax – View Checklist** menu option.)

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*** Steps marked with an asterisk can deferred, as long as they are completed before the Revenue Commissioners' submission deadline of Feb 15th 2011.**

# Part 1: Updating for Payroll Year End

**CARRY OUT THESE STEPS IMMEDIATELY**

Part 1 involves the following steps:

- Step 1: Register with ROS (Revenue Online Service)
- Step 2: Take a Full System Backup
- Step 3: Install the Payroll Year End 2010 Update

## Step 1: Register with ROS (Revenue Online Service)

If you have not already done so, register with the Revenue Online Service (ROS) immediately at:

http://www.ros.ie

You won't be able to carry out the Submit P35 to ROS step unless you are registered.

**Note:** It can take a few weeks to register, so allow plenty of time for this.

The ROS Technical Helpdesk phone number is 1890 201106.

For more information, select the **Year End - Tax - FAQs** menu option, and then open the 'P35 to ROS submission' help topic.

## Step 2: Take a Full System Backup

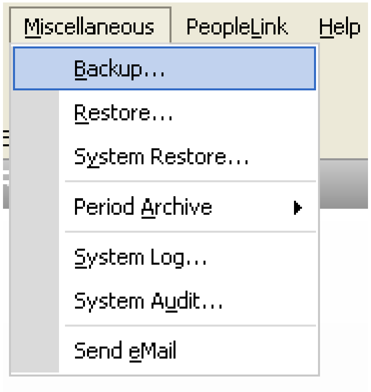
Before installing the Payroll Year End Update, take a backup of the system files and payroll data. This helps you to minimise the possibility of ever having to re-create information manually.

**You must retain the backup for six full tax years. This is a Revenue Commissioners requirement.**

1. Launch Micropay Professional, logging in with the user name ADMIN.

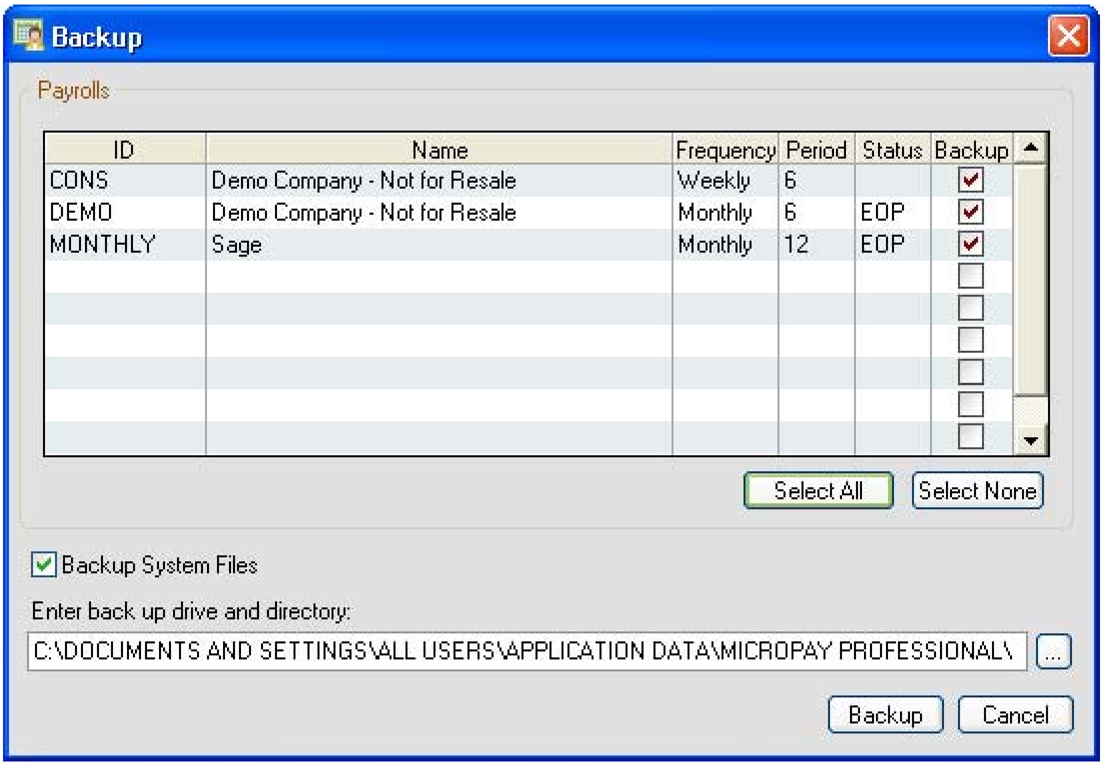
   The default password for ADMIN is PASS, but this may be different on your system.

2. Select the **Miscellaneous - Backup** menu option.




3. Click the **Select All** button.

4. Select the **Backup System Files** checkbox.



5. Specify the backup storage location in the 'Enter backup drive...' field.

   It's a good idea to create a folder especially for the backup. Sage recommends that you name this folder *FULL SYS BACKUP 2010* or something similar.

   **Store the backup somewhere reliable, such as on a network drive, secondary disk drive or memory stick.**

   It may require 50MB of memory or more.

6. Click **Backup** to proceed.

   If there is an existing backup at the location you have specified, you will be alerted that this will be overwritten with the new backup.

7. Click **Back up to this folder** to overwrite the existing backup. Otherwise, click **Choose another folder** to go back and specify a different location.

8. The backup is created at the specified location. Click **OK**.

The backup process is now complete.

## Step 3: Install the Payroll Year End 2010 Update

**IMPORTANT: CARRY OUT THIS STEP**
**BEFORE PROCESSING THE LAST PAY PERIOD OF 2010**

To install the Payroll Year End Update, you should be using Micropay Professional 2010 v11.0 or later. If you are using an earlier version, contact your support provider as soon as possible.

To check your version, select the **Help – About Micropay Professional** menu option.

This guide explains how to install the Update from the Payroll Year End CD. If you have not received the CD, you can obtain the Update anyway by downloading it from:

http://www.sage.ie/pye

Alternatively, call **1890 88 20 60** to request a new CD.

**Note:** Depending on your operating system, you may need administrator rights on your computer to install the Update. If you are unsure about this, contact your IT person.

1. Close Micropay Professional and any other Sage products.
2. Insert the Payroll Year End CD into the CD-ROM Drive.

   The Product Select screen should display automatically.

If the screen does not display automatically:

(i) Double-click the **My Computer** icon on your Windows desktop.

(ii) In the My Computer window, double-click the CD drive icon.

(iii) Double-click the **IrePYE_2010.exe** icon.

3. Select **Micropay Prof**.
4. The Micropay Professional Options screen is displayed. Select **Install PYE 2010 Update**.
5. Accept the licence agreement by selecting **I Accept...** checkbox.
6. Click **Next**.
7. Select the type of installation you require, paying close attention to the onscreen information about these options:
   - **Standalone**
   - **Client**
   - **Server**
9. Click **Next**.
10. Specify whether you want to use **Typical** settings or **Custom** settings.

If you choose **Custom**, you can:

- change the locations of the program and data folders
- specify a **Start** menu group for the software

11. Click **Next**.
12. Select **Add shortcuts to my desktop**.
13. Click **Install**.
14. When the update process is complete, click **Finish**.
15. You are prompted to install the latest Adobe Acrobat Reader (if it is not already installed).
16. Launch Micropay Professional's 2010 tax year by either:
    - double-clicking the **Micropay Professional 2010** desktop shortcut icon
    - clicking the Windows **Start** button and selecting **Programs - Micropay Professional - 2010 - Micropay Professional**
17. Log into each of your payrolls in turn. Your payroll data will automatically be converted so that it works in the new version of the application.
18. **Micropay Professional 2010 should now be on Version v11.1.** Check the top left-hand corner of the program window to confirm this.

**Click the 'News Feeds' button**
**to sign up for live alerts.**

# Part 2: Completing 2010 Processing

Now you need to finish processing payroll in the 2010 tax year, and carry out a number of related tasks:

- Step 1: Process the final pay period(s)
- Step 2: Update Employee Records
- Step 3: Check the Company Details Window
- Step 4: Compare Control Summary and P30/CC124
- Step 5: Generate Earnings, Tax & PRSI report for each employee

## Important

Later in the Payroll Year End 2010 process, you'll install the Budget 2011 Update.

Make sure that Auto Updates is switched on now. This will ensure that you receive all software updates as soon as they are available, including the Budget 2011 Update.

## Step 1: Process the final pay period(s) of 2010

Process the remaining pay period(s) of 2010 in the usual way.

Normally, the last pay period is Week 52, Month 12 or Fortnight 26, but in some years there may be an extra pay period.

For more information about extra pay periods, select the **Year End - Tax - FAQs** menu option. Then open to the 'Extra Pay Period' help topic.

**Automatic Verification of Health Levy, Income Levy and PRD amounts**

When an employee reaches 52 insurable weeks in the 2010 tax year, the system automatically recalculates the employee's Health Levy, Income Levy and Pension-Related Deduction (commonly known as the 'Pension Levy') amounts for the year.

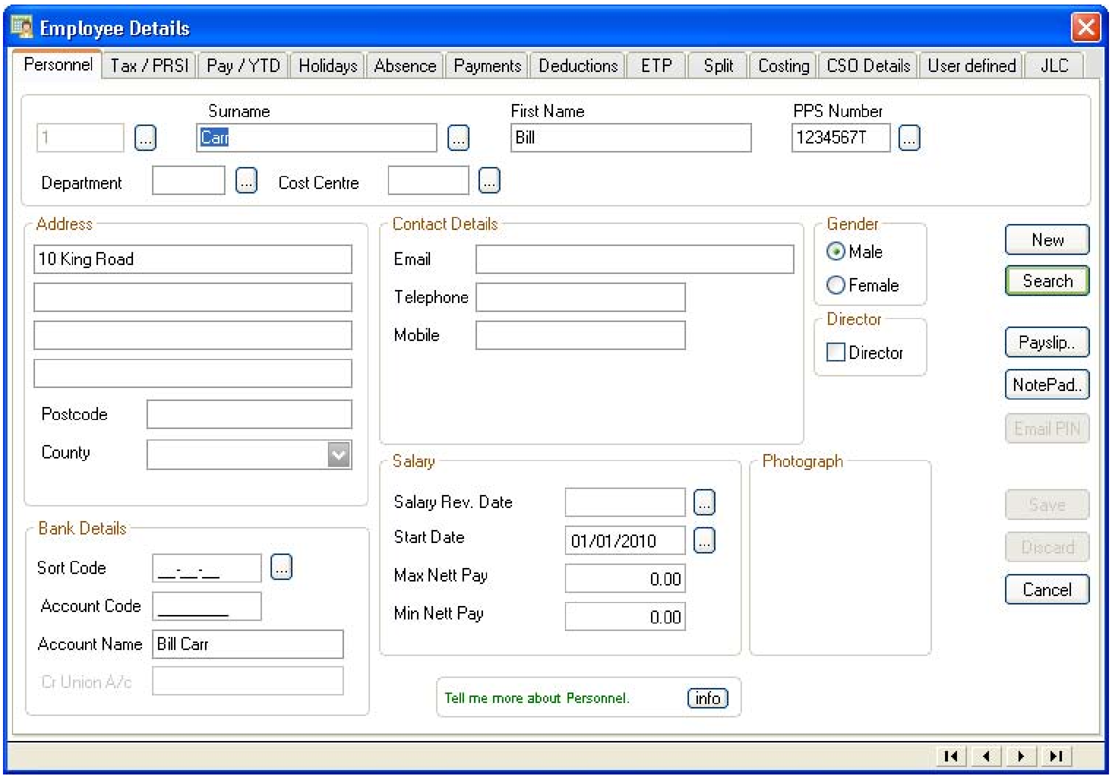
If the employee is entitled to a refund arising from any of these recalculations, the refund amount will be incorporated into the employee's final payslip, and an explanatory note will be included in the payslip.

For more detailed information about the recalculations, select the **Year End – Tax – FAQs** menu option, and then open the 'Recalculations of the Health Levy, Income Levy and PRD' help topic.

## Step 2: Update Employee Records

Ensure that information is complete for all employees who worked for the company during 2010.

1. Select the **Processing - Employee Details** menu option.
2. Check the tabs in each employee details record, making sure all relevant information has been entered.




### PPS Number

Every employee record should have a valid PPS Number. In the absence of this, the Date of Birth **and** Address must be specified.

This is critical, because later when you are creating the P35 ROS submission, the system will attempt to merge 'duplicate' employee records, and needs to be able to match these correctly.

Also, the P35 ROS file will not be considered valid by the Revenue Commissioners unless all employees have either a PPS Number or a Date of Birth and Address.

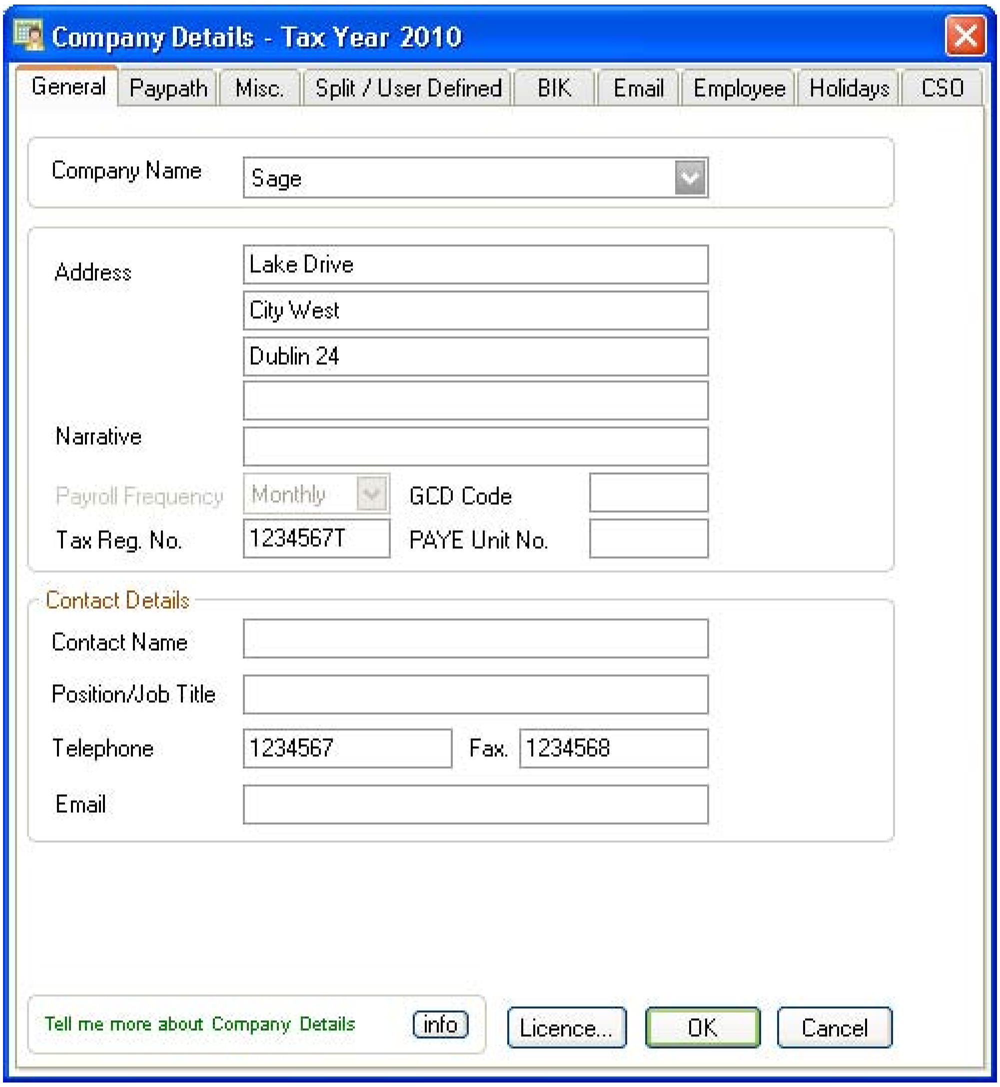
### Finish Period/Date

Every leaver should have a Finish Period **and** a Finish Date.

## Step 3: Check the Company Details Window

1. Select the **Company/Payroll – Company/Payroll Details** menu option.

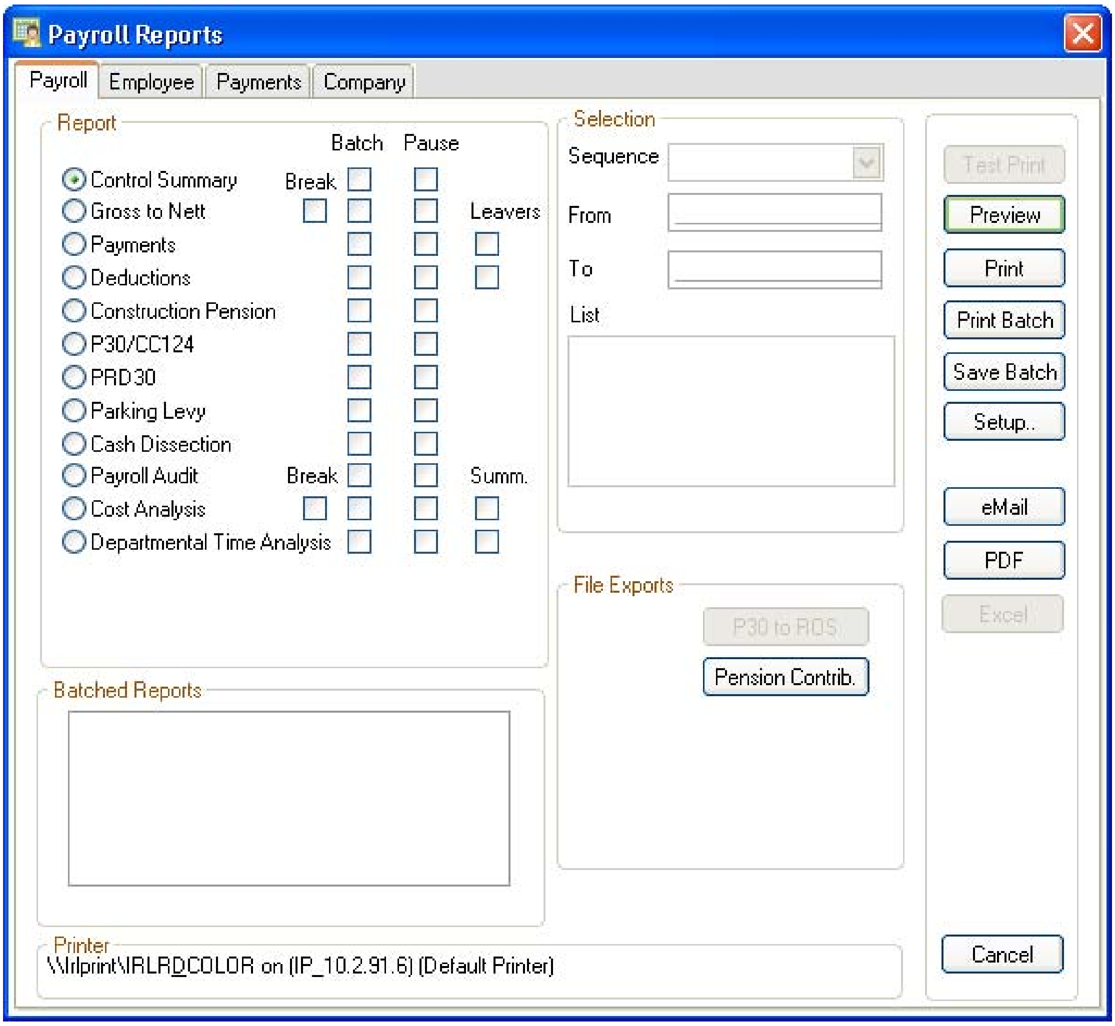
2. Ensure that the company details, such as the Tax Registration Number and the Contact Details, are up to date and correct. (Contact details must be included on ROS returns.) Make any necessary changes.



## Step 4: Compare Control Summary and P30/CC124

You need to print out the Control Summary and the P30/CC2124 so that you can make sure that certain values on them match.

1. Select the **Reports - Payroll Reports** menu option.
2. The Payroll Reports window opens. Select **Control Summary** in the **Payroll** tab.
3. Click **Print**. The Control Summary prints out.




4. Now you are ready to print out the P30/CC124. Select the **P30/CC124** radio button.
5. Click **Print**.
6. Specify whether you want to include quarterly subtotals by clicking **Yes** or **No**. The P30/CC124 prints out.
7. Compare the information on these reports as follows:

Make sure that each Control Summary value matches the corresponding P30/CC124 value.

| Control Summary (Cumulative Control Totals) | P30/CC124 Value |
|---|---|
| Tax This Employment C/Forward | PAYE Total |
| PRSI E'e (C/Fwd) + PRSI E'r (C/Fwd) | PRSI Total |
| Income Levy | INCOME LEVY |

(See the example on the next page.)

## Control Summary

Cumulative Control Totals

| | B/Forward | New Starters | This Period | C/Forward |
|---|---|---|---|---|
| Gross Income | 422997.00 | | 42938.00 | 465935.00 |
| Gross Pay YTD | 413547.00 | | 40988.00 | 454535.00 |
| Tax Paid YTD | 166980.27 | | 16571.08 | 183551.35 |
| Gross Prev. (P45) | | | | |
| Tax Prev. (P45) | | | | |
| Gross This Employment | 413547.00 | | 40988.00 | 454535.00 |
| Tax This Employment | 166980.27 | | 16571.08 | 183551.35 |
| Income Levy | 21092.82 | | 2159.58 | 23252.40 |
| PRSI Employee | 22936.83 | | 1986.87 | 24923.70 |
| PRSI Employer | 44456.31 | | 4406.21 | 48862.52 |

*Note: Please check that the B/Forward Values are equal to the C/Forward values from the previous pay period

## P30/CC124

Sage

Date: 07/10/2010 Time: 16:00

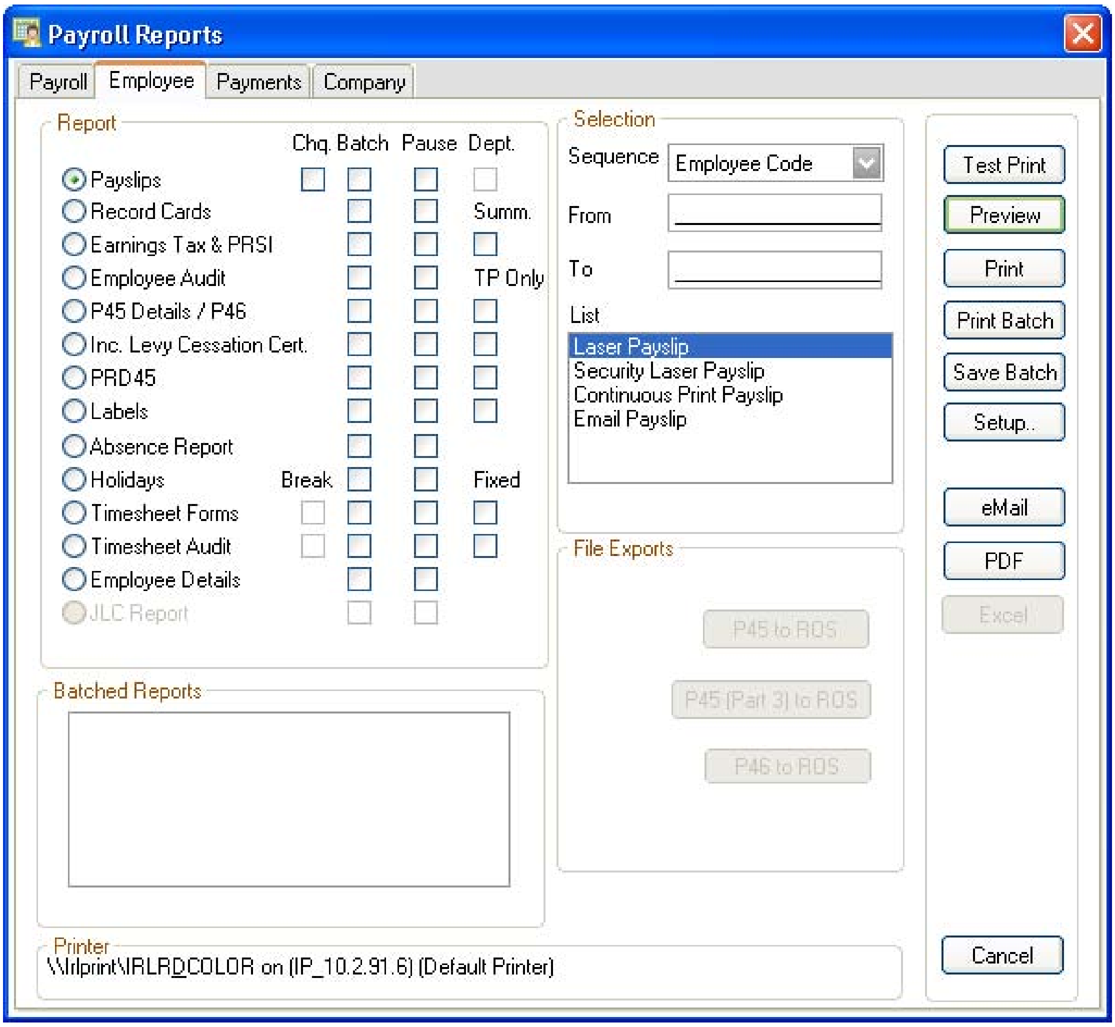
P30/CC124 Run Date: Pay Period: 12 Frequency: M

| Month | PAYE | Income Levy | Total PAYE | PRSI | Parking Levy | Total PRSI | Total PAYE + Total PRSI |
|---|---|---|---|---|---|---|---|
| Jan | 934.50 | 60.00 | 994.50 | 512.34 | | 512.34 | 1506.84 |
| Feb | 13862.62 | 1655.22 | 15517.84 | 6705.88 | | 6705.88 | 22223.72 |
| Mar | 14445.64 | 1758.54 | 16204.18 | 6986.72 | | 6986.72 | 23190.90 |
| Total | 29242.76 | 3473.76 | 32716.52 | 14204.94 | | 14204.94 | 46921.46 |
| Apr | 20426.72 | 2651.82 | 23078.54 | 7932.17 | | 7932.17 | 31010.71 |
| May | 18992.95 | 2478.00 | 21470.95 | 7323.43 | | 7323.43 | 28794.38 |
| Jun | 18436.17 | 2378.52 | 20814.69 | 7109.55 | | 7109.55 | 27924.24 |
| Total | 57855.84 | 7508.34 | 65364.18 | 22365.15 | | 22365.15 | 87729.33 |
| Jul | 18317.27 | 2397.12 | 20714.39 | 7063.87 | | 7063.87 | 27778.26 |
| Aug | 15927.79 | 2002.44 | 17930.23 | 6145.96 | | 6145.96 | 24076.19 |
| Sep | 14770.36 | 1860.06 | 16630.42 | 5701.34 | | 5701.34 | 22331.76 |
| Total | 49015.42 | 6259.62 | 55275.04 | 18911.17 | | 18911.17 | 74186.21 |
| Oct | 15097.95 | 1863.00 | 16960.95 | 5827.18 | | 5827.18 | 22788.13 |
| Nov | 15768.30 | 1988.10 | 17756.40 | 6084.70 | | 6084.70 | 23841.10 |
| Dec | 16571.08 | 2159.58 | 18730.66 | 6393.08 | | 6393.08 | 25123.74 |
| Total | 47437.33 | 6010.68 | 53448.01 | 18304.96 | | 18304.96 | 71752.97 |
| Year | 183551.35 | 23252.40 | 206803.75 | 73786.22 | | 73786.22 | 280589.97 |

## Step 5: Generate the Earnings, Tax & PRSI reports for each employee

1. Select the **Reports - Payroll Reports** menu option.
2. Open the **Employee** tab.
3. Use the Selection fields to specify the relevant employees, if necessary. The default setting is 'All Employees'.
4. Select **Earnings Tax & PRSI.**
5. Click **Print**. The reports are printed out for each employee.

   Alternatively, you can save the report in **PDF** or **Excel** format.




6. Confirm that each Earnings, Tax & PRSI report is complete and correct.
7. Keep the Earnings, Tax & PRSI reports in your records.

# Part 3: Payroll Year End Procedures

This stage involves printing 2010 statutory reports for the Revenue Commissioners. The following steps must be carried out for each of your company payrolls:

- Step 1: Ensure that pensions are set up correctly
- Step 2: Print P35 Plain Report
- Step 3: Generate the P35 to ROS File
- Step 4: Print the PRC1 Report
- Step 5: Print P60s and Other Year End Certs

Carry out Step 1 immediately.

After you have completed Step 1, you have the option of moving onto Part 4 of the Payroll Year End process, deferring Steps 2 to 5 until later.

However, Steps 2 to 5 must be completed before the Revenue Commissioners' submission deadline of February 15th, 2011.

For more information, select the **Year End - Tax - FAQs** menu option, and then open the *Feb 15th Submission Deadline* help topic.

## Step 1: Ensure that pensions are set up correctly

The P35 file (to be returned on or before 15th February 2011) must include details of any pension contributions made

- by employees themselves
- by the company on behalf of its employees

Ensure that pensions are set up correctly in your system.

Deductions relating to pensions, PRSAs, RACs and CWPS schemes must be set up with an appropriate 'Pension Link'.

For more information, select the **Year End - Tax - FAQs** menu option. Then open the 'Pensions at Payroll Year End' help topic.

## Step 2: Print P35 Plain Report

The P35 Plain Report displays your P35 information on plain paper. This enables you to verify your P35 information before committing it to a P35 ROS submission.

### Differences between the P35 Plain Report and the P35 ROS file

It's important to be aware that the P35 Plain Report and your P35 ROS file are different.

The P35 Plain Report lists all employee records, even if they are 'duplicates'.

The P35 ROS file (see Step 3: Generate the P35 to ROS File) must have a single entry for each employee. So it merges duplicate employee records where possible.

There is more information about duplicate employees in Step 3.

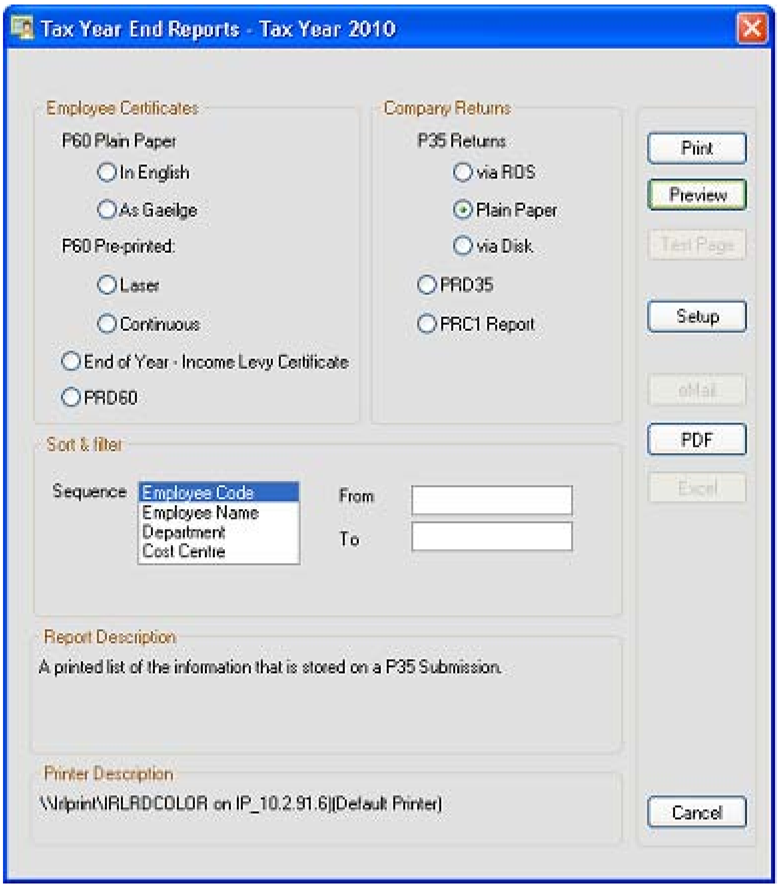
### Consolidation Companies and the P35

If you have more than one payroll with the same Tax Registration Number, you must consolidate these payrolls into a consolidation company.

Then generate the P35 Plain Report in the consolidation company.

For more information, select the **Year End - Tax - FAQs** menu option, and then open the 'Consolidation Company' help topic.

1. Select the **Year End - Tax - Tax Year End Reports** menu option.
2. Select the P35 Returns **Plain Paper** radio button.
3. Click **Preview** or **Print**.




4. The system checks your payroll data for discrepancies. If it finds any, a report is displayed onscreen.
5. Make any adjustments to pension amounts that are necessary.
6. Click **Proceed** to print the report.

   For more information, select the **Year End - Tax - FAQs** menu option, and then open the 'Pensions at Payroll Year End' help topic.
7. Check the P35 Plain Report to ensure that all employees (including those who left during the year) are included.
8. Check the overall totals against your last Control Summary using this table:

| Control Summary (Cumulative Control Totals) | P35 Value (Trailer Record section) |
|---|---|
| Gross This Employment C/Forward | Total Gross Pay (Round per E'e) |
| Tax This Employment | Total Tax |
| PRSI E'e (C/Fwd) + PRSI E'r (C/Fwd) | Total PRSI |
| Income Levy C/Forward | Total Income Levy |

(See the example on the next page.)

If you find any errors or omissions in the P35 Plain Report, make the necessary changes in the Employee Details screen, and then run the P35 Plain Report again.

## Control Summary

Cumulative Control Totals

| | B/Forward | New Starters | This Period | C/Forward |
|---|---|---|---|---|
| Gross Income | 422997.00 | | 42938.00 | 465935.00 |
| Gross Pay YTD | 413547.00 | | 40988.00 | 454535.00 |
| Tax Paid YTD | 166980.27 | | 16571.08 | 183551.35 |
| Gross Prev. (P45) | | | | |
| Tax Prev. (P45) | | | | |
| Gross This Employment | 413547.00 | | 40988.00 | 454535.00 |
| Tax This Employment | 166980.27 | | 16571.08 | 183551.35 |
| Income Levy | 21092.82 | | 2159.58 | 23252.40 |
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| PRSI Employer | 44456.31 | | 4406.21 | 48862.52 |

*Note: Please check that the B/Forward Values are equal to the C/Forward values from the previous pay period

## P35 Plain Report

TRAILER RECORD
==============

| | | |
|---|---|---|
| Tax Reg. No. | : | 1234567T |
| No. of Empls | : | 1 |
| Total Gross Pay | : | 454535.00 |
| Total Tax | : | 183551.35 |
| Total PRSI | : | 73786.22 |
| Total PRSI EE | : | 24923.70 |
| Total Income Levy | : | 23252.40 |
| Total Taxable Benefits | : | |

## Step 3: Generate the P35 to ROS File

Micropay Professional enables you to produce a P35 file for the Revenue Online Service (ROS).

You then submit the P35 file on the ROS website:

http://www.ros.ie

The full set of official Revenue Commissioners P35 documentation is at this location:

http://www.revenue.ie/en/business/paye/p35-end-year-returns.html

**Remember:**

- **You must be registered as a ROS customer.**
- **The submission deadline is Feb 15th, 2011.**
- **The P35 Disk is no longer accepted by the Revenue Commissioners.**

1. Select **Year End - Tax - Tax Year End Reports**.
2. Select the P35 Returns **via ROS** radio button.
3. Click **Create**.
4. Read the message onscreen about Tax Registered Companies. If you are happy to proceed, click **Continue**.

> **Note:** If you have more than one payroll with the same Tax Registration Number, you should consolidate these payrolls into a **consolidation company**.
>
> Then in the consolidation company generate a single P35 file for all the payrolls together.

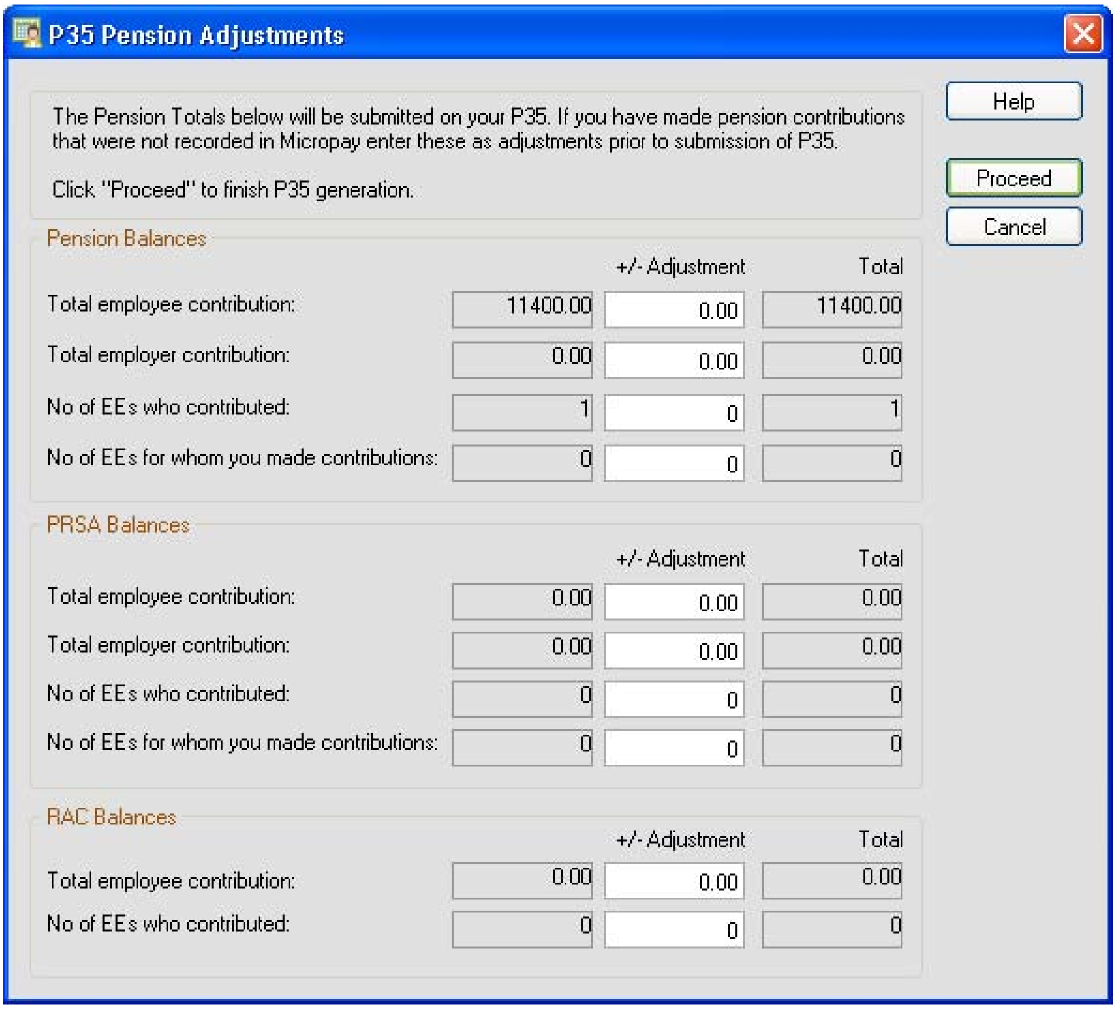
5. If the system detects any 'duplicate' employee records, the Merge Duplicate Employees window opens, listing the duplicates.

   A duplicate employee record is usually one with the same PPS Number and Gender as another employee record.

   The listed duplicates will be merged automatically on the P35 so that they are reported as a single employee.

   However, those displayed in red cannot be merged automatically. You may need to merge these manually before you generate the P35.
6. Select the **I acknowledge...** checkbox if you are happy to proceed.
7. Click **Merge and Continue**.
8. The P35 Return Type screen appears. There are three P35 Return options available:
   - **Original**: If you have not already submitted a P35 for 2010.
   - **Amended**: If you have already submitted a P35 for 2010, but some employee details have subsequently changed.
   - **Supplementary**: When you want to submit an addition to a P35 return, having omitted employee data from the original P35 return.
9. By default, all employees are included in the P35. However, if you want to exclude certain employees, click **Select Employees**. Then manually select the employees to be excluded.
10. Click **Proceed**.
11. The system checks your data. If any errors are listed, you'll need to resolve these before you can continue.

12. A screen displays the pension amounts that were processed in payroll. If you need to add in amounts contributed outside normal payroll processing, use the +/-Adjustments column.




For more information, select the **Year End - Tax - FAQs** menu option, and then open the 'Pensions at Year End' and 'P35 to ROS submission' help topics.

13. Click **Proceed** to continue.

14. The ROS P35 Save As screen is now displayed. By default, the file is saved in the P35 subfolder in the payroll's ROS folder. You can specify a different location if necessary.

15. Click **Save**.

16. A report lists all the employees included in the P35 return. Print this report for future reference.

You can now submit the ROS P35 file on the ROS website: http://www.ros.ie. The file to submit has the extension **.P35**.

**Note:** Another file with the same name and a **.MON** extension is also created. You should not submit this file.

## Step 4: Print the PRC1 Report

The PRC1 report is required if an employee has had three or more PRSI classes in this employment during the tax year.

If the application detects any errors in your payroll data, they will be listed onscreen when you try to create your PRC1 report. You must correct all errors before you can create the report.

1. Select **Year End - Tax - Tax Year End Reports**.
2. Select **PRC1 Report**.
3. Click **Print**.
4. Post the printed report to the following address:

   PO Box 354
   Sarsfield House
   Francis Street
   Limerick

(At present, the Revenue Commissioners do not provide the option of submitting the PRC1 online.)

For more information, select the **Year End - Tax – FAQs** menu option, and then open the 'How do I generate a PRC1 report?' help topic.

## Step 5: Print P60s and Other Year End Certificates

You must print the following reports for each employee who is still employed by the company at the end of the 2010:

- P60
- Income Levy Certificate
- PRD 60 (Required if employees in the payroll are subject to the Public Service 'Pension-Related Deduction', which is commonly known as the 'Pension Levy'.)

1. Select **Year End - Tax - Tax Year End Reports**.
2. Select one of these options, as appropriate:
   - a **P60** option
   - **End of Year - Income Levy Certificate**
   - **PRD 60**
3. By default, all employees will have their reports printed out. However, if you want to specify a particular range of employees instead, use the **Sort & Filter** fields.

> In contrast to P35s, P60s should be printed in each individual payroll rather than in a consolidation company.
>
> You can print a P60 using plain printer paper or using special P60 stationery.
>
> You can also produce P60s in either English or Irish.
>
> If the application detects any errors in your payroll data, they will be listed onscreen when you try to create the P60s. You must correct all errors before you can create the report.
>
> For more information, select the **Year End – Tax – FAQs** menu option. Then open the 'How do I generate P60s?' help topic.

4. Click **Preview** or **Print**.

The relevant P60s, Income Levy Certs or PRD Certs are printed. Two copies are printed per employee.

### PRD 35 Certificate

You must also generate a PRD35 report for the whole payroll if employees in the payroll are subject to the Pension Levy.

1. Select **Year End - Tax - Tax Year End Reports**.
2. Select **PRD 35**.
3. Click **Print**.

The PRD 35 certificate is generated for this payroll.

> **Note**: Micropay Professional will generate the PRD60 reports for you automatically, but if for any reason you need to obtain a blank copy of one of these forms, go to http://www.finance.gov.ie/viewdoc.asp?DocID=6048.

# Part 4: Start of Tax Year 2011

Part 4 of the Payroll Year End process involves getting Tax Year 2011 ready for payroll processing. It involves the following steps:

- **Step 1**: Create Tax Year 2011
- **Step 2**: Open Tax Year 2011
- **Step 3**: Set up a New Payroll Calendar
- **Step 4**: Tax Credit Import
- **Step 5**: Budget Updates
- **Step 6**: Enabling CSO Reporting
- **Step 7**: Construction Workers Pensions

## Step 1: Create Tax Year 2011

Your payroll data should now ready for you to set up Tax Year 2011. Carry out the following procedure for all your payrolls:

1. Log into the relevant payroll in **Micropay Professional 2010**.
2. Select the **Year End - Tax - Set up 2011 Tax Year** menu option.
3. Follow the onscreen instructions.

All payroll data is copied into Micropay Professional 2011, and is stored separately from 2010 data.

- Employee cumulative values for 2010 are cleared.
- Leavers from 2010 are not transferred into the new year.

Tax Year 2011 is now ready for payroll processing.

You are still logged into **Micropay Professional 2010.** But you can now log into **Micropay Professional 2011**.

## Step 2: Open Tax Year 2011

You can have Micropay Professional 2010 and Micropay Professional 2011 open at the same time. (Micropay Professional 2011 is Version 12.0.)

1. To open Micropay Professional 2011, double-click the **Micropay Professional 2011** shortcut icon on your desktop.
2. Log into the payroll in the normal way.

You can now work in the 2011 tax year. (However, as yet Budget 2011 changes are not included in the payroll system. You'll install the Budget 2011 Update later.)

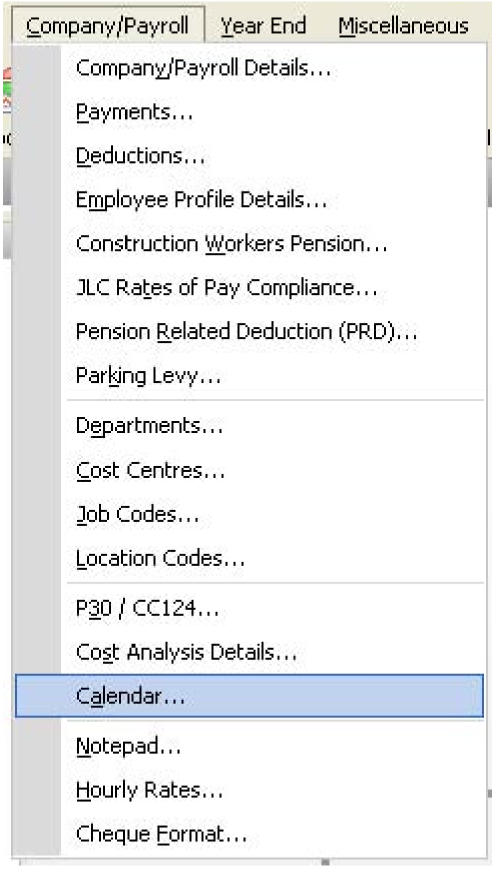
The payroll's status is currently blank.

As yet, you have not set Period 1 of 2011.

## Step 3: Set up a New Payroll Calendar

Now you need to set up the 2011 payroll calendar for each of the payrolls you operate.

1. Log into the payroll in **Micropay Professional 2011**, and ensure that your Micropay Professional version number is 12.0 (by checking the title bar).
2. Select the **Company/Payroll - Calendar** menu option.




3. In the Calendar window, click the **New Calendar** tab.
4. Enter the calendar details for Period 1 of the new tax year.
5. Click **Update**.

   **Note:** It's very important to enter the correct PAY DATE for Period 1 of the new tax year. This date determines the subsequent dates of all of 2011's pay periods.
6. In the **Calendar Details** tab, amend the calendar information as required.
7. Click **Save**.
8. Repeat this procedure for each 2011 payroll.

**Note:** The first pay period of 2011 may involve paying the employee for work done at the end of 2010. (Alternatively, you may have paid employees before Christmas for the early days of January.)

## Step 4: Tax Credit Import

If you are a ROS (Revenue Online Service) customer, a Tax Credit File will be available for you at the Revenue Commissioners' web site - http://www.ros.ie. This contains the 2011 tax credit details for your employees.

The file may not be available at the beginning of Tax Year 2011. You can continue to process payroll using the 2010 information until the 2011 file is available.

To transfer the tax credit information into Micropay Professional, Sage strongly recommends that you follow these instructions:

1. Select the **Miscellaneous - Tax Credit Import - Import Tax Credits** menu option.
2. The Locate Tax Credit Import File window opens.

   Here you specify the location of the Tax Credit Import file you have received from the Revenue Commissioners. The default location is the application folder, but you can browse to a different location if necessary.

   - Check that the file's name is based on the company's Tax Registration Number.
   - Also check that the file's tax year matches that of the payroll.
3. Click **Next** to proceed.
4. The Select Tax Credit Record window displays.

   This window lists all the tax credit records in the Tax Credit Import file. Records with apparent discrepancies are displayed in red. Other records are displayed in black, and are selected by default.

   Possible types of discrepancy include:

   - Records for employees who have left your payroll.
   - Records for employees who have not yet been added to your payroll.
   - The employee's previous employment Gross Pay in Micropay Professional exceeding the corresponding value in the Tax Credit Import file.
   - The employee's previous employment Tax Paid value in Micropay Professional exceeding the corresponding value in the Tax Credit Import file.

   You can import records that have discrepancies, but doing so risks introducing errors to your payroll system. You should investigate the cause of each discrepancy, and consult with Revenue to clarify any relevant issues.
5. When you have selected all the records you want to import, click **Import Now**.
6. The Import Progress window displays a summary of the import process.

   You can generate a more detailed report on the import process by clicking the **Print Tax Credit Import Reports** button.

   You can specify which sections of the report you want to print, and whether you want to generate a detailed or a summary report.
7. Click **Done** to close the window.
8. Spot-check a few Employee Details records to confirm that the tax credit information has been updated correctly.

### Manual Tax Credit Import

You can also update each employee's tax credit information manually. However, Sage strongly recommends that you follow the method detailed above.

1. Open each employee's **Tax/PRSI** tab.
2. Enter the period **Tax Credit** value.
3. Enter the period **Standard Rate Cut-Off**.
4. Click **Save** when you have updated the employee's information.

## Step 5: Budget Update

**IT IS EXTREMELY IMPORTANT TO COMPLETE THIS STEP BEFORE YOU PROCESS ANY PAY IN 2011.**

**IF YOU DON'T INSTALL THE BUDGET 2011 UPDATE, THE RATES FOR STATUTORY DEDUCTIONS WILL NOT INCLUDE THE CHANGES ANNOUNCED IN BUDGET 2011.**

You must install the Budget 2011 Update file as soon as the update is available.

You will receive a News Feed message in your payroll software when it is ready for download.

In addition, activate the Auto-Update feature. This ensures that when you log in, you will receive an automatic notification if the Budget Update file is available for installation.

(You can also set this feature so that updates are downloaded and installed automatically.)

If you want to check for the update manually, go to the following web page and follow the instructions provided there:

http://www.sage.ie/pye

**This step is complete when Micropay Professional 2011 updates to Version 12.1.**

## Step 6: Enabling CSO Reporting

If your company has been selected by the Central Statistics Office (CSO) for surveying purposes, you need to enable the CSO Reporting feature.

**Note:** If you haven't been selected by the CSO, you can skip this step.

1. Select the **Company/Payroll – Company/Payroll Details** menu option.
2. Open the **CSO** tab.
3. Select the **Use CSO Reporting Feature** checkbox.
4. Enter the company's CBR number.
5. Click **OK**.
6. Make sure that payments and employee data are properly set up for CSO reporting. Do not begin processing payroll data in 2011 until you're sure of this.

For more information, select the **Help - Help Topics** menu option. In the Payroll Reports chapter, open 'CSO Reporting'.

## Step 7: Construction Workers Pensions

If you are running a Construction Workers Pension Scheme (CWPS), you should now clear the scheme's 2010 balances and history, and set up a CWPS calendar for the 2011 tax year.

The 2011 CWPS scheme starts on Monday, January 3, 2011.

1. Select the **Year End - New Construction Pension Year** menu option.
2. Confirm that you want to clear the balances and history by clicking **Yes**.
3. To set up a calendar, select the **Company/Payroll - Construction Workers Pension** menu option.
4. Open the **Calendar** tab.
5. Review the default calendar details. If you are satisfied that these meet your requirements, click **OK**.

   Alternatively, to set up your own calendar details, click **Create New Calendar**. Follow the onscreen instructions, and then click **OK**.

For more information about CWPS schemes, select **Help – Help Topics**, and refer to the 'Construction Workers Pensions' section of the 'Company/Payroll Details' chapter.

# Part 5: Accounting/Financial Year End

Part 5 is optional, depending on when your Financial or Deduction Year ends.

It involves Accounting/Financial Year End tasks.

These can be carried out whenever is appropriate for your company.

Part 5 involves the following steps:

- Clearing Cost Analysis
- Clearing Payments
- Clearing Deductions
- Rolling Forward the Holiday and Absence Year

If your new Financial Year coincides with the new tax year, print the following payroll reports before carrying out the steps listed above:

- Cost Analysis
- Payments (Ensure that the **Leavers** checkbox is selected.)
- Deductions (Ensure that the **Leavers** checkbox is selected.)

## Step 1: Clear Cost Analysis

The Cost Analysis feature enables you to associate payments and deductions with departments and cost centres. This enables you to get a breakdown of where in your organisation costs occur.

At the end of the Financial Year, you may wish to clear Cost Analysis totals.

- Select **Year End - Financial - Clear Cost Analysis**.
- Click **OK** to carry out the cleardown.

For more information, click the **Help** button, and then read the 'Cost Analysis Details' help topic.

## Step 2: Clear Payments

You can clear selected payment balances that were accumulated during the Financial Year.

For example, you may want to reset a payment used to calculate holiday pay.

1. Select **Year End - Financial - Clear Payments**.
2. A table displays all the payments that can be cleared.

   Select the relevant **Hours** or **Values** checkboxes, or both, to clear the amounts for the selected payments.

   If you select nothing, nothing will be cleared.
3. Click **OK** to carry out the cleardown.

## Step 3: Clear Deductions

You can clear selected deduction balances that were accumulated in the Financial Year. For example, you can reset the balance of a subscription deduction.

You can also clear employee pension deduction balances for

- the Financial Year to date
- the entire span of time that pension contributions have been made

1. Select **Year End - Financial - Clear Deductions**.
2. Select each deduction amount to be cleared.

   Each deduction has four amounts:

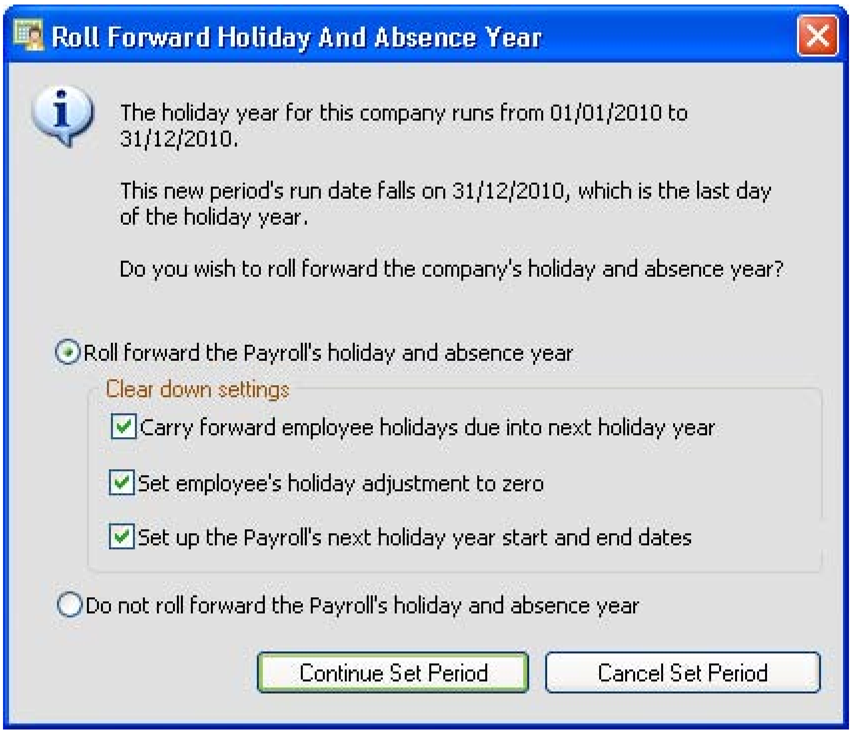
   - **Std.Amt**: amount deducted in each period
   - **Balance**: deduction total accumulated since the last clearance
   - **All**: a running total of the deduction since the deduction was first introduced
   - **Tax Yr Bal**: tax year balance

   Take particular care when considering clearing the balance on an employee loan repayment.
3. You can also clear the employee pension history by selecting the checkboxes in the **Pensions - Employee File** section. If you select nothing, nothing will be cleared.
4. Click **OK** to carry out the cleardown.

## Step 4: Roll Forward Holiday and Absence Year

Normally, if your Company Holiday Year coincides with the Financial Year, the holiday and absence information is rolled forward.

If the Holiday Year finish date is 31/12/2010, the system will automatically provide an option to roll forward the holiday information when you are setting the frst period of 2011.




To check the Holiday Year finish date, select the **Company/Payroll – Company/Payroll Details** menu option, and then open the **Holidays** tab.

For more information, click the **Help** button in the toolbar, and then read the 'Holiday Cleardown and Roll Forward' topic in the help file.

**THIS COMPLETES THE**

**2010 PAYROLL YEAR END PROCESS.**

**For further information, visit our website:**

**http://www.sage.ie/pye**