



Sage X3 People

Year-end Process Document

Version 2.0

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1. Background

A tax record is necessary for the following two reasons:

- To be able to print tax certificates correctly for a previous tax year in the current tax year, and
- To update certain fields automatically for a new tax year.

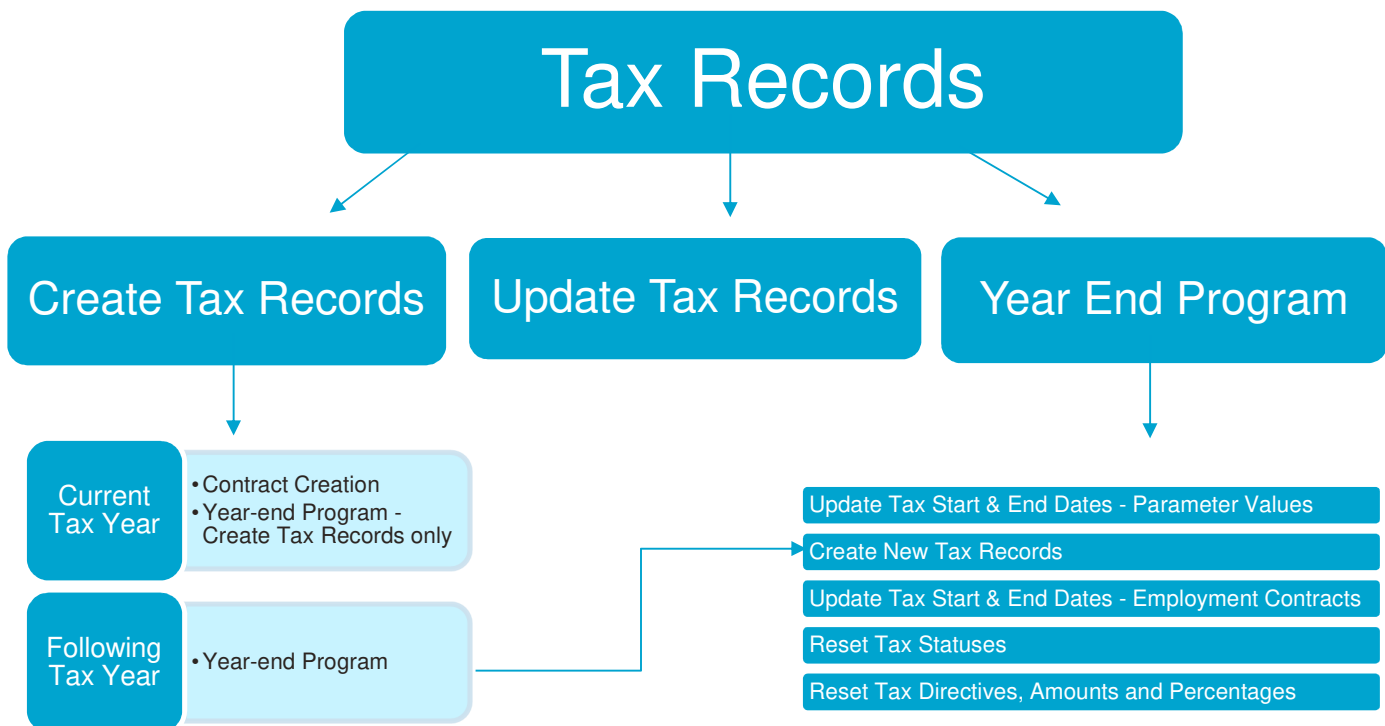
Each active employee should have a tax record per tax year. A tax record is created each time a new contract (new contract chrono number) is created, as well as when a payroll user rolls into a new tax year.

When certain changes are made on the employment contracts, the tax records must update with the latest information.

The 'year-end program' tool is used to create tax records, and can be used in the following circumstances:

- To create tax records for the current tax year only (take-on purposes), and/or
- To perform a tax year-end run.

2. Diagram



3. Create a Tax Record

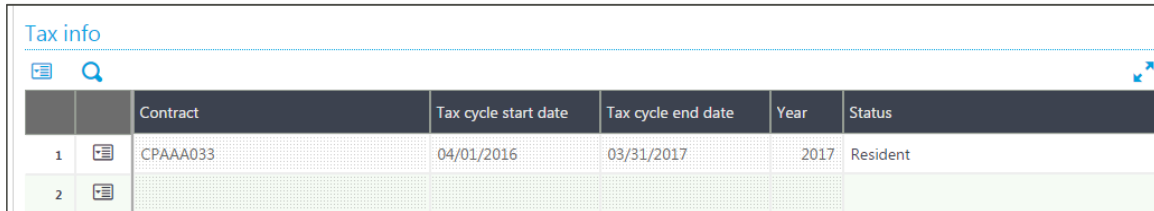
A tax record is created in the following circumstances:

- When a new contract with a new contract chrono is created (contract creation).
Access: *Personnel administration > Personnel data forms > Employment contract*
- When the user wants to do a take-on for the current tax year.
Access: *Payroll > Payslips > Tools > Year end program > Create Tax Records Only*
- When the user rolls forward into the next tax year.
Access: *Payroll > Payslips > Tools > Year end program > OK*

Please note that if a future contract (following tax year) is created in the current tax year, the tax cycle end date must be changed manually on the contract.

Tax records will display on the employee record.

Access: *Personnel administration > Personnel data forms > Employee > Additional information*

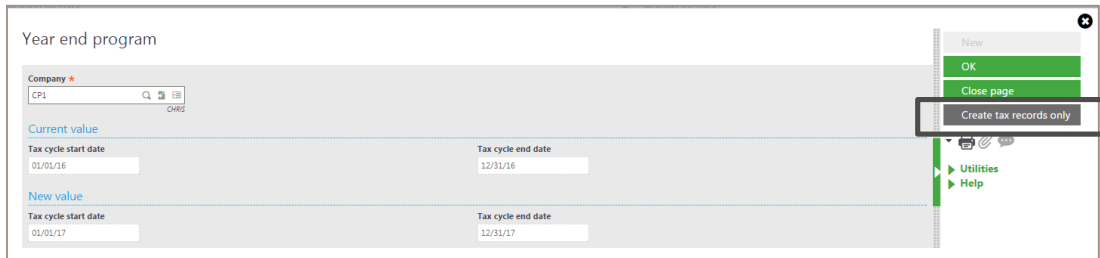


		Contract	Tax cycle start date	Tax cycle end date	Year	Status
1		CPAAA033	04/01/2016	03/31/2017	2017	Resident
2						

4. Create Tax Records Only

If the payroll user has existing employee information on the payroll before the ‘year-end program’ was released for the specific country, the function below will create tax records for the employees for the current tax year. A tax year-end run will not be performed yet, and therefore parameter values and contract fields will not update to the new tax year.

Access: *Payroll > Payslips > Tools > Year end program > Create tax records only*



Year end program

Company *
CP1 CHRD

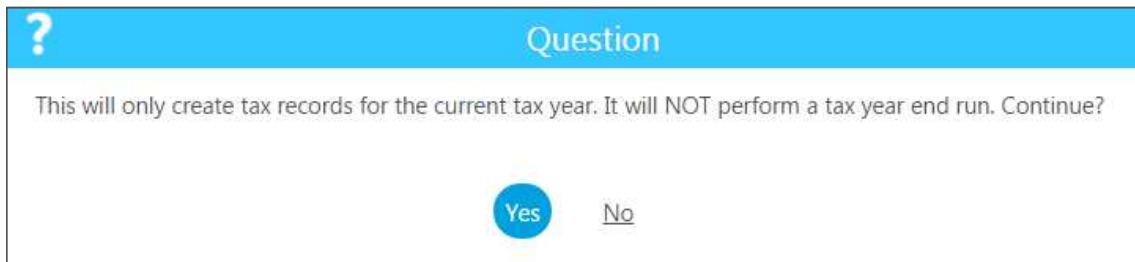
Current value

Tax cycle start date: 01/01/16 Tax cycle end date: 12/31/16

New value

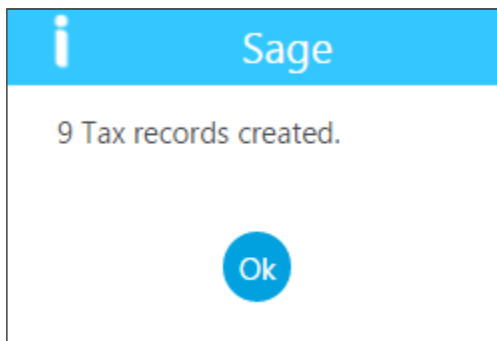
Tax cycle start date: 01/01/17 Tax cycle end date: 12/31/17

Select the applicable company and click on “Create tax records only”. The following message will display:



Click on “Yes”.

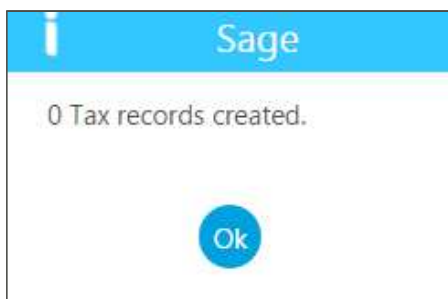
The following message will state the amount of records created:



Click on “OK”.

Click on “Close page”.

If you want to create tax records for the current year for the same company more than once, the following message will display:



Click on “OK”.

Click on “Close page”.

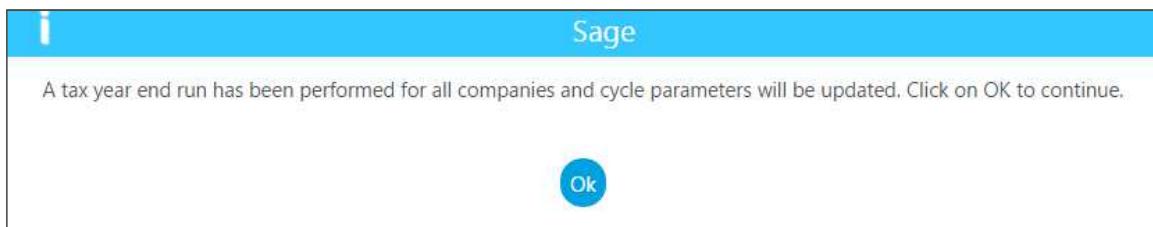
5. Year End Program

The year-end program will do the following:

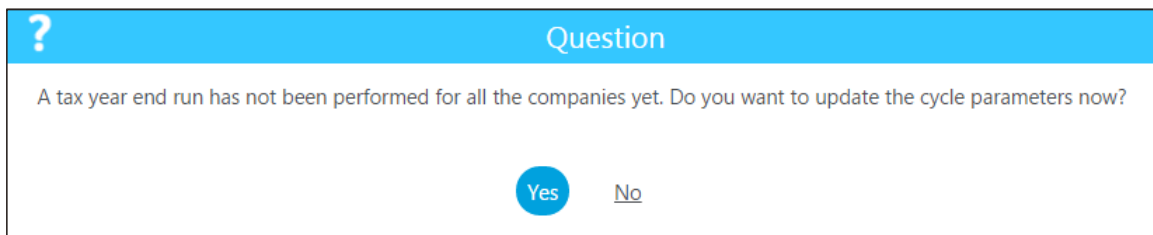
- Update the tax year start & end date on parameter values to the new tax year.
- Create new tax records.
- Update the tax year start & end date on employment contracts to the new tax year.
- Reset tax statuses.
- Reset employee tax directive numbers, amounts and percentages.

5.1 Update the tax year start & end date on parameter values to the new tax year

The parameters will only update when a year-end is performed in all the companies, unless the user clicks on “yes” when running the year-end program.



A dialog box with a blue header containing the Sage logo and the word "Sage". The main area has a light gray background and contains the text: "A tax year end run has been performed for all companies and cycle parameters will be updated. Click on OK to continue." Below the text is a blue circular button with the text "Ok".



A dialog box with a blue header containing a question mark icon and the word "Question". The main area has a light gray background and contains the text: "A tax year end run has not been performed for all the companies yet. Do you want to update the cycle parameters now?" Below the text are two buttons: a blue circular button with the text "Yes" and a text button with the text "No".

5.2 Create new tax records

New tax records will only be created for all the active employees in the new tax year who do not have a termination date in the current tax year (before rolling over).

5.3 Update the tax year start & end date on employment contracts to the new tax year

The “tax cycle start date” and “tax cycle end date” fields on the employment contract will update. Therefore, as soon as the user is in a pay month in the “new” tax year, the dates will automatically update to the new tax cycle start and end dates.

Access: *Personnel administration > Personnel data forms > Employment contract > Payroll tab*



A screenshot of a web form titled "Tax info". It contains two date fields: "Tax cycle start date" with the value "07/01/15" and "Tax cycle end date" with the value "06/30/16". Below these is a "Status" dropdown menu with "Resident" selected.

5.4 Reset tax statuses

Certain tax statuses will reset on the employment contract. Therefore, as soon as the user is in a pay month in the “new” tax year, certain tax statuses for specific countries will change automatically.

Access: *Personnel administration > Personnel data forms > Employment contract > Payroll tab*

Tax info	
Tax cycle start date	Tax cycle end date
07/01/15	06/30/16
Status	
Resident	

Country	Tax status
Botswana	Directive % must reset to Resident.
Lesotho	Directive % must reset to Resident.
Namibia	Directive % must reset to Statutory tables.
Swaziland	Tax Directive must reset to Statutory tables. Directive % must reset to Statutory tables.

5.5 Reset employee tax directive numbers, amounts and percentages

The directive number, directive amount and directive percentage fields on the employment contract will reset as soon as the user is in a pay month in the “new” tax year.

Access: *Personnel administration > Personnel data forms > Employment contract > Payroll tab*

Directive number	Directive percentage
	0
Directive amount	
0.00	

Access: Payroll > Payslips > Tools > Year end program

Year end program

Company *

Current value

Tax cycle start date	Tax cycle end date
03/01/15	02/29/16

New value

Tax cycle start date	Tax cycle end date
03/01/16	02/28/17

Select the applicable company and click on “OK”.

If the payroll user clicks on “OK”, a tax year end run will be performed and therefore parameters values and contract fields will update to the new tax year.

Year end program

Company *

CP1

Current value

Tax cycle start date	Tax cycle end date
01/01/16	12/31/16

New value

Tax cycle start date	Tax cycle end date
01/01/17	12/31/17

OK

Close page

Create tax records only

Utilities

Help

The following message will display:

?

Question

This will create tax records for the current tax year and perform a tax year end run. Continue?

Yes No

Click on “Yes”.

If any of the payslips are not posted yet, the following message will display stating the amount of payslips not posted:

Your company and other companies:

? Question

There are 1 payslip(s) that have not been posted for company LES and 1 for other companies. Do you want to continue?

Yes No

Only other companies:

? Question

There are 2 payslip(s) that have not been posted for other companies. Do you want to continue?

Yes No

Only your company:

? Question

There are 1 payslip(s) that have not been posted for company CP2. Do you want to continue?

Yes No

If the user clicks on “No”, the process will be aborted.

Log Reading F165

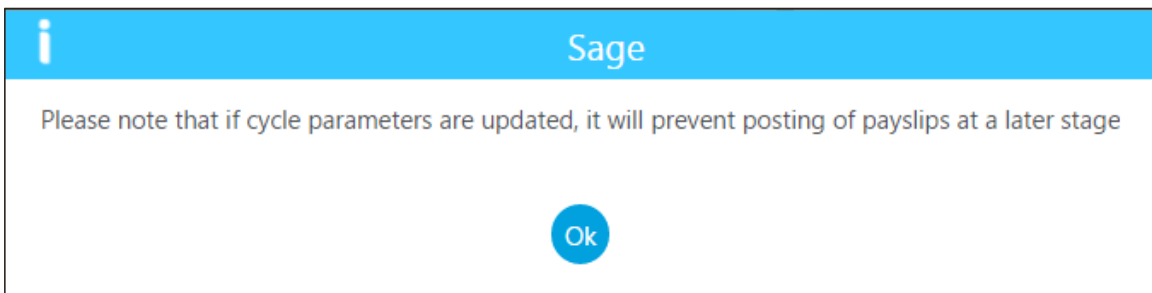
K ← → H

+ Q

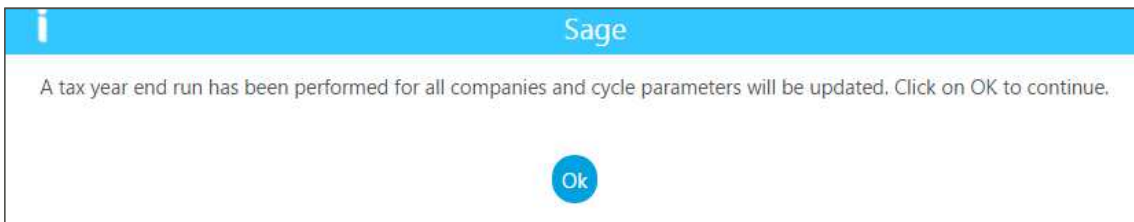
#	Icon	Text
		03/23/17 13:52:43 (CHPAI) Year end program
1	📄	Year end program
2	📄	-----
3	📄	Run date: 23/03/2017
4	📄	-----
5	📄	-----
6	📄	Abort by user.
7	📄	-----
8	📄	-----
9	📄	-----
10	📄	Process aborted.

Click on “Close page”.

If any of the payslips in anyone of the companies are not posted yet, the following message will display:

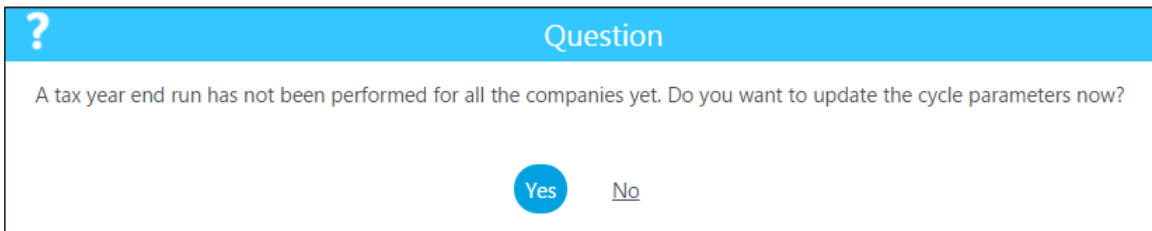


If the year-end process has been performed for all the companies, the following message will display:



Click on “Ok”.

If the year-end process is not performed for all the companies yet, the following message will display:



Click on “Yes” or “No”.

Please note that if the user select “Yes” and a year-end still needs to be performed for one company at a later stage, the parameters will update again and the user will therefore have to change the parameters manually back.

Log Reading F178



03/27/17 12:39:18 (CHPAI) Year end program	
1	Year end program
2	-----
3	Run date: 27/03/2017
4	-----
5	-----
6	Process completed successfully.
7	-----
8	8 Employees tax cycle dates updated on contracts.
9	17 Tax records created.
10	-----
11	-----
12	Normal end of log file 03/27/17 12:53:18
13	-----

Click on "Close page".

If the user wants to perform a year-end for the same company for the second time in one tax year, the following log reading will display:

Log Reading F153



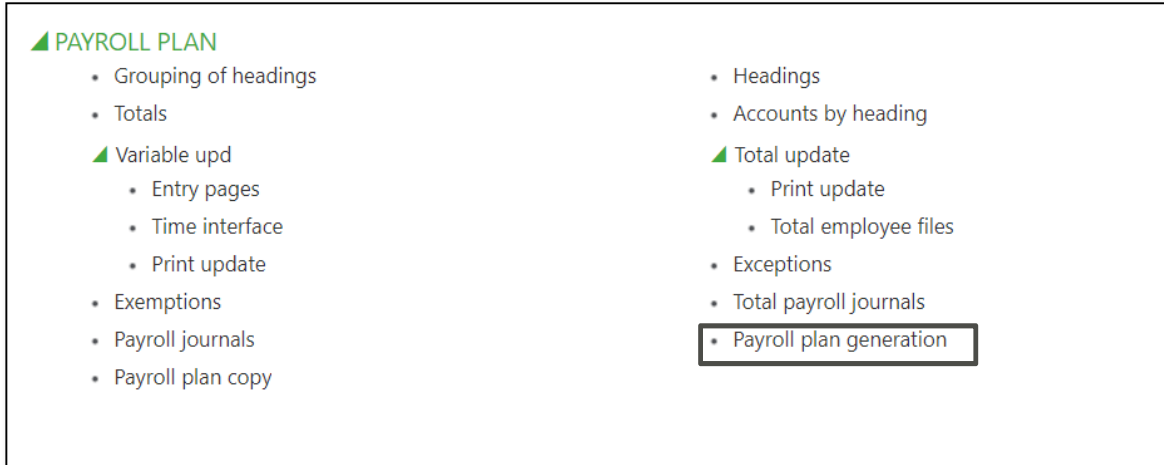
03/22/17 14:51:45 (CHPAI) Year end program	
1	Year end program
2	-----
3	Run date: 22/03/2017
4	-----
5	A tax year end run is already performed for this company
6	Process aborted.
7	-----

Click on "Close page".

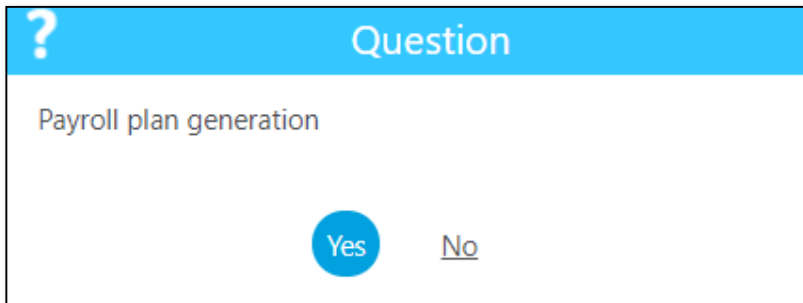
6. Payroll Plan Generation

Once the Year End Program has been completed and you can verify that your Parameters and contacts have been updated with the correct tax year start and end dates. We recommend running a Payroll Plan Generation. This will ensure that changed values are refreshed with the new values for the tax year, such as the start and end dates.

Access: Setup > Payroll Plan > Payroll plan generation



Click on "Yes".



This will start the process.



Once this is complete you can continue to open the new pay period and continue to process payroll.

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