Opera 3 SQL SE (2.70.00)

Payroll Upgrade Checklists guide
2019-20 Year End
& 2020-21 Tax Year

Checklists guide
Version 1.0
2019-20 year end
& 2020-21 tax year

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Contents

Introduction

This guide will help you understand the steps to upgrade your software, complete the year-end including filing final Real Time Information (RTI) submissions and start the 2020-21 tax year. Make sure that you follow the instructions carefully.

The guide is structured in these sections:

- STEP 1: Installing Opera 3 SQL SE (2.70.00)
- STEP 2: Completing the tax year-end
- STEP 3: Starting the new tax year.

Audience

This guide is provided for Pegasus Partners and customers who will be upgrading the software installations, completing the year-end and starting the new tax year.

> PLEASE READ IMPORTANT NOTES CAREFULLY.

Pegasus Help Centre

These guides are available from the Help Centre docs.pegasus.co.uk.

Legislation and Product Changes guide	This guide is available to help you understand the legislation changes, new rates and bandwidths, and software changes for this year's upgrade.
Rates and Bands guide	This guide explains the new rates and bands for NI, PAYE and Statutory Payments for the new tax year.
Installation and Implementation guide	If you are unfamiliar with the installations, you should refer to the Opera 3 SQL SE (2.70.00) Installation and Implementation Guide.
Module Setup guide	This guide provides a high-level view of Opera 3 SQL SE (2.70.00) and how to approach an implementation.
Software Requirements guide	This guide lists the editions of Microsoft Office, Microsoft SQL Server, Microsoft Windows Server, Microsoft Windows desktop, web browsers and Microsoft .NET supported for Opera 3 SQL SE.
Opera 3 Help	The F1 Help is published in the Pegasus Help Centre.

Release Note

The release note is installed with the application. This includes a summary of the payroll changes, details of other non-payroll changes and late-breaking news.

Online Filing Manager

There is no upgrade to Online Filing Manager. Continue to use your existing Online Filing Manager software to send your RTI submissions to HMRC. For new installations of Opera 3 SQL SE, you must install Online Filing Manager - included with the Opera 3 SQL SE installation files download.

STEP 1: Installing Opera 3 SQL SE (2.70.00)

IF YOU ARE INSTALLING OPERA 3 SQL SE FOR THE FIRST TIME, FOLLOW THE INSTRUCTIONS IN THE INSTALLATION AND IMPLEMENTATION GUIDE AT DOCS.PEGASUS.CO.UK.

This section includes the steps required to upgrade to Opera 3 SQL SE (2.70.00) from earlier versions before completing the year-end tasks in the Payroll application.

YOU MUST UPGRADE THE SOFTWARE BEFORE PROCESSING THE FINAL PAY PERIOD OF THE TAX YEAR.

Downloading the software

Download the latest version of Opera 3 SQL SE software from the Infor Product Download Center or Infor Support Portal. Save the downloaded software where it can be accessed from the server and from each client PC.

Before installing the software   ✔

1.	In Opera 3 SQL SE, run the **System - Utilities - Backup** command to back up each company's data.	☐
2.	Close Opera 3 SQL SE and make sure that no one is logged in to the system.	☐

Installing the software on the server

The installation process involves updating both the Server software and Client software.

Run these steps on the Opera 3 SQL SE server.

3.	Run *Setup.exe* from the *Server* download folder. Complete the steps in the wizard setup.	☐
4.	Run *Setup.exe* from the *Client* download folder. Complete the steps in the wizard setup.	☐
5.	Run the Software Administration & Monitoring utility and enter your new activation key provided by Pegasus Software. Consider whether you want statutory rates and bands for Tax, NI, Statutory Payments and so on to be updated automatically to those provided by Pegasus Software. To do this, open the **General Settings** view and tick the *Auto-deploy payroll statutory rates upon system upgrade* option. Then close the Software Administration & Monitoring utility.	☐

Upgrading the client workstations

The installation process also involves updating the Opera 3 SQL SE software on client workstations.

Run these steps on each client workstation.

6.	Run *Setup.exe* from the *Client* download folder. Complete the steps in the wizard setup.	☐

After completing these steps, the Opera 3 SQL SE server and client software is upgraded to the required version and is ready for use.

STEP 2: Completing the tax year-end

YOU MUST CREATE THE FPS FOR THE FINAL 2019-20 PAY PERIOD <u>BEFORE</u> RUNNING THE PAYROLL UPDATE FOR THAT PERIOD. YOU MUST ALSO SUBMIT A FINAL EPS, EVEN IF RECOVERABLE AMOUNTS OR CIS DEDUCTIONS DON'T APPLY.

IF ADDITIONAL SYSTEMS ARE USED, YOU MUST COMPLETE THIS PROCESS IN EACH SYSTEM.

This checklist details the recommended steps to complete the tax year-end.

These are the year-end tasks for the 2019-20 tax year after upgrading to Pegasus Opera 3 (2.70.00). Follow these steps for each company and payroll group after calculating the pay for the final pay period using the **Calculation** command.

Before completing the year-end ✔

1.	Run the **System - Utilities - Backup** command for each company if it has not already been done.	☐
2.	Check that the **Current Tax Year** box on the **Payroll - Utilities - Set Options** form is set to *1920* for the 2019-20 tax year.	☐

Completing the year-end

Complete these steps in addition to the usual processes that you complete in each pay period.

3.	Print any reports needed for the final pay period, for example the **To-Date Summary** report and the **Payments & Deductions list** (or the **Advanced Payments & Deductions list**).	☐
4.	Open the **Payroll - P32 Processing** form and make sure funding and payments are up to date. If other companies in Pegasus Opera 3 are marked to be consolidated into a P32 consolidation 'parent' company, use the **Consolidate P32** command on the **Action** menu in that company to combine the P32 values. Then add values if necessary, to update funding and payments using the respective command on the **Action** menu.	☐
5.	Open the **Payroll - EOY/Special Reports - P60 End of Year Returns** form and generate the P60 (End of Year Certificates) for all employees.	☐
6.	If your employees are paid by BACS, create the BACS payment file before creating the FPS file for the final pay period.	☐
7.	Open the **Payroll - RTI Submissions - Full Payment Submission** form to create the FPS file for the final pay period and send it to HMRC using Online Filing Manager.	☐

✔

8.	After all FPS submissions are sent to HMRC for the 2019-20 tax year, you must send an EPS for the end of the tax year.	☐
	Our recommendation is to create the final EPS file for the 2019-20 tax year immediately after the final FPS is submitted to HMRC. If necessary however, the final 2019-20 EPS file can be created in the 2020-21 tax year.	
	Open the **Payroll - RTI Submissions - Employer Payment Summary** form to create the final EPS file for the tax year.	
	On the first page:	
	• From the **EPS Type** list, select '*Final EPS of the year*'	
	• From the **Tax Year** list, select '*2019/20*	
	• Update the remaining boxes as usual.	
	On the second page:	
	• From the **Up to Tax Month** list, select '*Period 12*'	
	• Verify the 2019-20 year to-date recoverable amounts and CIS Deductions. If these amounts are not relevant to you leave them as zero.	
	Click **Start** and send the EPS to HMRC using Online Filing Manager.	
9.	Run the **Payroll - Utilities - Update** command for the final pay period.	☐
10.	Run the **Payroll - EOY/Special Reports - End of Year Cleardown** command. This clears the to-date values such as income tax and NI contributions from the employee's records and makes the payroll ready for the next tax year. Click to select those balances that you want to clear or press **F5** to clear all payments and deductions.	☐

STEP 3: Starting the new tax year

COMPLETE THESE STEPS BEFORE PROCESSING THE PAYROLL IN THE FIRST PAY PERIOD.

This checklist details the recommended steps to start the new tax year. To keep a copy of the data before completing these steps, run the **System - Utilities - Backup** command.

These are the tasks to complete at the start of the new tax year in each Pegasus Opera 3 company.

Checking and setting statutory rates & options ✔

1.	Open the **Payroll - Utilities - PAYE/NI/Stat. Payments** form to check the **Table 2** tab:
	
	    1. On the **PAYE & Misc.** tab, check that the **Date Table Becomes Effective** box is set to '06/04/2020'. If the date is different, run the **Payroll - Utilities - Copy Statutory Rates** command, select the **Set to System Default** option, and click **OK**.
	
	    2. On the **NI ER's** tab, review the Employment Allowance and the Apprenticeship Levy annual allowance.
	
	IF YOU RUN MORE THAN ONE PEGASUS OPERA 3 PAYROLL COMPANY THE ALLOWANCE CAN BE OVERRIDDEN IF REQUIRED.
		☐

2.	If applicable, open the **Payroll - Utilities - Scottish Tax** form and check that the **Date Table Becomes Effective** box for the **Table 2** tab is set to '06/04/2020'.	☐
3.	If applicable, open the **Payroll - Utilities - Welsh Tax** form and check that the **Date Table Becomes Effective** box for the **Table 2** tab is set to '06/04/2020'.	☐
4.	Check the 2020-21 pay calendar on the **Payroll - Utilities - Calendar** form.	☐

5.	On the **Payroll - Utilities - Set Options** form:
	
	Options Page 1
	
	    1. Check that the **Current Tax Year** box is set to '2021'.
	
	        ALL PAYROLL GROUPS MUST BE SET TO '2021', INCLUDING THE DEFAULT GROUP - EVEN IF NOT USED.
	
	    2. For weekly, two-weekly or four-weekly payrolls make sure that the **P32 by Income Tax Month** option is ticked (this ensures all weeks are included in the correct tax month).
	
	Options Page 2
	
	    3. If off-payroll workers are contracted, tick the **Allow Off-Payroll Workers** option so that employee records can be set as off-payroll.
	
	    4. If the company qualifies as a small employer for recovering statutory payments, tick the **Entitled to Small Employer's Relief** option for the default payroll group.
	
	Options Page 3
	
	    5. For weekly payrolls, if the holiday pay average calculation feature is used, set the **Weeks for Holiday Pay Average** option to '52'.
	
	    6. Set the **Days for Holiday Pay Average** option to the days in a working week ('5' is used by default). This setting is used in the calculation of the daily average for holiday pay. If necessary, this can be overridden on Employee Profiles or on employee records – please check the F1 help.
		☐

Reviewing employee records ✔

6.	Set up payroll records for employees starting in the new tax year. Their records must be set up before running the first payroll calculation.	☐

7.	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:
	
	    7. For Scottish Income Tax payers, select 'Scottish' in the **Taxpayer** box.
	    8. For Welsh Income Tax payers, select 'Welsh' in the **Taxpayer** box.
	    9. On the **Additional Information** 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 2020-21 tax year.
	       o Review the student loan and post graduate loan options for employees repaying loans.
	       o For off-payroll workers, tick the **Off-Payroll Worker** option.
	
	Tip: You can update multiple employees' taxpayer status using the **Payroll - Global Changes - Tax Code Changes** screen.
		☐

8.	To understand which age bands your employees are in, run the **Employee Age List** report to see the employees whose ages cross over the National Minimum and Living Wage ages.	☐

9.	Update all employees with the new tax-free allowances using the **Payroll - Global Changes - Tax Code Changes** form.
	
	    10. Enter the tax code uplift for L, M and N codes. Please check the *Rates and bands for NI, PAYE and Statutory Payments guide* for details.
	    11. Apply new tax codes for employees with tax code notices from HMRC.
		☐

Payrolling company car benefit

| 10. | Where you have applied to HMRC to payroll company cars:

    12. For each employee with a new company car, enter the car details from the **Payroll - Processing - Payrolling Benefits** menu. Include the date the car was first registered, and the zero emissions mileage if relevant for the car. These are new HMRC requirements for the 2020-21 tax year.
    13. Set up a 'Benefit in Kind' Payment Profile for the car benefit.
    14. 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.
    15. For employees with company cars previously recorded on the **Payroll - Processing - Payrolling Benefits** form, enter the date when the car was first registered (mandatory) and the zero emissions mileage for hybrid cars if the car has CO_2 emissions between 1g/km to 50g/km. | ☐ |

Claiming the Employment Allowance ✔

| 11. | From the 2020-21 tax year the Employment Allowance is a type of de minimis State aid. Employers need to reapply for the de minimis State aid Employment Allowance at the start of each tax year in the Employer Payment Summary (EPS).

On the second page of the **Employer Payment Summary** screen in **RTI Submissions,** select the **Include claim status in EPS** option.

Then select one of these options:

• Can't claim
• Starting to claim or already claiming for 2020-21. Select the trade sector or tick the **State aid rules don't apply** option if state aid rules are not relevant to the business.

The option **Stop claiming** is available for the situation where the allowance was being claimed for 2020-21, but then the employer stops claiming it.

Update the remaining fields as required and submit the EPS to HMRC. | ☐ |

End of Guide