ODB Payroll Release Notes

Version 14.1

Release Date: 12/12/2012

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1 Installing ODB Payroll v14.1

The ODB Payroll version 14.1 should be installed after you have completed all payroll runs for the 2013 Tax Year, but before you generate the P30 returns for Month 12, or carry out your year-end procedures for the 2013 Tax Year

1.1 Create backup file

The first step in the installation process is to backup your existing payroll data.

- Start up your existing version (2013) of ODB Payroll.
- Select **Payroll | Backup payroll data**, and follow the usual procedure for backing up your payroll database.
- Close down ODB Payroll.

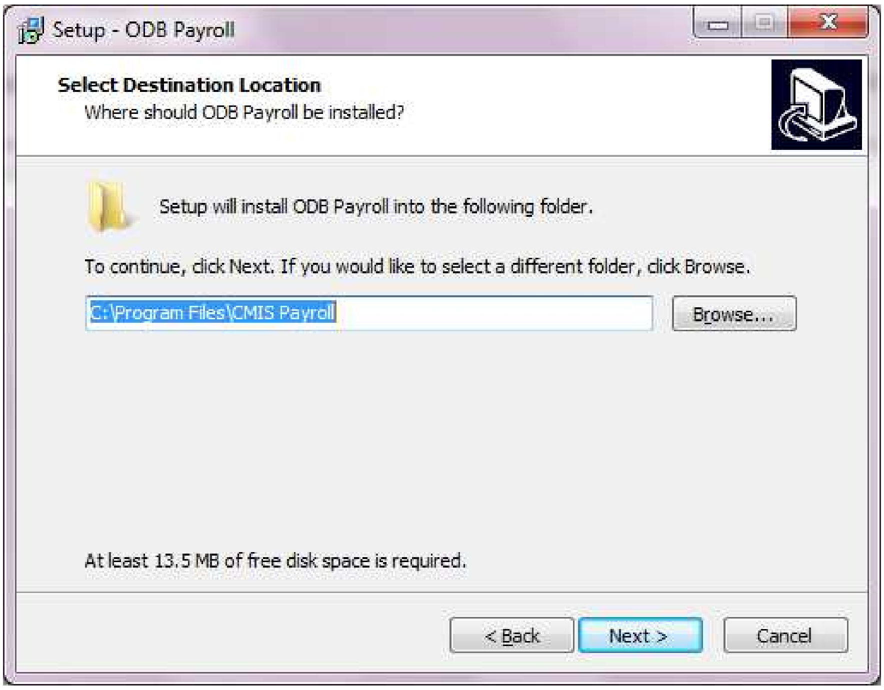
1.2 Install V14.1 Upgrade

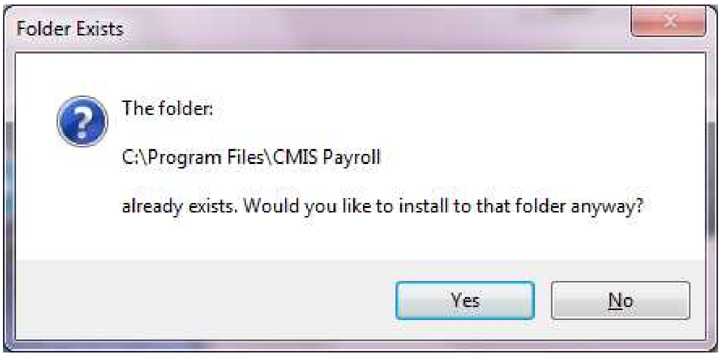
Please follow the installation instructions below carefully and ensure that you have exited the Payroll before you commence the installation.

1.2.1 Installation using CD.

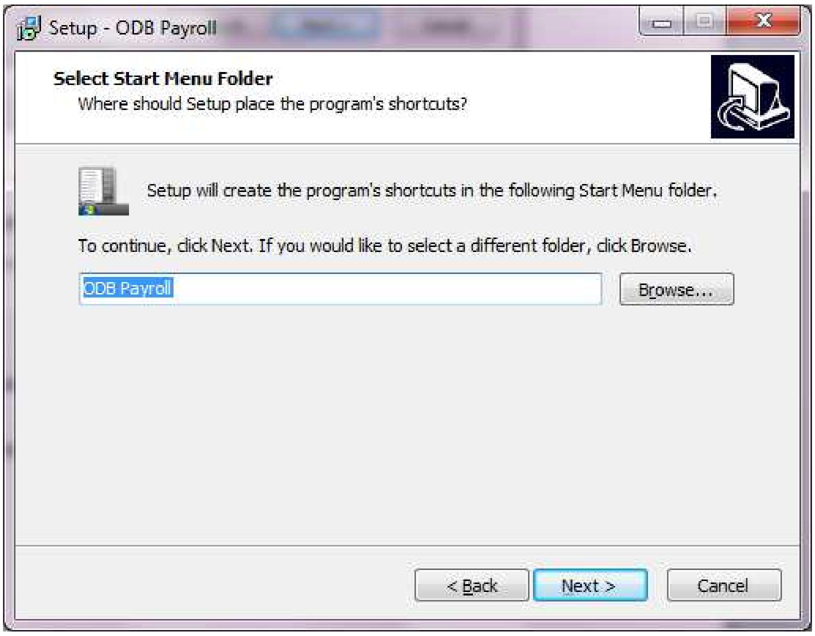
- Insert the ODB Payroll CD into your CD Rom drive. This CD is designed to run automatically.
- Click the **Next** button to move between steps.

Please note that ODB Payroll Version 14.1 can be placed in any folder of your choosing. The default position for this installation is C:\Program Files\CMIS Payroll. In order to change the location either type in where your payroll is currently or use the **Browse** button to select it. If in doubt please contact your IT administrator for more information. In addition if you are not administrator on your machine the installation may not happen and you may need to contact your IT administrator.



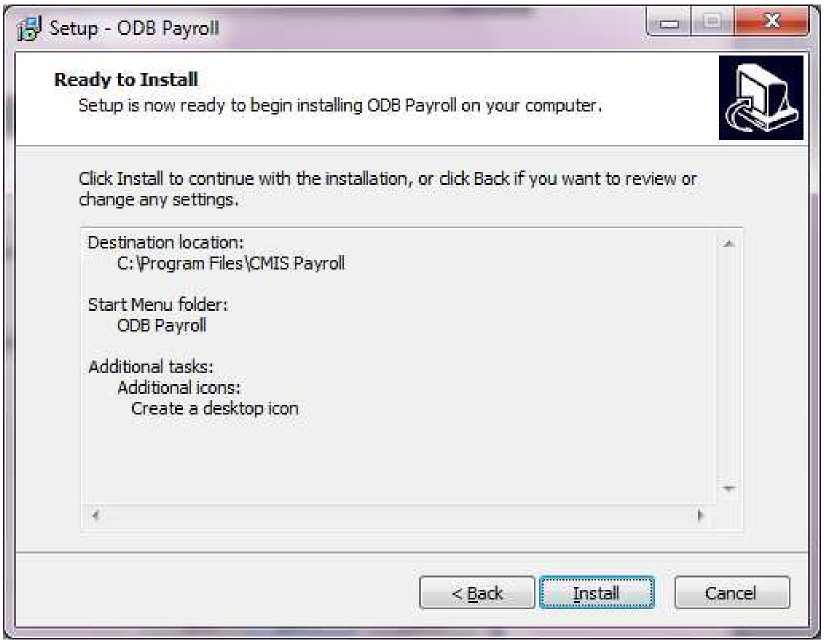


- Click **Yes** to continue with the installation.



- Click **Next**.

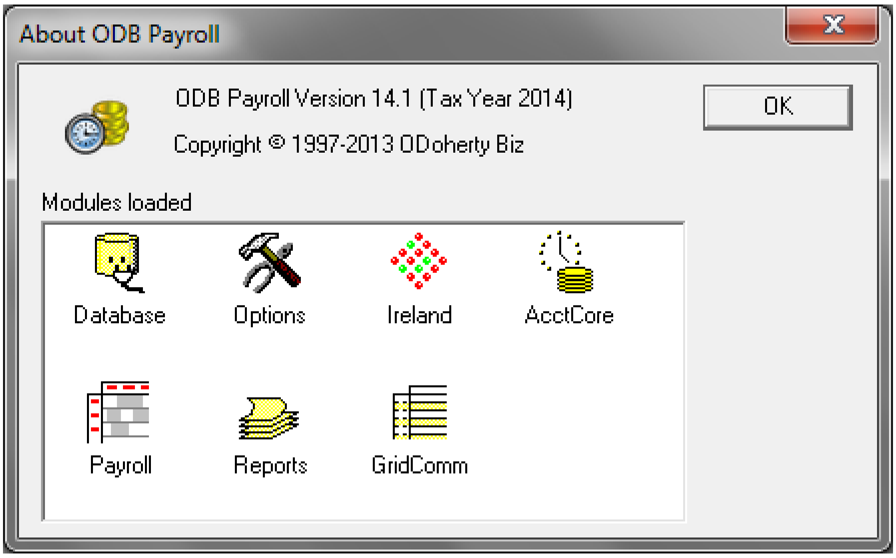
- Please insert a tick in Create a desktop icon and then click **Next**.



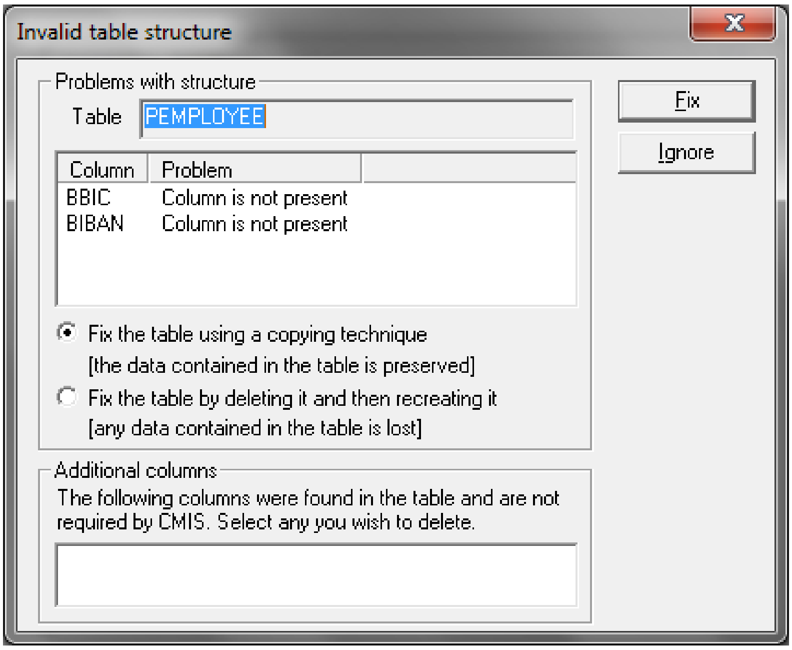
- Click **Install** to finish the process.

Once the installation setup is finished you will see the following screen.

- Place a tick into the Launch ODB Payroll in order to start the Payroll. Then click **Finish** in order to complete the installation of ODB Payroll V14.1.
- When the payroll application starts, you can check that the installation has been successful by selecting the **Help | About Admin** option on the main menu. The following screen will be displayed, indicating that the required version for the 2014 Tax Year is in place:



- Close the Help | About dialog box and connect to your payroll database.
- The start-up procedure will now make some database changes to support the new SEPA format for electronic credit transfers. This will happen even you you do not have any bank accounts set up and do not pay your employees by EFT. A number of messages like the following one may be displayed on the screen during this process:

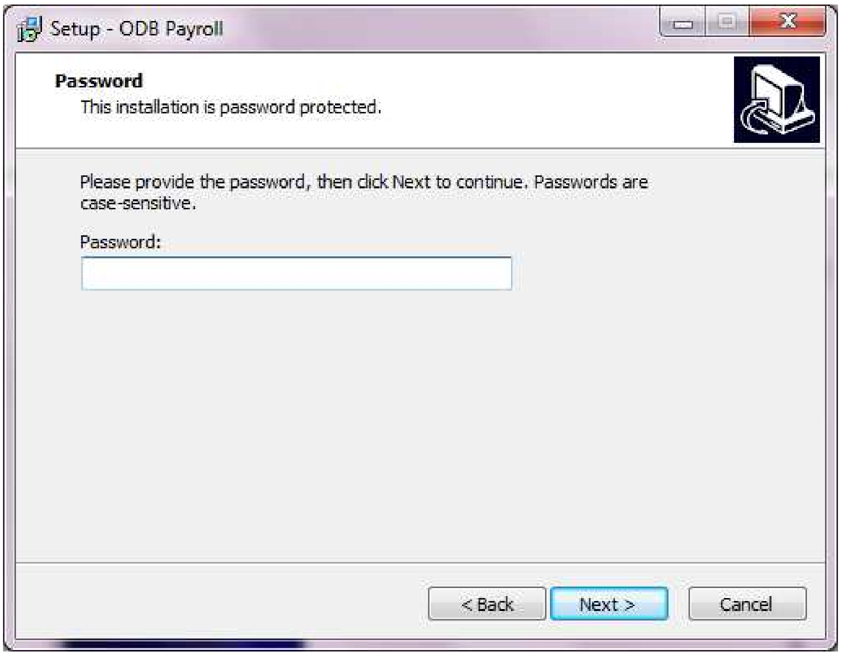


- **IMPORTANT**: You must click the **Fix** button for each of these messages. If you click Ignore, the system will not be set up correctly for the 2014 Tax Year

1.2.2 Installation using Download file.

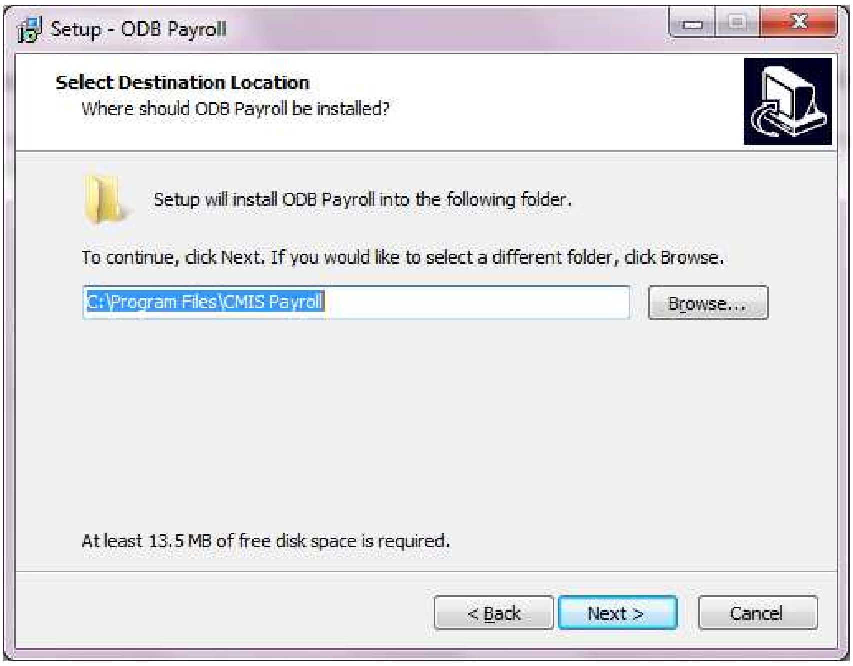
ODoherty.Biz Payroll upgrade for 2013 is now available to download from http://www.odoherty.biz/downloads/SetupPayroll.exe.

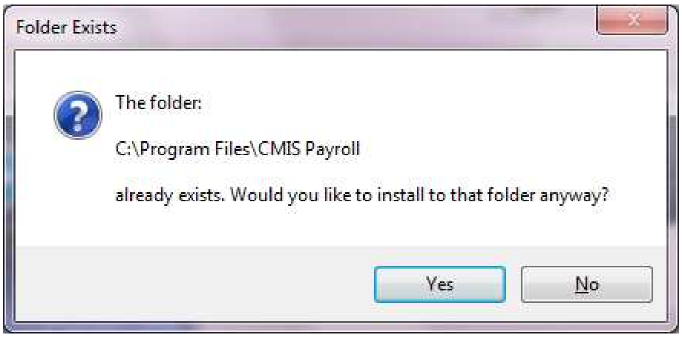
Click **Next** to move between steps.



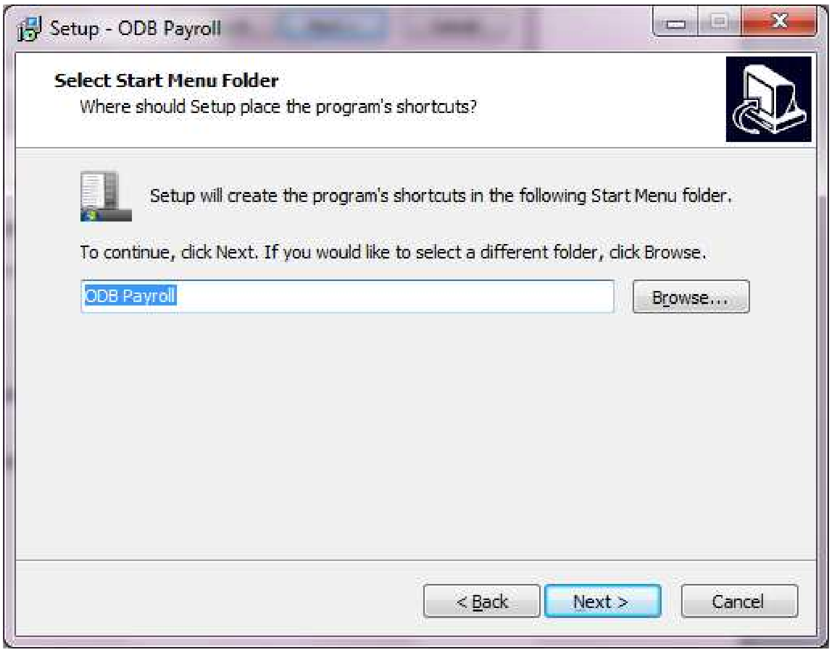
Please enter the Password which is entered on the email you received. Simply copy the password and paste it here. Once this has been completed click **Next** to continue.

Please note that ODB Payroll Version 14.1 can be placed in any folder of your choosing. The default position for this installation is **C:\Program Files\CMIS Payroll**. In order to change the location either type in where your payroll is currently or use the **Browse** button to select it. If in doubt please contact your IT administrator for more information. In addition if you are not administrator on your machine the installation may not happen and you may need to contact your IT administrator.

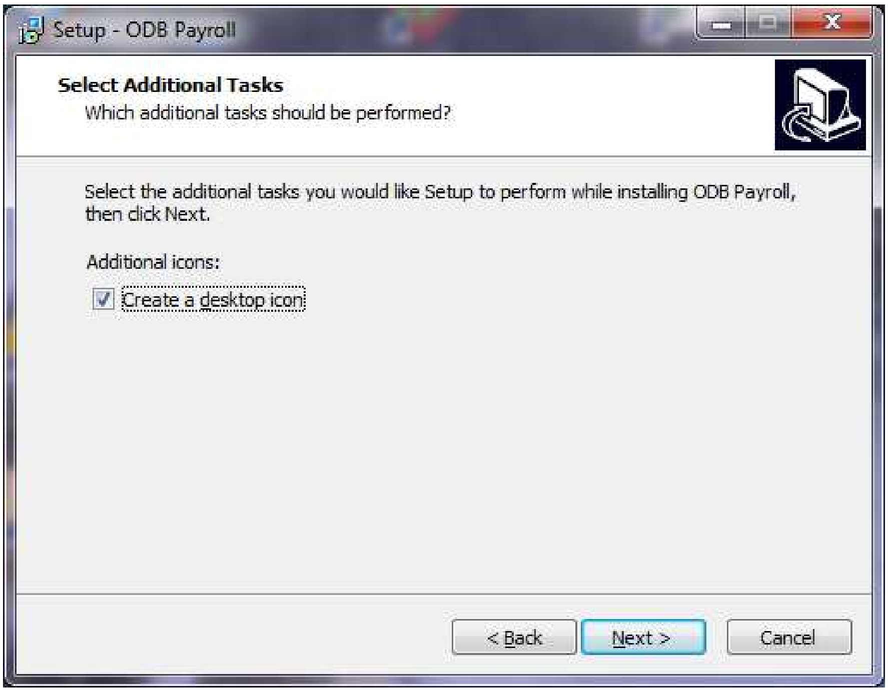




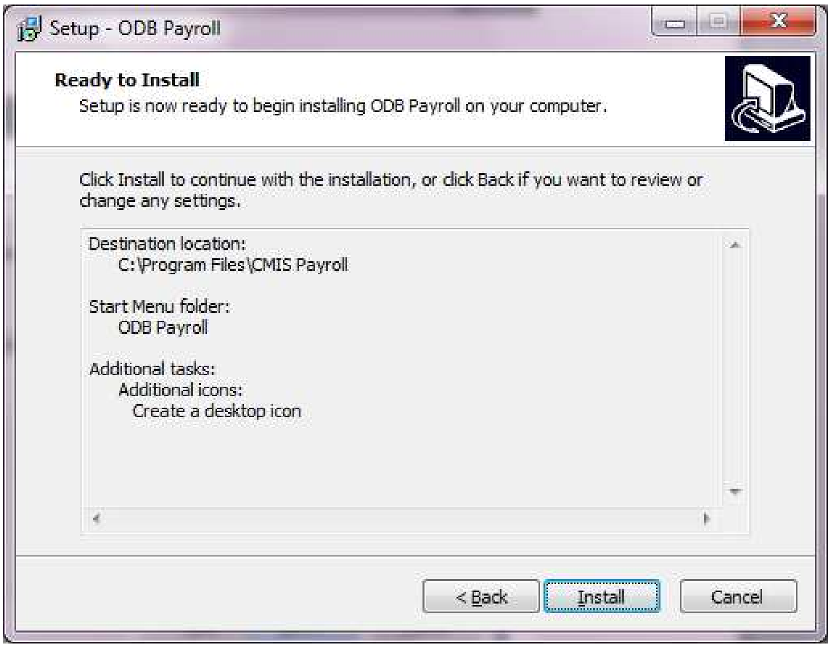
Click **Yes** to continue with the installation.



Click **Next**.



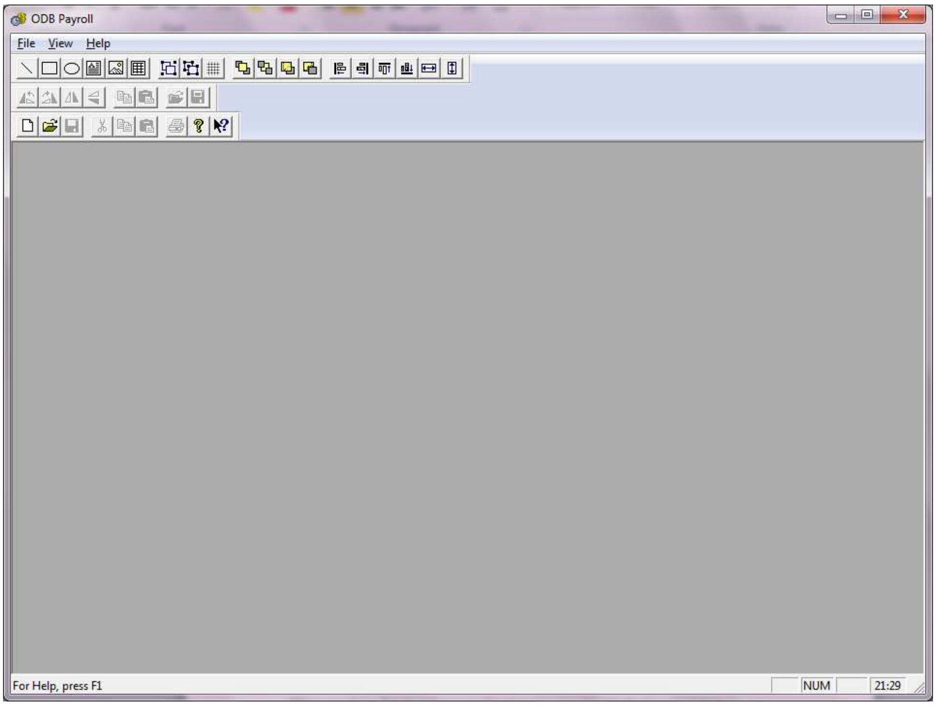
Please insert a tick in Create a desktop icon and then click **Next**.



Click **Install** to finish the process.

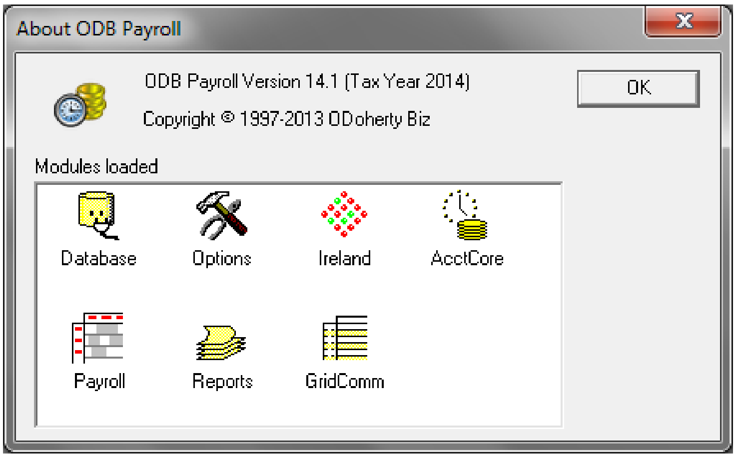
Once the installation setup is finished you will see the following screen.

Place a tick into the Launch ODB Payroll in order to start the Payroll. Please select Finish in order to complete the installation of ODB Payroll V14.1.

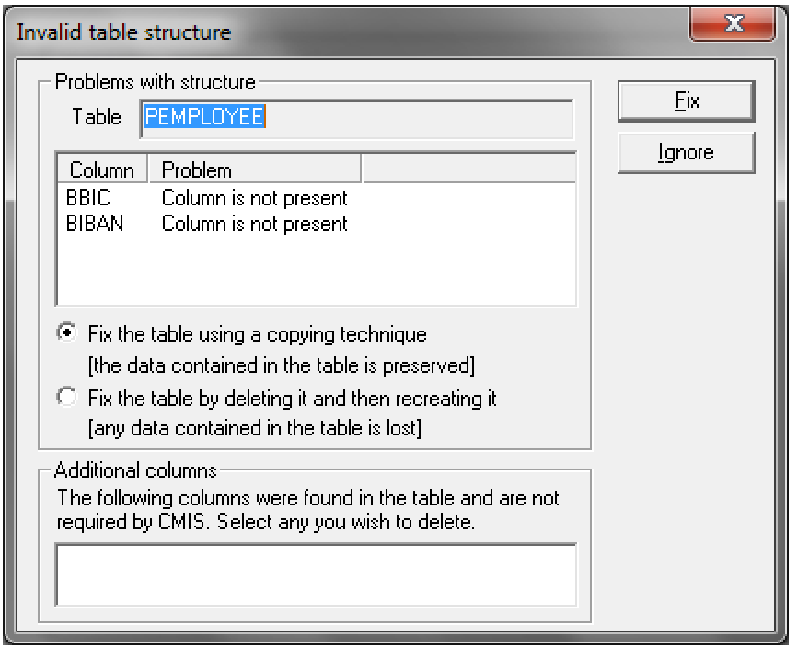


You have now successfully installed your ODB Payroll V14.1.

When you have finished the upgrade process, you should check immediately to ensure that the installation has been successful. To do this, open the ODB Payroll application in the normal way. Then select **Help | About Admin**. The following screen should appear, indicating that the version number has changed to Version 14.1:



- Close the Help | About dialog box and connect to your payroll database.
- The start-up procedure will now make some database changes to support the new SEPA format for electronic credit transfers. This will happen even you you do not have any bank accounts set up and do not pay your employees by EFT. A number of messages like the following one may be displayed on the screen during this process:



- **IMPORTANT**: You must click the **Fix** button for each of these messages. If you click Ignore, the system will not be set up correctly for the 2014 Tax Year

1.3 Import v14.1 Report Templates

ODB Payroll v13.1 contains new report templates which must be imported into your payroll database. Carry out the following steps:

- Select **Reports | List definitions**.
- Click on the **Import** button.
- Browse to the drive and folder containing the ODB Payroll application. (If you accepted the default location during the installation, this location will be *C:\Program files* | *CMIS Payroll*.)
- Select the file called ***Pay2014_1.rl***.
- Click on the **Open** button.
- If asked to overwrite any existing templates, click on **Yes to all**.
- Close the **List definitions** dialog box.
- Select **Reports | Form definitions**.
- Click on the **Import** button.
- Select the file called ***Pay2014_1.rf***
- Click on the **Open** button on the *Read reports* dialog box. The new form report templates are read into your database. If a message appears asking to overwrite existing files, click on **Yes to all**.
- Close the **Form definitions** dialog box.
- Select **Reports | Filters**.
- Click on Import.
- Select the file called ***Filters2014_1.rf***, and click on **Open**.

- The new report filters are imported. Close the Filters dialog box.

2 Changes for 2014 Tax Year

All changes required to the payroll system as a result of the recent budget have been implemented.

2.1 Employer's PRSI (Classes AX and A0)

The rate of Employer's PRSI for these PRSI Classes, which had been reduced to 4.25% in the past few years, has now reverted to the original rate of 8.5% for the 2014 Tax Year. This rate change will be automatically implemented when you carry out the **New Tax Year** procedure as described below.

2.2 ROS P35L File Version 10

The ROS P35L file has been updated to Version 10. This is the file version that must be used for ROS returns at the end of the 2013 Tax Year.

2.3 Change in PRD rate

With effect from 1st January 2014, the 5% PRD rate will be changed to 2.5%, as specified by PRD regulations issued by the Dept. of Finance.

2.4 Re-printing of P45 Forms

In previous versions it was not possible to print off a duplicate copy of the P45 Form after the termination of employment. In Version 14.1 this restriction no longer applies. If the employee loses the original copy of the P45 Form, or if you wish to print off a duplicate copy for your records, you can re-print the P45 Form at any time.

- Go to **Reports | Generate form report**.
- Select data type Payroll employee
- Select **P45 form** and click **Generate**
- Select the employee and proceed with the report printout in the usual way.

NOTE 1: You cannot print a duplicate P45 Form for a 'left' employee from the **Payroll | Statutory forms | Create ROS P45 file** screen. Only employees who are still on the payroll are listed on that screen.

NOTE 2: If you subsequently re-instate the employee to the payroll and enter a new Start date, a P45 Form for the previous period of employment can no longer be generated.

2.5 SEPA format for electronic credit transfers

If you make electronic payments directly into your employee bank accounts, the new SEPA format must be used after February 2014. (Some banks may still require you to use the old EFT file format after that date. Please contact your bank for further information.)

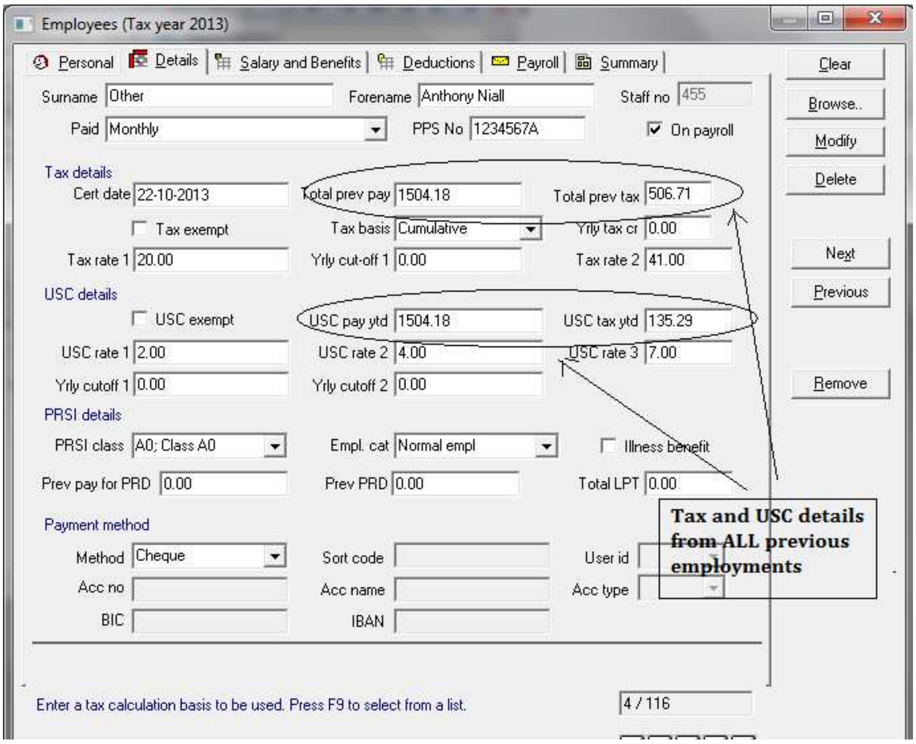
OBD Payroll Version 14.1 allows either Paypath EFT format or SEPA format to be used in the 2014 Tax Year. Full instructions on how to change to the SEPA format are included in a later section of these notes.

2.6 Multiple periods of continuous employment

During the 2013 Tax Year some users had problems in calculating the correct Tax and USC deductions for employees who left employment and then returned for a second period of continuous employment, having worked for another employer during their ‘off payroll’ period.

Downloading and importing a current P2C file is the normal way to keep an employee’s payroll record up to date in situations like this. Sometimes an employee can have several different periods of continuous employment within the tax year, either with the same employer, or with a number of different employers. In order to calculate Tax and USC on a cumulative basis, pay and tax information about **all previous employments** must be available to the payroll system during a payroll run.

When a P2C file is imported, information about Tax and USC for all previous employments is stored in the employee record, and may be viewed on the Details of tab of the Employee window, as shown below:



Note that these figures include any periods of employment that the employee may have spent in **your** employment earlier in the tax year.

Ideally, a P2C file should be imported as soon as possible after the arrival of a new employee during the tax year, or the return of an employee who was previously employed by you earlier in the tax year. In some rare circumstances you may need to manually enter this information in the fields indicated in the diagram above.

3 End of year Procedure

3.1 End of year Procedure

The usual year-end of year procedures should ideally be carried out before moving your system into the new tax year.

There are five steps in the end-of-year process

(i) Enter the Employer’s annual contribution to employee pension schemes (if any) for the 2013 Tax Year.

(ii) Print **P60 forms** for all current employees

(iii) Generate the **ROS P35L** file

(iv) Upload the 2013 ROS P35L file to the ROS website.

(v) Run the **New tax year** procedure to prepare your database for the 2014 tax year.

(vi) Import Tax and USC data for employees from the Revenue’s P2C file

All the above steps except (iv) are carried out within ODB Payroll. The upload of the P35L to the ROS website is carried out using the ROS-supplied software that is imported into your computer when you register as an employer with ROS.

If it is not convenient to complete steps (i) and (iv) before the start of the new tax year, they can be postponed until later (provided you complete them before the due date for payroll returns). As soon as all payments for 2013 have been completed, and the V14.1 upgrade has been carried out, you can move the system forward to 2014 Tax Year by carrying out step (v). Payroll runs for 2014 can then be made. The previous year’s returns can be completed at any time before the due date, by switching back to the previous tax year and following the first four steps listed above.

3.2 Enter employer pension contributions

Information about <u>employee</u> pension contributions is recorded automatically during each payroll run. If the employer makes any <u>additional</u> contributions to employee pension funds, the total amount of this contribution must be entered for each employee.

To enter employer pension contributions:

- Make sure that the **2013 Tax Year** is currently selected (go to Payroll from the main menu bar, select **Payroll | Employees**. This is indicated in the title bar at the top of the Employees window:
- If necessary, close the Employee window, go to **Payroll | Select tax year** and select **Tax year 2013**. Then return to the **Payroll | Employees** window.
- Click on the **Summary** tab.
- If the employer made a contribution to a **Retirement Benefit Scheme** on behalf of the employee currently displayed, enter the amount of the contribution in the **Retirement benefit** field at the bottom left of the screen.
- If the employer made a contribution to a **PRSA Scheme** on behalf of the employee currently displayed, enter the amount of the contribution in the **PRSA** field at the bottom right of the screen.
- Click on **Modify**.

Note: If you made Employer contributions to either of these pension schemes in the 2012 Tax Year, these amounts are carried over into 2013 by default, so you will need to check that the details are still correct for the current tax year

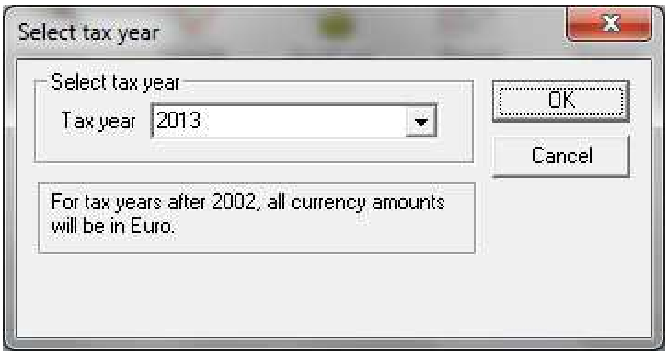
- Browse in turn to each employee and enter the details of employer pension contributions paid during the 2013 tax year and then select Modify to save any changes.
- Close the Employee window.

As a check on the accuracy of the pension information entered in the employee records, you should print a report at this point.

- Go to **Reports | Generate list reports** | Data type **Payroll employee**.
- Select **P35 details 3 (Pension/BIK)** and click on **Generate**.
- In the **Scope of report** dialog, click **OK**.
- In the **Sorting and page breaks** dialog, click **OK**.
- The report is now generated. Click on **Print**.
- Close the dialog box.
- Check the details on the printout and make sure that the pension information entered is correct.

3.3 Print P60 forms

- Go to **Payroll | Select tax year** and make sure that the currently selected tax year is 2012, then click **OK**.



- Select **Payroll | End of year procedures | P60 forms**.
- A list of employees is displayed. Employees that are no longer on the payroll and those with no payments in the current tax year are omitted from the list.
- To print all P60 forms, click on the **Select all** button, then click on **Print**.
- Close the **P60 Forms** dialog box.

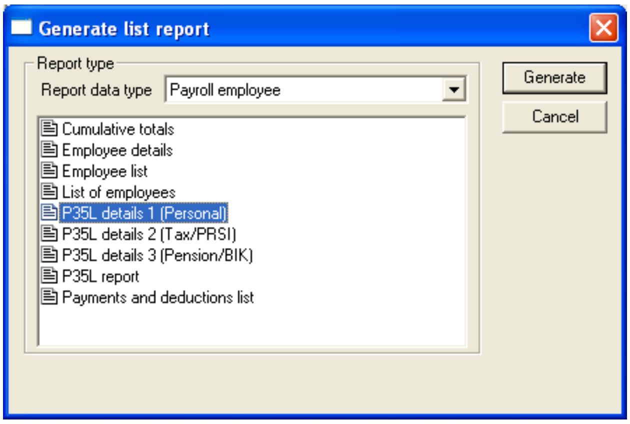
3.4 Print the P35L report

This report gives a list of all employees with the total pay, Net Tax, PRSI and USC details for the current tax year.

- Select **Reports | Generate list report**.
- Select **Payroll employee** as the **Report data type**.

- A list of reports is displayed. Select **P35L report** and click on **Generate**.
- Click on **OK** in the *Scope of report* dialog box.
- The *Sorting and page breaks* dialog box is displayed. Do not change any settings here, just click on **OK**.
- The report is generated and displayed in a list view. Click on **Print** to print the report.
- Check the report details carefully. Note in particular the total at the bottom of the **Paye return** column. This is the total amount that is due to Revenue for the current tax year. If any errors are discovered, they should be corrected before you proceed to the next stage of the end-of-year process.
- Close the report dialog box.

The ROS P35L file now contains details of Pension contributions as well as Tax and PRSI deductions. ODB Payroll includes three reports that give a detailed listing of all information included in P35 returns.



P35 reports are found when you Select Report Generate List report where the data type is **Payroll employee**:

(i) P35L details 1 (Personal)

(ii) P35L details 2 (Tax/PRSI)

(iii) P35L details 3 (Pension/BIK)

3.5 Print the P30 summary

This report gives a list of monthly payments already made to the Collector-General and may be required during the year.

- Select **Reports | Generate list report**.
- Select **Payroll month** as the **Report data type**.
- Select **P30 summary** and click on **Generate**.
- Click on **OK** in the **Scope of report** dialog box.
- A message about sorting and page breaks is displayed. Click on **OK**.
- The report is generated and displayed in a list view. Click on **Print** to print the report.
- Close the **Generate list report** dialog box.

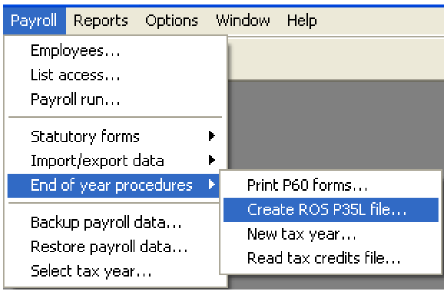
Note: If you are using v13.1 or later versions of ODB Payroll, the total returns shown in the P30 summary will correspond exactly with your total liability for Tax, PRSI and USC, as shown in the P35L report. The system now automatically detects any discrepancies arising from large tax rebates or revisions to previous month payment data, and takes them into account when calculating the P30 returns for each month. Manual revisions to P30 totals to take account of over- or under-payments are no longer necessary

3.6 Create the ROS P35L file

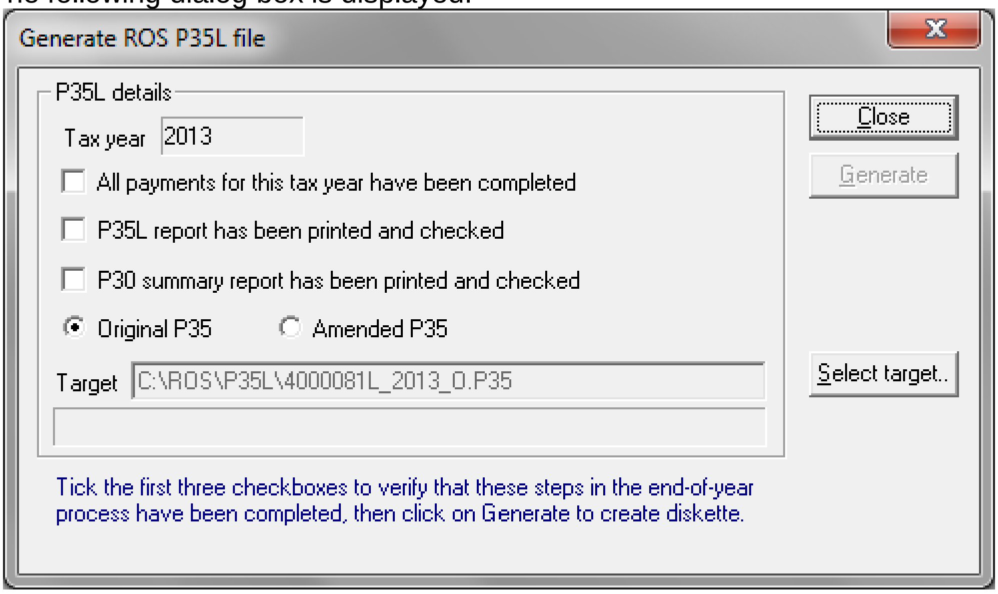
Before you create the ROS P35L file, you need to register with the Revenue-Online Service (ROS). This will configure your computer so that ROS files can be uploaded to the ROS website. When you install the ROS software, a **C:\ROS** folder will be created on your computer. All ROS return files generated by ODB Payroll will be written to this folder.

To create the ROS P35L file, carry out the following steps:

- Select **Payroll | End of year procedures | Create ROS P35 file**.



- The following dialog box is displayed:

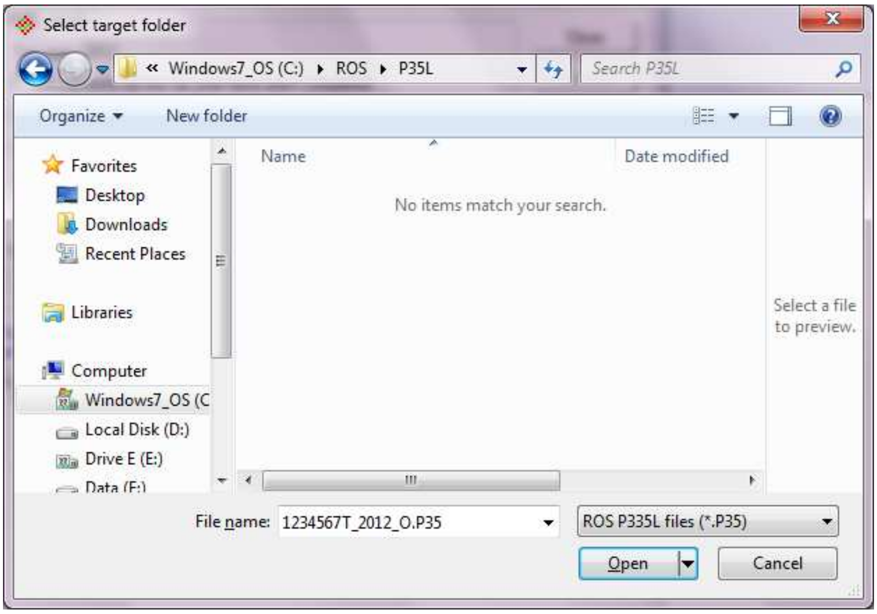


- The three checkboxes must be ticked to confirm that those steps have already been carried out. The **Generate** button at the right of the dialog box will remain disabled until this has been done.

- The ROS system allows two types of P35L files. The first time you create the ROS P35L file click on the **Original P35** radio button. If you subsequently discover errors or omissions in the original ROS return file, an **Amended P35** file may be submitted.

- The recommended target folder for ROS P35L files is **C:\ROS\P35L**. When you create this folder and select it as the location for storing ROS P35L files, the target folder details will be saved and automatically displayed each time you select this option in the future. So it is necessary to select the target folder once only.
- Click on the **Select target** button.
- Use the **Look in** field, select your computer's **C:** drive, then select the **ROS** folder:
- If you have already made P35L returns to ROS, the P35L folder will already exist. Otherwise, click on **New folder**, which creates a new sub-folder within C:\ROS\

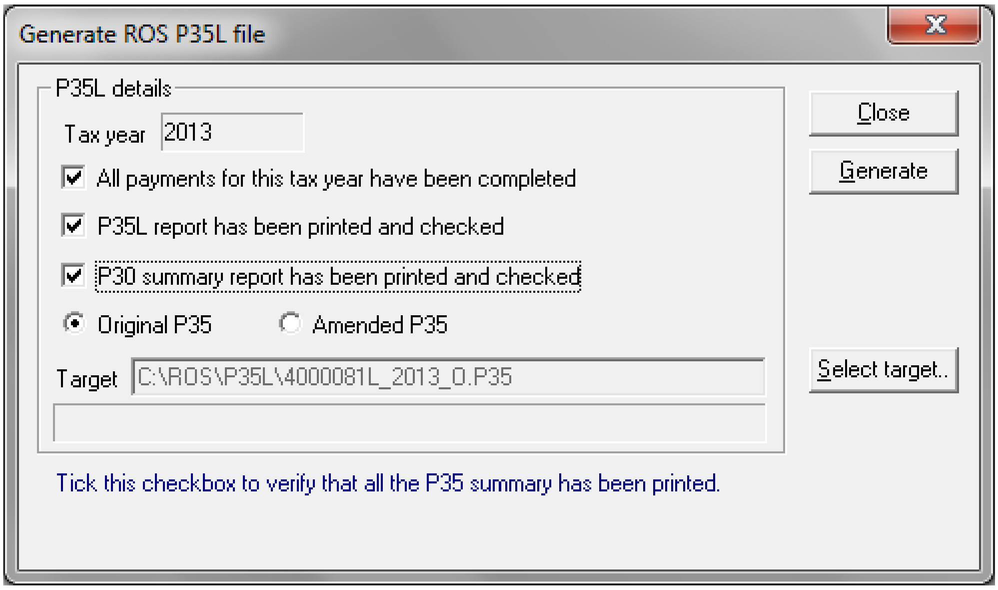
- Change the name of the new folder from **New folder** to **P35L**.
- Double-click on the yellow icon at the left of the P35L title. This causes the P35L folder to be selected in the Look in field at the top of the screen:



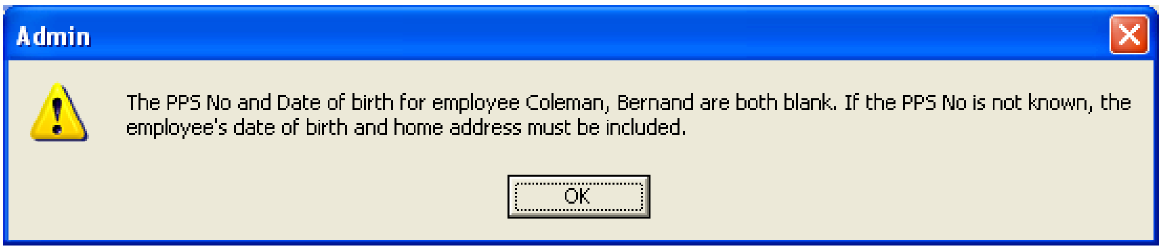
- Click **Open**.

- You are returned to the *Generate ROS P35L* dialog. <u>Check that the **Target** field contains the correct path name</u>. It should be shown as ***C:\ROS\P35L\EmployerRegNo_TaxYear_FileType.P35***.

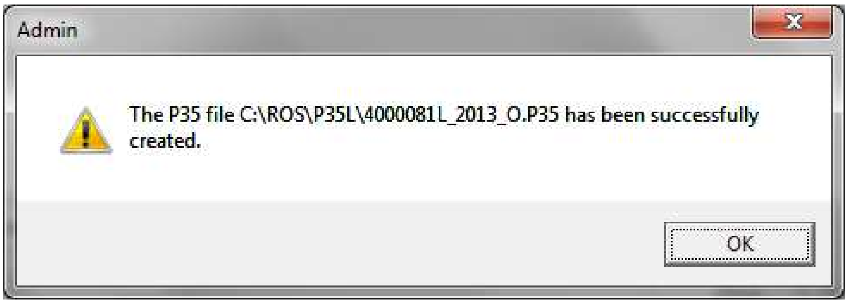
  For example, if your Employer Registration Number is 1234567T, and the tax year is 2012, the **Target** field should appear as ***C:\ROS\P35L\1234567T_2012_O.P35***.



- Click on **Generate**.
- Your employee data is now validated. If any employee record is incomplete, then the P35L file cannot be generated. For example, if an employee's PPS Number is not known, it is necessary to enter the employee's address and date of birth. If any problems are encountered, a message such as the following will be displayed:



- The P35L file cannot be created until the missing information has been entered. Go to **Payroll | Employees**, select the employee in question, and enter a PPS No, or the employee's address and date of birth. Both of these fields appear under the **Personal** tab on the Employee window. (Where the PPS No is known it is not necessary to enter employees' dates of birth.)
- The validation procedure also checks that each PPS No in the system is unique. It is not permissible to have more than one record for each employee in the database. Any employee records that have duplicate PPS Numbers listed causes the ROS P35L file not to be generated.
- When the validation check is completed successfully, the ROS P35L file will be created in to the designated folder. When the process is complete, a message will be displayed, as follows:



- Click **OK** to close the dialog box.

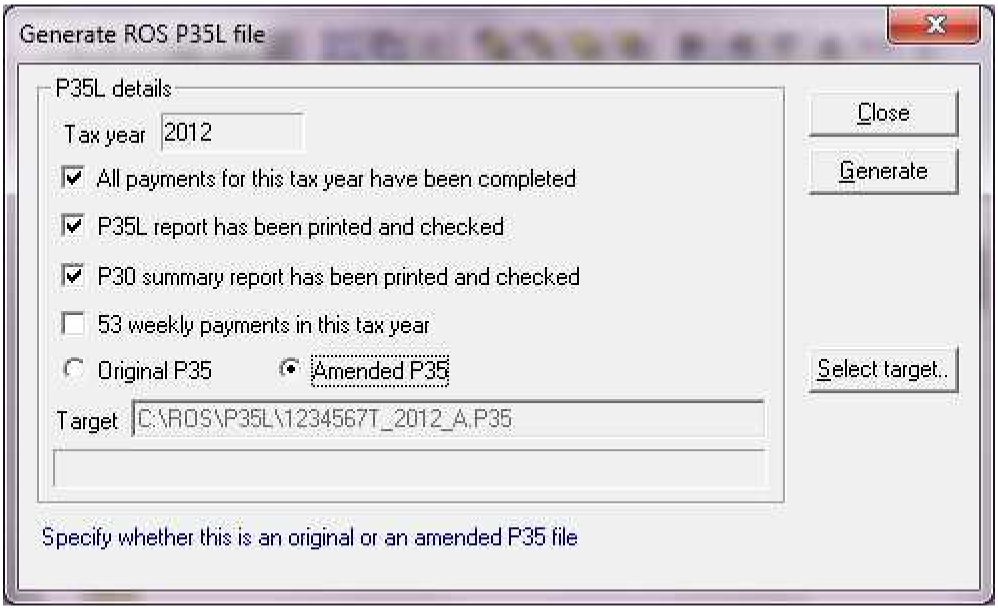
3.7 Upload P35L file to ROS website

- Exit from ODB Payroll.
- Use the ROS software to upload the file to the ROS website. The instructions for carrying out this step are available from ROS.

3.8 Creating an Amended P35L file

The ROS system allows an employer to upload only a single Original P35L file for any single tax year. If, after the original file has been uploaded, you discover that it contained some errors or omissions; it is necessary to generate an Amended P35L file.

- Select **Payroll | End of year procedures | Create ROS P35L file**.
- Tick the three checkboxes to indicate that these required steps have been completed.
- Tick the Amended P35 radio button. Note that the file name in the **Target** field is changed automatically to reflect the file type:



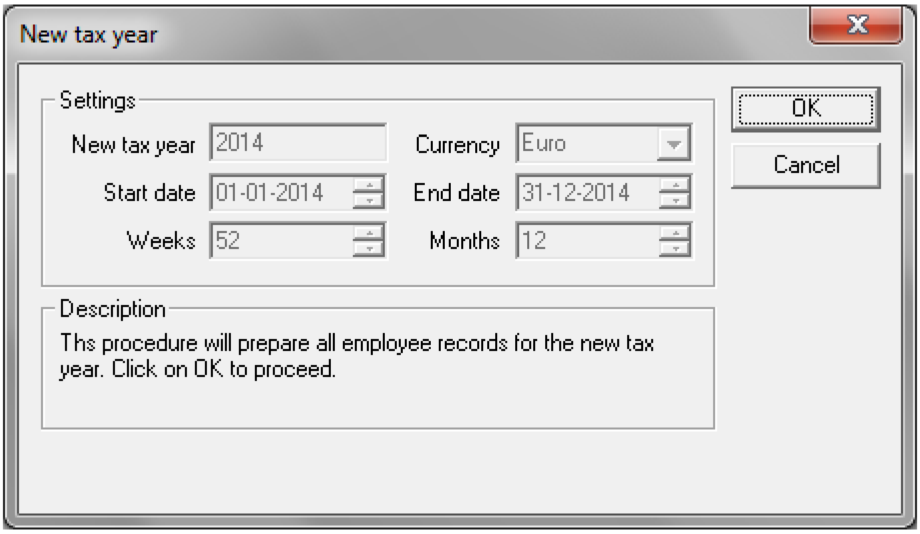
- Generate the amended P35L file.
- Close the **Generate ROS P35L file** dialog box.
- Exit from ODB Payroll.
- Use the ROS software to upload the file to the ROS website.

In the unlikely event that further amendments need to be made to the employee data for 2013, ROS will allow multiple amended P35L files. However, only a single Original P35L file will be permitted.

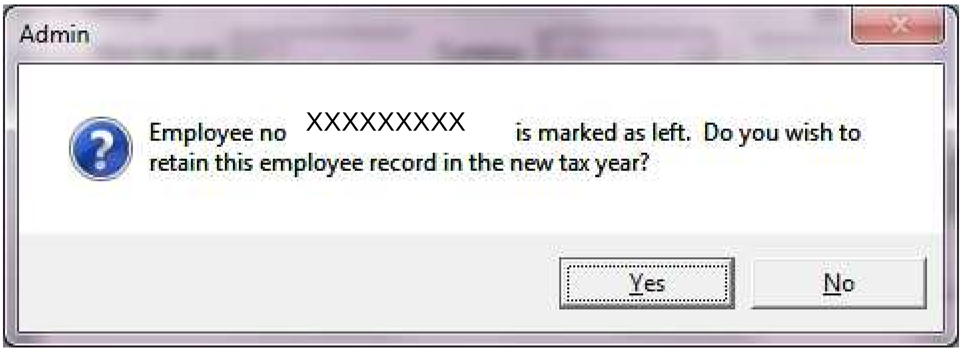
3.9 New tax year

This next step prepares your system for the **2013 Tax Year**. Employee payment totals are set to zero, and the Tax and PRSI regulations for the new tax year are read into your database.

- Select **Payroll | End of year procedures | New tax year**. The following dialog box is displayed:



- Click **OK**.
- Your database will now be prepared for the 2013 tax year. For each employee in the database who is not **On payroll** at the end of the old tax year, a message will be displayed, asking if the record should be deleted from the new tax year.



- If the employee has permanently left and is unlikely to return to your employment in the new tax year, you should delete the record by selecting No. (The employee details for the old tax year will of course remain in the system.)

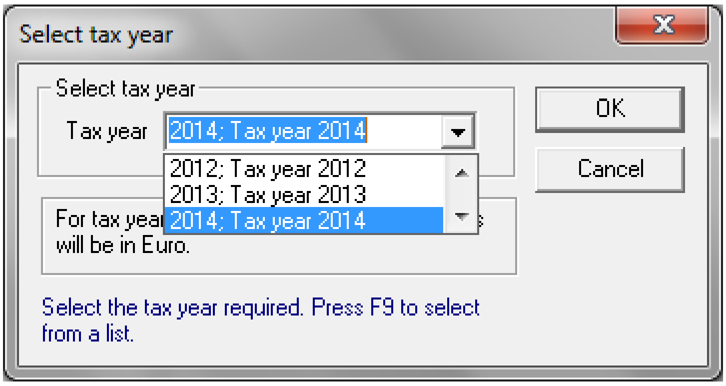
3.10 Read the tax credits (P2C) file

This is the last step in the preparation for the new tax year. The P2C file must be downloaded from the ROS website.

*For more information on the benefits of the ROS services and on how to register please visit the Revenue website www.revenue.ie or phone the ROS helpline at **1890 20 11 06***

To import the tax credit information into your payroll database, carry out the following steps:

- Select **Payroll | Select tax year** to make sure that you are in the 2013 tax year.



- Change the tax year selected if necessary, then click **OK**.
- Select **Payroll | End of year procedures | Read P2C file**. (The option is also on the **Payroll | Import/export data** sub-menu.)
- Use the **Look in** field to locate the **C:\ROS** folder containing the latest tax credits file downloaded from the ROS website.
- Select the required file and click on **Open**.
- Employees found in the P2C file are shown in a list view.
- The **Found** column indicates whether a corresponding record was found in your database to match the **Staff Id** or the **PPS no** of the diskette records.

NOTE: It is essential to make a printout of the information before you proceed, so that the tax credit and cut-off point information can be checked for each employee. To print the details, right-click on the list view and select **Printing | Print** from the pop-up menu.

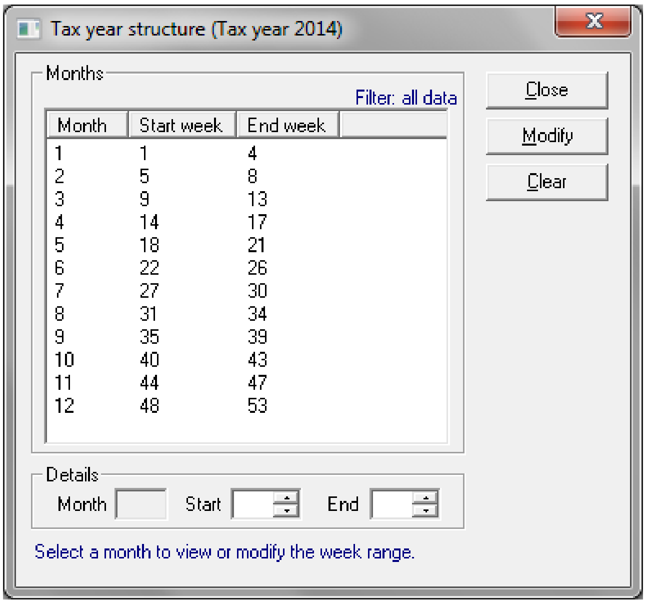
- Click on **Update** to read the information into the employee records in the database.
- Close the dialog box.
- Select **Payroll | Employees** and check under the **Details** tab to verify that the information has been recorded. There may be some unmatched records due to incorrect Staff Id's in the Tax Credits file, and it will be possible to enter the information into the employee record from the printout.

3.11 Check 2014 Tax Year Calendar

The structure of the 2014 Tax Year is shown in the **Data | Tax and PRSI details | Tax year structure** dialog box.

Before you proceed with any payroll runs within the new tax year, you should check that the default structure corresponds with the timing of your weekly or fortnightly payroll runs within the 2014 calendar year. Certain months of the year will have four weekly payroll runs; others will have five payroll runs. To take account of leap years you will occasionally have 53 weekly payroll runs in a tax year. These settings will vary from one employer to another, depending on the day of the week in which you carry out your payroll run.

- Check the 2014 calendar and identify the dates of your weekly payroll run within each month of the year.
- Select **Data | Tax and PRSI details | Tax year structure.** The default setup is shown below:



Note that the five-week months are March, June, September and December. Note also that the structure allows for six weekly payments in December, to take account of a possible 53-week year.

- If necessary, revise the week range for each month. For example, you may have 5 weekly payments in May, and only 4 payments in June. In that case

  (i) Select Month 5 (i.e. May)

  (ii) Change the End week to 22 and click **Modify**

  (iii) Select Month 6 (June)

  (iv) Change the Start week to 23 and click **Modify**

- If the 2014 Tax year has only 52 payroll runs, you can also change the End week of Month 12 to 52.

4 Credit Transfer Files (SEPA format)

The existing file format for electronic file transfer (EFT) will not be accepted by most banks after February 2014. It will be replaced by the SEPA xml format, which allows debit and credit transfers to be carried out on an EU-wide basis. The SEPA file format for credit transfers has been fully implemented in OBD Payroll V14.1.

Before you can generate SEPA xml files from your payroll system, a number of initial steps must be carried out, as follows:

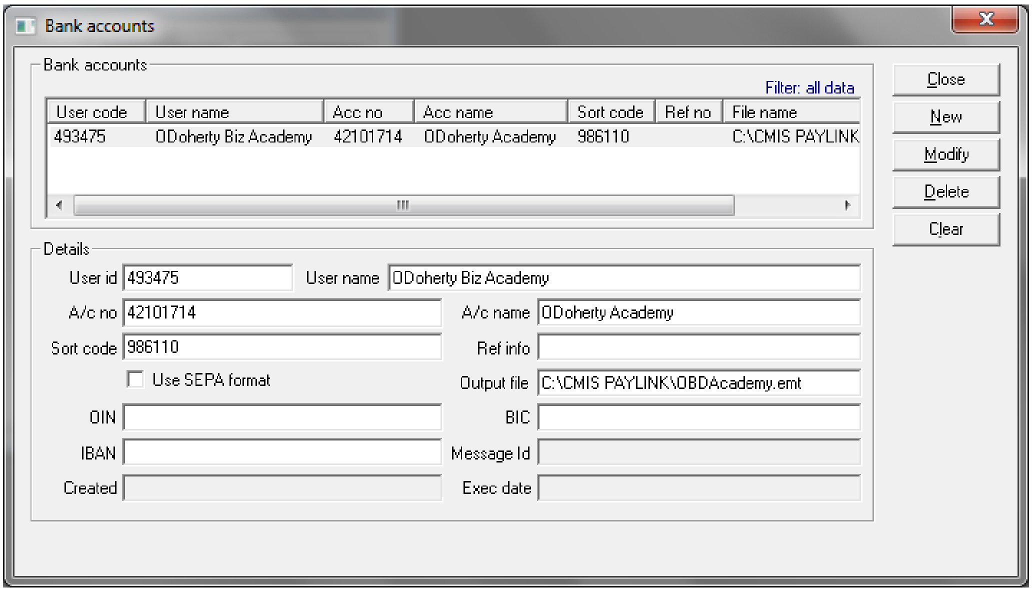
(i) Enter OIN, BIC and IBAN data for your Employer bank account

(ii) Enter BIC and IBAN data for each employee who is paid by electronic file transfer

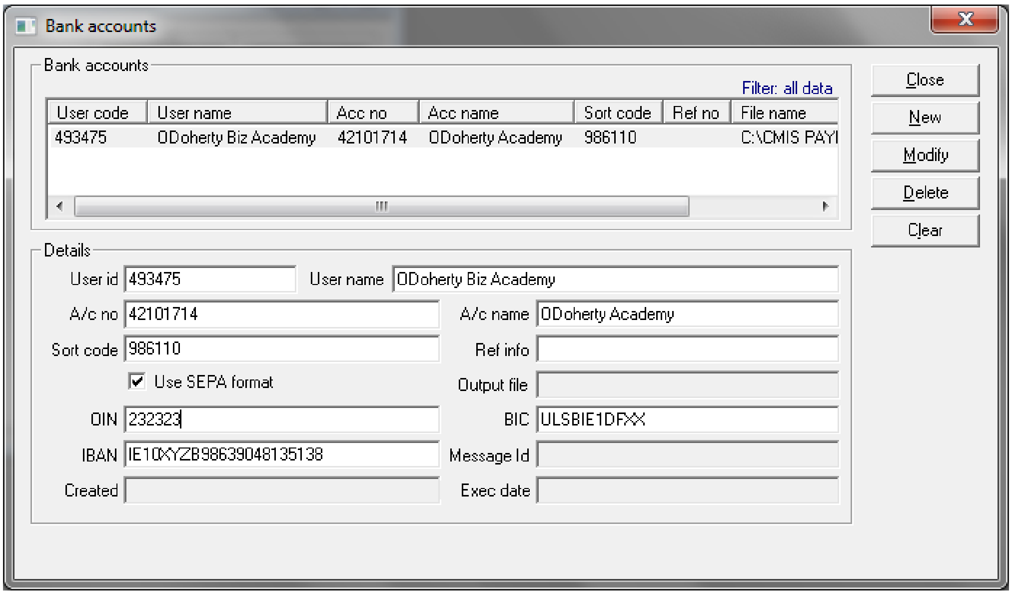
(iii) Switch the file transfer system from EFT to SEPA format

4.1 Enter OIN, BIC and IBAN for Employer bank account

- Select **Data | Bank accounts** from the main menu.
- Select a bank account in the list view. The bank details are shown in the Details section of the screen. Note that a number of new fields have been added to the Bank accounts screen:



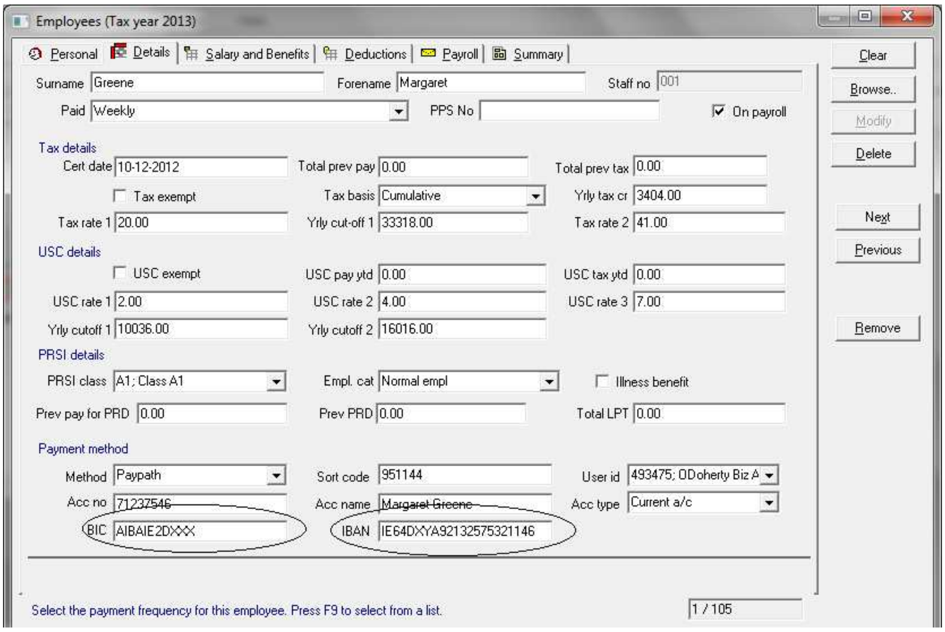
- Enter the OIN, BIC and IBAN for your bank account. This information is available from your bank
- Click **Modify**.



- Note that for the moment the **Use SEPA format** checkbox should <u>not be ticked</u>.

4.2 Enter Employee BIC and IBAN data

- Select **Payroll | Employees**.
- Click **Browse** and select the first employee who is paid by electronic file transfer.
- Click on the **Details** tab.
- Enter the BIC and IBAN for the employee's bank account
- Click **Modify**.



- Repeat this procedure for each employee who is paid by electronic file transfer.

4.3 Switching from EFT text format to SEPA xml format

When you have completed the steps described in sections 4.1 and 4.2, you are ready to generate credit transfer files in SEPA format. But first you must change the file format setting on your Employer bank account.

- Go to **Data | Bank accounts**.
- Select the required bank account in the list view
- Tick the **Use SEPA format** checkbox.
- Click **Modify**

4.4 Generating SEPA Credit Transfer files

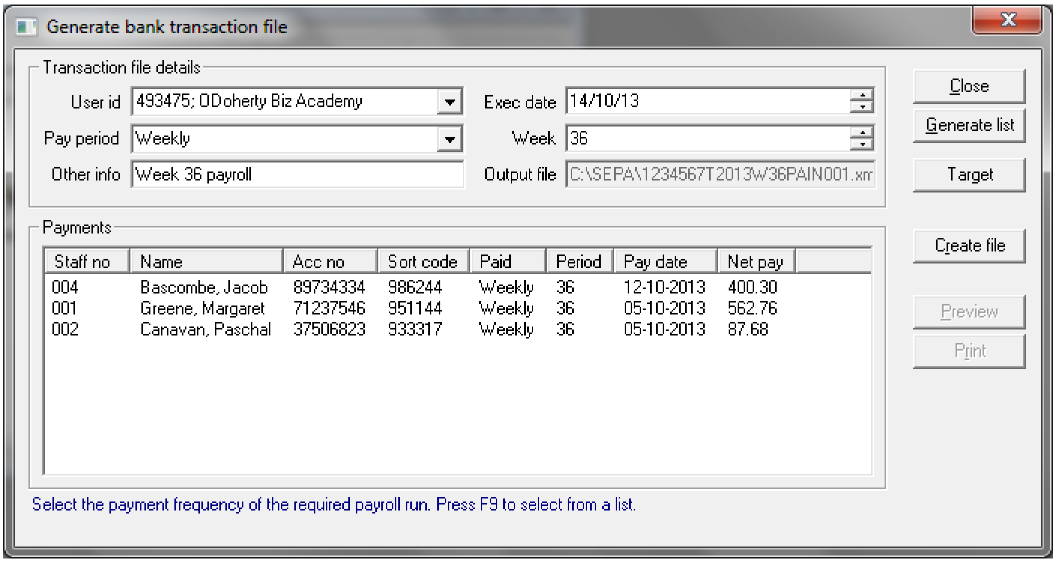
- At the end of a payroll run, go to **Payroll | Import/export data | Generate file for electronic payments**
- Select the required bank account in the **User id** drop-down list
- Note that the **Execution date**, **Pay period** (i.e. Frequency) and **Period number** of the most recent payroll run will be automatically displayed. Check this information carefully. In particular, check that the Frequency and Period number are correctly shown.
- Click **Generate list**. A list of all employees due for payment is shown in the Payments list view.

NB: The SEPA credit transfer file for a particular payroll run can be uploaded to your bank **once only**. If you generate and upload the SEPA file, having forgotten to include an employee who is normally paid by electronic file transfer, that employee will have to be paid by cheque on this occasion. (If you generate the file, but discover your error before the file is uploaded to the bank, the system will display a warning message, but allow you to generate the file again. The new version will overwrite the previous one.

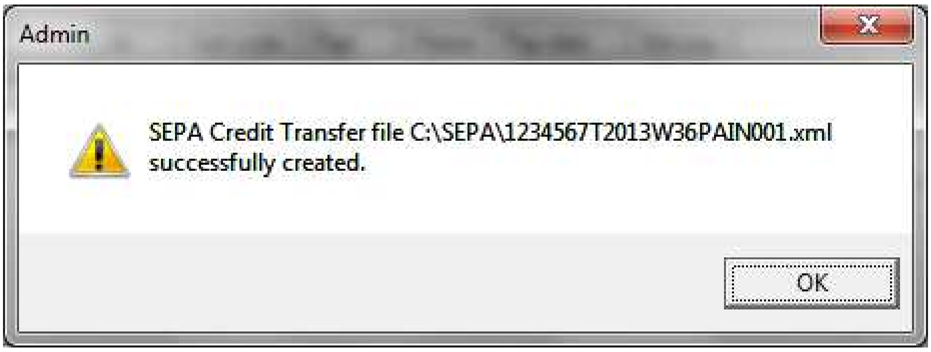
- The **Exec date** is set to today's date by default. You can request a different execution date for the file if preferred. For example, to postpone the execution of the credit transfer for three days, double-click on the **Exec date** field to display the pop-up calendar, select the required execution date and click **OK**.
- Next, the <u>target drive and folder</u> for the SEPA files must be selected. Click the Target button, browse to the desired drive and folder and click **Open**.

IMPORTANT: Do <u>not</u> edit the **File name** shown on the *Select target folder* screen. The system will automatically generate a suitable file name according to SEPA specifications

- The selection of a Target folder for SEPA files is a once-off task. Your folder selection will be saved, and will be displayed automatically the next time you open this dialog box
- You may also add some text in the **Other inf**o field (this is optional).



- Click the **Create file** button. A message will be displayed, confirming that the file has been created:



- Click **OK**
- Now click **Print** to produce a hard copy of the transaction details
- Finally, **Close** the dialog box
- The SEPA file can now be uploaded. Follow the instructions received from your bank to complete this step.