

# Payroll 2018/2019

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## Introduction

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The payroll update contains new programs to cater for changes in payroll legislation for the tax year 2018/19.

These changes include:

- Support for PAYE Tax from 6<sup>th</sup> April 2018
- Support for National Insurance band/rate changes from 6<sup>th</sup> April 2018

The update should be installed prior running the payroll year-end.

## Updating Your Registration Number

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The software version for this payroll update is Release 7.1

Sign on with the SLAVE user-id and password and select the option 'Upgrade to Latest Release'

Upgrade to Latest Release

Datafile Home Tools Edit Links

Ledger Enquiry Contacts Calculator Calendar Word List Utilities Stock Availability Spooled Reports Messaging

Enter the product upgrade code as advised by Datafile Software

-  -  -  -  -

Your current product release is 7.0

Action Upgrade Abandon Close

The upgrade key is 24 characters split into six groups of four, you need to press <Enter> or <Tab> after each part. Once the key has been entered press UPGRADE to update to the current release.

If the key is not accepted re-check that you have entered the key as supplied. If the key is still not accepted ask your Datafile reseller to arrange an update of the security file.

NB: If 'Your current product release is 7.1' is displayed then no upgrade key is required.

## **How to Update Programs**

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Before you start, certain details are required:

- Is Datafile installed on a network, if so are the programs run from the network or the local terminal?
- Where are the Datafile programs held?
- Have you downloaded the "PAYUPD-V7-2018.EXE" or the "PAYUPD-V20-2018.EXE" as appropriate for your software version? If not, download from the website now.

Once these details are known you can begin the upgrade.

- a) All users must exit Datafile Software completely. Users should select 'Quit' on the main menu and then 'Quit/Exit Datafile' from the sign-on screen. Users should also close Microsoft Word / Outlook programs.
- b) Double-click the downloaded update file. This is a compressed archive file which, when run, will unzip the updated programs and installation procedure. The default folder the system will wish to unzip to will be C:\PAYUPD2018 – if this is acceptable click FINISH or use Browse to change to a folder of your own choosing. (If a new folder warning is displayed select YES to create this folder). The system will then expand the compressed files and then automatically launch the setup process.
- c) Select 'Update Program Files'
- d) Choose whether you wish to update your menus. Note no new menus are supplied with the Payroll update.
- e) Choose 'Network Installation' or 'Local Installation' as appropriate.
- f) Next the system asks for the paths of the Datafile Software system.

PROGRAMS (Path 1) – location of Version 6 Programs (DFWIN.EXE)

PARAMETERS (Path 2) – location of main Datafile folder (DIAMOND.D00)

DATA (Path 3)– location of main company files (DIAMOND.D05)

PROGRAMS20 (Path 4) – location of Datafile 20nn Programs (DFWIN.EXE) – 2018 Upgrades Only

The system will validate that the pathnames entered here contain files appropriate for each location (these are the filenames in brackets above). To check the paths to be entered you can use the FIND/SEARCH option on the Windows Start Menu.

g) Once the pathnames are accepted, press <NEXT> until the Licence Agreement is displayed and 'YES' to accept this. The supplied programs will then be updated.

h) If installing to a Local Workstation then the update is now complete.

If installing to a Network then the update continues by asking 'Do You Want to Install Local Programs'. Respond 'Y' to this prompt regardless as to whether programs are run locally or over the network – you may still need to update the local workstation for Microsoft Word links. After a short pause the system will ask you to confirm whether programs are run from the Network or Locally. Confirm as appropriate.

i) If running programs locally you are then asked to confirm the local program path – usually C:\DFWIN\PROGRAMS. If running programs from the network then this prompt is skipped.

j) You are then asked to confirm the folder on the Start Menu to access Datafile (usually DATAFILE SOFTWARE) before the system updates the appropriate local files.

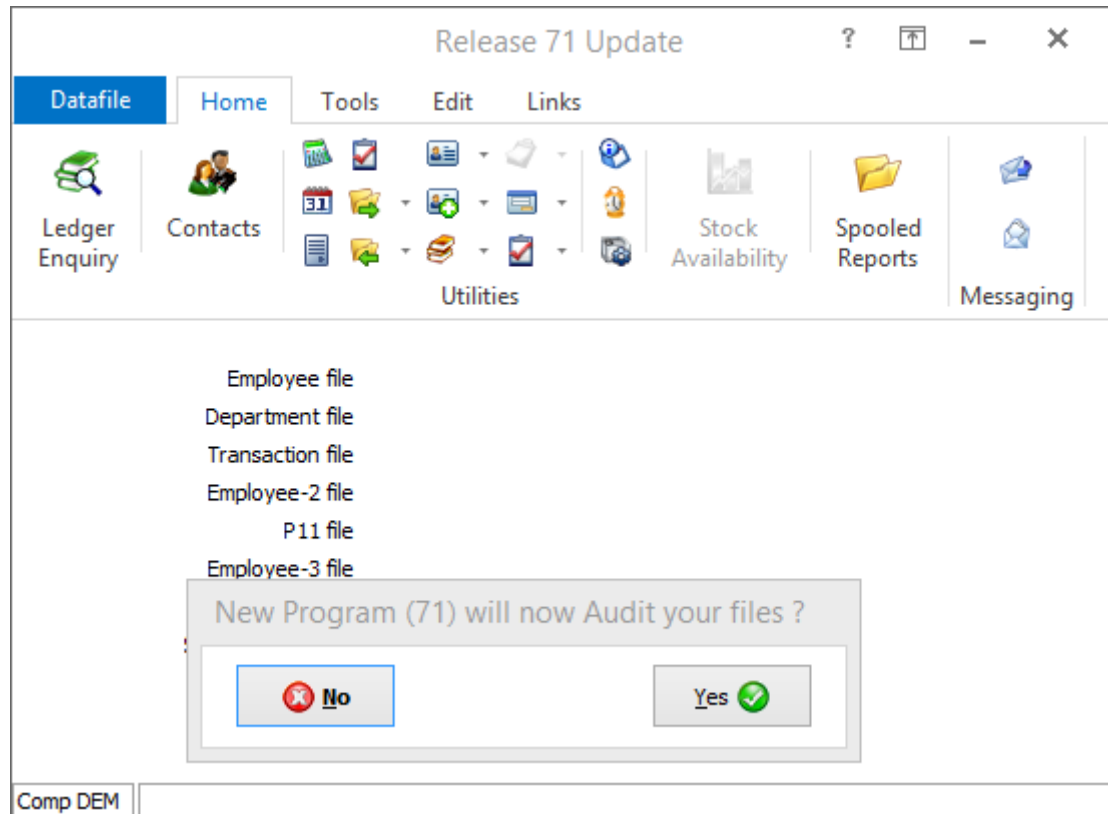
k) Update of the workstation is now complete. To update other workstations you need to run SETUP.EXE from the main Datafile folder on the network (use the Windows option RUN on the Start Menu) from each workstation – this repeats options H-J above. You can now delete the contents of the PAYUPD2018 folder and the downloaded update file.

## First Access of Payroll after Update

The first time an operator accesses the payroll program for a company after the update, they will be prompted to follow procedures to update payroll in preparation for the end of the tax year 2017/18, and the start of the new tax year.

### Audit of Payroll Files

This first prompt asks you to audit your Payroll Databases and Documents.



## Final Submissions for 17/18

With Real-Time Updating to the HMRC Employers no longer need to supply an end of year return P14 or P35 to the HMRC. The information required has been supplied to the HMRC as part of the returns submitted each tax week/month.

However, the HMRC does need to be informed when you have made your final RTI submission to them for the 17/18 tax year.

### FPS Submissions – Final Pay Period

When submitting the FPS for the final pay period you will be prompted with the normal runtime options to confirm whether you wish to print the XML return / make a test submission etc. If you choose to proceed with a live submission a new prompt will be displayed.

Code	Name	Period	Type	Pay Status	FPS Sent
DEM	Demonstration Company	12 M	Payroll has been run		No

Action

F4-RTI-Subs Comp DEM

The system will display the list of payroll companies for the tax reference – you may have more than one company where you have (say) a mixture of weekly and monthly paid employees or you run payroll separately for multiple branches.

Where there is only one remaining FPS to send for the current company the two options are available for selection to the prompt 'Is This the Final Submission for this year for the Tax Reference XXXX' – select 'No – Is Not Final' or 'Yes – Is The Final' as required.

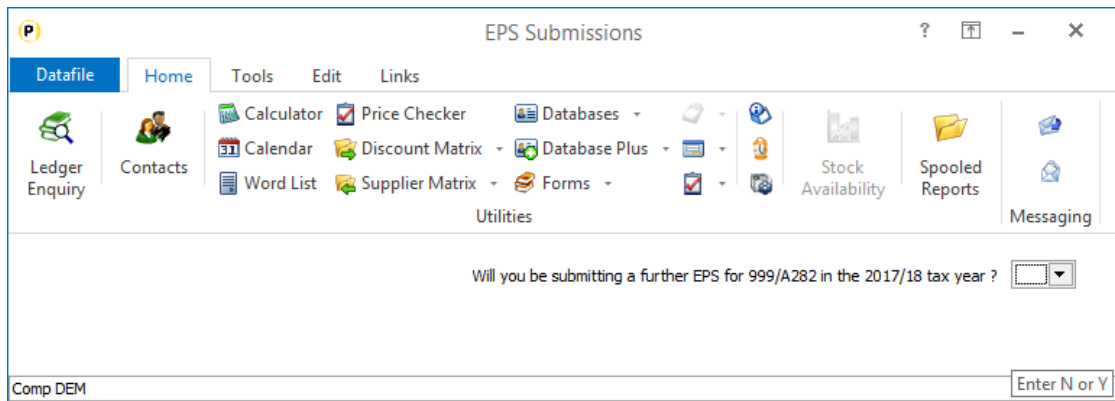
### Is This Your Final Submission?

If you need to submit an Employer Payment Summary (EPS) then the answer to this prompt is 'No – Is Not Final' – you will make your final declarations as part of the EPS submission.

If there is another company, other than the current company, that has not yet sent its last FPS for 17/18 then the 'Yes – Is The Final' option will not be available for selection – choose 'No - Is Not Final' to continue with the FPS for this company.

If all bar the current payment company have submitted their Final FPS, or you only have one payroll company, you may select 'Yes – Is The Final' when submission of an EPS is not needed.

As a double check you will be prompted to confirm whether you will be submitting a further EPS for the current tax year. Respond as required.



After confirming these details, you will be prompted to continue with the FPS output and this will be uploaded to the HMRC.

### **EPS Submissions – Final Pay Period**

If you do need to submit an EPS (or you didn't declare the final submission status on your last FPS) then the Employer Payment Summary (EPS) Submission will allow you to make your final submission declarations.

Note that, as the EPS for the tax month from 06/03/2018 to 05/04/2018 can be submitted at any time from the 20/03/2018 to the 19/04/2018, you may have already run the payroll year end before submitting the EPS. If you have run the year end you will need to submit this EPS from the backup history company.

As with the FPS above you will be prompted to declare that this is the final submission - the option for 'Yes – Is The Final' will only be available where an FPS has been submitted for all the Payroll companies in the list.

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#### **Note**

If as part of the FPS submission you made the Final Submission declarations but later realise you do actually need to submit an EPS you will be allowed to do so.

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## End of Year Employee P60

Even though submitting the end-of-year returns online you still need to print the employee's P60 and you may want to print your own copy. Similarly, you should print the P35 listing for your records. The P60 document and the P35 listing are usually available as options on the Payroll Year-End menu.

### Printing Employee P60 Documents

The default layout is designed to print on the 'P60 (Single-Sheet / Shortened) (2017-2018) – Certificate of Pay' document supplied by the HMRC – if using substitute forms supplied by a stationery supplier then you should amend your layout manually.

**Depending on the printers involved you may have to adjust the printing positions of data items – we suggest running a test print for one or two employees before proceeding with the full run to ensure items print in the correct position.**

The screenshot shows a software window titled ".\DR602018.DEF (Period 12 - 31/03/18 Monthly)". The window has a ribbon menu with tabs for "Datafile", "Home", "Tools", "Edit", and "Links". The "Home" tab is active, showing various utility icons like "Ledger Enquiry", "Contacts", "Calculator", "Price Checker", "Calendar", "Discount Matrix", "Word List", "Supplier Matrix", "Stock Availability", "Spooled Reports", and "Messaging". Below the ribbon, there are several input fields and checkboxes for configuring the report:

- Date of Report: 31/03/18
- Report Sequence: 9 (dropdown menu) with sub-options: 1-Employee, 2-Dept/Employee, 9-End of Year in Name order
- Include Employees Already Left:
- Number of copies to be printed: 1 (dropdown menu)
- Specify any Selection Criteria:  Previous Criteria

At the bottom of the window, there are three buttons: "Action", "Print", and "Close". The "Print" button is highlighted with a dashed border. The status bar at the bottom left shows "Comp DEM".

Select the PRINT button to print the report – if want to run an alignment test tick the 'Specify Any Selection Criteria' option and set criteria so that only one or two employees are processed.

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### Note

If you have not received your P60 stationery by the time you need to run your payroll year-end then, if you create the history company as part of your year-end (recommended), you can print these documents at a later date and continue with the year end.

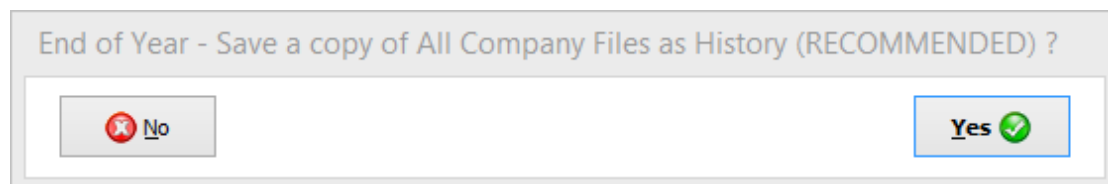
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## Year End Procedure

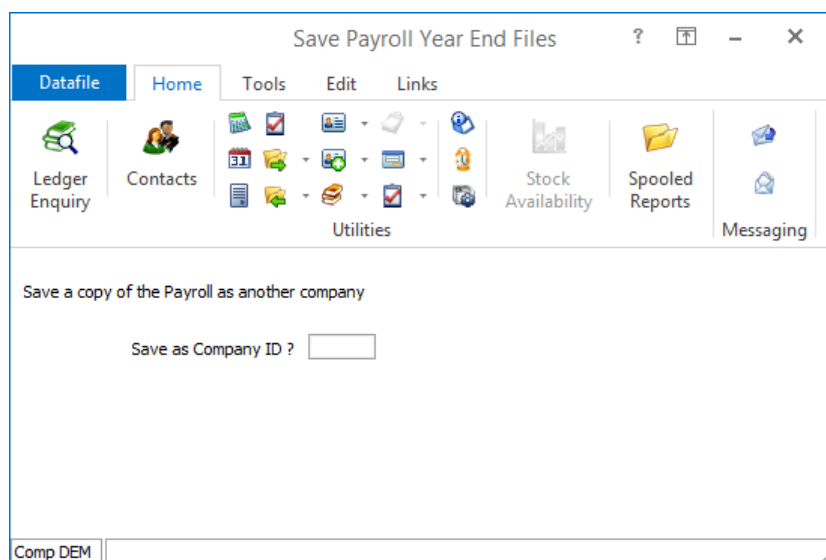
This procedure clears your year-to-date values and updates the PAYE, the National Insurance and Statutory Payment tables ready for the 6<sup>th</sup> April 2018.

### Creating a History Company

At the start of the year-end process you will be asked to create a history company for the payroll data. This is extremely useful for enquiry purposes and required if you need to run the year-end before submitting EPS returns to the HMRC.

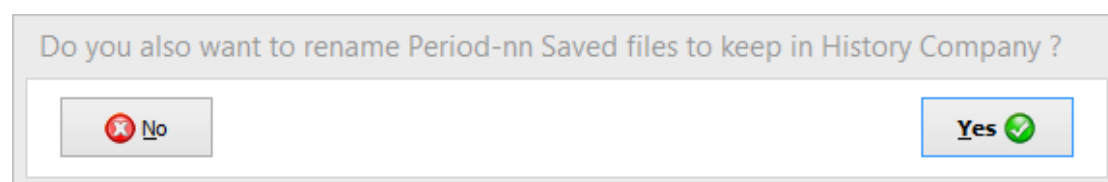


Respond 'Yes' to save a copy of the payroll system as a history company.



Save as Company ID – enter a three-character reference for the history company to be created. Selected characters are reserved – existing company codes, Pxx and Sxx formats etc. – if you enter a reserved ID you will be warned according and asked to select again.

Do You Also Want to Rename Period-*nn* Saved Files to Keep in History Company – As part of the payroll run and period end the system takes backup files of your data. This prompt asks if you wish to rename these files so that they are kept with the backup history company.



It is strongly recommended that you respond YES to this. You will need these backup files if payroll input errors are later discovered and you need to re-run the payroll.

## PAYE, NI and Statutory Payment Updates

The following tables take effect from the first payroll run after the 6<sup>th</sup> April 2018.

### PAYE – England / Wales / N.Ireland

Entry	Cumulative Tax Bands		Rate %
1	0 -	34500.00	20.00
2	34500.01 -	150000.00	40.00
3	150000.01 -	0.00	45.00
4	-	0.00	0.00
5	-	0.00	0.00
6	-	0.00	0.00
7	-	0.00	0.00
8	-	0.00	0.00
9	-	0.00	0.00
10	-	0.00	0.00

Basic rate entry ?  Max % ?

SLC threshold 1 ?  Rate 1 %

2 ?  2 %

Comp DEM

PAYE – Scotland

Taxation Rate Table - Scotland

Datafile | Home | Tools | Edit | Links

Ledger Enquiry | Contacts | Calculator | Price Checker | Calendar | Discount Matrix | Word List | Supplier Matrix | Utilities | Stock Availability | Spooled Reports | Messaging

Entry	Cumulative Tax Bands	Rate %
1	0 - 2000.00	19.00
2	2000.01 - 12150.00	20.00
3	12150.01 - 31580.00	21.00
4	31580.01 - 150000.00	41.00
5	150000.01 - 0.00	46.00
6	- 0.00	0.00
7	- 0.00	0.00
8	- 0.00	0.00
9	- 0.00	0.00
10	- 0.00	0.00


Basic rate entry ? 2 | Max % ? 50.00


Comp DEM

## National Insurance Table – Earnings Brackets


NI - Earnings Brackets
? [ ] - X


Datafile
Home
Tools
Edit
Links


  
 Ledger Enquiry

  
 Contacts

Utilities

  
 Stock Availability

  
 Spooled Reports

  
 Messaging

National Insurance Table - Earnings Brackets

Earnings Bracket	Weekly	Monthly	Yearly
No: 1 LEL	0 - <input type="text" value="116.00"/>	0 - <input type="text" value="503.00"/>	0 - <input type="text" value="6032.00"/>
2 PT/ST	116.01- <input type="text" value="162.00"/>	503.01- <input type="text" value="702.00"/>	6032.01- <input type="text" value="8424.00"/>
3 UEL/UST/AUST	162.01- <input type="text" value="892.00"/>	702.01- <input type="text" value="3863.00"/>	8424.01- <input type="text" value="46350.00"/>
4 UEL+	892.01- <input type="text" value="0.00"/>	3863.01- <input type="text" value="0.00"/>	46350.01- <input type="text" value="0.00"/>

Employees Upper Limit	<input type="text" value="892.00"/>	<input type="text" value="3863.00"/>	<input type="text" value="46350.00"/>
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Annual director NHI contributions to be averaged ?

Comp DEM

## National Insurance Table – Employee Contributions

NI - Employee Contributions						
Earnings Bracket		A/M/H	B	C	J/Z	
1	LEL	0.00	0.00	0.00	0.00	
2	PT/ST	0.00	0.00	0.00	0.00	
3	UEL/UST/AUST	12.00	5.85	0.00	2.00	
4	UEL+	2.00	2.00	0.00	2.00	

Comp DEM

## National Insurance Table – Employer Contributions


NI - Employer Contributions			
National Insurance Table - Employer Contributions			
Earnings Bracket		A/B/C/J	H/M/Z
1	LEL	0.00	0.00
2	PT/ST	0.00	0.00
3	UEL/UST/AUST	13.80	0.00
4	UEL+	13.80	13.80


Comp DEM

## Statutory Payments


SSP / SMP / OSPP / ASPP / SAP Table
 ? [ ] - X


Datafile
Home
Tools
Edit
Links


  
 Ledger Enquiry

  
 Contacts

Calculator   Price Checker  
 Calendar   Discount Matrix  
 Word List   Supplier Matrix  
 Utilities

  
 Stock Availability

  
 Spooled Reports

  
 Messaging

SSP Table	Lower-limit	Higher-limit	SSP Payment
	0.00	115.99	0.00
	116.00	0.00	92.05
	0.00	0.00	0.00
	0.00	0.00	0.00
	0.00	0.00	0.00

Max number of weeks to be paid in year ?

Percentage of Earnings ?

SMP lower rate ?

Fixed weekly amount ?

Minimum Earnings 1 ?  2 ?

Change over Date ?

SMP/SAP weeks 1 ?  2 ?  SPP ?  ASPP ?

Comp DEM



### Update Employee Tax Codes

As part of the year-end update employees with "L" "M" or "N" suffix tax codes can have their code uplift automatically applied – select as required.

Update Employees for Standard Tax Code changes "L" (increase by 35) for 2018/2019 ?

Update Employees for Standard Tax Code changes "M" (increase by 39) for 2018/2019 ?

Update Employees for Standard Tax Code changes "N" (increase by 31) for 2018/2019 ?

### Confirm First Pay Date of the Tax Year

At the end of the year-end process you will be asked for the first pay date in the new tax year. This is the date the employees are first paid in the new tax year. This data must be after April 6<sup>th</sup> 2018.

Confirm First Pay Date in Year

Datafile Home Tools Edit Links

Ledger Enquiry Contacts Utilities Stock Availability Spoiled Reports Messaging

First Pay Date ? 30/04/18

F4-Select Comp DEM

## Minimum Wage Rates

The Minimum Wage Rates as of 1<sup>st</sup> April 2018 are:

Apprentice	£3.70 p/h
Under 18	£4.20 p/h
18 to 20	£5.90 p/h
21 to 24	£7.38 p/h
25 and over	£7.83 p/h

## Auto Enrolment Pensions

As of 6<sup>th</sup> April 2018 the total minimum contribution for employers and employees rises to 5% of which the employer must contribute a minimum of 2% (the minimum employee contribution being the difference between the two).

Users using the Datafile Auto-Enrolment **Assessment** options will be uplifted automatically – the employer being uplifted to 2% if less than this with the employee being uplifted until the combined total is a minimum of 5%

If using NEST for Auto Enrolment contributions and also using the Datafile Pension NEST application to create the contribution files for uplift to NEST then the pension rates for the earnings groups in Datafile, and on the NEST website, will need to be updated to the new rates with the updated pension rates applied to the applicable employees. Speak to your Datafile support partner for more details on this.

If using The Peoples Pension for assessment and returning the contributions for Datafile then when log on to The Peoples Pension website you can apply the new minimum contribution rates here.

## Frequently Asked Questions

This section provides a list of the questions that are commonly raised at this time of year with regards to the Datafile payroll system.

**Q After the program update and registration update has been applied, what should the version number be?**

A The version number for the programs is 'G04'. Your registration/serial number should begin with '71'.

**Q When can I update the programs?**

A The update should be applied prior to the year end.

**Q Do I Have a Week 53?**

A You would only have a Week 53 (or a Week 54 on a 2-weekly payroll, week 56 on a 4-weekly payroll) if your pay day is a Thursday meaning that you will run the payroll with a tax point date of the 5<sup>th</sup> April 2018. You can enable week 53 within the Payroll System Profiles.

**Q When running the year-end I am asked to 'Confirm First Pay Date in Year'. What does this mean?**

A You are being asked to confirm the first date that your employee is to be paid in the new tax year. To avoid fines for late submissions from the HMRC your payroll date should also default to the date the employee is paid each period.

**Q Can I compact my employee files after year-end, to re-use the space generated by leavers?**

A Generally speaking No – the employee number for each employee relates to the record number and compacting the files would amend this. In addition, if saving your payroll documents such as the payslip for printing you would lose the link for these as well.

**Q Do I still need to print the P60 and P35 listings even when submitting via the Internet?**

A You still need to print the P60 for the employee and you can print a copy for your records. The P35 listing can also be printed for your records.

**Q My Submissions to the HMRC are reporting an Error**

A If error message is displayed prior to the submission being sent then Datafile is detecting that values needed are missing or incorrect. If you set to 'Print XML' as part of the submission procedure then you can inspect the report searching for the label 'error' and this will detail the area with the problem. This information can then be corrected and the submission process started again.

If the error message is returned after the submission then a business level error is recorded by the HMRC. A common error code of **1046** indicates the user-credentials supplied are incorrect or that the credentials supplied are not registered for online submission. Information on other error codes can be obtained by searching on the HMRC website – [www.hmrc.gov.uk](http://www.hmrc.gov.uk)

**Q My Online Submission is repeatedly ‘polling’**

A At times, particularly in the initial couple of weeks after 6<sup>th</sup> April, the HMRC website can get very busy and this can result in repeated polling where Datafile is ‘asking’ the HMRC ‘Is the submission OK’ and getting the response ‘I haven’t finished processing it yet!’. If repeatedly polling, or get a large response delay, then select the SKIP option and use the ‘Check for Active Submissions’ option within the Payroll ‘Utility’ menu to check for completion later.