

A Symatrix Support Services White Paper:
Oracle Tax Year End 2018-19



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1. What's Changed this Year?

1.1. PAYE

- New thresholds from April 2019
- Basic Rate (20%) – up to £37,500
- Higher Rate (40%) – £37,501 up to £150,000
- Additional Rate (45%) – over £150,000
- Scottish Rate of Income changes – since April 2018 5 bands not 3.
- Scottish Starter Rate (19%) – up to £2,049
- Scottish Basic Rate (20%) – £2,050 up to £12,444
- Scottish Intermediate Rate (21%) – £12,445 up to £30,930
- Scottish Higher Rate (41%) – £30,931 up to £150,000
- Scottish Top Rate (46%) – over £150,000
- Scottish Tax Codes: SBR (20%), SD0 (21%), SD1 (41%), SD2 (46%). No code for 19%.
- Welsh Rate of Income changes – new from April 2019 – no impact initially
- Welsh Tax Codes: CBR (20%), CD0 (40%), CD1 (45%).
- Global uplift to L tax codes by 65 points (M codes 71 points, N codes 59 points)
- Income tax personal allowance to £12,500
- Emergency Tax Code – 1250L

1.2 National Insurance

- LEL, ST and PT increased (ST and PT are aligned again)
- UEL increased this year & maintains link with PAYE higher rate threshold.
- Run "RTI GB Update NI Category" to update age related NI category each Payrun.
- From April 2016 Employer pays 0% on earnings between LEL & UST for all employees < 21 years old and between LEL & AUST for apprentices < 25 years.
- Earnings bands are now (LEL- £118, PT(ET) - £166, ST(ERT) - £166, UEL/UST/AUST - £962)
- The percentages used to calculate contributions remain unchanged
- See My Oracle Support / HMRC for percentage values for contribution rates
- Changes to state pension age for men & women. Gradual increase from 65 to 68.
- 2% contribution calculated against earnings above UEL is held separately
- ST & UST are used in the calculations for Ers but are not recorded as a balance.

National Insurance (Employee) is calculated as follows:

- Below LEL – nil liability
- LEL up to PT (Ees) – 0%
- PT up to UEL – 12% standard rate
- AUEL – 2%

Earnings reported on FPS is as follows:

- LEL -> PT
- PT -> UEL
- Gross NICable Earnings (Includes earnings above UEL)

National Insurance (Employer) is calculated as follows:

- Below LEL – nil liability
- LEL up to ST (Ers) – 0%
- ST up to (A)UST – 13.8% standard rate (age related)
- (A)UST up to UEL – 13.8% standard rate
- AUEL – 13.8% standard rate

1.3. Statutory Payments

- Weekly rate for SSP: increased to £94.25
- Weekly rate for SMP: increase to £148.68 (or 90% of earnings if lower)
- Weekly rate for SAP: increase to £148.68 (or 90% of earnings if lower)
- Weekly rate for SPP: increase to £148.68 (or 90% of earnings if lower)
- Weekly rate for ShPP: increase to £148.68 (or 90% of earnings if lower)

The patch will update element entries for existing statutory absences, as of Sunday 7th April (6th April for SSP).

Note: the EOY patches MUST be applied BEFORE Saturday 6th April 2019 for this update to occur.

When applying the patch job_queue_processes should not be set to zero, as the new rates will not be applied if it is zero.



1.4. Other Changes

Student Loan Threshold - increased to £18,935 (Plan1) & £25,725 (Plan2) from 6th April 2019.

New! Postgraduate Loans - from April 2019. Deduction Rate 6% above Threshold £21,000. PGL1/PGL2 Start/Stop Notices similar to Student Loans can be retrieved via XML. No changes to P45 so Student Loan Plan1 is the default. Obtain further information from employee through new starter process. New elements will require an element link.

Qualifying Earnings Thresholds for Pensions Automatic Enrolment (PAE) - updated from 6th April 2019.

Scotland Act – changes to PAYE for Scotland from 2016. Scottish tax codes have S prefix. Scottish taxpayers will pay UK Rate less 10% plus Scottish Rate. From April 2017 new rates & new tax bands.

Welsh Income Tax – changes to PAYE from April 2019. Welsh tax codes have C prefix. Welsh taxpayers will pay UK Rate less 10% plus Welsh Rate for the 3x bands (Basic/Higher/Additional). All set to 10% initially so no impact.

Scottish Arrestment Orders - changes to tables from 6th April 2019. Increase in daily protected earnings for CMA. Manual update is required.

New AEO for Northern Ireland - NI_AEO effective 1st June 2018.

Payslip Hours - to show Overtime or Irregular Hours worked from 6th April 2019. Payslip can be customised to show Hours or Rate. Register new EIT GB_PAYSLIP_INFO.

“RTI GB Update NI Category” - process enhanced to update State Pension Age to NI C & Certificate to Age to be verified. NI formula will give a warning but the Payrun will not error.

Changes to NI for Termination Payments - deferred until April 2020.

Employment Allowance changes from April 2020. (Awaiting further detail).

Change to EYU Format - from April 2020 will be supported for 2019/20. (Further detail TBA).

P11D Processing - new format HMRC-approved PDF file. 2018 is not a leap year so calculations use 365 days. A number of changes have been made to the calculations. New WS2b for OpRA. P11D & P11D(b) now submitted together under XML. Still no HMRC test facility but new test option allows you to run tests although you can't submit them. A separate EOY patch will be issued for this.

Payrolling of Benefits in Kind

- Removes the need for P11D from Apr 2016
- New “GB BIK” elements & “BIK Validation Report” allow the tax due to be calculated and deducted through Payroll & reported on FPS, P60 & P45
- 2020 is a leap year so BIK calculations use 366 days.
- FPS Cars mandatory from Apr 2018
- Full details can be found in My Oracle Support Note 2219594.1

Optional Remuneration Arrangements (OpRA) - retrospectively effective from April 2017. New field Cash Foregone from April 2018. Affects P46(Car), P11D & Payrolling of Benefits.

Real Time Information (RTI)

- All customers should now be on RTI. See RTI white papers for full details. Details can be found in My Oracle Support Note 1324671.1
- New versions of FPS, EPS, EYU, P46(Car) and P60 processes each tax year. Ensure you are using the correct version!
- Some parameter/validation changes from April 2019.
- New fields for Payrolling of Benefits, Serious Ill Health Lump Sum Indicator, & Student Loan Plan Type.
- New Debug Mode for Test FPS allows a file to be generated for a single employee to help with problem resolution
- “First FPS” is for your first ever FPS only. It should not be set each April.
- Employment Allowance. Claim once (initial submission) then leave blank.
- P60 Archive Process & Year End P60 Report process unchanged.
- FPS can only be submitted until 19th April 2019. Earlier Year Update (EYU) process must be used for adjustments from 20th April 2019.

Override SOY Enhancement

If you have employees with updates which exist on 6th April 2019 (eg aggregation flag) no bulk uplift is performed when the SOY process is run. The profile “HR: GB Override SOY Authority” can be set to “Override is allowed”. Add new Authority Code to lookup “GB_AUTHORITY” (Code: OVERRIDE_SOY, Meaning: Override SOY) and set Authority on PAYE Details screen to “Override SOY” for the affected employees. The SOY process will then perform bulk uplift for these employees.

P60 - Electronic & Plain Paper Formats again available.

2. Processing End of Year

2.1. Apply the Relevant Patches

The following section is only relevant for those clients who do not currently use Symatrix' DBA services. All clients using the Symatrix DBA service will have the relevant patches applied within agreed planned maintenance to prepare them for year end. If you are one of these clients please go straight to section 2.2 of this document.

The following patches are now available for download from My Oracle Support. These patches will provide the changes required for processing the UK 2018-2019 End of Year returns and the legislative updates from 6th April 2019 including the RTI changes for 2019-2020. See My Oracle Support Note 2451886.1 for further details.

- **Release 12.1 : 29209648:R12.PAY.B**
- **Release 12.2 : 29209648:R12.PAY.C**

Please note that as this is an hrglobal patch, you will need to check the pre-requisites as listed in the Readme and on My Oracle Support Note 145837.1 for R12.1 or 1469456.1 for R12.2 and also to run data install.

Remember the pre-requisite patch level for support on this patch is 27115060-R12.HR_PFB.delta.11 for R12.1 and 26787667-R12.HR_PFC.delta.12 for R12.2.

Ensure that you complete all instructions in the Readme. Post Install Steps need to be run after patch installation. In particular, run HRGLOBAL as instructed.

For 12.1 The patch automatically updates the SSP/SMP rates already in place on the system.

NEW! for 12.2 A separate concurrent process is needed to update rates and it must be run BEFORE 6th April 2019! Set profile "GB Statutory Absences Rate Updates: HRGLOBAL" to 'No'; Run HRGLOBAL; Run "GB Statutory Absences Rate Updates" process.

Note: the EOY patches MUST be applied BEFORE 6th April 2019 for this update to occur.

The 'job_queue_processes' must not be set to zero, as the SSP/SMP rates will not be applied if this is zero.

The following notes on My Oracle Support 'Database Initialization Parameters for Oracle

2.2 Set Your PAYE References

Navigation: Work structures> Organisation> Description

Select business group classification> click others> Tax Details References

Enter multiple tax details if necessary

Check the validation of the PAYE reference as EOY will error if this contains invalid characters (valid characters are alphanumeric a-z, A-Z, / or 0-9 or * but characters like "" are invalid)

Check the XML Sender ID field is filled in otherwise your EOY will error.

Accounts Office Ref Number is required for RTI.

Set P60 Output Option to Electronic or Paper. This can also be overwritten at assignment level

2.3 Set Statutory Information at Payroll Level

Navigation: Payroll> Description

Search for payroll> Click in Statutory Information box

Link the relevant PAYE reference (defaulted list from step 2.2 above)

Unique reference previously let you split your P14s but is not used by the FPS.

ECON number is no longer required.

Don't worry about holiday advance and BACS Payment rule for these purposes.

2.4 Pre-processing Checks

Check your data. It is good practice to reconcile each period and the RTI Year to Date Reconciliation Report can be used to assist you.

Adjustments. If you can, process any required adjustments through your final payroll run, or adjust the figures using balance adjustments.

Housekeeping. You can rollback old RTI Year to Date Reconciliation Reports (Magnetic Report) which are no longer needed as they take up valuable disk space. You should only need to keep your RTI – P60 Archive Processes.

Two reports will give you some high level confidence checks (both fairly self explanatory!):

- Invalid NI Numbers Report
- Invalid Tax Codes Report

Navigation: Processes and Reports> Submit Processes and Reports

Click on View Output once complete to view any issues

2.5. Processing EOY for RTI

There is now no separate EOY process. Instead you select the Final indicator when you run either your FPS or EPS to indicate your tax year is complete. Final indicator only needs to be set on either FPS or EPS, not both, and only needs to be submitted once so if you resend you do not need to set it again (although it doesn't harm if you do both).

- No P14 / P35 required once you have migrated to RTI
- Run "Final" FPS to indicate tax year submissions complete. Generally run on or before 5th April.
- Can resend further FPS submissions until 19th April if required.
- After 19th April must use Earlier Year Update (EYU) for amendments.
- Run "Final" EPS.
- Resend EPS as required. No need to complete "Declaration" indicators.
- Once complete, check all your log files if you are feeling technical, otherwise the output files (navigation: Processes and Reports> View requests> select each process that has been spawned individually> click View Output) will give you the headline summary data. Most importantly, check the Output file for the first FPS process. This will include all Errors and Warnings.
- You will need to fix all errors to be able to produce a complete FPS (assignments with error are not included in the FPS EDI file) & P60s.

Full details are available in the RTI white papers. Details can be found in My Oracle Support Note 1324671.1

2.6. Processing P60s for RTI

Make sure you run a test run, especially if you are new to Oracle, or using a new format

If you want addresses to print on the paper P60s you must set the "Mail To" field on the Office Details tab to 'Home' for each employee. (The eP60s include the address without this).

- New P60s are now colour coded, with the year hard- printed, so you will require new stationery every year. Don't forget to order in advance!
- Run "RTI – P60 Archive Process". This replaces the EOY process and creates the archive file from which the P60s are produced.
- Run "RTI – Year End P60 Report" process. Others> Layout> to choose which template you use. The same P60 templates are available as last year with minor date changes. If you have a custom process it must use the new Archive.
- New "RTI – Year End P60 Report Process (Multi threaded)" allows the P60s to be run with multiple threads to improve processing speed
- The same formats are supported (all PDF) - choose your relevant format.
- 'Single Sheet' format for HMRC free stationery
- 'Report Type LE' for Datagraphic / Prolog Print Media
- 'Plain Paper' format prints form & data onto plain A4 paper and is based on single sheet P60
- 'Electronic' format based on single sheet P60
- Run "P60 Status" process to publish eP60s
- Replacement P60. HMRC now allow an updated P60 to be issued. Select parameter 'Replacement' allows re-archiving and P60 produced with 'Replacement' stamped on it.



2.7. Dealing with Issues

The simple answer here is call the Symatrix Help Desk, and our experts will endeavour to assist with any issue you may come across.

2.8. Submit your Final FPS & Final EPS files to HMRC

Finally don't forget to submit your XML files to HMRC and check the submission report shows your files have been accepted.

2.9. Electronic Submission

All employers must file electronically, via XML or the HMRC website

P60s produced with a separate process from Archive

Extra Statutory Concession B46 revoked with effect 31/3/11 so make sure you submit your return in good time

- **Deadline for submission of Final FPS and Final EPS is 19th April 2019**
- **Deadline for employees to receive P60 is 31st May 2019**
- **Deadline for P11Ds is 6th July 2019**



3. Processing Start of Year

3.1. Set your Uplift Values

This year, L codes are being uplifted by 65 points, M codes by 71 points, & N codes by 59 points. All other codes stay the same. You will need to have 3x rows in the table to uplift the 3x codes.

Step 1: Navigation: Other Definitions> Table structures

Search for the TAX_CODE_UPLIFT_VALUES table

Click on Rows

If you already have 3x rows in the table with 'L', 'M' & 'N' in the 'Exact' column skip to Step 2. (Don't worry about the date so long as it is prior to the 6th April 2019)

If you have no entries in the table, datetrack to the 1st January 1951, and enter the following:

Sequence: 10, Exact: L, User Row Key: L

Add another row and enter: Sequence: 20, Exact: M, User Row Key: M

Add another row and enter: Sequence: 30, Exact: N, User Row Key: N

Check you can see the 3x rows.

Step 2: Navigation: Other Definitions> Table values

Search for the TAX_CODE_UPLIFT_VALUES table

Datetrack to the 6th April 2019

If you already have 3x rows in the table with 'L', 'M' & 'N' in the 'Exact' column change the Values in the existing rows and Save as an Update otherwise add new rows as follows:

Exact 'L', Value: '65' and Save as an Update

Add another row and enter Exact: 'M', Value: '71' and Save as an Update

Add another row and enter Exact: 'N', Value: '59' and Save as an Update

Check you have 3x rows with effective date from **6-Apr-2019**. The effective date is very important as the SOY process will only action the uplifts if the effective date matches the process effective date.

3.2. Submit the Start of Year Process

- The SOY process will do the following:
 - Update employees from non-cumulative to cumulative
 - Clear previous pay and tax
 - Reset Director pro rate and director pro rate normal to Director and director normal respectively
 - Performs blanket uplift/ reduction of tax codes pertaining to values entered in 3.1 above

To submit the process:

Navigation: Processes and Reports> Submit Processes and Reports> Single Request

Enter 'Start of Year'

Mode: 'Start of Year'. If you wish to simply uplift tax codes (i.e. post- budget), then set this to 'Mid-year Tax Code Change'

Effective Date: 6th April 2019

Payroll name: if you wish to process payroll separately, specify your payroll here. Make sure you run this for the remaining payrolls!

Authority: This value will be entered in the element input value for PAYE. You can add what you want to this list in the Application Utility Lookup GB_AUTHORITY

Validate mode: Allows you to validate your SOY before you submit it. **We thoroughly recommend that you run the process in Validate Mode first** - this will produce a summary data report, which will highlight the people whose tax codes will change as a result of the process. Particularly check any which have 'Correction' in the PAYE Update/Correction column. Obviously once you've run it in validate, you will need to go ahead and run in Commit.

Click Submit, and monitor the processes for completion

Check the log files for errors

Start of Year Resume process allows you to restart the SOY process after terminating it. This ensures that all records are processed only once and prevents records being uplifted twice if there is a problem with the SOY process.

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We partner with our clients to enable the deployment of best practices underpinned by industry leading Oracle HCM solutions.

Our knowledge and experience of HR, recruitment, talent, performance and learning management and payroll best practice has been developed over hundreds of projects delivered for some of the UK's largest organisations. We use this to help forward thinking businesses to get the most from their people.

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