Microsoft Dynamics

Year-end closing procedures for Microsoft Dynamics GP Payroll 2013

Summary

This document outlines the recommended year-end closing procedures for Microsoft Dynamics GP Payroll

This document outlines the recommended year-end closing procedures for Microsoft Dynamics GP Payroll. The "More Information" section contains the following:

- *A detailed checklist of the steps that you must follow to complete the year-end closing procedures.*
- *An alternative checklist to use instead of the standard checklist if you must process 2014 pay runs before you complete the year-end closing procedures for 2013.*

Note Before you follow the instructions in this article, make sure that you have a complete backup copy of the database that you can restore if a problem occurs.

Note There will not be a 2013 Year-End Update or 2014 Tax Update available for Microsoft Dynamics GP 10.0 and prior versions.

INTRODUCTION

Read this whole article before you perform any one of the steps. If you have any questions, contact Integrated Systems Solutions Technical Support support@issusa.com or call 714-634-4697

Customers contact ISS to perform this update for you, please do not attempt this on your own.

More information

Payroll year-end checklist to perform the year-end closing procedures

Payroll year-end checklist

To perform the year-end closing procedures, follow these steps:

1. Verify that you have installed the latest 2013 payroll tax update
2. Complete all pay runs for the current year
3. Complete all month-end, period-end, or quarter-end procedures for the current year
4. Make a backup of the original file
5. Install the Year-End Update
6. Create the Year-End file
7. Make a backup of the new file
8. Verify W-2 and 1099-R statement information
9. Print the W-2 statements and the W-3 Transmittal form
10. Print the 1099-R forms and the 1096 Transmittal form
11. (Optional:) Create the W-2 Electronic file
12. (Optional:) Archive inactive employee Human Resources information
13. Set up fiscal periods for 2014
14. (Optional:) Close fiscal periods for the payroll series for 2013
15. Install the payroll tax update for 2014

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Alternative payroll year-end checklist

If you must process 2014 pay runs before you complete the 2013 year-end closing procedures, follow the steps in this alternative checklist:

1. Verify that you have installed the latest 2013 payroll tax update
2. Complete all pay runs for the current year
3. (Optional:) Complete all month-end, period-end, or quarter-end procedures for the current year
4. Make a backup of the original file
5. Install the Year-End Update
6. Create the year-end file
7. Make a backup of the new file
8. Verify W-2 and 1099-R statement information
9. (Optional:) Archive inactive employee Human Resources information
10. Set up Fiscal Periods for 2014
11. (Optional:) Close the fiscal periods for the Payroll series for 2013
12. Install the payroll tax update for 2014
13. Process the 2014 pay runs. The user date must occur in 2014.
14. Print the W-2 statements and the W-3 Transmittal form
15. Print the 1099-R forms and the 1096 Transmittal form
16. (Optional:) Create the W-2 Electronic file

Payroll module year-end details

Verify that you have installed the latest 2013 tax update, call ISS Technical Support if you have any questions on the latest 2013 tax update installation.

Note: The latest tax tables will ensure that the FICA wage limit is correct. To check your tax table update date, click on **Microsoft Dynamics GP**, point to **Tools**, point to **Setup**, point to **System**, and click on **Payroll Tax**. The **Last Tax Update** should be 11/15/2013 or later.

Complete all pay runs for the current year

(Optional:) Complete all monthly and quarterly payroll month-end, period-end, or quarter-end procedures for the current year

For more information about period-end procedures for payroll, view Chapter 21, "Payroll Company Routines," in the Microsoft Dynamics GP user's manual. You can find this user manual in Dynamics GP by clicking on the Help icon, click on Printable Manuals, click on Human Resources/Payroll and then click on Payroll (USA) with Direct Deposit.

Make a backup of the original file

Create a backup, and then put this backup into safe, permanent storage. By creating a backup, you make sure that you have a permanent record of the company's financial position at the end of the year. You can restore the backup to quickly recover data if a power fluctuation or other problem occurs during the year-end closing procedure.

To create a backup in Microsoft Dynamics GP, follow these steps:

1. In Microsoft Dynamics GP, point to **Maintenance on the Microsoft Dynamics GP menu**, and then click **Backup**.
   Note The **Back Up Company** window opens.
2. In the **Company Name** list, click your company name.
3. Change the path of the backup file if it is required, and then click **OK**.

   Note We recommend that you name this backup 2013 Pre Year-End Update to differentiate it from your other backups.

Install the 2013 year-end update

To install the payroll year-end update, you must follow the steps in the Microsoft Dynamics GP U.S. 2013 Year-end document. The install must be performed on each computer that has Microsoft Dynamics GP installed.

When the update is released, call Perry at ISS to schedule the installation for you. 714-634-4697

Create the year-end file

To create the year-end file, follow these steps:

1. In Microsoft Dynamics GP, point to **Tools** on the **Microsoft Dynamic GP** menu, point to **Routines**, point to **Payroll**, and then click **Year-End Closing**.
2. In the **Year** field, type 2013, and then click **Process**.

Note You can install the payroll tax update for 2014 any time after the year-end file for 2013 has been created.

Make a backup of the new file

Create a backup, and then put this backup into safe, permanent storage. By creating a backup, you make sure that you have a permanent record of the company's financial position at the end of the year. You can restore the backup to quickly recover data if a power fluctuation or other problem occurs during the year-end closing procedure.

To create a backup in Microsoft Dynamics GP, follow these steps:

1. In Microsoft Dynamics GP, point to **Maintenance** on the **Microsoft Dynamics GP** menu, and then click **Backup**.
2. In the **Company Name** list, click your company name.
3. Change the path of the backup file if it is required, and then click **OK**.
   Note We recommend that you name this backup 2013 Post Year-End File to differentiate it from your other backups.

Verify W-2 and 1099-R statement information

To view the W-2 information in Microsoft Dynamics GP, point to **Tools** on the **Microsoft Dynamics GP** menu, point to **Routines**, point to **Payroll**, and then click **Edit W-2s**.

To view the 1099-R information in Microsoft Dynamics GP, point to **Tools** on the **Microsoft Dynamics GP** menu, point to **Routines**, point to **Payroll**, and then click **Edit 1099-Rs**.

Note If you change the W-2 or the 1099-R information, we recommend that you make another backup.

Print the W-2 statements and the W-3 Transmittal form

To print the W-2 statements, follow these steps:

1. In Microsoft Dynamics GP, point to **Tools** on the **Microsoft Dynamics GP** menu, point to **Routines**, point to **Payroll**, and then click **Print W-2s**.
2. In the **Print W-2 Forms** window, specify the following settings:
   - **Print W-2s for**: **Normal Year-End**

- **Print**: **W-2 Forms**

3. Click **Print**.

Note You can print employee W-2 statements as many times as you have to.

To print the W-3 Transmittal Form, follow these steps:

1. In Microsoft Dynamics GP, point to **Tools** on the **Microsoft Dynamics GP** menu, point to **Routines**, point to **Payroll**, and then click **Print W-3s**.
2. In the **Print W-2 Forms** window, specify the following settings:
   - **Print W-2s for**: **Normal Year-End**
   - **Print**: **W-3 Transmittal Form**
3. Click **Print**.

Note You can print the W-3 Transmittal Form as many times as you have to.

Print the 1099-R forms and the 1096 Transmittal form

To print the 1099 forms, follow these steps:

1. In Microsoft Dynamics GP, point to **Tools** on the **Microsoft Dynamics GP** menu, point to **Routines**, point to **Payroll** and then click **Print 1099-Rs**.
2. In the **Print 1099-R Forms** window, click **1099-R Forms**, and then click **Print**.

Note You can print employee 1099-R forms as many times as you have to.

To print the 1096 Transmittal form, follow these steps:

1. In Microsoft Dynamics GP, point to **Tools** on the **Microsoft Dynamics GP** menu, point to **Routines**, point to **Payroll**, and then click **Print 1099-Rs**.
2. In the **Print 1099-R Forms** window, click **1096 Transmittal Form**, and then click **Print**.

Note You can print the 1096 Transmittal form as many times as you have to.

(Optional:) Create a W-2 Electronic File

To create a W-2 Electronic File, follow these steps:

1. In Microsoft Dynamics GP, point to **Tools** on the **Microsoft Dynamics GP** menu, point to **Routines**, point to **Payroll**, and then click **W-2 Electronic File**.
2. In the **W-2 Electronic File** window, click to select the check box that is next to each company that you want to include in your W-2 Electronic File.
3. In the **User ID Number** field, enter the user ID number (formerly called a PIN).
4. Click **Submitter**. The **Electronic Filer Submitter Information** window opens. Enter the submission information.

5. Change the file destination information in the **File Name** field if it is required.
6. Click **Create File** or Save to store the information to create the file later.

(Optional): Archive inactive employee Human Resources information

To archive inactive employee Human Resources information in Microsoft Dynamics GP, point to **Tools** on the **Microsoft Dynamics GP** menu, point to **Utilities**, point to **Human Resources**, and then click **Archive Employee**.

Set up fiscal periods for 2014

To set up fiscal periods for 2014, follow these steps:

1. In Microsoft Dynamics GP, point to **Setup** on the **Microsoft Dynamics GP** menu, point to **Company**, and then click **Fiscal Periods**.
2. In the **Year** field, type 2014, and then click **Calculate**.
   Note You may want to close all periods except period 1 to prevent users from posting to future periods.
3. Click **OK**.

(Optional:) Close fiscal periods for the payroll series for 2013

You can use the **Fiscal Periods Setup** window to close all fiscal periods that are still open for the year. By closing fiscal periods, you prevent users from accidentally posting transactions to the wrong period or to the wrong year.

Before you close a fiscal period, verify that you have posted all transactions for the period and for the year for all modules. To later post a transaction to a fiscal period that you have closed, you must first reopen the period in the **Fiscal Periods Setup** window.

To close a fiscal period, follow these steps:

1. In Microsoft Dynamics GP, point to **Tools** on the **Microsoft Dynamics GP** menu, point to **Setup**, point to **Company**, and then click **Fiscal Periods**.
2. Click to select the **Payroll** check box for each **Period** that you close.

Install the payroll tax update for 2014

Note Do not install the payroll tax update for 2014 until the year-end file has been created for 2013.

To install the payroll tax update for 2014, follow these steps:

1. In Microsoft Dynamics GP, point to **Maintenance** on the **Microsoft Dynamics GP** menu, point to **U.S. Payroll Updates**, and then click **Check for Tax Updates**.
2. In the **Tax Update Method** window, click **Automatic**, and then click **Next**.

3. In the **Authorization Number** field, type your authorization number, and then click **Log in**.
4. Click **Finish**.

Applies to

- Microsoft Dynamics GP 2013
- Microsoft Dynamics GP 2010
- Microsoft Dynamics GP 10.0, when used with:
    - Payroll - U.S.

Payroll