



Payroll Pro HRM Year End Procedure 2018-2019

Dear Payroll Pro HRM user,

This document has the instructions for closing the payroll year 2018 and opening 2019, and at the end you will find some tips and tricks. We recommend reading this document in it's entirely before proceeding!

If you don't feel comfortable with the year end procedure, Antek can install the new version v3.443 or later and close the year for you. Please e-mail payrollpro@antek.sx or call our office at 543-2112 for an appointment.

2018 was the 8th year with the split countries for Sint Maarten, Curaçao and the BES islands in Payroll Pro. All countries including Aruba and Suriname are all still available in one program allowing you to use a mix of countries!

The Wage tax, AOV, AVBZ and SZV tables are all updated in Payroll Pro HRM for the new year. The premiums remain the same as 2018 as published by the SZV. While the tax tables for 2019 should remain unchanged as well this has not been published by the authorities yet.

Closing the payroll year 2018 and opening 2019

The procedure is not difficult but the steps below should be exactly followed, to avoid losing or corrupting your data. *Making Backups during the procedure is extremely important.*

Year-end closure procedure:

1. Make sure you have run all the payrolls for 2018. Your Payroll Pro version should be v3.441 or higher to run the last payroll for the year of 2018. With the generation of the "last payroll of this year" marked.

Generate Periodic Payroll

Periodic Payroll

Name of payroll: **December 2018** < >

Departments: All Multiple departments One department

Employees: All Multiple employees One employee

Start date: 01/12/2018 12 to 31/12/2018 12 Pay date: 31/12/2018 12

Payroll period: Monthly

Reset vacation days per year:

Last periodic payroll this year: 📌 Last payroll this year

- Run your last payroll as usual. Make a back-up, no one else should be in Payroll Pro, including HRM users. Mark "Truncate log files after backup", this will reduce the data log file size and "Include PayrollMaster" to include the previous year end data.

Backup

Backup company database of

Company name: **Payroll Sint Maarten demo**

Company ID: 1

Database size: 456.69 MB

Logfiles size: 1.75 MB Truncate log files after backup

Backup settings

Name of backup: Payroll Sint Maarten demo - 19/12/2018 12:29

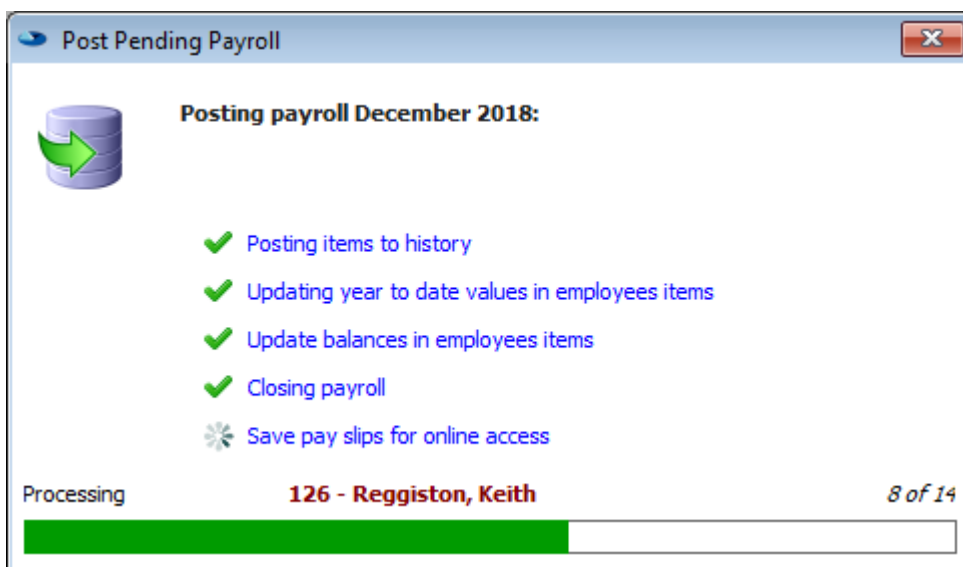
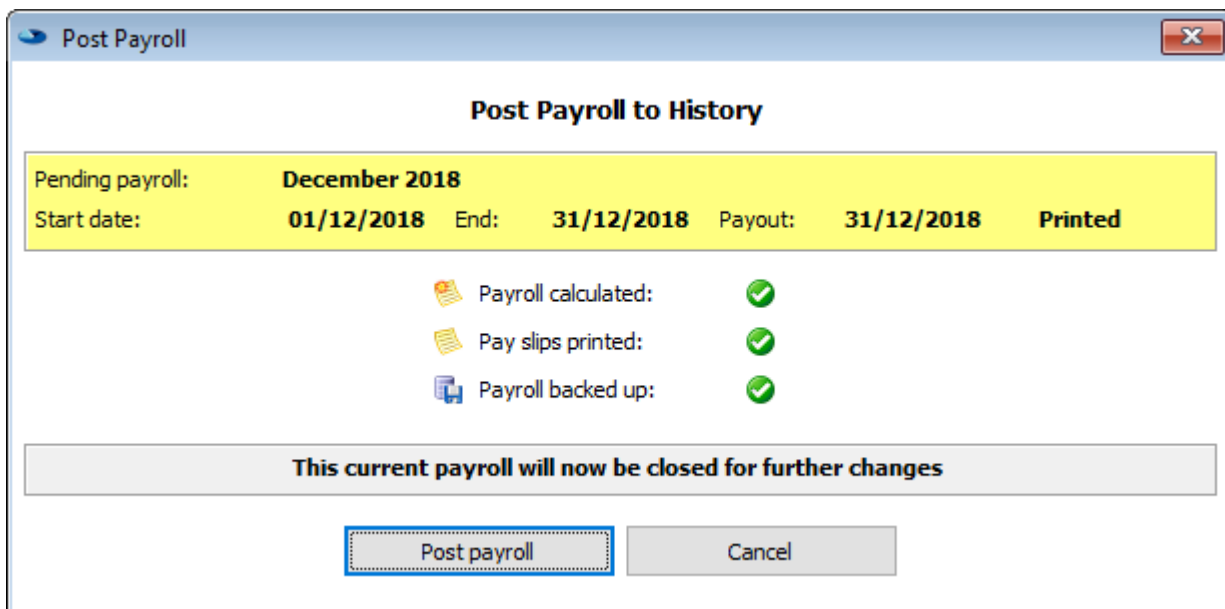
Backup file name: Payroll Sint Maarten demo - 19-12-2018 12-29

Include PayrollMaster: PayrollMaster - 19-12-2018 12-29

Description

December 2018 payroll before posting.

3. Post the last payroll of the year 2017, in the usual way.



4. Now go to any employee who was employed for the full year, select payroll and go to item 10. "Periods left to pay" should be on zero. If not, either the last payroll has not been closed or the last payroll has not been run or this employee has been added during the year. You can also run the Reports > Payroll > Payroll Runs report to check if all payrolls for the year have been run. If in doubt call us.

Note: there are special payroll types where it is normal to have periods left to pay at the end of the year.

10 Regular salary

Description: Regular salary

Salary:

- Per hour: 0.0000
- Per period: 3500.0000
- Scale: OM-PG / 4, 100.00 %

Pay period: Monthly

Workdays per week:

- 5 days
- 6 days

Regular hours: 173.33

Work hours: 173.33

Periods left to pay: 0

Add to hourly rate: 0.0000

Round: No rounding

Round on:

5. We advise to run another backup. So, in case the year end crashes, this backup could be restored.

Backup

Backup company database of

Company name: Payroll Sint Maarten demo

Company ID: 1

Database size: 457.69 MB

Logfiles size: 3.38 MB Truncate log files after backup

Backup settings

Name of backup: Payroll Sint Maarten demo - 19/12/2018 15:08

Backup file name: Payroll Sint Maarten demo - 19-12-2018 15-08

Include PayrollMaster: PayrollMaster - 19-12-2018 15-08

Description

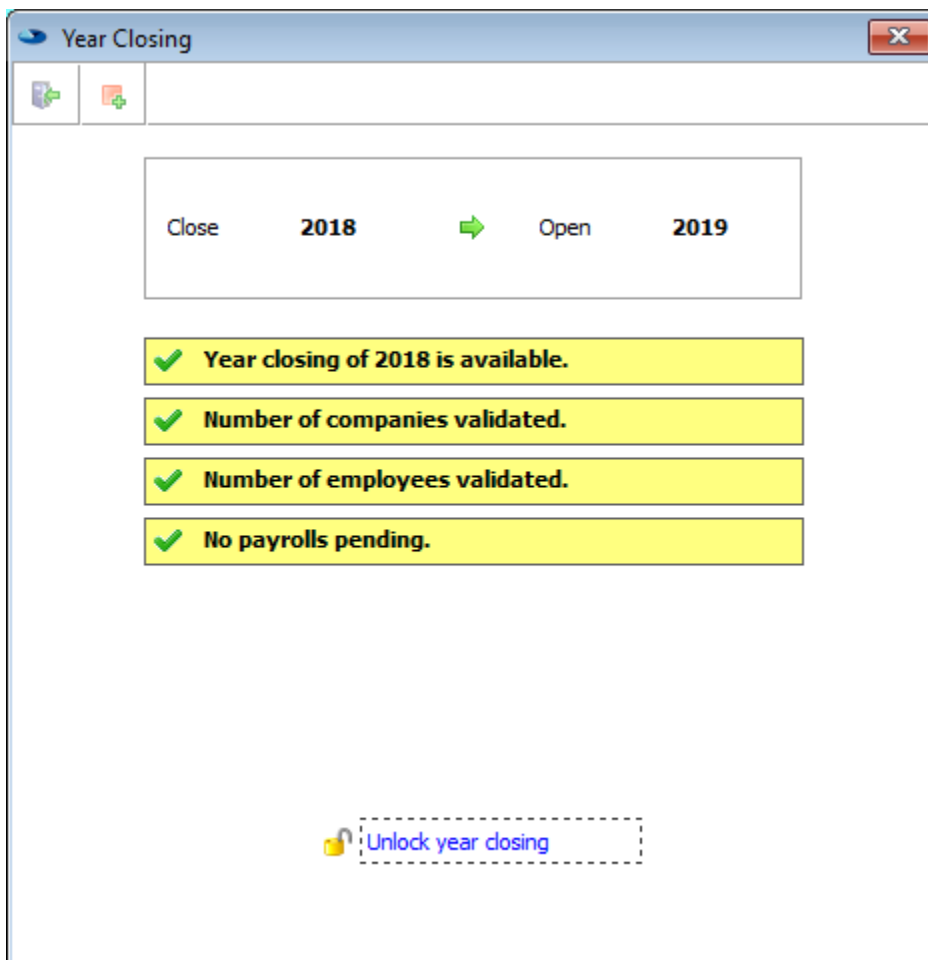
Last backup before year end closure.

Backup now

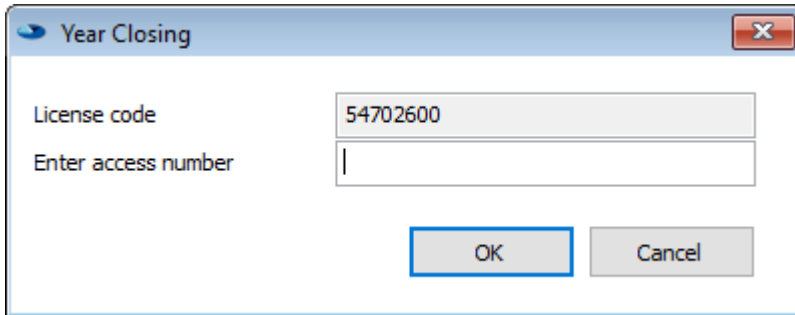
- If you are not on Payroll Pro HRM version 3.443 already, you should download and install it now. Refer to document “Payroll Pro HRM upgrade to 2019” for details.
- In the shortcuts bar, the active company year should be 2018, and no payrolls pending.



- From the menu select “Payroll”, and “Year closing”. A checklist pops-up, all checkmarks should be green before the year closing can be unlocked.

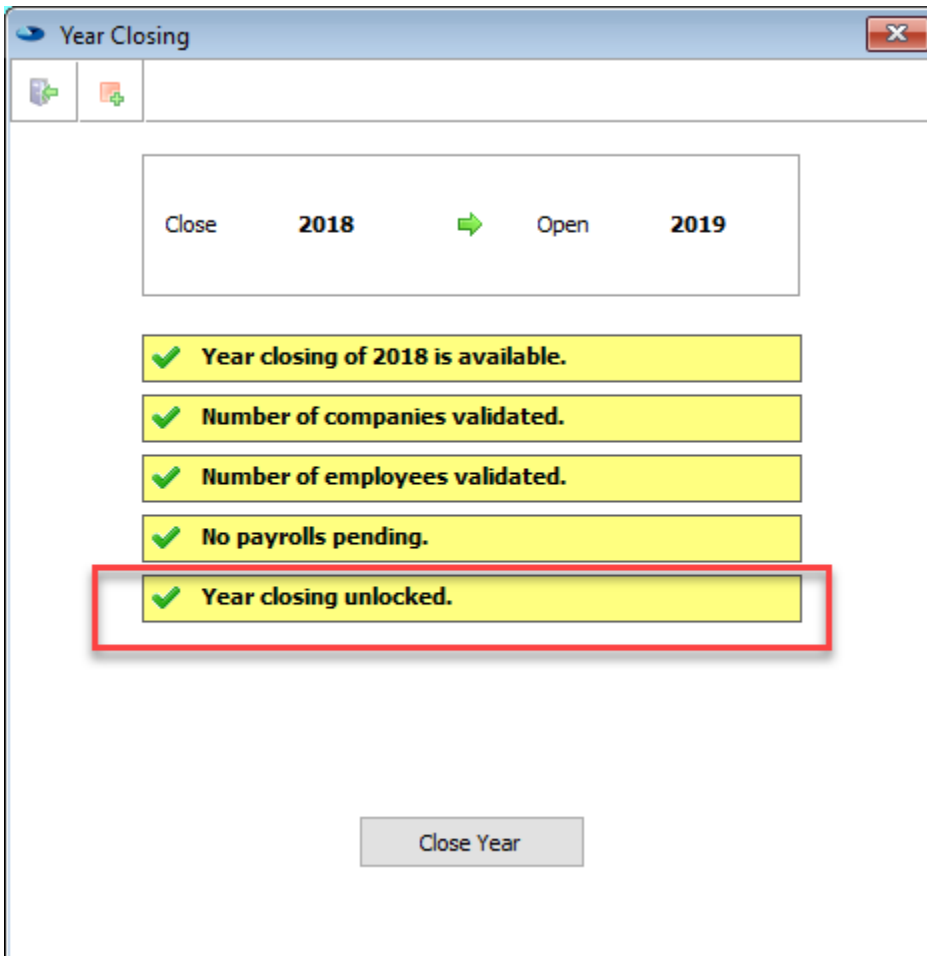


9. Click “Unlock year closing”, a screen with a license code and an access number has to be entered. You will have to call our office on 543-2112 during working hours from 8:00 am to 5:00 pm Mondays through Fridays for the access number to be entered.



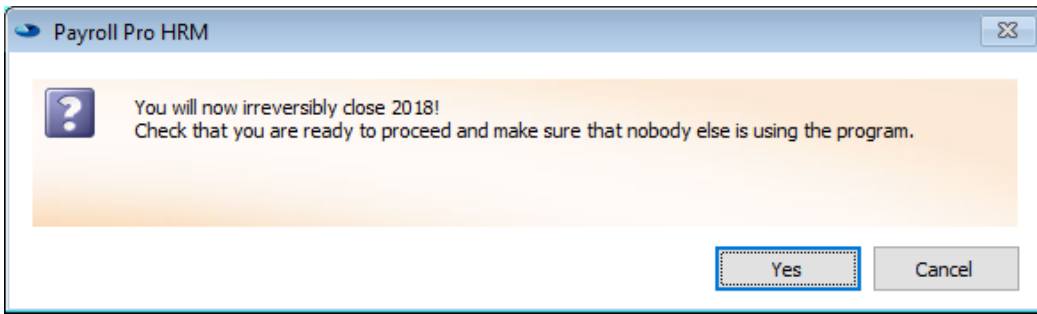
The screenshot shows a window titled "Year Closing". It has a "License code" field containing "54702600" and an "Enter access number" field which is currently empty. At the bottom, there are "OK" and "Cancel" buttons.

10. While calling us, the above-mentioned screen must be in front of you. It has no use to write down the number, as the license code number will change every time you open this screen.
11. We will ask you some questions to verify the system is ready to close as the process is not reversible and give you the access code to enter. Enter the code and click OK, the year closing unlock process runs, when ready:

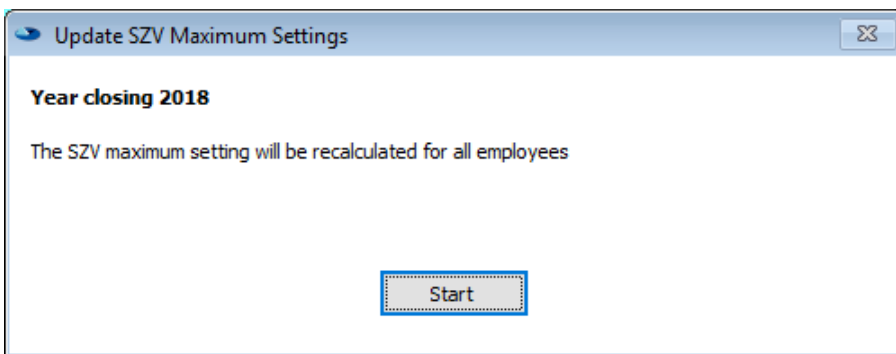


The screenshot shows a window titled "Year Closing" with a progress indicator. It displays "Close 2018" and "Open 2019" with a green arrow. Below are five yellow status bars with green checkmarks: "Year closing of 2018 is available.", "Number of companies validated.", "Number of employees validated.", "No payrolls pending.", and "Year closing unlocked." (highlighted with a red box). A "Close Year" button is at the bottom.

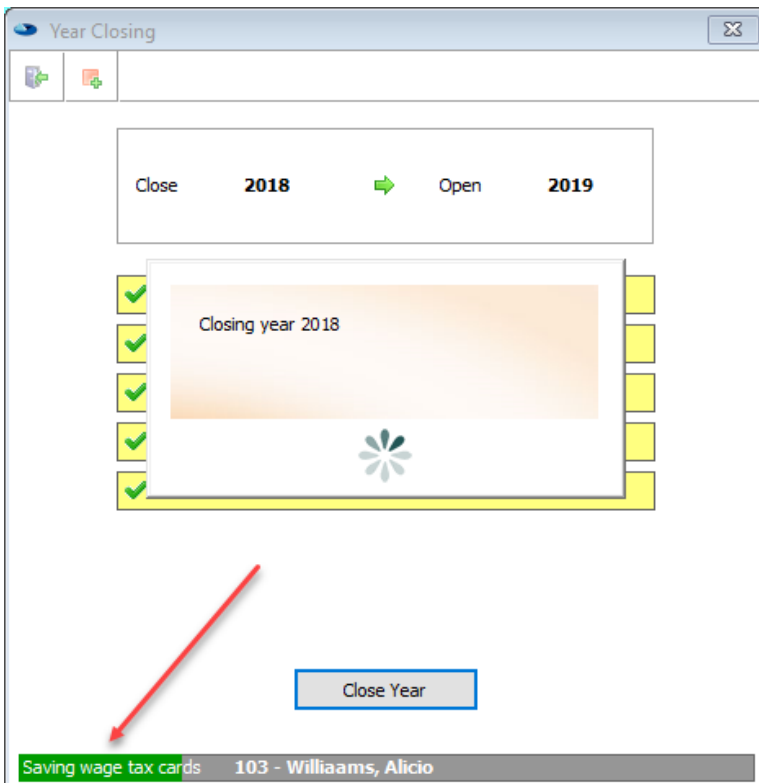
12. Click the “Close Year” button to close the year for this company.



13. Click yes and on the next dialog box start to continue the process:



14. Click start and close, if the option in Company setting to save the wage tax cards for the employee is switched on, the wage tax cards are generated for all employees:



15. After the process is finished, the Active Company in the shortcuts bar should show “Active year 2019”.



16. You are all set to run the first payroll for 2019 in this company! If there are more companies in the system, the close payroll year procedure has to be run for every company. An unlock code is not required anymore for the other companies.
17. The yearend procedure resets the periods to pay, changes the tax and premium tables to the 2019 versions, archives employees who left, and resets the special tax percentage for every employee. We advise you to check the special percentage settings by running the employee report. Go to Reports > Employees > Employee lists, change report type to “wages”. Check the last column Special Tax %, normally none is on 0 or 47.5%.

Week days	Pay frequency	Hours	Wage	Special
5	Monthly	173.33	4,200.00 / Month	20.00 %
5	Monthly	173.33	4,000.00 / Month	20.00 %
5	Monthly	173.33	2,500.00 / Month	12.50 %
5	Monthly	173.33	7,500.00 / Month	33.75 %
5	Monthly	173.33	2,500.00 / Month	12.50 %
5	Monthly	173.33	2,400.00 / Month	12.50 %
5	Monthly	173.33	3,650.00 / Month	20.00 %
5	Monthly	173.33	1,200.00 / Month	0.00 %
5	Monthly	173.33	1,350.00 / Month	0.00 %
5	Monthly	173.33	4,239.00 / Month	20.00 %
5	Monthly	173.33	25.00 / Hour	20.00 %
6	Monthly	208.00	2,800.00 / Month	12.50 %
5	Monthly	173.33	4,000.00 / Month	47.50 %
5	Monthly	173.33	3,500.00 / Month	47.50 %

What's new for the Sint Maarten payroll in 2019?

In Payroll Pro HRM, go to Menu > Reports > Tax Tables > Premiums for details of the limits and premiums for the AOV/AWW and ZV/OV and AVBZ. Here is a copy of the official publication:



2019 Wage Limits & Premiums

The Director of the Social & Health Insurances St. Maarten (SZV) would like to inform the general public of the premium percentages and the new maximum wage limits. These new amounts will be effective as of January 1st, 2019.

Premium Percentages	Premiums (In percentages of income)
AOV 13%	Employer's contribution 7.00 % Employee's contribution 6.00 %
AWW 1%	Employer's contribution 0.50 % Employee's contribution 0.50 %
OV 0,5 – 5 %	The premium depends on the risk class your company is categorized in, and must be paid by the employer.
ZV 12,5 %	Employer contribution 8.3 % Employee contribution 4.2 %

Both the ZV (Sickness Insurance Ordinance) and the OV (Accident Insurance Ordinance) allow for yearly adjustment of the daily wage limits based on the consumer price index by means of a decree, containing general measures. Based on several factors, an indexation of the wage limits for the year 2019 will not be done.

Maximum wages ZV and OV	2019 (NAf)
Per day (6-day workweek)	217.36
Per day (5-day workweek)	260.83
Per week	1,304.16
Per month	5,651.36
Per year	67,816.32

The ZV and OV wage limits and premiums for the year 2019 are the same as year 2018.

Cessantia payment fls. 40,00 per employee per year

There will be no adjustment to the AOV/AWW amounts for 2019, due to the fact that the Department of Statistics (STAT) will not be publishing the consumer indexes (CPI) in 2018. The law mandates that the CPI of August be used in calculating and indexing the AOV/AWW amounts. As this calculation is not being performed, the amounts for AOV/AWW for 2019 will be the same as the amounts in 2018.

Article AOV-ordinance	AOV 2019 (NAf)
Pensioner (Article 7, paragraph 1)	1.086
Spouse of pensioner - < 62 years (Article 7a, paragraph 1)	744
Wage maximum limit (Article 26, paragraph 3)	102.510,00
Wage minimum limit (Article 26, paragraph 4)	8.433,93
Gliding scales (Article 26, paragraph 5)	8.433,93/68.462,55

The SZV, formerly SVB, has revised its website: www.szv.sx
Forms can be downloaded from <https://www.szv.sx/info/customer-service/>
Procedures for employers can be found here: <https://www.szv.sx/fag/employers/>

The Sint Maarten Government has refreshed their website, but unfortunately there is still no page for Tax Office with links to the tax tables and documents. The link should be here:
www.sintmaartengov.org/government/FIN/Pages/Tax-Administration.aspx

Declaration forms and registration for the monthly tax can be found here.
<http://onlineservices.sintmaartengov.org/> Registration with CRIB number on this site is required before it can be used.

Tips on calculating the AOV / AWW premium on Sint Maarten

Payroll Pro allows you to calculate the AOV / AWW premium in 3 different ways. The best selection depends how an employee is paid.

Maximum You pay the maximum amount per period which is the AOV maximum amount divided by the number of periods per year. This works well for employees which base salary is above the AOV / AWW limit. No calculation is made base on the percentage.

Period The premium will be calculated with the percentage on the AOV / AWW wage. The maximum will be the per year maximum. This setting works well for employees who are below the AOV /AWW and have no overtime or bonus payments.

Totalize This is the program default. This setting is the safest if the employee has overtime and/or bonus payments as the calculation is made is based on the year to date.

Payroll Pro makes a recalculation of the AOV / AWW payment in the last period to pay, the whole year premium is calculated and the remaining payment is entered for this payroll. We therefore advise you not to change the periods to pay, when a new employee is added during the year. This could lead to an excessive AOV / AWW premium amount calculated in the last payroll.

What's new for the Sint Eustatius & Saba (BES) payroll in 2019?

For the year 2019 the Tax & Premium tables for the BES Islands (Bonaire, St. Eustatius and Saba) have been updated in payroll Pro.

For 2019 there is a 5% deduction in the employers' contribution:



Decrease employers' contribution

Each year, the establishment of the percentages of the employers' contributions for the Caribbean Netherlands takes place. This concerns the premiums for the Cessation, accident and health insurance. These contributions together currently amount to 18.4%. The government has decided on a structural reduction of these employers' premiums by 5 percentage points to 13.4%. The employers' contributions in the Dutch Caribbean from January 1st, 2019 is as follows

	Current	New
Care	16.1%	11.7%
OV	0,5 %	0.3%
ZV	1.6%	1.3%
Cessantia	0.2%	0.1%
Total	18.4%	13.4%

Due to this structural reduction employers will spend less in labour costs because they have to pay fewer premiums. This creates margin for wage increase. How much margin for wage increase varies per employer. Because on the wage increase (pension) premium must also be paid. The margin for wage increase for employers is expected to be between the 3.4% and 4.4%, depending on the pension premium. This measurement is taken, so that the resulting margin can lead to a pay increase.

The statutory minimum wage increases by 5% from January 1st, 2019 in addition to the regular indexing for inflation. The increase in the statutory minimum wage is for the account of the employers, but is offset by reduction in employer contributions. These measures are part of a wider package of measures to combat poverty and increase the purchasing power in the Caribbean Netherlands.

You can include the abovementioned percentages in your salary administration. Should you have questions, you can submit these via info.szw@rijksdienstcn.com.

SZW Saba

Monday through Thursday from 08:00 am until 12:00 noon
Cap. Matthew Levenstone Street z/n, The Bottom, (+599) 416-3804

SZW St. Eustatius

Monday through Thursday from 08:00 am until 12:00 noon
Mazinga Square, Oranjestad, (+599) 318-3376RCN



Regeling van de Staatssecretaris van Sociale Zaken en Werkgelegenheid van 18 oktober 2018, nr. 2018-0000167262, tot vaststelling van de premiepercentages van de Cessantiawet BES, de Wet ongevallenverzekering BES en de Wet ziekteverzekering BES

De Staatssecretaris van Sociale Zaken en Werkgelegenheid,

In overeenstemming met de Minister van Financiën;

Gelet op artikel 7, vierde lid, van de Cessantiawet BES, artikel 8, derde lid van de Wet ongevallenverzekering BES en artikel 8, vierde lid van de Wet ziekteverzekering BES;

Besluit:

ARTIKEL I VASTSTELLING PREMIEPERCENTAGE CESSANTIAWET BES

Het premiepercentage, bedoeld in artikel 7, derde lid, van de Cessantiawet BES, wordt vastgesteld op 0,1%.

ARTIKEL II VASTSTELLING PREMIEPERCENTAGE WET ONGEVALLENVERZEKERING BES

Het premiepercentage, bedoeld in artikel 8, tweede lid, van de Wet ongevallenverzekering BES, wordt vastgesteld op 0,3%.

ARTIKEL III VASTSTELLING PREMIEPERCENTAGE WET ZIEKTEVERZEKERING BES

Het premiepercentage, bedoeld in artikel 8, derde lid, van de Wet ziekteverzekering BES, wordt vastgesteld op 1,3%.

ARTIKEL IV INWERKINGTREDING

Deze regeling treedt in werking met ingang van 1 januari 2019.

Deze regeling zal met de toelichting in de Staatscourant worden geplaatst.

Den Haag, 18 oktober 2018

*De Staatssecretaris van Sociale Zaken en Werkgelegenheid,
T. van Ark*



TOELICHTING

Jaarlijks vindt de vaststelling van de percentages van de werkgeverspremies voor Caribisch Nederland plaats. Het betreft de premies voor de Cessantia, ongevallenverzekering en ziekteverzekering. De zorgpremie wordt door het Ministerie van VWS vastgesteld en gepubliceerd. Deze vier premies tezamen tellen thans op tot 18,4%. De regering heeft, voor het eerst sinds 10 oktober 2010, besloten tot een structurele verlaging van deze werkgeverspremies met vijf procentpunt tot 13,4%. De werkgeverspremies in Caribisch Nederland zijn dan als volgt:

	Huidig	Nieuw
Zorg	16,1	11,7
OV	0,5%	0,3%
ZV	1,6%	1,3%
Cessantia	0,2%	0,1%
Totaal	18,4	13,4

Door deze structurele verlaging zijn werkgevers minder kwijt aan loonkosten, omdat zij minder premies hoeven af te dragen. Hierdoor ontstaat er loonruimte, zonder dat de loonkosten omhoog gaan. Hoeveel loonruimte ontstaat verschilt per werkgever. Over de loonsverhoging moet namelijk ook (pensioen)premie worden betaald. Naar verwachting is de loonruimte voor werkgevers tussen de 3,4% en 4,4%, afhankelijk van de pensioenpremie. De werkgeverspremies worden verlaagd, zodat werkgevers de ontstane loonruimte kunnen omzetten in een loonsverhoging zonder dat de loonkosten toenemen.

Het wettelijk minimumloon gaat per 1 januari 2019 met 5% omhoog bovenop de reguliere indexering voor inflatie. Dit wordt vastgesteld en gepubliceerd door het Ministerie van SZW in een separate ministeriële regeling. Naar aanleiding van het eindrapport over onderzoek ijkpunt bestaanszekerheid Caribisch Nederland is aan de Kamer op 29 juni 2018 (Kamerstukken II 2017/18, 34 775 IV, nr. 45) meegedeeld dat het wettelijk minimumloon wordt verhoogd. Het doel van de verhoging is om een impuls aan de koopkracht van werknemers te geven. De verhoging van het wettelijk minimumloon komt voor rekening van de werkgevers, maar wordt gecompenseerd door verlaging van de werkgeverspremies met hetzelfde percentage.

*De Staatssecretaris van Sociale Zaken en Werkgelegenheid,
T. van Ark*

The latest version of the wage tax and social premiums manual and the tables are available on the website of “Caribisch Nederland Belastingdienst” from the following web page:

<https://www.belastingdienst-cn.nl/bcn/nl/zakelijk/loonbelasting/tarieven-en-belastingvrije-sommen-toeslagen>

The forms can be downloaded from:

<https://www.belastingdienst-cn.nl/bcn/nl/downloads/formulieren-en-documenten-vanaf-2011/loonbelasting-lb>

While writing this document, the 2019 version is not published yet.

We wish you success with using Payroll Pro. Don't hesitate to contact our office if you have any questions.

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