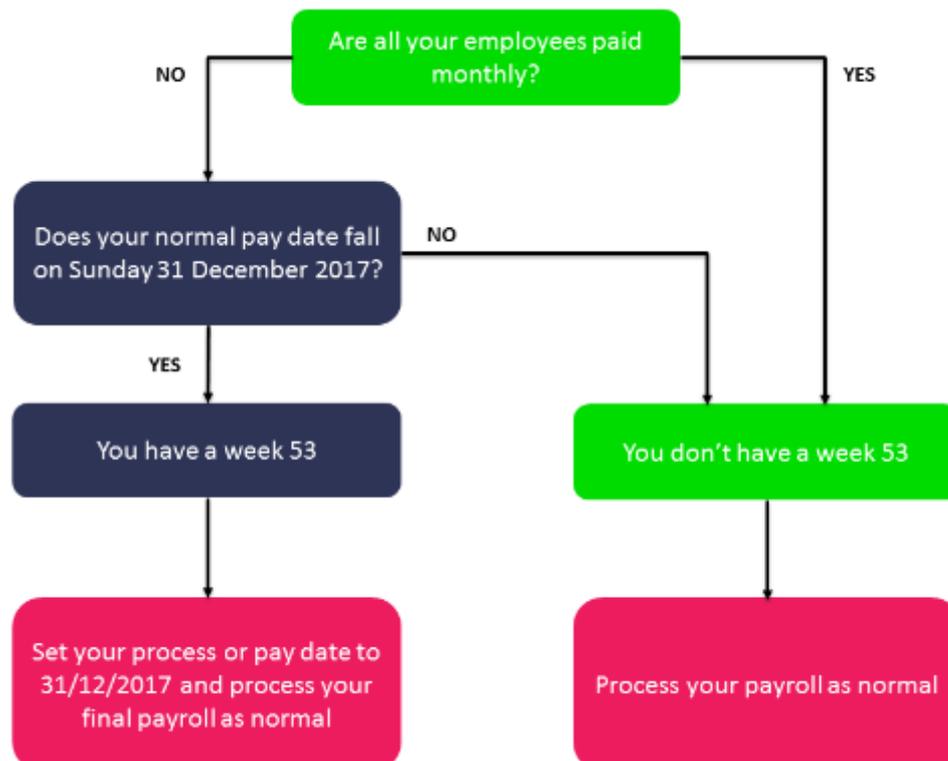


## Micropay - Check if you have an extra pay period (week 53)

### Check if you have an extra pay period

Because the number of days in the tax year doesn't divide into a whole number of tax weeks, any remaining days are known as week 53.



This year, you only have a week 53 if you normally pay your employees on a Sunday, and the pay date falls on 31 December.

If you have a week 53, all you need to do is set your pay date to 31/12/2017 and process your payroll as normal. Sage Micropay uses the correct legislation to comply with Revenue and ensure everything is correct. You don't need to do anything differently.

## **Micropay - Check if you have an extra pay period (week 53)**

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### **Extra pay period (Week 53, fortnight 27 or four-weekly period 14)**

An extra pay period occurs when the regular pay date for weekly, fortnightly or four-weekly paid employees falls on Sunday 31 December. The number of days in the tax year doesn't divide into a whole number of tax weeks, so the 31 December becomes an extra pay period.

### **Will I have an extra pay period?**

In the 2017 tax year, you have an extra pay period if the following applies:

Your normal pay day is a Sunday, **and your payroll is the following:**

- Weekly paid employees were last processed on 24 December 2017.
- Fortnightly paid employees were last processed on 17 December 2017.
- Four weekly paid employees were last processed on 3 December 2017

*Monthly employees don't have an extra pay period.*

In each of these instances, you're next due to process the employees pay on 31 December 2017. These are the only scenarios where you must process an extra pay period, as the next processing date for all other pay dates falls in to the 2018 tax year.

### **If you don't have an extra pay period**

Once you complete your final pay period, you can start processing your 2017 year end tasks or Create the 2018 tax year for each of your payrolls.

### **If you have an extra pay period**

Before you proceed any further, check your version number is 19.3. If not follow Stage 1, Step 1 of the End of year booklet

## **How tax and universal social charge (USC) calculates in an extra pay period**

## **Micropay - Check if you have an extra pay period (week 53)**

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To comply with government legislation, tax and USC calculates on a week 1 basis. This means that for this period only, tax and USC is calculated on your employees' gross pay, using a weekly pay adjustment at the current tax code and USC rates.

If an employee is paid fortnightly or four weekly, the two or four weekly pay adjustment applies.

All employees paid in an extra pay period, should submit their P60s to Revenue. Any overpayment of tax or USC are taken into consideration when the credits for the new year are issued.

### How to set an extra pay period

1. On the menu bar, click **Processing** then click **Set Period**.
2. In the **New period to process** box, enter the extra pay period number:
  - In a weekly payroll - Type **53**.
  - In a fortnightly payroll - Type **27**.
  - In a four weekly payroll - Type **14**.
3. Check the dates and information are correct for the last period of the tax year. If not, amend as required.
4. Once all information is correct for the new period, click **OK**.

### **FAQ #1 - I processed an extra pay period in error. How can i correct this?**

If you process an extra pay period in error, and the normal processing day for the weekly, fortnightly or four weekly paid employees is **not** 31 December 2017, you must:

1. Restore the backup taken before the extra pay period was set.
2. Process your 2017 year end tasks.
3. Create the 2018 tax year for each of your payrolls.
4. Log in to the payroll in your 2018 software.
5. Set period 1 of 2018 and process the payments.

## **Micropay - Check if you have an extra pay period (week 53)**

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### **FAQ #2 - I forgot to process an extra pay period. What should I do?**

If you're due to pay your employees on 31 December 2017, but you didn't process this period before starting your year end, you must first process payments for 31 December. Then re-do the year end process.

1. Log in to the payroll in your 2017 software.
2. Set the extra pay period.
3. Process and update the payments for 31 December.
4. Re-do your 2017 year end tasks
5. Create the 2018 tax year for each of your payrolls.
6. Log in to the payroll in your 2018 software.
7. If you've processed period one of 2018 incorrectly, you must re-do this period.
- 8.

### **FAQ #3 - My employees are on holiday over Christmas. Should I run an extra pay period to pay them before their holidays?**

No, you only run an extra pay period when there's an extra pay period to be processed in the tax year, regardless of any other circumstances.

If the pay date for the holiday week falls in January rather than December, the holiday week is **not** an extra pay period. You must process the holiday week as period one of the new tax year.

If week 1 of the new year is a holiday week, and you still want to pay your employees for this week in advance of their holiday, carry out the following steps:

1. If you haven't already done so, run the year end update.
2. Process the remaining pay periods of 2017.
3. Create the 2018 tax year for each of your payrolls.
4. Log in to the payroll in your 2018 software.
5. Set period one of 2018.
6. Process week one of the new year as period one.