

Harmony P - Year-End Processes (2023 - 2024)

This article is intended to close the 2023 year, in preparation for 2024 payrolls.

Year-End Checklist

- Renewed your license for 2024
- Reviewed accruals (*Employee Year-to-Date Report* and opening balances)
- Reviewed your accruals if they reset at year-end
- Processed all payrolls for 2023
- Reviewed Employee Information (name, social security number (SSN)/social insurance number (SIN), address, etc.)
- Reviewed Company Information (name, address, RCT #/EIN, etc.)
- (*Canada only*) Review your employer (EI) rate (Payroll > Admin Settings > User-Defined Fields > "Employment Insurance (EI)" > "EI Group - Business Numbers")
- Make a backup of your company data (Configuration > Tools > Company Backup)
- Ensure that no other users are logged into Harmony at the time of your year-end process

*If you are experiencing any difficulty, please email us at support@paymatesoftware.com with your customer ID, a brief description of your issue, and any screenshots that may help us resolve your issue. We are open Mondays through Fridays, 9am to 5pm (EST).

Closing Off Your Current Year

WARNING (Canada only): When you are closing the year, the additional CPP2/QPP2 payroll category will be added into the system. Harmony will suggest a payroll category code to use for this new one (e.g. 704), but if you are already using this payroll category code for another category, then you will receive an error message. Simply change the suggested code for CPP2/QPP2 to a code that you have not yet used and continue the year-end close process as normal.

1. When you log into Harmony, ensure that you select the correct data year ("2023"). This is the year you would like to close.
2. Navigate to Payroll > Year End.
3. The steps to close off your year are laid out at the top of the page. Read the details of the process before clicking the arrow to proceed to the next step by clicking "Next >".
Note: Not all steps may apply to you, and Harmony will automatically skip the steps that do not apply.
4. Select the payroll categories that you'd like to reset to zero for next year, then proceed to the next step by clicking "Next >".
Note: If your deduction and accrual payroll categories do not have "Reset at Year End" checked, they will not appear in this list. Their values will automatically carry over to the next year.
5. The values for the employee and employer maximums and minimums are automatically entered. However, you can overwrite this value for year-end if needed. To do so, navigate to Payroll Setup > Payroll Categories, change these values, then return to this page. Once this is complete, proceed to the next step by clicking "Next >".
Note: Workers' compensation maximums for Canadian provinces and territories will automatically be updated when you update your tax tables for the new year.
6. A backup of your data is mandatory. Enter a name for your backup file and click the "Backup" button. Click "Next >".
7. Harmony will prompt you to type in "CLOSE 2023" (the year you are closing). Enter this into the required field.
8. Once you've typed in the prompted text, click the "Process" button, and then "OK". Harmony will automatically log you out of the system.
9. Log back into Harmony with the new data year ("2024"). This will be the year that you will begin processing payroll for after closing the year.

Review Your Holiday Calendars (optional)

This step is only required if you are using Harmony's [Statutory Holiday Pay payroll category type](#) or if you're using Harmony's Time & Attendance or Human Resources module with absence management. If you are not using this type of payroll category or the other modules, you can ignore this step. Pay special attention to the holidays that are not the same date each year, such as Good Friday or Thanksgiving Day.

1. Once you've logged into Harmony with the new data year, navigate to Configuration > Setup > Holiday Calendars.
2. Select your holiday calendar.
3. Review each holiday in the calendar to ensure that the dates are correct.
4. Click the save icon to save your changes if any changes were made.
5. Return to your list of holiday calendars and repeat steps 2 through 4 for each holiday calendar.

Review Your Payroll Groups and Pay Calendars

1. Once you've logged into Harmony with the new data year, navigate to Payroll Setup > Payroll Groups.
2. Select a payroll group.
3. Review the pay calendar to ensure that the pay periods and pay dates are correct.
 - a. If your pay frequency is 'weekly', you may have 52 or 53 pay periods this year. Be sure to update the pay frequency if you have a different number of pay periods this year.
 - b. If your pay frequency is 'bi-weekly', you may have 26 or 27 pay periods this year. Be sure to update the pay frequency if you have a different number of pay periods this year.
4. Click the save icon at the top-right of the page to save your changes.
5. Return to your list of payroll groups and repeat steps 2 through 4 for each payroll group you have.

Review Your Employees' Taxation Information

1. Navigate to Payroll > Payroll Employees > Employee List.
2. Select an employee using the three (3) dots button.
3. At the bottom of the employee's profile, navigate to the "Federal Tax" tab.
4. If you have any additional tax credits, it will be listed here. Make any changes as required.
Note: Additional tax credits will not carry forward from the previous year.
5. Click the save button to save your changes.
6. Return to your list of employees and repeat steps 2 through 5 for each employee.