



Crestwood Associates

2019 Microsoft Dynamics GP Year-End Close

Releases

Dynamics GP 2015, Dynamics GP 2016, and Dynamics GP 2018

Crestwood Associates LLC

www.crestwood.com

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SUPPORT INFORMATION

Take advantage of our team of superior support resources waiting to assist you with those last-minute year-end questions.

Regular Support Hours

Monday – Friday: 8:00 a.m. – 5:00 p.m. Central Time

Contact via Email: support@crestwood.com

Via Phone: (847) 394-8820 ext. 7 for Dynamics GP Support

Via Website: <http://www.crestwood.com/support/>

Microsoft Help Desk Support Hours

In the event Crestwood Associates hours cannot accommodate your needs, take advantage of contacting Microsoft directly for last-minute year-end questions. Find out when support is available to you and don't forget to check Customer Source for any changes to holiday hours.

(<https://mbs.microsoft.com/customersource>) or (888) 477-7877

Regular Support Hours

Monday-Friday 8:00 a.m. – 5:00 p.m. Central Time

GENERAL TIPS AND REMINDERS

This document provides instructions for Year-End closing for Dynamics GP version 2015, version 2016, and version 2018. The instructions in this document will include the navigation path and screen shots from Dynamics GP 2018. Also, you will notice that many of the items are marked as “Optional.” We suggest that you review these optional steps and decide what is relevant and/or feasible for your business. All of the procedures marked optional are considered best practices, and we highly recommend that you consider these steps when making decisions regarding year-end.

Note: Microsoft is not releasing any additional service packs, year-end updates or tax updates for Dynamics GP Versions 2013 or earlier.

LATEST RUNTIME AND SERVICE PACK VERSION NUMBERS

The Year-End Update includes the latest service pack as follows:

- Microsoft Dynamics GP 2015 – Year-End Update includes version R2. To install the 2019 Year-End update, you need to be on 14.00.1059 or later.
- Microsoft Dynamics GP 2016 – Year-End Update includes version R2. To install the 2019 Year-End update, you need to be on 16.00.0620 or later.
- Microsoft Dynamics GP 2018 – Year-End Update includes version R2

The Year-End Update can be installed at any time after it has been released – you do not need to wait till the end of the year to install the Year-End Update.

If you have already installed the latest Service Pack prior to the release of the year-end update, you will need to install the Year-End Update to obtain the changes to the payroll module.

Dynamics GP 2015 Year-End Update:

<https://mbs.microsoft.com/customersource/northamerica/GP/downloads/tax-regulatory-updates/usgpye2015>

Dynamics GP 2016 Year-End Update:

<https://mbs.microsoft.com/customersource/northamerica/GP/downloads/tax-regulatory-updates/usgpye2016>

Dynamics GP 2018 Year-End Update:

<https://mbs.microsoft.com/customersource/northamerica/GP/downloads/tax-regulatory-updates/usgpye2018>

After you install the Year-End Update, check the Last Year-End Update date in Tools > Setup > Payroll > Payroll. It should show November 18, 2019.

Payroll Setup - TWO (sa)

OK Cancel Additional File Print Tools Help Add Note Help

Automatic Overtime: ☒ Regular Hours Required: 80.00

Auto Assign Employee ID: ☐ Next Employee ID: 0000000000000001

Passwords: Vacation Available: Sick Time Available:

Last Date Posted: FUTA: SUTA: Workers' Comp:

Maintain History: ☒ Check ☒ Transaction ☒ Account Distribution

Defaults: Computer: PAYROLL Manual: PAYROLL Check Format: Stub on Top - Continuous Print: Alignment Form

COBRA Subsidy Benefit Code:

SSN Mask Timecard Options Multiuser Options Classes

Last Year-End Update: 11/18/2019

You can also ensure that the Year-End Update has been applied by checking the latest version under Help > About Microsoft Dynamics GP.

About Microsoft Dynamics GP - TWO (sa)

OK Options Additional File Tools Help Help

Microsoft

Microsoft Dynamics GP

| Session Information | | Version Information | |
|---------------------|------------------|--|------------------|
| Current: | Total Registered | Microsoft Dynamics GP | 18.2.1036 (2019) |
| Users: 0 | 15 | Dexterity | 18.00.0021.000 |
| Employees: 0 | Unlimited | SmartList | 18.2.1013 |
| Site: | PreviewKeys | Database | SQL Server |
| Language-Country | English-US | System | Windows 8 |
| Server | Dynamics GP 2018 | ODBC Driver Manager | 03.80.0000 |
| Session ID | 8 | ODBC Driver | 11.00.7462 |
| Size | 535MB | Microsoft SQL Server 2017 (RTM-GDR) (KB4505224) - 14 | |

[Software License Terms](#)

[Third Party Notices](#)

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The latest versions are as follows (after you have installed the 2019 Year-End Update):

- Microsoft Dynamics GP 2015: 14.00.1230
- Microsoft Dynamics GP 2016: 16.00.0814
- Microsoft Dynamics GP 2018: 18.00.1036

The year-end update for Microsoft Dynamics GP – US Version includes the following fixes. We have included additional info on each module.

- [W-4 form change for 2020](#)
 - Changes for Employee Self Service W4 form and Cards | Payroll | Tax window (required table changes)
- No W-2, W-3, ACA form (1095-C) or EFW2 electronic file changes
- No Payables form changes (1099s)
- Fixed Asset Luxury Auto Depreciation changes
- New tax tables published based on [15-T](#)
 - Including New Head of Household Status, Standard and Multiple Jobs withholding tax tables

The release dates for the 2019 Year-End Updates and 2020 US Tax Updates for Microsoft Dynamics GP 2015, Dynamics GP 2016, and Dynamics GP 2018 are as follows:

- US Payroll Year-End – Mid-November 2019 (November 18, 2019)
- 2020 Tax Update (Round 1) – December 20, 2019
- 2020 Tax Update (Round 2) – Mid-January 2020

Make sure that you have restorable backups of the system and company database(s), the Microsoft Dynamics GP Dynamics application code folder, and all Reports and Forms dictionaries prior to installing the Year-End Update and the Tax Table Updates referenced in this document.

During the installation process, do not allow users to work in Microsoft Dynamics GP until the 2019 Payroll Year-End update is installed on ALL workstations. The update can change the code version and/or the reports dictionary, and all users need to be on the same version before accessing Microsoft Dynamics GP.

Note: If you have any 3rd-party applications and/or specific modifications to your Microsoft Dynamics GP system, please consult with your Crestwood client account manager or the Crestwood Support team prior to applying any service packs.

BACKUPS

Backups are an important component of a closing process. Some closing procedures recommend numerous backups throughout the process. We limit our backup recommendations in this document to a few critical points. How often you perform a backup during the closing process will vary depending on the amount of space available on your server, the number of modules you are closing at one time, and the number of steps involved in closing a particular module. Most companies will have their IT staff create backups on the SQL server. However, you can also make a backup within Microsoft Dynamics GP by following these steps:

Note: All users must exit the company prior to making a backup of the database. These steps must be performed on the SQL server from within Dynamics GP and are performed by the 'sa' user.

1. Microsoft Dynamics GP > Maintenance > Backup.
2. In the Back Up Company window, select the company name in the Company Name list.
3. Change the path of the backup file if it is required, and then click OK.

TIMING

Fixed Assets and Inventory are considered date sensitive modules. Because these modules are date sensitive, you may not post transactions into the next fiscal year and run the Year-End closing process later. You must run the close at the end of the fiscal year prior to entering transactions for the next fiscal year. We continue to recommend that you complete all transactions for the current fiscal year and close the Fixed Assets fiscal year before entering transactions for the new fiscal year.

Receivables Management and Payables Management are also date sensitive modules in certain areas. If you are currently tracking your Customer/Vendor statistics using any of the following: Receivables/Payables Summary Reports, SmartLists, or the summary windows such as the "Amounts Since Last Close" view, you will want to process the fiscal and/or calendar year-end close prior to posting transactions for the new year.

It is important to understand that if you elect to either delay OR not to run the closing procedure at all in Receivables Management or Payables Management prior to processing transactions for the new year, the figures in the "Amounts Since Last Close" view in the Vendor summary windows will be incorrect, as well as many of the reports and SmartLists that contain Customer/Vendor statistics. The tables that hold this information get updated during the close process so if the close is not done on time, the figures will be skewed.

HISTORY

If you are keeping several years of history, year-end is perhaps a good time to consider removing history especially if you have limited space. Contact your Crestwood Client Account Manager or Crestwood Support for assistance with removing history.

FILE MAINTENANCE - OPTIONAL

If you are not already performing regular database maintenance routines on your system, we recommend that you perform Check Links on each of the modules before closing. Run the process for one series at a time and choose to include all tables. The error log can be printed to the screen initially and sent to the printer if there are any errors to review. Depending on the size of your data, you may want to run this process overnight or over the weekend. Be sure to backup the DYNAMICS and company databases prior to running any file maintenance.

1. Microsoft Dynamics GP > File > Maintenance > Check Links
2. Project has a separate check links window.
 - a) Microsoft Dynamics GP > File > Maintenance > PA Check Links
3. Revenue and Expense Deferral has a separate check links window.
 - a) Microsoft Dynamics GP > File > Maintenance > Deferral Check Links
4. Field Service does not have a separate Check Links process in newer versions of DYNAMICS GP

YEAR-END CLOSING SEQUENCE

Year-end closing should be performed in the following order:

1. Inventory
2. Receivables Management
3. Payables Management
4. Fixed Assets
5. General Ledger

Note: Payroll year-end procedures are independent of those in other modules and are always performed at the calendar year-end.

Note: The Sales Order Processing and Purchase Order Processing modules have no REQUIRED Year-End Close procedures. The Year-End steps outlined in this document for SOP and POP are noted as OPTIONAL and are the same as your typical Month-End

procedures. We do recommend that you run the Reconcile Utility described in the next section on ALL of the Distribution Modules. These procedures are considered to be Best Practices for maintaining your system.

RECONCILE

Be sure to make a backup of the DYNAMICS and company databases prior to running any reconcile steps. We recommend that you run the reconcile procedures in Microsoft Dynamics GP in the following order:

Step 1: Reconcile Sales Order Processing

1. Microsoft Dynamics GP > Tools > Utilities > Sales > Reconcile – Remove Sales Documents

Step 2: Reconcile Purchase Order Processing

1. Microsoft Dynamics GP > Tools > Utilities > Purchasing > Reconcile Purchasing Documents.

Step 3: Reconcile Inventory

1. Microsoft Dynamics GP > Tools > Utilities > Inventory > Reconcile

Step 4: Reconcile Project Accounting

Note: *This step is required only if you are using Project Accounting.*

1. Microsoft Dynamics GP > Tools > Utilities > Project > PA Reconcile IV

SALES ORDER PROCESSING YEAR-END PROCEDURES – OPTIONAL

The year-end procedures are the same as the month-end procedures for sales order processing. If you have not been performing these tasks on a monthly basis, please do so at year-end.

SALES ORDER PROCESSING YEAR-END CHECKLIST

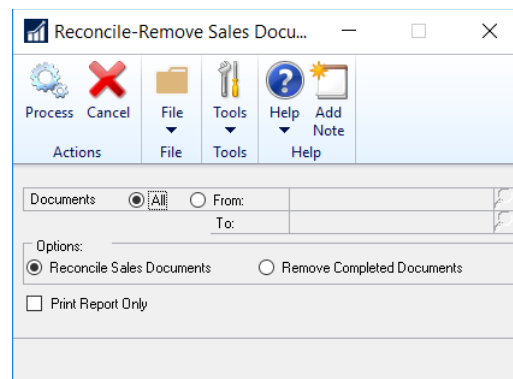
1. Reconcile Sales Documents
2. Remove Completed Sales Documents
3. Print the Month-End reports (Optional)

DETAILED INFORMATION FOR EACH STEP IN THE YEAR-END CHECKLIST

Step 1: Reconcile Sales Documents

The reconcile process checks the subtotals of all documents in the range you have selected recalculates any that are incorrect. The reconcile also verifies batch controls, checks the remaining quantity subtotals, verifies fulfilled quantities for serial or lot numbered items, and verifies quantities on documents.

1. Microsoft Dynamics GP > Tools > Utilities > Sales > Reconcile-Remove Sales Documents



2. Select the range of sales documents you wish to reconcile or select All documents.
3. Mark the Reconcile Sales Documents option.
 - a) If you select the Print Report Only option, a report will be printed showing the documents that will be reconciled based on the range entered. Printing the report only will not adjust any quantities on any documents.

- b) If you select Print Report Only along with Reconcile Sales Documents, the report will show you details of the documents actually reconciled during the process.
- c) Select Process to reconcile the selected range of sales documents. When the reconcile process is complete, a report will print listing the details of any changes made to sales documents.

Step 2: Remove Completed Sales Documents

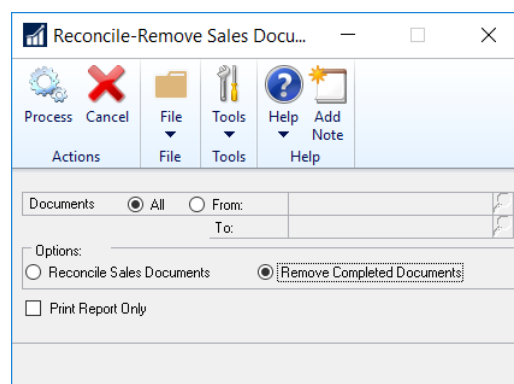
Removing completed documents pertains to quotes, orders, invoices, and back orders only. Completed documents are removed from the work file and moved to the history file, if you are keeping history.

A document is considered completed if it does not contain a deposit and if all line items have a remaining quantity of zero.

Repeating quotes and orders will also be checked. If the “times repeated” equals the “times to repeat,” the document is considered complete and will be removed if it is included in the selected range.

Typically, completed documents are removed from the work file and moved to the history file (if keeping history) during the transfer process. However, there may be cases when the quantity remaining on an order or back order may be cancelled. Since there are no remaining quantities to transfer, the document will remain in the work file until it is removed using this process.

1. Microsoft Dynamics GP > Tools > Utilities > Sales > Reconcile-Remove Sales Documents



- 2. Select the range of sales documents you wish to remove to history or select All.
 - a) Mark the Remove Completed Documents option. If you select the Print Report Only option, a report will be printed showing the documents that will be reconciled based on the range entered. Printing the report only will not move any documents to history.
 - b) If you select Print Report Only along with Remove Completed Documents, the report will show you details of the documents actually moved to history during the process.

- c) Select Process to remove to history the selected range of sales documents. When the reconcile process is complete, a report will print listing the details of any changes made to sales documents.

Step 3: Print the Following Month-End Reports (Optional):

- Sales Document Analysis Report (Reports > Sales > Analysis)
- Inventory Sales Report (Reports > Sales > Analysis)
- Sales Transaction History (Reports > Sales > History)
- Sales Serial/Lot History Report, if applicable (Reports > Sales > History)

PURCHASE ORDER YEAR-END CLOSING PROCEDURES - OPTIONAL

The year-end procedures are the same as the month-end procedures for purchase order processing. If you have not been performing these tasks on a monthly basis, please do so at year-end.

PURCHASE ORDER YEAR-END CHECKLIST

1. Reconcile Purchasing Documents
2. Remove Completed Purchase Orders
3. Print the Month-End reports (Optional)

DETAILED INFORMATION FOR EACH STEP IN THE YEAR-END CHECKLIST

Step 1: Reconcile Purchasing Documents

Reconciling is the process of verifying that the totals on your purchase orders match the totals recorded in your accounting records. When you reconcile purchase orders, the following will be recalculated and adjusted if necessary:

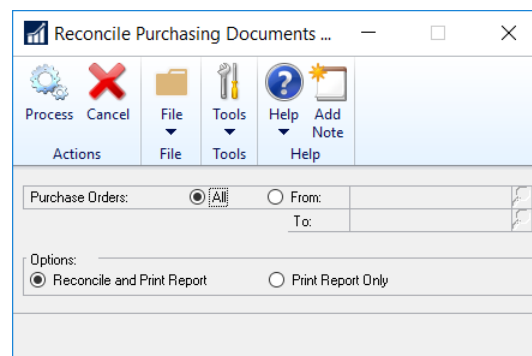
- Document quantity cancelled.
- Document subtotals.
- Document extended costs and remaining quantities.
- Remaining purchase order subtotals.
- Purchase order status.
- Line item status.
- Line item extended cost.
- Discount available.
- Trade discount.
- Quantities linked to sales line items
- Taxes
- Quantity ordered for the control blanket line item on blanket purchase orders and drop-ship blanket purchase orders

Reconcile Purchase Orders assumes that line item information is correct. Document totals will be reconciled to match line item detail amounts and quantities.

Before running the Reconcile Payables Accounts utility in Payables Management or the Reconcile Inventory Quantities utility in Inventory, run the Reconcile Purchase Orders utility in Purchase Order Processing. It is important that the purchasing documents are correct since purchasing information may be altered and is used when Reconcile Inventory Quantities and Reconcile Payables Accounts utilities are performed.

Before reconciling Purchase Orders, backup your company's data files or database.

1. Microsoft Dynamics GP > Tools > Utilities > Purchasing > Reconcile Purchasing Documents



2. Indicate whether you want to reconcile information for all purchase orders or for a selected range. If you are creating a range, you must enter at least one value in the restrictions fields. Select the first and last purchase orders in the desired range.
3. Select whether you want to reconcile the documents in the range and print the Reconcile Documents Report, or just print the report.
4. If you select the Print Report Only option before you reconcile and print, you can verify the accuracy of which documents in the range will be reconciled before you actually reconcile the documents.
5. Choose Process. When processing is complete, the Reconcile Purchasing Documents Report will print. This report lists the purchasing documents that were reconciled.
6. If the Reconcile Purchasing Documents Report indicates that an amount has been adjusted for a specific purchasing document, review the document to verify the accuracy of the changes that were made.

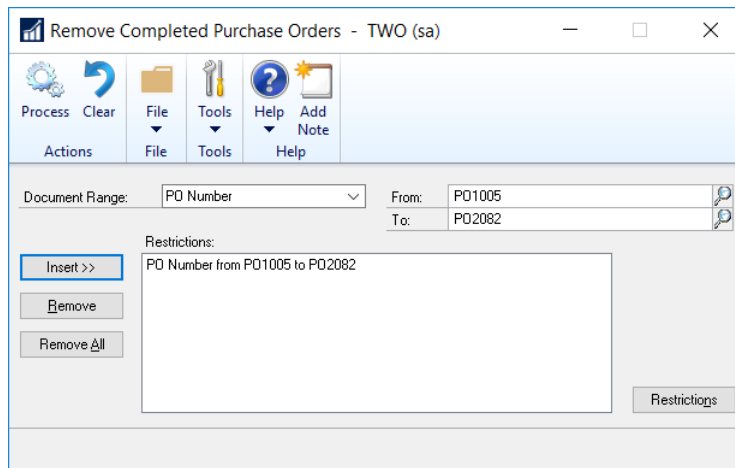
Step 2: Remove Completed Purchase Orders

Use the Remove Completed Purchase Orders window to remove any closed or cancelled documents from the "Open" Purchase Order Work Table to Purchase Order History table.

It is important to make sure that you have marked the options to Maintain History for Purchase Orders, Account Distributions, and Receipts in the Purchase Order Processing Setup window under Microsoft Dynamics GP > Tools > Setup > Purchasing > Purchase Order Processing. If the checkboxes in this window are NOT marked, this process will completely DELETE the documents from your system. If the checkboxes are marked, then it will only move them from the Open table to the History table. You should move/remove your completed purchase orders periodically. Purchase Orders should be moved and/or removed after you no longer need to receive against them or when you no longer need to reject or cancel any items on the purchase orders.

Before removing completed purchase orders, back up your company's data files or database.

1. Microsoft Dynamics GP > Tools > Routines > Purchasing > Remove Completed Purchase Orders



2. Select to remove information for purchase orders by the PO Number, Vendor ID, Vendor Name, Document Date, or the Created By User ID, and then enter the first and last records in the selected range. You must enter at least one range.

Note: If you enter a value in only one of the restriction fields, completed purchase orders will be removed from the value you enter to either the beginning or end of the records. For example, if you enter a starting value and leave the ending value blank, all completed purchase orders from the starting value to the end of the records will be removed.

3. Choose **Insert** to select the range of documents you've chosen to remove. You can only insert one restriction for each document range. For example, you can insert one PO Number Restriction and one Vendor ID restriction.
4. To further customize your Restrictions, choose the **Restrictions** button to open the Restrict Purchasing Documents window. The documents selected on the Remove Completed

Purchase Orders window will be displayed. Use this window to selectively mark or unmark the documents you wish to remove. When you've finished setting restrictions in the Remove Completed Purchase Orders window or the Restrict Purchasing Documents window, choose **Process**. When processing is complete, the **Completed PO Removal Report** prints, listing the purchase orders that were removed.

Step 3: Print the following Month-End reports (Optional):

1. Received/Not Invoiced Report (Reports > Purchasing > Analysis)

Note: *Items appear on the Received/Not Invoiced report when the receipt of the goods is **posted**. The records will disappear from the report when the invoice is **matched and saved**. This means that the report will not match the Accrued Purchases account in the General Ledger as long as there are any unposted invoices in Purchase Order Processing.*

2. Purchase Order Status Report (Reports > Purchasing > Analysis)
3. Shipment/Invoice Matching Activity Report (Reports > Purchasing > Analysis)
4. Receivings Transaction History Report (Reports > Purchasing > History)

INVENTORY CONTROL YEAR-END CLOSING PROCEDURES

There are no changes included in the 2019 Year-End Update for the Inventory Control year-end close process.

The Inventory module should be closed at the end of your fiscal year, before any new transactions that would affect inventory quantities are posted.

Closing a year transfers all summarized current-year quantity, cost and sales amounts to last-year for the items for which you've been maintaining summarized sales history. This procedure also updates each item's beginning quantity from the quantity on hand at each site. In addition, it zeros the quantity sold field in the Item quantities Maintenance window (Cards > Inventory > Quantities/Sites) for each site.

When you close the year for Inventory, you have options to:

- Remove discontinued items
- Remove sold purchase receipts
- Remove sold lot attributes
- Update item standard cost

INVENTORY CONTROL YEAR-END CHECKLIST

1. Post all transactions for the year (including sales/invoicing transactions, purchasing receipt transactions, and inventory transactions)
2. Reconcile Inventory quantities
3. Complete a physical inventory count and post any adjustments
4. Print Additional Reports
5. Make a backup
6. Close the year
7. Close the fiscal periods for the Inventory series (optional)

DETAILED INFORMATION FOR EACH STEP IN THE YEAR-END CHECKLIST

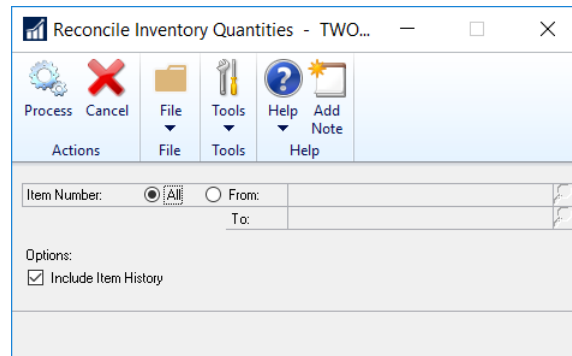
Step 1: Post All Transactions for The Year

Be sure that all Invoicing, Sales Order Processing, Purchasing Receipts, and Inventory transactions for the current year have been entered and posted before you close the year. This

is important to ensure that historical information is accurate for the year you are closing and year-to-date amounts are accurately stated for the year. If you wish to enter future-period transactions before closing the year, create a new batch with new transactions, but don't post it until after the year has been closed.

Step 2: Reconcile Inventory Quantities

1. Microsoft Dynamics GP > Tools > Utilities > Inventory > Reconcile



If you are using Sales Order Processing and/or Purchase Order Processing, we recommend that you reconcile each of those modules along with the Inventory module prior to closing. To ensure the integrity of your Inventory data, we recommend that you reconcile quantities for all inventory items using the Reconcile Inventory Quantities window. If any discrepancies are found during the reconcile process, the quantities will be adjusted. If adjustments are made, they will be reflected on the Reconcile Report, along with any serial numbers and lot numbers that were added or deleted for the adjusted items. If you want to edit these serial and lot numbers, you can use the Item Transaction Entry window to make adjustment transactions. (Transactions > Inventory > Transaction Entry).

Step 3: Complete A Physical Inventory Count and Post Any Adjustments

Method 1 – Stock Count Procedure

Use the Stock Calendar Maintenance window to set up and maintain information about when stock counts can be performed, and which days will be “counted” when the system calculates suggested dates for the next stock count for a specific item-site combination.

1. Microsoft Dynamics GP > Tools > Setup > Inventory > Stock Calendar
2. The Stock Count – Count Cycle Assignment window can be used if desired to assign one stock count frequency to many items.
 - a) Cards > Inventory > Count Cycle Assignment

3. Create a Stock Count Schedule, a list of the specific items at a specific site that will be counted during a specific count. When you start a stock count schedule, the quantity on hand for each line in the stock count schedule is captured. Later, the actual count number quantities will be compared to the captured values to create default variance transactions. Stock Count Forms can be printed during this process.
 - a) Transactions > Inventory > Stock Count Schedule
4. Use the Stock Count Entry window to enter information about the results of your stock counts. When you process a stock count, variance transactions are created. If the Auto post Stock Count Variance's option is marked, the transactions also will be posted.
 - a) Transactions > Inventory > Stock Count Entry

Method 2 – Inventory Manual Transaction Entry

You also have the option to manually create your inventory adjusting entries. First print a Physical Inventory Checklist using the Inventory Activity Reports window and perform a physical count of your Inventory Items to verify that Quantity on Hand amounts are accurate for all Items.

1. Reports > Inventory > Activity > Physical Inventory Checklist
2. If discrepancies exist, enter the necessary adjustments in the Item Transaction Entry window.
 - a) Transactions > Inventory > Transaction Entry and post them.

Step 4: Print Additional Reports (optional)

Print any additional reports from the selections under Reports > Inventory you will need for planning or your permanent records, including the following reports:

- Historical Stock Status Report –Reports > Inventory > Activity – Historical Stock Status
- Purchase Receipts Report –Reports > Inventory > Activity – Purchase Receipts
- Turnover Report –Reports > Inventory > Analysis > Turnover
- Transaction History Report –Reports > Inventory > History > Transaction History
- Serial Number List –Reports > Inventory > Serial/Lots > Serial Number
- Lot Number List –Reports > Inventory > Serial/Lots > Lot Number

Note: If you plan to remove sold purchase receipts during the year-end closing process, we recommend that you print the Purchase Receipts Report to review the receipts that will be removed.

Step 5: Make a backup

Make a backup before you close the year. Place the backup in a safe, permanent storage. This backup ensures that you have a permanent record of the company's financial position at the end of the year and allows you to quickly restore the information in the event of a power fluctuation or some other problem occurs during the year-end close procedure. See section on Backups under General Tips and Reminders for more information on creating backups.

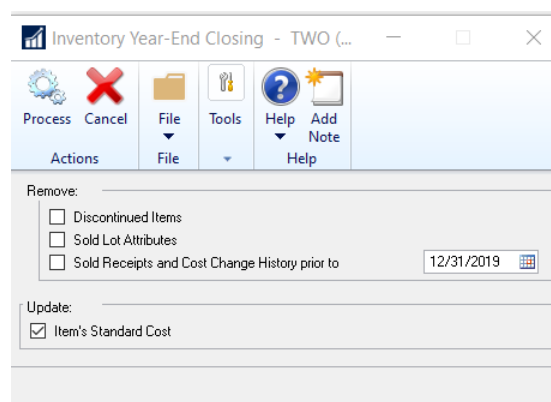
Step 6: Close the year

The Inventory year-end closing accomplishes the following tasks:

- Transfers all summarized current-year quantity, cost and sales amounts to transaction history for the items for which you've been keeping summarized sales history.
- Updates the item's Beginning Quantity to the Quantity On Hand at each site. Certain reports, such as the Turnover Report, use the beginning quantity field for report calculations.
- Zeros the Quantity Sold field in Item Quantities Maintenance (Cards > Inventory > Items Qtys/Sites) for each site.
- Remove Purchase Receipts for Items that have been completely sold.
- Remove any discontinued Items from the Item records that have been completely sold.
- Remove any Lot attributes from the records of Lot Numbered Items if they have been completely sold.
- Updates the Standard Cost of each Item to the Current Cost if you're using either the FIFO Periodic or LIFO Periodic Valuation Method. This feature does not occur if using Manufacturing.

To close the year in Inventory:

1. Microsoft Dynamics GP > Tools > Routines > Inventory > Year-End Close



2. Remove: Discontinued Items

- a) If you mark the Discontinued Items option, all discontinued Items that have a zero balance will be removed during the year-end closing process. (Items can be designated as discontinued using the Item Maintenance window.) Discontinued Items that have a Quantity On Hand of zero (except for kit components) and do not have any unposted transactions will be completely removed from the Inventory module.

Note: *If using the Service Call Management module, verify whether any discontinued Items exist on any unposted service documents. If so, the documents must be posted before proceeding. The Sales Order Processing, Invoicing, or Purchase Order Processing reports and inquiries will still be able to pull information regarding these discontinued Items; however, you will not be able to do a lookup on the Item Number since it has been removed from the Item Master. If you would like to print a report or inquire on the discontinued Item, you will need to include the Item within the Item Number Range.*

Note: *If you select this option, you will remove the discontinued items. Additionally, you will remove all inventory history for the items. You will not be able to drill back on the inventory history for these items.*

3. Remove: Sold Lot Attributes

- a) If you mark Sold Lot Attributes, values for completely sold lot numbers will be removed. (For example, you can remove the value 'red' for the lot attribute color if you have sold all lot-numbered items that have been assigned the value 'red'.)

4. Remove: Sold Receipts and Cost Change History prior to xx/xx/xx date

- a) If you mark Sold Receipts and Cost Change History and enter a date, all sold purchase receipts, quantity sold details, and historical cost changes with dates that come before the date that you have entered for items that use Average Perpetual, Last In, First Out (LIFO) Periodic, or the First In, First Out (FIFO) Periodic valuation method will be removed. The sold receipts, quantity sold details, and historical cost changes with dates that come before the date that you've entered will be removed.

Before removing all sold receipts and historical cost changes, you should print a Purchase Receipts Report and review the receipts that will be removed.

5. Update: Item's Standard Cost

- a) If you mark item's Standard Cost, the standard cost for any items that have been assigned the FIFO periodic or LIFO periodic valuation method will be adjusted automatically to reflect each item's current cost or the amount you most recently paid for the item.

- b) When you have selected your options, click Process to begin the year-end closing process. While the year-end close routine is running, users will not be able to post inventory transactions, reconcile quantities, change valuation methods, or change decimal places for items.

Step 7: Close the fiscal periods for the Inventory series (optional).

To ensure that no one posts transactions to an incorrect period or year, use the Fiscal Periods Setup window to close any fiscal periods that are still open for the year.

1. Microsoft Dynamics GP > Tools > Setup > Company > Fiscal Periods.
2. Mark the periods you wish to close under the Inventory Series.
 - a) Make sure that you have posted all transactions for the period and year for all modules before closing fiscal periods. If you later need to post transactions to a fiscal period you have already closed, use the Fiscal Periods Setup window to reopen the period before posting the transaction.

INVENTORY CONTROL YEAR-END CLOSING TIPS

- The year-end close must be completed prior to posting any transactions for the new year.
- Make sure to consider the implications outlined in this document from marking the following options in the Inventory Year-End Close window: Discontinued Items, Sold Receipts or Sold Lot Attributes. If marked, all discontinued items, sold receipts or sold lot attributes that have a zero balance will be removed during the year-end closing process.
- If you mark Update Item's Standard Cost, the standard cost for any items that have been assigned the FIFO periodic or LIFO periodic valuation method will be adjusted automatically to reflect each item's current cost, which is the amount you most recently paid for the item.
- There is no Year-End Closing report for Inventory.

INVENTORY YEAR-END FREQUENTLY ASKED QUESTIONS

Average Cost Update

- Q1. How is the average cost of an item updated throughout the year and during the year-end closing process when using the average perpetual (weighted moving average) method of costing?**
- A2.** If using the average perpetual costing method, all receipts for each item will be averaged to determine the average cost. Even if quantities are sold, the average does not change until another purchase receipt for the item is posted to the Inventory Purchase Receipts File. The

year-end closing process does not change the average cost, but it will remove the purchase receipts that have been completely sold. The next time a receipt is entered, the average cost will be revalued with the receipts that remain in the Inventory Purchase Receipts File.

Standard Cost Update

Q2. Can the Inventory Year-End Closing routine be used throughout the year to update the standard cost of items if using the periodic valuation method?

A3. This is not recommended because the beginning quantity field is updated during the year-end closing process. This would make that field incorrect on reports such as the Turnover Report.

There are two methods to adjust the standard cost of an item:

1. During the Inventory Year-End Close (Recommended to only be done at year-end):
 - a) Microsoft Dynamics GP > Tools > Routines > Inventory > Year-End Close) - If you select to update the Standard Cost, the Standard Cost of the item will be adjusted automatically to the Current Cost, or the amount you most recently paid for the item.
2. Item Maintenance (Cards > Inventory > Item) - You can edit the Standard Cost of the item on the item card.

Discontinued Items

Q3. When performing the Inventory Year-End Closing routine, I selected to Remove Discontinued Items, however, the discontinued items did not get removed. Why?

A4. If any of the discontinued items are components of kits, they will first need to be removed as components of the kits. You can use the Component Report (Reports > Inventory > Items > Kit List) to identify the components. To remove the item from the kit, use the Item Kit Maintenance Window under Cards > Inventory > Kits. Select the kit item and find the discontinued item component. Highlight the item and choose Edit – Delete Row to remove it as a component. Save the change you made.

Next, check if the items are finished goods or components of bills of materials. The BM Component Where-Used Report (Reports > Inventory > Setup > Component Where Used) can be used to identify which discontinued items are components of bills of materials. In the report option, the following Bill Status check boxes and Component Status check boxes should be selected: Active, Pending, Obsolete.

The BM Bill of Materials Report (Reports > Inventory > Setup > Single-Level Bill of Materials) can be used to find which discontinued items are bills of materials. In the report

option, the following Bill Status check boxes and Component Status check boxes should be selected: Active, Pending, Obsolete.

If any of the discontinued items are components of a bill of materials, the components need to be removed from the bills. This is true for all statuses of the bills and components, including Active, Pending, and Obsolete. The components can be removed in the Bill of Materials Maintenance window (Cards > Inventory > Bill of Materials). In the Bill Number list, click the bill, click the status in the Status list, and then find the component in the scrolling window. Click the component line, click Edit, and then click Delete Row. Click Save to save the change.

If any of the discontinued items are bills of materials, the bill needs to be deleted. This is true for all bill statuses, including Active, Pending, and Obsolete. The bill can be deleted in the Bill of Materials Maintenance window (Cards > Inventory > Bill of Materials). In the Bill Number list, click the bill, click the status in the Status list, and then click Delete.

Late Year-End Closing

Q4. What is the effect of doing a late inventory year-end close in Great Plains?

A5. Year-end closing for this module is optional.

In summary, the fields that are updated during year-end closing are mainly used in reports for quantity summaries. If these fields are not important, you may decide not to run year-end closing.

The inventory year-end close moves the summary history information from the current year to last year (as seen under Cards/Inventory/History) and zeroes out the current year information.

We do not recommend that you close the inventory module before you post sales and purchase transactions in the new year because, if you do this, the item's history numbers will not be accurate (as seen under Cards/Inventory/History.) Also, the Inventory Turnover Report may not be accurate, because the item's beginning quantities for the year will not be accurate. To illustrate, say you sold 100 items in 2019. Then, you sold 10 additional items in 2020. You posted these 2020 inventory transactions. Before doing 2019 year-end close for inventory, you will have a quantity sold of 110 in 2020. After the 2019 year-end close, you will have a value of 0 instead of 10 for your 2020 (Current Year) Sales Quantity and 110 for your 2019 (Last Year) Sales Quantity.

The summary windows in inventory with the specific views of calendar or fiscal year are date-sensitive. The inventory year-end close process is not date-sensitive.

RECEIVABLES MANAGEMENT YEAR-END CLOSING PROCEDURES - OPTIONAL

RECEIVABLES MANAGEMENT YEAR-END CLOSING CHECKLIST

There are no changes included in the 2019 Year-End Update that will affect the Receivables Management year-end close process.

If you are using a Calendar Year, the year-end process should be done at the end of your calendar year, prior to posting any transactions in the next calendar year. If you are using a Fiscal year, the year-end process should be done at the end of your fiscal year, prior to posting any transactions in the next fiscal year.

The Calendar year-end close clears the Calendar Year-to-Date Finance Charges and moves them to the Last Year Calendar field in the Customer Finance Charge Summary window (Cards > Sales > Summary > Finance Charges).

The Fiscal year-end close transfers all amounts other than the Calendar Year-to-Date Finance Charges to the Last Year column in the Customer Summary window (Cards > Sales > Summary).

Note: *Receivables Management is date sensitive in certain areas. The Receivables Management closing process updates several tables and fields that track customer data. This is important for organizations that use any of the following items to track customer statistics:*

- The SmartList objects
- The Receivables Management summary reports
- The Amounts Since Last Close view in the Customer Summary window

Therefore, to ensure the accuracy of the data displayed in the Customer SmartList objects, the Receivables Management summary reports, and the Amounts Since Last Close view in the Customer Summary Inquiry window, we recommend that you follow these steps:

1. Post all the sales and receivables transactions for the year.
2. Create a pre-year-end closing backup.
3. Close the year.
4. Close the fiscal periods. (Optional)
5. Close the tax year.

DETAILED INFORMATION FOR EACH STEP IN THE YEAR-END CHECKLIST

Step 1: Post All Sales and Receivables Transactions for The Year

Post all the sales and receivables transactions for the year before you close the year. If you need to enter any transactions for a future period prior to closing the year, enter the transactions in a batch, but do not post it until after you have closed the year.

As previously mentioned, since some areas of Microsoft Dynamics GP are date sensitive, it is important to run the closing routine if you rely on any of the Smart Lists, Receivables Summary Reports or the Amounts Since Last Close View of the Customer Summary window to track your customer statistics. If you do not close the year after you enter all the transactions for the current year and before you enter all the transactions for the new year, these areas will contain incorrect information. The following areas of Microsoft Dynamics GP that are not date sensitive are as follows:

- The Amounts Since Last Close view in the Customer Summary window
- The Customer Finance Charge Summary window
- The SmartList objects

If the Year-End routine was run after you have posted transactions to the new year, you can manually edit the information in the Amounts Since Last Close view in the Customer Summary window and in the Customer Finance Charge Summary window.

To Edit the Year to Date and Last Year fields in the Amounts Since Last Close view in the Customer Summary window, follow these steps:

1. Go to Cards > Sales > Summary.
2. In the Customer Summary window, type a customer ID in the Customer ID box.
3. In the Summary View list, click Amounts Since Last Close.
4. Manually update the fields in Year to Date and Last Year to the correct amounts and Save your changes.

Customer Summary - TWO (sa)

Customer ID: AARONFIT0001
Name: Aaron Fitz Electrical
Aged As Of: 12/31/2018

| Period | Amount |
|----------------|--------------------|
| Current | \$24,948.06 |
| 31 - 60 Days | \$0.00 |
| 61 - 90 Days | \$0.00 |
| Over 91 Days | \$0.00 |
| Balance | \$24,948.06 |

Unposted:

| | |
|--------------|------------|
| Sales/Debits | \$53.50 |
| Cash/Credits | \$2,280.00 |
| Other Sales | \$7,121.27 |
| Other Cash | |
| On Order | \$930.20 |

Summary View: Amounts Since Last Close

Year: 0 Period: All From: 0 To: 0

| | Year to Date | Last Year | Life to Date |
|-----------------------|--------------|-----------|--------------|
| Number of Sales Docs | 56 | 0 | 56 |
| No. of Paid Invoices | 43 | 0 | 43 |
| Sales | \$60,243.47 | \$0.00 | \$60,243.47 |
| Cost | \$19,306.30 | \$0.00 | \$19,306.30 |
| Cash Received | \$35,557.10 | \$0.00 | \$35,557.10 |
| Returns | \$0.00 | \$0.00 | \$0.00 |
| Writeoffs | \$0.00 | \$0.00 | \$0.00 |
| Terms Discounts Taken | \$0.00 | \$0.00 | \$0.00 |
| High Balance | \$33,024.56 | \$0.00 | \$33,024.56 |

History Finance Charges Credit Summary

by Customer ID

To edit the Year to Date and Last Year fields in the Customer Finance Charge Summary window, follow these steps:

1. Go to Cards > Sales > Summary.
2. In the Customer Summary window, type a customer ID in the Customer ID field.
3. Click Finance Charges.
4. Manually update the fields in Year to Date and Last Year to the correct amounts and Save your changes.

| Customer Finance Charge Summary - TWO (sa) | | | |
|--|-----------------------|-----------|--------------|
| Customer ID | AARONFIT0001 | | |
| Name | Aaron Fitz Electrical | | |
| Unpaid Charges | | \$20.00 | |
| Last Charge Amount | | \$20.00 | |
| Calendar Finance Charges | 0/0/0000 | | |
| | Current Year | Last Year | Next Year |
| Amount | \$20.00 | | |
| Fiscal Finance Charges | 0/0/0000 | | |
| | Year-to-Date | Last Year | Life-to-Date |
| Number | 1 | | 1 |
| Amount | \$20.00 | | \$20.00 |
| Waived | | | |

Depending on whether you run a Fiscal Year-End Close or a Calendar Year-End close, different Smart List items are affected under the Customer SmartLists. The following list of SmartList columns are not date sensitive and are updated as a result of the Year-End Close:

Note: The items that are flagged with an asterisk are affected by the calendar year-end close. All the other items are affected by the fiscal year-end close.

- Average Days to Pay - Year
- Finance Charges CYTD*
- Finance Charges LYR Calendar*
- High Balance LYR
- High Balance YTD
- Number of ADTP Documents - LYR
- Number of ADTP Documents - Year
- Number of NSF Checks YTD
- Total # FC LYR*
- Total # FC YTD*
- Total # Invoices LYR
- Total # Invoices YTD

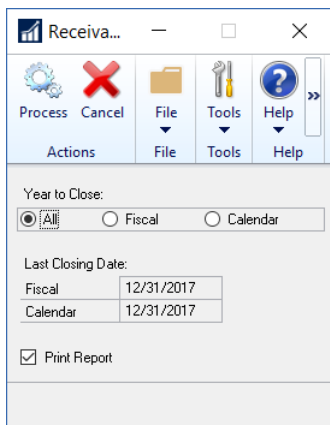
- Total Amount of NSF Check YTD
- Total Bad Debt LYR
- Total Bad Debt YTD
- Total Cash Received LYR
- Total Cash Received YTD
- Total Discounts Available YTD
- Total Discounts Taken LYR
- Total Discounts Taken YTD
- Total Finance Charges LYR*
- Total Finance Charges YTD*
- Total Returns LYR
- Total Returns YTD
- Total Sales LYR
- Total Sales YTD
- Total Waived FC LYR*
- Total Waived FC YTD*
- Total Write-offs LYR
- Total Write-offs YTD
- Unpaid Finance Charges YTD*
- Write Offs LYR
- Write Offs YTD

Step 2: Create A Pre-Year-End Closing Backup

Make a backup before you close the year. Place the backup in a safe, permanent storage. This backup ensures that you have a permanent record of the company's financial position at the end of the year and allows you to quickly restore the information in the event of a power fluctuation or some other problem occurs during the year-end close procedure. See section on Backups under General Tips and Reminders for more information on creating backups.

Step 3: Close the Year

1. Microsoft Dynamics GP > Tools > Routines > Sales > Year-End Close.
2. If you are closing both the fiscal year and the calendar year at the same time, click All. If you are closing only the calendar year, click Calendar. If you are closing only the fiscal year, click Fiscal.
3. Click to select the Print Report check box, and then click Close Year.



Note: You cannot “Reprint” the Year-End Close report. We recommend that you select the checkbox to print the report and keep a hard copy of the year-end report together with the permanent year-end audit records.

CALENDAR YEAR DETAILS

The calendar year-end process in Microsoft Dynamics GP clears the following fields in the Customer Summary window:

- Finance Charges YTD
- Total # FC YTD
- Total Finance Charges YTD
- Total Waived FC YTD
- Unpaid Finance Charges YTD

The calendar year-end process updates the amounts in the following fields:

- *Finance Charges LYR Calendar
- *Total # FC LYR

FISCAL YEAR DETAILS

The fiscal year-end process in Microsoft Dynamics GP clears the following fields in the Customer Summary window:

- Average Days to Pay - Year
- High Balance YTD
- Number of ADTP Documents - Year
- Number of NSF Checks YTD
- Total # Invoices YTD
- Total Amount of NSF Check YTD
- Total Bad Debt YTD
- Total Cash Received YTD
- Total Discounts Available YTD
- Total Discounts Taken YTD
- Total Returns YTD
- Total Sales YTD
- Total Write-offs YTD
- Write Offs YTD

The fiscal year-end process updates the amounts in the following fields:

- High Balance LYR
- Number of ADTP Documents - LYR
- Total # Invoices LYR
- Total Bad Debt LYR
- Total Cash Received LYR
- Total Discounts Taken LYR
- Total Returns LYR
- Total Sales LYR

- Total Write-offs LYR
- Write Offs LYR

Step 4: Close the Fiscal Periods (Optional)

To ensure that no one posts transactions to an incorrect period or year, use the Fiscal Periods Setup window to close any fiscal periods that are still open for the year.

1. Microsoft Dynamics GP > Tools > Setup > Company > Fiscal Periods.

Make sure that you have posted all transactions for the period and year for all modules before closing fiscal periods. If you later need to post transactions to a fiscal period you have already closed, use the Fiscal Periods Setup window to reopen the period before posting the transaction. Mark the periods you wish to close under the Sales Series.

Step 5: Close the Tax Year - Optional

Note: Closing the Tax Year is only required if you use Tax Schedules and Tax Details and the related reports and Smart Lists to track your organizations Year to Date and Last Year's Tax figures.

Follow these steps only after you complete the year-end closing procedures for all the sales and purchasing modules. Do not close the tax year as part of the Receivables Management close if you are closing Payables Management at a later time.

To close the tax year, follow these steps:

1. Microsoft Dynamics GP > Tools > Routines > Company > Tax Year-End Close
2. Click to select the Close Year check box, and then click to select the Print Report check box.
3. Click Process.

The screenshot shows the 'Tax Year-End Close' window. The title bar is 'Ta...'. The menu bar includes 'Process', 'File', 'Tools', and 'Help'. Under 'Process', there is an 'Actions' dropdown. The main area has a 'Last Date Closed' field set to '12/31/2017'. Below this are two checked checkboxes: 'Close Year' and 'Print Report'.

Note: You cannot “Reprint” the Year-End Close report. We recommend that you select the checkbox to print the report and keep a hard copy of the year-end report together with the permanent year-end audit records.

Note: If your organization assesses finance charges and prints Customer Statements, the Year-to-date finance charges for December and January are not automatically printed on the statements. To add the year-to-date finance charges to the statements, follow these steps:

DECEMBER STATEMENTS

To add the year-to-date finance charges to the December statements, follow these steps:

1. Microsoft Dynamics GP > Tools > Customize > Report Writer
2. In the Product list, click Microsoft Dynamics GP, and then click OK.
3. Click Reports.
4. Use the appropriate method:
 - a) If you have not previously modified the statement form, click the statement form that you print in the Original Reports list, click Insert, and then click the statement form in the Modified Reports list.
 - b) If you previously modified the statement form, click the statement form in the Modified Reports list.
5. Click Open.
6. In the Report Definition window, click Tables.
7. In the Report Table Relationships window, click RM Customer MSTR, and then click New.
8. In the Related Tables window, click Customer Master Summary, and then click OK.
9. Click Close.
10. Click Layout.
11. In the resource list in the Toolbox box, click Customer Master Summary.
12. In the field list, drag Finance Charges CYTD to the layout of the report. You can position this field in any section of the report.
13. On the File menu, click Microsoft Dynamics GP. When you are prompted to save the changes, click Save.

If you have not previously modified this report, you must grant security to the report. To do this, use the appropriate method.

1. Go to Microsoft Dynamics GP > Tools > Setup > System > Alternate/Modified Forms and Reports. In the ID box, enter the Alternate/Modified Forms and Reports that is assigned to the user.
2. In the Product list, click Microsoft Dynamics GP.
3. In the Type list, click Reports.
4. Expand Sales, and then expand the node of the modified form.
5. Click Microsoft Dynamics GP (Modified).

JANUARY STATEMENTS

1. Follow steps 1 through 11 in the "December statements" section.
2. In the field list, drag Finance Charges LYR Calendar to the layout of the report. You can position this field in any section of the report.
3. Follow steps 13 and 14 in the "December statements" section.

RECEIVABLES MANAGEMENT YEAR-END CLOSING TIPS

- It is not necessary to close the calendar and fiscal years before entering transactions for the new year. The system will automatically post to the correct fiscal and calendar years according to the dates of the transactions. However, as previously mentioned, there are certain areas of the program that are not date sensitive including Customer Smart List objects, Receivables Summary reports, and the Amounts Since Last Close view in the Receivables Summary window. Information in these windows and reports will not be correct if you post transactions to the new year before closing the year.
- Closing the calendar year will clear the calendar year-to-date finance charges and move them to the last year field on the customer records.
- The calendar year-end close in Receivables will take place at the end of the calendar year regardless of when your fiscal year-ends. If your calendar year coincides with the fiscal year then you will close both at the end of the calendar year.
- The YTD finance charges do not automatically print on the statements in December and January. If you want them to print on the statements, you must modify them by following the procedures outlined in this document. These procedures are different for each month.

PAYABLES MANAGEMENT YEAR-END CLOSING PROCEDURES – OPTIONAL

There is no new functionality in the 2019 Year-End Update that affects year-end processing in Payables. There are no changes to any 1099 forms for Payables Management in 2019.

The Calendar year-end close process transfers the 1099 Amount form the Year To Date column to the Last Year column in the Amounts Since Last Close view in the Vendor Yearly Summary window (Cards > Purchasing > Summary – Yearly button)

The Fiscal year-end close process transfers all other amounts from the Year To Date column to the Last Year column in the Amounts Since Last Close view in the Vendor Yearly Summary window (Cards > Purchasing > Summary – Yearly button)

Note: If the Year To Date or Last Year amounts are incorrect in the Amount Since Last Close view, you can contact support@crestwood.com and we can use scripts that Microsoft provides to correct these amounts.

When the amounts are transferred during the year-end close process, SmartList amounts that contain Year To Date or Last Year summary columns will also be affected.

The Vendor Summary report will also be affected by the transfer of amounts from the Year To Date column to the Last Year column when closing the year.

Vendors should be marked as 1099-able before any transactions are posted for them so that 1099 information is updated automatically throughout the year. There is functionality in new Microsoft Dynamics GP versions that allows you to edit 1099 information (by vendor and/or by transaction).

Note: *Payables Management is date sensitive in certain areas. The Payables Management closing process updates several tables and fields that track vendor data. This is important for organizations that use any of the following items to track vendor statistics:*

- The SmartList objects
- The Payables Management summary reports
- The Amounts Since Last Close view in the Vendor Summary window

Therefore, to ensure the accuracy of the data displayed in the Vendor SmartList objects, the Payables Management summary reports, and the Amounts Since Last Close view in the Vendor Summary Inquiry window, we recommend that you follow these steps:

PAYABLES MANAGEMENT MASTER YEAR-END CLOSING CHECKLIST

Note: Use this checklist if you are closing your fiscal year and your calendar year at the same time.

1. Post all transactions for the year.
2. Print the Historical Aged Trial Balance report.
3. Print the Vendor Period Analysis Report.
4. Install the year-end update (**Optional** – there are no 1099 form changes for the Payables module in 2019).
5. Make a backup that is named "Pre-1099 Edits."
6. Verify the 1099 information and edit as required.
7. Print the 1099 statements.
8. Make a backup that is named "Pre-Year-End."
9. Close the year.
10. Close the fiscal periods.
11. Close the tax year.

PAYABLES MANAGEMENT CALENDAR YEAR-END CLOSING CHECKLIST

1. Post all transactions for the calendar year.
2. Print the Historical Aged Trial Balance report.
3. Make a backup that is named "Pre-1099 Edits."
4. Verify the 1099 information and edit it if it is required.
5. Print the 1099 statements.
6. Make a backup that is named "Pre-Year-End."
7. Close the calendar year.
8. Close the fiscal periods.
9. Close the tax year.

PAYABLES MANAGEMENT FISCAL YEAR-END CLOSING CHECKLIST

1. Post all transactions for the fiscal year.
2. Print the Historical Aged Trial Balance report.
3. Print the Vendor Period Analysis Report.
4. Make a backup that is named "Pre-Year-End."
5. Close the fiscal year.
6. Close the fiscal periods.

DETAILED INFORMATION FOR EACH STEP IN THE YEAR-END CHECKLIST

Step 1: Post All Transactions for the Year

Post all the payables/purchasing transactions for the year before you close the year. If you need to enter any transactions for a future period prior to closing the year, enter the transactions in a batch but do not post it until after you have closed the year.

As previously mentioned, since some areas of Microsoft Dynamics GP are not date sensitive, it is important to run the closing routine if you rely on any of the Smart Lists, Payables Summary Reports or the Amounts Since Last Close View of the Vendor Summary window to track your vendor statistics. If you do not close the year after you enter all the transactions for the current year and before you enter any transactions for the new year, these areas will contain incorrect

information. The following areas of Microsoft Dynamics GP that are not date sensitive are as follows:

- The Amounts Since Last Close view in the Vendor Summary window
- The SmartList Objects
- Vendor Summary Reports

If the Year-End routine was run after you have posted transactions to the new year, you can manually edit the information in the Amounts Since Last Close view in the Vendor Summary window.

To Edit the Year to Date and Last Year fields in the Amounts Since Last Close view in the Customer Summary window, follow these steps:

1. Go to Cards > Purchasing > Summary.
2. In the Vendor Credit Summary window, type a vendor ID in the Vendor ID field, and then click Yearly.
3. In the Summary View list, click Amounts Since Last Close.
4. Manually update the fields in Year to Date and Last Year to the correct amounts and Save your changes.

Vendor Credit Summary - TWO (sa)

Save Clear Write Letters File Print Tools Help Add Note

Actions File Tools Help

Vendor ID: ACETRAVE0001
Name: A Travel Company
Current Balance: \$9,559.27
On Order: \$0.00
[Open Prepayments](#)

| | Number | Date | Amount |
|--------------|-----------------|------------|------------|
| Last Check | 20057 | 12/15/2018 | \$50.00 |
| Last Invoice | INVOICE XYZ 123 | 12/30/2018 | \$2,846.00 |

Balance: \$9,612.35
[Unapplied Payment](#)

| Aging Period | Amount |
|----------------|------------|
| Current Period | \$9,559.27 |
| 1 - 30 Days | \$0.00 |
| 31 - 60 Days | \$0.00 |
| 61 and Over | \$0.00 |
| | \$0.00 |
| | \$0.00 |
| | \$0.00 |

[Unpaid Finance Charges](#): \$0.00
First Purchase Date: 6/1/2010
Days For Checks to Clear: 15

Average Days to Pay:
Year to Date:
Life to Date: 0

Number of Paid Invoices:
Year to Date:
Life to Date: 1

Period Yearly

by Vendor ID

5. Different SmartList items are affected under the Vendor SmartLists, depending on whether you run a Fiscal Year-End Close or a Calendar Year-End Close. The following list of SmartList columns are not date sensitive and are updated as a result of the Year-End Close:

Note: *The items flagged with an asterisk are affected by the calendar year-end close. All other items are affected by the fiscal year-end close.*

- *1099 Amount YTD
- *1099 Amount LYR
- Amount Billed YTD
- Amount Billed LYR
- Amount Paid YTD
- Amount Paid LYR
- Average Days To Pay - Year
- Discount Available LYR
- Discount Available YTD
- Discount Lost LYR
- Discount Lost YTD
- Discount Taken LYR
- Discount Taken YTD
- Finance Charge LYR
- Finance Charge YTD
- Number of Finance Charges LYR
- Number of Finance Charges YTD
- Number of Invoice LYR
- Number of Invoice YTD
- Number of Paid Invoice YTD
- Returns LYR
- Returns YTD

- Trade Discounts Taken LYR
 - Trade Discounts Taken YTD
 - Withholding LYR
 - Withholding YTD
 - Write Offs LYR
 - Write Offs YTD
6. Click OK.
 7. Click Save.

To view the Vendor Summary reports, follow these steps:

1. Go to Reports > Purchasing> Analysis.
2. In the Reports list, click Calendar Year.
3. In the Options list, click an option, and then click Print.

Step 2: Print the Historical Aged Trial Balance Report

We recommend that you print a hard copy of the Historical Aged Trial Balance report to keep with your year-end permanent financial records. To do this, follow these steps:

1. Go to Reports > Purchasing > Trial Balance
2. In the Reports list, click Historical Aged Trial Balance.

Step 3: Print the Vendor Period Analysis Report

We recommend that you print a hard copy of the Vendor Period Analysis report to keep with your year-end permanent financial records. To do this, follow these steps

1. Go to Reports > Purchasing > Analysis
2. In the Reports list, click Period.

Step 4: Install the Year-End Update (Optional – there are no 1099-MISC or 1099-INT form changes; there are 1099-INT and 1098 form changes)

To install the year-end update, you must follow the installation steps on each computer that has Microsoft Dynamics GP installed. The installation is similar to installing a service pack or Hotfix. Please consult the instructions that are contained in the update. You can install the year-end

update as soon as it is released (scheduled for mid-November 2019) and it will include updates for both Payables 1099 forms and Payroll form changes.

Step 5: Make A Backup That Is Named "Pre-1099 Edits"

Make a backup before you close the year. Place the backup in a safe, permanent storage. This backup ensures that you have a permanent record of the company's financial position at the end of the year and allows you to quickly restore the information in the event of a power fluctuation or some other problem occurs during the year-end close procedure. See section on Backups under General Tips and Reminders for more information on creating backups.

Step 6: Verify the 1099 Information and Edit as Required

To print the 1099 edit list, follow these steps:

1. Microsoft Dynamics GP > Tools > Routines > Purchasing > Print 1099. On the File menu, click Print.

| Vendor ID | ACETRAVE0001 | Current Balance | \$9,559.27 |
|-----------------------------------|------------------|---|------------|
| Name | A Travel Company | On Order | \$0.00 |
| Open Prepayments | | | |
| Last Check | 20057 | 12/15/2018 | \$50.00 |
| Last Invoice | INVOICE XYZ 123 | 12/30/2018 | \$2,846.00 |
| Balance | | Unpaid Finance Charges \$0.00 | |
| Unapplied Payment | | First Purchase Date 6/1/2010 | |
| Highest Balance \$9,612.35 | | Days For Checks to Clear | |
| Aging Period | | Average Days to Pay: | |
| Current Period | \$9,559.27 | Year to Date | |
| 1 - 30 Days | \$0.00 | Life to Date | 0 |
| 31 - 60 Days | \$0.00 | Number of Paid Invoices: | |
| 61 and Over | \$0.00 | Year to Date | |
| | \$0.00 | Life to Date | 1 |
| | \$0.00 | | |
| | \$0.00 | | |
| | \$0.00 | | |
| | \$0.00 | | |
| | | Period Yearly | |
| by Vendor ID | | | |

To edit Vendor 1099 information, open the "1099 Details" window, using one of the following methods.

Method 1

1. Go to Cards > Purchasing > 1099 Details.

2. In the Vendor ID list, enter a vendor ID.
3. In the Tax Type list, select one of the following:
 - a) Dividend
 - b) Interest
 - c) Miscellaneous
4. In the Display area, click Month, select a Month and then type in the appropriate year.
5. In the Amount column, type the correct 1099 amount.
6. Click Save.

Note: You must edit 1099 details while in a specific month. You cannot edit the 1099 details while in the Year display.

1099 Details - TWO (sa)

Save Clear File Print Tools Help Add Note

Vendor ID: BEAUMONT0001
Name: Beaumont Construction
Tax Type: Miscellaneous
Display: ☒ Month ☐ Year
Month: December Year: 2018
Payer made Direct Sales of \$5,000 or more etc. ☐
FATCA Filing Requirement ☐
State/Payer's State No.

| 1099 Box | Description | Amount |
|----------|----------------------------|------------|
| 1 | 1 Rents | \$0.00 |
| 2 | 2 Royalties | \$0.00 |
| 3 | 3 Other Income | \$0.00 |
| 4 | 4 Federal Tax Withheld | \$0.00 |
| 5 | 5 Fishing Boat Proceeds | \$0.00 |
| 6 | 6 Medical Payments | \$0.00 |
| 7 | 7 Nonemployee Compensation | \$5,000.00 |
| 8 | 8 Substitute Payments | \$0.00 |
| 10 | 10 Crop Insurance | \$0.00 |
| 13 | 13 Golden Parachute | \$0.00 |
| 14 | 14 Attorney Proceeds | \$0.00 |
| 15a | 15a Section 409A Deferrals | \$0.00 |
| 15b | 15b Section 409A Income | \$0.00 |
| 16 | 16 State Tax Withheld | \$0.00 |
| 18 | 18 State Income | \$0.00 |

by Vendor ID

Method 2

1. Go to Cards > Purchasing > Summary
2. In the Vendor ID list, type in a vendor ID, and then click Period.
3. In the Year field, type in the appropriate year.
4. In the Month/Period field, select the appropriate month or period.
5. Click the Expansion Arrow button that appears next to the 1099 Amount field.
6. In the Amount column, type the correct 1099 amount.

| Vendor Period Summary - TWO (sa) | |
|----------------------------------|--|
| Vendor ID | BEAUMONT0001 |
| Name | Beaumont Construction |
| Display: | <input checked="" type="radio"/> Calendar <input type="radio"/> Fiscal Year: 2018 Month/Period: 12 |
| Amount Billed | \$0.00 |
| Amount Paid | \$0.00 |
| 1099 Amount | \$5,000.00 |
| Withholding | \$0.00 |
| Finance Charge | \$0.00 |
| Writeoffs | \$0.00 |
| Returns | \$0.00 |
| Trade Discounts | \$0.00 |
| Terms Disc Avail | \$0.00 |
| Terms Disc Taken | \$0.00 |
| Terms Disc Lost | \$0.00 |
| Number of Finance Charges | 0 |
| Number of Invoices | 0 |

Step 7: Print the 1099 Statements

Note: You can print 1099 statements at any time.

1. To print the 1099 statements, go to Microsoft Dynamics GP > Tools > Routines > Purchasing > Print 1099
2. In the 1099 Year field, type in the appropriate year.
3. Each of your 1099 report types must be printed separately. In the Print 1099 window, click the options that you want in the 1099 Type field and in the 1099 Box Number field, and then click Print

Special Notes:

In earlier versions of Dynamics GP, you needed to use a range based on the User Defined 1 field in the Vendor card to group 1099 vendors based on the fact that a different 1099 Box

Number needed to be flagged on the 1099. In new versions of Dynamics GP, the information from the 1099 Details for each vendor is used to determine the amounts that print on each 1099 form and in each box on the 1099 form.

In addition, you do not need a field on the Print 1099 window where you can enter the minimum amount that you report on the 1099's. If the vendor has an amount in the 1099 Details, that amount will be reported on the 1099 Form in the appropriate form and box based on the minimum amounts entered for each box in the Payables Setup Window: Microsoft Dynamics > Tools > Setup > Purchasing > Payables > 1099 Setup Button – 1099 Details window.

The following table provides additional information about the fields on the 1099 form and where this information can be located in Microsoft Dynamics GP.

| Field | Window Where Data is Located |
|--|---|
| Payers name, street address, city, state, & Zip/Postal Code | Print 1099 Window |
| Payers Federal Identification Number | Print 1099 Window |
| Recipients name, address, & Zip/Postal Code | Primary Address of the Vendor Maintenance window |
| Recipients Identification Number | Tax ID field of the Vendor Maintenance Options window |
| Amounts for boxes 1-9 on the Dividend Form or 1-16 on the Miscellaneous Form | 1099 Amount field in the Vendor Yearly Summary window |

Note: Currently, Microsoft Dynamics GP does not handle magnetic media filing of state 1099s. If you need to process electronic 1099 filing, please contact your Crestwood client account manager.

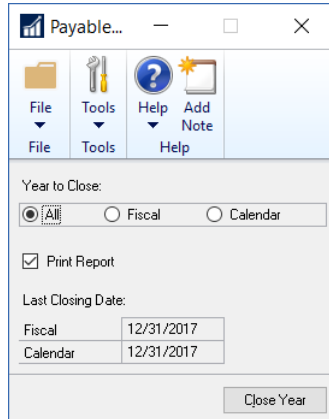
Step 8: Make a backup that is named "Pre-Year-End"

Make a backup before you close the year. Place the backup in a safe, permanent storage. This backup ensures that you have a permanent record of the company's financial position at the end of the year and allows you to quickly restore the information in the event of a power fluctuation or some other problem occurs during the year-end close procedure. See section on Backups under General Tips and Reminders for more information on creating backups.

Step 9: Close the year

1. To close the year, go to Microsoft Dynamics GP > Tools > Routines > Purchasing > Year-End Close.

2. If you are closing both your fiscal and calendar year at the same time, click All. If you are just closing your calendar year, click Calendar. If you are just closing your fiscal year, click Fiscal.
3. Click to select the Print Report check box, and then click Close Year.



Note: You cannot “Reprint” the Year-End Close report. We recommend that you select the checkbox to print the report and keep a hard copy of the year-end report together with the permanent year-end audit records.

Once you have completed the Year-End Close, you can view the Vendor Yearly Summary window to see how the 1099 amount fields have been updated. To view the Vendor Yearly Summary, follow these steps:

1. Go to Cards > Purchasing > Summary
2. In the Vendor ID field, type a vendor ID, and then click Yearly.

The calendar year details:

Vendor Yearly Summary - TWO (sa)

OK File Print Tools Help Add Note

Actions File Tools Help

Vendor ID ACETRAVE0001
Name A Travel Company

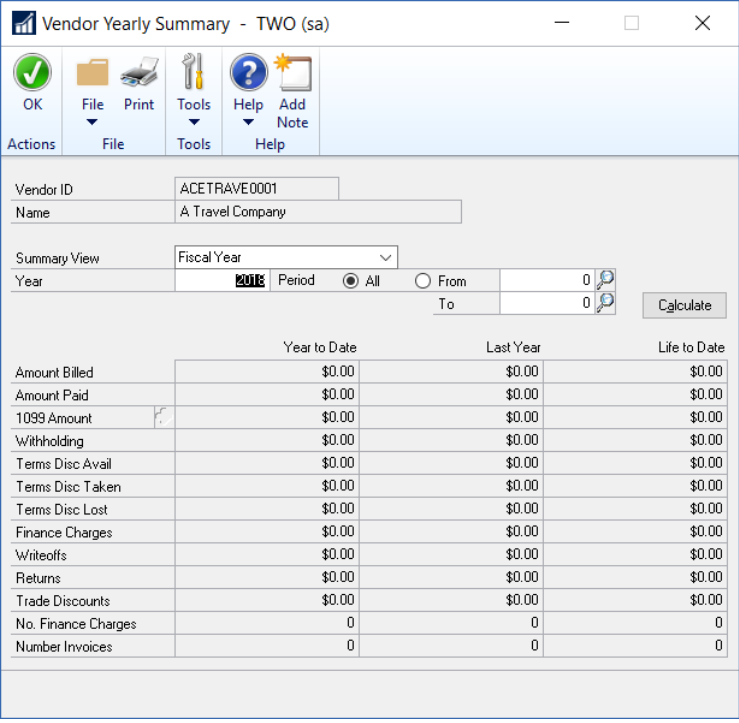
Summary View Calendar Year

Year 2018 Period ☒ All ☐ From 0 To 0 [Calculate](#)

| | Year to Date | Last Year | Life to Date |
|---------------------|--------------|-----------|--------------|
| Amount Billed | \$0.00 | \$0.00 | \$11,009.27 |
| Amount Paid | \$0.00 | \$0.00 | \$1,450.00 |
| 1099 Amount | \$0.00 | \$0.00 | \$0.00 |
| Withholding | \$0.00 | \$0.00 | \$0.00 |
| Terms Disc Avail | \$0.00 | \$0.00 | \$0.00 |
| Terms Disc Taken | \$0.00 | \$0.00 | \$0.00 |
| Terms Disc Lost | \$0.00 | \$0.00 | \$0.00 |
| Finance Charges | \$0.00 | \$0.00 | \$0.00 |
| Writeoffs | \$0.00 | \$0.00 | \$0.00 |
| Returns | \$0.00 | \$0.00 | \$0.00 |
| Trade Discounts | \$0.00 | \$0.00 | \$0.00 |
| No. Finance Charges | 0 | 0 | 0 |
| Number Invoices | 0 | 0 | 10 |

- The calendar year-end process in Microsoft Dynamics GP will clear the 1099 Amount Year to Date field and then transfer the amount to the 1099 Amount Last Year field for the Amounts Since Last Close view of the Vendor Yearly Summary window.

The fiscal year details:



| | Year to Date | Last Year | Life to Date |
|---------------------|--------------|-----------|--------------|
| Amount Billed | \$0.00 | \$0.00 | \$0.00 |
| Amount Paid | \$0.00 | \$0.00 | \$0.00 |
| 1099 Amount | \$0.00 | \$0.00 | \$0.00 |
| Withholding | \$0.00 | \$0.00 | \$0.00 |
| Terms Disc Avail | \$0.00 | \$0.00 | \$0.00 |
| Terms Disc Taken | \$0.00 | \$0.00 | \$0.00 |
| Terms Disc Lost | \$0.00 | \$0.00 | \$0.00 |
| Finance Charges | \$0.00 | \$0.00 | \$0.00 |
| Writeoffs | \$0.00 | \$0.00 | \$0.00 |
| Returns | \$0.00 | \$0.00 | \$0.00 |
| Trade Discounts | \$0.00 | \$0.00 | \$0.00 |
| No. Finance Charges | 0 | 0 | 0 |
| Number Invoices | 0 | 0 | 0 |

The fiscal year-end process in Microsoft Dynamics GP will clear the following fields:

- Amount Billed YTD
- Amount Paid YTD
- Average Days To Pay - Year
- Discount Available YTD
- Discount Lost YTD
- Discount Taken YTD
- Finance Charge YTD
- Number of Finance Charges YTD
- Number of Invoice YTD
- Number of Paid Invoice YTD
- Returns YTD
- Trade Discounts Taken YTD
- Withholding YTD
- Write Offs YTD

The amounts in these fields will also be updated in the Amounts Since Last Close view of the Vendor Yearly Summary window:

- Amount Billed LYR
- Amount Paid LYR
- Discount Available LYR
- Discount Lost LYR
- Discount Taken LYR
- Finance Charge LYR
- Number of Finance Charges LYR
- Number of Invoice LYR
- Returns LYR
- Trade Discounts Taken LYR
- Withholding LYR
- Write Offs LYR

Step 10: Close the fiscal periods

To ensure that no one posts transactions to an incorrect period or year, use the Fiscal Periods Setup window to close any fiscal periods that are still open for the year.

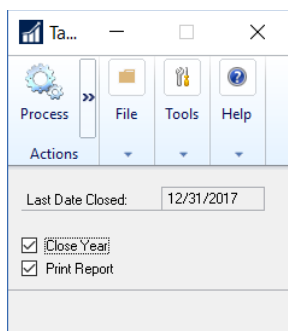
1. Microsoft Dynamics GP > Tools > Setup > Company > Fiscal Periods.
2. Make sure that you have posted all transactions for the period and year for all modules before closing fiscal periods. If you later need to post transactions to a fiscal period you have already closed, use the Fiscal Periods Setup window to reopen the period before posting the transaction. Mark the periods you wish to close under the Purchasing Series.

Step 11: Close the tax year

Note: Closing the Tax Year is only required if you use Tax Schedules and Tax Details and the related reports and Smart Lists to track your organizations Year to Date and Last Year's Tax figures.

Follow these steps only after you complete the year-end closing procedures for all the sales and purchasing modules. Do not close the tax year as part of the Payables Management close if you are closing Receivables Management at a later time.

1. To close the tax year, go to Microsoft Dynamics GP > Routines > Company > Tax Year-End Close
2. Click to select the Close Year check box and the Print Report check box.
3. Click Process. Click yes when you are prompted to continue with the year-end close.



Note: You cannot “Reprint” the Year-End Close report. We recommend that you select the checkbox to print the report and keep a hard copy of the year-end report together with the permanent year-end audit records.

PAYABLES MANAGEMENT FREQUENTLY ASKED QUESTIONS

Q1. Are inactive vendor records cleared during year-end closing? If not, how can inactive vendor records be removed?

A1. No, inactive vendor records are not automatically removed. To remove an inactive vendor record, the following conditions must be true:

- No current year 1099 amounts exist for the vendor
- The vendor has no documents in work or history.
- To delete all inactive vendor records that fit these criteria, go to Microsoft Dynamics GP > Tools > Utilities > Purchasing > Mass Vendor Delete
- In the Range list, click by Vendor Status. In the From list, click Inactive. In the To list, click Inactive. Click Process.

Q2. What should I do if I must issue a check in the new year, but I am not ready to close the old year yet?

A2. Print the checks but post them after you process your year-end closing. If you must post the checks immediately, you can edit the Amount Paid fields in the Amounts Since Last Close view of the Vendor Yearly Summary window.

Q3. What exactly does the Payables Management Year-End Close procedure do?

A3. The Calendar Year-End Close moves the 1099 Amount YTD into 1099 Last Year in the Vendor Yearly Summary window. The Fiscal Year-End Close moves all other YTD amounts into last year amounts.

Q4. When viewing information in the Vendor Yearly Summary window, I discovered that I have the incorrect amount in the 1099 row for Year-to-Date Amount. How can I fix this so my 1099 forms will print the correct amount?

A4. Identify what the correct amount should be for the calendar year's 1099 report. Go to Cards > Purchasing > 1099 Details window and enter the correct amount(s) in the correct box(es) for the appropriate 1099 tax type(s) in the appropriate period(s). Display by Year to view the totals in each box for the calendar year.

Q5. Is there a way to print an edit list of the 1099 vendors before I actually print the 1099 statements?

A5. Yes, a 1099 report can be printed using the Print 1099 window (Microsoft Dynamics GP > Tools > Routines > Purchasing > Print 1099). Print the 1099 forms to plain paper.

Q6. I've printed 1099 statements and some of the statements didn't have the vendor name appearing on them. What should I do?

A6. When printing 1099 statements, the Check Name entered for the vendor record in the Vendor Maintenance window will appear on the statement. If there isn't a vendor name appearing on the statement, the Check Name field in this window is blank. Enter a Check Name for each vendor or use the Report Writer to change the report to use a different field.

Q7. I can't make 1099 forms align correctly. What can I do?

A7. Try the following method to correct alignment issues:

- Print the 1099s to screen.
- Choose the printer icon button on the top left.
- A print dialog box with horizontal and vertical alignments will appear on the right. Adjust according to the situations below:

| Problem | Adjustment |
|----------------------|---|
| Form prints too high | Enter a positive vertical adjustment (.25 is one line) |
| Form prints too low | Enter a negative vertical adjustment (-.25 is one line) |

| | |
|---------------------------|--|
| Form prints too far right | Enter a negative horizontal adjustment |
| Form prints too far left | Enter a positive horizontal adjustment |

PAYABLES MANAGEMENT YEAR-END CLOSING TIPS

- You can print the 1099 statements using the Print 1099 window anytime and for any calendar year.
- You can enter the Payer's Federal ID Number in the Company Setup window (Microsoft Dynamics GP > Tools > Setup > Company > Company) so that it defaults to the Print 1099 window.

FIXED ASSETS YEAR-END CLOSING PROCEDURES

Note: *The Fixed Assets module is not date sensitive. We recommend that you run the Fixed Asset Year-End routine prior to processing any Fixed Asset transactions for the new year. It is also very important that you close Fixed Assets prior to processing the Year-End in General Ledger.*

There is no new functionality this year that will affect Fixed Assets year-end closing process. However, as a reminder, in newer versions of Microsoft Dynamics GP, a Fixed Assets Year-End Closing report was added to the year-end close process. This optional report will print per Book, and show the Asset ID, Description, Cost Basis, YTD depreciation, Accumulated Depreciation, NBV, Placed in Service Date, Depreciated to Date, Quantity, YTD Maintenance, and Status for all assets impacted by the year-end close process. In a single step, you can close the year and print a status report of all the assets that were affected by the close.

It is recommended to close all books in Fixed Assets after you close Payables Management, but before you close the General Ledger year. Below are other key points to remember:

- All assets must be 'depreciated through' the last day of the current Fixed Assets year.
- When you close the year in Fixed Assets, you have to do it for each book you have set up.
- All books must be closed before you run depreciation for the new year.

The Year-End Close Process does the following:

- In the Asset General window:
 - The YTD Maintenance amount is cleared from the Expand last Maintenance Date window.
 - The Quantity is copied to the Begin Quantity field in the Expand Quantity window.
- In the Asset Book window:
 - The YTD Depreciation Amount is cleared
 - Cost Basis is copied to Begin Year Cost field.
 - Life to Date Depreciation is copied to Begin Reserve field.

- Salvage Value is copied to Begin Salvage field.
- In the Book Setup window:
 - The Current Fiscal Year is incremented to the next year

You must process depreciation to the last day of the current FA Year before you close the year. You can confirm the last day of the FA Year by looking at the Fixed Assets Calendar Setup window (Microsoft Dynamics GP button > Tools > Setup > Fixed Assets > Calendar). Also, print all the reports that you will need for the year that you are closing before closing the year. Be sure you make a backup prior to closing the year.

Reminder - DO NOT FLIP the 'Current Fiscal Year' in the Book Setup window:

Please DO NOT manually edit the year in the Book Setup window so you can run depreciation for the next year, and then 'flip it back' and proceed to close the current year. If you do this, the year-end process will set the YTD Depreciation field to zero and then at the end of the next year, the GP code will look to this YTD field to see if enough depreciation has been taken for the year and not see the depreciation you had already done in the new year. This will cause your assets to over-depreciate at the end of the next year to try make up for the missing amounts in the YTD field (this manifests as doubled/tripled depreciation amounts in the last period of the year). For this reason, the Current Fiscal Year field in the Book Setup window has been locked down in Microsoft Dynamics GP 2013 and later versions.

FIXED ASSET MANAGEMENT YEAR-END CHECKLIST

1. Complete the year-end closing procedures for Payables Management
2. Enter all the fixed asset transactions for the current fiscal year
3. Depreciate all assets through the last day of the current fiscal year
4. Perform the GL Posting (GL Interface) process (Optional)
5. Print any year-end reports that you want to keep as part of the year-end financial records
6. Verify that the Fixed Assets calendar is built correctly (Optional)
7. Verify that the quarters are set up correctly for all the fiscal years
8. Make a backup
9. Perform the fixed assets year-end closing routine

DETAILED INFORMATION FOR EACH STEP IN THE YEAR-END CHECKLIST

Step 1: Perform all the year-end closing procedures for Payables Management

Make sure you have completed the Payables Management Year-End Closing Routine. This guarantees that all the outstanding fixed asset transactions have been capitalized.

Step 2: Enter all the fixed asset transactions for the current fiscal year

Post all additions, changes, transfers, and retirements for the current fiscal year.

Note: Transfers and undo retirement transactions should never be performed in a historical year.

Step 3: Depreciate all assets through the last day of the current fiscal year

The screenshot shows the 'Depreciation Process Information' window. At the top is a toolbar with icons for Depreciate, Cancel, File, Tools, Help, and Add Note. Below the toolbar, there is a section for 'Asset Group ID' with a dropdown menu. Underneath, there are two checkboxes: 'Depreciate all assets' (checked) and 'Reverse depreciation' (unchecked). A 'Depreciation Target Date' field is set to '12/31/2018'. Below this, there are two list boxes: 'Books on file' and 'Selected Books'. Both lists contain 'AMT', 'FEDERAL', and 'INTERNAL'. Between the lists are buttons for 'Insert >>', '<< All', 'Remove', and 'Remove All'. A progress bar is visible at the bottom of the window.

1. Microsoft Dynamics GP > Tools > Routines > Fixed Assets > Depreciate
2. In the Depreciation Target Date box, type the last date of the current fiscal year.
3. To insert all the fixed asset books, click All.
4. Click Depreciate.
5. A progress bar will track the depreciation till it is finished. However, be sure that all of the buttons at the top of the window are now longer greyed out before you close the window.

Step 4: Perform the GL Posting (GL Interface) process (Optional)

| Asset ID | Source Doc | Account | Debit | Credit |
|-----------|------------|---------------|--------------|--------------|
| 00001-001 | FAADD | 000 -1500 -00 | \$1,000.00 | \$0.00 |
| 00001-001 | FAADD | 000 -1590 -00 | \$0.00 | \$1,000.00 |
| 00001-001 | FADEP | 000 -6200 -00 | \$11.90 | \$0.00 |
| 00001-001 | FADEP | 000 -1505 -00 | \$0.00 | \$11.90 |
| 00002-001 | FAADD | 000 -1500 -00 | \$1,200.00 | \$0.00 |
| 00002-001 | FAADD | 000 -1590 -00 | \$0.00 | \$1,200.00 |
| 00002-001 | FADEP | 000 -6200 -00 | \$14.29 | \$0.00 |
| 00002-001 | FADEP | 000 -1505 -00 | \$0.00 | \$14.29 |
| 00001-001 | FADEP | 000 -6200 -00 | \$11.90 | \$0.00 |
| Totals: | | | \$512,452.35 | \$512,452.35 |

1. Microsoft Dynamics > Tools > Routines > Fixed Assets > GL Posting
2. In the Posting Date box, type the last date of the current fiscal year, or type the date when you need the posting to affect the general ledger.
3. In the Beginning Period box, type the year and the last period of the year.
4. In the Ending Period box, type the year and the last period of the year.
5. Click the Insert button to create a Restriction
6. Click Process to create the journal entry information
7. Review the entries in the lower portion of the window
8. Click the Post button to process the Fixed Assets General Ledger Posting.
9. In the Report Destination window, click to select the Printer check box, and then click OK.

Note: You may want to keep this report as part of the year-end financial records.

Step 5: Print any year-end reports that you want to keep as part of the year-end financial records

Note: The year-to-date depreciation amounts for previous fiscal years are not kept in Fixed Asset Management. Therefore, you must print any reports that contain this information before you close the year.

There are several reports available for fixed assets. We recommend that you print the following reports:

- Annual Activity (Reports > Fixed Assets > Activity > Annual Activity)
- Additions (Reports > Fixed Assets > Transaction > Additions)
- Retirements (Reports > Fixed Assets > Transaction > Retirements)
- Transfers (Reports > Fixed Assets > Transaction > Transfers)
- Depreciation Ledger (Reports > Fixed Assets > Depreciation > Depreciation Ledger)
- Property Ledger (Reports > Fixed Assets > Inventory > Property Ledger)
- Fixed Assets to General Ledger Reconciliation (Reports > Fixed Assets > Activity> Fixed Assets to General Ledger Reconciliation)

If you have more than one fixed asset book, we recommend that you also print the following reports:

- Book to Book Reconciliation (Reports > Fixed Asset > Comparison > Book to Book Reconciliation)
- Book to Book YTD Depreciation Comparison (Reports > Fixed Asset > Comparison > Book to Book YTD Depreciation)

Step 6: Verify the Fixed Assets calendar is built correctly (Optional)

Fixed Assets Calendar Setup - TWO (sa)

Calendar ID: DEFAULT
Description: Default FA Calendar

Year: 2018

| Period | Start Date | End Date |
|--------|------------|------------|
| 1 | 1/1/2018 | 1/31/2018 |
| 2 | 2/1/2018 | 2/28/2018 |
| 3 | 3/1/2018 | 3/31/2018 |
| 4 | 4/1/2018 | 4/30/2018 |
| 5 | 5/1/2018 | 5/31/2018 |
| 6 | 6/1/2018 | 6/30/2018 |
| 7 | 7/1/2018 | 7/31/2018 |
| 8 | 8/1/2018 | 8/31/2018 |
| 9 | 9/1/2018 | 9/30/2018 |
| 10 | 10/1/2018 | 10/31/2018 |
| 11 | 11/1/2018 | 11/30/2018 |
| 12 | 12/1/2018 | 12/31/2018 |

☐ Short/Long Year
Depreciation Percentage: 100.00000%

☒ Build Calendar

Build Calendar from:

☒ Fiscal Period Setup
☐ Calendar Year
☐ Existing Calendar Setup

Years: 0 to 0

Build Calendar

Quarters Remove Years

1. Microsoft Dynamics GP > Tools > Setup > Fixed Assets > Calendar.
2. Click Verify. When you are prompted to verify the periods, click OK.
3. In the Report Destination window, click Screen, and then click OK.

Note: The Message column of the report must say OK. If the Message column says Missing for any line, see question 1 in the "Frequently asked questions (FAQ)" section.

Step 7: Verify that the quarters are set up correctly for all the fiscal years

Quarter Setup - TWO (sa)

Calendar ID: DEFAULT
Year: 2018

| | Start Date | End Date | Mid Date |
|-------------|------------|------------|------------|
| 1st Quarter | 1/1/2018 | 3/31/2018 | 2/14/2018 |
| 2nd Quarter | 4/1/2018 | 6/30/2018 | 5/15/2018 |
| 3rd Quarter | 7/1/2018 | 9/30/2018 | 8/15/2018 |
| 4th Quarter | 10/1/2018 | 12/31/2018 | 11/15/2018 |

Build Quarters Remove Quarters

by Year

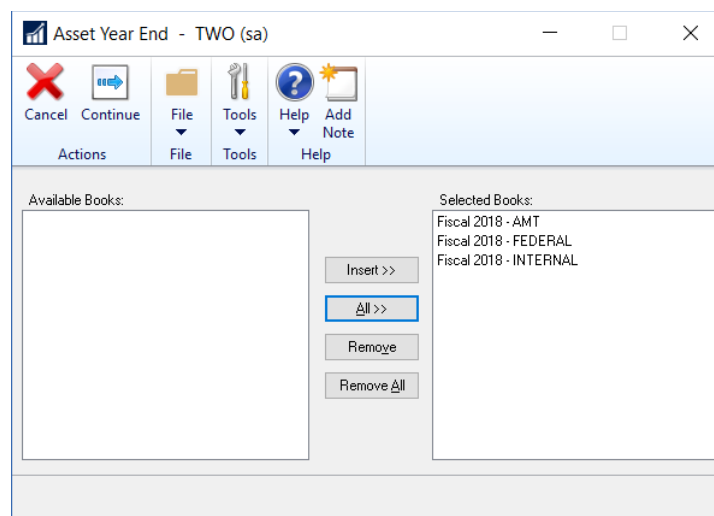
1. Microsoft Dynamics GP > Tools > Setup > Fixed Assets > Quarter.
2. Make sure that the following boxes are not empty:
 - a) Start Date
 - b) Mid Date
 - c) End Date

Note: These boxes must exist for each quarter. If any box is empty, type the appropriate date in that box.

Step 8: Make a backup

Make a backup before you close the year. Place the backup in a safe, permanent storage. This backup ensures that you have a permanent record of the company's financial position at the end of the year and allows you to quickly restore the information in the event of a power fluctuation or some other problem occurs during the year-end close procedure. See section on Backups under General Tips and Reminders for more information on creating backups

Step 9: Perform the fixed assets year-end closing routine



1. Microsoft Dynamics GP >Tools > Routines > Fixed Assets > Year-End
2. Verify that the fiscal year that is displayed for each book is the current fiscal year. (The current fiscal year is the year that you are closing.)

Note: If the fiscal year that is displayed for a book is not the current fiscal year, see question 1 in the "Frequently asked questions (FAQ)" section.

3. Click a book that you want to close, and then click Insert. Repeat this step until all the books that you want to close have been inserted.

Note: *The Fixed Asset Year Closing Routine accomplishes the following tasks:*

- In the Asset General Information window, the Quantity field is copied to the Begin Quantity field of the Expand Quantity window.
- In the Expand Last Maintenance window, the YTD Maintenance amount is cleared.
- In the Asset Book window, the YTD Depreciation Amount is cleared.
- The Cost Basis field is copied to the Begin Year Cost field.
- The LTD Depreciation field is copied to the Begin Reserve field.
- The Salvage Value field is copied to the Begin Salvage field.
- In the Book Setup window, the Current Fiscal Year field is increased by one.

Note: There is no Year-End report generated during the fixed assets year-end closing routine.

FREQUENTLY ASKED QUESTIONS (FAQ)

Q1. The fiscal year that is displayed for my book in the Asset Year-End window is not 2020. I closed 2018 last year, and I have not yet closed 2019. What should I do?

A1. See the answer for question 4.

Q2. I have closed General Ledger in Microsoft Dynamics GP, and I now realize that I have not yet closed Fixed Asset Management. Can I perform the fixed assets year-end closing routine at this point?

A2. We recommend that you close General Ledger last, after all the subsidiary modules have been closed. However, Fixed Asset Management can be closed after General Ledger is closed. The GL Posting (GL Interface) process can be performed, and then the transaction or transactions can be posted to the closed year or to the historical year in the general ledger.

To post transactions to the historical year in the general ledger, make sure that the following options are selected in the General Ledger Setup window:

- Allow Posting to History
- Maintain History Accounts

- Maintain History Transactions

The posted transaction will update the historical year, and it will roll forward as a beginning balance to the open year. If any expense accounts or any revenue accounts were included in the transaction, they will automatically close out to the Retained Earnings account or accounts.

Q3. I ran the year-end routine in Fixed Asset Management, and then I ran depreciation in the new year. I see that the depreciation is highly overstated and that some assets have a negative number in the "Net Book Value" field. Why is the system calculating so much depreciation?

A3. This problem occurs if the following conditions are true:

- The year was closed.
- The assets were not depreciated through the last day of the fiscal year.

Consider the following example:

- The fiscal year is a calendar year (January 1 through December 31).
- The assets were depreciated through December 28 when the year was closed.

In this example, depreciation will be incorrect the next time that depreciation is run. The system does not recalculate the yearly rate when the year-end closing routine is performed. Therefore, fixed assets take a full year of depreciation in the last few days that remain in the previous year (December 29 through December 31). The rate of depreciation is the yearly rate currently on each asset. Additionally, if there are assets that are near the end of their original life, the Net Book Value field may become negative. There are two workarounds for this problem:

- Restore the data from a backup, run depreciation through the last day of the year, and then perform the year-end closing procedures.
- Reset life on all the assets.

Note: *If amounts on the assets have ever been entered for the YTD Depreciation field or for the LTD Depreciation field, resetting life on the assets will change these amounts, and the result may be different. If you change the YTD Depreciation field or the LTD Depreciation field by resetting life on the asset, you will cause inconsistencies between Fixed Asset Management and General Ledger. These inconsistencies must be explained.*

Q4. Instead of completing the year-end routine for Fixed Asset Management, I manually changed the "Current Fiscal Year" field in the Book Setup window to the next year. Do

I have to go back and run the year-end closing routine, or can I continue to process activity in Fixed Asset Management for the new year?

- A4.** If no activity, such as additions, changes, transfers, retirements, or depreciation, has been run for the new year, the Current Fiscal Year field in the Book Setup window can be changed back to the previous year, and then the year-end closing routine can be processed.

If any activity, such as additions, changes, transfers, retirements, or depreciation, has been run for the new year, restore the data from a backup, and then continue with the year-end closing routine.

In either situation, the year-end closing routine must be run. If the year-end closing routine is not completed, the amount in the YTD Depreciation field will be overstated on any report that includes assets that were retired or that were fully depreciated in the previous year. If the year-end closing routine is not performed, the amounts in the YTD Depreciation field will not be cleared. The amounts in the YTD Depreciation field will not be zeroed out. Therefore, these amounts will be incorrectly included in the reports for the new year.

GENERAL LEDGER YEAR-END CLOSING PROCEDURES

There are no changes in the 2019 Year-End Update that will affect the General Ledger year-end closing process. Nothing has changed this year in reference to new functionality related to closing the year in General Ledger.

During the year-end closing routine, all records that will be moved from the GL20000 Year to Date Open table to the GL30000 History table are placed in a temporary table before they are permanently moved to the GL30000 History table. You must have enough free disk space that is equal to the size of the GL20000 table to perform the routine.

If you are using Dynamics GP 2013 R2 or higher, there is an option to Reverse Historical Year in the Year-End Closing window. If your GL Year-End close process fails, we recommend that you restore your backup if possible. The new functionality was designed to reverse out a GL year that was successfully closed, not a failed year in which data may be damaged.

The Year-End Closing window also has a checkbox to Maintain Inactive Accounts. If this is unmarked, then any inactive GL accounts without any activity or a balance will be removed during the year-end close process. If you mark this checkbox, then you have the option to keep All Inactive Accounts, or just those With Budget Amounts.

A progress bar in the Year-End Closing window signifies 7 steps in the process. Be sure to allow the GL Year-End Close run to completion.

In addition to the above, there is a checkbox to Clear Balance During Year-End Close in the Unit Account Maintenance window. This will allow you to have unit account balances automatically cleared during the year-end close.

The Year-End Close process for General Ledger should be done after you have completed the Fiscal Year-End Close processes for all other modules that you are closing. You can close the GL year and then make journal entries into the closed fiscal year and these will automatically update the beginning balances for the new year correctly. Be aware that you will not see correct Balance Sheet account balances in your financial statements until you have closed the GL fiscal year.

- The GL Year-End Close processes closes all Profit and Loss accounts to the Retained Earnings account.
- All Balance Sheet account balances are rolled forward to the new year by having Balance Brought Forward (BBF) entries created. All GL open records (GL20000) are moved to the historical table (GL30000).

- Inactive GL accounts without a balance and no historical transactions can be removed based on your selection in the Year-End Close window.
- The Year that was just closed is marked as historical.
- If installed and activated, the Analytical Accounting (AA) module is also automatically closed along with GL.

GENERAL LEDGER YEAR-END CHECKLIST

1. Complete the posting procedures and the closing procedures for other modules.
2. Post the final adjusting entries in General Ledger.
3. Create a SmartList to verify the posting type of each account.
4. Optional: Close the last period of the fiscal year.
5. Optional: Perform file maintenance on the Financial series group of modules.
6. Verify the settings in the General Ledger Setup window.
7. Make a backup.
8. Print a final Detailed Trial Balance report. (Optional)
9. Print the year-end financial statements.
10. Set up a new fiscal year.
11. Close the fiscal year.
12. Optional: Close all the fiscal periods for all the series.
13. Adjust the budget figures for the new year, and then print the financial statements.
14. Create a final backup.

DETAILED INFORMATION FOR EACH STEP IN THE YEAR-END CHECKLIST

Step 1: Complete the posting and closing procedures for other modules

1. Post final transactions in all the modules except in General Ledger
2. Complete the month-end procedure and the quarter-end procedure for all the modules except General Ledger.
3. Complete the year-end closing procedures for each module in the following order:
 - a) Inventory

- b) Payables Management
- c) Receivables Management
- d) Fixed Assets
- e) General Ledger
- f) Analytical Accounting

For Microsoft Dynamics GP 10.0 Service Pack 2 and greater, functionality was added to consolidate balances for dimensions in Analytical Accounting. Please review [KB 960356](#) to make sure you have properly marked the dimensions that you want to be consolidated during the year-end process. Please note that there is no separate year-end process that needs to be run in the Analytical Accounting module. When the year-end close process is run for General Ledger, it will automatically consolidate the balances and move the transactions in Analytical Accounting for dimensions that were properly marked. We encourage you to ensure your AA data matches GL data by executing the scripts in [KB 2910626](#) before closing the GL year.

For more information, click the following article number to view the article in the Microsoft Knowledge Base: [960356](#) The year-end close procedures for Analytical Accounting in Microsoft Dynamics GP 10.0 Service Pack 2 and in later versions

4. There are no required year-end procedures for Sales Order Processing, Purchase Order Processing, or Bill of Materials. Payroll year-end procedures are independent of the other modules and are always performed at the calendar year-end.

Step 2: Post the final adjusting entries in General Ledger.

The adjusting entries include all the entries that correct errors that were made when transactions were recorded. The adjusting entries also include journal entries that are used to assign revenues or expenses to the period in which the revenues were earned or in which the expenses were incurred.

Use the Transaction Entry window or the Quick Journal Entry window to make adjusting entries in General Ledger.

If you have to track initial adjusting entries or post audit entries separate from other fiscal periods, auditing periods can be set up in General Ledger. This feature enables separate tracking of the adjusting entries that are made after the year is closed.

Note: *If you are using closing periods and you reconcile, the transactions all move to the first period with the start date.*

Step 3: Create a SmartList to verify the Posting Type of each account.

The posting type determines whether an account is closed to the retained earnings account or whether an account brings a balance forward to the next fiscal year. If the account balance will be brought forward at the end of the year, the posting type must be set to Balance Sheet. If the account balance will be closed to a retained earnings account at the end of the year, the posting type must be set to Profit and Loss. Use the Account Maintenance window if you must change the posting type for an account.

Follow these steps to verify that all accounts are setup with the correct posting type:

Accounts Mislabeled as Balance Sheet Posting Type

1. Use the SmartList object labeled 'Accounts' to view all General Ledger accounts including the posting type.
2. Use the Search window to set up 2 search criteria to look for accounts that should be profit and loss accounts but are mislabeled as balance sheet posting type:
3. Where the main segment is greater than your last balance sheet account
4. Where the Posting Type equals Balance Sheet
5. Review the results and double click on any field to open the Account card to change the posting type.

Accounts Mislabeled as Profit and Loss Posting Type

1. Use the SmartList object labeled 'Accounts' to view all General Ledger accounts including the posting type.
2. Use the Search window to set up 2 search criteria to look for accounts that should be balance sheet accounts but are mislabeled as profit and loss posting type:
3. Where the main segment is less than your first revenue account
4. Where the Posting Type equals Profit and Loss
5. Review the results and double click on any field to open the Account card to change the posting type.

Step 4: Close the last period of the fiscal year (optional).

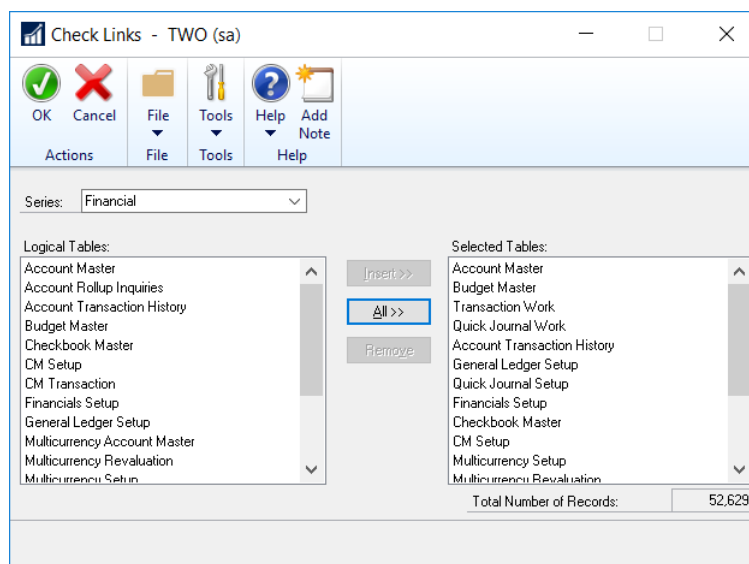
To ensure that no one posts transactions to an incorrect period or year, use the Fiscal Periods Setup window to close any fiscal periods that are still open for the year.

1. Microsoft Dynamics GP > Tools > Setup > Company > Fiscal Periods.
2. Make sure that you have posted all transactions for the period and year for all modules before closing fiscal periods. If you later need to post transactions to a fiscal period you have already closed, use the Fiscal Periods Setup window to reopen the period before posting the transaction. **Mark the checkbox for the last period of the fiscal year under the Financial Series.**

Note: If you use Microsoft FRx, keep one period in the most recent historical year open to prevent the following error message: "FRX Print Engine Failed to Load the Company Calendar."

Step 5: Perform File Maintenance on all the Financial series files (Optional).

1. Always make a backup prior to performing any file maintenance like Check Links.
2. Microsoft Dynamics GP > File > Maintenance > Checklinks > Financial
3. Run the Check Links procedure on the Financial series group of modules.



Step 6: Verify the settings in the General Ledger Setup window

1. Microsoft Dynamics GP > Tools > Setup > Financial > General Ledger

General Ledger Setup - TWO (sa)

OK Clear File Print Tools Help Add Note

Actions File Tools Help

Next Journal Entry 3,581
Next Budget Journal Entry 1
Next Reconciliation 6

Display:
☒ Net Change
☐ Period Balances

Retained Earnings
☐ Close to Divisional Account Segments
Account 000-3030-00

Maintain History:
☒ Accounts
☒ Transactions
☐ Budget Transactions

Allow:
☒ Posting to History
☒ Deletion of Saved Transactions
☒ Voiding/Correcting of Subsidiary Transactions
☐ Back Out of Intercompany Transactions
☒ Update Accelerator Information

Reporting Ledgers
☐ Allow

| Ledger Name | Description |
|-------------|-------------|
| BASE | Base Ledger |

Account Balance for Subsidiary Windows
BASE

User-Defined Field Labels

| | | | |
|----------------|----------------|----------------|----------------|
| User-Defined 1 | User-Defined 1 | User-Defined 3 | User-Defined 3 |
| User-Defined 2 | User-Defined 2 | User-Defined 4 | User-Defined 4 |

- If you want to keep historical records, you must click to select the Accounts check box and the Transactions check box in the Maintain History area of the General Ledger Setup window. The account history lets you print financial statements and calculate budgets from historical information. The transaction history lets you print detailed historical trial balances. The transaction history also lets you view the transaction details. If these check boxes are selected, both the account history and the transaction history are updated during the year-end closing routine.
- You should also be sure that your Retained Earnings Account is correct. If you are closing to Divisional Account Segments, make sure that a retained earnings account exists for every divisional segment.

Step 7: Make a backup

Make a backup before you close the year. Place the backup in a safe, permanent storage. This backup ensures that you have a permanent record of the company's financial position at the end of the year and allows you to quickly restore the information in the event of a power

fluctuation or some other problem occurs during the year-end close procedure. See section on Backups under General Tips and Reminders for more information on creating backups.

Step 8: Print a final Detailed Trial Balance.

Reports > Financial > Trial Balance > Detail

Note: *We recommend that you post all transactions for the period and for the year for all modules before you print the Detailed Trial Balance report. If you post additional transactions later, we recommend that you print a new Detailed Trial Balance report.*

Step 9: Print final financial statements.

Print any year-end financial statements required. The most common financial statements include:

- Balance Sheet
- Profit and Loss Statement
- Statement of Cash Flow
- Statement of Retained Earnings

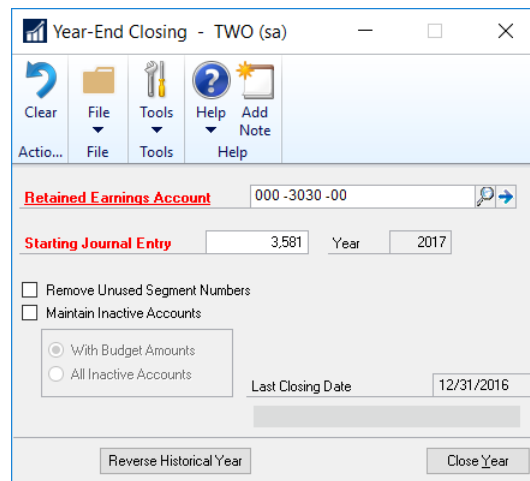
Step 10: Set up a new year in Fiscal Periods Setup.

Before you can perform the year-end closing, a new fiscal year must be set up using the Fiscal Periods Setup window.

1. Microsoft Dynamics GP > Tools > Setup > Company > Fiscal Periods
2. Type in the New Year.
3. Enter the First and Last Day of the Fiscal Year.
4. Click Calculate
5. Adjust Period Beginning Dates as Needed.
6. Click OK to Save your Changes.

Step 11: Close the fiscal year.

If you are on Version GP 10 SP 2 or higher, use Analytical Accounting and want to consolidate balances during the year-end process jump down to the AA checklist steps. If not, you can continue with the year-end closing window for Financial.



1. Microsoft Dynamics GP > Tools > Routines > Financial > Year-End Closing
2. Specify the Retained Earnings account to which the year's profit or loss will be closed. The default account is the one you entered in the General Ledger Setup window when you set up the module.
3. All current-year earnings or current-year losses will be transferred to the account you specify here. If you want to distribute the retained earnings for the year to more than one account, you can enter an allocation account to distribute the retained earnings amount to the appropriate accounts. For example, you could set up an allocation account to divide the earnings between several departments in your business.
4. Or, you could transfer the year's profit or loss to accounts that contain a specific account segment. This is referred to as a divisional retained earnings closing. See the FAQ section below for an example of closing to divisional retained earnings.
5. Specify the starting journal entry number that will be used as the first journal entry number in the next fiscal year. You can either accept the default, which is one more than the highest posted journal entry number for the current year, or enter a new number. The journal entry number you select will be used as the journal entry number for the Year-End Closing Report.
6. Choose the Close Year button in the Year-End Closing window to begin the closing process.
7. **Important** Click Close Year **one time only**. If you click more than one time, you will close more than one year during the process. Also, if the progress window appears to stop at 50 percent, do not restart the routine. As long as the hard disk is processing, let the process continue.

8. If you are maintaining the account history, the year-end closing routine transfers all current-year information for each account in the chart of accounts to the account history. If you are maintaining the transaction history, the year-end closing routine also transfers all current-year information for each account in the chart of accounts to the transaction history. The process then prepares the accounting system for a new fiscal year. Besides transferring current-year figures to the transaction history and to the account history, the year-end closing routine does the following:
 - a) The year-end closing routine reconciles and summarizes the general ledger balances that accumulated throughout the year.
 - b) The year-end closing routine removes accounts that are marked as inactive if the accounts match the criteria for deleting a posting account. Inactive accounts that have been set up as budget accounts can also be deleted if they have no activity for the year. These accounts can be deleted even if budget amounts from past years are associated with these accounts.
 - c) The year-end closing routine moves all profit and loss account balances to the retained earnings account.
 - d) The year-end closing routine summarizes balance sheet accounts and brings the balances forward as the beginning balances of the account in the new fiscal year.
 - e) The year-end closing routine prints the Year-End Closing Report.
9. When the year-end closing routine is complete, the Year-End Closing Report is printed. This report lists the accounts that were closed and the transactions that were created to close those accounts. The Year-End Closing Report is part of the audit trail. Save this report for your company's permanent records. The Year-End Closing Report cannot be reprinted.

Step 12: Close all fiscal periods for all series (optional).

To ensure that no one posts transactions to an incorrect period or year, use the Fiscal Periods Setup window to close any fiscal periods that are still open for the year.

1. Microsoft Dynamics GP > Tools > Setup > Company > Fiscal Periods.
2. Make sure that you have posted all transactions for the period and year for all modules before closing fiscal periods. If you later need to post transactions to a fiscal period you have already closed, use the Fiscal Periods Setup window to reopen the period before posting the transaction. Mark the periods you wish to close under the Financial Series.

Step 13: Adjust the budget figures for the new year and if you use Microsoft Dynamics GP Advanced Financial Analysis reports, then print the financial statements.

Adjust budget figures by using one of the following windows:

- Excel-Based Budgeting
- Budget Maintenance
- Single-Account Budget Maintenance

Print the Profit and Loss Statement to verify that profit and loss accounts were closed to the retained earnings account. Print the Balance Sheet to verify that balance sheet accounts indicate that the balances were brought forward.

If you are using Advanced Financial Analysis to print the financial statements, you must update the report layout to reflect the current fiscal year. To do this, follow these instructions:

1. Go to Reports > Financial > Advanced Financial.
2. In the Reports list, select the Financial Statement, click Open, and then click Layout.
3. Double-click the first column heading.
4. If the column type is set to Period Range, Year-to-Date, or Variable Year-to-Date, select the current fiscal year in the Year list, and then click OK.
5. Repeat step 1 through step 4 for each column of each report.

Step 14: Create post-closing backup.

Make a backup after you close the year. Place the backup in a safe, permanent storage. This backup ensures that you have a permanent record of the company's financial position at the end of the year and allows you to quickly restore the information in the event of a power fluctuation or some other problem occurs during the year-end close procedure. See section on Backups under General Tips and Reminders for more information on creating backups.

FREQUENTLY ASKED QUESTIONS

Q1. Do I have to close the fiscal year before the first day of my next fiscal year?

A1. The year-end closing routine does not have to be completed before you start your next fiscal year. However, we recommend that you close the year as soon as possible.

Q2. Can I make adjusting entries after I close the year?

- A2.** You can post an entry to the most recent historical year if the Posting to History check box is selected in the General Ledger Setup window. If you post an entry to a closed year, a second entry is automatically made that updates the beginning balances for the current fiscal year.

The following tables show an adjusting entry and the way the entry appears in the posting journal.

Adjusting Entry

| | | |
|------------|-------------------------|-------|
| 12/25/2019 | Administration Expenses | \$300 |
| | Cash | \$300 |

Posting Journal

| | | |
|------------|-------------------------|-------|
| 12/25/2019 | Administration Expenses | \$300 |
| | Cash | \$300 |
| 12/31/2019 | Retained Earnings | \$300 |
| | Cash | \$300 |

Q3. After I performed the year-end closing routine, beginning balances are brought forward for some of my sales and expenses accounts. Some of my asset accounts also closed to the retained earnings account. Why did this problem occur, and what can I do to correct it?

- A3.** The posting type that is specified in the Account Maintenance window for the account determines whether a balance is brought forward for the account or whether the account is closed to the retained earnings account. Accounts that use the Balance Sheet posting type carry a balance forward. Accounts that use a Profit and Loss posting type close to the retained earnings account. To resolve this problem, restore from a backup, correct the posting type, and then run the year-end closing routine again.

If you are unable to restore from a backup, use one of the following methods depending on what posting type the account should have been.

Method 1: The account should be a profit-and-loss account:

As a balance-sheet account, this account will have a beginning balance after the year-end closing process is complete. Follow these steps to change the account to a profit-and-loss account and to reverse the beginning balance:

1. Go to Cards > Financial > Account. Type the account number in the Account field. Make sure that the Posting Type area is set to Balance, and then click Save.
2. Use one of the following methods:

If you are registered for Multicurrency Management in Microsoft Dynamics GP, follow these steps:

- a) Go to Microsoft Dynamics GP > Tools > Setup > Financial > Multicurrency
- b) In the Maintain History area, unmark the General Ledger Account check box.

If you are not registered for Multicurrency Management, follow these steps:

- a) Microsoft SQL Server 2005 or 2008: Start > All Programs > Microsoft SQL Server 2005 or 2008 > click SQL Server Management Studio.
- b) Run the following statement against the company database.
`UPDATE MC40000 SET MNSUMHST = 0`
3. Change the Maintain History settings in the General Ledger Setup window. To do this:
 - a) Go to Microsoft Dynamics GP > Tools > Setup > Financial > General Ledger
 - b) In the Maintain History area, unmark the Accounts check box and the Transactions check box.
4. In the Allow area, click to select the Posting to History check box. Click OK.
5. Verify fiscal period settings. To do this:
 - a) Microsoft Dynamics GP > Tools > Setup > Company > Fiscal Periods
 - b) In the Fiscal Periods Setup window, make sure that the fiscal period for the recently closed year is open.
6. Go to Transactions > Financial > General. In the Transaction Entry window, enter a transaction that reverses the incorrect beginning balance of the profit-and-loss account. In the Transaction Date field, enter a date that is in the closed fiscal year.

For example, if the profit-and-loss account has an incorrect debit beginning balance of \$100.00, create a transaction that credits the profit-and-loss account for \$100.00, and then debit the retained earnings account for \$100.00.

7. Click Post.

Note: The transaction updates only the current year because the Maintain History settings are not enabled.

- a) Change the Maintain History settings in the General Ledger Setup window.
 - b) Go to Microsoft Dynamics GP > Tools > Setup > Financial > General Ledger
 - In the Maintain History area, mark the Accounts check box and the Transactions check box.
8. To post the transactions to the transaction history, mark the Posting to History check box under Allow. If you do not want to post the transactions to the transaction history, unmark this check box. Then, click OK.
9. Use one of the following methods:

If you are registered for Multicurrency Management, follow these steps:

- a) Microsoft Dynamics GP > Tools > Setup > Financial > Multicurrency.
- b) In the Maintain History area, mark the General Ledger Account check box.

If you are not registered for Multicurrency Management, follow these steps:

- a) Microsoft SQL Server 2005 or 2008: Start > All Programs > Microsoft SQL Server 2005 or 2008 > click SQL Server Management Studio.
- b) Run the following statement against the company database.

```
UPDATE MC40000 SET MNSUMHST = 1
```

10. Go to Cards > Financial > Account. In the Account Maintenance window, type the account number in the Account field. In the Posting Type area, click Profit and Loss, and then click Save.

Method 2: The account is supposed to be a balance-sheet account

As a profit-and-loss account, this account will not have a beginning balance after the year-end closing process is complete. Follow these steps to change the account to a balance-sheet account and to create the beginning balance:

1. Go to Cards > Financial > Account. In the Account Maintenance window, type the account number in the Account field. In the Posting Type area, click Balance Sheet, and then click Save. In the Account Type area, click Balance Sheet so that the correcting entry that you make in step 6 later in this section will correctly update the beginning balance for the current year.

2. Use one of the following methods:

If you are registered for Multicurrency Management in Microsoft Dynamics GP, follow these steps:

- a) Microsoft Dynamics GP > Tools > Setup > Financial > Multicurrency.
- b) In the Maintain History area, click to clear the General Ledger Account check box.

If you are not registered for Multicurrency Management, follow these steps:

- a) Microsoft SQL Server 2005 or 2008: Start > All Programs > Microsoft SQL Server 2005 or 2008 > click SQL Server Management Studio.
- b) Run the following statement against the company database.

```
UPDATE MC40000 SET MNSUMHST = 0
```

3. Change the Maintain History settings in the General Ledger Setup window. To do this, follow these steps:

- a) Microsoft Dynamics GP > Tools > Setup > Financial > General Ledger.
 - In the Maintain History area, click to clear the Accounts check box and the Transactions check box.

4. In the Allow area, click to select the Posting to History check box, and then click OK.

5. Verify fiscal period settings. To do this, follow these steps.

- a) Microsoft Dynamics GP > Tools > Setup > Company > Fiscal Periods
- b) In the Fiscal Periods Setup window, make sure that the fiscal period for the recently closed year is open.

6. Go to Transactions > Financial > General. In the Transaction Entry window, enter a transaction that creates the correct beginning balance of the balance sheet account. In the Transaction Date field, enter a date that is in the closed fiscal year.

For example, if the balance sheet account should have a debit beginning balance of \$100.00, create a transaction that credits the retained earnings account for \$100.00 and that debits the balance sheet account for \$100.00.

7. Click Post.

Note: The transaction updates only the current year because the Maintain History settings are not enabled.

8. Change the Maintain History settings in the General Ledger Setup window. To do this, follow these steps:
 - a) Microsoft Dynamics GP > Tools > Setup > Financial > General Ledger
 - b) In the Maintain History area, mark the Accounts check box and the Transactions check box.
9. To post the transactions to the transaction history, mark the Posting to History check box under Allow. If you do not want to post the transactions to the transaction history, unmark this check box. Then, click OK.
10. Use one of the following methods:

If you are registered for Multicurrency Management, follow these steps:

- a) Microsoft Dynamics GP > Tools > Setup > Financial > Multicurrency
- b) In the Maintain History area, mark the General Ledger Account check box.

If you are not registered for Multicurrency Management, Follow these steps:

- a) Microsoft SQL Server 2005 or 2008: Start > All Programs > Microsoft SQL Server 2005 or 2008 > click SQL Server Management Studio.
- b) Run the following statement against the company database.

UPDATE MC40000 SET MNSUMHST = 1

Q4. I tried to run the year-end closing routine by using a divisional retained earnings account, but I received the following error message: “Retained Earnings account not found.” What can I do to resolve the problem that causes this error message?

A4. Before the routine can continue, the year-end closing routine must validate that all the required divisional retained earnings accounts exist. For example, the Fabrikam, Inc. demonstration company uses an account format of nnn-nnnn-nn. The first segment represents the department. A retained earnings account must exist for each department that has a profit and loss account. For example, if sales account 400-4100-00 exists, but no 400-nnnn-nn retained earnings account exists, you receive this error message.

Q5. What happens to unit accounts during the year-end closing routine?

A5. A new field is available in Microsoft Dynamics GP 2013 and above that allows you to clear the balance of unit accounts during the year-end close. If you have this marked, unit

accounts will act like profit and loss accounts and the balance will be cleared during the GL year-end close process. If you do not have this marked, Unit accounts are treated as balance sheet accounts and will have a balance that is brought forward when the year is closed.

How to delete balances for unit accounts in the current year if you forget to mark the box to clear the balance:

1. Microsoft SQL Server 2005 or 2008: Start > All Programs > Microsoft SQL Server 2005 or 2008 > click SQL Server Management Studio.
2. Run the following statement against the company database.

```
delete GL20000 from GL00100, GL20000 where GL00100.ACTINDX = GL20000.ACTINDX  
and GL00100.ACCTTYPE = 2 and GL20000.SOURCDOC = 'BBF'
```
3. Go to Tools > Utilities > Financials > Reconcile.
4. In the Reconcile Financial Information window, mark the Year check box.
5. Reconcile each year. Start the process by using the oldest historical year. End the process by using the current open year.

How to delete balances for unit accounts in historical years

1. Microsoft SQL Server 2005 or 2008: Start > All Programs > Microsoft SQL Server 2005 or 2008 > click SQL Server Management Studio.
2. Run the following statement against the company database.

```
delete GL30000 from GL00100, GL30000 where HSTYEAR = 'XXXX' and  
GL00100.ACTINDX = GL30000.ACTINDX and GL00100.ACCTTYPE = 2 and  
GL30000.SOURCDOC = 'BBF'
```
3. Go to Tools > Utilities > Financials > Reconcile.
4. In the Reconcile Financial Information window, mark the Year check box.
5. Reconcile each year. Start the process by using the oldest historical year. End the process by using the current open year.

Q6. I am preparing to close the year in General Ledger. Must everyone exit Microsoft Dynamics GP before I perform the year-end routine?

- A6.** Yes. All users should stop work in Microsoft Dynamics GP and exit DYNAMICS GP while the year-end closing routine is processing. If users continue to work in the program,

transactions may have to be entered again if problems occur during the year-end closing routine.

Q7. I want to allocate the net profit to the retained earnings account or to the capital accounts each month. Also, net profit is supposed to be allocated to three retained earnings accounts or capital accounts. Can I do this?

A7. No, you cannot do this. However, you can specify a non-financial account in the Account Maintenance window. Use a number that is not in your current account numbering scheme. This account acts as a suspense account for the net income or for the net loss. Every month, you can post an adjusting entry to the three capital accounts that you want to adjust. For the offset account, use the suspense account. When the year-end closing routine is finished, use the suspense account as the retained earnings account. This offsets all the manual adjustments that you made to the suspense account during the year. Make sure that the suspense account does not appear on reports.

If you are using Advanced Financial Analysis for financial statements, when you format the balance sheet, put the NP line as the last line on the Advanced Financial Analysis statement. Then, put a page break before the NP line. The balance sheet must have an NP line. However, this line makes the net income or the net loss appear two times. Therefore, format the NP line so that it is off the financial statement. You can also use a report type of Other.

Q8. Why is the status of some of my financial reports set to Invalid?

A8. If a report is configured to use the accelerator file, any changes that are made to accounts in any one of the following windows causes the status of the financial report printing options to change to Invalid:

- Account Maintenance
- Unit Account Maintenance
- Mass Modify Chart of Accounts
- Year-End Closing

Before you print financial statements, you must update the accelerator file. To do this, follow these steps:

- Go to Reports > Financial > Update Financial Accelerator.
- Click Update, and then click Continue.

- Close the Update Financial Accelerator Information window.

Q9. How are non-financial accounts closed during the year-end closing routine?

A9. If the non-financial account is configured to use the Balance Sheet posting type, the account balance is brought forward during the year-end closing routine. If the non-financial account is configured to use the Profit and Loss posting type, the account balance is closed to the retained earnings account during the year-end closing routine.

Q10. When I try to post a batch in the General Ledger module, I receive the following message: “Batches cannot be posted while the Year-End Close is in progress.” The year-end closing routine is not being run in General Ledger. What should I do?

A10. To resolve this issue, have all users close all transaction entry windows. Then, delete the SY00800 file if you are running a Microsoft SQL Server database. To do this, run the following statement on the DYNAMICS database:

```
delete SY00800 where BACHNUMB = 'GL_Close'
```

Q11. I receive the following message when I try to close the year in General Ledger: “Sorry, another user is closing the year.” No one else is trying to close the year. What should I do?

A11. To resolve this issue, delete the SY00800 file if you are using a Microsoft SQL Server database. To do this, run the following statement in SQL Query Analyzer on the DYNAMICS database:

```
delete SY00800 where BACHNUMB = 'GL_Close'
```

Q12. I am performing the year-end closing routine in General Ledger and it appears to be stopped at 50 percent. My workstation seems to have stopped responding. What should I do?

A12. If the year-to-date transaction open file (GL20000) is large, it may take a long time for the year-end closing routine to finish. If the hard disk is still processing, the year-end closing routine has not stopped responding. We recommend that you let the routine run. If the hard disk is not processing, we recommend that you restore from a backup. Then, follow the steps in this article again, starting at step 5.

Q13. If an adjusting entry has been posted to a year that is closed, can I print a corrected Trial Balance report for that year?

A13. Yes, you can print a corrected Trial Balance report for the year that is closed. To do this, follow these steps:

1. Go to Reports > Financial > Trial Balance > New.
2. In the Option field, type With Adjustments.
3. In the Include area, click to select the Posting Accounts check box.
4. In the Year area, click to select the History check box, and then select the historical year in the Year list.
5. Click Destination to specify a report destination, and then click OK.
6. Click Print.

Q14. How does Microsoft Dynamics GP determine the financial statement that is printed for the account that I am adding?

A14. The category determines the type of financial statement that is printed when you use quick financial statements for the account that you are adding. The category is either the Balance Sheet category or the "Profit and Loss" category. You must format the reports to print the accounts that you want in Advanced Financial Analysis and in Microsoft FRx and in Management Reporter. The posting type is used during the year-end closing routine to determine the accounts that close to the retained earnings account and to determine the account that carries a balance forward. The posting type does not affect the financial statements.

Q15. When I tried to perform the year-end closing routine, I received an error message that stated that a single-use batch or a quick journal transaction had not been posted. What does this error message mean?

A15. When you try to perform the year-end closing routine, you may receive the following error message: *"A single use batch or quick journal transaction has not been posted yet. Do you want to continue closing?"* You receive this error message if an unposted single-use batch or an unposted quick journal transaction exists in General Ledger. This error message does not prevent you from continuing with the year-end closing routine. If you do not want to post the single-use batch or the quick journal transaction, continue with the year-end closing routine.

Q16. When I try to perform the year-end closing routine in General Ledger, why do I receive the following error message: “[Microsoft][ODBC SQL Server Driver][SQL Server]Violation of PRIMARY KEY constraint 'PK##0671112'. Cannot insert duplicate key in object '##0671112' “

A16. The year-end closing transactions contain a currency that is not assigned to an account.

To resolve this problem, assign the currency to the appropriate account. To do this, follow these steps:

1. Have all users exit Microsoft Dynamics GP.
2. Restore a backup of the company database that was made before you tried to perform the General Ledger year-end closing routine.
3. Start the Support Administrator Console, Microsoft SQL Query Analyzer, or SQL Server Management Studio. To do this, use one of the following methods depending on the program that you are using.
 - a) Microsoft SQL Server 2005 or 2008: Start > All Programs > Microsoft SQL Server 2005 or 2008 > click SQL Server Management Studio.
4. Run the following script against the company database:

```
Select CURRENCYID FROM GL20000
```
5. Make note of all currencies displayed in the CURRENCYID column.
6. Start Microsoft Dynamics GP, and then log in as user 'sa'.
7. Go to Cards > Financial > Account.
8. In the Account field, type the retained earnings account number.
9. Click Currency.
10. In the Select Account Currencies window, mark the Currency ID check boxes that you noted in step 5.
11. Perform the year-end closing routine in General Ledger.

Q17. Why did the year-end closing process delete some GL accounts that may be tied to budgets?

A17. The year-end closing process will delete GL accounts that are marked as inactive and have no activity in the current year if you have not checked the box Maintain Inactive Accounts.

HOW TO SET UP AN ADJUSTING PERIOD IN GENERAL LEDGER

This section describes how to set up an adjusting period to record adjustments that are posted to the general ledger after the year-end close process has been performed.

The adjusting period that you set up should meet the following conditions:

- The adjusting period should start on the last day of the fiscal year.
- The adjusting period should not overlap any other period dates.

To set up an adjusting period in General Ledger in Microsoft Dynamics GP, follow these steps.

Note: Historical periods cannot be changed.

1. Take one of the following actions as appropriate:

- a) Microsoft Dynamics GP > Tools > Setup > Company > Fiscal Periods
- b) Set up each fiscal period. To do this, see the steps in the following example.

Note: This example assumes that the fiscal year starts on January 1 and ends on December 31 and that the fiscal year has a 13th adjusting period.

- i) In the Year list, click a year. For example, click 2020.
- ii) In the First Day field, type a first day for the fiscal period. For example, type 01/01/2020.
- iii) In the Last Day field, type a last day for the fiscal period. For example, type 12/31/2020.
- iv) In the Number of Periods field, type the number of periods for the fiscal year. For example, type 12.
- v) Click Calculate.
- vi) If it is necessary, adjust the start dates of the periods. In this example, type dates in the Date column beside the corresponding entry in the Period Name column as indicated in the following list:
 - Period 1: 01/01/2020
 - Period 2: 02/01/2020
 - Period 3: 03/01/2020
 - Period 4: 04/01/2020
 - Period 5: 05/01/2020

- Period 6: 06/01/2020
 - Period 7: 07/01/2020
 - Period 8: 08/01/2020
 - Period 9: 09/01/2020
 - Period 10: 10/01/2020
 - Period 11: 11/01/2020
 - Period 12: 12/01/2020
 - Period 13: 12/31/2020
2. Click OK.
 3. Go to Microsoft Dynamics > Tools > Utilities > Financial > Reconcile
 4. Click to select the Year check box.
 5. Click Reconcile. Microsoft Dynamics GP reconciles the account summary data to the account detail data for all general ledger accounts.

KEY POINTS TO REMEMBER

- ALWAYS have a current backup before you close the year. If you receive any errors during the year-end close process, make a screen-print of the error message and then restore the backup immediately.
- Make sure ALL users are out of Dynamics GP when you perform the year-end close process.
- Perform the Year-End Close process on your SQL server
- Make sure there is enough room for the files to double in size at one point during the Year-End Close process
- Follow the checklist and suggested order to close the modules.
- One of the biggest problems is related to the Account Posting Type not being set correctly before the Year-End Close takes place. It is essential to check the Posting Type prior to closing GL to avoid an unwanted balance getting closed or carried forward or an incorrect Retained Earnings amount getting generated because of the incorrect posting type.
- If you use Analytical Accounting, be sure to review the information in the next section of this document and do the steps prior to running the GL Year-End Close.

- Make sure you allow the GL Year-End Close to run to completion. For DYNAMICS GP 2010 and prior versions that do not have a progress bar, the system might appear to hang or stop processing. Do not close the Year-End Close window until after the last step completes, which is to print the Year-End Close report. This is the best indicator that the process has completed.
- Be very careful that you do not click the Close Year button more than once on the Year-End Close window.

RESOURCES

A few additional KB articles that point out other common issues for the Year-End Close process in GL are:

- 864913 – Changing the posting type on an account after you close the year in General Ledger in Microsoft Dynamics GP <http://support.microsoft.com/kb/864913>
- 871679 - How to set up an adjusting period in General Ledger in Microsoft Dynamics GP <http://support.microsoft.com/kb/871679>
- 850615 - How to use divisional retained earnings accounts in General Ledger in Microsoft Dynamics GP <http://support.microsoft.com/kb/850615>
- 850741 - Error message when you try to perform the year-end closing process in General Ledger in Microsoft Dynamics GP: "Retained Earnings account not found" <http://support.microsoft.com/kb/850741>
- 857582 How to clear beginning balances for unit accounts in General Ledger in Microsoft Dynamics GP <http://support.microsoft.com/kb/857582>
- 856550 – Error message when you try to post a transaction in General Ledger in Microsoft Dynamics GP after the year is closed: "Year-End Close is still in process and batches cannot be posted" <http://support.microsoft.com/kb/856550>
- 2452542 - Inactive GL Accounts deleted during Year-End Close process for General Ledger in Microsoft Dynamics GP <http://support.microsoft.com/kb/2452542>

ANALYTICAL ACCOUNTING YEAR-END CLOSING PROCEDURES

The 2019 Year-End Update does not contain any changes or new functionality that affects how Analytical Accounting behaves during the year-end closing process.

In Microsoft Dynamics GP 2013 R2 and up, the GL Year-End Closing window now includes a Reverse Historical Year button to reopen a GL year. If the beginning balances are incorrect in Analytical Accounting, or you find data discrepancies with data from your historical years, you can use this new feature in GL to reopen the year, fix the Analytical Accounting data, and then reclose the year again to have the BBF entries recalculated correctly in the AA tables.

The Year-End close process for Analytical Accounting is automatically integrated with the Year-End close process for General Ledger. There are no separate steps that you need to run in Analytical Accounting to close the year.

If your Financial reports need to pull data from AA tables be sure to give yourself plenty of time to go through all the information provided before you close the GL year.

There are many reasons why AA data may not match the GL data. If AA is active, all transactions from other modules update the AA tables (whether or not the GL accounts are linked to AA and whether or not you put AA codes on the transactions). All transactions need to be accurate in the AA tables if you are doing your financial reporting from the AA tables.

The following year-end close procedures for Analytical Accounting are applicable for versions Microsoft Dynamics GP 10.0 Service Pack 2 (10.00.1061) and above.

When the year-end close process is run for General Ledger in Microsoft Dynamics GP, it automatically moves the Analytical Accounting transactions from the AAG30000 series tables to the AAG40000 series tables. (There is no separate closing procedure that must be run in Analytical Accounting.) You may select which dimensions that you want to be consolidated during the year-end process. In General Ledger, balance sheet dimensions will roll forward, and P&L dimensions will close to Retained Earnings. In Analytical Accounting, Balance Brought Forward (BBF) entries are created in the AAG30000 series tables for those dimensions that were marked to be included in the year-end process, and then the detail is moved to the AAG40000 series tables.

Note: If you use FRx reporting, you must apply hot fix 962862 for Microsoft FRx to be able to read Analytical Accounting detail in the AAG40000 series tables.

The GL year-end close process will affect the following in the AA tables:

- Moves AA data from open tables (AAG30000 – AAG30003) to the history tables (AAG40000 – AAG40003)
- Creates Balance Brought Forward (BBF) entries in the AAG30000 series tables
- Consolidates balances and ties AA codes to the BBF entries for the AA dimensions that were marked to be included in the year-end close.

ANALYTICAL ACCOUNTING YEAR-END CHECKLIST

1. Review AA Data
2. Setup steps needed to consolidate balances in Analytical Accounting
3. To move data to history for the closed years, use the Analytical Accounting Utilities.
4. Print the Transfer Preview report.

DETAILED INFORMATION FOR EACH STEP IN THE YEAR-END CHECKLIST

Step 1: Review AA Data

If the AA data does not match GL data, and financial reports are pulled from AA tables, this could skew your financial reports if your AA tables are not consistent with GL, and you will not balance to the GL Trial Balance reports. Missing or duplicate data in the AA tables can skew the beginning balance entries created in the AA tables. So, the first step is to determine if your Financial reports use the AA tables or not. If you use the AA tables or Management Reporter, it is recommended to use the steps in [KB 2910626](https://support.microsoft.com/en-us/kb/2910626) (<https://support.microsoft.com/en-us/kb/2910626>) to help look for mismatched data between AA and GL that you will need to correct before closing the GL year.

Step 2: Setup steps needed to consolidate balances in Analytical Accounting during the General Ledger year-end close process:

Prior to closing the General Ledger fiscal year, follow these steps to make sure the dimension is marked correctly to be included in the GL year-end close process:

1. Mark the setup option to include Analytical Accounting in the year-end close as follows:
 - a) Microsoft Dynamics GP > Tools >> Setup > Company > Analytical Accounting > Options
 - b) Click to select the **Include in Year-End Close** check box, and then click OK.

Note: This option is just to enable the functionality to create the Balance Brought Forward entries on the dimensions. The Analytical Accounting data will still move to the AAG40000 series tables when General Ledger is closed regardless of whether this option is marked.

2. Individually mark the dimensions to be included in the year-end as follows:
 - a) Cards > Financial > Analytical Accounting > Transaction Dimension
 - b) In the **Trx Dimension** list, click the dimension that you want to include in the year-end close process.
 - c) In the Year-End Close area, select the Include in the Year-End Close check box and Save.
 - d) Repeat steps b and c for each dimension that you want to include in the year-end close process.

Step 3: Move data to history for the closed years

If this is the first time you are closing GL on a version of DYNAMICS GP 10.0 SP2 or higher (with AA activated), you will be prompted to move AA data to history before the system will allow you to close the GL fiscal year.

The system will verify that the AA data is in the corresponding open/historical series of AA tables, as the GL data sits in the open/historical tables in GL.

If you run into this, you will receive a message stating 'You must consolidate transactions and transfer detail to history utility to close the year' during the GL Year-End Close. Use the steps in [KB 960356](https://support.microsoft.com/en-us/kb/960356) (<https://support.microsoft.com/en-us/kb/960356>) to resolve this.

You should not need to run the Move To History Utility for AA more than the initial year. The Move To History utility was meant to be a one-time process to get you caught up with historical AA tables populated based on GL data. After the initial year, the data should automatically close along with the GL year-end close process.

If you need to use the Move To History utility because you have Analytical Accounting data from earlier years in your AAG30000 history table that you need to move to the AAG40000 historical table, follow these steps to consolidate those years:

1. Go to Microsoft Dynamics GP > Tools > Utilities > Financial > Analytical Accounting > Move Data to History
2. Click the appropriate option:

- a) To move Analytical Accounting data to the history tables for the years that you already closed in General Ledger, click **Transfer transaction detail to history**.
- b) To consolidate the balances of all the transaction dimension codes in the closed year and to transfer the analysis information to the history tables, click **Consolidate transactions and transfer detail to history**.

Note: *The consolidated balances are brought forward to the new year.*

- c) To print a preview report that displays the consolidations that will be made, click **Print transfer preview report only**. Click OK.

Note: *This option does not change data.*

Step 4: Run GL year-end close process to move AA balances and create BBF's.

1. Proceed to run the GL year-end close process for the balances in AA to update.

KEY POINTS TO REMEMBER:

- Follow the steps in [KB 960356](https://support.microsoft.com/en-us/kb/960356) (<https://support.microsoft.com/en-us/kb/960356>) titled "The Year-End close procedures for Analytical Accounting in Microsoft Dynamics GP." This KB includes steps and SQL scripts to make sure the AA data matches GL data. It also has steps to verify that the AA dimensions that you wish to be consolidated during the year-end close process are properly marked to create BBF entries, and steps on how to move data to history. You should determine if your reporting tool uses AA tables or not. Data Mart with Management Reporter now reads from AA tables, so it is more important than ever to make sure your AA data matches GL data.
- New to Microsoft Dynamics GP 2015, the user can determine the data that is available to the Microsoft Dynamics Management Reporter Data Mart to help improve the performance and give the user control over the data selected. Note that the latest release of Data Mart (CU16 - 2.0.1663.3) does have the option to report with or without AA data.
- Make sure the GL year-end close is performed at a workstation that has AA installed and activated, and that users know not to disable AA if they receive any messages. Restore to the backup immediately and make a screen-print of the AA error message if assistance is needed with the GL year-end close process.

RESOURCES:

- The year-end close procedures for Analytical Accounting in Microsoft Dynamics GP can be found in [KB 960356](https://support.microsoft.com/en-us/help/960356/the-year-end-close-procedures-for-analytical-accounting-in-microsoft-d) <https://support.microsoft.com/en-us/help/960356/the-year-end-close-procedures-for-analytical-accounting-in-microsoft-d>
- The scripts to use to verify that your AA data matches GL data before you close the GL year can be found in [KB2910626](https://support.microsoft.com/en-us/help/2910626/financial-reports-from-management-reporter-do-not-match-the-general-le) <https://support.microsoft.com/en-us/help/2910626/financial-reports-from-management-reporter-do-not-match-the-general-le>

PAYROLL YEAR-END CLOSING PROCEDURES

In addition to the payroll Year-End closing checklist, the following information also includes tips on installing the tax updates, preparation tasks, and instructions on reviewing your W-2s prior to Year-End.

The Payroll Year-End Close should be processed after all pay runs have been completed and before processing any pay runs in the new year.

LATEST RUNTIME AND SERVICE PACK VERSION NUMBERS

The Year-End Update includes the latest service pack as follows:

- Microsoft Dynamics GP 2015 – Year-End Update includes version R2. To install the 2019 Year-End update, you need to be on 14.00.1059 or later.
- Microsoft Dynamics GP 2016 – Year-End Update includes version R2. To install the 2019 Year-End update, you need to be on 16.00.0620 or later.
- Microsoft Dynamics GP 2018 – Year-End Update includes version R2

The Year-End Update can be installed at any time after it has been released – you do not need to wait till the end of the year to install the Year-End Update.

Note: Please be aware that if you are on Microsoft Dynamics GP Version 2013 or earlier, there will be no year-end update or tax updates.

If you have already installed the latest Service Pack prior to the release of the year-end update, you will need to install the Year-End Update to obtain the changes to the payroll module.

Dynamics GP 2015 Year-End Update:

<https://mbs.microsoft.com/customersource/northamerica/GP/downloads/tax-regulatory-updates/usgpye2015>

Dynamics GP 2016 Year-End Update:

<https://mbs.microsoft.com/customersource/northamerica/GP/downloads/tax-regulatory-updates/usgpye2016>

Dynamics GP 2018 Year-End Update:

<https://mbs.microsoft.com/customersource/northamerica/GP/downloads/tax-regulatory-updates/usgpye2018>

After you install the Year-End Update, check the Last Year-End Update date in Tools > Setup > Payroll > Payroll. It should be November 18, 2019.

Payroll Setup - TWO (sa)

OK Cancel Additional File Print Tools Help Add Note Help

Actions Additional File Tools Help

☒ Automatic Overtime
Regular Hours Required: 80.00

☐ Auto Assign Employee ID
Next Employee ID: 0000000000000001

Passwords
Vacation Available:
Sick Time Available:

Last Date Posted
FUTA:
SUTA:
Workers' Comp:

Maintain History
☒ Check
☒ Transaction
☒ Account Distribution

Defaults
Computer: PAYROLL
Manual: PAYROLL
Check Format: Stub on Top - Continuous
Print: Alignment Form

COBRA Subsidy Benefit Code:

SSN Mask Timecard Options Multiuser Options Classes

Last Year-End Update: 11/18/2019

You can also insure that the Year-End Update has been applied by checking the latest version under Help > About Microsoft Dynamics GP.

About Microsoft Dynamics GP - TWO (sa)

OK Options Additional File Tools Help Help

Actions Additional File Tools Help

Microsoft

Microsoft Dynamics GP

| Session Information | | Version Information | |
|---------------------|------------------|--|------------------|
| Current: | 0 | Total Registered: | 15 |
| Employees: | 0 | Microsoft Dynamics GP: | 18.2.1036 (2019) |
| Site: | Unlimited | Dexterity: | 18.00.0021.000 |
| Language-Country: | English-US | SmartList: | 18.2.1013 |
| Server: | Dynamics GP 2018 | Database: | SQL Server |
| Session ID: | 8 | System: | Windows 8 |
| Size: | 535MB | ODBC Driver Manager: | 03.80.0000 |
| | | ODBC Driver: | 11.00.7462 |
| | | Microsoft SQL Server 2017 (RTM-GDR) (KB4505224) - 14 | |

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The latest updates are as follows:

- [W-4 form change for 2020](#)
-Changes for Employee Self Service W4 form and Cards | Payroll | Tax window (required table changes)
- No W-2, W-3, ACA form or EFW2 electronic file changes
- Print W-2 on blank paper: GP 2016R2 & later **ONLY**
- Microsoft GP **does not** support electronic filing for ACA forms
- No Payables form changes
- Fixed Asset Luxury Auto Depreciation changes
- New tax tables published based on [15-T](#)
-Including New Head of Household Status, Standard and Multiple Jobs withholding tax tables

The blog series is out for 2019 Year end

Note: No updates for GP 2015 past 4/14/2020 - need to upgrade before year end if you are on payroll

The release dates for the 2019 Year-End Updates and 2020 US Tax Updates for Microsoft Dynamics GP 2015, Dynamics GP 2016, and Dynamics GP 2018 are as follows:

- US Payroll Year-End – November 18, 2019)
- 2020 Tax Update (Round 1) – December 20, 2019
- 2020 Tax Update (Round 2) – Mid-January 2020

Important to Note:

- The deadline for EFW2 (Magnetic Media) filing is 1/31/2020. As such, both W-2s and EFW2's are due the same day. We recommend you verify both your W-2 and EFW2 well before this deadline to ensure you have adequate time to validate your data
- The 2019 Year-End Update is strongly recommended for W-4 changes in the Employee tax card. If you wish to install it, it should be installed prior to closing the 2019 year in Payroll.

Make sure that you have restorable backups of the system and company database(s), the Microsoft Dynamics GP Dynamics application code folder, and all Reports and Forms dictionaries prior to installing the Year-End Update and the Tax Table Updates referenced in this document.

During the installation process, do not allow users to work in Microsoft Dynamics GP until the 2019 Payroll Year-End update is installed on ALL workstations. The update can change the code version and/or the reports dictionary, and all users need to be on the same version before accessing Microsoft Dynamics GP.

Note: *If you have any 3^d-party applications and/or specific modifications to your Microsoft Dynamics GP system, please consult with your Crestwood client account manager or the Crestwood Support team prior to applying any service packs.*

OTHER PREPARATION TASKS FOR YEAR-END

- Verify that you have the appropriate W-2 Check Boxes marked per employee in **Cards > Payroll > Tax**. The Retirement Plan box has to be checked manually; it does not get marked automatically when an employee has an active retirement plan deduction.
- Verify that the State Withholding information has been entered in **Microsoft Dynamics GP > Tools > Setup > Payroll > Tax ID**. The Employer ID Number entered here will print on the W-2s.
- Verify that your deductions and/or benefits have been set up with the proper W-2 Box and Label information. For instance, 401K deductions should be displayed in Box 12 with a label "D."
- All non-cash taxable benefits, such as automobile expenses, life insurance benefits, moving expenses, etc., should be included in the final pay run of the calendar year. The appropriate taxes need to be calculated on the benefit and taken out of regular pay.
- Verify the last Tax Update installed on Dynamics GP. (Microsoft Dynamics GP > Tools > Setup > System > Payroll Tax). The date will be in January 2019 or later. If not, install the latest tax update for the 2019 tax year applicable to your version. (Microsoft Dynamics GP > Tools > Maintenance > U.S. Payroll Updates > Check for Tax Updates)

AFFORDABLE CARE ACT (ACA)

This is the fifth year of reporting ACA from Dynamics GP.

There are no changes to the 1095 forms this year.

One of the items that Microsoft still has struggled with is inactive employees and whether to not print a 1095-C form. Last year there was a NEW approach. With how the ACA rules changed, now you cannot leave a box blank or empty, so when an employee leaves the company, what our clients do is to enter 2A in Box 16 - meaning Employee not employed during the month. When you click the PRINT button for the 1095-C form, if an employee is 2A for all 12 months, the form will not print. You will see the employees get included in the year-end, (in case you need to edit this employee and make changes to the record) but when you print the 1095-C, those employees will not be included.

Another area that was causing ACA data inconsistencies was insurance codes that are non-ACA reportable, such as Vision or Dental plans. If you had a health insurance code that did not change all year, such as added Dental, Dynamics GP would grab the "None" record as that was the newest record for the year. Last year Microsoft decided to "identify" true ACA recordable codes from the Health Insurance Setup on the Human Resource side. The field that is used to determine if the code is ACA recordable is at the Setup, None and None in the ACA Info section. If both are None, the code is not included when the year-end wage file is created during the Payroll Year-End Close.

To make sure this is set correctly, go to Microsoft Dynamics GP button > Tools > Setup > Human Resources > Benefits and Deductions > Health Insurance. Review all of your Health Insurance Codes and make sure that any Dental and Vision codes have None for Line 14 and None for Line 16 and make sure that any Health Insurance benefits that need to be reported on 1095-C forms have those two fields selected as something other than None and None. Pick a default that would suit most of your employees, such as 1A and 2C as an example.

Below is an example of a code that will NOT be picked up for ACA 1095-C reporting:

| Code | | DENTAL | |
|-----------------------------------|-------------------------------|--------|--------------|
| Description | Dental Insurance | | |
| Frequency | Weekly | | |
| Carrier | | | |
| Group Number | | | |
| Maximum Age: | Employee | 00 | Dependent 00 |
| Waiting Period (days) | 0 | | |
| Type of Coverage | SINGLE | | |
| Coverage Description | Single employee only coverage | | |
| Major Medical Coverage | 0.00% | | |
| Maximum Out-of-Pocket | \$0.00 | | |
| Contributions | | | |
| Employee | \$50,000 | | |
| Employer | \$10,000 | | |
| Deductible | \$0.00 | | |
| COBRA Premium | \$0.00 | | |
| Maximum Benefit | \$0.00 | | |
| Affordable Care Act Info. | | | |
| Offer of Coverage Codes - Line 14 | None | | |
| Safe Harbor Codes - Line 16 | None | | |
| Lowest Cost Premium | \$0.00 | | |

Below is an example of a code that will be picked up for ACA 1095-C reporting as Box 14 and 16 are something other than None.

| Code | | INS | |
|-----------------------------------|-------------------------------|-----|--------------|
| Description | Insurance Premium | | |
| Frequency | Semimonthly | | |
| Carrier | BCBS of IL | | |
| Group Number | 23432234 | | |
| Maximum Age: | Employee | 18 | Dependent 00 |
| Waiting Period (days) | 30 | | |
| Type of Coverage | SINGLE | | |
| Coverage Description | Single employee only coverage | | |
| Major Medical Coverage | 0.00% | | |
| Maximum Out-of-Pocket | \$0.00 | | |
| Contributions | | | |
| Employee | \$0.000 | | |
| Employer | \$49,360 | | |
| Deductible | \$150.00 | | |
| COBRA Premium | \$52.00 | | |
| Maximum Benefit | \$500,000.00 | | |
| Affordable Care Act Info. | | | |
| Offer of Coverage Codes - Line 14 | 1A | | |
| Safe Harbor Codes - Line 16 | 2C | | |
| Lowest Cost Premium | \$60,70 | | |

As in previous years, Microsoft Dynamics GP will NOT support the electronic filing for the 2019 year for ACA.

Greenshades and Integrity-Data will allow you to track ACA in Microsoft Dynamics GP. Please contact your Client Account Manager or support@crestwood.com if you need to report the ACA electronically and currently are not using Greenshades or Integrity-Data to handle this.

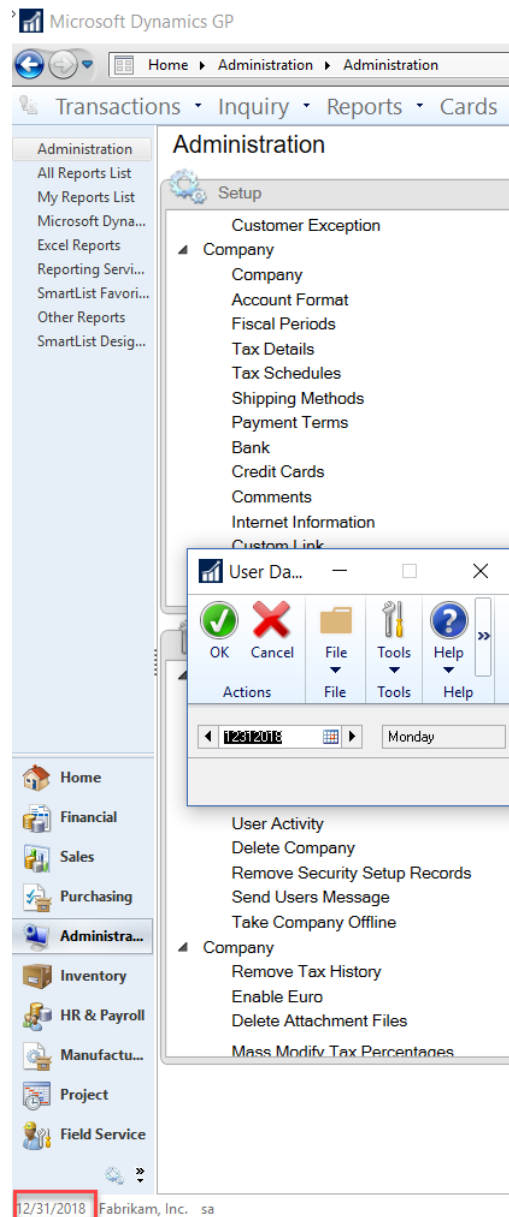
Plan start month is not required again this year so Dynamics GP does not populate it.

Similar to prior years, the all 12 month checkbox is not required for employees so Dynamics GP does not populate each individual amount for an employee, but on the dependent the covered all 12 month box will be populated.

Note that applicable employer-sponsored group health plan values should be reported in Box 12 DD on the W-2. For more details, please see <https://www.irs.gov/affordable-care-act/form-w-2-reporting-of-employer-sponsored-health-coverage>

Additional information about the Affordable Care Act

- You must have the Human Resource module installed to enter and track the information related to the Affordable Care Act.
- The Effective Date used by the Affordable Care Act Information is based on your Dynamics GP User Date. Be sure you change your User Date prior to entering the Affordable Care Act Information in the Health Insurance Enrollment window. Click the date in the lower left corner of your Microsoft Dynamics GP window to open the User Date window. Enter the date the Affordable Care Act Information changes will (or were) effective.



- After you have changed your User Date, enter the appropriate Affordable Care Act Information in the Health Insurance Enrollment window (Cards > Human Resources > Employee – Benefits > Health Insurance). Be sure to enter the ACA information for all events (new hire, becomes eligible for health insurance, changes to health insurance, leaves your employment, etc.)
 - Dynamics GP does **NOT** use the Benefits Begin Date, the Eligibility Date, nor the Benefit Ends date to determine the Effective Date of the ACA codes.

- Each time you make a change to the ACA information in the Health Insurance Enrollment window, Dynamics GP updates the Employee ACA table (UPR00905) with the new Effective Date and codes that were entered for the employee/health insurance code combination.

- If you need to track Dependent Coverage, you can enter the information in the Employee Dependents/Beneficiaries window (Cards > Human Resources > Employee > Dependents/Beneficiaries). You also need to be sure to set your Dynamics GP User Date prior to making any changes in this window so that the correct Effective Date will be updated in the SQL table. Employees 'self' category are always 'covered' because the data from this window is not used for the employee themselves. Only the dependents need to be entered in this window and marked as Covered or Not Covered.
 - Enter the dependent Last Name and First Name at the top of the Window
 - Select the Relationship to the employee
 - Select Covered or Not Covered as the Health Ins. Coverage
 - Click the Insert button (blue arrow pointing to the left) at the bottom right of the window to insert the dependent into the grid.
 - The changes update the Dependent ACA table (UPR00904)

Employee Dependents/Beneficiaries - TWO (sa)

Save Clear Delete Reports Cancel File Print Tools Help Add Note

Employee ID: ACKE0001 Ackerman, Pilar

Last Name: Barnhill First Name: Josh Middle Initial: Relationship: Spouse

Home Phone: (312) 555-0943 Work: () 555-0000 Ext. Address: 1939 NE Garfield Address2: City: Winnetka State: IL ZIP Code: 60093-9122

Status: Marital Status: Change Date: 0/0/0000 Disabled: 0/0/0000

| Relationship | Complete Name | Age | Date of Birth |
|--------------|----------------|-----|---------------|
| Spouse | Josh Barnhill | 30 | 12/31/1987 |
| Child | Jay Adams | 4 | 1/15/2013 |
| Self | Pilar Ackerman | 29 | 11/24/1988 |

- You can use SQL Management Studio to write views or look at the data in the two ACA tables (UPR00904 and UPR00905) prior to running the Payroll Year-End Close. If necessary, you may need to use Update statements to modify the data in the ACA tables if it is incorrect. Contact support@crestwood.com for assistance.
- When you run the Year-End Close process, data from the Employee ACA table (UPR00905) and Dependent ACA table (UPR00904) updates the ACA Year-End Table (UPR10111).

TESTING W-2S BEFORE CLOSING THE YEAR

It is possible to review W-2 information without officially closing the year. These steps should only be done when a pay run is not in process:

- Make a backup.
- Go to Microsoft Dynamics GP Menu > Tools > Routines > Payroll > Year-End Closing.
- Type the correct reporting year in the Create Year-End Wage File for Year field, and then click Process.

- You may now review W-2 information as needed under Microsoft Dynamics GP >Tools > Routines > Payroll > Edit W-2s.
- You must remove the year-end wage file prior to running the next payroll. To do this, go to Microsoft Dynamics GP > Tools > Utilities > Payroll > Remove Year-End Information. Insert the Year and click Process, then click the Remove button.

PAYROLL YEAR-END CHECKLIST

1. Verify the version of Microsoft Dynamics GP.
2. Complete all pay runs for the current year.
3. Complete all monthly and quarterly payroll period-end procedures for the current year (Optional).
4. Make a backup of your company data labeled Pre-Year-End Wage File
5. Install the Year-End Update (NOTE: you do not need to wait till Year-End, you can install this as soon as it is available, but you must install prior to running the Payroll Year-End Close if you have not done so before that time)
6. Create the year-end file (i.e., run the Payroll Year-End Close)
7. Make a backup of your company data labeled Post Year-End Wage File
8. Verify W-2 and 1099-R statement information
9. Print the W-2 and 1099-R Validation Reports
10. Archive inactive employee Human Resources information (Optional)
11. Create the Human Resources attendance period schedules for the new year
12. Set up fiscal periods for 2020
13. Close the fiscal periods for the Payroll series for 2019 (Optional)
14. Install the payroll tax update for 2020
15. Process the 2020 pay run. The user date must occur in 2020.
16. Print the W-2 statements, 1095-C, 1094-C, and the W-3 Transmittal form
17. Print the 1099-R forms and the 1096 Transmittal form
18. Create an Electronic W2 file (Optional)

DETAILED INFORMATION FOR EACH STEP IN THE YEAR-END CHECKLIST

Step 1: Verify the Version of Microsoft Dynamics GP

The 2019 Year-End Update and the 2020 Payroll Tax Updates will be available for the following versions only:

- Microsoft Dynamics GP 2015
- Microsoft Dynamics GP 2016
- Microsoft Dynamics GP 2018

To verify your version information:

- On the Home Page – Click on  Button > About Microsoft Dynamics GP

Step 2: Complete All Pay Runs for The Current Year.

It's important that you complete all pay runs for 2019 before you install a 2020 Payroll tax update. If you install a 2020 Payroll tax update before completing your 2019 pay runs, taxes will be calculated at 2020 rates for the remainder of the 2019 pay runs. If a 2020 tax update is installed prior to creating the Year-End Wage file, your W-2s will report incorrect information, due to changes in the FICA limits.

Step 3: Complete all payroll month and quarter end procedures (optional).

For more information about period-end procedures for payroll, view Chapter 21, "Payroll Company Routines," in the Microsoft Dynamics GP user's manual.

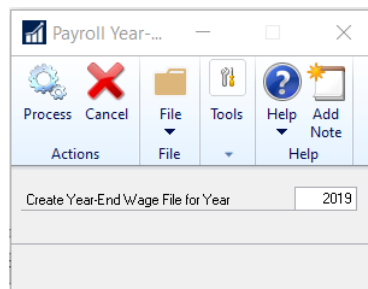
Step 4: Make a backup of your company data labeled Pre-Year-End Wage File

Make a backup before you close the year. Place the backup in a safe, permanent storage. This backup ensures that you have a permanent record of the company's financial position at the end of the year and allows you to quickly restore the information in the event of a power fluctuation or some other problem occurs during the year-end close procedure. See section on Backups under General Tips and Reminders for more information on creating backups

Step 5: Install the Year-End Update

To install the payroll year-end update, you must follow the installation steps on each computer that has Microsoft Dynamics GP installed. The installation is similar to a service pack or Hotfix. Please consult the instructions that are contained in the update.

Step 6: Create the Year-End File



1. Go to Microsoft Dynamics GP > Tools > Routines > Payroll > Year-End Closing
2. In the Year field, type 2019, and then click Process.

Note: You can install the payroll tax update for 2020 any time after the year-end file for 2019 has been created.

Step 7: Make a backup of your company data labeled Post Year-End Wage File

Make a backup, and then put this backup into a 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.

Step 8: Validate Totals of the Year-End data against totals of your 941 Quarterly Reports.

1. Print the Year-End Wage Report to the screen (Microsoft Dynamics GP > Tools > Routines > Payroll > Year-End Wage Report)

2. Print the last page of the report to your printer. The last page of the report is the total page for all employees included in the report.
3. Use a spreadsheet and enter the information from the 941 reports for each quarter of the year with totals for each item.
4. Compare the spreadsheet to the Total page of the Year-End Wage Report.

Step 9: Verify and/or Manually Edit W-2 and 1099-R statement information

1. To view W-2 information in Microsoft Dynamics GP go to Microsoft Dynamics GP > Tools > Routines > Payroll > Edit W-2s
2. To view the 1099-R information in Microsoft Dynamics GP go to Microsoft Dynamics GP > Tools > Routines > Payroll > Edit 1099-Rs

3. Changes that you make on the Edit W-2s and Edit 1099-Rs will not update any data in payroll except the Year-End Wage file data. For example, if you make changes to an employee's address in the Edit W-2s, it will not also update the Employee Master. And, likewise, if you update the employee's address in the Employee Master, it will not update the employee's address in the Edit W-2s if the Payroll Year-End Closing has already been run.
4. You can also make changes to the 1095-C and Dependent ACA codes that will be used to print on the 1095-C statements and 1094-C transmittal form.

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

Step 10: Print the W-2 and 1099-R Validation Report

1. Microsoft Dynamics GP > Tools > Routines > Payroll > Print W-2s
2. Select the option to Print the Validation Report

The report displays warnings if there are employee record errors, except for employees with no wages, tips, or withholding information entered on their W-2 form. W-2 forms will not be printed for employees with no earnings or withholding information.

Print W-2 Forms - TWO (sa)

Save Clear File Print Tools Help Add Note

Year: 2018 ☐ Publish to Employee Self Service

Print W-2's For: ☒ Normal Year-End ☐ Pre-Year-End Inactive Employees

Employee Type: ☒ Regular ☐ Medicare Qualified Government Employee

Employee ID: ☐ All ☐ From To:

Starting Control Number Order: MQGE / Employee ID

Company: Fabrikam, Inc.

Address ID: Primary

Address: 4277 West Oak Parkway

City: Chicago

State: IL

ZIP Code: 60601-4277

Form Type: 1 Wide - Continuous

Print

☒ Validation Report

☐ W-2 Forms Alignment

☐ W-2 Forms

☐ Exclude ESS Printed W-2

☐ W-3 Transmittal Form

☐ 1095-C

☐ 1094-C Transmittal

Kind of Employer: None apply

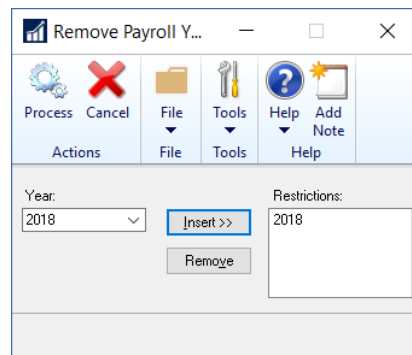
Kind of Payer: 941

☐ Employer provided self-insured coverage

Employer Identification Number: 23-8260216

If you see errors on the Validation Report, you will need to **REMOVE** the Year-End information before making changes. Make corrections as needed and then create the Year-End Wage file again. Note that you should be sure that you have not applied the 2020 Tax, so it is always best to print the Validation Report and verify all data prior to installing the tax for the new year.

3. Microsoft Dynamics GP > Tools > Utilities > Payroll > Remove Year-End Information



Note: the W-2 Validation Report will include all employees that exist within the Microsoft Dynamics GP database, however only those with wages will actually print on the W-2 form. For more information view the Microsoft KB article: <https://support.microsoft.com/amt/help/872100/description-of-the-errors-or-warnings-that-may-appear-on-the-payroll-v>.

To view 1099-R's you will also print the 1099-R Validation Report

1. Microsoft Dynamics GP > Tools > Routines > Payroll > Print 1099Rs
2. Select the option to Print the Validation Report

If you see errors on the Validation Report, you will need to **REMOVE** the Year-End information before making changes. Make corrections as needed and then create the Year-End Wage file again. Note that you should be sure that you have not applied the 2020 Tax, so it is always best to print the Validation Report and verify all data prior to installing the tax for the new year.

1. Microsoft Dynamics GP > Tools > Utilities > Payroll > Remove Year-End Information
2. If you make changes to your 1099-R records or W-2 records, we recommend that you make another backup.

Note: W-2s and 1099-R's can be printed any time after the data has been validated.

Step 11: Archive Inactive Employee Human Resources Information (Optional)

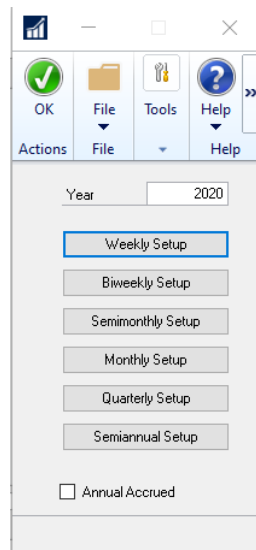
To archive inactive employee Human Resources information:

1. Microsoft Dynamics GP > Tools > Utilities > Human Resources > Select an Employee and then click Archive Employee.

Step 12: Create the Human Resources attendance period schedules for the New Year

If using the Human Resources module, you will need to create the attendance period schedules for the new year.

1. Microsoft Dynamics GP > Tools > Setup > Human Resources > Attendance > Accrual Periods



2. Change the year to 2020 and click on the pay period(s) that you use. In this screen define what your pay periods are for 2020. Confirm that there is no lapse of dates between the 2019 pay periods and the 2020 pay periods. To verify, open up the 2019 pay period setup screen to check the last date of the last pay period. The next day will be the first date of the first pay period in the next year. Also verify the Current Year field,
 - a) Microsoft Dynamics GP > Tools > Setup > Human Resources > Attendance > Setup
3. The year should read 2020.

Attendance Setup - TWO (sa)

OK Cancel File Tools Help Add Note

Actions File Help

Accrual Information

Accrue Type: ☒ Human Resources
☐ Payroll

☐ Allow entry of attendance type and reason in Payroll

Current Year: 2020
Last Day Accrued: 12/31/2019

Seniority Based on: ☒ Months
☐ Days

Transaction Entry Information

Number of days in a week: 0
Number of hours in a day:
Next Transaction Number: 100

☐ Update Vacation Calendar

Options

Changed By: sa 4/12/2027

Step 13: Close the Fiscal Periods for the Payroll Series

To ensure that no one posts transactions to an incorrect period or year, use the Fiscal Periods Setup window to close any fiscal periods that are still open for the year.

1. Microsoft Dynamics GP > Tools > Setup > Company > Fiscal Periods.
2. Make sure that you have posted all transactions for the period and year for all modules before closing fiscal periods. If you later need to post transactions to a fiscal period you have already closed, use the Fiscal Periods Setup window to reopen the period before posting the transaction.
3. Mark the periods you wish to close under Payroll Series.

Step 14: Install the 2020 Payroll Tax Table Update

Note: Do not install the payroll tax update for 2020 until the year-end file has been created for 2019 and you have validated that the W-2s and/or 1099-Rs are correct.

To install the payroll tax update for 2020:

1. Microsoft Dynamics GP > Maintenance > US Payroll Updates > 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 company's authorization number, and then click Log in.
4. Click Finish.

Note: This update can also be downloaded manually from CustomerSource:

- Tax Update for Microsoft Dynamics GP 2015:
<https://mbs.microsoft.com/customersource/northamerica/GP/downloads/tax-regulatory-updates/TUGP2015>
- Tax Update for Microsoft Dynamics GP 2016:
<https://mbs.microsoft.com/customersource/northamerica/GP/downloads/tax-regulatory-updates/TUGP2016>
- Tax Update for Microsoft Dynamics GP 2018:
<https://mbs.microsoft.com/customersource/northamerica/GP/downloads/tax-regulatory-updates/TUGP2018>

Step 15: Process Pay Runs for 2020.

You can process pay runs for 2020 prior to printing W-2 forms. Your user date must be in 2020.

Step 16: Print the W-2 Statements and the W-3 Transmittal Form

Print W-2 Forms - TWO (sa)

Save Clear File Print Tools Help Add Note

Actions File Help

Year: 2019 ☐ Publish to Employee Self Service

Print W-2's For: ☒ Normal Year-End ☐ Pre-Year-End Inactive Employees

Employee Type: ☒ Regular ☐ Medicare Qualified Government Employee

Employee ID: ☒ All ☐ From To:

Starting Control Number Order: MQGE / Employee ID

Company: Fabrikam, Inc.

Address ID: Primary

Address: 4277 West Oak Parkway

City: Chicago

State: IL

ZIP Code: 60601-4277

Form Type: 1 Wide - Continuous

Print

☐ Validation Report

☐ W-2 Forms Alignment

☒ W-2 Forms

☐ Exclude ESS Printed W-2

☐ W-3 Transmittal Form

☐ 1095-C

☐ 1094-C Transmittal

☐ Employer provided self-insured coverage

Employer Identification Number: 23-8260216

Kind of Employer: None apply

Kind of Payer: 941

To print the W-2 statements

1. Microsoft Dynamics GP > Tools > Routines > Payroll > Print W-2s
2. In the Print W-2 Forms window, specify the following settings:

- Print W-2s for: Normal Year-End
- Form Type: New in Microsoft Dynamics GP 2016 R2 and later versions, you can now select '1 Wide – Forms with Box' so that you no longer need to print on pre-printed forms. Here is a sample of the form that prints:

| | | | | | |
|---|----------------------------|--|---------------------|--|---------------------|
| 22222 | | a Employee's social security number 484-66-9938 | | OMB No. 1545-0008 | |
| b Employer identification number (EIN) 23-8260216 | | 1 Wages, tips, other compensation 12542.29 | | 2 Federal income tax withheld 935.09 | |
| c Employer's name, address, and ZIP code Fabrikam, Inc. 4277 West Oak Parkway Chicago, IL 60601-4277 | | 3 Social security wages 12917.92 | | 4 Social security tax withheld 800.91 | |
| | | 5 Medicare wages and tips 12917.92 | | 6 Medicare tax withheld 187.31 | |
| | | 7 Social security tips 0.00 | | 8 Allocated tips 0.00 | |
| d Control Number | | 9 | | 10 Dependent care benefits 0.00 | |
| e Employee's first name and initial Last name Suff. BRENDA DIAZ 100 FIRST STREET DETROIT, MI 48989 | | 11 Nonqualified plans 0.00 | | C o d e 12a | |
| | | 13 Statutory employee Retirement plan Third-party sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | | C o d e 12b | |
| | | 14 Other | | C o d e 12c | |
| | | | | C o d e 12d | |
| f Employee's address and ZIP code | | | | | |
| 15 State | Employee's state ID number | 16 State wages, tips, etc. | 17 State income tax | 18 Local wages, tips, etc. | 19 Local income tax |
| | | | | | 20 Locality name |
| | | | | | |

Form **W-2** Wage and Tax
Statement

2018

Department of the Treasury-Internal Revenue Service

Copy 1-For State, City, or Local Tax Department

- Print: W-2 Forms
- Click Print.

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

To print the W-3 Transmittal Form:

- Microsoft Dynamics GP > Tools > Routines > Payroll > Print W-2s
- In the Print W-2 Forms window, select the option to print the W-3 Transmittal Form
- Click Print.

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

To print the 1095-C Form:

4. Microsoft Dynamics GP > Tools > Routines > Payroll > Print W-2s
5. In the Print W-2 Forms window, select the option to print the 1095-C Form
6. Click Print.

Note: *You can print the 1095-C Form as many times as you have to.*

To print the 1094-C Transmittal Form:

7. Microsoft Dynamics GP > Tools > Routines > Payroll > Print W-2s
8. In the Print W-2 Forms window, select the option to print the 1094-C Transmittal Form
9. Click Print.

Note: *You can print the 1094-C Transmittal Form as many times as you have to.*

Step 17: Print the 1099-R forms and the 1096 Transmittal form

1. To print the 1099 forms, go to Microsoft Dynamics GP > Tools > Routines > Payroll > Print 1099-Rs
2. In the Print 1099-R Forms window, select the year, click 1099-R Forms, and then click Print.

Note: *You can print employee 1099-R forms as many times as needed.*

To print the 1096 Transmittal form:

1. Microsoft Dynamics GP > Tools > Routines > Payroll > Print 1099-Rs
2. In the Print 1099-R Forms window, select the year, click 1096 Transmittal Form, and then click Print.

Note: *You can print the 1096 Transmittal form as many times as needed.*

Step 18: Create an Electronic W2 file (Optional)

If you plan to submit an electronic W2 file, you must first register for a Personal Identification Number (PIN) or User Identification Numbers with the Social Security Administration. You only need to register once for a PIN. After you've obtained your PIN, you may use it indefinitely, provided you change your password once a year. Use one of the following options to obtain a PIN:

Internet: www.socialsecurity.gov/bsa/bsowelcome.htm

Telephone: 1-800-772-6270 Monday through Friday, 7 a.m. to 7 p.m. (EST)

Microsoft Dynamics GP currently supports filing electronic filing for Federal W-2 information in MMREF-1 format. Electronic filing of 1099-Rs, state W-2s, State Unemployment Tax Act (SUTA), or formats other than MMREF-1 are not supported. You will need to use separate software or services for filing these items. Contact your Crestwood client account manager or the Crestwood Support team for more information on obtaining compatible magnetic media products.

| Include | Company | Company ID | Employment Code | Processed Date and Time |
|-------------------------------------|----------------|------------|-----------------|-------------------------|
| <input checked="" type="checkbox"/> | Fabrikam, Inc. | TWO | Regular | 0/0/0000 12:00:00 AM |
| <input type="checkbox"/> | | | | |
| <input type="checkbox"/> | | | | |
| <input type="checkbox"/> | | | | |
| <input type="checkbox"/> | | | | |
| <input type="checkbox"/> | | | | |
| <input type="checkbox"/> | | | | |
| <input type="checkbox"/> | | | | |
| <input type="checkbox"/> | | | | |
| <input type="checkbox"/> | | | | |

1. To create an electronic file go to Microsoft Dynamics GP > Routines > Payroll > W-2 Electronic Filing
2. In the W2 Electronic Filing window, click to select the check box that is next to each company that you want to include in your electronic file.
3. Enter your PIN or User Identification Number.
4. Click Submitter. The Electronic Filer Submitter Information window opens.

Electronic Filer Submitter Information - TWO (sa)

Actions: OK, Clear, File, Tools, Help, Add Note

Company Information

☐ Foreign Address

Company Name: Fabrikam, Inc.

Attn/Suite/Room #:

Street/PO Box: 4277 WEST OAK PARKWAY

City: CHICAGO

State: IL

ZIP Code: 60601-4277

Method of Notification: E Mail/ Internet

Preparer Code: Self-Prepared

Submitter Information

☐ Foreign Address

Submitter's Name: Fabrikam, Inc.

Attn/Suite/Room #:

Street/PO Box: 4277 WEST OAK PARKWAY

City: CHICAGO

State: IL

ZIP Code: 60601-4277

Submitter's EIN: 23-8260216

Contact Information

Contact Name: Taylor Stewart-Cray

Phone Number: (312) 436-2671 Ext. 0000

FAX Number: (312) 436-2896 Ext. 0000

E-mail: support@crestwood.com

5. Enter the authorized submission information. The E-Mail address field is required and is usually empty. If you receive errors when you attempt to generate the electronic file, it is almost always because you have not opened the Submitter window and made sure all required fields are completed.
6. Close the Electronic Filer Submitter Information window.
7. Change the file destination information in the File Name field if it is required.
8. Click Create File.
9. Remember to obtain your PIN or User Identification Number from the Social Security Administration website.

Note: We recommend using AccuWage to check all magnetic media files before sending. This is a free tool available from the SSA website (www.socialsecurity.gov/employer/accuwage).

PAYROLL YEAR-END CLOSING FREQUENTLY ASKED QUESTIONS

Q1. What will happen if I've already closed the 2019 Payroll tax year and do not install the 2020 tax update right away?

A1. Until you install the 2020 tax update containing FICA, Federal, and State tax changes, the tax calculations for your 2020 pay runs may be incorrect.

Q2. If I use multiple companies with my accounting system, do I have to install the year-end tax update for each company?

A2. No, the program automatically will update the system tables containing Payroll tax information. All of the companies will reflect the update. However, you do need to install the year-end update on each workstation.

Q3. I need to print my 2020 checks before I can print W-2s. What should I do?

A3. After you create the Year-End Wage file, close the year. Install the 2020 tax update, and then you can print checks. Also, be sure your Dynamics GP User Date is in 2020.

Q4. Can I print four W-2 statements to a page?

A4. You can print four W-2 statements to a page using the 4-Up Laser Form. Four statements for the same employee will print per page. The form contains Copy B, Copy C, and two Copy 2 forms. Copy A and Copy D must be printed separately. You can also print W-2s in the 1-Wide Continuous, 2-Wide Continuous, and 1-Wide Single Feed forms.

Q5. How do I print multiple W-2 statements for each employee?

A5. There are two ways:

1. **Using Laser form “sets”** – To print all the required forms for each employee at a time (you’re using laser form “sets”), simply enter the number of copies you need to print in the “number of copies” field in the Print dialog box that appears after you choose Print in the Print W-2 Forms window.
2. **Using Laser form “sheets”** – To print all forms for all employees repeat the Printing W-2 Statements procedure as many times as necessary to print the required number of copies. Alternatively, print the W-2s to the screen, then click the Print button for each group of sheets.

Q6. I can’t make W-2 forms align correctly. What can I do?

A6. Try the following method to correct alignment issues:

1. Print the W-2s to screen.
2. Choose the printer icon button on the top left.

3. A print dialog box with horizontal and vertical alignments will appear on the right. Adjust according to the situations below:

| Problem | Adjustment |
|---------------------------|---|
| Form prints too high | Enter a positive vertical adjustment (.25 is one line) |
| Form prints too low | Enter a negative vertical adjustment (-.25 is one line) |
| Form prints too far right | Enter a negative horizontal adjustment |
| Form prints too far left | Enter a positive horizontal adjustment |

Q7. How do I verify Federal withholding taxes?

A7. If an employee's Federal withholding taxes seem incorrect or you want to verify the amounts, follow these steps to help pinpoint the error source.

1. Verify your employee's records in the Payroll Employee Tax Maintenance window.
2. Go to Cards > Payroll > Tax.
3. Check to see if any additional amounts have been entered in the Additional Withholding and Estimated Withholding fields.
4. Open the Deduction Setup window, use the appropriate method:
5. Microsoft Dynamics GP > Tools > Setup > Payroll > Deduction.
6. Verify that all Deductions are marked as TSA if they are supposed to be.
7. Be sure that the pay frequency of the employee's pay codes matches the pay period of your company. For example, if you pay your employees semimonthly, the pay frequency for the employee's pay code, deduction, and benefit should also be semimonthly.

Q8. How can I edit FICA Social Security wage limits?

A8. If FICA amounts are being printed incorrectly on W2s – for example, if your employee has reached the FICA limit but the form doesn't reflect that status – you may have tried to edit the information but find that the forms still print the wrong information. That's because the FICA Social Security limit is hard-coded and can't be edited for W-2 purposes. Instead, check to see if the year-end wage file was created with old tax tables and an old FICA Social Security limit. If so, you won't be able to edit the figures so they print correctly on W-2s. To correct the information, you'll need to either re-create the year-end wage file after making changes in the Payroll Tax Setup window or add the Edit Social Security Wage Limit window to the shortcut bar.

To change the information in the Payroll Tax Setup window:

1. Microsoft Dynamics GP > Tools > Setup > System > Payroll Tax
2. Edit the FICA limit and re-create the year-end wage file.

To add the Edit Social Security Wage Limit window to the Shortcut bar,

- a) From the Navigation Pane, select the drop-down button for configure buttons.
- b) Select Add > Add Window.
- c) Expand Microsoft Dynamics GP, and then expand Payroll.
- d) Highlight Edit Social Security Wage Limit under Payroll and click Add. Then click Done.

Choose the Edit Social Security Wage Limit window from the shortcut bar, choose 2020, and change the wage limit to the correct amount for 2020. Click Ok.

Changes will be reflected on the W-2s but not in the Payroll Tax Setup window. This will allow you to proceed with 2020 pay runs without needing to change information if the 2020 tax update has been installed.

Q9. The correct Last Year-End Update date doesn't appear in the Payroll Setup window, even though I installed the 2019 year-end update and see the form changes included in the update. Is there something I need to do?

A9. The Last Year-End Update date is read from the LastYearEndUpdate= line in the Dex.ini file. When you install a year-end update on a particular computer, the Dex.ini file on that computer is updated. However, in some Windows Terminal Server deployments, there is only a single installation of Microsoft Dynamics GP, which many users access. Each user typically has a Dex.ini file in their home Windows folder. Installing the year-end update on the server doesn't update each user's Dex.ini file. In these situations, you should manually update each user's Dex.ini file so that the appropriate line reads
LastYearEndUpdate=11/18/2019

Q10. After running the reconcile function for an employee, the FUTA and SUTA Taxable amount is being changed in their Employee Summary screen. Why?

A10. The change is for deduction amounts that were setup to be SUTA Taxable in the Unemployment Tax Setup but are TSA deductions, and therefore being deducted from the SUTA Wages. The reconcile feature will not calculate the amounts of TSA deductions which are set up to be included in taxable wages in the Unemployment Setup window (Tools >

Setup > Payroll > Unemployment). Instead it will reduce the amounts by the employee's current TSA amounts.

The FUTA/SUTA amounts on the Employee Summary window are listed for informational purposes only. These amounts will not be used to calculate nor will they affect the FUTA and SUTA reports. The amounts displayed on the summary window, however, will appear on the Detailed Employee list report.

We recommend running the reconcile process (Microsoft Dynamics GP > Tools > Utilities > Payroll > Reconcile) and only printing the report the first time, not actually reconciling. If you have selected TSA deductions to be included as taxable wages, disregard any proposed changes to FUTA or SUTA wages on the report. If you have not, research proposed changes to FUTA or SUTA wages. In either case, you should research any proposed changes to any other amounts on the report.

Q11. In both the Edit W-2 Information - USA and the Print W-2 Forms - USA windows, there is a list from which to select the year. Is there a limit to the number of years? Also, is each year simply added to the Year-End Wage File, or does each year have its own Year-End Wage File that is created during the year-end closing process?

A11. During the Payroll year-end closing process, the Year-End Wage File is created. Multiple years of history can be saved. However, if you choose the same year (for example, 2019) twice when performing this process, the previous file will be written over, or replaced, by the new file. As long as the correct year is entered each time, the new year's information will be added to the file. This information can be removed under Utilities-Payroll for any year or years.

Q12. In the Year- End Wage Report - USA window, there is a selection list that is used to specify the year for which you wish to print the Year-End Employee Wage report. Does this mean that the Year-End Wage File is not removed after printing W2 statements? Using Report Writer, can I access the Year-End Employee Wage Report and create a report showing year-end information for multiple years?

A12. The information for each year is kept in the system and can be accessed through Report Writer.

Q13. I have printed a Year-End Wage Report and now want to run another pay run within the year for which I created the Year-End Wage Report. How can I do this?

A13. You must remove the year-end information, make the changes and then create the Year-End Wage file again.

1. To remove the Year-End Wage File, go to Microsoft Dynamics GP > Tools > Utilities > Payroll > Remove Year-End Information
2. To reclose the year, go to Microsoft Dynamics GP > Tools > Routines > Payroll > Year-End Closing
3. Enter the year that you want to close and click Process.

Q14. I want to make a change to an employee record in the closed year to correct their W-2, but I have already processed payroll in the new year. Can I do that?

A14. Yes, you may recreate the Year-End Wage file even after you have run payroll for the next year. The payroll module is date-sensitive. Therefore, your payroll and W-2 reports will only include the wages that apply to the year that you are reporting.

Q15. Deductions, Benefits, and/or pay codes are doubled/tripled on my W-2s. Why, and how can I fix this?

A15. This happens when the 'same' W-2 label has been assigned to a particular pay code, benefit, or deduction more than once (you can assign up to 4 W-2 labels to each code). You will need to remove your year-end wage file, correct the problem for each employee, and then close the year-end again. Determine which pay code(s), benefit(s), and/or deduction(s) are causing the problem. Open the Employee Pay Code (or Employee Deduction or Employee Benefit) window for each employee and code combination and scroll through the W-2 label fields. Make sure that only one label is assigned that has the same label name for each employee/code combination.

Q16. Box 1 on the W-2 does not match Federal Wages in the Employee Summary window. Why, and how do I fix this?

A16. It can be normal for Box 1 to differ from Federal Wages in the Employee summary window. All pay codes are added to 'Gross' under Cards > Payroll > Summary, even if the Federal box is not marked on the pay code. However, most users do want these two values to match.

The calculation for Box 1 on the W2 is:

Gross Wages (from Employee Summary window) + YTD Benefits subject to Fed tax + Reported Tips + Charged Tips – YTD TSA Deductions.

This is explained in more detail in the W-2 Data Source Document:

| Box | Label | Source of data displayed in box |
|-------|---------------------------------|--|
| Box 1 | Wages, tips, other compensation | Displays the total of the following: (Gross Wages Year To Date from the Employee Summary window + the Year To Date totals for all benefits marked as subject to federal tax in the Payroll Benefit Summary window + the Reported Tips and Charged Tips from the Employee Tip Summary windows) - (the Year To Date total for all deductions marked as sheltered from federal tax in the Payroll Deduction Summary window). <i>NOTE: Gross Wages Year to Date in the Employee Summary window consists of wages for all pay types except Earned Income Credit pay types, charged tips, and reported tips and business expenses not treated as wages.</i> |
| Box 2 | Federal income tax withheld | Taken from the Federal Withholding Year to Date in the Employee Summary window and Employee Tip Summary window. |

The only time a pay code is not added to 'Gross' is when the pay code is a 'Business Expense' pay type marked 'not to be included as wages'.

It is very common for users to think pay codes not marked as subject to federal tax will not be included in Box 1. However, this is not the case. If you do not want a pay code amount to be included in Box 1, you need to set it up as a Business Expense pay type.

Most commonly, users will see amounts in this field updated with unexpected amounts when:

1. A Pay Code was not marked to be subject to Federal Wages, so you aren't expecting the value to be included in Box 1.
2. A deduction, a benefit, or a pay code may have been changed so that it is taxed instead of not being taxed, or vice versa. This change causes a difference in Federal Wages in Form 941/W-2s and the Payroll Summary Report. This change is not corrected during the reconcile process.
3. A manual check was processed incorrectly (taxable wages and tax amounts not recorded).

See [KB 862929](#) for more information around what can cause unexpected federal wage differences, along with how to fix the problem.

Q17. Is Microsoft Dynamics GP going to make changes to accommodate Ohio requirements (locality + municipal code) around local tax labels on the W-2?

A17. No, there were no changes made to Microsoft Dynamics GP. With that being said, you can modify the Locality field in the Edit W-2 Local Tax Information window (Microsoft

Dynamics GP > Tools > Routines > Payroll > Edit W-2s > Local button). However, the Locality field is limited to 6 characters. If you require more than 6 characters to accurately reflect your Locality + Municipality, Greenshades does offer additionally functionality around this.

FEATURES TO BE AWARE OF:

- With the release of Microsoft Dynamics GP 2015 R2, Self-Service users can view and print their own W2s.
- With the release of the 2015 Year-End Update for Dynamics GP 2015, users can control when employee self-service users are able to access W2 information. To enable this new feature, the 'Publish to Employee Self Service' field was added to the Print W-2 Forms window (Microsoft Dynamics GP > Tools > Routines > Payroll > Print W-2s).

The screenshot shows the 'Print W-2 Forms - TWO (sa)' window. The 'Year' is set to 2018. A red box highlights the 'Publish to Employee Self Service' checkbox, which is currently unchecked. Below this, there are radio buttons for 'Normal Year-End' (selected) and 'Pre-Year-End Inactive Employees'. The 'Employee Type' is set to 'Regular'. The 'Employee ID' is set to 'All'. The 'Starting Control Number' is empty. The 'Order' is set to 'MQGE / Employee ID'. The 'Company' is 'Fabrikam, Inc.', 'Address ID' is 'Primary', 'Address' is '4277 West Oak Parkway', 'City' is 'Chicago', 'State' is 'IL', and 'ZIP Code' is '60601-4277'. The 'Form Type' is '1 Wide - Continuous'. Under 'Print', the 'W-2 Forms' option is selected. There are also options for 'Exclude ESS Printed W-2', 'W-3 Transmittal Form', '1095-C', and '1094-C Transmittal'. The 'Kind of Employer' is 'None apply' and the 'Kind of Payer' is '941'. At the bottom, there is a checkbox for 'Employer provided self-insured coverage' and the 'Employer Identification Number' is '23-8260216'.

- With the release of Dynamics GP 2016 R2, users can now print W-2s on blank paper. This is available in Dynamics GP 2016 R2 and all versions of Dynamics GP 2018.

| | | | | | | |
|---|----------------------------|---|----------------------------|---|----------------------------|-------------------------|
| 22222 | | a Employee's social security number 484-66-9938 | | OMB No. 1545-0008 | | |
| b Employer identification number (EIN) 23-8260216 | | 1 Wages, tips, other compensation 12542.29 | | 2 Federal income tax withheld 935.09 | | |
| c Employer's name, address, and ZIP code Fabrikam, Inc. 4277 West Oak Parkway Chicago, IL 60601-4277 | | 3 Social security wages 12917.92 | | 4 Social security tax withheld 800.91 | | |
| | | 5 Medicare wages and tips 12917.92 | | 6 Medicare tax withheld 187.31 | | |
| | | 7 Social security tips 0.00 | | 8 Allocated tips 0.00 | | |
| d Control Number | | 9 | | 10 Dependent care benefits 0.00 | | |
| e Employee's first name and initial Last name Suffix BRENDA DIAZ 100 FIRST STREET DETROIT, MI 48989 | | 11 Nonqualified plans 0.00 | | 12a Code | | |
| | | 13 Statutory employee Retirement plan Third-party sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | | 12b Code | | |
| | | 14 Other | | 12c Code | | |
| | | | | 12d Code | | |
| f Employee's address and ZIP code | | | | | | |
| 15 State | Employee's state ID number | 16 State wages, tips, etc. | 17 State income tax | 18 Local wages, tips, etc. | 19 Local income tax | 20 Locality name |
| | | | | | | |

Form **W-2** Wage and Tax
Statement

2018

Department of the Treasury-Internal Revenue Service

Copy 1-For State, City, or Local Tax Department

- Where does the information in the W-2s come from?
 - When a year is closed in the Payroll module, Microsoft Dynamics GP populates the Payroll Year-End Wage tables. The following tables are used to generate the Year-End Wage file, which are used to generate your W-2s and W-3.

| Payroll Year-End Wage Tables used to Generate W2 and W3 (Company Database) | |
|---|--|
| UPR10100 | Year-End Header |
| UPR10101 | Employee W2 Amounts |
| UPR10103 | Pension Information |
| UPR10104 | Special Amount Information |
| UPR10105 | State Tax Information |
| UPR10106 | Local Tax Information |
| UPR10107 | Other Amount Information |
| UPR10111 | Employee and Dependent ACA Information |

CHANGES TO THE 2020 W-4

There are significant changes to the 2020 W-4 this year. Here are some helpful links:

[Microsoft Dynamics GP blog on W-4](#)

You will need to install the 2019 Year end update and 2020 payroll tax tables before 1/1/2020 to have taxes calculated correctly in 2020. The intent of the new W-4 is to have taxpayers pay exactly what is owed. If your employees are used to refunds, they will have to adjust their W-4 to withhold extra tax. There are changes to the Employee Tax card in GP to account for the changes to the W-4.

- What's Pub. [15-T](#)?
 - Replaces "Circular E" Section 17
- Are employees required to complete a new form?
 - No
- Can employers require employees to complete a new form?
 - Yes
- Will Federal withholding change if employee does not complete a new W-4?
 - Yes, but no more than regular tax changes in the past
- Is the W-4 for 2020 FINAL?
 - Yes <https://www.irs.gov/pub/irs-pdf/fw4.pdf>
 - FAQ <https://www.irs.gov/newsroom/faqs-on-the-draft-2020-form-w-4>
- What's the [Withholding estimator](#)?
 - Used by taxpayers with more complicated tax situations

W-4 Old Form

W-4 New Form

Separate here and give Form W-4 to your employer. Keep the worksheet(s) for your records.

Form W-4
Department of the Treasury
Internal Revenue Service

Employee's Withholding Allowance Certificate
OMB No. 1545-0074
2019

1 Your first name and middle initial Last name
Home address (number and street or rural route)
City or town, state, and ZIP code

2 Your social security number

3 ☐ Single ☐ Married ☐ Married, but withheld at higher Single rate.
Note: If married filing separately, check "Married, but withheld at higher Single rate."

4 If your last name differs from that shown on your social security card, check here. You must call 800-772-1213 for a replacement card.

5 Total number of allowances you're claiming (from the applicable worksheet on the following pages) 5

6 Additional amount, if any, you want withheld from each paycheck 6 \$

7 I claim exemption from withholding for 2019, and I certify that I meet both of the following conditions for exemption.
• Last year I had a right to a refund of all federal income tax withheld because I had no tax liability, and
• This year I expect a refund of all federal income tax withheld because I expect to have no tax liability.
If you meet both conditions, write "Exempt" here 7

Under penalties of perjury, I declare that I have examined this certificate and, to the best of my knowledge and belief, it is true, correct, and complete.

Employee's signature
(This form is not valid unless you sign it.)

8 Employer's name and address (Employer: Complete boxes 8 and 10 if sending to IRS and complete boxes 8, 9, and 10 if sending to State Director of New Hires.)
9 First date of employment
10 Employer identification number (EIN)

For Privacy Act and Paperwork Reduction Act Notice, see page 4. Cat. No. 102202 Form W-4 (2018)

Form W-4
Department of the Treasury
Internal Revenue Service

Employee's Withholding Certificate
OMB No. 1545-0074
2020

1 Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay.
• Give Form W-4 to your employer.
• Your withholding is subject to review by the IRS.

Step 1: Personal Information
(a) First name and middle initial Last name
(b) Social security number
City or town, state, and ZIP code

2 Single or Married filing separately
Married filing jointly (Qualifying widow(er))
Head of household (Check only if you are unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual)

Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who can claim exemption from withholding, when to use the online estimator, and privacy.

Step 2: Multiple Jobs or Spouse Works
Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.
Do only one of the following:
(a) Use the estimator at www.irs.gov/W4app for most accurate withholding for this step (and Steps 3-4); or
(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or
(c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld. ☐
TIP: To be accurate, submit a 2020 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.

Complete Steps 3-4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3-4(b) on the Form W-4 for the highest paying job.)

Step 3: Claim Dependents
If your income will be \$200,000 or less (\$400,000 or less if married filing jointly):
Multiply the number of qualifying children under age 17 by \$2,000 \$
Multiply the number of other dependents by \$1,000 \$
Add the amounts above and enter the total here 3 \$

Step 4 (optional): Other Adjustments
(a) Other income (not from jobs). If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income. 4(a) \$
(b) Deductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here 4(b) \$
(c) Extra withholding. Enter any additional tax you want withheld each pay period 4(c) \$

- No more exemptions (or allowances)
- "Multiple Jobs" – higher tax tables
- Line 3: "Dependents" credit
- Live 4a: "Other Income"
- Line 4b: "Deductions"
- How do I file "Exempt" or "NRA" (non-resident Alien) - Type in the blank space after the last box EXEMPT or NRA

Employee Tax Card before and after

The image displays two side-by-side screenshots of the Microsoft Dynamics GP Employee Tax Maintenance window, illustrating the changes made to the ACA (Affordable Care Act) resources. The window is titled "Employee Tax Maintenance - T...".

Left Screenshot (Before):

- Employee ID:** ACKE0001
- Name:** Ackerman, Pilar
- Federal Filing Status:** Married
- Married withhold as Single:** No
- EIC Filing Status:** Not Eligible
- Federal Withholding:** Number of Exemptions: 1
- W-2 Check Boxes:** ☐ Statutory Employee, ☐ Retirement Plan
- Transaction Entry Defaults:** Tax Withholding State: IL, Local Tax Code: [blank]
- Household Employee:** ☐ Household Employee, ☐ Medicare Qualified Gov't Employee, ☐ Qualified Employee (HIRE), ☐ Withhold New York State Tax Difference
- Buttons:** State Tax, Local Tax

Right Screenshot (After):

- Employee ID:** ACKE0001
- Name:** Ackerman, Pilar
- Federal Filing Status:** Married
- Married withhold as Single:** No
- EIC Filing Status:** Not Eligible
- Federal Withholding:** Number of Exemptions: 1
- W-2 Check Boxes:** ☐ Statutory Employee, ☐ Retirement Plan
- Transaction Entry Defaults:** Tax Withholding State: IL, Local Tax Code: [blank]
- Household Employee:** ☐ Household Employee, ☐ Medicare Qualified Gov't Employee, ☐ Qualified Employee (HIRE), ☐ Withhold New York State Tax Difference
- Buttons:** State Tax, Local Tax

The right screenshot includes additional instructions for the ACA changes:

- If the employee has completed a W-4 after January 1, 2020 and:
- mark Married Filing Jointly, enter 3 for Number of Exemptions.
- mark Single or Head of Household, enter 2 for Number of Exemptions.
- mark the Checkbox in Step 2, enter 0 for Number of Exemptions.

AFFORDABLE CARE ACT (ACA) RESOURCES

The Year-End blog article below has an all-inclusive Word document attached to it and basically sums up all the most important information that were included on prior blogs, as well as covers the most up-to-date changes included in the Year-End release:

Microsoft's blog post that further discusses the Affordable Care Act changes in Microsoft Dynamics GP and includes Frequently Asked Questions.

<https://community.dynamics.com/gp/b/dynamicsgp/archive/2014/11/18/draft-microsoft-dynamics-gp-2014-year-end-release-affordable-health-care-act-2.aspx>

For more information on the table/column changes due to the Affordable Care Act, please see the following post:

<https://community.dynamics.com/gp/b/dynamicsgp/archive/2014/11/12/table-and-column-changes-in-2014-year-end-update.aspx>

For more information on the Affordable Care Act, read Microsoft's preliminary blog here:

<https://community.dynamics.com/gp/b/dynamicsgp/archive/2014/09/23/aca.aspx>

Blog: Microsoft Dynamics GP Year-End Release 2015: Affordable Care Act (ACA) (Nov 25, 2015)

<https://community.dynamics.com/gp/b/dynamicsgp/archive/2015/11/25/gpye2015aca>

Video: Check out the YouTube video for ACA (58 minutes)

<https://www.youtube.com/watch?v=gAeLUjzhUA&feature=youtu.be>

MICROSOFT ASSISTANCE FOR W-2 AND W-3 QUESTIONS ASSOCIATED WITH PAYROLL YEAR-END CLOSE

Microsoft Dynamics GP Blog - <https://community.dynamics.com/gp/b/dynamicsgp>

Microsoft Dynamics Community - <https://community.dynamics.com/gp>

If you are creating a case with the Microsoft Technical Support Team for assistance with W-2s and/or the W-3 related to Year-End close for Payroll, please refer to the category selections below to ensure you are routed to the correct Support team for assistance:

--Support Topic Selection: Payroll

--Sub-topic Selection: Year-End Procedures

OTHER W-2 AND W-3 RESOURCES:

Download the W-2 Wage and Tax Statement Data Source.pdf (available when released)

Tax Forms – 800-432-1281 www.microsoftbusinesschecks.com

IRS Forms and Publications <http://www.irs.gov/formspubs/index.html>

W3 Instructions: <https://www.irs.gov/pub/irs-prior/iw2w3--2019.pdf>

W3 Form: <https://www.irs.gov/pub/irs-pdf/fw3.pdf>

Microsoft Dynamics GP Directory:

<https://mbs.microsoft.com/customersource/northamerica/GP/learning/documentation/system-requirements/dynamicsgpresource>

YEAR-END CLOSE RESOURCES:

Contact Crestwood Support (support@crestwood.com) for assistance with year-end close.

Please refer to the Microsoft 2019 Year-End Blog Schedule

<https://community.dynamics.com/gp/b/dynamicsgp/posts/microsoft-dynamics-gp-2019-year-end-blog-series-schedule> (to review current and upcoming blog posts and other helpful resource links related to Year-End Closing for Dynamics GP.

We hope this is helpful and that you have a successful Year-End! If you have any feedback or suggestions, please let us know.