Year End Legal Changes 2018 – 2019
SAP HCM Payroll & EC Payroll
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**Introduction**

This year the legislator introduced some changes in the laws and regulations. In this document we will discuss these changes, which may influence your SAP HCM solution and payroll solution in particular. We also describe some actions to support the year change. We recommend you study this documentation before you complete the year change activities.

**Delivery of SAP changes**

SAP will deliver software changes with HR Support Packages (HRSPs) monthly. A Country Legal Change patch (CLC) may also be made available if it relates to legislative changes.

Two patches will be made available in connection to the Year End Legal Changes (YELC). Also, with this YELC, two HRSP's are made available, but only one CLC. The CLC however contains the same changes as both HRSPs. You will have the choice to import 2 HRSPs or 1 CLC.

The HRSPs / CLCs that are relevant for this YELC for components SAP_HR and EA_HR are:

- Ehp 6.08 (or Renewal 2.0); HRSP 61 and 62 / CLC 62
- Ehp 6.07 (or Renewal 1.0); HRSP D3 and D4 / CLC D4
- Ehp 6.04 till 6.06; HRSP D3 and D4 / CLC D4
- Ehp 6.00 till 6.03; HRSP G7 and G8 / CLC G8

All HRSPs have been made available by now. Before you import these HRSPs, all previous ones must be imported. The complete delivery schedule for the current and next year is available on the SAP Support Portal [http://support.sap.com/HRSP](http://support.sap.com/HRSP). It is not possible to import the Year End Legal Changes only with SAP Notes. At the very least you must import the mentioned HRSPs and/or CLCs.

**SAP Master note and subsequent changes**

After we have released the Year End Legal Changes, other changes for the year change may of course be required. These subsequent changes will be made available as separate SAP Notes and communicated through the SAP Master note. This applies to SAP_HR as well as to EA-HR.

We recommend you consult SAP Master note 2683186 now and then and to immediately apply the relevant notes. Currently it relates to SAP Notes:

- 2730171 YELC 2018/2019: Corrections for PRNL / PRNL UPA: UTF-8 Corrections
- 2734958 YELC 2018/2019: RPIBBLNO - Syntax Error In I_T_ADD_INFO-PERNR definition
- 2736641 YELC 2018-2019: False Errors When Checking Wage Return Master Data

The SAP Master note will be closed, depending on the number of SAP Notes, around February/March. This will also be mentioned in the SAP Master note.
Year Change Information Package (YELC-INFO-PACK)

This year we will also make an information package available that contains for example:

- All Tax tables
- Information on the Wage and Pension returns,
- Mapping documents for the Wage and Pension returns
- The tables with CLAs, Nationalities and countries
- Overview of the countries belonging to the circle of countries
- Most recent Wage Tax newsletter.

Please click on the URL below to go to the package:
https://sap-my.sharepoint.com/:u:/p/leo_mommersteeg/Ee9nBfgqrDJFjXbgbk0gYdw8hCnnL3ulVOEi9r_ZC6FYGg?e=l0twMf,
where you can download the files easily.

SAP Support portal

We increasingly see more client orientated information become available on the SAP Support Portal and the One Support Launchpad. All information on localization and globalization, including the documents specifically related to The Netherlands is available on the Globalization Services Landing page. Here you will find a wealth of information for certain countries and companies operating on a global scale.

There are various references in the document to SAP Support Portal and SAP ONE Support Launchpad. We have included the most important tasks here for you:

SAP ONE Support Launchpad  
https://launchpad.support.sap.com
- SAP Notes & KBAs
- Incident handling
- Legislative amendments;  
https://launchpad.support.sap.com/#/legalchangenotification

SAP Support Portal  
https://support.sap.com
- HRSP planning;  
https://support.sap.com/HRSP

Globalization Services  
https://support.sap.com/globalization
- GS landing page;

You require a SAP user to access SAP ONE Support Launchpad, SAP Support Portal and GS landing page. The administrator in your organization can provide you with one.

Distribution via email

We will use email to distribute this document and other relevant SAP HCM information quickly. We will carefully maintain a distribution list, in which a limited number of people can be included per organization. You may report changes in the distribution list to Leo.Mommersteeg@sap.com.
Fiscal Package

The ambitions of the cabinet are translated into fiscal and social measures. The Fiscal Package contains the changes that are needed from year to year on the revenue side of the state budget and the income and job market policy.

We will describe the most important changes here below.

Wage taxes; Changes in percentages and amounts

We implemented these changes in the various tables and software and made them available. It relates to the changes to calculate the wage tax and discounts in 'normal', special and conversion situations.

The changes were verified thoroughly and were compared to the tables of the Tax Authorities.

We recommend you verify the results calculated in SAP HCM before you start the first payroll of 2019.

You can easily verify the payroll amounts of the white and green tables with the help of the report Tax table checker (RPCSVCN0). This report calculates all amounts in SAP and verifies them against the (CSV) files made available by the Tax Authorities. The files are available in the Year Change Information Package (YELC-INFO-PACK)

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- All Tax tables
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- Mapping documents for the Wage and Pension returns
- The tables with CLAs, Nationalities and countries
- Overview of the countries belonging to the circle of countries
- Most recent Wage Tax newsletter

Please click on the URL below to go to the package: https://sap-my.sharepoint.com/u:p/leo_mommersteeg/Ee9nBfgqrdJfJxgbkb0gYdw8hCnL3uiVEEi9r_zC6FYGg?e=1otwMf, where you can download the files easily.

You can also check the results with the simulation/salary statement or by using the reports in the SAP menu.

Voor meer details en beschikbaarstelling verwijzen wij u naar de SAP notes 2661043 en 2707998.

Tax credit depends on the country of residence

As of 2019 the country of residence of the employee, retiree or beneficiary must be considered in the tax credit calculation of the tax component of the wage tax.

Residents of the Netherlands are entitled to all tax credits, while residents of the so-called circle of countries (countries within the EU, EER, BES islands and Switzerland) will have a limited right to tax credits of the tax component of the wage tax. Residents of the other countries will no longer be entitled to it.

Please refer to the Wage Tax newsletter for more information.

Determine the country of residence

We will first look at the criteria that have to be applied to determine the country of residence. You can find these criteria in the newsletter of the Tax Authorities. The question now arises who is responsible to determine the country of residence. Is it the employer, who will most likely face privacy aspects in enforcing this? Or is it the employee who of course must be informed properly by the employer, which includes all consequences?

We advise you to think about this and make a choice.

SAP adjustments

We will then take a closer look at the adjustments in SAP. The country of residence of the employee, retiree or beneficiary is in principle stored in the infotype Addresses (IT0006) and the subtype Permanent Residence (1) in
particular. We recommend that you check the countries that are stored in this infotype and subtype thoroughly and adjust where necessary. It would be unfortunate if an employee must pay more tax because a foreign P.O. Box is for example included in the subtype Permanent Residence.

A new field Country of Residence is also included in the infotype Fiscal data NL (IT0060). If, for any reason, the country of residence would not be correct in the subtype Permanent Residence or if it should be different, you can record the correct country of residence in the new field. We believe this field will only be used for deviations on the subtype Permanent Residence.

To determine the correct country of residence in the payroll, the payroll function P0060 was expanded with a parameter SUBTY. Here you indicate which subtype with you contains the Permanent Residence. Please ensure that this is a valid subtype!
In the payroll, depending on the country of residence in IT0006 and IT0060, the value NL (Netherlands), LK (Circle of Countries) or DL (Third Country) is saved. If no value is found, the value NL is maintained. This value will also be used to calculate the correct tax credits and therefore the correct wage tax.

The remuneration statement and wage return do not state or indicate which country of residence was used for the calculation. The differences are only visible in the amount of wage tax.

Because of these changes, the number of Tax tables increased from about 150 tables to approximately 500 tables. This will make it more difficult to find the right table. You can find all tables in the Year Change Information Package (YELC-INFO-PACK)

This year we will also made an information package available that contains for example:

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. Please refer to SAP Note 2696778 for more information and access.

Country tables in SAP

In SAP every country is recorded in table T005. You will maintain this table. The countries that belong to the circle of countries are recorded in table T5N77 and are maintained by SAP.

It is possible that there is no description with the countries in table T5N77. This could be because the country is not present in T005. There is in principle no problem. You can of course not assign that country (of residence) to employees. Please check whether you did not use another code for that country. If you are using a different code, the wrong payroll tax may be calculated with all resulting consequences.

Qualifying foreign tax payers and discussion on residents of BE, SR and AW.

To conclude we will discuss the so-called qualifying foreign tax payers and an ongoing discussion on the position of residents of Belgium, Surinam and Aruba. These people are entitled to all credits. The qualifying foreign tax payers following a signed wage return of the Tax Authorities in their country of residence. The taxable residents of BE, SR and AW following a nondiscrimination clause in the tax act with those countries. The settlement of this tax credit for both groups of people is done based on income tax and not based on wage tax. The person involved may apply for a temporary income tax assessment to not have to wait 1 year for the settlement.

Life course saving credit and young disabled person’s tax credit

Starting from 2019 the country of residence will also affect these credits. Only residents of the Netherlands will receive the credit in full.

Legally the conversion rule also applied to these credits. This change was, regarding the life course saving credit, not published by the Tax Authorities and therefore not implemented in SAP. This change is included from 2019, which will enable employees who have a conversion rule, to receive less or no career savings plan.

30% Regulation

Starting from 2019 the duration of the 30% regulation will be reduced from 8 or 10 years to 5 years. You will have to consider the decrees that are issued as of 2019. You indicate the correct end date in the infotype Fiscal data (IT0060).

A transitional rule applies to the existing decrees whereby the current term is respected until the 1st of January 2021. From then on, the maximum term is in principle 5 years. Since we are expecting changes in this regard, we will only adjust the end date of the existing decrees with the year change of 2021/2021.
Taxable addition for Company car

Two taxable addition percentages will apply in 2019 for new cars; 22% and 4%. The 4% applies to fully electric and hydrogen cars. For other cars, that are registered from the 1st of January 2019, the 22% applies. For fully electric cars also a limit of €50,000 is implemented. Up to this limit, 4% is added, while 22% is added from that limit. This limit does not apply to hydrogen cars.

Starting from 2019 an addition of 7% will furthermore apply to fully electric cars that were registered before the 1st of January 2017 and for which the 60-month period expires. The limit of €50,000 is also introduced, above which an addition of 25% applies.

In the infotype Company Car (IT0442) the addition codes H (4% + 22%) and I (7% and 25%) were made available for this purpose. The code G was already available for 4%.

For more information and access, please refer to SAP Notes 2691191 and 2725850.

Social Insurance: percentage and amount changes

Several percentages and amounts of the social insurance laws are determined on a national basis, while others differ per company or branch. This is probably also the case in table T5N1L and the amounts and percentages are stored per employer. It is also possible that you are using the values ALL*. The same applies to the SI groups.

SAP delivers all percentages and amounts as an example in client 000. At any time, before the 1st payroll run in 2019, you must maintain the percentages and amounts of your organization(s) in table T5N1L, by using the following IMG steps → Payroll Netherlands → Social Insurances → Maintain SI premiums.

Most percentages and amounts can be found in the Wage Tax newsletter or in the decree that you received from the Tax Authorities. Register the percentages and amounts carefully and check them duly.

We recommend you use report SI check report (report RPUSVONO / transaction PC00_M05_USVO) for verification. This will prevent possible corrections afterwards. It is probably a good idea to check the percentages and amounts of previous years.

Payment Reduction R&D

There have been no adjustments to the amounts and percentages for the premium reduction R&D for 2019. You will find the figures of recent years here below.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2016</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage first</td>
<td>35%</td>
<td>32%</td>
<td>32%</td>
<td>31%</td>
<td>31%</td>
</tr>
<tr>
<td>Percentage first</td>
<td>50%</td>
<td>40%</td>
<td>40%</td>
<td>40%</td>
<td>40%</td>
</tr>
<tr>
<td>Wage limit first</td>
<td>€250,000</td>
<td>€350,000</td>
<td>€350,000</td>
<td>€350,000</td>
<td>€350,000</td>
</tr>
<tr>
<td>Percentage second</td>
<td>14%</td>
<td>16%</td>
<td>16%</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>Maximum</td>
<td>14 min.</td>
<td>Deleted</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Private supplement to WW and WGA (PAWW)

For the deduction and calculation of the PAWW, we use an Extra SV-wet (Extra SI Law) in the infotype Social Insurance (IT0059). You can determine which of the 5 available options you choose. You must consider that this option has not been used for at least 1 calendar year.

Starting from 2019, the default values of the infotype, so also for the PAWW, can depend on the Collective Labor Agreement (CLA), can be proposed. The feature NLSVD has been adjusted for this purpose. If you change the feature, you need to change the structure of the feature from PME1 to PMENS and you need to change the decision tree. It is probably easier to remove the feature and to implement it again. You must perform this change in all clients!
For more information and access, please refer to SAP Notes 2700236 and 2700954.
Handling SI codes

We have made various adjustments in recent years to prevent you from changing the SI codes in the infotype Social Insurance (IT00059) depending on the situation. In this regard we think of situations in which the employee continues working after retirement age, stops working and receives supplementary payments (white wage) or a transition compensation (green wage).

To prevent errors, we ask you again to correctly include the SI codes and to not change them in the situations mentioned. So, do not set codes to zero when the employee retires. The payroll ensures that the correct codes are used. In ‘exceptional’ situations, such as when the employee receives a benefit instead of a salary, a trainee is hired, you will of course have to include the correct SI code.
Other legal changes

Apart from the changes because of the Fiscal Package, other legal changes came into effect that impact SAP HCM and the payroll solution in particular. We will describe the most important changes here below.

Minimum wages

Starting from the 1st of January 2019 new amounts for the legal minimum wages apply. For more details and availability, we refer to SAP note 2712762.

The lowering of the age limit for the legal minimum wage will also be continued in 2019. Starting from the 1st of January 2017, the age was lowered to 22 years and it will be further lowered on the 1st of July 2019 to 21 years. The minimum wages for 18 to 20-year old will be increased (additionally).

In SAP we apply the same amounts for 22 and 23-year old until the 1st of July 2019. Starting from the 1st of July 2019 this also applies to the 21-year old. Later in 2019 we will review whether and which adjustments will be implemented for the lowering of the minimum wage age.

Increase of Retirement (AOW) age

The retirement age [AOW] will be increased to 66 years and 4 months as of 2019. Please refer to the table here below, which is still in Dutch.

<table>
<thead>
<tr>
<th>U bent geboren:</th>
<th>U krijgt AOW in</th>
<th>Uw leeftijd als uw AOW start is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>voor 1 januari 1948</td>
<td>2012 of eerder</td>
<td>65</td>
</tr>
<tr>
<td>na 31 december 1947 en voor 1 december 1948</td>
<td>2013</td>
<td>65 + 1 maand</td>
</tr>
<tr>
<td>na 30 november 1948 en voor 1 november 1949</td>
<td>2014</td>
<td>65 + 2 maanden</td>
</tr>
<tr>
<td>na 31 oktober 1949 en voor 1 oktober 1950</td>
<td>2015</td>
<td>65 + 3 maanden</td>
</tr>
<tr>
<td>na 30 september 1950 en voor 1 juli 1951</td>
<td>2016</td>
<td>65 + 4 maanden</td>
</tr>
<tr>
<td>na 30 juli 1951 en voor 1 april 1952</td>
<td>2017</td>
<td>65 + 5 maanden</td>
</tr>
<tr>
<td>na 31 mei 1952 en voor 1 januari 1953</td>
<td>2018</td>
<td>66</td>
</tr>
<tr>
<td>na 31 december 1952 en voor 1 september 1953</td>
<td>2019</td>
<td>66 + 1 maand</td>
</tr>
<tr>
<td>na 31 augustus 1953 en voor 1 mei 1954</td>
<td>2020</td>
<td>66 + 2 maanden</td>
</tr>
<tr>
<td>na 30 april 1954 en voor 1 januari 1955</td>
<td>2021</td>
<td>67</td>
</tr>
<tr>
<td>na 31 december 1954</td>
<td>2022 en later</td>
<td>67 + 3 maanden</td>
</tr>
</tbody>
</table>

In SAP HCM retirement ages are stored in table T5NRE. The retirement date is also represented in infotype Fiscal Data (IT0060). This may change as soon as a new record is created.

The retirement age is used in SAP HCM in the following situations:
- End of SI or Zvw duty
- Determine SI-period
- Calculation of SI premiums / Zvw contribution / levy
- Calculation of employment rebate / LH (in relation to AOW/WLZ)
- Conversion rules
- End of life course saving (LCS)
- Illness analysis
- Sick pay calculation
- Electronic illness and recovery reports
Maximum amount basis for pension premiums

A maximum (€ 100,000.00) was stated in 2015 on which pension premiums can be deducted for all levies. This amount is indexed annually and was set to an amount of € 107,593 at the start of 2019.

For the (maximum) pension premium that amount needs to be included in table T5NSQ. If you are using a customer exit in your calculation, you also must change the table that is used in it.
Returns

SAP HCM supports a number of returns for which changes were implemented as a result of legislative and regulatory adjustments. Changes were also implemented that should improve the return chain and quality of the information.

We will describe the most important changes here below.

Wage Return

The (XSD) version has changed in the Wage Return but no fields were added or removed. A few changes have been implemented, which we will discuss here below. We also refer to the Mapping document and Data Specifications 2019 that are available in the Year Change Information Package (YELC-INFO-PACK)

This year we will also made an information package available that contains for example:

- All Tax tables
- Information on the Wage and Pension returns,
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Additional wage return verifications

The Tax Authorities added several checks to improve the quality of the data in the wage return. After we analyzed the errors that were notified with the SAP software, several checks have been added in SAP. They are the following:

- **L1903** If [the Income Relationship Indicator is 13] THEN [the Work Relationship Type Code has to be 1.]
- **L1904** If [the Income Relationship Indicator is 11] THEN [the Work Relationship Type Code has to be 1 or 18.]
- **L1906** If [the Insurance Obligation Influence Code has been entered] THEN [(the Income Relationship Indicator equals 11 or 15) AND (the Work Relationship Type Code does not equal 7 or 79.])
- **L1907** If [(the Work Relationship Type Code is 7 (intern) OR [person has reached retirement age]) AND [the End Date of Income Relationship is not entered] AND [the Incidental Income Reduction Code is not “O”] AND [the white wage tax table is applied (1st character of the table code is not 2 and 2nd character of the table code is 1)] AND [the Income Relationship Indicator does not equal 17] THEN [the Indication insured WAO/IVA/WGA and WW has to be completed with "N".]
- **L1909** If [(the Income Relationship Indicator is 18) AND [the Work Relationship Type Code is 18]] THEN [the Indication allowance old scheme has to be supplied.]
- **L1912** If [Wage in money is greater than € 0] AND [Wage in money equals the sum of the Vacation Allowance and Additional Period Salary] AND [the Incidental Income Reduction Code was not supplied with "Z"] THEN [the Number of Remunerated Hours has to be 0.]
- **L1915 (was L1820)** If the Income Relationship Indicator does not equal 11, 13, 15, 17, 33, 54 or 62 then do not notify the Contract Wage or notify value 0.
- **L1916 (was L1821)** If the Income Relationship Indicator does not equal 11, 13, 15, 17, 33, 54 or 62 then do not supply the Number of Contract Hours per week or supply with value 0.
- **L1917 (was L1705)** Work Relationship Type Code: Not permitted when Income Relationship Indicator = 17, 22, 23, 24, 31, 32, 34, 35, 36, 37, 38, 39, 40, 42, 43, 45, 46, 50, 52, 55 up to 61 or 63.
- **L1918 (was L1706)** Contract Indicator: Not permitted when Income Relationship Indicator = 17, 22, 23, 24, 31, 32, 34, 35, 36, 37, 38, 39, 40, 42, 43, 45, 46, 50, 52, 55 up to 61 or 63.
- **L1919 (was L1707)** CLA [CAO] Code: Not permitted when Income Relationship Indicator = 22, 23, 24, 31, 32, 34, 35, 36, 37, 38, 39, 40, 42, 43, 45, 46, 50, 52, 55 up to 61 or 63.
We understand that it is difficult to register and notify the correct information in SAP HCM in all situations. We will therefore support you where possible. We can do this based on a warning in, for example, the payroll and the Wage return check report (RPULAEN0) and by adjusting data to the requirements of the Tax Authorities. This allows you to not always record the information correctly, but it will be notified correctly. The following table shows which changes where implemented where:

<table>
<thead>
<tr>
<th>Check</th>
<th>Payroll - NLLA0</th>
<th>RPULAEN0 (check report)</th>
<th>RPCLAVN0 (Extractor)</th>
</tr>
</thead>
<tbody>
<tr>
<td>L1903</td>
<td>--</td>
<td>Error message</td>
<td>Nothing, too less mistakes</td>
</tr>
<tr>
<td>L1904</td>
<td>--</td>
<td>Error message</td>
<td>Nothing, too less mistakes</td>
</tr>
<tr>
<td>L1906</td>
<td>--</td>
<td>Error message</td>
<td>Nothing, too less mistakes</td>
</tr>
<tr>
<td>L1907</td>
<td>--</td>
<td>Error message</td>
<td>Nothing, too less mistakes</td>
</tr>
<tr>
<td>L1909</td>
<td>--</td>
<td>Error message</td>
<td>Nothing, too less mistakes</td>
</tr>
<tr>
<td>L1912</td>
<td>Error message</td>
<td>Not possible, payroll data</td>
<td>--</td>
</tr>
<tr>
<td>L1915</td>
<td>--</td>
<td>Not possible, payroll data</td>
<td>Correct value is set, no message</td>
</tr>
<tr>
<td>L1916</td>
<td>--</td>
<td>Not possible, payroll data</td>
<td>Correct value is set, no message</td>
</tr>
<tr>
<td>L1917</td>
<td>--</td>
<td>Reminder message</td>
<td>Correct value is set, no message</td>
</tr>
<tr>
<td>L1918</td>
<td>--</td>
<td>Reminder message</td>
<td>Correct value is set, no message</td>
</tr>
<tr>
<td>L1919</td>
<td>--</td>
<td>Reminder message</td>
<td>Correct value is set, no message</td>
</tr>
</tbody>
</table>

The checks indicate that it is important that the paid hours, the SI wage and SI codes are notified correctly in the various situations.

We are aware that this does not cover all situations. We do believe that we have found a good balance between supporting you and declaring the correct information.

Please let us know if you have any suggestions for improvement.

Other wage return changes

Tree other changes were implemented starting from 2019 that are of importance to you.

- As soon as you register an Incidental Income Reduction in the infotype Wage Return (IT0808), you can also register an end date. Nothing was done to this field. Starting from 2019, when the end date is achieved, a warning is issued in the report Wage Return: Check Master Data (report RPULLAEN0 / transaction PC00_M05_LLAE). This warning is also issued when the end date is in the past. We recommend you change the end date or create a new infotype record without the Incidental Income Reduction.

- If your employee withdraws their Life course saving (partially or in full), you also have to notify a code ‘O’ (Unpaid Leave) at the Incidental Income Reduction. If you did not register this, the code will automatically be set in the Wage Return, in case the reason for the withdrawal = 1, 3 or 6 in the infotype Savings schemes (IT0854) and if there is no other Incidental Income Reduction Code registered.

- You can no longer indicate the Addition Code D (0%) starting from 2019. In principle this code is limited to 31.12.2018. If this code remains present in the infotype, it will be removed automatically in the Wage Return. For more information and access, please refer to SAP note 2694031.

Validity of PKI-O Certificates

To send a wage return to Logius, you need a PKI-O certificate. The validity term of these certificates has been reduced from 3 to 2 years as of 2018. Logius has meanwhile indicated that private trusted certificates can be used to make returns. These certificates will be valid for 3 years.

Please consider this option when your certificates are ending.
CLA codes, Nationalities and Sectors

You will have to verify every year whether your CLA code(s), Nationalities and Sectors are still up to date. The Tax Authorities make tables available that you can find in Year Change Information Package (YELC-INFO-PACK).

This year we will also made an information package available that contains for example:

- All Tax tables
- Information on the Wage and Pension returns,
- Mapping documents for the Wage and Pension returns
- The tables with CLAs, Nationalities and countries
- Overview of the countries belonging to the circle of countries
- Most recent Wage Tax newsletter.

Please click on the URL below to go to the package:
https://sap-my.sharepoint.com/:u:/p leo_mommersteeg/Ee9nBfgqrDJfJXbgbk0gYdwb8hCnnL3uiVOEi9r_ZC6FYGg?e=l0twMf,
where you can download the files easily.

Check the settings in tables T5N73 for the CLA codes, T5N76 for the Nationalities (GBA codes) and T5N14 for the Sectors

Any changes in the CLA codes will also affect the employee’s data. For this purpose, the report Update CLA codes for infotype Wage Return (report RPLACNC0 / transaction PC00_M05_ILAC) is available.

Copying Numbers Income Relationship (ICR)

If you start using payroll in SAP (coming from another SAP system or an external system), it is important that the Income Relationship Numbers are copied from the other system. To support you, we have made a Wage Return report available: Import Numbers Income Relationship (report RPULASN0), which is part of the IMG Chapter → Payroll Netherlands → Wage Return → System Transfer.

In the first phase this report supports a so-called ‘easy scenario’. This is a scenario in which you do not use Wage Return splits. Think for example of an WR split when an employee withdraws LCS and is older than 61 years. More complex scenarios will be incorporated and made available later in 2019.

Ending of an Income relationship (IR)

As soon as an income relationship is ending, for example when the employee ends the employment, the IR must be ended. This is often not done. When the ending of the employment is registered on the 1\textsuperscript{st} day of the current payroll period. The ending will in most cases not trigger a recalculation to the previous period, in which the closure must be notified.

A recalculation must be started to notify the ending correctly. We use feature RETRO for this in SAP HCM. As soon as the field &RETRO has value 1, a recalculation is started automatically to a previous period.

The ending does not only apply to the wage return but also to the pension returns. In the underneath example, we have included a procedure (firing) and various infotypes. The infotype Pensions (0110) is, for example, important for pension return. We ask you to include the procedures and infotypes that must lead to an ending of the IR in this feature.
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New Income Relationship (IR) when a trainee is hired

As soon as a trainee is employed as an employee, a new income relationship (IR) must be notified in the wage return. The IR for the trainee employment must be closed.

A new IR must be created with feature NLINK. You must expand this feature for this if you haven’t already done this.

You first must determine how you will recognize the trainees in your SAP HCM system. In most cases this will be based on one of the fields in infotype Organizational Assignment (0001). You add this field and a higher value in ‘&NLINK=’ to the feature. In the above example we use the field Employee Subgroup (PERSK), with value ‘NE’ or ‘NF’ and value ‘&NLINK=C’. Test this change thoroughly, including a recalculation.

A recalculation to a previous year, also leads to an IR split! In our opinion, it is not compulsory to start such a recalculation for all trainees.

If you use different employee numbers for trainee and employees, there is no need to adjust the feature NLINK. A new IR will be assigned to the employee based on the CSN. Especially then you must take the closure of the IR into account; please refer to the previous paragraph.

Pension Return for UPA

After PGGM/PFZW started using UPA in 2017, we see that more PUOs and Pension Funds are embracing UPA. Achmea, PGB, AZL, BeFrank, Provisum will transfer to UPA starting from the 1st of January 2019 and TKP and NN indicated that they will transfer on the 1st of January 2020.

The (XSD) version has changed in the Pension Return UPA but no fields were added or removed. A few changes have been implemented, which we will discuss here below. We also refer to the Mapping document and Product Description 2019 that are available in Year Change Information Package (YELC-INFO-PACK)

This year we will also made an information package available that contains for example:

- All Tax tables
- Information on the Wage and Pension returns,
- Mapping documents for the Wage and Pension returns
- The tables with CLAs, Nationalities and countries
- Overview of the countries belonging to the circle of countries
- Most recent Wage Tax newsletter.

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where you can download the files easily.

The following changes have also been implemented:

- The code 7 (Unpaid Leave) for the Reason end of IR is no longer permitted. We have delimited this code and ensure that value 7 is removed in the extractor.
- The XML encoding has been changed from ISO-8859-1 to UTF-8. This means that you can indicate more characters.
- To support the System Transfer, a new value PUPA is made available in the table POSTPRNL_SYCHIR. In this table you will record the Income Relationship Numbers (IR) as soon as you transfer from an external or SAP system to (another) SAP system.
If you transfer from the Pension Return Achmea/Centric to UPA, you also must copy the ICR numbers. This can be done easily by using a report that is currently being tested at 2 customers. As soon as the test is finished, the report will become generally available.

You do not use a system transfer if you start for the first time with UPA, although some PUOs do request this. We are currently discussing with the focus group UPA whether this is preferable or not.

- To conclude, it is necessary that a Product Variant of 5 characters can be indicated. The length is 2 characters in SAP. The customers who are currently dealing with this, who are currently implementing UPA for PGB, are already been informed of this.

Pension Return Achmea/Centric

For this Pension Return, that is mainly used toward Centric, TKP and Syntrus Achmea, no changes were implemented. When transferring from this Pension Return from Syntrus Achmea to Centric, we did not hear of any issues from you.

We also see that TKP and Syntrus Achmea are planning on transferring to the Pension Return UPA in 2019, and we are therefore not expecting large chances.

It is our intention to stop the maintenance of this Pension Return in 2020. We therefore ask you to insist as much as possible on a transfer to the new Pension Return UPA.

Pension Return APG

In this return version 4.01 (from 2016) has been changed in version 5.0 (from 2017) and 2019.01 (from 2019). No fields were added or expired. New clients were added, i.e. 1005 (SPW – Housing corporations) and 1011 (PFAB – Architects).

The following changes have also been implemented:

- In the particularization Income Relationship, the code VKV (Vacation Worker) is no longer permitted and the code VAD (Working Time Reduction). We have limited or added these codes.
  Since a change of particularization must result into a new income relationship and the ending of the old IR, you must register this change with the payroll of the period 12 or 13 in 2018. If you cannot do this, you must register retroactively in the period 01.2019 (before 12 or 13 2018).
  Also check the table V_T77PRNL_FILL for the proposal values.
- The CAO Code 99 (no CAO) is also no longer permitted. We have also limited this code.

Ending of notification when retirement (AOW) age + 5 years is reached

As soon as an employee reaches the retirement age + 5 years, the withholding and notification of the pension must end. We currently only see this in the judicial power.

If this situation arises with an employee, the infotype Pensions (IT0110) must be delimited on the date of the retirement age + 5 years.

You will further have to check the new parameter Factoring AOW+5 in the table where the parameters for the pension calculation are stored (T5N5Q).

Based on this parameter, it will be checked whether the infotype Pensions (IT0110) has indeed been delimited. Furthermore, a pro rata calculation will be performed on the pensionable wage and premium.

For more details and access on the changes in the Pension Return, please refer to SAP notes 2672744, 2687006, 2690736, 2723008, 2726493, 2728738 and 2730171.
CVZ/ZIN/CAK Return

Since the introduction of this return, the CVZ (College of Health Insurers) changed to ZIN (Care Institute Netherlands). After this, the tasks were transferred to the CAK (Central Administration Office).

In 2019 we will adjust these name changes in the relevant functionality.
Changes in SAP HCM

SAP continuously implements changes to improve the product and as a result of previous legislative amendments. Some changes have been communicated before. We will describe the most important changes here below.

Working Cost Regulation (WCR)

As of 2019 WCR calculation method 1 (based on the monthly real costs) and WCR notification method C (monthly) will no longer supported.

Later, WCR calculation method 3 (based on estimates) will also be stopped. Check your feature NLWCR and adjust it where necessary starting from 2019!

Please refer to SAP Note 2722199 for more information and access.

Correction/ Arrears Payments

As of 2019, we have decided that employees who are no longer employed and who has a recalculation, a correction always must be made and notified. You will then no longer be able to make and notify and arrears payment (in accordance with the C/A functionality). Also, in case you do not register a correction in the infotype Corrections (IT0879).

The INACT parameter, that was introduced in 2018 in the payroll function NLCNB, is also deactivated. Adjust your settlement schedule if you do not use the parameter INACT!

It is furthermore required to register both tables ST and SI in the infotype Corrections (IT0879).

We recommend that you always indicate all 3 tables (ST, SV and LA) as a correction!

Please refer to SAP Note 2696394 for more information and access.

Annual Wage for Special Payments

If an employee or retiree or beneficiary has multiple personnel numbers, it may be of importance that the wages of all personnel numbers is used to calculate the annual wage for special payments.

In the report Annual Wage for Special payments (report RPIBBLNO / transaction PC00_M05_IBBL) an extra parameter Take into account CSN [BSN] is included for this purpose. The report automatically selects all personnel numbers of the employee based on the CSN (BSN) and adds up the wages. When the wage is extrapolated to an annual wage, the active periods of all personnel numbers are taken into account.

Example: if one personnel number is hired for an entire year and another personnel number is not, there will be no extrapolation to an annual wage. If one is hired for example for 4 months and another personnel number for 3 months, then an extrapolation based on 7 months to 12 months will be performed.

For more information and access, please refer to SAP Notes 2697333 and 2720219.

Sickness and Recovery notifications

From 2019 it is no longer permitted to enter the reason of the no-risk policy. For this purpose, the functionality is adjusted in the first six months of 2018.

In first, the infotype Wage Return (IT0808) is adjusted and, from 2019, the reasons for the no-risk policy have been removed. Instead 2 check fields No-Risk Policy and WSW article 7 have been included. These fields are used in the sick and recovery notifications, for the paper version (RPTZKMN2) and the electronic version (RPTZKMN3).
Furthermore 2 other check fields are also included, Job Agreement and Minimum Wage Exemption, which are used in the Participation Monitor (report RPLPAWN0 / transaction PC00_M05_LPAR).

A report has also been made available for data migration; report RPILANN2 / transaction PC00_M05_ILAN2. If you have not yet migrated your data, we recommend you do this as quickly as possible.

For more information and access, please refer to SAP Notes 2631311 and 2716656.

Fiori apps

We see more and more customers leaving the SAP portal and using the Fiori Launchpad. This Launchpad does not only align better with other SAP user interfaces, it is also more flexible and easier to use.

Here below you can find an example of the SAP Fiori Launchpad for employees. It is immediately noticeable that all functions can be made available in Tiles.

In M1-2019 the country specific tiles for Personal Data, Address Information and Bank Information will be available. You can use it make other fields and lay-outs available for your employees.

Payroll Results Dashboard

Apart from the well-known report Display Payroll Results (H99_Display_Payresult / transaction PC_Payresult), the report Payroll Results Dashboard (RPUCVRX / transaction HR99S00_PY_Dashboard) is now also available.

Both programs display the same information, but the selection and presentation are different. You can indicate in the selection which IN or FOR periods you want to select. The layout has also become very flexible and can be adjusted to your specific requirements. It is particularly useful that multiple tables and/or multiple periods can be shown simultaneously.

We recommend you review the dashboard carefully. You will then determine in which situations or verifications this dashboard can support you in the best way.

If you have any suggestions for improvement, please let us know. The Development department is always open to your input.

Please refer to SAP Note 2440593 for more information and access.
Other year change activities

Apart from legislative changes, new and changed functions, you have to perform a number of actions in relation to the year change. It mostly relates to activities that guarantee the continuation of the use of SAP HCM for the new year. Here below is a brief description of the (most) important changes.

Safeguard wage types

Because you changed the settings of (technical) wage types or if you use wage types that have a code that are not in 'code series' permitted for customers, we recommend you make a back-up of table T512W.

By using report RPU12WOS it is possible to make a back-up of the entire table or part of it before the import of HRSPs. Reports RPU12WOC and RPU12WOS ensure that the wage types are reloaded after the import.

Please refer to the documentation of the relevant reports for more elaborate instructions.

Initialization of the infotype Fiscal Data (0060)

As of the 1st of January, the annual wages must be determined and recorded in infotype Fiscal data (0060). The report Batch Input Session for Initializing Infotype Fiscal Data (0060) (RPIBBLN0 / transaction PC00_M05_IBBL) is available for this action.

New accrued leave

Several reports are available to create new ‘accrued leave’ in infotypes Absence Quotas (2006) or Leave (0005). We mention:

- **RPTQTA00** that can be used to create new accrued leaves in infotype Absence Quotas (2006).
- **RPTIME00** that can be used, depending on the customizing, to assign recurrent leaves.
- **RPTLEA30** that can be used (in batch) to create new accrued leaves in infotype Leave (0005).
- **RPILVA00** does not only generate accrued leave but also transfers remaining leave from the previous year to the current year in infotype Leave (0005).

Official holiday calendar check

It is important that you check the used official holiday calendar(s) and possibly change them so that the correct official holidays for the coming year can be included in the work schedule.

Of course, you must check whether the validity of the used official holidays and calendars are correct.

Generate work schedules

By using report Generation of Work Schedules (RPTSHF00) the recorded work schedules are generated for the indicated period. Possible special days for the coming year can be also be included.

We recommend you generate the work schedules until period 01-2019. Please note that the schedules are only final if with the help of the mentioned report, the created batch input session was processed correctly.

Generate payroll periods

By using IMG steps → Payroll Netherlands → Basic settings you must check whether the payroll periods are correctly recorded in your system. If necessary, you must generate the payroll periods for the coming years.
Generate payment dates

If the payment dates are not recorded when the payroll periods are generated, you must use IMG steps → Payroll Netherlands → Basic settings), to generate them again.

Generate booking dates

If the posting date is not entered manually when the posting to Finance is created, the dates will be determined from customizing. By using IMG steps → Payroll Netherlands → Reporting for Posting Payroll Results to Accounting → HR System Activities → Maintain posting date for payroll periods, the posting dates for the following year(s) can be checked and/or generated.

Generate cumulation calendar

To cumulate wage types correctly (in CRT), you must link the payroll period to cumulation periods. The periodicity of the payroll and cumulation is in principle the same. By using IMG steps → Payroll Netherlands → Basic settings), you can generate the cumulation calendar.

We recommend you generate this calendar for the same periods as the payroll periods.

Payroll Control Record

As soon as the annual statements for the employees have been created, changes (and recalculations) for the previous are in principle no longer allowed. In your Payroll Control Record(s) you must change the oldest payable periods in 01-2019.

An exception applies if your organization applies the correction/arrears functionality. In that case you must set the oldest payable period to the oldest period to which possible changes in your organization may relate to.

Take into account that the maximum statutory period for which you can notify corrections is 5 years.

We recommend you adjust this maximum date annually to the oldest payable period of your Payroll Control Record(s). If you exceed this period, the payroll and report Wage Return: Collecting Data (Extractor) (RPCLAVNO / transaction PC00_M05_CLAV) will show a notification. NO notification is then created for the concerning period(s).

For more information, please refer to SAP Note 2571015.