

This edition covers the latest payroll gossip and changes you need to be aware of...

Tax changes

2013/14 sees a few minor changes to tax rules - you'll be prompted to have these changes made for you when you start the new tax year - PLEASE MAKE SURE YOU HAVE PROCESSED ALL PAYS FOR 2012/13 before auto-updating the KiwiSaver and Tax settings:



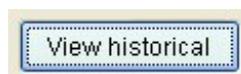
- KiwiSaver minimums for employer and employee contributions increase to 3%
- Student Loan repayment rate increases from 10% to 12%
- ML and MLSL tax codes merge with M and MSL respectively

The latest tax tables (released January 2013) also have a small decrease in ACC earner levy collected as part of employee's PAYE, and an increase in the ACC earner levy threshold.

Other changes

Employee Pay History screen now has a WINZ Certificate option that lists each pay for 12 months ending on the currently selected historical pay entry - just select the pay period ending you want the report to run to then click and print. Of course you can still use the old Pay Range Income Statement report for more finesse if required.

Automatic leave liability report production has been available for a couple of years now, but we still receive numerous requests for leave liability information as at March. These reports can be viewed from the Leave Liability Report screen - just click the View Historical button on the Leave Liability Report options screen and choose the PDF report you want to examine.



For more information about recent changes, please refer to the latest Release Notes (under the Help menu) or contact the HelpDesk for any assistance required.

Thinking about a Mac?
Check out SmoothPay/Gold
www.smoothpaygold.com

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SLCIR notices (extra Student Loan repayments)

A common question to the helpdesk is how to enter the IRD's SLCIR Notice information so that the employee pays extra Student Loan amounts and have them appear on the IR348 (EMS) schedule.

In April 2012, SmoothPay provided extra SLCIR and SLBOR options in Pay Input.."Salary/Tax":

The image shows two overlapping software windows. The left window is titled "Tax, Salary, Child Support... for Sarah Jane GRAHAM" and contains several sections: "Override" options for pay periods, PAYE, student loan, and days paid; "Child Support" with normal and override amounts; "KiwiSaver (not enrolled)" with employee and employer contributions; and "Salary/Piecework Setup" with hours and annual salary fields. The right window is titled "SLCIR (compulsory) for Sarah Jane GRAHAM" and features a "Pay off \$" checkbox (checked), a text input for "1234.00", an "Inactive" checkbox, a rate of "5.000", a dropdown for "% of gross above threshold", and date fields for "starting on" and "ending on". At the bottom, it shows "Letter from IRD states" as "41.67%" and a "Close" button. An arrow points from the "SLCIR" button in the left window to the "Pay off \$" checkbox in the right window.

The SLCIR letters can be (and are) really confusing (and yes, they'll be telling you things like 41.67% from 1 April 2013). The intent is to deduct an additional 5% of liable earnings until the amount owing is paid off.

If you enter the percentage in the "Letter from IRD" field, the rate and threshold options will be set automatically. Alternatively, just set the options as illustrated.

Make sure you tick the "Pay off \$" option and enter the amount owed. Repayment will stop automatically once the amount owed reaches zero.

Free Online Backup Service (BUS)

Our free internet backup service is an extremely valuable data-protection tool, as it automatically maintains multiple editions of your payroll database archives - the option is available on the Backup and Finish Pay screens.

However, BUS does not replace sensible data management and backup. You must ensure that you have adequate backup facilities protecting your valuable payroll, accounting and business information. On many occasions we've discussed backup options with customers, only to find they have little or no knowledge of how secure their data really is or where backups are going. If you're not sure then you really should look at one of the many practical, inexpensive backup systems...and keep your backups offsite (or in the cloud).

Often we have been able to reinstate user's data (e.g. after earthquakes, fires, theft) - but if you don't use the internet backup option then we may not be able to help you get your payroll data back.

Use it - it's free and might just save your bacon.

End-of-year Procedure

We've designed SmoothPay to avoid any special processes.

So, you don't actually need to do anything more than print and file the reports you're prompted to print - just like the "end-of-month" procedure. It just happens.

SmoothPay detects when you're moving into a new tax year (based on the new pay period dates) and prompts you to print your usual tax reports. You might also like to produce reconciliation reports, an extra Leave Liability report etc, however these can be generated or retrieved at any future time - SmoothPay retains this data forever.

There is no compulsory requirement to provide earnings certificates - but you can if you wish - its entirely optional. Likewise, there is no compulsory requirement to produce any end-of-year tax reports etc., however feel free to do so.

One issue we constantly receive requests for is the Leave Liability Report as at 31 March. Under usual circumstances it's not possible to produce a back-dated leave liability report, as users make adjustments, change leave accrual methods etc that would significantly impact on the reliability of the report. So, to cater for this, SmoothPay automatically produces a PDF copy of the Leave Liability Report *every* pay period, so you can examine the report at any point in time. Just select the Leave Liability Report and click the Historical Reports button to view the folder containing PDF editions of past liability reports.

Timeclocks - Time in, Time out, Time saved.

SmoothPay now offers a range of timeclock solutions that will save not only time processing your payroll inputs, but increased accuracy can also result in more substantial payroll cost savings.

Our website contains details of special offers currently available on selected timeclocks.

Call us on (06) 353 6462 for a free quote or to discuss available options.

