

INTERCODE PAYROLL V4.3 RELEASE NOTES

BEFORE INSTALLING THE UPDATE

It is recommended that you make backup copies of all your existing employer files before you install any updates to Intercode Payroll. This will ensure that your original payroll information can be restored in the unlikely event that the update process fails to complete successfully. Once you have made backup copies of your existing employer files you can continue to install the update.

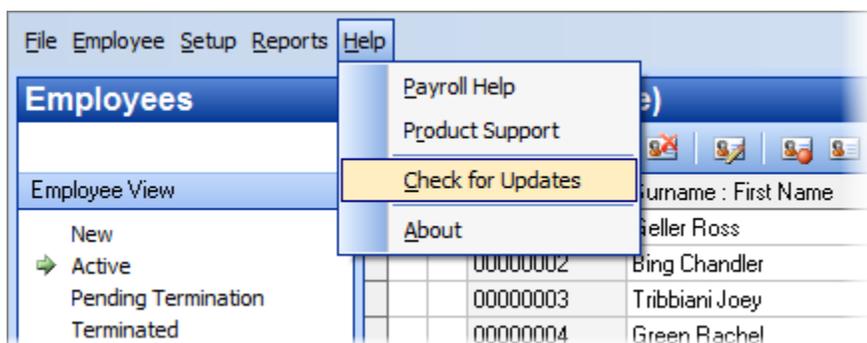
HOW TO INSTALL THE LATEST VERSION OF INTERCODE PAYROLL

There is no need to uninstall your current version of Intercode Payroll before installing a newer version of the software. Whenever a newer version of Intercode Payroll is installed on your computer, the newer version will automatically replace the current version as part of the installation process.

You can install the latest version of Intercode Payroll in one of two ways:

Automatic Installation (Recommended)

1. Ensure that you are currently connected to the internet.
2. Open Intercode Payroll.
3. Select *Help --> Check for Updates* from the main menu.



4. Follow the on-screen instructions to update your version of Intercode Payroll.

Manual Installation

1. Go to the *Downloads* page on the Intercode web site (www.intercode.co.za/downloads.php) and click on the link marked *Download Now*.
2. When asked whether you would like to *Run* or *Save* the file select *Save*. This will open a new window allowing you to specify the location on your computer's hard drive where you would like to save the file. Select *Desktop* and then click *Save*.
3. You will now see a *File Download* window showing the progress of the file download. Once the file download has been completed you can close all open windows and disconnect from the internet.
4. Ensure that Intercode Payroll has been closed then go to your *Desktop*, locate the installation file you just downloaded and double-click the file to start the installation process. Follow the on-screen instructions to complete the installation process.

Once the latest version of Intercode Payroll has been installed on your computer (using either of the two processes described above), open Intercode Payroll and open your employer file. You might see a message stating that your employer file is being updated. Wait for this process to finish.

The update process is now complete, and you can continue using the software as usual.

WHAT'S NEW

Tax Tables Updated for the 2015-2016 Tax Year

The new tax table for the 2015-2016 tax year as announced in the budget speech on 25 February 2015 have been updated in Intercode Payroll and are included in this release.

To view the new tax rates, rebates and thresholds, select Setup → Tax Year Setup from the Intercode Payroll main menu.

Employment Tax Incentive (ETI) Changes Implemented by the Taxation Laws Amendment Act of 2014

The Taxation Laws Amendment Act, 2014 was promulgated on 20 January 2015 and, amongst other things, contained certain amendments to the Employment Tax Incentive Act (Act No. 26 of 2013).

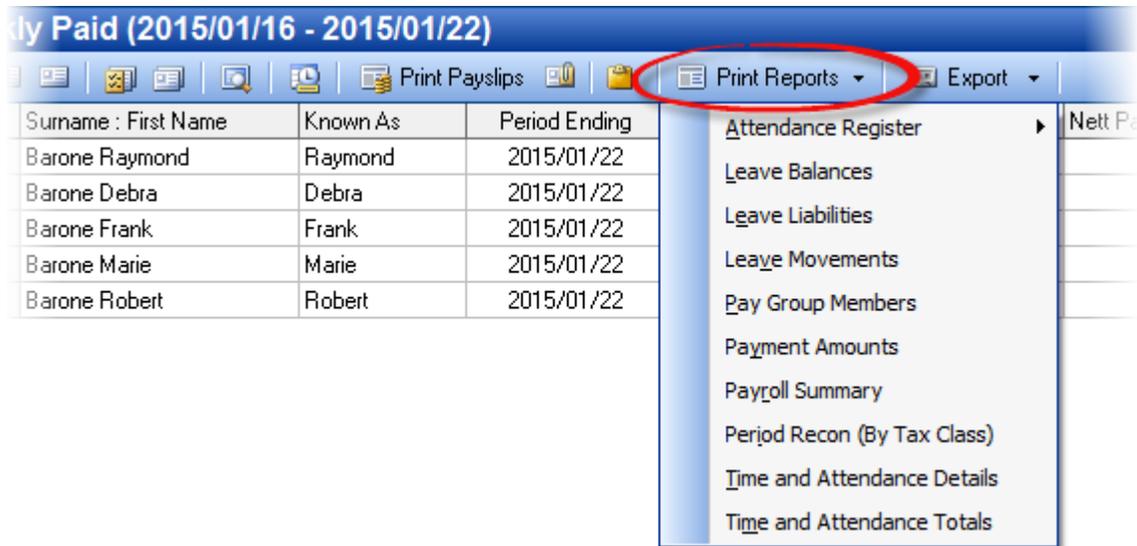
These amendments will be discussed in detail in a separate document, but in short include the following:

- Section 1 of the Act (Definitions) has been amended to allow for “monthly remuneration” to be determined in relation to a 160 baseline in cases where employees are employed for less than 160 hours in a month.
- Section 4 of the Act (Compliance with Wage Regulating Measures) has been amended to allow for the monthly minimum wage rate to be determined in relation to a 160 hour baseline in cases where employees are employed for less than 160 hours in a month.
- Section 6 of the Act (Qualifying Employees) has been amended to include refugee ID documents as valid forms of identification, and to specifically exclude employees whose monthly remuneration is equal to or greater than R 6,000.00 from the definition of a “qualifying employee”.
- Section 7 of the Act (Determining the Amount of Employment Tax Incentive) has been amended to allow for the portion of a month worked to be determined in relation to a 160 hour baseline in cases where employees are employed for less than 160 hours in a month.
- Section 9 of the Act (Rollover Amounts) has been amended to remove the restriction that the amount of unclaimed employment tax incentive that may be refunded to an employer at the end of each six-month period may not exceed R 6,000.00 in respect of each qualifying employee employed by the employer on that date.
- Section 10 of the Act (Reimbursement) has been amended to allow for ETI amounts that were not paid to an employer due to the employer not being tax compliant, to be paid to the employer in the first month thereafter in which the employer becomes tax compliant.

All of these changes have already been implemented in Intercode Payroll V4.3.1, and will automatically be used for all ETI calculations on your payroll as of March 2105 onwards. There is nothing that you have to do, apart from just being aware of these changes.

“Print Reports” Button in the Pay Periods Section (V4.3.1)

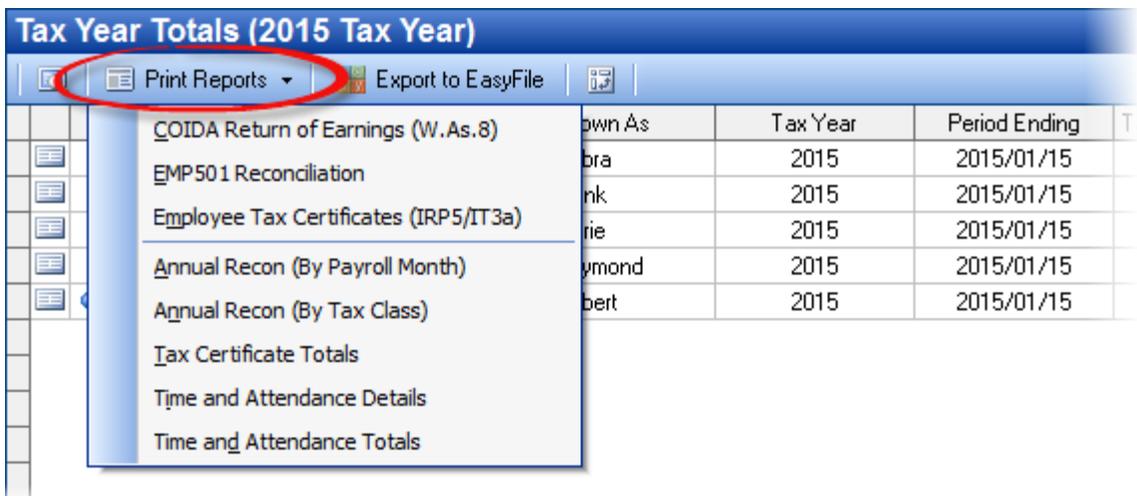
A New “Print Reports” button has been added to the toolbar at the top of the Pay Periods window to provide centralised access to all pay period reports. Clicking on this button opens a drop-down menu which provides access to all the available pay period reports.



Note: The *Payment Amounts* button has been removed from the toolbar at the top of the Pay Periods window. The Payment Amounts report can now be accessed via the new drop-down menu, in the same way as any of the other pay period reports.

“Print Reports” Button in Tax Year Totals Section (V4.3.1)

A New “Print Reports” button has been added to the toolbar at the top of the Tax Year Totals window to provide centralised access to all tax year reports. Clicking on this button opens a drop-down menu which provides access to all the available tax year reports.



Note: The *IRP5/IT3a*, *EMP501*, and *W.As.8* buttons have been removed from the toolbar at the top of the Tax Year Totals window. Those reports can now all be accessed via the new drop-down menu, in the same way as any of the other tax year reports.

Time and Attendance Details Report (V4.3.1)

A New Time and Attendance Details report has been added. As the name implies, this report can be used to print the time and attendance details of the employees on your payroll.

This report can be printed from the Pay Periods, Monthly Totals or Tax Year Totals section, depending on the date range of time and attendance information required. The report can also be printed for only one employee at a time by first selecting Single Employee View, regardless of which section of the payroll you are currently in.

Note: The existing Daily Work History report that was previously accessible from the Reports menu in the Employees section has been removed from the system, since it has now been replaced by the new Time and Attendance Details report.

Time and Attendance Totals Report (V4.3.1)

Prior to V4.3.1, the Time and Attendance Totals report could only be printed for all employees for a particular pay period, or for all employees for a particular month. As of V4.3.1 however it is now possible to print the Time and Attendance Totals report for all employees for a particular pay period, a particular month, a particular tax year, or a user-defined month range. It is now also possible to print the report for only one employee at a time, for a user-defined pay period range.

Employee Payslips: Description of Appointment Date (V4.3.1)

Prior to V4.3.1, the date on which an employee was appointed by the employer was reflected on the employee's payslip as the "Date Engaged". As of V4.3.1 the description used on employee payslips to indicate the date that the employee was appointed has now been changed to "Appointment Date".

CONFIDENTIAL PAYSリップ			NRM	OT1	OT2
Payroll Number	00000008	16 Jan	8.00		
Employee	Barone Debra	17 Jan			
Known As	Debra	18 Jan			
ID or Other No.	7802254585698	19 Jan	8.00		
Income Tax No.		20 Jan	8.00		
Industry No.		21 Jan	8.00		
Appointment Date	1 May 2003	22 Jan	8.00		
Job Title					
Pay Point	Head Office				
Payment Method	Cash				
Pay Period	16 Jan 2015 to 22 Jan 2015				

NRM - Normal Time, OT1 - Overtime 1, OT2 - Overtime 2
PH - Public Hol, PL - Paid Leave, UL - Unpaid Leave

Printing of Attendance Registers for Any Pay Period (V4.3.1)

In the past, an attendance register for the employees in a particular pay group could only be printed for the next pay period that was going to be created for that pay group (i.e. for the pay period following the latest existing pay period). As of V4.3.1 it is now possible to print an attendance register for the next pay period that will be created for a particular pay group (as in the past), or for any pay period that has already been created as well.

To print an attendance register for the employees in a particular pay group:

- Go to the Payroll section.
- Select Pay Periods at the top left of the window.
- Select the relevant pay group and pay period in the navigation pane to the left of the window.
 - To print the attendance register for the selected pay period, click Print Reports on the toolbar at the top of the window, then select Attendance Register → This Pay Period from the resulting drop-down menu, or;
 - To print the attendance register for the pay period following the selected pay period, click Print Reports on the toolbar at the top of the window, then select Attendance Register → Next Pay Period from the resulting drop-down menu.

New: Leave Balances Report (V4.3.1)

A New report has been added in the Payroll section which shows the balances of all types of leave for all the employees in a particular pay group, as at the end of a particular pay period.

To generate the report:

- Go to the Payroll section.
- Select Pay Periods at the top left of the window.
- Select the relevant pay group and pay period in the navigation pane to the left of the window.
- Click Print Reports on the toolbar at the top of the window, then select Lave Balances from the resulting drop-down menu.

Note: This report is date-sensitive, and shows the employees' leave balances for all leave types as they were at the end of whichever pay period is currently selected (be it present or past).

New: Leave Movements Report (V4.3.1)

A New report has been added in the Payroll section which shows the leave movements for all types of leave for all the employees in a particular pay group, for a particular pay period.

To generate the report:

- Go to the Payroll section.
- Select Pay Periods at the top left of the window.
- Select the relevant pay group and pay period in the navigation pane to the left of the window.
- Click Print Reports on the toolbar at the top of the window, then select Leave Movements from the resulting drop-down menu.

The layout of this report is identical to that of the Leave Balances report, but contains only the balances of leave types on which there were movement (i.e. for which the balances changed) during the relevant pay period.

Note: This report is date-sensitive, and shows the leave movements that occurred during whichever pay period is currently selected (be it present or past).

New: Leave Encashment Liability Report (V4.3.1)

A New report has been added in the Payroll section which shows the leave encashment liabilities of all leave types that can be encashed, for all the employees in a particular pay group, as at the end of a particular pay period.

To print the report:

- Go to the Payroll section.
- Select Pay Periods at the top left of the window.
- Select the relevant pay group and pay period in the navigation pane to the left of the window.
- Click Print Reports on the toolbar at the top of the window, then select Leave Liabilities from the resulting drop-down menu.

Note: This report is date-sensitive and will show the leave encashment liabilities as they were at the end of whichever pay period is currently selected (be it present or past).

Updated: Employee Leave Encashment Liabilities Report (V4.3.1)

The Leave Encashment Liabilities report that used to be accessible from the Print Reports drop-down menu in the Monthly Totals section has been moved to the Employee Reports menu in the Employees section, and the report layout has been updated.

To print the report:

- Go to the Employees section.
- Select Reports → Employee Reports from the main menu, then select Leave Encashment Liabilities from the resulting sub-menu.

This report is identical to the Leave Liabilities report which can be generated from the Payroll section, but contains the leave balances of all the employees across all pay groups, instead of only the balances of the employees in one particular pay group.

This report is not date-sensitive and will always show the leave encashment liabilities as at the end of each employee's latest pay period.

This report now groups employees together based on their pay group, and reflects the total encashment liability per pay group, as at the end of the latest pay period that exists for the particular pay group.

Updated: Payment History Report (V4.3.1)

The Payment History report that used to be accessible from the Employee Reports menu in the Employees section has been moved to the Payroll section.

To print the report:

- Go to the Payroll section.
- Select Pay Periods at the top left of the window.
- Select Single Employee View at the top left of the window.
- Select the relevant pay group and employee in the navigation pane to the left of the window.
- Click Print Reports on the toolbar at the top of the window, then select Payment History from the resulting drop-down menu.
- Select the first pay period and the last pay period to include in the reporting range, then click OK.

Note: This report can now only be generated while in Single Employee View (i.e. the Single Employee View check-box in the top left corner of the Payroll window has been selected).

Report Sort Order and Date Range Options (V4.3.1)

All reports that list information related to more than one employee in a tabular format can now be sorted either by Payroll Number, by Surname then First Name, or by General Name then Surname (where applicable), depending on your own preference.

Where the context allows it, options to specify a user-defined pay period range or month range have also been added to certain reports. Depending on the report being generated, one or more additional options (such as excluding terminated employees) might also be available.

Tertiary Rebate for Employees Ages 75 Years or Older (V4.3.1)

In the 2012 tax year, SARS introduced a tertiary (third) tax rebate for employees aged 75 years or older. This rebate was (for various reasons) not taken into account in Intercode Payroll's tax calculations. As of V4.3.1 however, the tertiary rebate has now been added to Intercode Payroll's tax calculation process, and will in future automatically be taken into account for employees who are 75 years or older, for tax years later than 2011.

To view the available tertiary rebate and associated tax threshold for employees aged 75 years and older, select Setup → Tax Year Setup from the main menu.

Note: The Trace Tax Calculation Report (available in the Employee Payslip window) has also been updated to take the tertiary rebate into account (where applicable).

Income Protection Policy Premiums No Longer Tax Deductible as of 2016 Tax Year (V4.3.1)

Up to the 2015 tax year, employee's contributions towards an income protection policies, or employer contributions that were included in the employee's income as a taxable fringe benefit, were tax-deductible in the hands of the employee. The reason that this tax deduction was allowed was because of the fact that any future pay-outs in terms of such a policy would then be taxed in the hands of the employee. One of the amendments made in the Taxation Laws Amendment Act of 2013 however, is that the pay-outs in terms of such policies will in future be tax-free. The implication of this is that, since any future pay-outs will now be tax-free, an employee's contributions towards such a policy will no longer be tax-deductible in the hands of the employee. Similarly, an employer's contribution towards such a policy on behalf of an employee will also no longer be tax-deductible in the hands of the employee, even though the value of the employer contribution was included in the employee's income as a taxable fringe benefit.

This change has already been implemented in Intercode Payroll (V4.3.1), and Intercode Payroll will automatically apply the new rules to any income protection policy deductions (tax classification code

4018 for employee contributions, and 4476 for employer contributions) in any pay periods that fall in or after the 2016 year of assessment (i.e. from March 2015 onwards).

Note: There is no need for you to change anything on your payroll. If any of the employee's on your payroll have existing deductions that have been classified as income protection policy premiums, the deductions will go carry on as usual, but they will simply no longer be tax-deductible. As a result, these employees might notice a slight increase in the amount of employees' tax being deducted from their remuneration as of March 2015 onwards.

Reversing Payroll Runs No Longer Resets Leave Entitlements (V4.3.1)

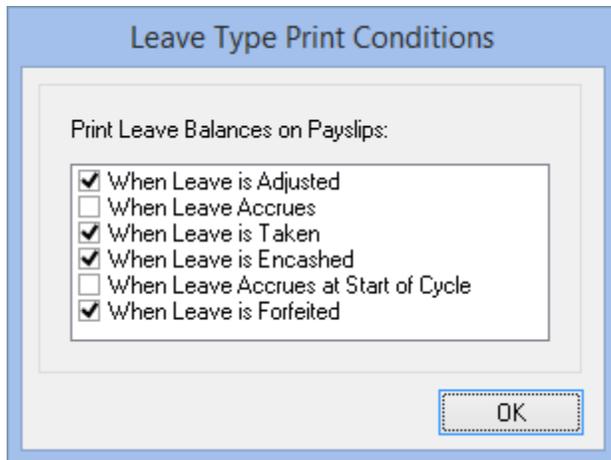
Reversing a payroll run will no longer also reverse any changes that have been made to the leave entitlements of the employees in the relevant pay group. In the past, when a payroll run was reversed, the leave entitlements of the employees in the relevant pay group would also be reset to whatever values they were set to in the previous pay period. This caused a lot of confusion. As of V4.3.1, when a payroll run is reversed, the leave entitlements of the employees in the relevant pay group will remain unchanged, regardless of how many reverse runs are performed.

Selection of Activity Types that Result in Leave Balances Being Printed on Payslips

In the past, when choosing whether the leave balances for specific leave types should be shown on employee payslips, you could choose to *always* show balances on payslips, to *never* show balances on payslips, or to show balances *only on activity*. As of V4.3.1, if the *Only on Activity* option is selected, it is now possible to select the individual activity types that would cause balances for that particular leave type to be printed on employee payslips.

To specify individual activity types for which the leave balances for a particular leave type should be printed on employee payslips:

- Select Setup → Leave Types from the main menu.
- Double-click on the relevant leave type to open the Leave Type Item window.
- In the Leave Type Item window, select the Other Options tab.
- In the Balance Disclosure section, click the drop-down and select Only on Activity, then click Set Activity Types.



- Select the activity types that should cause the leave balances to be printed on employee payslips, then click OK.

Once the relevant activity types have been selected, leave balances for the relevant leave type will only be printed on employee payslips if one or more of the selected activities took place for the relevant employee in the relevant pay period, otherwise the leave balances will remain hidden.

ACB Payments to FNB eWallet Pro Accounts (V4.3.1)

When generating ACB batch payment files for processing by the employer's bank, it is now possible to include employees whose payments are made into FNB eWallet Pro accounts. This is done simply by setting the relevant employee's Account Type to "FNB eWallet Pro" on the Banking Details page of the Employee Setup Wizard before exporting the ACB payment file.

Note: This functionality is only available if the employer's Banking Institution on the Banking Details page of the Employer Setup Wizard has been set to "FNB".

BUG FIXES

When creating electronic tax certificate export files for importing into the SARS Easy-File program, the employer's Standard Industrial Classification (SIC7) and Special Economic Zone codes will now only be included in the export file if the period of reconciliation is 2014-02 or later. Previously these two codes would be included in the export file for periods of reconciliation prior to 2014-02 as well, causing Easy-File to reject the file.

When creating electronic tax certificate export files for importing into the SARS Easy-File program, if a director of a company had no income for the entire tax year (i.e. code 3615 had a value of zero), Easy-File would produce an error stating that either the value of retirement funding income (code 3697) or

non-retirement funding income (code 3698) must be specified, and the file would be rejected. To overcome this problem, if the value of director's remuneration (code 3615) on a director's tax certificate is zero, the value of non-retirement funding income (code 3698) will now be written to the export file with a value of zero as well.

Fixed an issue where repeatedly editing the leave cycles of a new employee who had only one existing payslip would repeatedly increase the relevant leave cycle's closing balance by the value of the accrual per period (if any).

Fixed an issue where there was no way to clear or remove a manual leave balance adjustment (made via the Leave Adjustments tab in the Payslip Properties window) once the adjustment had been saved. As of V4.3.1, manual leave adjustments made via the Leave Adjustments tab in the Payslip Properties window can now be cleared simply by setting the value of the "New" column to the same value as the "Current" column.

Corrected a spelling mistake on printed Leave Application forms ("Reason for Leave" was printed without a space between the words "for" and "Leave").

End of Release Notes

If you have any questions regarding the features included in this release, or if you have any trouble installing the upgrade, please contact the Intercode support desk on 0861 113523 for assistance.