

BEFORE INSTALLING THE UPGRADE

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

Once you have copies of your existing employer files stored in a safe location you are ready to install the upgrade.

HOW TO INSTALL THE LATEST VERSION OF INTERCODE PAYROLL

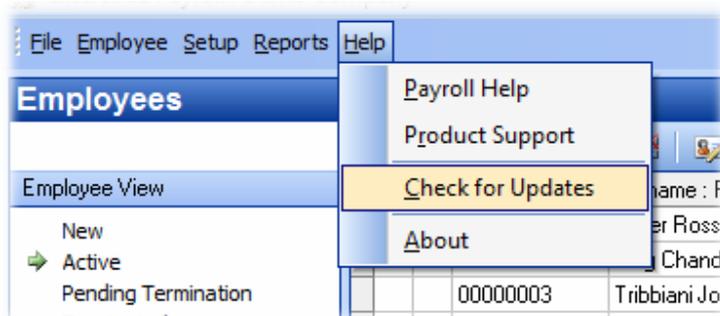
You do not have to uninstall your current version of Intercode Payroll before installing a newer version of the software. Whenever a newer version of the software is installed on your computer, the newer version will automatically replace your current version during the installation process.

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

- If you are currently using Intercode Payroll V3.1.4 or later, you can use the *Automatic Installation* process below.
- If you are currently using Intercode Payroll V3.1.3 or earlier, you must use the *Manual Installation* process described below.

Automatic Installation (V3.1.4 or Later)

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 (V3.1.3 or Earlier)

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

Deduction Balances Report (V3.3.2)

A New *Deduction Balances* report has been added to the *Employee Reports* menu to reflect the current balances of all standard deductions that have balances.

To access the *Deduction Balances* report:

- Select *Reports --> Employees Reports --> Deduction Balances* from the main menu.

The report shows the current balances of all savings, loans, and garnishee deductions whose balances are not zero.

Income and Deduction Tax Classifications (V3.3.2)

The *Income* and *Deductions* sections of the *Employee Payslip* window have been updated to reflect the tax classification (if any) of each individual income and deduction item on an employee's payslip.

Income			Deductions		Time and Attendance	
Description	Tax Class	Quantity				
Basic Salary	3601	19.75				
Overtime Hours @ 1.5	3607	2				
Annual Leave Encashment	3605	1				

Income			Deductions		Time and Attendance	
Description	Tax Class	Employee				
Employee Tax	4103	R 0.00				
Unemployment Insurance Fund (UIF)	9030	R 33.80				
Skills Development Levy (SDL)	9040	R 0.00				
Council Administration Levy		R 6.50				

Note that in the case of deduction items, a tax classification will only be displayed for deduction types that have a tax classification (deduction types that must be reported on an employee's IRP5). For all other deductions (deductions not classified by SARS) the *Tax Class* column will be blank.

Custom Overtime Rates for Specific Pay Periods (V3.3.3)

As you probably know, it has always been possible to specify custom overtime rates for individual employees. As of V3.3.2 it is now also possible to specify custom overtime rates for individual employees for specific pay periods only.

To change an employee's overtime rates for a specific pay period:

- Go to the *Payroll* section.
- Locate the relevant employee's latest payslip and double click on it to open the *Employee Payslip* window.
- On the toolbar at the top of the *Employee Payslip* window, click on the *Payslip Properties* button.



- The *Payslip Properties* window will be displayed.
- In the *Payslip Properties* window, select the *Overtime Rates* tab.

Payslip Properties

Payment Job Details **Overtime Rates** Tax Provision Leave Adjustments

Calculation Method

Use the employee's hourly rate multiplied by a specific factor

Use a fixed amount per hour, regardless of the employees hourly rate

Use the employee's average hourly rate multiplied by a specific factor

Calculation Details

OT1 Payment Factor	<input type="text" value="1.5"/>
OT2 Payment Factor	<input type="text" value="2"/>
OT3 Payment Factor	<input type="text" value="2"/>

Help OK Cancel

- On this tab, you can specify the *Overtime Calculation Method* and *Overtime Calculation Details* that you want to use to calculate the employee's overtime rates for the current pay period only.
- Once you have specified the required overtime rates, click *OK* to close the window.

Note: Changes made to the overtime rates in this window will affect the current pay period only. To permanently change the overtime calculation rates for a specific employee, the rates must be changed using the *Employee Setup Wizard* in the *Employees* section.

Direct Access to Fund Clearance Numbers (V3.3.3)

When exporting electronic tax certificates at the end of a tax year, you may receive a message that certain deductions are missing fund clearance numbers. In the past, assigning such clearance numbers to tax periods that had already been closed was a cumbersome task.

It is now possible to specify fund clearance numbers for relevant deduction sources on employee tax certificates directly via the *Tax Period Deduction* window.

To specify a missing fund clearance number for a specific deduction on a specific tax certificate:

- Go to the *Payroll* section.
- Select *Tax Year Totals* in the navigation pane at the top left of the window.
- Select the relevant tax year in the navigation pane to the left of the window.
- Locate the relevant tax certificate and double-click on it to open the *Tax Certificate Item* window.
- Select *Tax Period Deductions*.
- Locate the relevant deduction item and double-click on it to open the *Tax Period Deduction* window.

The screenshot shows a 'Deduction Source' window with the following fields:

Tax Classification	4007
Sub-classification	
Description	Retirement Annuity Contributions : Arrear
Beneficiary	Libert Life
Clearance No.	18204123456

- Enter the relevant fund clearance number, then click *OK*.
- In the *Tax Certificate Item* window, click *OK* again.

Note: It will not be necessary to specify individual fund clearance numbers in this way if the fund clearance number was correctly linked to the deduction beneficiary when the relevant deduction type was first created. This functionality has only been provided as a work-around for employers who fail to set up the deduction beneficiaries correctly from the start.

Note: The *Clearance Number* field will only be enabled for deductions with tax classifications that require fund clearance numbers. At present, the tax classifications that require fund clearance numbers are 4001, 4002, 4003, 4004, 4006 and 4007. For deductions of any other type, this field will be disabled.

New IRP5 and IT3a Layouts (V3.3.5)

The IRP5 and IT3a certificates printed from Intercode Payroll have been re-designed to conform to the new format used in the SARS Easy-File software.

- Double-click on the relevant leave type to open the *Leave Type Item* window.
- In the *Leave Type Item* window, select the *Payment Rates* tab.
- Tick the option to *Automatically Encash when Employee is Terminated*.

Leave Type Description

Annual Leave

Leave Cycle | **Payment Rates** | Entitlement and Accrual | Other Options

This is a paid leave type

Default Payment Rate: Normal Daily Rate

Default Payment Factor: 1

This type of leave can be encashed

Default Encashment Rate: Normal Daily Rate

Default Encashment Factor: 1

Automatically Encash when Employee is Terminated

- Click *OK*.

Once this option has been enabled for a specific leave type, an employee's outstanding balance for that specific leave type will automatically be paid out to the employee in the pay period in which the employee is terminated.

Note: You should only enable this option if you keep your employees' leave balances up to date on your payroll, and the leave balances reflected on your employees' payslips are correct. Enabling this option if your employees' leave balances are not maintained or are incorrect, could result in incorrect payments automatically being added to payslips when employees are terminated.

Physical Addresses in Defined Format (V3.4.1)

Another of the changes that SARS have made to the IRP5 information for the 2010 tax year is that all physical addresses must now be supplied in a defined format. In the past, SARS allowed for four address lines to specify physical addresses, but there was no real control over what employers entered into each of these address lines.

As of the 2010 tax year, SARS will require that all physical addresses must be specified using a combination of the following fields:

- Unit Number
- Complex Name
- Street Number
- Street Name or Farm
- Suburb or District
- City or Town
- Postal Code

In addition to the changes made to the format of physical addresses, postal addresses have also been updated to provide a more defined format. Postal addresses may now consist of one or two address lines, followed by the suburb, city and postal code in defined fields.

Note: When entering address in the new formats, you should only make use of the fields that apply to the address being entered. Any fields that do not apply to a specific address should be left blank.

In order to supply employee information to SARS in the required format, all physical and postal addresses inside of Intercode Payroll have been converted to the new, defined formats.

IMPORTANT

As part of the upgrade process, all existing physical and postal address information will be converted to the new formats, so you will not lose any of your employees' current address information. However, since the existing address information was not in any specific format, there is no way for Intercode to know which information belongs in which of the new fields.

For this reason **you must update all existing address information**, since some of the existing address information might have been placed in incorrect fields.

To update the employer's address information:

- Select *Setup --> Employer Details* from the main menu.

- In the *Employer Setup Wizard*, click *Next* until you reach the *Physical Address* page.

Physical Address
Enter the employer's physical address details in the relevant fields below.

Unit No. and Complex	<input type="text" value="A2"/>	<input type="text" value="Hazeldean Office Park"/>
Street No. and Name	<input type="text" value="687"/>	<input type="text" value="Silver Lakes Road"/>
Suburb or District	<input type="text" value="Hazeldean"/>	
City or Town	<input type="text" value="Pretoria"/>	
Postal Code	<input type="text" value="0050"/>	

- Ensure that the relevant physical address information has been entered into the correct fields, then click *Next* to move to the *Postal Address* page.

Postal Address
Enter the employer's postal address details in the relevant fields below.

Postal Address	<input type="text" value="PO Box 914555"/>	
	<input type="text"/>	
Suburb or District	<input type="text" value="Hazeldean"/>	
City or Town	<input type="text" value="Pretoria"/>	
Postal Code	<input type="text" value="0050"/>	

- Ensure that the relevant postal address information has been entered into the correct fields.
- Once you have verified that the address information is correct, click *Next* until you reach the last page of the wizard, then click *Finish* to close the wizard.

To update your employee's address information:

- Go to the *Employees* section.
- Select the first employee, then click the 4th button on the toolbar at the top of the window to open the *Employee Setup Wizard*.
- In the *Employee Setup Wizard*, click *Next* until you reach the *Physical Address* page.
- Ensure that the relevant physical address information has been entered into the correct fields, then click *Next* to move to the *Postal Address* page.
- Ensure that the relevant postal address information has been entered into the correct fields.
- Once you have verified that the address information is correct, click *Next* until you reach the last page of the wizard, then click *Finish* to close the wizard.
- Repeat this process for each of your employees.

NB: The process of updating the address information according to the new formats must be completed before the end of February 2010. You should however start this process **as soon as possible** in order to avoid the need for "last minute" changes at the end of the tax year.

Searching for Geographical Details (V3.4.1)

Since both the physical and postal addresses in Intercode Payroll now have defined fields for suburbs, cities and postal codes, we have added the ability to select this information from a list of pre-defined options.

All address fields in Intercode Payroll will now display a "lookup" button next to the address.

Postal Address	<input type="text" value="PO Box 914555"/>	
	<input type="text"/>	
Suburb or District	<input type="text" value="Hazeldean"/>	
City or Town	<input type="text" value="Pretoria"/>	
Postal Code	<input type="text" value="0050"/>	

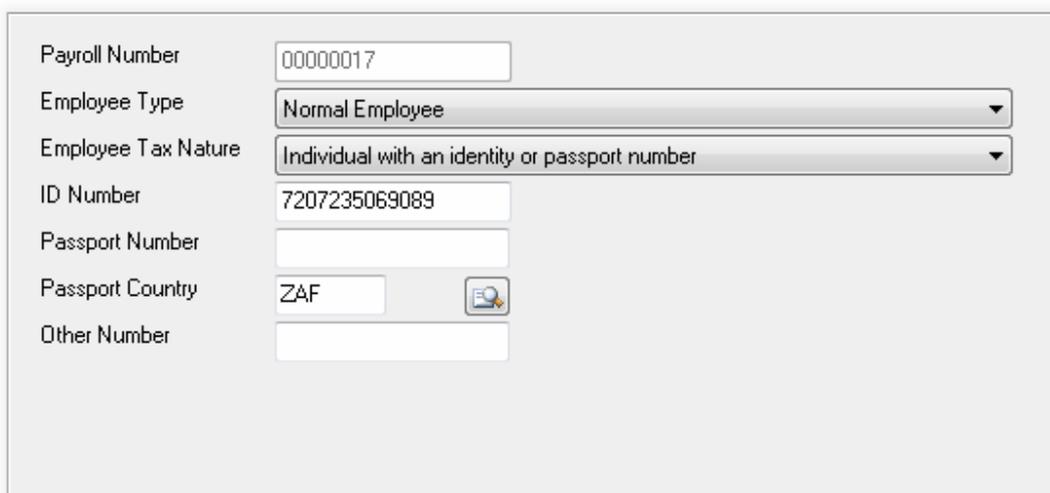
Clicking this button will let you select the relevant address information such as suburb, city or postal codes from a list of pre-defined options.

By selecting either a suburb, city or postal code, all the remaining fields associated with the selection will be updated automatically.

Changes to Layout of Employee Setup Wizard (V3.4.1)

The layout of the *Employee Setup Wizard* has been changed to cater for certain new fields that have been added, as well as to provide a more logical sequence of events when entering employee information.

The most noticeable of these changes is the fact that all of an employee's identification fields such as the employee's *Payroll Number*, *ID Number*, *Passport Number* and *Other Number* have been moved to the first page of the wizard.



The screenshot displays the 'Employee Setup Wizard' form with the following fields and values:

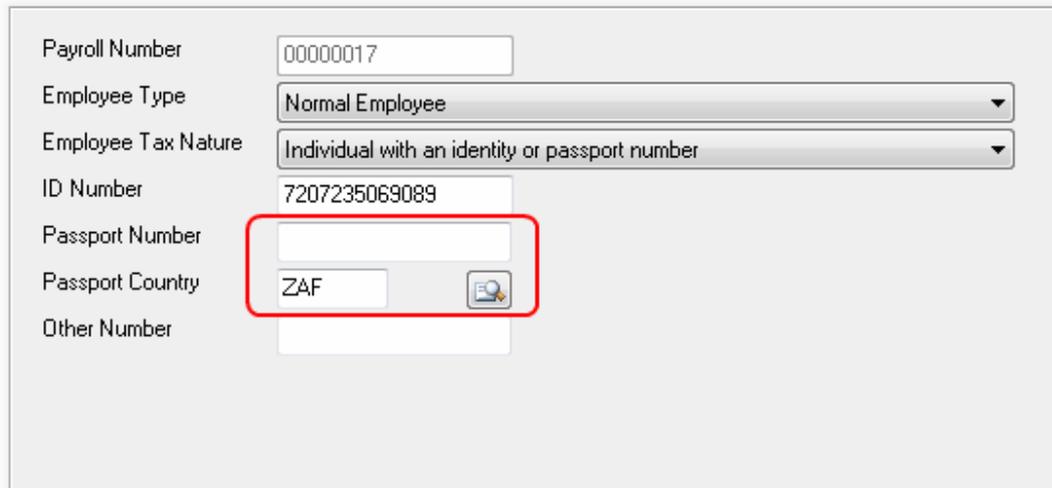
Payroll Number	<input type="text" value="00000017"/>
Employee Type	<input type="text" value="Normal Employee"/>
Employee Tax Nature	<input type="text" value="Individual with an identity or passport number"/>
ID Number	<input type="text" value="7207235069089"/>
Passport Number	<input type="text"/>
Passport Country	<input type="text" value="ZAF"/> 
Other Number	<input type="text"/>

Various other changes have also been made to the *Employee Setup Wizard*, but these will be discussed in more detail elsewhere in this document.

New Fields for Passport Number and Passport Country (V3.4.1)

Prior to V3.4, passport numbers (if applicable) were entered into a field called *Passport or Other No.* As of V3.4 there is now a separate field specifically for passport numbers, as well as a new field used to identify the country that issued the employee's passport.

IMPORTANT: If you made use of the *Passport or Other No.* field to specify a passport number for any of your employees, that passport number **must be moved** to the new *Passport Number* field. The *Other Number* field must now only be used to supply the old national ID numbers (if applicable) of employees who do not have new bar-coded ID documents.



The screenshot shows a form with the following fields and values:

Payroll Number	00000017
Employee Type	Normal Employee
Employee Tax Nature	Individual with an identity or passport number
ID Number	7207235069089
Passport Number	
Passport Country	ZAF
Other Number	

The **Passport Number** and **Passport Country** fields are highlighted with a red box. The **Passport Country** field includes a search icon.

If a passport number is supplied, it is then mandatory to also specify the country in which the passport was issued. You can use the look-up button to the right of the *Passport Country* field to select the relevant country code from a list of pre-defined codes supplied by SARS.

Job Locations (Place of Work) (V3.4.1)

Another change implemented by SARS for the 2010 tax year is that each employee's work address must be specified individually on the employee's IRP5. However, since not all employees perform their work at the employer's physical address (the employer might have different sites, for instance) it is now possible to specify a *Job Location* for each employee, separately.

By default, the job location of all employees will be the same as the employer's physical address. If however you have employees who perform their jobs at different locations, you can now create as many separate job locations as you want, and link those locations to individual employees.

To create a new job location:

- Select *Setup --> Job Locations* from the main menu.
- In the *Job Locations* window, click *Add*.
- Provide a description for this job location (e.g. STORES), then enter the physical address of the job location using the fields provided.

- Click *OK* to save the new job location.
- Repeat this process for each of the job locations where your employees perform their work, then click *OK* to close the *Job Locations* window.

Once you have defined the relevant job locations, these job locations can then be associated with specific job profiles, or can be linked directly to specific employees.

To link a job location directly to an employee:

- Go to the *Employees* section.
- Select the relevant employee, then click the 4th button on the toolbar at the top of the window to open the *Employee Setup Wizard*.
- In the *Employee Setup Wizard*, click *Next* until you reach the *Job Details* page.

The screenshot shows a form titled 'Job Details' with the following fields and values:

Job Profile	None
Job Grade	F4
Job Level	Top Management
Job Category	Legislators, Senior Officials and Managers
Job Location	Default (Employer Physical Address)
Last Promotion Date	2007/11/01

- Assuming that there is no pre-defined job profile linked to the employee, select the employee's *Job Location* from the list of available job locations.
- Once you have selected the relevant job location, click *Next* until you reach the last page of the wizard, then click *Finish* to close the wizard.

Note: If a pre-defined job profile has been linked to an employee, the job grade, job level, job category and job location fields will all be disabled, since these fields will then already contain the values associated with the relevant job profile.

To change the job location associated with a specific job profile:

- Select *Setup --> Job Profiles* from the main menu.

- Double-click on the relevant job profile definition to edit the job profile.
- At the bottom of the *Job Profile Item* window, select the relevant *Job Location* from the list of available job locations.
- Click *OK* to save the job profile definition.

Note: When changing the job location associated with a specific job profile, the job location of all employees who are linked to that job profile will be updated automatically.

Employer Trade Classification Code (V3.4.1)

As of the 2010 tax year, it is now mandatory to include an employer's trade classification code in the information that is submitted to SARS at the end of the tax year.

To update the employer's trade classification code:

- Select *Setup --> Employer Details* from the main menu.
- On the first page of the *Employer Setup Wizard*, click the button next to the *Trade Classification* field to select the appropriate trade classification code from a list of pre-defined codes supplied by SARS.

The screenshot shows a form with the following fields:

- Employer Type: Business Corporation (dropdown menu)
- Company Name: Demo Company (text input)
- Company/CC Number: (text input)
- VAT Registration No.: (text input)
- Municipal District: (text input)
- Trade Classification: 0150 (text input)

A red square highlights a button with a magnifying glass icon next to the Trade Classification field.

- Once you have selected the relevant trade classification, click *Next* until you reach the last page of the wizard, then click *Finish* to close the wizard.

New Employee Bank Details Fields (V3.4.1)

Two new fields have been added to the *Banking Details* page of the *Employee Setup Wizard*.

Banking Institution	ABSA
Branch Name	Menlyn
Branch Code	665501
Account No.	4049725658
Account Type	Savings Account ▼
Account Holder	Own Account ▼
Account Holder Name	

The *Account Holder* field is used to specify the employee's relation to the bank account holder. By default, the account holder will be set to *Own Account*, which means the employee is the account holder.

Other options that are available are *Joint Account*, or *Third Party Account* if the account holder is a third party not directly related to the employee. If *Third Party Account* is selected it becomes mandatory to enter the *Account Holder Name*.

Dynamic ID Numbers on Payslips (V3.4.1)

In the past, if an employee did not have a valid bar-coded ID number, the *ID Number* field on the employee's payslip would be blank.

As of V3.4 the *ID Number* field on an employee's payslip will display either the *ID Number*, *Passport Number* or *Other Number*, depending on which number is available.

CONFIDENTIAL PAYS Lip		CONFIDENTIAL PAYS Lip	
Payroll Number	00000017	Payroll Number	00000017
Employee	Seinfeld Jerry	Employee	Seinfeld Jerry
Known As	Jerry	Known As	Jerry
ID Number	7207235069089	Passport No.	115458785
Date Engaged	2004/01/01	Date Engaged	2004/01/01
Job Title		Job Title	
Pay Point		Pay Point	
Payment Method	Cash	Payment Method	Cash
Pay Period	24 Feb 2008 to 23 Mar 2008	Pay Period	24 Feb 2008 to 23 Mar 2008

Fold Here

Removal of Employer's Postal Address from Payslips (V3.4.1)

Prior to V3.4, payslips printed using the "Plain A4 Paper" layout included the employer's postal address at the top of the payslip.

As of V3.4 the employer's postal address will no longer be printed on payslips - only the physical address will be printed. Since the physical address fields have significantly increased in size, there is simply no space on the payslip to include the postal address as well.

New Employee Tax Nature Code for Pensioners (V3.4.1)

A New tax nature code (code "N") has been added for employees who receive a pension payment only. This new tax nature should be used for employees who receive only a pension payment from the employer.

This code is only valid as of the tax year ending February 2010.

Removal of Tax Nature Code for Personal Service Trusts (V3.4.1)

The tax nature code used to identify personal service trusts (code "K") is no longer valid as of the 2010 tax year, and has therefore been removed. Any existing employees on your payroll who were previously assigned to tax nature "K" (personal service trust) will automatically be re-assigned to tax nature "H" (personal service provider) during the upgrade process.

E-Mailing Payslips to Multiple Addresses (V3.4.1)

Prior to V3.4, electronic payslips could be sent either to an employee's home e-mail address, or to the employee's work e-mail address.

As of V3.4 a new option is available to send an employee's payslip to *both* the employee's home and work e-mail addresses.

Document Delivery

Send Electronic Payslips via E-Mail

Send To: Home E-Mail Both (Home and Work) Work E-Mail

Employee Work Telephone Number (V3.4.1)

A New field has been added to the *Contact Details* page of the *Employee Setup Wizard* to specify the employee work telephone number.



The screenshot shows a form with three input fields for telephone numbers. The first field is labeled 'Telephone No. (Home)' and contains the value '011 555 8633'. The second field is labeled 'Telephone No. (Work)' and is currently empty; this field is highlighted with a red rectangular border. The third field is labeled 'Cellular No.' and contains the value '082 555 1133'.

The employee's work telephone number is a mandatory requirement on the employee's IRP5 as of the 2010 tax year. If the employee has a specific or direct telephone number at work, that number can be specified here. If not, this field can be left blank, and the employer's telephone number will then be used as the default value for the employee's work telephone number.

BUG FIXES

No bug fixes were required in this release.

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.

Thank you for your continued support.

Intercode Business Solutions