

INTERCODE PAYROLL V4.1 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.

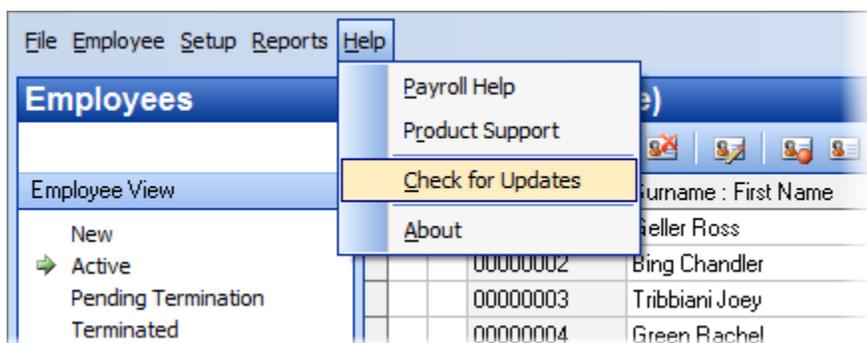
HOW TO INSTALL THE LATEST VERSION OF INTERCODE PAYROLL

There is no need to uninstall your current version of Intercode Payroll before installing a newer version of the software.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

New Postal Address Formats (V4.1.1)

Over the last few years SARS has been on a drive to modernise their systems and improve the quality of the information in their taxpayer database. As part of this modernisation process, SARS has introduced a new structured postal address format that must be used when specifying postal address information on employees' tax certificates. The new structured postal address format will become mandatory as of the August 2014 half-year reconciliation.

In the past the SARS business requirement specification (PAYE BRS) provided a total of four fields for specifying an employee's postal address on the employee's tax certificate:

Old Free Format Postal Address IRP5 Fields:

CODE	DESCRIPTION
3221	Postal Address Line 1
3222	Postal Address Line 2
3223	Postal Address Line 3
3229	Postal Code

The problem with these free-format fields however is that there is absolutely no control as to what can be entered into these fields. The postal address "P.O. Box 55" might be entered as "P-Box 55" by one employer, "PBX55" by the next employer, and so on. To complicate matters even further, the same fields were used for P.O. Box style postal addresses as well as for postal street addresses, complexes, apartment blocks etc. SARS then had the unenviable task of trying to decipher the address information when importing it into their taxpayer database.

To try and improve the quality of the information SARS receives, SARS has therefore come up with a new structured address format that limits the amount of "free text" that employers are required to enter and relies instead on a series of indicators and check boxes to identify common address types.

As of the August 2014 half-year reconciliation, **all postal address information** that is supplied to SARS on employee tax certificates **must be** supplied in the new structured format shown below.

New Structured Postal Address IRP5 Fields:

CODE	DESCRIPTION
3247	Postal Address is a Street Address (Y/N)

If the postal address is not a street address the following fields apply:

3249	Postal Address is a P.O. Box (Y/N)
3250	Postal Address is a Private Bag (Y/N)
3251	Postal Address Agency and Sub-unit (if applicable) (e.g. Postnet Suite)
3262	P.O. Box or Private Bag Number (if applicable)
3280	Other Post Office Special Service (e.g. Military Field Post Office)
3253	Post Office Branch Name
3254	Postal Code
3286	Country Code

If the postal address is a street address the following fields apply:

3255	Complex Unit Number
3256	Complex Name
3257	Street Number
3258	Street Name / Farm Name
3259	Suburb or District
3260	City or Town
3261	Postal Code
3287	Country Code

As you can see, the new structured postal address format is a bit more complex than the old format and places more restrictions on the type of data that can be entered.

To accommodate the new structured postal address information as required by SARS, we have had to make some changes to the way in which postal address information is captured in Intercode Payroll as well.

The following two screenshots both show the *Postal Address* page of the *Employee Setup Wizard* - the first showing a postal address in the old free-format layout and the second showing the same postal address in the new structured layout:

Postal Address : Old Free Format

Postal Address

Enter the employee's postal address details in the relevant text boxes below.

Postal Address	<input type="text" value="PO Box 555"/>
	<input type="text"/>
Suburb or District	<input type="text" value="Meadowdale"/>
City or Town	<input type="text" value="Pretoria"/>
Postal Code	<input type="text" value="5205"/>

Postal Address : New Structured Format

Postal Address

Enter the employee's postal address details in the relevant text boxes below.

Postal Address Type	<input type="text" value="P.O. Box"/>
P.O. Box No.	<input type="text" value="555"/>
Suburb or District	<input type="text" value="Meadowdale"/>
City or Town	<input type="text" value="Pretoria"/>
Country	<input type="text" value="South Africa"/>
Postal Code	<input type="text" value="5205"/>

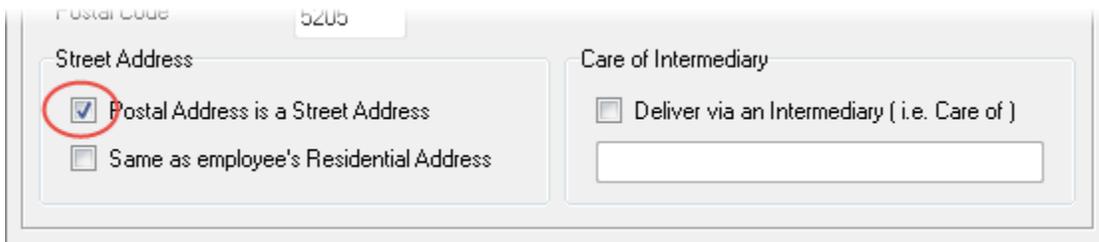
<p>Street Address</p> <p><input type="checkbox"/> Postal Address is a Street Address</p> <p><input type="checkbox"/> Same as employee's Residential Address</p>	<p>Care of Intermediary</p> <p><input type="checkbox"/> Deliver via an Intermediary (i.e. Care of)</p> <input type="text"/>
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The main difference between the old and the new layout is that the new layout requires you to select a *Postal Address Type*, and depending on the address type which is selected, the relevant address fields will then become visible in the window.

At the moment, the following pre-defined postal address types are supported:

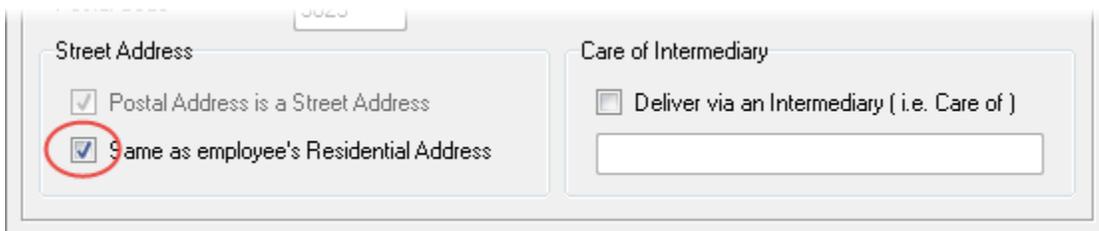
1. Street Address (Same as Residential Address)
2. Street Address (Different from Residential Address)
3. P.O. Box
4. Private Bag
5. Postnet Suite and P.O. Box
6. Postnet Suite and Private Bag
7. Other Post Office Special Service (e.g. Poste Restante, or Military Field Post Office)

If the employee's postal address is a street address, this can be indicated by selecting the first check box at the bottom left of the window:



The screenshot shows a form with a 'Postal Code' field containing '5205'. Below it, there are two main sections: 'Street Address' and 'Care of Intermediary'. In the 'Street Address' section, there are two checkboxes: 'Postal Address is a Street Address' (which is checked and circled in red) and 'Same as employee's Residential Address' (which is unchecked). In the 'Care of Intermediary' section, there is a checkbox 'Deliver via an Intermediary (i.e. Care of)' which is unchecked, and a text input field below it.

If the employee's postal address is the same as the employee's residential address, this can be indicated by selecting the second check box at the bottom left of the window:



The screenshot shows the same form as above. In the 'Street Address' section, the 'Postal Address is a Street Address' checkbox is unchecked, and the 'Same as employee's Residential Address' checkbox is checked and circled in red. The 'Care of Intermediary' section remains the same with the 'Deliver via an Intermediary' checkbox unchecked and the text input field empty.

If the employee's postal address is the same as the employee's residential address, the street address fields in this window will automatically be populated with the same address information specified on the employee's residential address, and the fields in this window will then become disabled.

The following two screenshots both show the *Postal Address* page of the *Employee Setup Wizard* - the first showing a postal street address in the old free-format layout and the second showing the same postal street address in the new structured layout:

Postal Street Address : Old Free Format

Postal Address

Enter the employee's postal address details in the relevant text boxes below.

Postal Address	28 Flower Park
	687 Silver Lakes Road
Suburb or District	Meadowdale
City or Town	Pretoria
Postal Code	5205

Postal Street Address : New Structured Format

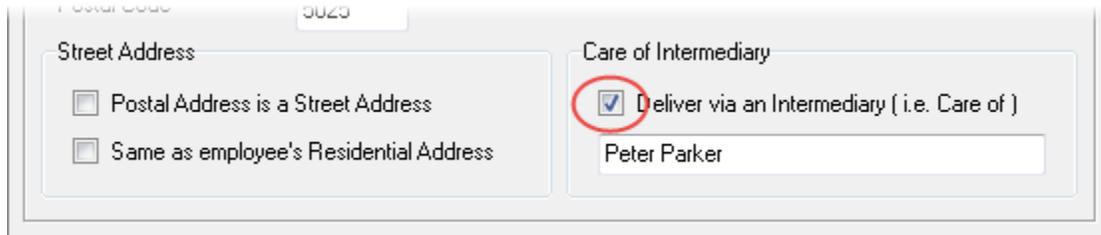
Postal Address

Enter the employee's postal address details in the relevant text boxes below.

Unit No. and Complex	28	Flower Park
Street No. and Name	687	Silver Lakes Road
Suburb or District	Meadowdale	
City or Town	Pretoria	
Country	South Africa	
Postal Code	5205	

Street Address <input checked="" type="checkbox"/> Postal Address is a Street Address <input type="checkbox"/> Same as employee's Residential Address	Care of Intermediary <input type="checkbox"/> Deliver via an Intermediary (i.e. Care of) <input type="text"/>
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Finally if the employee does not have a fixed postal address and the employee's mail needs to be delivered to the employee via an intermediary (via a middle man), this can be indicated by selecting the relevant checkbox at the bottom right of the window:



The screenshot shows a window with two main sections. The left section is titled "Street Address" and contains two unchecked checkboxes: "Postal Address is a Street Address" and "Same as employee's Residential Address". The right section is titled "Care of Intermediary" and contains a checked checkbox labeled "Deliver via an Intermediary (i.e. Care of)" which is circled in red. Below this checkbox is a text input field containing the name "Peter Parker".

This is typically referred to as a *care of* address, where mail is delivered to one individual by placing the mail in the "care of" another individual or organisation who must then see to it that the mail reaches the intended recipient. If an employee's postal address is marked as a *care of* address, the person or organisation to whom the mail must be delivered (i.e. the intermediary) must also be specified, as both the intermediary and the intended recipient's names must then appear on the address label of any mail sent to the employee.

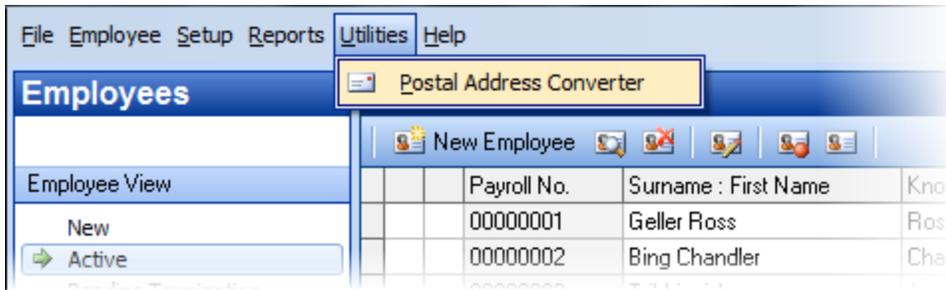
Converting Your Existing Postal Address Information

Once you've downloaded and installed Intercode Payroll V4.1 and you open your employer file for the first time after the update, Intercode Payroll will try to convert all your employees' existing postal address information to the new structured format automatically. However, due to the wide variety of ways in which the existing address information could have been formatted, the auto-conversion will probably not be able to identify and convert all the existing address information automatically.

Intercode Payroll will be able to convert most postal addresses like "P O Box 55", "PO Box 55", "P.O. Box 55", "Post Office Box 55" and so on, automatically. Intercode Payroll will also be able to convert most private bag addresses, Postnet suite addresses, and even the majority of street addresses automatically. However, if Intercode Payroll cannot identify the format of a particular postal address, that address will not be converted automatically and you will have to convert the address to the new format manually.

To simplify this process, we have added a new *Postal Address Converter* utility that will enable you to convert your employees' existing postal address information to the new format easily.

To access the postal address converter, open the relevant employer file and select *Utilities --> Postal Address Converter* from the Intercode Payroll main menu.



This will open the *Postal Address Converter* window (see screenshot below):

Referring to the numbered indicators on the screenshot:

1. At the top of the window (to the right of the caption) you can see how many addresses in the current employer file still need to be converted from the old format to the new format (in the

example above there are 20 addresses remaining, for instance). This information is purely for your own reference.

2. The *Employee* section shows the payroll number, surname and first name of the employee whose postal address information is currently being viewed.
3. The *Old Free-Format Address* section shows the employee's existing postal address in the old format. This is the postal address exactly as it was entered when the employee was originally loaded onto the payroll (i.e. as it was before the upgrade), and is the only portion of the address that needs to be converted to the new structured format.

Note: The *Suburb or District*, *City or Town* and *Postal Code* sections of the old free-format address are not shown, since that information will always be exactly the same in both the old and new formats. If the information in any of those fields needs to be changed, the change should be made using the fields supplied in the *New Structured Address* section.

4. To the right of the free-format address is the *Retry Auto-Convert* button. If Intercode Payroll could not automatically convert an employee's postal address during the upgrade process, you can try to rectify the problem by editing the employee's existing free-format postal address so that it reflects a valid address that Intercode Payroll can recognise, and then click the *Retry Auto-Convert* button to try the automatic conversion again. You could of course also choose to just type the employee's postal address information directly into the new structured address fields as well, but using the auto-convert feature might save you some time.
5. The *New Structured Address* section is where you need to specify the employee's postal address using SARS's new structured address format. The particular fields that are visible in this section will depend on the postal address type that is chosen, and also on whether or not the postal address is a street address (indicated by the check boxes at the bottom of the window). Make sure that the address information reflected here is the same as the original free-format address information.
6. Once you have confirmed that the employee's existing free-format address has been accurately converted to the new structured postal address fields, tick the *Accept address as Successfully Converted* check box to confirm that you have double-checked and accepted the conversion, then move on to the next employee. Once an employee's postal address has been marked as "successfully converted", the employee's old free-format postal address information will be permanently discarded. From that point on, only the new structured postal address information will be available for that employee.
7. Finally, the arrow buttons on the right of the window allow you to move to either the previous or next employee whose postal address still needs to be converted.

Repeat the process of checking and confirming all your employees' postal address until there are no employees left to check. Once all of your employees' old free-format postal address information has been converted to the new structured address format, click *Close* to save your employees' new postal address information and close the *Postal Address Converter* window.

Note: The *Postal Address Converter* window will only contain employees whose old free-format postal addresses could not be converted to the new format automatically. Employees whose postal addresses were not previously specified to start with will not be shown in this window (as a blank address in the old format is the same as a blank address in the new format), and employees whose postal addresses were previously marked as being the same as their residential addresses will also not be shown either, as their postal addresses would then still be the same as their residential addresses in the new format.

IMPORTANT:

You **must** complete the conversion of the old free-format postal addresses to the new structured format **before the end of August 2014**, as SARS will not accept any tax certificates that still use the old postal address formats as of that date. Note however that this is a once-off process. Once the conversion process has been completed you will never have to access the conversion utility again. From that point onwards you will once again access your employee's postal address information via the *Postal Address* page of the *Employee Setup Wizard*, just like you did before.

OTHER CHANGES

New Report : Payroll Summary for Individual Pay Periods (V4.0.3)

The *Payroll Summary* report can now be printed for an individual pay group and pay period, instead of just for all pay groups for an entire month as was previously the case.

To print the payroll summary report for an individual pay period:

- Go to the *Payroll* section.
- Select *Pay Periods* at the top of the navigation to the left of the window.
- Select the relevant pay group and pay period in the navigation pane to the left of the window.
- In the middle of the *Pay Periods* window (where the employees names are shown), right-click, then select *Print -- > Payroll Summary* from the resulting pop-up menu.

This will produce a payroll summary report identical to the one normally printed from the *Monthly Totals*, but containing information only for the selected pay group and pay period.

Updated Legislative Profiles (V4.0.3)

The list of pre-defined legislative profiles that can be linked to employees has been updated to include the following sectoral determinations:

- Sectoral Determination 01 : Contract Cleaning Sector
- Sectoral Determination 01 : Taxi Sector
- Sectoral Determination 12 : Forestry Sector
- Sectoral Determination 04 : Hospitality Sector

The sectoral determination number for the farm worker sector has also been changed from 08 to 13, as Sectoral Determination 13 has replaced Sectoral Determination 08.

Note: Legislative profiles are currently only used as a reference for the maximum number of hours an employee is allowed to work per day or per week, as determined by the governing legislation applicable to the relevant sector. Legislative profiles currently have no effect on how an employee's remuneration is calculated, but this may change in future.

New Report : Month Recon by Transaction Type (V4.0.3)

A New report has been added to the *Monthly Totals* to print a monthly reconciliation by transaction type. The report contains totals for all income, deductions and employer contributions for a particular month, consolidated by transaction type.

To print the report:

- Go to the *Payroll* section.
- Select *Monthly Totals* at the top of the navigation pane to the left of the window.
- Select the relevant month on the calendar to the left of the window.
- On the toolbar at the top of the window, click *Print Reports* then select *Month Recon (By Transaction Type)* from the resulting drop-down menu.

MONTHLY RECONCILIATION BY TRANSACTION TYPE

Demo Company
February 2014

Income	Tax Class	Income Value	Benefit Value	Cash Value
Basic Salary	3601	R 233 300.00	R 0.00	R 233 300.00
Director's Remuneration	3615	R 32 650.00	R 0.00	R 32 650.00
Fixed Travel Allowance	3701	R 6 600.00	R 0.00	R 6 600.00
Uniform Allowance	3709	R 200.00	R 0.00	R 200.00
Computer allowance	3711	R 600.00	R 0.00	R 600.00
Medical Aid Fringe Benefit	3810	R 1 000.00	R 1 000.00	R 0.00
		R 274 350.00	R 1 000.00	R 273 350.00
Deductions	Tax Class	EE Contribution	Paid Direct	EE Deduction
Discovery Medical : Classic Core	4005	R 1 000.00	R 0.00	R 1 000.00
Liberty Life RA : Additional Payment	4007	R 500.00	R 0.00	R 500.00
Employee Tax	4103	R 36 697.85	R 0.00	R 36 697.85
Unemployment Insurance Fund (UIF)	4141	R 2 090.76	R 0.00	R 2 090.76
		R 40 288.61	R 0.00	R 40 288.61
Employer Contributions	Tax Class	Paid to EE	Paid to 3rd Party	Total Contribution
Employee Tax	4103	R 0.00	R 2 666.78	R 2 666.78
Unemployment Insurance Fund (UIF)	4141	R 0.00	R 2 090.76	R 2 090.76
Skills Development Levy (SDL)	4142	R 0.00	R 2 728.30	R 2 728.30
Discovery Medical : Classic Core	4474	R 0.00	R 1 000.00	R 1 000.00
		R 0.00	R 8 485.84	R 8 485.84
Total Payment Amounts		Total Cost to Company		
Total Income (Excl. Benefits)	R 273 350.00	Total Income (Excl. Benefits)	R 273 350.00	
- Deductions	(R 40 288.61)	+ Employer Contributions	R 8 485.84	
+ ER Contributions paid to EE	R 0.00	Equals Cost to Company (Excl. Benefits)	R 281 835.84	
- Nett Pay Rounding	(R 0.00)	+ Fringe Benefits	R 1 000.00	
Equals Total Nett Pay	R 233 061.39	Equals Cost to Company (Incl. Benefits)	R 282 835.84	

This report differs from the *Month Recon (By Tax Class)* in that this report contains totals per transaction type instead of per transaction tax classification.

At the bottom of the report there is also a handy summary of the total income, total benefits, total deductions and total net pay for the month, as well as an analysis of the total cost to company for the month.

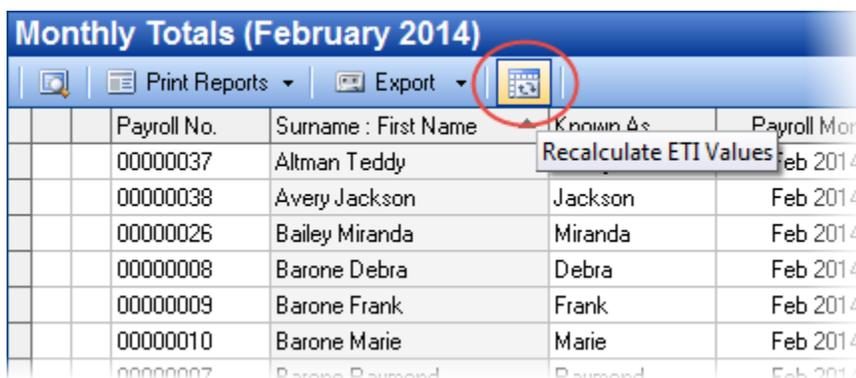
Recalculate ETI Values (V4.0.3)

As you know, as of Intercode Payroll V4.0 the Employment Tax Incentive amount in respect of each of the employees on your payroll is calculated automatically when an employee's payslip for a particular pay period is approved and closed, before moving on to the next pay period. In some cases however, it may become necessary to recalculate one (or all) of your employees' ETI amounts for previous pay periods due to changes in those employees' ETI qualifying criteria, even though those pay periods might by then already have been approved and closed.

Suppose for example that an employee who would normally have qualified for ETI cannot produce a valid ID document at the time he/she is appointed by the employer. Since the employee does not have a valid ID number specified, Intercode will not calculate any ETI for that employee. Now suppose that the employee produced a valid ID document three months later. Since the employee was actually in possession of a valid ID document all along but could simply not produce it, the employer was in fact entitled to claim ETI in respect of that employee for the past three months, even though the employer did not do so. Once the employer has entered the employee's ID number on the payroll, the ETI values for the last three months therefore need to be recalculated to take this (now qualifying) employee into account as well.

To recalculate the ETI values of all your employees from a particular month onwards:

- Go to the *Payroll* section.
- Select *Monthly Totals* at the top of the navigation page to the left of the window.
- Select the relevant month on the calendar to the left of the window.
- On the toolbar at the top of the window, click *Recalculate ETI Values*.



Payroll No.	Surname : First Name	Known As	Payroll Month
00000037	Altman Teddy		Feb 2014
00000038	Avery Jackson	Jackson	Feb 2014
00000026	Bailey Miranda	Miranda	Feb 2014
00000008	Barone Debra	Debra	Feb 2014
00000009	Barone Frank	Frank	Feb 2014
00000010	Barone Marie	Marie	Feb 2014
00000007	Barone Raymond	Raymond	Feb 2014

- On the confirmation window that is displayed, click *Yes* to recalculate the ETI values of all employees from the relevant month, up to date.

Note: Due to the fact that a qualifying employee's ETI value for any given month is influenced by the number of months in respect of which ETI was previously claimed for that employee, ETI values cannot

be recalculated for a single month in isolation. As soon as the ETI values for a particular month have been recalculated, the ETI values of all subsequent months must be recalculated as well, since the number of months in respect of which ETI was claimed prior to those months might now have changed. For this reason, when the ETI values of a particular month are recalculated using the procedure described above, the ETI values of all subsequent months will automatically be recalculated as well.

Bank names on Payment Amounts Report (V4.0.3)

The *Payment Amounts* report now has a new column that shows an abbreviated version of the employee's bank name.

ELECTRONIC FUND TRANSFERS (MANUAL)						
Demo Company						
Pay Period Ending : Sunday 23 March 2014						
Employee	Payroll No.	Bank	Branch	Account No.	Account Type	Payment Value
Geller Ross	00000001	ABSA	632005	3801000001	Current (Cheque)	R 28 741.40
Bing Chandler	00000002	FNB	250655	3801000002	Savings	R 19 378.20
Tribbiani Joey	00000003	Standard	051001	3801000003	Current (Cheque)	R 19 936.20
Green Rachel	00000004	FNB	250655	3801000004	Transmission	R 16 849.99
Geller Monica	00000005	Nedbank	147105	3801000005	Savings	R 16 554.99
Buffay Phoebe	00000006	Capitec	470010	3801000006	Current (Cheque)	R 14 979.99

This information was added to the report to assist in the process of creating beneficiaries on your internet banking software where the name of the bank at which the employee's account is held is sometimes required in addition to the branch name and branch code.

Signatory ID Number on UI-19 (V4.0.3)

A New field has been added to the bottom of the *UI-19 Declaration* report to specify the ID number of the authorised employer representative who signs the declaration.

Burke	P	00000029	0.00	160	010304			N	06
Costanza	GL	6604015452564	20 400.00	160	010605			Y	
Crane	F	6412110254589	3 500.00	144	010306			Y	
Crane	M	3402021545259	14 200.00	144	010105			Y	
Crane	N	6605054521254	12 400.00	144	010504			Y	
Doyle	R	6502034521256	10 200.00	144	010105			Y	
Geller	M	7505044525458	19 500.00	160	010601			Y	

The signatory of this document declares that the above information is true and correct, and that he / she understands that it is an offence to make a false statement.

EMPLOYER SIGNATURE

Authorized Person _____ ID Number _____ Signature _____ Date _____

2014/06/29 02:24:46 PM Page 1 of 3

We have had a few instances where the UIF has refused to accept declarations where the signatory's ID number has not been completed, so we suggest you complete this field in future.

Address Country Codes (V4.1.1)

In addition to the postal address changes discussed earlier in this document, SARS has also introduced a new requirement to include country codes in both an employee's residential and postal address details. Though this requirement will only become mandatory for the February 2015 reconciliation, the change has already been implemented in Intercode Payroll V4.1.1.

Whenever a new employee's is added to your payroll from now on, the *Country* portion of both the employee's residential and postal addresses will be set to *South Africa* by default. You will only need to change the country if the employee is not resident in South Africa.

Note that as soon as the *Country* portion of an address is not *South Africa*, the *Postal Code* field length will increase from 4 digits to 10 digits, and will allow both numbers and letters to be entered in order to accommodate international street and postal codes.

Example: South African Address

Unit No. and Complex	<input type="text"/>	<input type="text"/>
Street No. and Name	48	Daisy Drive
Suburb or District	Meadowdale	
City or Town	Johannesburg	
Country	South Africa ▼	
Postal Code	2000	

Example: International Address

Unit No. and Complex	<input type="text"/>	<input type="text"/>
Street No. and Name	88	Southfork Road
Suburb or District	Bondi Beach	
City or Town	Melbourne	
Country	Australia ▼	
Postal Code	1002530010	

New Marital Status : Domestic Partner (V4.0.3)

A New *Domestic Partner* marital status has been added to the list of available marital statuses on the *Personal Details* page of the *Employee Setup Wizard*. This status can be used where two individuals live together and share a common domestic life, but are neither joined by marriage nor a civil union.

The two existing marital statuses of *Estranged* and *Separated* have also been combined into a single status (*Separated*), as have the statuses of *Widow* and *Widower* (now *Widowed*, regardless of gender).

BUG FIXES

Fixed an issue where a new employee's date of birth would not be automatically extracted from the employee's ID number if the employee was born on the 31st of a month.

Fixed an intermittent "EVariantArrayLocked" error when exporting certain reports to MS Excel.

Fixed an issue where the expiration statuses of existing disciplinary actions were not automatically updated when adding new disciplinary records. This could sometimes result in incorrect expiration statuses being reflected for existing disciplinary actions. This issue has now been fixed.

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.