

INTERCODE PAYROLL V5.7.1 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.

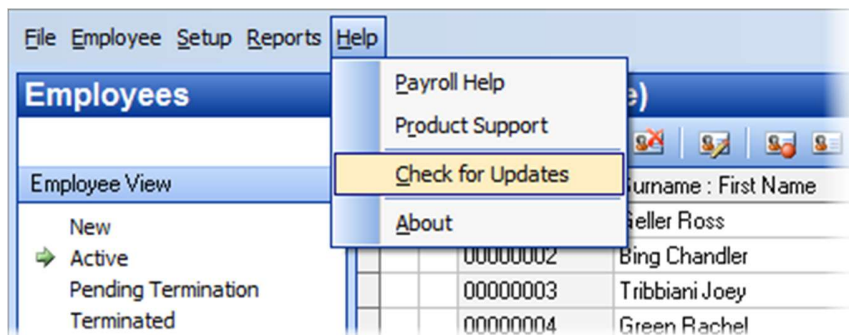
HOW TO INSTALL THE LATEST VERSION OF INTERCODE PAYROLL

There is no need to uninstall your current version of Intercode Payroll before installing a newer version of the software.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

Employment Tax Incentive (ETI) Calculation Changes

In the recently published draft Rates and Monetary Amounts and Amendment of Revenue Laws Bill 2019 the Minister of Finance proposed certain changes to the way in which the value of the Employment Tax Incentive (section 7 of the Employment Tax Incentive Act) should be calculated by employers in respect of any qualifying employees on their payrolls. Even though these proposed changes have not yet been signed into law, Intercode has received confirmation that once they are signed into law, the effective date for these changes will be back-dated to 01 March 2019. As a result it has become necessary for us to release an update to Intercode Payroll in order to take these changes into account when calculating the value ETI amounts as of March 2019 onwards. Intercode Payroll V5.7.1 now includes those changes.

Before March 2019:

- For employees earning less than R 2 000.00 per month, the ETI value was equal to 50% of the employee's remuneration during the first 12 qualifying months, or 25% of the employee's remuneration during the second 12 qualifying months.

- For employees earning R 2 000.00 or more, but less than R 4 000.00 per month, the ETI value was equal to R 1 000.00 during the first 12 qualifying months, or R 500.00 during the second 12 qualifying months.
- For employees earning R 4 000.00 or more, but less than R 6 000.00 per month, the ETI value was $R\ 1\ 000.00 - (0.5 \times (\text{Remuneration} - R\ 4\ 000.00))$ during the first 12 qualifying months, or $R\ 500 - (0.25 \times (\text{Remuneration} - R\ 4\ 000.00))$ during the second 12 qualifying months.

As of March 2019 onwards:

- For employees earning less than R 2 000.00 per month, the ETI value was equal to 50% of the employee's remuneration during the first 12 qualifying months, or 25% of the employee's remuneration during the second 12 qualifying months.
- For employees earning R 2 000.00 or more, but less than **R 4 500.00** per month, the ETI value was equal to R 1 000.00 during the first 12 qualifying months, or R 500.00 during the second 12 qualifying months.
- For employees earning **R 4 500.00** or more, but less than **R 6 500.00** per month, the ETI value was $R\ 1\ 000.00 - (0.5 \times (\text{Remuneration} - R\ 4\ 500.00))$ during the first 12 qualifying months, or $R\ 500 - (0.25 \times (\text{Remuneration} - R\ 4\ 500.00))$ during the second 12 qualifying months.

As can be seen, the only change in the calculation formula is therefore that the cut-off point of the second and third remuneration bands have been slightly raised from R 4 000.00 to R 4 500.00, and from R 6 000.00 to R 6 500.00 respectively. This might result in the employer being able to claim slightly higher ETI amounts in respect of certain qualifying employees. As usual however, Intercode Payroll will handle all of this for you in the background. Once Intercode Payroll V5.7.1 has been installed, the software will automatically apply the correct calculation formula as of March 2019 onwards.

Additional Public Holiday: 08 May 2019 - Election Day

The President has declared 08 May 2019 (Election Day) as a public holiday (refer the Government Gazette 42250 for details). This update will therefore add that date as a predefined public holiday on your payroll as well.

Once this update (V5.7.1) has been installed:

- Open Intercode Payroll and open your employer file.
- Select *Setup* → *Tax Year Setup* from the Intercode Payroll main menu.

- Select the *Public Holidays* tab, then confirm that 08 May 2019 (Election Day) is now shown as a public holiday.
- Once confirmed, click *OK* to close the window.

Bug Fixes

- Fixed an issue where any *Automatic Overtime* linked to a shift in the *Shift Definitions* window would always be added to the employee's payslip as Overtime 1, even if Overtime 2 or 3 was selected as the default overtime rate.

End of Release Notes

If you have any questions regarding the features included in this release, or if you have any trouble installing the update, please contact the Intercode support desk on 086 111 3523 for assistance.