

INTERCODE PAYROLL V5.10.2 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.

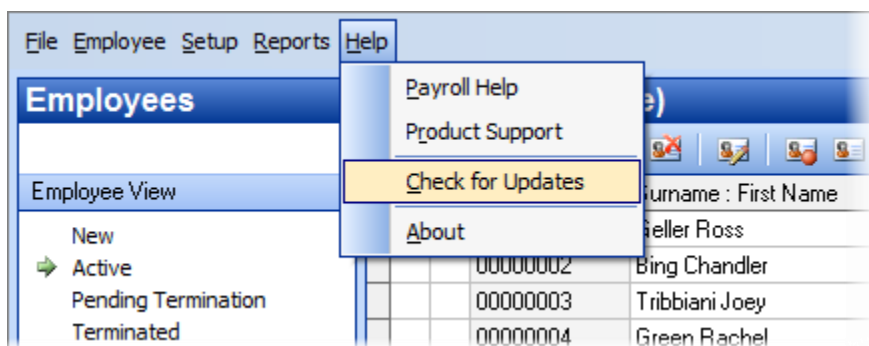
HOW TO INSTALL THE LATEST VERSION OF INTERCODE PAYROLL

There is no need to uninstall your current version of Intercode Payroll before installing a newer version of the software.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

SKILLS DEVELOPMENT LEVY CONTRIBUTION HOLIDAY (MAY 2020 – AUGUST 2020)

In the President's address to the nation on 21 April 2020, the President announced a second set of tax relief measures to assist business and individuals during the COVID-19 pandemic. One of these measures was a four-month holiday from 01 May 2020 to 31 August 2020 from contributing to Skills Development Levies. This update to Intercode Payroll includes support for this payment holiday, without the need for any user intervention.

Once this update has been installed, the employer's contribution to Skills Development Levy reflected on any payslip that fall in May, June, July or August 2020 will automatically be set to zero (R 0.00). This will be the case for all employees on your payroll.

Income Deductions Time and Attendance						
Description	Tax Class	Employee	Employer	Total Value	Balance	
Employee Tax	4103	R 1 000.00	R 0.00	R 1 000.00	R 0.00	
Unemployment Insurance Fund (UIF)	4141	R 40.00	R 40.00	R 80.00	R 0.00	
Skills Development Levy (SDL)	4142	R 0.00	R 0.00	R 0.00	R 0.00	

As you know, whenever the total contribution to a statutory deduction (i.e. a deduction that is normally required by law) is set to zero on Intercode Payroll, a non-contribution reason must be supplied. During the four-month SDL contribution holiday when the employer's contribution to SDL will automatically be set to zero, the non-contribution reason will also automatically be set to a new SDL non-contribution reason called "Skills Development Levy Contribution Holiday".

Deduction Item

Deduction Details

Deduction Description: Skills Development Levy (SDL)

Tax Classification: Skills Development Levies (4142)

Deduction Beneficiary: SARS: SDL Account

Contribution Values

Employee Contribution

Contribution Type: None

Employer Contribution

Contribution Type: None

Contribution Options

The contributions will be paid directly to the beneficiary by the employee personally

Non-Contribution Reason

You have indicated that neither the employee nor the employer contribute towards a deduction that is normally required by law. If both the employee and the employer are exempt from contributing to a statutory deduction, the reason for exemption must be specified.

Non-Contribution Reason

Select the reason why contributions towards this deduction are not required in respect of the current employee.

Skills Development Levy Contribution Holiday

Help OK

Help Non-Contribution Reason OK Cancel

Again, all of this will be done **automatically** and is being mentioned here for informational purposes only. You **do not** have to change anything on your payroll in any way.

INCREASE IN EXPANDED EMPLOYMENT TAX INCENTIVE AMOUNT (APRIL 2020 to JULY 2020)

In addition to the Skills Development Levy contribution holiday, the second set of tax relief measures also increases the amount of the expanded employment tax incentive introduced in the first set of relief measures from R 500.00 per qualifying employee per month to R 750.00 per qualifying employee per month, as of 01 April 2020. This means that employers' can claim the increased ETI amounts introduced in the second set of tax relief measures on their April 2020 EMP201 returns.

The details of the exact ETI amounts that can be claimed in respect of different employees depending on their ages, remuneration levels and number of previously qualifying months has been discussed in detail in previous release notes and will not be repeated here. We have instead compiled a separate document that discusses the ETI tax relief measures in detail, which can be downloaded from the link below:

<http://www.intercode.co.za/downloads/COVID19-Tax-Relief-Employment-Tax-Incentive.pdf>

Please read through that document carefully - it contains important information related to the new ETI calculation rates and how they affect your payroll.

IMPORTANT: As of 28 April 2020, the draft Bill containing the exact wording of the second set of tax relief measures has not been published by National Treasury. The draft explanatory notes have been published however, and that document sets the effective date of the second increase at 01 April 2020. Though this legislation is not yet final, in the interest of expedience we have decided to include this change in the latest version of Intercode Payroll (V5.10.2) in order to enable qualifying employers to claim the newly increased ETI amounts on their April 2020 EMP201 returns. The draft Bill is expected to be published by National Treasury on Thursday 30 April 2020. We strongly advise that employers hold off on submitting their April 2020 EMP201 returns until such time as the draft Bill been published, just in case the Bill contains more unexpected changes. Though we do not expect this to be the case, it is still a possibility, so employers would do well to keep this in mind.

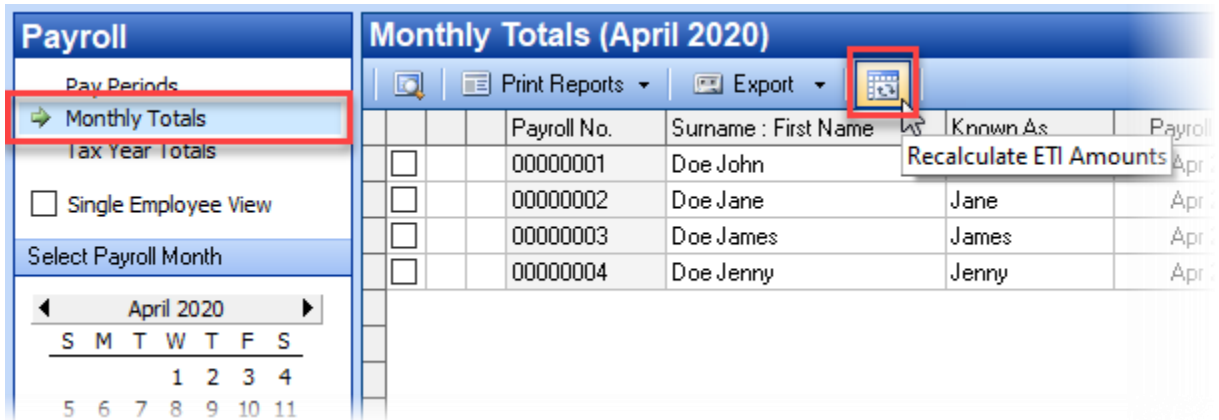
Recalculating the ETI for April 2020 (If Applicable)

Once you have installed Intercode Payroll V5.10.2, the newly increased ETI amounts will automatically be used when calculating the ETI amounts in respect of qualifying employees in April, May, June or July 2020, when the payslips for the relevant months are approved and closed. If your payslips for April 2020 have **already been approved and closed** however, any ETI in respect of April 2020 would have been calculated at the **previous rates** and would therefore need to be recalculated in order to take the new rates introduced in the second set of relief measures into account.

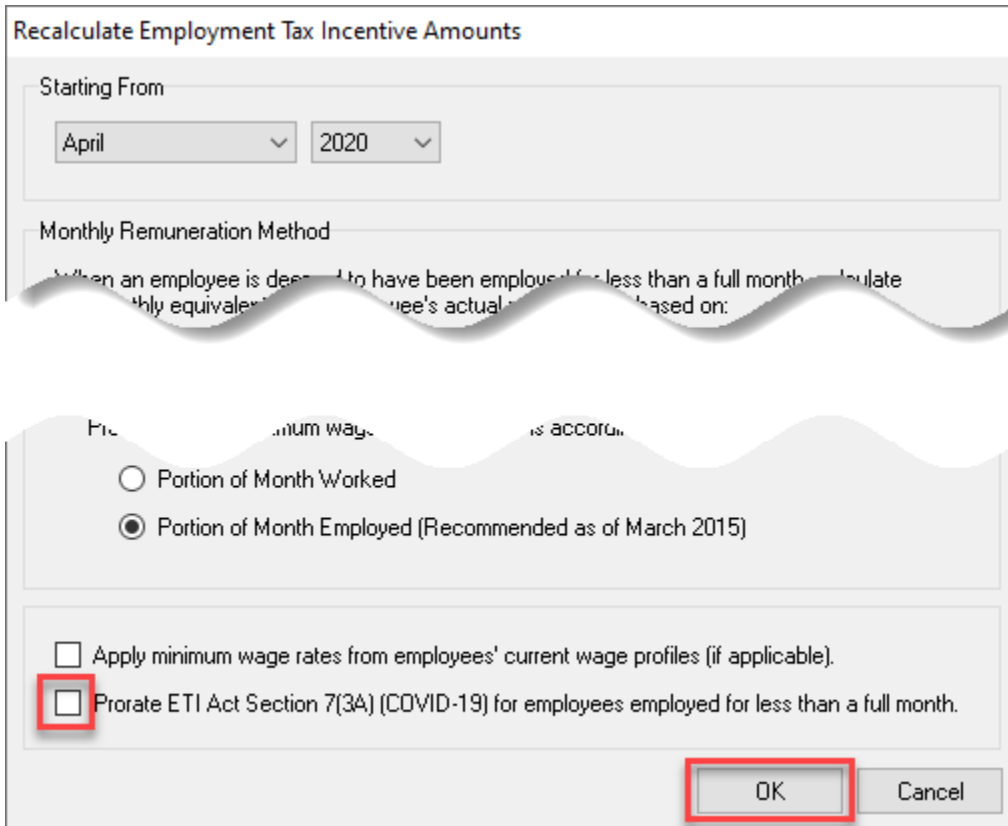
To recalculate the ETI in respect of your April 2020 payslips, you can simply reopen those payslips (if they have already been approved and closed) and then just approve and close them again (you might need to reverse your latest payroll run if you've already advanced into May). This will recalculate the ETI for the relevant employees for the whole month (even for weekly or fortnightly paid employees).

Alternatively, you can recalculate the ETI amounts for all employees for the month of April 2020 (even if their payslips have already been approved and closed) explicitly, as follows:

- Go to the Payroll section.
- Select Monthly Totals at the top 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 Amounts.



- In the Recalculate Employment Tax Incentive window, make sure that the option to Pro Rate ETI Act Section 7(3A) is **not** ticked, then click OK.



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 012 802 4200 for assistance.