INTERCODE PAYROLL V6.4.0 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.

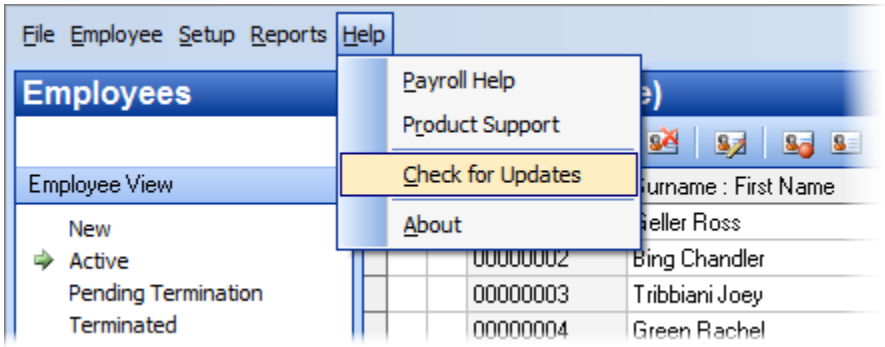
HOW TO INSTALL THE LATEST VERSION OF INTERCODE PAYROLL

There is no need to uninstall your current version of Intercode Payroll before installing a newer version of the software.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 *Download* page on the Intercode web site (http://www.intercode.co.za/download) and click the button 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 *Downloads* 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 *Downloads* folder, 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, open Intercode Payroll and open your employer file. If you see a message stating that your employer file is being updated, wait for this process to finish, following which the employer file will be opened.

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

WHAT'S NEW

New BCEA Wage Breakdown on Payslips (V6.4.0)

Section 33(1) of the Basic Conditions of Employment Act (BCEA) specifies the "information about remuneration" that must be given to an employee in writing (i.e.: must be reflected on the employee's payslip) when the employee is paid. Some of this information, such as an employer's name and address, the employee's name and occupation, the period for which payment is being made, the amount of remuneration in money, the amount and purpose of any deductions, and the employee's nett payment amount applies to all employees, while other the information such as an employee's rate of remuneration and overtime rate, the number of ordinary and overtime hours worked, and the number of hours worked on Sundays and public holidays applies only applies "if relevant to the calculation of that employee's remuneration".

The following is an excerpt from the BCEA showing the exact wording of section (33)(1):

33. Information about remuneration

(1) An employer must give an employee the following information in writing on each day the employee is paid:

(a) The employer's name and address;

(b) the employee's name and occupation;

(c) the period for which the payment is made;

(d) the employee's remuneration in money;

(e) the amount and purpose of any deduction made from the remuneration;

(f) the actual amount paid to the employee; and

(g) if relevant to the calculation of that employee's remuneration—

(i) the employee's rate of remuneration and overtime rate;

(ii) the number of ordinary and overtime hours worked by the employee during the period for which the payment is made;

(iii) the number of hours worked by the employee on a Sunday or public holiday during that period; and

(iv) if an agreement to average working time has been concluded in terms of section 12, the total number of ordinary and overtime hours worked by the employee in the period of averaging.

In Intercode Payroll, if an employee is paid an **hourly wage**, the employee's normal hourly rate and number of hours worked is reflected on the employee's payslip as is shown in the example below:

Usual Basic (Per Week)	Partial Period (Not Paid)	Unpaid Leave (Not Paid)	Absent / Short Time (Not Paid)	Paid Leave / Holidays (Paid Separately)	Balance of Basic (Actual Time Worked)
R1 200.00	(R0.00)	(R0.00)	(R0.00)	(R240.00)	R960.00

Income	Quantity	Rate	Benefit Value	Cash Value
Basic Wage	40.00	R30.00		R1 200.00

Deductions & Contributions	Balance	Employee	Employer	Deduction
Employee Tax		R0.00	R0.00	R0.00
Unemployment Insurance Fund (UIF)		R12.00	R12.00	R12.00
Skills Development Levy (SDL)		R0.00	R12.00	R0.00

Payslip Summary (Current Period)	Total Income	Total Benefits	*Sub Total Income*	Total Deductions	**NETT PAY**
	R1 200.00	(R0.00)	*R1 200.00*	(R12.00)	R1 188.00
		Previous Payments	(R0.00)	Payment Amount	R1 188.00

If on the other hand, an employee is paid a **daily wage** or a **fixed basic salary**, the employee's normal **daily rate** and number of **days worked** is reflected on the employee's payslip instead, as is shown in the example below:

Usual Basic (Per Month)	Partial Period (Not Paid)	Unpaid Leave (Not Paid)	Absent / Short Time (Not Paid)	Paid Leave / Holidays (Paid Separately)	Balance of Basic (Actual Time Worked)
R6 000.00	(R0.00)	(R0.00)	(R0.00)	(R0.00)	R6 000.00

Income	Quantity	Rate	Benefit Value	Cash Value
Basic Salary	20.00	R300.00		R6 000.00

Deductions & Contributions	Balance	Employee	Employer	Deduction
Employee Tax		R1 500.00	R0.00	R1 500.00
Unemployment Insurance Fund (UIF)		R60.00	R60.00	R60.00
Skills Development Levy (SDL)		R0.00	R60.00	R0.00

Payslip Summary (Current Period)	Total Income	Total Benefits	*Sub Total Income*	Total Deductions	**NETT PAY**
	R6 000.00	(R0.00)	*R6 000.00*	(R1 560.00)	R4 440.00
		Previous Payments	(R0.00)	Payment Amount	R4 440.00

This has historically been sufficient to satisfy the requirements of section 33(1)(g) of the BCEA, which only requires that an employee's "rate of remuneration" is reflected on the employee's payslip.

Recently however, Department of Labour inspectors have increasingly been advising employers that in terms of section 33(1)(g) of the BCEA it is a legal requirement to reflect an **hourly rate of pay** on the payslips of **all employees**, including salaried employees who receive a fixed basic salary per month.

Note: Based on our recent interactions with the Department it seems that the main motivation behind this requirement is simply that it makes it easier for labour inspectors to verify that salaried employees are being paid at least the National Minimum Wage, which is defined as a rate per hour.

To satisfy these requirements we have therefore added a new *BCEA Wage Breakdown* section which will now be printed at top of all employee payslips by default.

Usual Basic (Per Month)	Partial Period (Not Paid)	Unpaid Leave (Not Paid)	Absent / Short Time (Not Paid)	Paid Leave / Holidays (Paid Separately)	Balance of Basic (Actual Time Worked)
R6 000.00	(R0.00)	(R0.00)	(R0.00)	(R0.00)	R6 000.00

BCEA Wage (Sec.1)	R6 000.00	Hours Per Month	173.33	BCEA Hourly Rate	R34.62

Income	Quantity	Rate	Benefit Value	Cash Value
Basic Salary	20.00	R300.00		R6 000.00

Deductions & Contributions	Balance	Employee	Employer	Deduction
Employee Tax		R1 500.00	R0.00	R1 500.00
Unemployment Insurance Fund (UIF)		R60.00	R60.00	R60.00
Skills Development Levy (SDL)		R0.00	R60.00	R0.00

Payslip Summary (Current Period)	Total Income	Total Benefits	*Sub Total Income*	Total Deductions	**NETT PAY**
	R6 000.00	(R0.00)	*R6 000.00*	(R1 560.00)	R4 440.00
		Previous Payments	(R0.00)	Payment Amount	R4 440.00

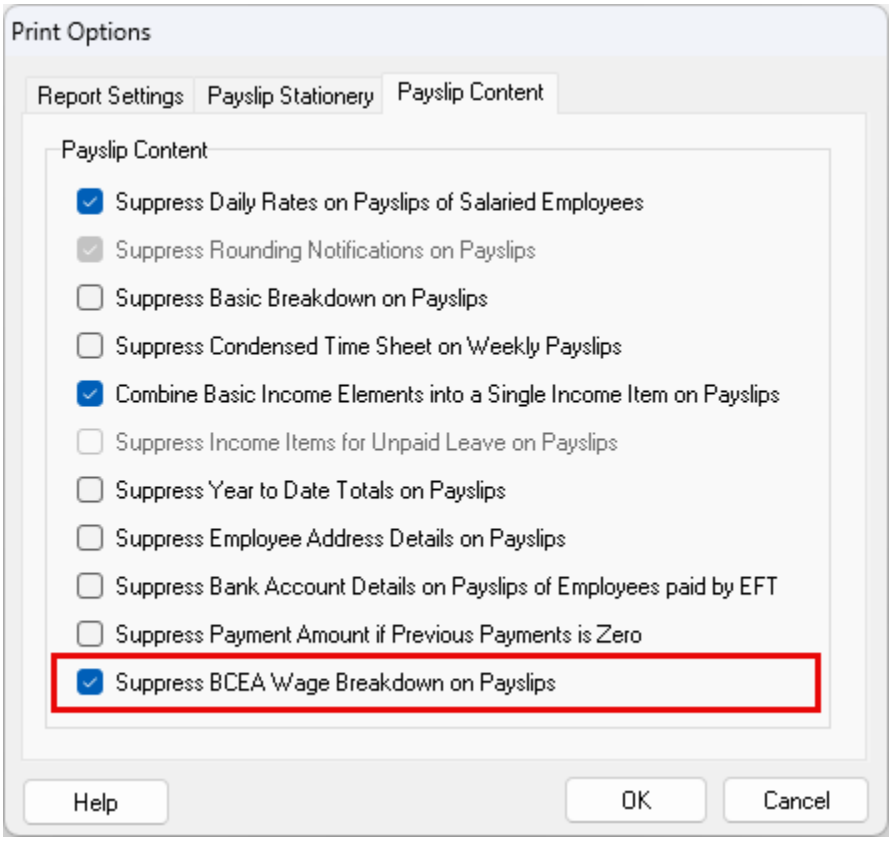
This section now shows:

1. The employee's "wage" as defined in section 1 of the BCEA (the definition makes no distinction between a salary and a wage).

2. The employee's average ordinary hours of work per pay period. For monthly paid employees who ordinarily work 40 hours a week this will come to 173.33 hours per month for example, or for monthly paid employees who ordinarily work 45 hours per week, 195 hours per month.

3. The employee's average BCEA hourly rate. This is calculated by dividing the employee's "BCEA Wage" as defined in section 1 of the BCEA by the number of hours the employee ordinarily works in a week, fortnight, or month, on average.

If, for whatever reason, you prefer not to print this new section on your employee payslips however, you can turn it off by selecting the relevant option in the *Print Options* window before printing payslips.



If this option is selected, the new BCEA Wage Breakdown section will **not** be printed on your employee payslips (i.e.: your payslips will look like the always have).

Note: This option is also accessible by selecting *Setup > Options* from the Intercode Payroll main menu, and then selecting the *Payslip Options* tab.

New UIF Declaration Email Address (V6.4.0)

When sending electronic UI19 declarations files to the UIF via email, the files will be emailed to declarations@labour.gov.za by default. If, for whatever reason, you would like to change the default email address used for emailing declarations files to the UIF to a different address, it is now possible to do so as follows:

- Select *Setup > Options* from the Intercode Payroll main menu.
- Select the *Report Options* tab.
- Specify the email address you would like to use as the default email address for emailing declaration files to the UIF in the *Declaration Email Address* field.
- Click *OK* to save your changes and close the widow.

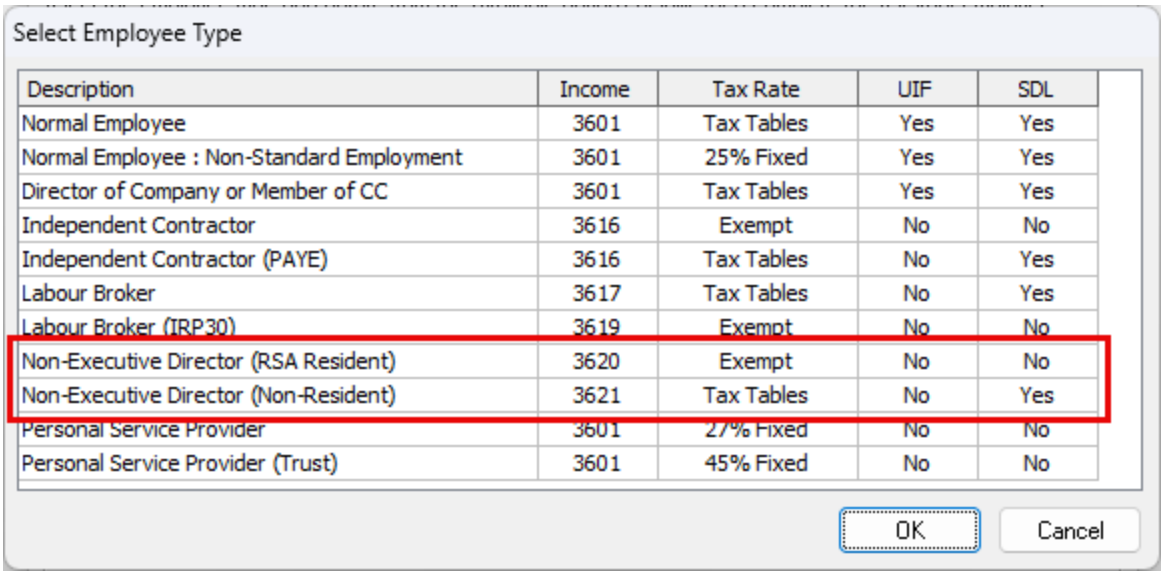
Note: Changing the declaration email address to an invalid or unattended address will result in your declaration files no longer reaching the UIF. Do not change this address unless specifically instructed to do so by an Intercode Payroll support consultant or an official UIF representative.

New Employee Types – RSA Resident NED and Non-Resident NED (V6.4.0)

A Non-Executive Director (NED) (also known as an independent or external director) is a member of a company's board of directors but is not part of the executive management team. They are not involved in the day-to-day running of the company, but instead just provide independent oversight and strategic advice to the executive team. Non-Executive Directors are not employees of the company or affiliated with the company in any way.

Non-Executive Directors are usually paid a fee for their services. Fees paid to an RSA Resident NED are not considered to be “remuneration” for the purposes of the Fourth Schedule of the Income Tax Act and are therefore not subject to PAYE, but an RSA Resident NED can request that the employer deducts voluntary PAYE from their fees. Fees paid to Non-Resident NEDs (i.e. who reside outside of South Africa) are however considered to be remuneration and are fully subject to PAYE. In both cases, if any PAYE was deducted from the NED’s fees this needs to be reported to SARS in the form of an IRP5 tax certificate, which means the NED will have to be loaded onto the payroll.

Two new employee types have therefore been added to Intercode Payroll to identify Non-Executive Directors on your payroll.



Note: RSA Resident Non-Executive Directors are exempt from PAYE, UIF and SDL, while Non-Resident Non-Executive Directors are only exempt from UIF.

Note: Do **NOT** use these employee types for "normal" directors of companies or members of close corporations. These employee types must only be used for true non-executive directors as defined.

New SARS Income Codes 3620 and 3621 - Non-Executive Directors Fees (V6.4.0)

Two new SARS income classification codes (3620 and 3621) have been added to report fees paid to non-executive directors on income tax certificates.

Code 3620 must only be used for fees paid to RSA Resident Non-Executive Directors and is not subject to the deduction of PAYE (but is taxable on assessment).

Code 3621 must only be used for fees paid to Non-Resident Executive Directors and is fully subject to the deduction of PAYE.

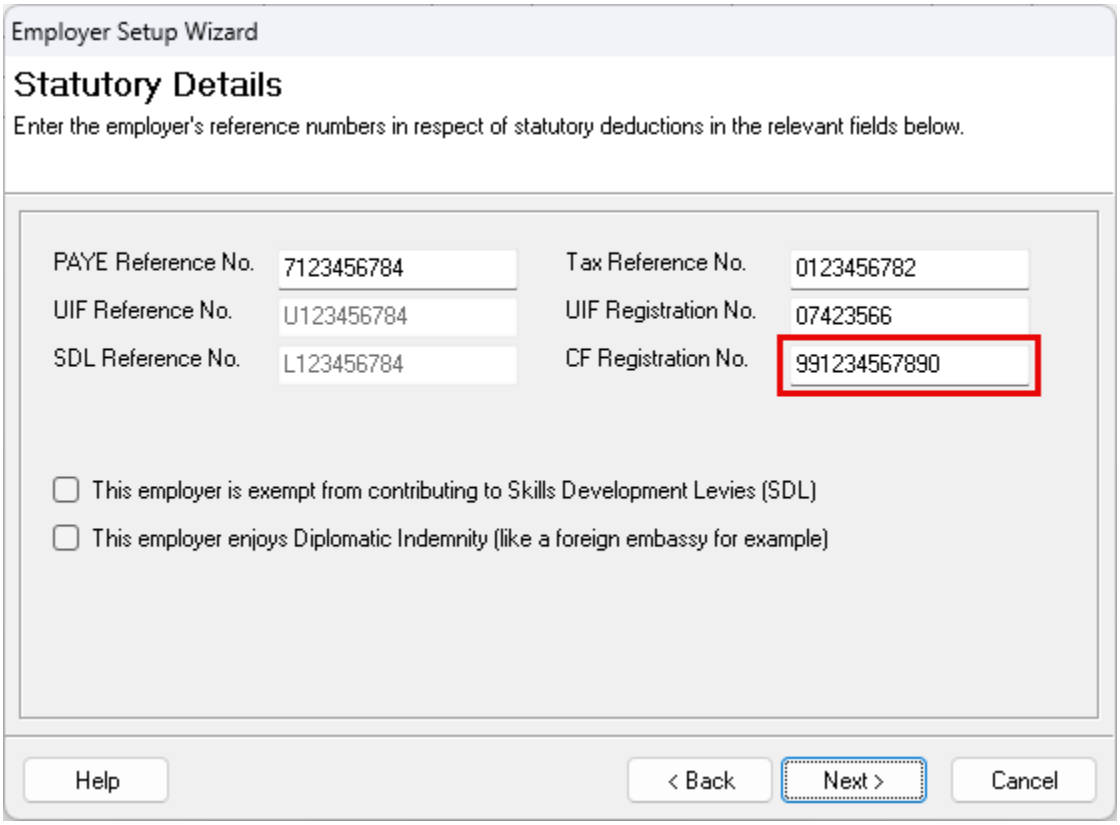
Note: In terms of the SARS Binding General Ruling (BGR) 40, all fees including reimbursements, company cars, etc. must be reflected under code 3620 or 3621 (whichever is applicable).

Two new predefined income types (RSA Resident Executive Directors Fees and Non-Resident Executive Directors Fees) will automatically be added to all employer files by default. These income types can only be used for employees who have been classified as Non-Executive Directors.

Note: If fees are paid to an RSA Resident NED and voluntary PAYE is **not** deducted, there is no need to load that NED onto the payroll or to issue an IT3(a) certificate (the issuing of an IT3(a) certificate is then optional).

New Employer Compensation Fund Registration Number Field (V6.3.4)

A New field has been added to the *Statutory Details* page of the *Employer Setup Wizard* to specify the employer's Compensation Fund (CF) registration number (if registered with the Compensation Fund).



If specified, this number will now be printed on the new Confirmation of Employer Registration Details report (see below) as well as on the W.As.8 Return of Earnings, making it easier to identify the employer when submitting Returns of Earnings for multiple employers.

New Confirmation of Employer Registration Details Report (v6.3.4)

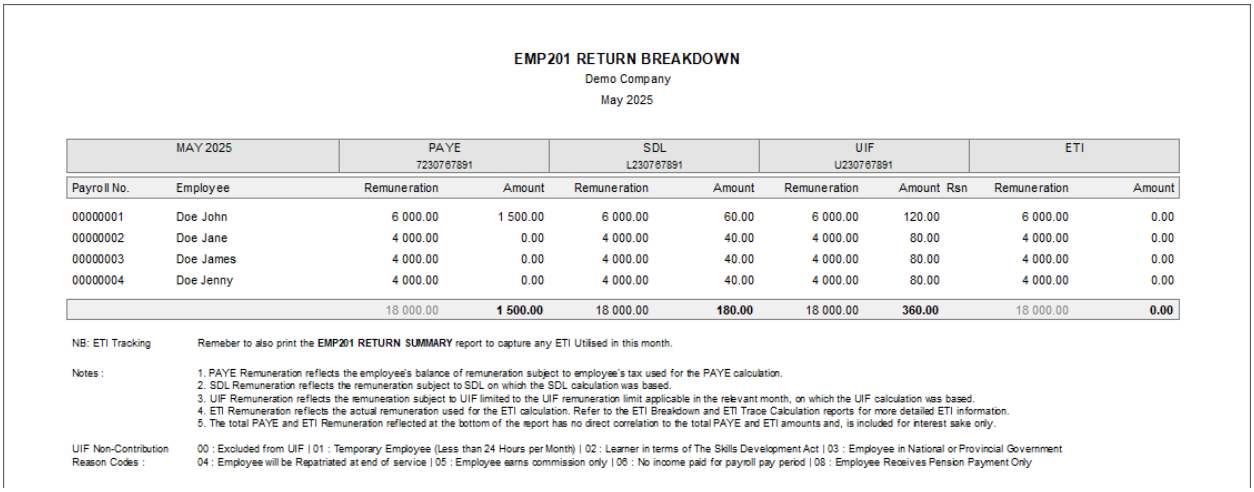
When printing the COIDA Return of Earnings (W.As.8) for a particular employer, the resulting report will now include an additional *Employer Details* page which provides most of the information required for completing the Compensation Fund's new Confirmation of Employer Registration Details Form.

New EMP201 Breakdown Report (V6.3.3)

A New report has been added showing a breakdown of all the individual employee contributions to PAYE, UIF and SDL that make up the totals reflected on the monthly EMP201 Return Summary.

To print the new EMP201 Breakdown report:

- Go to the *Payroll* section.
- Select *Monthly Totals* at the top left of the *Payroll* 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* and then select *EMP201 Breakdown* from the resulting drop-down menu.



EMP201 RETURN BREAKDOWN

Demo Company

May 2025

MAY 2025		PAYE 7230767891		SDL L230767891		UIF U230767891		ETI	
Payroll No.	Employee	Remuneration	Amount	Remuneration	Amount	Remuneration	Amount Rsn	Remuneration	Amount
00000001	Doe John	6 000.00	1 500.00	6 000.00	60.00	6 000.00	120.00	6 000.00	0.00
00000002	Doe Jane	4 000.00	0.00	4 000.00	40.00	4 000.00	80.00	4 000.00	0.00
00000003	Doe James	4 000.00	0.00	4 000.00	40.00	4 000.00	80.00	4 000.00	0.00
00000004	Doe Jenny	4 000.00	0.00	4 000.00	40.00	4 000.00	80.00	4 000.00	0.00
		18 000.00	**1 500.00**	18 000.00	**180.00**	18 000.00	**360.00**	18 000.00	**0.00**

NB: ETI Tracking — Remeber to also print the **EMP201 RETURN SUMMARY** report to capture any ETI Utilised in this month.

Notes :
1. PAYE Remuneration reflects the employee's balance of remuneration subject to employee's tax used for the PAYE calculation.
2. SDL Remuneration reflects the remuneration subject to SDL on which the SDL calculation was based.
3. UIF Remuneration reflects the remuneration subject to UIF limited to the UIF remuneration limit applicable in the relevant month, on which the UIF calculation was based.
4. ETI Remuneration reflects the actual remuneration used for the ETI calculation. Refer to the ETI Breakdown and ETI Trace Calculation reports for more detailed ETI information.
5. The total PAYE and ETI Remuneration reflected at the bottom of the report has no direct correlation to the total PAYE and ETI amounts and, is included for interest sake only.

UIF Non-Contribution Reason Codes : 00 : Excluded from UIF | 01 : Temporary Employee (Less than 24 Hours per Month) | 02 : Learner in terms of The Skills Development Act | 03 : Employee in National or Provincial Government 04 : Employee will be Repatriated at end of service | 05 : Employee earns commission only | 06 : No income paid for payroll pay period | 08 : Employee Receives Pension Payment Only

BUG FIXES

There were no bug fixes 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 update, please contact the Intercode support desk on 012 802 4200 for assistance.