SmoothPay Update v4.0
March 2000

Included in this Update

- ✓ New tax rates, rules and codes for April 2000
- ✓ New ACC residual claims levy rates
- ✓ IRD approved Employer Monthly Schedules
- ✓ Group Schemes (superannuation, union fees, etc)
- ✓ Reducing balance allowances and deductions
- ✓ Employer only calculations (do not affect net pay)
- ✓ Bringups - reminders & warnings
- ✓ ASB Fastnet support
- ✓ GST calculations on selected allowances and deductions
- ✓ Buyer created tax invoices for selected employees
- ✓ New company setup options (tips etc)
- ✓ New employee wizard
- ✓ Toolbox utility to merge companies
- ✓ Program logs and new error handling
- ✓ Free multi-user/ network client

Many new features have been added to SmoothPay in preparation for this update, along with improvements to screen dialogs and reports.

Take a moment to read about the latest modifications before installing the update.

Installation
Follow the instructions on the label of disk 1. You should install the update now (do not wait until April).

Annual maintenance fees
The annual maintenance fee covers all updates and media, and entitles you to support. This will be the first time the annual maintenance charge has been applied to clients who registered their software before March 1999, and March will be used as your anniversary date. All later registrations will have the annual charge invoiced on their anniversary of registration.

If you received an invoice with this update, please note that an **early payment discount** is being offered. Clients who also use a registered copy of *Smoothflow cash manager* and/or *Smooth Office* may apply for a bigger early payment discount. We have pre-loaded those we are aware of.

End User Licence Agreement (EULA)
In accordance with standard industry practice, SmoothPay now displays (once only) an EULA for your acceptance. This is a reproduction of the terms included with the SmoothPay packaging, manual and help file.

Tip of the day
Tips are automatically displayed on startup and whenever an update is installed. These are intended as an aid to use SmoothPay more effectively. You may disable tips by checking the option on the tip screen, or in Company Setup.

The new Tax rates, rules and codes
The new tax rules will take effect automatically for pay days falling within the range 1 April 2000 to 31 March 2001. Two new tax codes (ST and ST SL) have been introduced for Secondary Top income earners. These replace the two redundant CAE codes retained from previous years, so if you have CAE code employees, please check their tax codes are correct after 1 April. New extra emolument tax provisions have been implemented, and you can set the employee's elective to normal, medium or high. Normal will use the lower rate unless the employee's earnings exceed the thresholds, in which case the appropriate higher rates will be used. Normal is the default value and should be used unless otherwise requested by the employee.

IRD approved schedules and irFile
This version of SmoothPay produces IRD approved IR348 and IR349 schedules that may be submitted directly to IRD in place of the forms they send you. Their only requirement is that the reports must be printed on laser or inkjet printers.

To accommodate a request from the IRD, the IR348 report has been split into 2 reports. The first page is the IR348, the following pages are the IR349 with more employee lines.

The IR348 report must be run in order to produce the irFile, which can then be transferred to IRD via the internet. The name of the file produced is displayed on the IR348 report options screen.

ACC rates for IR68A

The latest ACC Residual Claims Levy rates are included in this update. As ACC is presently not the only workplace insurer, the employer premium rates have not been supplied. Legislative changes may require a further update to be supplied later this year.

Error handling and logging

A new error handler has been implemented. As a diagnostic aid, any program/system errors and all main process steps are recorded automatically into a log file.

Illegal Operation or ***IO Error*** messages on startup may be caused by using the original runtime, and typically exhibit on fast pentiums (350MHz+). A free upgrade to the runtime is available upon request or from our website.

Multi-user client

For clients requiring access to SmoothPay from multiple workstations, or where SmoothPay has been installed on a server, a free multi-user client is available upon request. This reduces network traffic significantly and speeds up payroll processing in a network environment.

Bringups - reminders and warnings

On startup (or on demand from the reports menu) SmoothPay can remind you of any employee bringups (eg. pay review, sick leave setup reminder etc). This option can be set in the Company Setup screen.

Bringups can be set up in the employee maintenance screen, or from the Payroll Codes menu. Bringups may be categorised as reminders or warnings (which are automatically displayed on the employee maintenance and pay input screens).

Group Schemes

Group schemes have been introduced to provide a means of:
- grouping deductions together for payment by consolidated direct credit to a nominated bank account (eg. union fees, social club, superannuation)
- creating "reducing balance" allowances and deductions, so that large bonus payments, back pays, repayments of advance pays, debtor balances, time payments etc can be spread over a number of pay periods

(possibly reducing employee's tax liability on a large lump sum payment). Payments will stop automatically when the balance owed reaches zero. If GST applies to the allowance/deduction, the balance will be reduced by the GST exclusive value.

When an employee is given an allowance or deduction that is associated with a group scheme, membership fields on the allowance and deduction pay input screens are activated to enable entry of a reference (eg Superannuation scheme employee ID, debtor account number etc), and to indicate if the payment is a reducing balance, and if so what the balance remaining is.

Group Schemes can be setup using *Payroll Codes..Group Schemes*.

Allowances and Deductions can be associated with a group scheme in *Payroll Codes..Allowances* and *Deductions*.

A report to list Group Schemes and members (allowance/deduction codes and employees that have used those codes) has been added to the reports menu.

"Employer" calculations

If you need to calculate employer subsidy, charge out rates, or other costs against an employee's wages (eg. employer's superannuation subsidy etc), then set up new allowances/deductions (as necessary) with the *Employer calc* flag ticked.

These allowances and deductions are entered in the employee's pay input in the usual manner, however they **do not affect the employee's net pay**. They are calculated only to provide figures for the employer's use, and will appear on *Employer Schedules* produced by *Standard Reports*.

GST registered employees

SmoothPay can automatically calculate and process GST for specified employees on specified allowances and deductions. This is applicable where an employee/contractor/commission earner is GST registered and they wish you to deduct PAYE tax from their earnings.

The rate at which GST is calculated on each code is determined by a range of GST values that can be established in *Payroll Codes..GST Rates*. The appropriate rate is then applied against each allowance or deduction code as required. Note that this only affects employee's set up for GST processing.

An employee may be set for *None, GST on Payslip, or GST Tax Invoice*.

None means that GST processing will not occur for

the employee (default).

GST on Payslip causes GST processing to occur, and the results show on the employee's payslip (they provide you with an invoice).

GST Tax Invoice will produce a Buyer Created Tax Invoice (the employee does not and must not produce a tax invoice themselves). As at release date, the IRD approval for this Buyer Created Invoice is anticipated, but has not yet been received. Consequently, please contact us before using this option.

GST processing can be nominated as inclusive or exclusive in Company Setup.

Electronic banking/direct credits
Support has been added for ASB Fastnet MT9 format for electronic transfer of Direct Credits. ASB Gateway is still supported.

National Bank PC Diskette AS1 format has been added. The diskette used must be new or freshly formatted (SmoothPay will not do this for you). The MTS file name must have the suffix MTS (eg. A:\PAYROLL.MTS). You must write-protect the diskette once the batch file has been generated, apply the appropriate label, and forward to the bank with the appropriate "Schedule for EDP Input". The batch number is fixed at '01'. Please refer to the MTS Customer Conditions and Guidelines available from National Bank for further information.

Westpac Trust QuickPay PC1 diskette format has been added (replaces defunct TrustBank format).

Other enhancements and changes
Employee selection list no longer "slips" to first/last employee after returning to Control Centre.

A new *wizard..toolbox* option has been added to enable merging of companies (branches reuniting etc).

Company Setup screen has been rearranged into tabbed areas for ease of use (and because we were running out of room on the screen for all the options). Note especially the new fields in the *Options* tab for *Show bringups on startup*, and *Show tips on startup*.

Pay Range detail report has been modified to show entries in correct date order, and an option has been added so that a specific employee can be selected (to assist you in dealing with enquiries from WINZ etc).

Gross pay figure (including non-taxable allowances, if any) is now shown on payslips and also per employee on payroll summary and update reports.

Finish this pay routine automatically detects and

prompts you if the IR345 report can be printed (when next pay day falls into the next tax period). It now also detects and prompts you if the IR348/349/irFile and IR68 reports can be printed.

A new Add Employee wizard has been added to Employee maintenance to collect the bare minimum of information required to establish and begin paying an employee.

New startup options added to Company Setup determine which company is to be opened on startup (default is first company as at present, or last used company, or a specified company).

A new option added to Company Setup deals with the allocation of automatic holiday leave payments to casual employee's in one of three ways:
- Default cost centre - charged to ledger default cost centre as in previous versions
- Pro-rated - allocated on the basis of work time and cost centres entered
- Manual cost centre - cost centre entered against holiday entry in Pay Input.

All date input fields are now checked (where appropriate) against y2k rules. This means that a century entered as 00 will automatically convert to 2000, while 99 will convert to 1999.

Holiday setup forms to help you correctly configure and establish employee balances and entitlements are supplied with this newsletter. Setting up employee leave is relatively easy using the form.

Our policy in the past has been to exclude use of the menu bar at the top of the screen, as we feel it muddies the application. However, we have discovered that new users, especially, are used to using the menu bar, and panic sets in when the help menu doesn't work (unless you press F1). The menu bar now displays Edit and Help functions which may be used from any screen.

In the pipeline
Requests for changes and enhancements assist us to develop SmoothPay to meet your needs. Some of the enhancements planned for implementation soon are:

> **Call us if You have any questions, suggestions or problems**
>
> **We will try and include your suggestions in our products**

- An option to treat sick leave as days (to suit rostered staff who work irregular hours and have a sick day equate to the number of rostered hours for that day)
- Further integration for accounting systems (MYOB, ACCPAC, SmoothOffice, Exo-net). If you have any specific requirements for integration, please let us know (and let your accounting software provider know too)
- Electronic timesheet processing
- More payslip styles
- Quarterly Employment Survey report
- Statutory day schedules, and a statutory day value calculator for part-time staff who work irregular hours
- Employment Earnings Verification enquiry to assist you to complete WINZ forms

Productivity Tips

These few gems of information may help you get there quicker...

Moving SmoothPay to a new computer
- Install from your original installation diskettes, or download and install SmoothPay from our website.
- Install the latest update you have been supplied (all older update diskettes should be erased and reused as backup disks)
- Backup your data from the old computer (or if it has crashed, get the latest backup diskette you used)
- Restore the data on to the new computer.
- When you start SmoothPay, you may need to enter an activation code - you will have kept it safely with your installation disks (if not, call us for a new activation code).

Installing SmoothPay on NT
The installer used for SmoothPay creates incorrect program icons when installed on NT. You will need to create a shortcut from the WINPAY.EXE program to your desktop, and it will then run fine.

New/terminating salaried employee
If you need to adjust a salaried employee's first/last pay because they start or finish part way through a month, simply adjust the salary and hours for the pay period in *Pay Input..Override Tax, Salary*.

Mostly salaried staff
If most of your staff are salaried employees, use *Wizards..Quick Pays* to quickly select the employee's to be paid. With just a few mouse clicks you can pay your entire staff.

2-up payslips
Some sites experience problems with 2-up payslip printing, where only one payslip gets printed on each page instead of two.

To rectify this you can edit the payslip form and adjust the margins slightly to suit your printer:

- choose *Pay Input*
- choose *Print this payslip*
- tick *Use report options menu* and make sure *2 per A4 page* is selected as payslip style, then choose *Print*
- Choose *Design..Report..Page Layout* and make sure *Columns* is set to 2 and that column width is set somewhere around 5.44 (set it smaller to squash two payslips onto one sheet of paper).
- Choose OK then CTRL+F4 to close the form and save it.
- Run Standard Reports..Payslips (make sure only a couple of employees are selected for payment until you get it the way you want).
- Experiment with the setting of the column width until it produces the results you want, then note it down for future reference, as each update to SmoothPay will reset the form back to its original values.

Other news

Procomp Systems Ltd has an agreement with the Australian Tax Office for validation of Australian tax numbers, and we have received ATO software developer registration. Versions of SmoothPay for Australian and Fiji tax requirements will be available soon.

In association with Pastel Software NZ Ltd, SmoothPay has been selected by Harcourts International to integrate with their HAPI software (also developed by us) in New Zealand and Australia.

The latest help files are still being developed and, to avoid delays in releasing this version, will be released on the website and with the next software update. We are planning also to produce tutorials that will be available on CD, and possibly from our website depending on size and popularity.

Last words

As with any new software release, please ensure you check your audit trails thoroughly. Though we test each version extensively before release, it is always possible that we have made an error somewhere.

Remember, we still give chocolate fish (or Lotto tickets) to those who spot errors and report them first.

We hope you enjoy this new version, and look forward to your suggestions, so that we may ensure SmoothPay continues to improve and meet your needs.

Best regards from the SmoothPay team.