



STP 2 Reference Guide  
Version: 2.0

## Document Control Table

|                                  |                                |
|----------------------------------|--------------------------------|
| <b>Prepared by</b>               | Andrew Tucker & Wilma Juridico |
| <b>Approved or authorised by</b> | Andrew Tucker                  |
| <b>Release date</b>              | 31/05/2022                     |
| <b>Version</b>                   | 2.0                            |
| <b>Commercial in Confidence</b>  |                                |

## Change History

| <b>Version</b> | <b>Date</b> | <b>Author</b> | <b>Description of Changes</b>       |
|----------------|-------------|---------------|-------------------------------------|
| V1.0           | 17/11/21    | AT/WJ         | STP 2 Reference Guide – First Draft |
| V2.0           | 31/05/22    | CI            | STP 2 Reference Program update      |

# Table of Contents

|   |                                     |
|---|-------------------------------------|
| <b>Introduction.....</b>                                    | <b>4</b>                            |
| Scope.....  | 4                                   |
| Document conventions.....                                   | 4                                   |
| Terms and definitions .....                                 | 5                                   |
| <b>Overview .....</b>                                       | <b>6</b>                            |
| <b>STP2 Set Up.....</b>                                     | <b>7</b>                            |
| System Configuration.....                                   | 7                                   |
| Menu Setup .....  | 7                                   |
| Company Configuration .....                                 | 7                                   |
| System Parameters – STP2 Activation.....                    | 7                                   |
| <b>Payroll Configuration.....</b>                           | <b>10</b>                           |
| STP2 Data Preparation.....                                  | 24                                  |
| Setting Up the Employee New STP2 FieldsAllowance .....      | <b>Error! Bookmark not defined.</b> |
| Setting Up of Itemised Components of Reportable Income..... | <b>Error! Bookmark not defined.</b> |
| Terminating an Employee .....                               | 24                                  |
| Check and Fix STP2 Codes.....                               | 24                                  |
| Mapping of STP1 Gross Values to STP2 Gross Values .....     | 24                                  |
| <b>STP Operations.....</b>                                  | <b>28</b>                           |
| STP Submissions Navigation.....                             | 28                                  |
| The STP Submissions - Summary Screen .....                  | 28                                  |
| The Payrun Details Screen .....                             | 29                                  |
| Processing STP2 Submission .....                            | 41                                  |
| Key Identifiers .....                                       | 41                                  |
| Options to Alert Changes to Key Identifiers .....           | 42                                  |

# Introduction

## Scope

The purpose of this document is to assist customers ...

- To Transition from STP1 to STP2.

## Document conventions

The following table contains the naming conventions, typographical conventions and symbols used in this document.

|  |  |
|--|--|
| example.dat  | Filenames are displayed in courier font to identify the filename from the body of the text.  |
| [Enter]  | Square brackets and bold typeface are used to indicate a specific key to press on the keyboard.  |
| Type in 'XYZ' into the Name field.                 | Field names are highlighted by the use of bold text.   |
| Select the <i>File</i> menu                        | All buttons, field icons, menus and checkboxes are displayed in italics.   |
| Type in 'ABC' in the XYZ field                     | Single quotes are used to identify information in the instructions that is to be entered by the user.  |
| Value between '1' and '99'.                        | Single quotes are used to identify possible field values.  |
| One to nine, 10 to 1,000.                          | All numbers below ten are written as text unless a value to be entered. Numbers 10 or greater are written as numerals unless starting a sentence. Numeric field values are displayed in single quotes.   |
| <i>File&gt;Save</i><br><i>As&gt;Filename&gt;OK</i> | Command paths are displayed using italic typeface and forward chevrons (>). Menu Paths are described as per the standard Jobpac Menu system at the time of creation of this manual but may be different in the customers customised menu system. |
| The <i>Register Invoices</i> screen displays.      | Bolded Italic typeface is used to refer to all screens, modules and windows. The first appearance of a screen is referred to in the present tense and the sentence finished with the word 'displays'.  |
| (field) ►  | Signifies that a pop-up window is associated with a field.   |
| ► (action)   | Signifies an action undertaken in a screen <i>Actions</i> menu or a menu selection.  |

## Terms and definitions

The following table contains the terms and definitions used in this document.

| Term | Definition                          |
|------|-------------------------------------|
| C    | This denotes a non-enterable field. |
| E    | This denotes an enterable field.    |

*Terms and Definitions table*

## Overview

In the 2019-20 Budget, the government announced that STP will be expanded. This expansion of STP data reduces the reporting burden for employers who need to report information about their employees to multiple government agencies and supports the administration of the social security system.

### What is changing:

- Tax File Number Declaration Forms – You will no longer have to send employees' TFN declarations. Information collected from TFN declarations (including the TFN itself, employment type and whether the employee has a HECS-HELP debt) is to be included in STP reports. Your employees will still need to provide it to you, and you'll need to keep it with your employee records.
- Employment Separation Certificates - These certificates are no longer required, as the reason why an employee has left the business will now be provided via STP2 reports.
- Child Support Garnishees and Child Support Deductions – If you include the Child Support Garnishees and Child Support Deductions that you have been instructed to deduct from the payee by the Child Support Registrar, you do not need to provide separate remittance advice to the Child Support Registrar,
- Lump Sum E Letters – If you make a Lump Sum E payment, you won't need to provide Lump Sum E letters to your employees. The amount and the period it relates to must now be included in STP2 reporting.
- Employment Type - Previously optional, reporting of employment type will be mandated under Phase 2 reporting. You will need to declare whether your employees are full-time, part-time or casual, in addition to new categories such as labour hire or volunteer.
- Disaggregation Of Gross – Reportable Income will no longer be reported as a gross sum, instead each component must be itemised including salary sacrifice, overtime, paid leave, bonuses, commissions, director's fees and allowances (allowances must also be individually itemised).
- Country Codes - If you have Australian resident employees working overseas or are employing working holiday makers, you will need to provide details of the host country.
- If you're using a concessional reporting option, such as for closely held payees or for inbound assignees, you'll be able to tell us through reporting income types.
- If you change software or your employee's payroll ID, you can tell ATO in your STP report. This will help fix issues with duplicate income statements for employees in ATO online services through myGov.
- Payroll information you report to ATO will be share in near real-time with Services Australia who can use to streamline requests

### What is not changing:

The way you submit your STP report, the due date and the end-of-year finalisation declaration for each employee will not change. Tax and superannuation details will still be required as usual.

# STP2 Set Up

To activate STP in Jobpac Connect there are System Level, Company level and Payroll configuration elements. These are described in detail below.

## System Configuration

### Menu Setup

The following menu Items should be set up in your Customisable Menu System. We recommend the following positions in the menu system but you may place at your preference. The Standard Jobpac Menu System will be updated as per below.

- Employee Gross Values Maintenance should be added in *Payroll* → *Employee Information*

*Technical Note: The new menu option should call "STP2 Emp Gross Values" – EMPGRSMNTP*

- Set STP2 Set Initial Values of STP2 Fields should be added in System Admin → *Utilities* → *Consultants Only*

*Technical Note: The new menu option should call "Initial STP2 Field Val" – STP2NEWFLP*

## Company Configuration

### System Parameters – STP2 Activation

Position 11 of system parameter OZEDI must be set to Y to activate STP2.

#### OZEDI – SSP API Activation for OZEDI Parameter

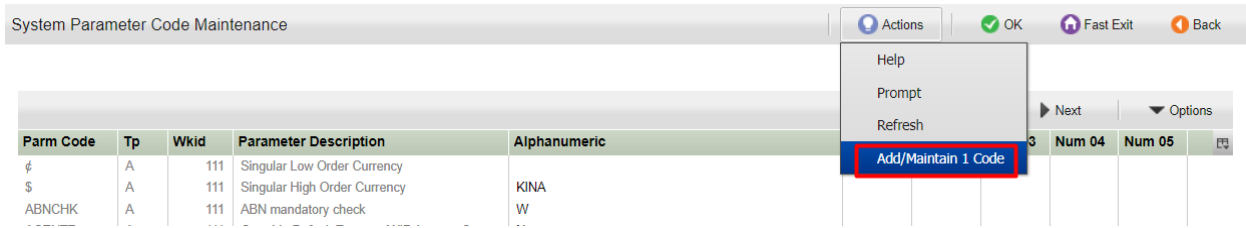
This is a multi-positional Alpha-numeric parameter configured as follows ...

|             |                          |   |  |
|-------------|--------------------------|---|--|
| Pos 1       | Activate OZEDI API (Y/N) | = | Set to Y to activate the API submission methodology via OZEDI SSP. You can only use the API methodology if on the Jobpac Cloud. Otherwise set to N for Manual. |
| Pos 2-9     | OZEDI Client Code        | = | WorkID Level OZEDI Client Code.  |
| Position 11 | Activate STP2            | = | Set to Y to activate STP2.   |

#### Adding/Updating OZEDI Parameters

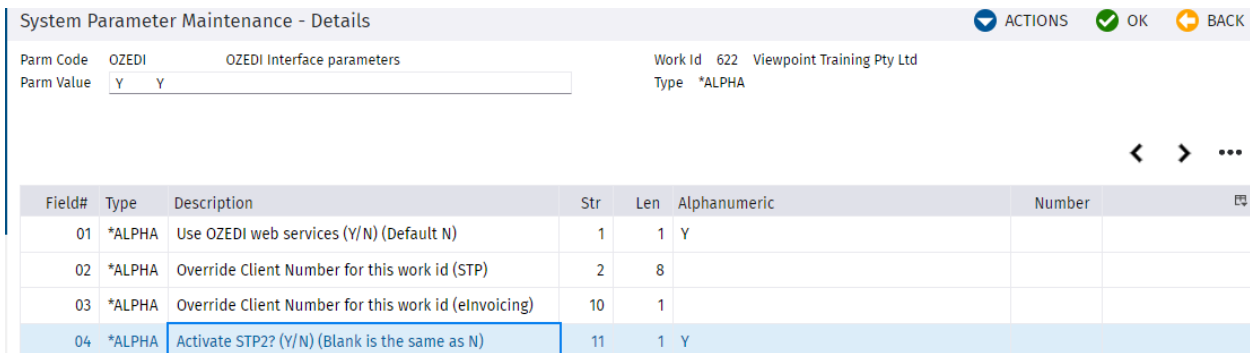
To add and maintain System Parameters navigate to the Jobpac Connect menu option, *System Administration* → *Define Companies* → *Maintain Parameters...*

In most cases when activating STP for the first time you will need to add a new parameter codes. To add a new parameter code click on the action option to ► *Add/Maintain 1 Code* as shown below.



Type in the new Parameter Code ( **OZEDI** ) in the top left *Parm Code* field as shown below and hit [Enter] or click [OK]. Then on the Work ID for which you wish to activate STP, use the right click option to go to the ► *Details* of that parameter.

To activate STP2, set position 11 to Y as shown below.





# Payroll Configuration

## STP2 Data Preparation

There is no need to activate STP2 during the data preparation. As part of the STP2 data preparation, you must run a program that will set the initial values of the new STP2 fields.

The amount reported on employee payments do not change, the way it is reported has changed. With STP2, you must setup income types for your employees. The initial values will be set based on the employee tax scale and employee status.

| Employee Tax Scale / Status   | Income Types   | Comment   |
|---|--|---|
| Status = N or C   | LAB (Labour Hire)  | Not currently reported in STP2  |
| Status = V  | VOL (Voluntary Agreement)  | Not currently reported  |
| Tax Scale = P   | WHM (Working Holiday Maker)<br>Employer is marked as registered to employ Working Holiday Maker. If this is not correct, you can untick this option on <i>Maintain Employees</i> → <i>Employment Condition Tab</i> | Country code mandatory. The Country Code must be the country of the visa (“home” country) of the payee, as per their Visa arrangements. |
| Others<br>If tax scale = 5, then employee will be marked with Full Medicare exemption.<br>If tax scale = 6, then employee will be marked with Half Medicare Exemption | SAW (Salary and Wages)   | Country Code must be blank.   |

STP2 introduces new allowance code for each allowance. STP1 allowance code will be map to the STP2 code as per below.

| STP1 Allowance Code | STP2 Allowance Code   |
|---------------------|---|
| Transpor            | AD  |
| Travel              | RD  |
| Meals               | MD  |
| Car                 | CD  |
| Laundry             | LD  |
| Other               | OD (This allowance will need to be categorise to ND, H1, V1, etc) |
|                     |   |

---

### **Setting Up The Employee New STP2 Fields**

---

#### **Income Types**

The ATO has introduced the requirement to categorise each payment type into income types and where relevant the country of origin of the payment. The income types are relevant to the source of the income, and/or any relationship with the payee

Income Type and country codes are setup at employee level. We only support one income type/country code per employee. If there is an employee with multiple income type, then you must create an employee code for each employee’s income type. If employee income type has changed in the middle of the year, then you must deactivate current payroll id by setting status to ‘0’ and adding a new payroll id with the new income type.

Employee Maintenance - Employment Conditions ACTIONS OK BACK

Employee 00013 Financial Year

PAY DETAILS PERSONAL DETAILS **EMPLOYEE CONDITIONS** UDF DETAILS UDF DETAILS 2 QUALIFICATIONS

Surname WOOD Given Names EMMA Other Names Natalie

Employee Income Type  Salary & Wages  Closely Held Payees  Inbound Assignees to Australia  Working Holiday Makers  
 Voluntary Agreement  Labour Hire

Country Code  (Mandatory for Income Type WHM & IAA. Blank for others)

Registered For WHM  No  Yes  Employee is not WHM

Employment Basis  Full Time  Part Time  Casual  Labour Hire  Vol Agreement  Death Beneficiary

Tax Scale Variations  Downward Variations  Death Beneficiaries  Non-Employees  Not Applicable

VOL Agreement Rate  Commissioner Instalment Rate  No Commissioner Instalment Rate  Not Applicable

Med Levy Surcharge Tier  Taxable Income >= 90,000.00 for Single or >= 180,000.00 for Family  
 Taxable Income >= 105,000.00 for Single or >= 210,000.00 for Family  
 Taxable Income >= 140,000.00 for Single or >= 280,000.00 for Family  
 Not Applicable

Med Levy Exemptions  Full  Half  Not Applicable

Med Levy Reductions  Spouse  
 1 Child  2 Children  3 Children  4 Children  5 Children  
 6 Children  7 Children  8 Children  9 Children  10 or More Children  
 Not Applicable

The following table details the income types that Jobpac STP2 supports.

| Type                         | Description   | Comment   |
|------------------------------|---|---|
| Salary and Wages (SAW)       | Assessable income paid to payees for work performed in Australia, other than that included as other Income Types  | Country code not required   |
| Closely Held Payees (CHP)    | Payee who is directly related to the small employer entity from which they receive payments, such as family members of a family business; directors or shareholders of a company; beneficiaries of a trust. | Country code not required   |
| Working Holiday Makers (WHM) | Income only for limited visa subclasses for foreign residents.<br>Payees – In Australia on Visa subclass 417 (Working Holiday) and 462 (Work and Holiday) only.   | Country code mandatory. The Country Code must be the country of the visa (“home” country) of the payee, as per their Visa arrangements. |

## Employment Basis

- Full time (F) – a person who is engaged for the full ordinary hours of work as agreed between the payer and the payee and/or set by an award, registered agreement or other engagement arrangement. A full-time payee has an expectation of continuity of the employment or engagement on either an ongoing or fixed term basis.
- Part time (P) – a person who is engaged for less than the full ordinary hours of work, as agreed between the payer and the payee and/or set by an award, registered agreement or other engagement arrangement. A part time payee has an expectation of continuity of the employment or engagement on either an ongoing or fixed term basis.
- Casual (C) – a person who does not have a firm commitment in advance from a payer about how long they will be employed or engaged, or for the days or hours they will work. A casual payee also does not commit to all work a payer may offer. A casual payee has no expectation of continuity of the employment or engagement.
- Labour hire (L) – a contractor who has been engaged by a payer to work for their client. Income for contractors only, does not include employees
- Voluntary agreement (V) – a contractor with their own ABN who has entered into a voluntary agreement with a business to bring work payments into the PAYG withholding system. To do this a contractor would normally complete a Voluntary Agreement for PAYG Withholding form
- Death beneficiary (D) – the recipient of an employment termination payment (ETP) death beneficiary payment who is either a dependant, non-dependant or trustee of the estate of the deceased payee.
- Non-employee (N) – a payee, such as a contractor, who is not in scope of STP for payments but may be included in STP for voluntary reporting of superannuation liabilities only.

---

## ***Setting up of Itemised Components of Reportable Income***

---

The main purpose of Single Touch Payroll phase 2 is to extend the use of the data to the government social services agencies. These social services agencies make payments to their customers, many of whom are employees or contractors included in the pay event.

The move to itemised Reportable Income is due to the different assessment of income required for social services agencies to administer their programmes. Not all the payments that were included in the aggregated “Gross” are treated the same way for welfare benefits.

Income will no longer be reported as a gross sum, instead each component will be itemised including overtime, paid leave, bonuses, commissions, director’s fees, allowances and deductions. Allowances will also be individually itemised. In most cases, we will use the transaction type to map the payment types but there are transaction codes that you will need to assign a payment category. This can be done by nominating a STP Code via Transaction Definition (Payroll > Company Information>Transaction Definition).

Transaction Code Maintenance
ACTIONS OK BACK

Mode EXAMINE

Transaction Code GPP Group

---

Transaction Type

Description  Short Name

Include Super. Calculation    ERC/ACC Code     Column   
 Include RDO Calculation     Employer Super Related  
 Include LSL Calculation  
 Default for Payroll Processing

GL Account Number      Prevent Expense Account Default    Affix (N/P/S)   
 Multiplier     Job Required (N/O/Y)      Keep History  
 Default Cost Code     Default Cost Type

Tax Adjustment Type  None  SLBOR  SLCIR  ESCT  Foreign Tax  Pay Giving

Allowance/Deduction/Tax Adj/ERC Details

Group Tax Code      Get Rate from Job Parameters  
 Rate     Type (A/P/S/G/L)   
 ERC Liability G/L     Affix (N/P/S)

Allowances/Lump Sums/Foreign Income    Deductions Only  
 Payroll Tax Code      Pre Tax Deduction  
 Taxable

STP Other Leave Code (NT/ACT/LEV)  Paid Parental Leave  
 STP Allow/Deduct Code (ALL/DED/ACT)

### Gross Income

You do not need to assign a STP code. We will use transaction type and group tax code to determine payment types. The following are Gross Payments.

- Ordinary hours worked
- Casual loading Shift penalties (including public holiday penalties)
- Payments to employees on Workers’ compensation who are at work performing duties
- Piece rates for work done during ordinary hours
- Daily rates for employees compensated using a flat daily rate
- Flexi time
  - all ordinary hours paid to employees under a flexi time arrangement are part of gross
  - flexi time arrangements are considered different to RDOs and TOIL
- Breach of rest break payments. When an employee does not get an appropriate rest break between shifts, some awards require employees to be paid at overtime rates until the employee is released from duty – even though the employee is being paid at overtime rates, they are working ordinary hours and payment is reported as gross
- Time for travel or training paid within the span of ordinary hours
- Charge rates for work performed, outcomes achieved, or targets met other measure for services. These type of payment bases may include non-cash benefits that must also reported as gross.

### Overtime

It is when an employee works extra time. It can include work done:

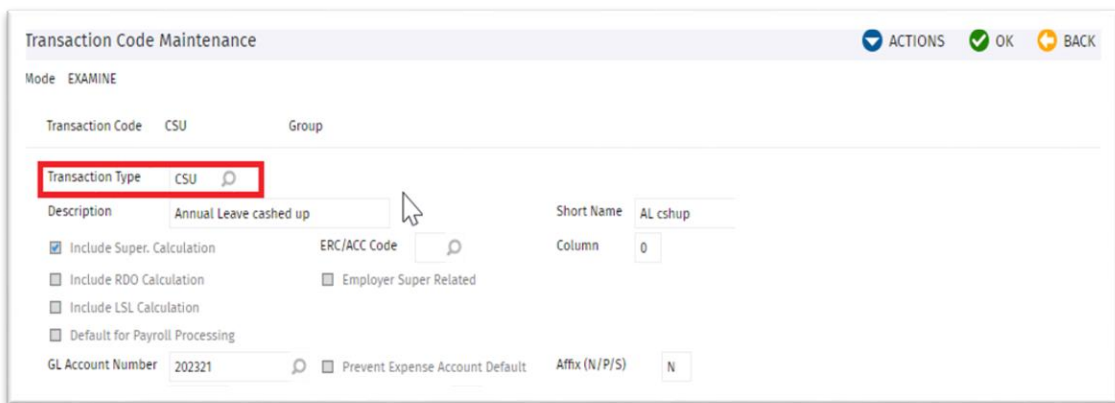
- Beyond their ordinary hours of work
- Outside the agreed number of hours

- Outside the spread of ordinary hours (the times of the day ordinary hours can be worked). You do not need to assign a STP code. We will use transaction type to determine the payment types.

**Paid Leaves**

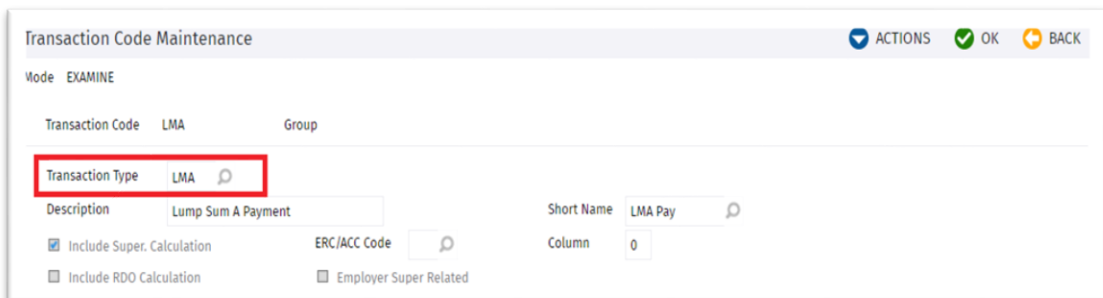
Paid leave includes both an absence from work where the entitlement to that absence is remunerated by the payer to the payee and the payment of the leave entitlement without the absence from the workplace: either in service or upon termination. Paid leave does not include casual loading that is to compensate the employee for the lack of paid personal or annual leave. Casual loading that is referable to their ordinary hours of work is OTE and therefore reported as Gross unless paid in respect of overtime hours worked and therefore reported as Overtime.

- Cash out of leave in service represents the YTD amount of ordinary time earnings leave entitlements that have been paid out in lieu of the payee taking the absence from work. This type of leave will have a transaction type of “CSU”.



- Unused leave on termination is comprised of the post-17 August 1993 component of the following leave types, only for normal terminations (other than for genuine redundancy, invalidity or early retirement schemes):
  - Annual Leave – holiday or recreation leave for full time and part time workers.
  - Leave Loading - a bonus payment, usually a percentage of the leave balance.
  - Long Service Leave - granted to reward a specified period of continuous employment for full time, part time and casual workers.

This type of leave will have a transaction type of “LMA”.



Termination type should be one of the below and Lump Sum A type is T (Other).

- *V (Voluntary Cessation)* – an employee resignation, retirement, domestic or pressing necessity or abandonment of employment
- *F (Dismissal)* – an employer-initiated termination of employment due to dismissal, inability to perform the required work, misconduct or inefficiency
- *C (Contract Cessation)* - the natural conclusion of a limited employment relationship due to contract/engagement duration or task completion, seasonal work completion, or to cease casuals that are no longer required
- *T (Transfer)* - the administrative arrangements performed to transfer employees across payroll systems, move them temporarily to another employer (machinery of government for public servants), transfer of business, move them to outsourcing arrangements or other such technical activities

Terminate Employee ACTIONS OK BACK

Mode: MODIFY

| Employee Key      | LAMPHI       | Name           | Lamisere Philip | Status                       | S          | Pay Period | M |
|-------------------|--------------|----------------|-----------------|------------------------------|------------|------------|---|
| Std. Period Hours | 182.00       | Last Pay Date  | 17/03/2022      | Last Entitlement Calculation | 17/03/2022 |            |   |
|                   | Annual Leave | Personal Leave | LSL Leave       | RDO                          |            |            |   |
| Entitlement Hours | 1,552.45     | 856.00         | 329.30          | 0.00                         |            |            |   |
| Pro Rata Hours    | 0.00         |                | 1.53            |                              |            |            |   |
| Total Hours       | 1,552.45     | 856.00         | 330.83          |                              |            |            |   |
| Rate              | 100.00       | 100.00         | 100.00          | 0.00                         |            |            |   |
| Amount            | 155,245.00   | 85,600.00      | 33,083.00       | 0.00                         |            |            |   |
| Leave Loading     | 0.00         |                |                 |                              |            |            |   |

Terminate Employee next pay run

Termination Type:  Voluntary  Ill Health  Deceased  Redundancy  Dismissal  Contract Cessation  Transfer

Lump Sum A/- Type:  Redundancy  Other  None

Hours Amount ETP Payment Type Code

- Paid parental leave can either be employer paid or government paid leave. This type of leave is setup with a transaction type of “LEV”. The group tax code must be either 00 or 01. The STP Other Leave Code must be either PP (Employer Paid Leave) or GP (Government Paid Leave).

- Workers’ compensation is a form of insurance payment to employees if they are injured at work or become sick due to their work. This type of leave is setup with a transaction type of “WKC” or “WKN”.

The workers’ compensation absence payment may be either:

- Paid by the insurer to the employee directly, thus the employer records the remaining absences as approved workers’ compensation absences, but unpaid, as it is paid by the insurer. Transaction type must be “WKN”.

- Paid by the insurer to the employer, which pays the employee through payroll for the remaining absences. Transaction type must be “WKC”

- Ancillary and defence leave



There are a range of leave types that are collectively referenced as “ancillary” leave for full time, part time and casual workers.

- Community service leave – such as for voluntary emergency management activities for bodies such as the State Emergency Service, Country Fire Authority and the RSPCA. Transaction type is LEV and STP leave code is CS. Group tax code must be either 00 or 01.
  - Jury duty leave – including attendance for jury selection. Full time and part time employees have to be paid “make-up pay” for the first 10 days of jury selection and jury duty. Transaction type is LEV and STP leave code is JD. Group tax code must be either 00 or 01.
  - Defence reserve leave applies to volunteers of the Australian Defence Forces to undertake defence services. Transaction type is LEV and STP leave code is DR. Group tax code is either 00 or 01.
- Other paid leave
- All other forms of paid absences, whether at full pay or at reduced pay, are ordinary time earnings. This may include, but is not limited to:
- Annual Leave – holiday or recreation leave for full time and part time workers. This type of leave is setup with a transaction type of “AL”.
  - Leave Loading - a bonus payment, usually a percentage of the leave balance. However, if the loading is demonstrably referable to a notional loss of opportunity to work overtime, payment of that leave loading would be classified as *Payment Type – Overtime*. This type of leave is setup with a transaction type of “LLD”.
  - Long Service Leave - granted to reward a specified period of continuous employment for full time, part time and casual workers. This type of leave is setup with a transaction type of “LSL”.
  - Personal Leave - granted for sickness, injury or to care for an immediate family or household member who is sick or injured, or to help during a family emergency for full time and part time workers. This type of leave is setup with a transaction type of SWC or SNC.
  - Rostered Day Off (RDO) - a paid entitlement to absence, accrued due to additional ordinary time hours worked in a roster period, that an employee doesn’t have to work. Note that some RDOs are set out in an award or registered agreement to be unpaid. This type of leave is setup with a transaction type of “RDO”.
  - Time Off In Lieu (TOIL) – a paid absence, provided in some awards and registered agreements, to allow an employee to take paid time off work during the ordinary span of hours at their ordinary rate of pay (not penalty rates) instead of being paid overtime pay. This is setup with a transaction type of “NT” and STP Other Leave Code of “TO”.
  - Other Leave – any other forms of paid leave that are not identified above that represent ordinary time earnings, including, but not limited to:
    - Compassionate and bereavement leave – full time and part time employees receive paid compassionate leave. This is setup with a transaction type of “LEV” and STP Other Leave Code of “CB”. Group tax code is either 00 or 01.
    - Study leave – some employers may provide payment for study and exams, such as per the MA000079 Architects Award 2020 S13.6 award. This is setup with a transaction type of “LEV” and STP Other Leave Code of “SL”. Group tax code is either 00 or 01.

- Family and domestic violence leave – some employers may provide payment for this entitlement. This is setup with a transaction type of “LEV” and STP Other Leave Code of “DV”. Group tax code is 00 or 01
- Special Paid Leave – some employers may respond to specific social, health, legal or economic circumstances by offering paid leave. For example, indefinite paid leave during an investigation of an employment matter (“gardening” leave) or special paid leave during COVID-19. This is setup with transaction type of “LEV” and STP Other Leave Code of “SP”. Group tax code is 01 or 00.

### Allowance Items

All allowances are now to be separately itemised, not just expense allowances that may have been deductible on the employee’s IITR. This means that those allowances that used to be reported as Gross for the income type must now be separately itemised and reported. Allowances will need to be setup with transaction type ALL, group tax code 04 and a STP allowance code.

The screenshot shows the 'Transaction Code Maintenance' interface for 'FOREMANS ALLOWANCE'. The 'Transaction Type' is set to 'ALL'. The 'Group Tax Code' is set to '04'. The 'STP Allow/Deduct Code (ALL/DED/ACT)' is set to 'ALL/DED/ACT'. Other visible fields include 'Description', 'Short Name', 'GL Account Number', 'Multiplier', 'Default Cost Code', 'Tax Adjustment Type', 'Rate', 'ERC Liability G/L', 'Payroll Tax Code', and 'STP Other Leave Code (NT/ACT/LEV)'.

The values permissible for the STP allowance codes are:

**CD (Cents per KM)** – deductible expense allowances that define a set rate for each kilometre travelled for business purposes that represents the vehicle running costs, including registration, fuel, servicing, insurance and depreciation into account

- This should not include any cents per kilometre allowances that are paid for travel between the payees home and place of work unless it is a home-based business and the trip was for business purposes. Mileage paid for private purposes is a non-deductible expense.
- Mileage paid for other vehicles is a deductible expense that is to be OD (Other Allowances) > Other Allowance Type Description V1 Private Vehicle
- Services Australia categorise this as Error! Reference source not found..

**AD (Award Transport Payments)** – deductible expense allowances for the total rate specified in an industrial instrument to cover the cost of transport (excluding travel or cents per kilometre reported as other separately itemised allowances) for business purposes.

**LD (Laundry)** – deductible expense allowances for washing, drying and/or ironing uniforms required for business purposes. These allowances are typically paid as a regular rate for each week of work or services performed and cannot include dry cleaning expenses or reimbursements

**MD (Overtime Meal Allowances)** – deductible expense allowances defined in an industrial instrument that are in excess of the ATO reasonable amount, paid to compensate the payee for meals consumed during meal breaks connected with overtime worked

**RD (Domestic or Overseas Travel Allowances and Overseas Accommodation Allowances)** – deductible expense allowances that are in excess of the ATO reasonable allowances amount (for domestic or overseas travel), undertaken for business purposes, which are intended to compensate employees who are required to sleep away from home. It is not a reimbursement of actual expenses, but a reasonable estimate to cover costs including meals, accommodation and incidental expenses

**TD (Tool Allowances)** – deductible expense allowances to compensate a payee who is required to provide their own tools or equipment to perform work or services for the payer. For example: chef’s knives, divers’ tanks, trade tools, phone allowances. This allowance was formerly required to be reported under “Other Allowances” with a description of the allowance type. This is now required to be reported separately

**KN (Tasks)** – service allowances that are paid to a payee to compensate for specific tasks or activities performed that involve additional responsibilities, inconvenience or efforts above the base rate of pay. For example; higher duties allowance, confined spaces allowance, dirty work, height money, first aid etcetera. These allowances were formerly included in Taxable Gross but are now required to be reported separately

**QN (Qualifications/Certificates)** – deductible expense allowances that are paid for maintaining a qualification that is evidenced by a certificate, licence or similar. For example; allowances to cover registration fees, insurance, licence fees etcetera that are expected to be expended to maintain a requirement of the job.

**OD (Other Allowances)** – any expense allowances that are not otherwise separately itemised:

- **Deductible expenses** – for those expenses not specifically addressed in the above allowance types. For example: car allowances (other than cents per kilometre), uniform allowances etcetera.
- **Non-deductible expenses** – for those expenses that are for private use. For example: cents per kilometre for travel between home and the regular place of work, laundry allowances for conventional clothing

In STP1, the Other Allowance Type Description was required to be provided if the Allowance Type was for OTHER allowances. While the Other Allowance Type Description is still required to be provided in STP2 reporting, there are changes to the way these descriptions are to be reported.

Rather than providing the description of the pay code for Other Allowance Description, the ATO-preferred method is to report the category of other allowances, using pre-determined category descriptions.

| STP Code | Category Description |
|----------|----------------------|
| ND       | NON-DEDUCTIBLE       |
| U1       | UNIFORM              |
| V1       | PRIVATE VEHICLE      |
| H1       | HOME OFFICE          |
| T1       | TRANSPORT/FARES      |

|  |         |
|--|---------|
| G1   | GENERAL |
| JobKeeper various codes (from start of FY of effect) |         |



## Bonuses and Commissions

Bonuses and commissions are typically paid as lump sum payments rather than at each regular pay period, as is the case for salary and wages:

- Bonuses – usually made to an employee in recognition of performance or services and may not be related to a particular period of work performed.
- Commissions – usually made to an employee in recognition of performance or services and may be calculated as a portion of the proceeds or volume of sales.

If the bonuses or commissions are paid in respect of overtime, they are to be reported as payment type - Overtime. However, if the bonuses or commissions are paid in respect of ordinary time earnings, they are to be reported as this payment type.

This is setup as transaction type ALL with group tax code 04 and STP code BC.

The screenshot shows the 'Transaction Code Maintenance' window in 'MODIFY' mode for Transaction Code 802. The form includes the following fields and values:

- Transaction Code: 802
- Group: (blank)
- Transaction Type: ALL (highlighted)
- Description: BONUS
- Short Name: BONUS
- Column: 0
- ERC/ACC Code: (blank)
- Employer Super Related: (checkbox unchecked)
- GL Account Number: 216311
- Prevent Expense Account Default: (checkbox unchecked)
- Affix (N/P/S): N
- Multiplier: (blank)
- Job Required (N/O/Y): O
- Keep History: (checkbox unchecked)
- Default Cost Code: (blank)
- Default Cost Type: (blank)
- Tax Adjustment Type: None (selected)
- Allowance/Deduction/Tax Adj/ERC Details:
  - Group Tax Code: 04 (highlighted)
  - Rate: 1.0000
  - ERC Liability G/L: (blank)
  - Get Rate from Job Parameters: (checkbox unchecked)
  - Type (A/P/S/G/L): A
  - Affix (N/P/S): (blank)
- Allowances/Lump Sums/Foreign Income:
  - Payroll Tax Code: 0
  - Taxable: (checkbox checked)
  - Deductions Only:
    - Pre Tax Deduction: (checkbox unchecked)
- STP Other Leave Code (NT/ACT/LEV): (blank)
- STP Allow/Deduct Code (ALL/DED/ACT): BC Bonuses and Commissions (highlighted)

### Directors' Fees

Directors' fees are payments to the director of a company, or to a person who performs the duties of a director of the company.

Directors' fees may include payment to cover travelling costs, costs associated with attending meetings and other expenses incurred in the position of a company director

This type of payment is setup with a transaction type ALL, group tax code 04 and STP Code DF.

### Return To Work Lump Sum Payment

A return-to-work amount is paid to induce an employee to resume work. For example, to end industrial action or to return from working for another employer. This is a new category of lump sum payments which is being introduced as part of STP Phase 2. Previously, they were reported as gross and not separately identified.

This type of payment is setup with transaction type ALL, group tax code 04 and STP Code RW.

### Salary Sacrifice

If your employee has an effective salary sacrifice arrangement, you previously would have reported post-sacrifice amounts to ATO. This changes as part of STP Phase 2. You now need to report pre-sacrifice amounts, as well as reporting salary sacrifice separately

When reporting salary sacrificed amounts, there are two new types to report:

- Superannuation – for superannuation to a complying fund or retirement savings account (RSA). These are setup with transaction type DED, group tax code 19, ERC/ACC code is not blank, Pre Tax Deduction is ticked and STP code is blank.
- Other employee benefits – for benefits other than super. These are setup with transaction type DED, group tax code 01, ERC/ACC Code is blank, Pre Tax Deduction is ticked and STP Code is blank.

## Deductions

- Union and professional association  
You should only report union fees and professional association fees deducted from payroll. These are setup with transaction type DED, group tax code 18, Pre Tax Deduction is unticked and STP Deduction Code F.
- Workplace giving.  
You should only report workplace giving if the amount is:
  - an employee contribution made via a formal workplace giving program
  - in accordance with ATO guidelines
  - a post-tax contribution to a charityThese are setup with transaction type DED, group tax code 17, Pre tax deduction is unticked and STP Code W. If Pre tax deduction is ticked, then deduction will not be reported as Workplace giving but will be reported under Salary Sacrifice (Other employee benefits)
- Child Support.  
A child support deduction is a deduction from the employee's pay made under a notice that is issued under section 45 of the Child Support (Registration and Collection) Act 1988. It requires an employer to deduct a fixed dollar amount each pay period and is subject to a protected earnings amount. These are setup with transaction type DED, Pre tax is unticked, group tax code = 00 and STP Code D.
- Child Support Garnishee  
A child support garnishee is a deduction from the employee's pay made under a notice that is issued under section 72A of the Child Support (Registration and Collection) Act 1988. It requires an employer to deduct a percentage of the employee's income, a lump sum, or a fixed amount each pay. These are setup with transaction type DED, Pre tax unticked, group tax code = 00 and STP Code G.  
  
You must still pay the required amounts directly to them by the date specified in your notice. If the amount varies from what was requested the Child Support Registrar needs to know why and you should contact Services Australia
- Transition for Child Support
  - When you lodge your first STP report that includes child support deductions, you still need to send the Child Support Registrar a child support deductions report form CS4964 using your preferred child support reporting channel. This is so the Child Support

Registrar can work out your pay period Child support deduction amounts from your YTD amounts going forward

- The information you include with your payment, such as your payment reference number, may also change when you start reporting Child support deduction and support garnishee amounts. You should contact Services Australia to confirm your payment details with them.

## Terminating an Employee

When an employee is terminated, you must now report the termination reason. You can nominate the termination reason via Payroll > Employee Information > Terminate Employee.

Terminate Employee

Code: MODIFY

| Employee Key      | LAMPHI       | Name           | Lamisere Philip | Status                       | S          | Pay Period | M |
|-------------------|--------------|----------------|-----------------|------------------------------|------------|------------|---|
| Std. Period Hours | 182.00       | Last Pay Date  | 17/03/2022      | Last Entitlement Calculation | 17/03/2022 |            |   |
|                   | Annual Leave | Personal Leave | LSL Leave       | RDO                          |            |            |   |
| Entitlement Hours | 1,552.45     | 856.00         | 329.30          | 0.00                         |            |            |   |
| Pro Rata Hours    | 0.00         |                | 1.53            |                              |            |            |   |
| Total Hours       | 1,552.45     | 856.00         | 330.83          |                              |            |            |   |
| Rate              | 100.00       | 100.00         | 100.00          | 0.00                         |            |            |   |
| Amount            | 155,245.00   | 85,600.00      | 33,083.00       | 0.00                         |            |            |   |
| Leave Loading     | 0.00         |                |                 |                              |            |            |   |

Terminate Employee next pay run

Termination Type:  Voluntary  Ill Health  Deceased  Redundancy  Dismissal  Contract Cessation  Transfer

Lump Sum A:-  
Type:  Redundancy  Other  None

Hours Amount ETP Payment Type Code

The termination reasons are:

- Voluntary cessation (V) – an employee resignation, retirement, domestic or pressing necessity or abandonment of employment
- Ill health (I) – an employee resignation due to medical condition that prevents the continuation of employment, such as for illness, ill health, medical unfitness or total permanent disability
- Deceased (D) – the death of an employee
- Redundancy (R) – an employer-initiated termination of employment due to a genuine redundancy or approved early retirement scheme
- Dismissal (F) – an employer-initiated termination of employment due to dismissal, inability to perform the required work, misconduct or inefficiency
- Contract cessation (C) – the natural conclusion of a limited employment relationship due to contract/engagement duration or task completion, seasonal work completion, or to cease casuals that are no longer required
- Transfer (T) – the administrative arrangements performed to transfer employees across payroll systems

### Check and Fix STP2 Codes

It is important to ensure that your Payroll Transaction Codes are configured to the correct STP2 codes so that they are reported correctly for each employee to the ATO.

It is recommended that you carry out this check prior to your transition to STP2.

*Note: Group Tax Codes and their definitions can be found in the Payroll Tech Ref Guide*

To check your Group Tax codes, and correct them if required, take the following steps...

#### Fix STP2 Codes

If there are transaction codes with incorrect STP2 codes, then you will need to fix the group tax code and rebuild the employee group values and PAYG Values via *Payroll* → *Utilities* → *Fix Trans Group Tax Code*

1. Select the year to correct either Current Financial Year or Last Financial Year as shown below. Then click [OK]

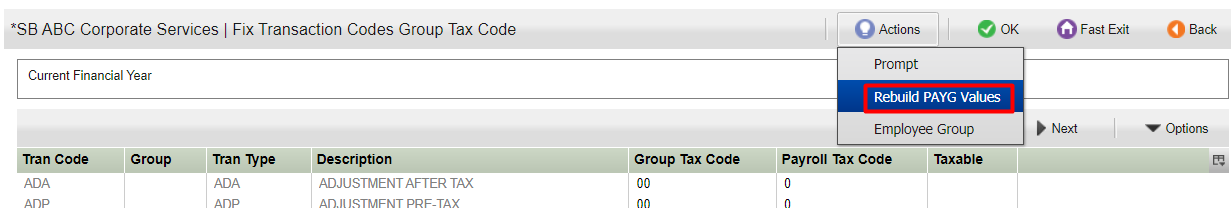


2. You will be presented with the screen as shown below that lists all the *Transaction Codes* in the current Work ID. It is possible to edit the *Group Tax Code*, the *Payroll Tax Code* and the *Taxable Flag* for each transaction code in this screen. Double click in the *Group Tax Code* field against the Transaction code that you wish to edit and change as required as shown below.

| Tran Code | Group | Tran Type | Description        | Group Tax Code | Payroll Tax Code | Taxable | STP Other Leave Code | STP All/Ded Code |
|-----------|-------|-----------|--------------------|----------------|------------------|---------|----------------------|------------------|
| ACR       |       | ERC       | ACIRT              | 00             | 0                | N       |                      |                  |
| AD        |       | ALL       | Award Transport    | 04             | 0                | N       |                      | AD               |
| ARL       |       | LEV       | Army Reserve Leave | 00             | 0                |         | DR                   |                  |



- Once you have made your corrections you will need to take the Action option to ► **Rebuild PAYG Values** as shown below. This will ensure that all Employee Group values are rebuilt with new Group Tax Code settings if you have changed any. You do not need to do this option during the data preparation process,



- Once you have made your corrections and performed the PAYG Rebuild you can take the Action option to view and check Employee Group Values using the Action option ► **Employee Group** As shown below.

*Note: This new process to Fix Group Tax Codes can be used regardless of your Qualification for STP.*

*ie. It can be used to make corrections to regular PAYG Reporting in the same way*

### **Mapping of STP1 Gross Values to STP2 Gross Values**

Before you start this process,

- Make sure that you have completed data preparation
- Do not start the conversion just before a payrun is due
- Make sure your last STP1 submission is successful.
- Activate STP2 parameter.

The program that maps the STP1 Gross Values to STP2 is STP2MAPGRP. This must be run by your consultant. This process can only be done at the start of your transition to STP2.

A report will be printed after the conversion. Please review the report. If there are adjustments to be made, go Maintain STP2 Employee Group Values. Screenshots will be added later as it is going green screen.



# STP Operations

STP2 will be submitted in the same way as STP1 and will use the same menu option.

## STP Submissions Navigation

All Jobpac Connect STP Operations are carried out from the one *Single Touch Payroll Submissions* program. In this section we will describe the various screens in *Single Touch Payroll Submissions* and how to navigate to them.

### The STP2 Submissions - Summary Screen

There will be 2 tabs for the STP2 Summary Screen. The default screen is This Pay Totals tab and shows the pay period total child deductions and total child garnishees. The Submission ID will now show on the This Pay Submission Id tab.

| Payrun No. | Date      | Payee Count | Gross Pay | Tax      | Child Deductions | Child Garnishees | Status        |
|------------|-----------|-------------|-----------|----------|------------------|------------------|---------------|
| 219        | 2/05/2022 | 1           | 4,400.00  | 660.00   | 100.00-          |                  | Not Submitted |
| 218        | 8/04/2022 | 1           | 13,400.00 | 4,153.00 |                  |                  | Complete      |
| 217        | 1/04/2022 | 1           | 1,900.00  | 473.00   |                  |                  | Complete      |
| 216        | 7/04/2022 | 1           | 13,400.00 | 4,153.00 |                  |                  | Not Submitted |
| 215        | 1/04/2022 | 1           | 1,900.00  | 473.00   |                  |                  | Complete      |

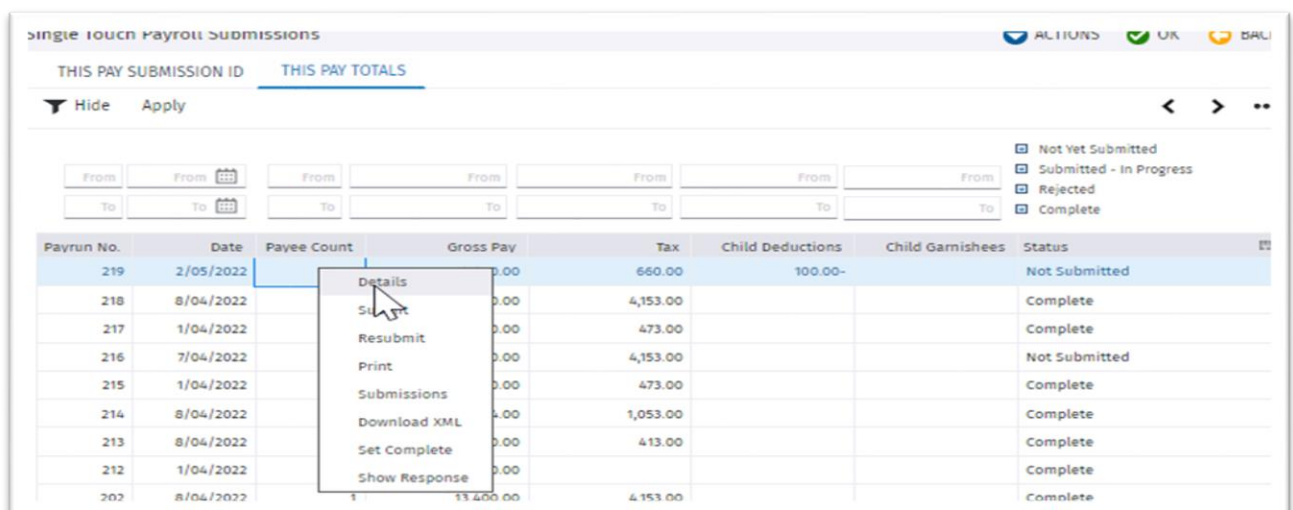
### This Pay Submission Tab

| Payrun No. | Payrun Date | Payee Count | Gross Pay | Tax      | Submission Id                             | Status        |
|------------|-------------|-------------|-----------|----------|---|---------------|
| 219        | 2/05/2022   | 1           | 4,400.00  | 660.00   |   | Not Submitted |
| 218        | 8/04/2022   | 1           | 13,400.00 | 4,153.00 | 67094544519622001202204281031553635070218 | Complete      |
| 217        | 1/04/2022   | 1           | 1,900.00  | 473.00   | 67094544519622001202204281012339448390217 | Complete      |
| 216        | 7/04/2022   | 1           | 13,400.00 | 4,153.00 |   | Not Submitted |
| 215        | 1/04/2022   | 1           | 1,900.00  | 473.00   | 67094544519622001202204280951567655540215 | Complete      |
| 214        | 8/04/2022   | 1           | 3,734.00  | 1,053.00 | 67094544519622001202204271809216295930214 | Complete      |
| 213        | 8/04/2022   | 3           | 1,210.00  | 413.00   | 6709454451962200120220427176420775170213  | Complete      |

| Field Names             | Description   | Type |
|-------------------------|---|------|
| <b>Payrun No.</b>       | Payroll Run Number  | C    |
| <b>Payrun Date</b>      | Payroll Run Date  | C    |
| <b>Payee Count</b>      | Total Number of Employees Paid in the payrun number   | C    |
| <b>Gross Pay</b>        | The pay period total of all the payees gross payments in the payrun number  | C    |
| <b>Tax</b>              | The pay period total of all the payees withheld amount in the payrun number   | C    |
| <b>Child Deductions</b> | The pay period total of all the payees child deductions   | C    |
| <b>Child Garnishees</b> | The pay period total of all the payees child garnishees   | C    |
| <b>Submission ID</b>    | Unique identifier to identify a transaction sent to the ATO. The submission ID is made up of the ABN, work id, branch code, payrun number and timestamp | C    |
| <b>Status</b>           | Status of the Submission  | C    |

### The Payrun Details Screen

There are a number of Right Click options that you can take on each *Payroll Event* record. Right click on a *Payroll Event record*, as shown below, and select ► *Details* to display all employees paid in that *Payroll Event*.



You will be taken to the *Single Touch Payroll – Payrun Details* Screen as shown below, where you will note there are a number of different tabs showing of information about that particular *Payroll Event*. You will also note that there are more right click options to drill down further into Employee data that is included in that *Payroll Event*.

| Emp Code | Employee Name | Inc Typ | Cntry | St | Err | Pay Period Total Gross | Pay Period Total Tax | Pay Period Child Support | Pay Period Child Garnishe |
|----------|---------------|---------|-------|----|-----|------------------------|----------------------|--------------------------|---------------------------|
| 837      | Vuu Harriet   | SAW     |       | S  | N   | 1,520.00               | 342.00               |                          |                           |
| 840      | Wadsworth     | SAW     |       | S  | N   | 1,900.00               | 473.00               |                          |                           |
| 845      | Robinson ja   | SAW     |       | S  | N   | 1,710.00               | 408.00               |                          | 125.00                    |
| 850      | Vukic Xu Ha   | SAW     |       | S  | N   | 1,140.00               | 211.00               | 200.00                   |                           |

**This Pay Total Tab**

This tab will display gross earnings for all Employees included in that Pay Period (or *Payroll Event*.)

| Emp Code | Employee Name                | Inc Typ | Cntry | St | Err | Pay Period Total Gross | Pay Period Total Tax | Pay Period Child Support | Pay Period Child Garnishe |
|----------|------------------------------|---------|-------|----|-----|------------------------|----------------------|--------------------------|---------------------------|
| 837      | Vuu Harriet Ly               | SAW     |       | S  | N   | 1,520.00               | 342.00               |                          |                           |
| 840      | Wadsworth Felicity Geraldine | SAW     |       | S  | N   | 1,900.00               | 473.00               |                          |                           |
| 845      | Robinson Jan Michelle        | SAW     |       | S  | N   | 1,710.00               | 408.00               |                          | 125.00                    |
| 850      | Vukic Xu Ha                  | SAW     |       | S  | N   | 1,140.00               | 211.00               | 200.00                   |                           |

| Field Names                        | Description  | Type |
|------------------------------------|--|------|
| <b>Employee Code</b>               | The Jobpac Connect Employee master file Code   | C    |
| <b>Employee Name</b>               | The Employee Name defined in Employee Maintenance  | C    |
| <b>Income Type</b>                 | The employee payment types i.e. SAW for salary and wages, WHM for Working Holiday Maker  | C    |
| <b>Country Code</b>                | The employee’s home country and only applies to Working Holiday Maker. If income type is not WHM, then country code must be blank. | C    |
| <b>Employee Status</b>             | Relates to the Employment Status from Employee Maintenance P (Permanent), S (Salaried), T (Temp) etc                               | C    |
| <b>Error</b>                       | If submission has been rejected as the result of an Employee Error, then it will show which employee is in error                   | C    |
| <b>Pay Period Gross Pay</b>        | Pay period ( <i>Pay Event</i> ) gross salary or wages  | C    |
| <b>Pay Period Total Tax</b>        | Pay Period PAYG withholding Tax  | C    |
| <b>Pay Period Child Support</b>    | Pay Period Total Child Support   | C    |
| <b>Pay Period Child Garnishees</b> | Pay Period Total Child Garnishees  | C    |

**This Pay YTD Tab**

This tab will display YTD gross earnings for all Employees included in that Pay Period (or *Payroll Event*.)

| Employee | Status | Income | Country | Err | YTD Total Gross | YTD Tax | YTD Child Support | YTD Child Garnishees |
|----------|--------|--------|---------|-----|-----------------|---------|-------------------|----------------------|
| 837      | S      | SAW    |         | N   | 3,040.00        | 684.00  |                   |                      |
| 840      | S      | SAW    |         | N   | 3,800.00        | 946.00  |                   |                      |
| 845      | S      | SAW    |         | N   | 3,420.00        | 816.00  |                   | 125.00               |
| 850      | S      | SAW    |         | N   | 2,280.00        | 422.00  | 200.00            |                      |

| Field Names                 | Description  | Type |
|-----------------------------|--|------|
| <b>Employee Code</b>        | The Jobpac Connect Employee master file Code   | C    |
| <b>Income Type</b>          | The employee payment types i.e. SAW for salary and wages, WHM for Working Holiday Maker  |      |
| <b>Country Code</b>         | The employee’s home country and only applies to Working Holiday Maker. If income type is not WHM, then country code must be blank. | C    |
| <b>Employee Status</b>      | Relates to the Employment Status from Employee Maintenance P (Permanent), S (Salaried), T (Temp) etc                               | C    |
| <b>Error</b>                | If submission has been rejected as the result of an Employee Error, then it will show which employee is in error                   | C    |
| <b>YTD Gross Pay</b>        | YTD Employee Gross Earnings  | C    |
| <b>YTD Tax</b>              | YTD Employee PAYG withholding Tax  | C    |
| <b>YTD Child Support</b>    | YTD Employee Total Child Support   | C    |
| <b>YTD Child Garnishees</b> | YTD Employee Total Child Garnishees  | C    |

**Paid Leave / Overtime Tab**

This tab will display YTD paid leaves and overtime for all Employees included in that Pay Period (or *Payroll Event.*) Note you can use right click options to show details of the Paid Leaves / Overtime for each employee

| Employee | Income Type | Cntry | Err | Gross Less Separate Itemised Comp Pay Period | Gross Less Separate Itemised Comp YTD | Paid Leave Pay Period | Paid Leave YTD | Overtime Pay Period | Overtime YTD |
|----------|-------------|-------|-----|--|---------------------------------------|-----------------------|----------------|---------------------|--------------|
| 837      | SAW         |       | N   | 1,520.00                                     | 3,040.00                              |                       |                |                     |              |
| 840      | SAW         |       | N   | 1,900.00                                     | 3,800.00                              |                       |                |                     |              |
| 845      | SAW         |       | N   | 1,710.00                                     | 3,420.00                              |                       |                |                     |              |
| 850      | SAW         |       | N   | 1,140.00                                     | 2,280.00                              |                       |                |                     |              |

| Field Names   | Description  | Type |
|---|--|------|
| <b>Employee Code</b>                                      | The Jobpac Connect Employee master file Code   | C    |
| <b>Income Type</b>  | The employee payment types i.e. SAW for salary and wages, WHM for Working Holiday Maker  |      |
| <b>Country Code</b>                                       | The employee’s home country and only applies to Working Holiday Maker. If income type is not WHM, then country code must be blank.   | C    |
| <b>Employee Status</b>                                    | Relates to the Employment Status from Employee Maintenance P (Permanent), S (Salaried), T (Temp) etc                                 | C    |
| <b>Error</b>  | If submission has been rejected as the result of an Employee Error, then it will show which employee is in error                     | C    |
| <b>Pay Period Gross Less Separate Itemised Components</b> | Pay Period disaggregated gross. It is the residual amount that remains of the reportable income less separately itemised components. | C    |
| <b>YTD Gross Less Separate Itemised Components</b>        | YTD disaggregated gross value.   | C    |
| <b>Pay Period Paid Leave</b>                              | Pay Period total employee paid leaves  | C    |
| <b>YTD Paid Period Leave</b>                              | YTD employee paid leave.   | C    |

**The Allowances Tab**

This tab will display the employee allowances summary information for the pay period (or *Payroll Event*.) Note you can use right click options to show details of the Allowances for each employee.

| Employee | Inc Type | Cntry | Err | Allowances Pay Period | Allowances YTD | Bonuses & Commissions Pay Period | Bonuses & Commissions YTD | Directors' Fees Pay Period | Directors' Fees YTD |
|----------|----------|-------|-----|-----------------------|----------------|----------------------------------|---------------------------|----------------------------|---------------------|
| 837      | SAW      |       | N   |                       |                |                                  |                           |                            |                     |
| 840      | SAW      |       | N   |                       |                |                                  |                           |                            |                     |
| 845      | SAW      |       | N   |                       |                |                                  |                           |                            |                     |
| 850      | SAW      |       | N   |                       |                |                                  |                           |                            |                     |



| Field Names                               | Description  | Type |
|---|--|------|
| <b>Employee Code</b>                      | The Jobpac Connect Employee master file Code   | C    |
| <b>Income Type</b>                        | The employee payment types i.e. SAW for salary and wages, WHM for Working Holiday Maker  | C    |
| <b>Country Code</b>                       | The employee’s home country and only applies to Working Holiday Maker. If income type is not WHM, then country code must be blank. | C    |
| <b>Error</b>                              | If submission has been rejected as the result of an Employee Error, then it will show which employee is in error                   | C    |
| <b>Pay Period Allowance</b>               | Pay Period Allowance Totals  | C    |
| <b>YTD Allowance</b>                      | Year to Date Allowance Totals  | C    |
| <b>Pay Period Bonuses and Commissions</b> | Pay Period Total Bonuses and Commissions   | C    |
| <b>YTD Bonuses and Commissions</b>        | Year to Date Total Bonuses and Commissions   | C    |
| <b>Pay Period Director’s Fees</b>         | Pay Period Total Director’s Fees   | C    |
| <b>YTD Director’s Fees</b>                | Year to Date Total Director’s Fees   | C    |

**The Deductions Tab**

This tab will display the employee deductions summary information for the pay period (or *Payroll Event*.) Note you can use right click options to show details of the Deductions for each employee.

| Employee | Inc Type | Cntry | Err | Super Salary Sacrif Pay Period | Super Salary Sacrifice YTD | Other Salary Sacrif Pay Period | Other Salary Sacrifice YTD | Deductions Pay Period | Deductions YTD |
|----------|----------|-------|-----|--------------------------------|----------------------------|--------------------------------|----------------------------|-----------------------|----------------|
| 837      | SAW      |       | N   |                                |                            |                                |                            | 12.00                 | 12.00          |
| 840      | SAW      |       | N   |                                |                            |                                |                            | 2.00                  | 2.00           |
| 845      | SAW      |       | N   |                                |                            |                                |                            |                       |                |
| 850      | SAW      |       | N   |                                |                            |                                |                            |                       |                |

| Field Names                              | Description  | Type |
|--|--|------|
| <b>Employee Code</b>                     | The Jobpac Connect Employee master file Code   | C    |
| <b>Income Type</b>                       | The employee payment types i.e. SAW for salary and wages, WHM for Working Holiday Maker  | C    |
| <b>Country Code</b>                      | The employee’s home country and only applies to Working Holiday Maker. If income type is not WHM, then country code must be blank. | C    |
| <b>Error</b>                             | If submission has been rejected as the result of an Employee Error, then it will show which employee is in error                   | C    |
| <b>Pay Period Super Salary Sacrifice</b> | Pay Period employee pre-tax deductions paid to a complying fund  | C    |
| <b>YTD Super Salary Sacrifice</b>        | Year to Date Total of employee pre-tax deductions paid to a complying fund.  | C    |
| <b>Pay Period Salary Sacrifice Other</b> | Pay Period Total of employee pre-tax deductions for benefits other than for superannuation   | C    |
| <b>YTD Salary Sacrifice Other</b>        | Year to Date Total of employee pre-tax deductions for benefits other than superannuation   | C    |
| <b>Pay Period Deductions</b>             | Pay Period Total of workplace giving and union fees.   | C    |
| <b>YTD Deductions</b>                    | Year to Date Total of workplace giving and union fees  | C    |

**The Superannuation Tab**

This tab will display Reportable Fringe Benefit Amount (RFBA), Reportable Employer Superannuation Contribution (RESC) and Superannuation Guarantee Amount (SGA) for the pay period (or *Payroll Event*.)

RFBA will include values for Transaction Codes defines with Group tax code 13

RESC will include values for Transaction Codes defined with Group Tax Code of 19

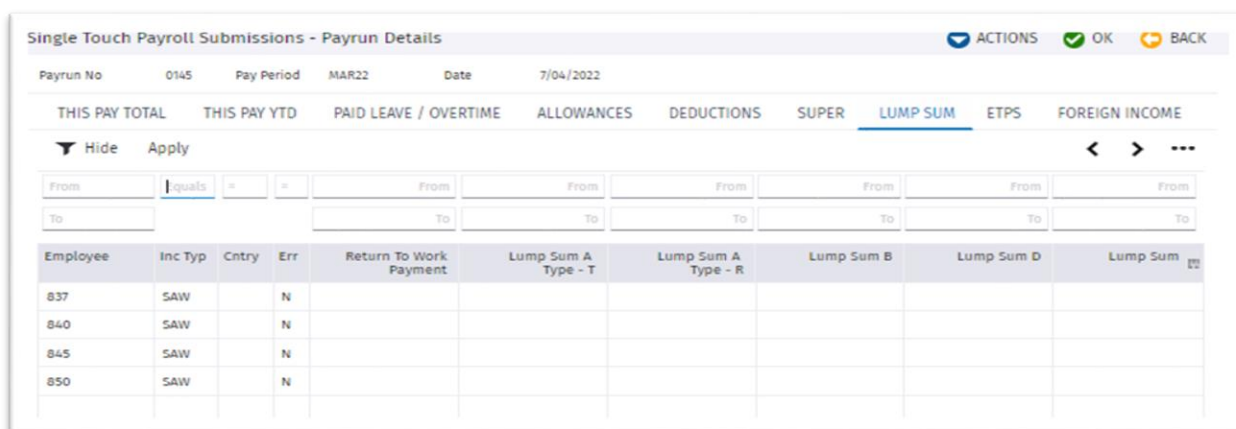
SGA will include values for Transaction Codes defined with a Transaction Type of ERC and a Group Tax Code of 08. Ensure your Setup is correct prior to commencing with STP.

| Employee | Inc Typ | Cntry | Err | YTD RFBA Taxable | YTD RFBA Exempt | Reportable Emp'er Pay Period | Super Contr YTD | Employer Super Pay Period | Guarantee YTD |
|----------|---------|-------|-----|------------------|-----------------|------------------------------|-----------------|---------------------------|---------------|
| 837      | SAW     |       | N   |                  |                 |                              |                 | 152.00                    | 304.00        |
| 840      | SAW     |       | N   |                  |                 |                              |                 | 190.00                    | 380.00        |
| 845      | SAW     |       | N   |                  |                 |                              |                 | 171.00                    | 342.00        |
| 850      | SAW     |       | N   |                  |                 |                              |                 | 114.00                    | 228.00        |

| Field Names  | Description   | Type |
|--|---|------|
| <b>Employee Code</b>                               | The Jobpac Connect Employee master file Code  | C    |
| <b>Income Type</b>                                 | The employee payment types i.e. SAW for salary and wages, WHM for Working Holiday Maker   | C    |
| <b>Country Code</b>                                | The employee’s home country and only applies to Working Holiday Maker. If income type is not WHM, then country code must be blank.  | C    |
| <b>YTD Taxable RFBA</b>                            | The grossed-up taxable amount of certain benefits provided to an employee where the amount is in excess of the threshold (\$2,000.00)   | C    |
| <b>YTD Exempt RFBA</b>                             | The grossed-up taxable amount of certain benefits provided to an employee where the amount is in excess of the threshold and the benefit was provided to an employee performing an exempt duties for an employer that is eligible for an exemption from FBT under section 57A of the FBTAA. | C    |
| <b>Pay Period Reportable Employer Contribution</b> | This element represents additional and optional payer super contributions made on the behalf of the payee. This column represents the pay period total of the RESC  | C    |
| <b>YTD RESC</b>                                    | Year to Date RESC   | C    |
| <b>Pay Period SGC</b>                              | This element represents the contribution payable by a payer for the benefit of a payee as mandated by the superannuation guarantee legislation. This column is the Pay Period total of the Super Guarantee Amounts (Tran Type ERC & GTC=08)   | C    |
| <b>YTD SGC</b>                                     | Year to Date SGA  | C    |

**The Lump Sum Tab**

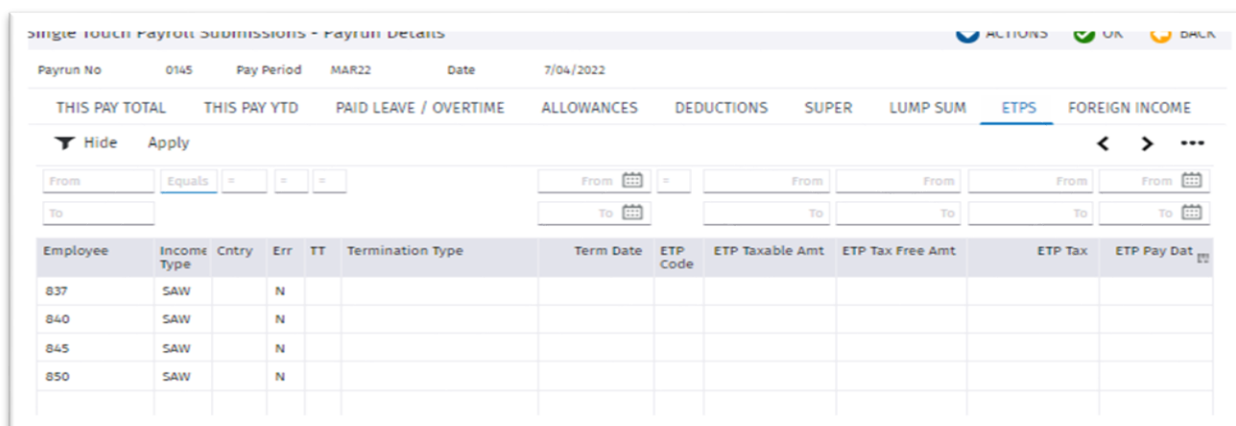
This tab will display lump sum payments made to employees that were terminated in the pay period (or *Payroll Event.*)



| Field Names                   | Description   | Type |
|-------------------------------|---|------|
| <b>Employee Code</b>          | The Jobpac Connect Employee master file Code  | C    |
| <b>Income Type</b>            | The employee payment types i.e. SAW for salary and wages, WHM for Working Holiday Maker   | C    |
| <b>Country Code</b>           | The employee’s home country and only applies to Working Holiday Maker. If income type is not WHM, then country code must be blank.  | C    |
| <b>Return to Work Payment</b> | A return to work amount is paid to induce a person to resume work, for example, to end industrial action or to leave another employer.  | C    |
| <b>Lump Sum A Type T</b>      | It is the unused annual leave or annual leave loading that accrued before 17/08/93 and long service that accrued between 16/08/1978 and 17/08/93, that is paid out on termination for normal termination.               | C    |
| <b>Lump Sum A Type R</b>      | It is the unused annual leave or annual loading and that component of long service leave that accrued from 16/08/78, that is paid out on termination only for genuine redundancy, invalidity or early retirement scheme | C    |
| <b>Lump Sum B</b>             | LSL accrued before 1978 (Refer to ATO definition)   | C    |
| <b>Lump Sum D</b>             | Tax Free Redundancy (Refer to ATO definition)   | C    |
| <b>Lump Sum E</b>             | Lump Sum Back Payments (Refer to ATO Definition)  | C    |

**The ETP Tab**

This tab will display Employee Termination Payments (ETP) for the pay period (or *Payroll Event*.)

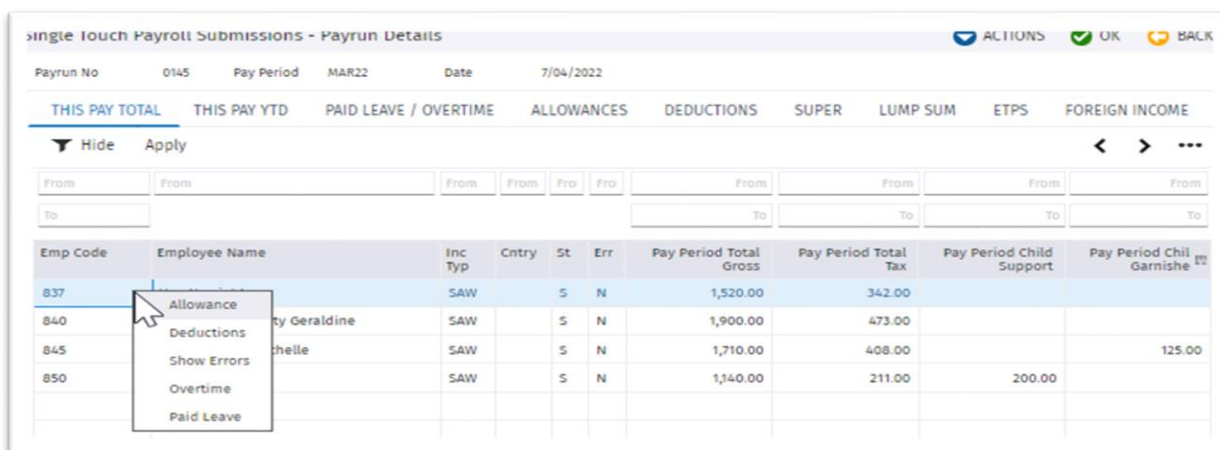


| Field Names                | Description  | Type |
|----------------------------|--|------|
| <b>Employee Code</b>       | The Jobpac Connect Employee master file Code   | C    |
| <b>Income Type</b>         | The employee payment types i.e. SAW for salary and wages, WHM for Working Holiday Maker  | C    |
| <b>Country Code</b>        | The employee’s home country and only applies to Working Holiday Maker. If income type is not WHM, then country code must be blank.   | C    |
| <b>Termination Type</b>    | The category of cessation reason for an employee that have ceased their employment. Services Australia will use the termination type to minimise the need for payers to provide an Employment Separation Certificates (ESC). | C    |
| <b>Termination Date</b>    | The end of the employment or engagement relationship between the payer and the payee   | C    |
| <b>ETP Code</b>            | Termination Code   | C    |
| <b>ETP Taxable Amount</b>  | Tax applicable to Termination Payout (Tran Codes with Tran Type LMC with Taxable flag ticked)  | C    |
| <b>ETP Tax Free Amount</b> | Tax applicable to Termination Payout (Tran Codes with Tran Type LMC with Taxable flag not ticked)  | C    |
| <b>ETP Tax</b>             | Year to Date Total Deductions (Tran Codes with Tran Type TXC)  | C    |
| <b>ETP Payment Date</b>    | Date employee was paid   | C    |

**Employee Allowance Details**

From any of the tabs in the *Payrun Details* screen, and to substantiate Allowance / Deduction / Paid Leaves / Overtime Total Values, you can use Right Click on an employee and then select

- ▶ Allowance to show the detailed breakdown of allowances for that employee in that *Payroll Event*.



Single Touch Payroll - List Of Allowances

Employee 926 Staunton, Millicent Marie  
 Payrun No 194 Date 7/04/2022 Total Pay Period 2,000.00 Total YTD 2,000.00

Hide Apply

| STP | Payment Types                    | Pay Period Amount | YTD Amount |
|-----|----------------------------------|-------------------|------------|
| CD  | Cents per Kilometre              | 1,600.00          | 1,600.00   |
| OD  | Other Allowance - Non Deductible | 400.00            | 400.00     |

Or select ► *Deductions* to show the detailed breakdown of deductions for that employee in that *Payroll Event*.

Single Touch Payroll - List Of Deductions

Employee 922 Vuu, Harriet Ly  
 Payrun No 192 Date 7/04/2022 Total Pay Period 0.00 Total YTD 12.00

Hide Apply

| STP | Payment Types | Pay Period Amount | YTD Amount |
|-----|---------------|-------------------|------------|
| F   | Fees          | 12.00             | 12.00      |

Or select ► *Paid Leaves* to show the detailed breakdown of paid leaves for that employee in that *Payroll Event*

Single Touch Payroll - List Of Paid Leaves

Employee 742 Cavanaugh, Kevin John  
 Payrun No 78 Date 1/04/2022 Total Pay Period 0.00 Total YTD 2,455.75

Hide Apply

| STP | Payment Types | Pay Period Amount | YTD Amount |
|-----|---------------|-------------------|------------|
| O   | Annual Leave  | 2,090.00          | 2,090.00   |
| O   | Leave Loading | 365.75            | 365.75     |

Or select ► *Overtime* to show the detailed breakdown of overtime for that employee in that *Payroll Event*

Single Touch Payroll - List Of Overtimes

Employee 742 Cavanaugh, Kevin John  
 Payrun No 78 Date 1/04/2022 Total Pay Period 0.00 Total YTD 3,135.00

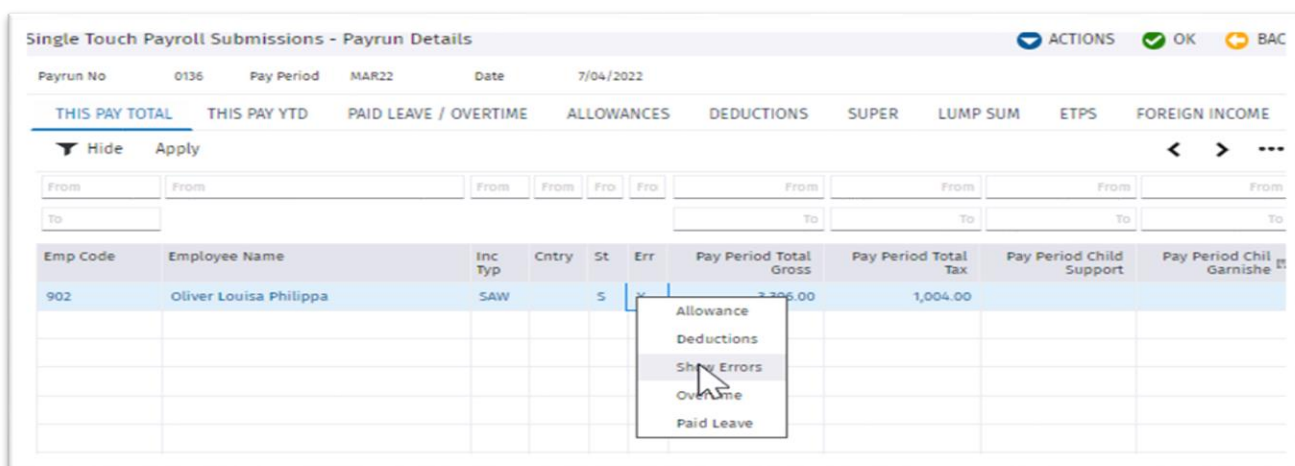
Hide Apply

| STP | Payment Types          | Pay Period Amount | YTD Amount |
|-----|------------------------|-------------------|------------|
|     | Overtime - Time & Half | 3,135.00          | 3,135.00   |

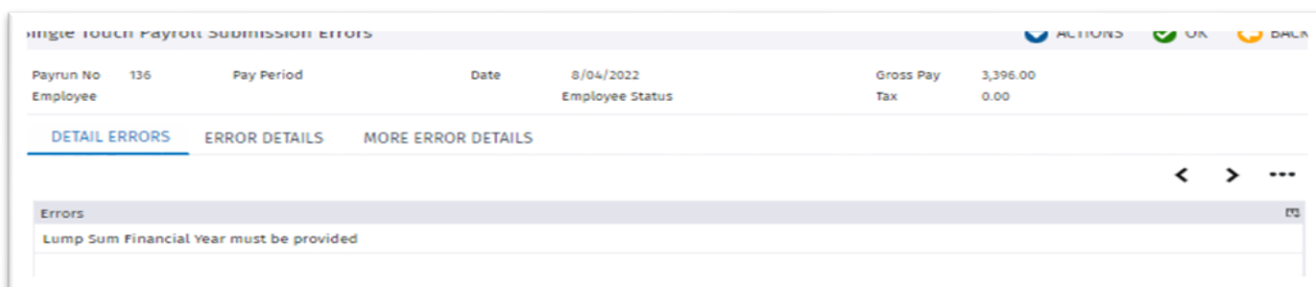
| Field Names              | Description  | Type |
|--------------------------|--|------|
| <b>STP Code</b>          | The corresponding STP code for the Allowance / Deduction / Overtime / Paid Leave | C    |
| <b>Payment Types</b>     | The Description of the Payment Types   | C    |
| <b>Pay Period Amount</b> | The amount of that Allowance / Deduction in that Pay Period (or Payroll Event)   | C    |
| <b>YTD Amount</b>        | The Year to Date Value of that Allowance / Deduction                             | C    |

**Show Errors**

If a Submission is rejected or flagged with errors at an Employee Level then the *Payrun Details* screen will show which Employee is in error with a 'Y' in the Error column. You can then use the Right Click option to ► *Show Errors as shown below*



If you select this option you will be taken to the *STP Submission Errors* screen as shown below where errors will be listed on the default tab and other tabs will show more detailed error information from the ATO. You should be able to use this information to repair any data before resubmission.



---

## Processing STP Submissions

---

There is no change in STP2 processing submissions. You will use the same process and same menu option as STP1.

### Key Identifiers

There are five key identifiers in the pay event that define the payer and the payee:

**ABN/WPN** – the Australian Business Number or Withholding Payer Number that uniquely identifies the payer that owns the PAYGW reporting obligation and allows the ATO to record the pay event against the correct record

**Branch** – some payers choose to branch for PAYGW purposes and may register different branches with the ATO for the ABN business (not for WPNs). The branch allows the ATO to record the pay event against the correct record within the business that has branched

**BMS Id** – a unique identifier within the business that acts like a serial number to identify the instance of the business's payroll software that created the data in the pay event. This accommodates those businesses that have more than one simultaneous payroll system and those businesses that change from one payroll system to another. The BMS Id allows the ATO to align with the data journey of the business and to manage the result of any decisions the business makes about transfer of payee YTD balances between payroll systems. As the ATO displays the Income Statements to the payee by BMS Id reported, if the payer has transferred YTD balances between their payroll systems, the ATO must be specifically alerted. If not alerted, the ATO will display both BMS Id/YTD balances, thus overstating both the payee income and the payer PAYGW liability

**Payroll Id** – a code that uniquely identifies the payee in the payroll that represents the individual's set of personal identity and payroll records and the level where the YTD amounts are maintained. The Payroll Id allows the ATO to align with the data journey of the business and to manage the result of any decisions the business makes about transfer of payee YTD balances between Payroll Identifiers. As the ATO displays the Income Statement to the payee by Payroll Id reported, if the payer has transferred YTD balances between Payroll Ids, the ATO must be specifically alerted. If not alerted, the ATO will display both Payroll Id/YTD balances, thus overstating both the payee income and the payer PAYGW liability

**Tax File Number** – a unique and secure number issued by the ATO to individuals to identify their tax records. The payee may choose to provide their valid TFN to the payer, to claim an exemption from quoting it or not provide it. The payer is obliged to record these valid TFNs or exemption codes in the payee record and report them to the ATO in the pay event. The ATO uses this and other data to match the identity of the taxpayer to the payee data in the pay event. The ATO displays the payee Income Statement to the taxpayer identity with whom they have matched the pay event data, even if this is not the TFN reported.

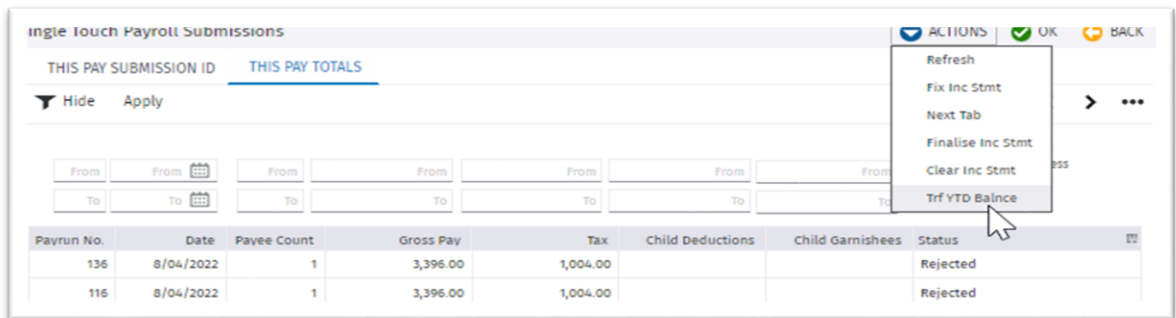
Where the payee advises the payer of a different valid TFN (not exemption codes), the payer should report with this new valid TFN. There is no need for the payer to separately advise the ATO about changes to this key identifier.



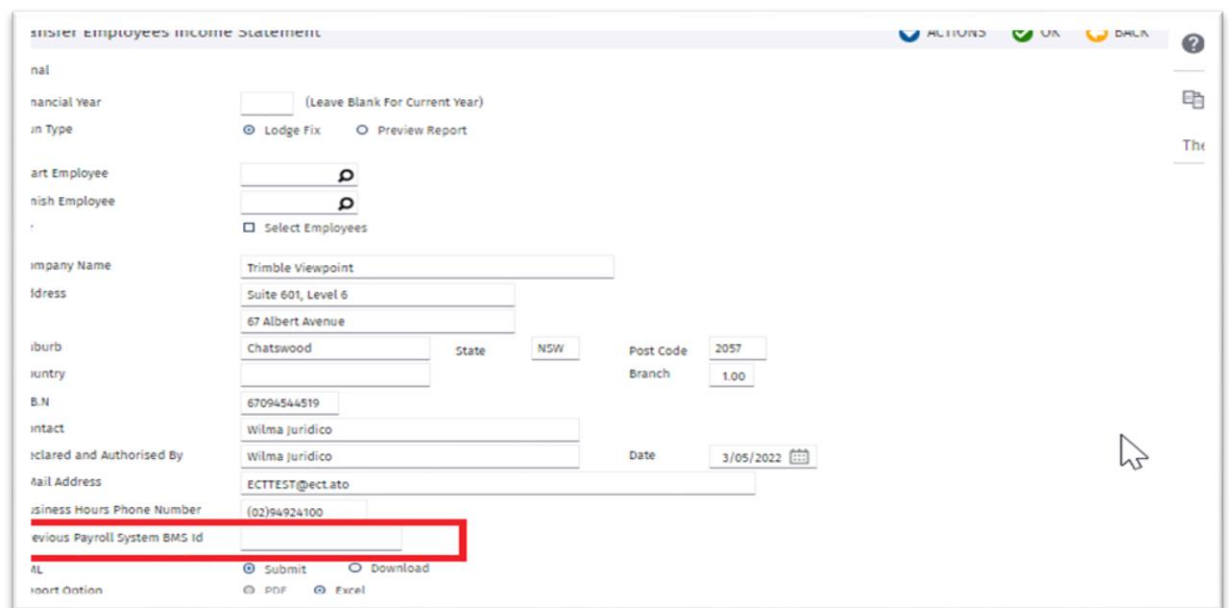
### Options to Alert Changes to Key Identifiers

#### Transferring Employee YTD Balances from another payroll software to Jobpac

- The YTD balances must be enter as an adjustment via Maintain Employee STP2 Gross Values. (Screenshot will be added later as program is converting to green screen)
- Send an Update action to transfer YTD balance in STP submission

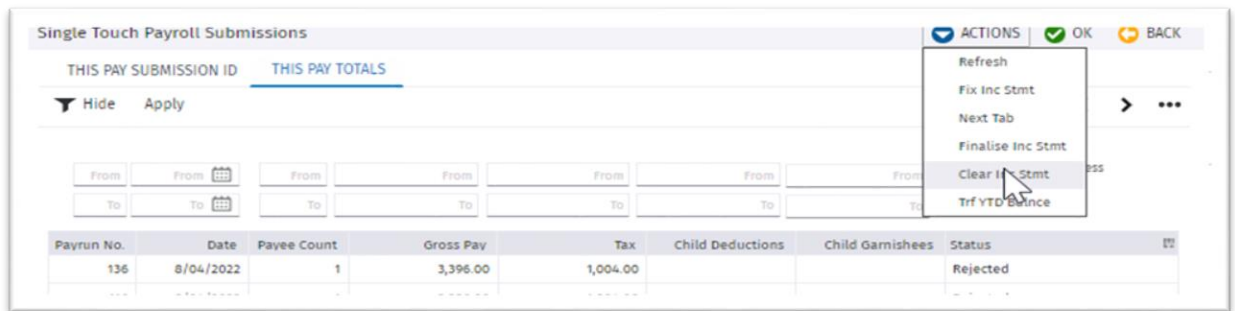


This will display the bounding screen where you must enter the BMS id of the previous payroll software.

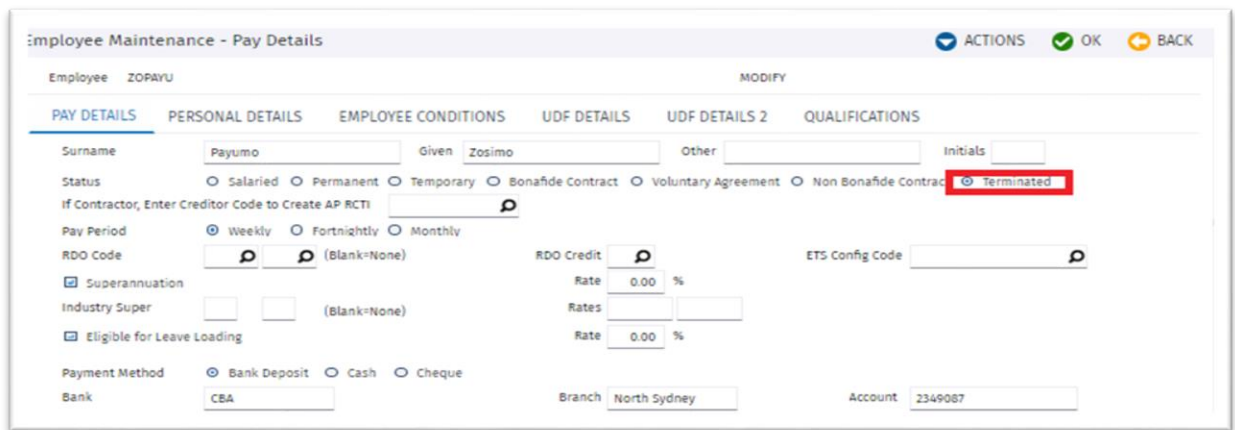


#### When employee payroll id is changed

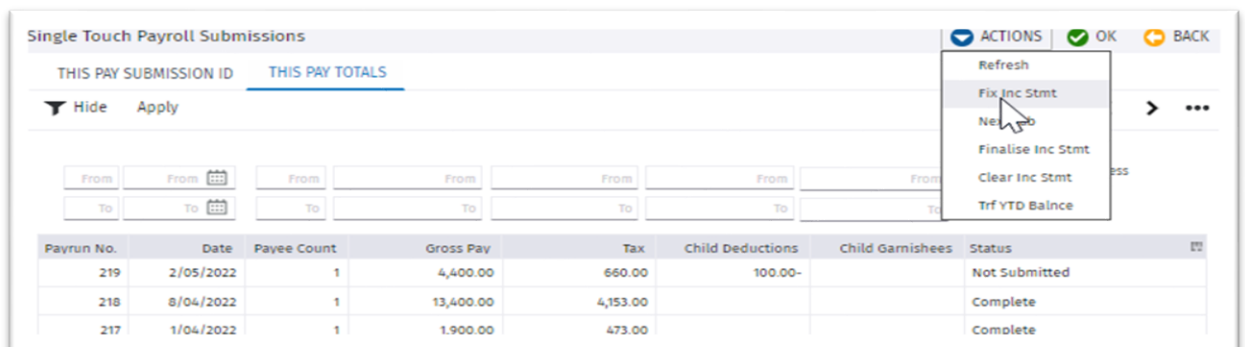
- You must clear the YTD balance of the current payroll id via Maintain Employee STP2 Gross Values (Screenshot to be added later)
- Send an update action to Clear Income Statement or Fix Income Statement for the current payroll id.



- Deactivate current payroll by setting employee status by ticking 'Terminated' in Maintain Employees.



- Add the new employee code in Maintain Employees
- Adjust the opening balance using the new employee code in Maintain Employee STP2 Gross Values
- Send an update action to Fix Employee Income in STP submission



- **Employee Reported under Incorrect ABN** - If an employee has been reported under incorrect ABN or branch number, then you do below steps
  - Send an update action to clear YTD income under the incorrect ABN or branch number
  - Send another update action to Fix YTD income under the correct ABN and branch number.

**Misclassification** – A misclassification is when information has previously been reported under an incorrect Employment Conditions, Income Type, Country Code, Payment Type or Other Component and there is no additional payment to the payee. You can fix the incorrect data in Maintain Employees > Employee Condition Tab. The correction can be reported in a submit action at the next regular pay cycle for the employee or through an update action.

#### **When to Fix**

You should refer to ATO Legislation on the handling of the STP reporting corrections however the below can be used as an unofficial guide as to the timing of when an employer needs to report a fix.

- An employer must report a fix within 14 days from when the issue is detected.
- An employer may choose to report a fix in the next pay event for an employee where this is later than 14 days from when the error is detected. Additional time will be allowed to the next regular pay cycle for the employee. For example, monthly pay cycle.
- An employer may report a fix in an *Update Event*.