

MacBusiness Payroll setting changes for 1 April 2007

Instructions for changing settings in MacBusiness Payroll to meet IRD requirements for the financial year starting 1 April 2007.

Tax Rate Changes for 1 April 2007

MacBusiness Payroll enables you to change tax rates for 1 April 2007 yourself by following the simple instructions listed below. NO SOFTWARE UPDATE IS REQUIRED.

This year the changes required are: an increase to the maximum income level for the ACC earners' levy, and an increase to the student loan threshold.

This means changing just two numbers in Payroll.

The changes need to be applied AFTER the last pay run for March 2007 tax year has been posted, and BEFORE the the first pay run for April 2007 is posted.

1. Launch PAYROLL using the more powerful of your two passwords.
2. Click the Setup button, then Preferences on the Setup menu
3. Click the Tax/ACC tab

In the field labelled ACC Max Income enter 99817 (replacing 96,619)

In the field labelled Threshold SL enter 17784 (Replacing 17,160)

That's it! Now click the Menu button to continue using Payroll

If you don't see a Setup button on the main menu you are using an obsolete version of Payroll. Contact us regarding an upgrade.

4 weeks leave from 1 April 2007

The minimum annual leave entitlement increases from 3 weeks to 4 weeks from 1 April 2007 (Holidays Act 2003). Every employee whose annual leave entitlement falls due from 1 April 2007 onwards is entitled to 4 weeks leave minimum.

MacBusiness Payroll calculates leave dynamically so this is an easy change to implement. NO SOFTWARE UPDATE IS REQUIRED.

Ideally, the changes should to be applied as close as possible to 31 March, but before 1 April 2007. Follow these instructions:

1. Launch PAYROLL using the more powerful of your two passwords
2. Click the Setup button, then Preferences on the Setup menu
3. In the field labelled Legal Minimum % Leave Rate enter 8 (replacing 6)
4. Click Setup again, then Leave Templates on the Setup menu

5. Click on the Annual Leave line.
6. In the two Rate fields, Entitlement and Percentage, change the rates to meet the four weeks minimum, e.g. 20 if the rate is currently set to 15 days, and 8 if the rate is currently set to 6 %. (Obviously if the rates are already set to 4 weeks or higher you don't need to change them).
7. Click the Current button at the top of the screen.
8. Click the word Type at the top of the column that shows leave types. This will bring all the annual leave records for your current employees to the top of the list.
9. Click the line for the first employee, then click the Settings tab.
10. If this is a casual employee, and you pay their annual leave as holiday pay with each pay transaction, then click the New button at the top of the screen and click OK to the next two screens to create a new annual leave period for this employee.
11. Make the same changes to the Rate fields as in step 6 above.
12. Click the List button at the top of the screen, click on the line for the next employee. Change the next employees' leave rates as above.

Repeat the process for each employee until you finish all the annual leave records.

That's it! Now click the Menu button to continue using Payroll

If you make these changes too soon before the 31 March, you risk providing an extra week's leave to an employee before it is due. For example, if an employee has an annual leave anniversary in March after you make the changes, they will receive an extra week immediately instead of when it is due in March 2008. Or, if an employee leaves after you have made the changes and before 1 April, they will receive an extra week in their final pay. Contact us for an easy workaround if you have this problem.

If you make the changes too late after 1 April, you risk not providing an extra week's leave to an employee when it is due. For example, if an employee has an annual leave anniversary in April before you make the changes, they will not receive their extra week until April 2008, a year too late. Or, if an employee leaves in April before you make the changes, they will be missing a week in their final pay. Contact us for an easy workaround if you have this problem.

If you don't see a Setup button on the main menu you are using an obsolete version of Payroll. Contact us regarding an upgrade.