Single Touch Payroll (STP) & End of Financial Year (EOFY)

Outsourcing Readiness Checklist

This checklist will help you prepare for STP and EOFY and assist to ensure your business is compliant with its requirements. The Sage Payroll Outsourcing business uses Sage MicrOpay to complete your payroll service and we have included all the necessary steps you need to take. We highly recommend taking the time to run through each item in the checklist.

If you require assistance or more information, contact the Sage Outsourcing team 02 9884 4177 or email us at outsourcing.au@sage.com

Early Preparation for End of Year and STP (March & April)

Step 1:

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Advise your staff about STP and encourage them to prepare by creating a myGov account if they haven't already.

Step 2:

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Provide the payroll team with the Reportable Fringe Benefits Tax (RFBT) for the payment summaries.

The RFBT end of financial year is 31st March.

![sage](sage logo)

Step 3:

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It is recommended that you reconciled end of month reports from Sage Payroll Outsourcing to your internal financial records for payroll processing to ensure the figures are matching and correct.

If you have made manual payments outside the payroll system please send the information to Sage Payroll Outsourcing as soon as possible to ensure your system is up to date prior to June.

Step 4:

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After your final payroll in the financial year we will be completing the End of Financial Year Payment Summary production for you and producing the EMPDUPE file for you to submit to the ATO as in previous years.

Sage Payroll Outsourcing can assist you with the preparation and production of the file in the correct format however the completing the upload must be carried out by your business. Therefore, please ensure you have access to the ATO Business Portal. A link is below to assist you and we will send further instructions with the EOFY Payment Summary and EMPDUPE.

https://www.ato.gov.au/General/Online-services/Businesses/#BusinessPortal
Electronic Commerce Interface (ECI) is no longer available from the ATO.

Step 5:

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Now is a good time to remind any of your employees that their variation to withhold PAYG will expire on 30th June and provide them with the following link to apply for the new financial year.   Please note that this step is not compulsory however a reminder to employees is helpful if they have negotiated a special tax rate with the ATO.

https://www.ato.gov.au/Forms/PAYG-withholding-e-variation/

Step 6:

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Prepare & provide Sage Payroll Outsourcing with any Exempt Foreign Income and Foreign Employment Income for employees you continue to pay while they are oversea working.
https://www.ato.gov.au/individuals/international-tax-for-individuals/going-overseas/working-overseas/reporting-your-foreign-employment-income/

Let's get Ready for STP (From May)

The following steps are from May through to being established on STP and completing the EOFY. There will be more detail and we will contact you as we get closer to the July cut over.

Step 1:

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The End of Financial Year review we undertake each year in May includes most of the setup information we require to establish the payroll system for Single Touch Payroll.

It is very important that you review this information and provide any changes prior to your last payroll in June. We will be updating the system and setting up for STP based on these details.

Sage Payroll Outsourcing will be providing you with several reports for checking and links to ATO website for more information.

Here is an outline of what we will be providing and the purpose.

Report provided	Purpose
Additions and Deductions Listing from system including Payment Summary location e.g. Allowance, Union etc.	Are Additions and Deductions set up in accordance with ATO Guidelines?
Employee Details in Spreadsheet format IQ > IQB-EMP004	Are Names, Addresses and Date of Birth records accurate and up-to-date Are the employees attached to the correct Company ABN (if you have more than one)
Screen Shots of each payroll company established in the system.	Confirm that the company ABN, Name, Address & contact phone, phone email is correct.
Employee Headcount in Spreadsheet format IQ > IQB-HC002	Sage Payroll Outsourcing will be setting up STP for all customers even those under 20 employees. Information from the ATO can be found Complete your Headcount

Check each of your pay components that would be considered as Ordinary Time Earnings for the calculation of Super Guarantee. If you need to add Superannuation to any existing component please let your payroll administrator know and we will update the system.

Step 2:

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Review your current payroll process and timelines and ensure your finance department considers aligning its processes for reporting and payments of PAYG and Superannuation. Consider any other departments in your organisation that should be aware of STP.

Sage Payroll Outsourcing will be collecting information on your STP authorised submitter shortly as we will be required to communicate with them after each Electronic File Transfer (EFT) is generated and provided for payment.