



Single Touch Payroll Checklist

Single Touch Payroll (STP) involves more than a standard upgrade to your payroll software. It impacts many parts of your business. The 1 July 2018 deadline is tight. You can prepare your business by following this checklist and ticking the items off as you go.

Getting started

Our recommendation is to put in place an “STP Champion” – someone who becomes the STP subject matter expert within your organisation. Your STP Champion should be able to help take the business on a broader business improvement journey.

- Appoint your STP Champion – usually the Payroll Manager
- Visit the official ATO STP website: ato.gov.au/singletouchpayroll
- View the ‘CHANGE AHEAD’ video: attachesoftware.com/STP
- Ensure you have in place:
 - [ATO AUSkey](#)
 - Access to the [ATO Business Portal](#)
 - Access to the [ATO Access Manager](#)

Technology

STP involves payroll information being sent electronically to the ATO with every pay run. It is this direct connection to the ATO that is new and requires all payroll systems to be upgraded. If your operating systems are old, they will also require an upgrade.

- Ask your existing payroll provider:
 - When your payroll solution will be ready for STP (remember the headcount date is 1 April 2018 and your company needs time to get ready too)
 - If they offer multiple payroll products, where does your solution sit on their priority roadmap?
 - If they are rationalising their product offerings and pushing you onto a newer cloud product, make sure the functionality on the accounting side (payroll and accounting software are usually in the same suite) will not go backwards or be inferior to what you could get by having a broader review of your options
 - If they have a [deferred start date](#) request the deferral reference number. You will need this to apply for your own deferral from the ATO if you choose to stay with this provider
- Think about whether you have outgrown your current solution:
 - Especially if you have stock and debtors (like wholesalers, distributors and manufacturers)
 - Facilitate discussions on the [six barriers facing medium businesses](#). Are any of these relevant for your business? Consider whether there are opportunities to address these and improve other areas of your business at the same time
- Decision checkpoint – decide now whether your payroll solution will be upgraded or replaced for STP reporting
- If an upgrade is sufficient, get yourself on the latest version of the software now. This will minimise the impact of any final STP updates closer to the 1 July 2018 deadline

Be sure to check for any customisations or add-ons that may be impacted by the upgrade.

Technology (continued)

- If new software is required, you need to use STP-enabled commercial payroll software like [Attaché Payroll](#)
- Regardless of your approach, check your hardware and software specifications are robust enough to meet all STP requirements
- Once you have selected your STP solution, in the [ATO Access Manager](#) nominate your hosted SBR software service provider

Data

Inaccurate data can lead to incorrect submissions to the ATO.

- Payroll data – check [PAYG withholding](#) is calculating correctly, year-to-date information is being captured accurately, STP-related payments are reported under the correct pay codes and the latest tax scales are installed
- Superannuation data – check your [superannuation](#) contributions are calculating correctly, your [SuperStream](#) solution is compliant and you have the correct employee and [superannuation fund](#) setups
- Employee masterfiles – it's crucial that payroll records match the ATO. Ensure employee data is up to date and correct, i.e. full name, address, tax file number and date of birth

Processes

Understand which payroll processes are impacted and need to be reviewed.

- Pay day – you must submit a “pay event” to the ATO on or before pay day for various types of payments including salary or wages
- Correcting a pay event report – how will you fix errors sent to the ATO, e.g. overpayments or misclassifications?
- Commencing employment – start date and TFN declaration can be reported in a pay event
- Ceasing employment – cessation date can be reported in a pay event. “Finalisation declaration” can be sent to the ATO at any time during the financial year or at year end
- End of year – exemptions from issuing payment summaries and PAYG withholding annual report if you make finalisation declarations via STP reporting
- Quarterly business activity statements – labels W1 and W2 are pre-filled when reporting via STP
- Transitioning to STP – how you can start STP reporting during a financial year

Visit the ATO website to better understand [your obligations under STP](#)

Employees

STP offers benefits to employers, employees and the community, e.g. eliminating payment summaries and TFN forms, ensuring super is paid and reducing welfare and tax fraud. To unlock some of these benefits, employees need to be registered on myGov and linked to the ATO. Getting your employees correctly set up can take months. We recommend commencing this process now using a cascade approach across your organisation.

- Count the number of employees on your payroll on 1 April 2018. The ATO website explains [who to include in your headcount](#)
- Are you registered on [myGov](#)? If not, do so before you ask your employees to do this. Step-by-step instructions can be found on the [Department of Human Services website](#). Make notes so you can guide them, e.g. need a unique email address and mobile number
- Now make notes as you link to the ATO, e.g. need your TFN and two of these: assessment notice, PAYG payment summary, super account, dividend statement, Centrelink payment summary, bank account details. More detailed help can again be found on the [Department of Human Services website](#)
- Now ask your managers to register so they experience what their staff will be asked to do – add their notes to your own
- Now ask your employees to register. The above steps will greatly accelerate staff engagement and reduce unproductive time, e.g. making errors and being locked out of the website for an hour

Improving other areas

If you decide to look at [Attaché Payroll](#) it presents a golden opportunity to turbo-charge your payroll and improve other areas of your business at the same time.

- Document management – a secure way to deliver and store business documents including quotes, invoices and purchase orders, with easy access to 42 months of document history. Attaché MyPay provides a secure personal inbox for each employee's pay advices. [View the video](#)
- Leave management – staff can view policies, required documentation and their entitlements in [Attaché Express Leave](#). Leave can be requested online and approved remotely
- Employee onboarding – create a great first impression by inviting new employees to complete their TFN declaration, SuperChoice form and bank account details online
- Organisation chart – shows reporting lines and pictures of staff to help identify who is who
- Employee directory – all staff contact information stored in the one place
- Asset management – track the equipment you supply to staff, automate depreciation calculations and enable faster recovery in the event of a fire, flood or earthquake. [View the video](#)

Early-bird incentives

After the 1 April 2018 employee headcount, we are likely to see panic decisions to replace old multi-user software suites, just like we saw with the introduction of GST. We recommend preparing early to ensure your business is not put at risk.

- \$100 gift vouchers available if you refer trading partners to Attaché (limited period offer)
- Special pricing available on Attaché products (limited period offer)
- Special pricing available on hardware linked to an STP update through your existing IT service provider