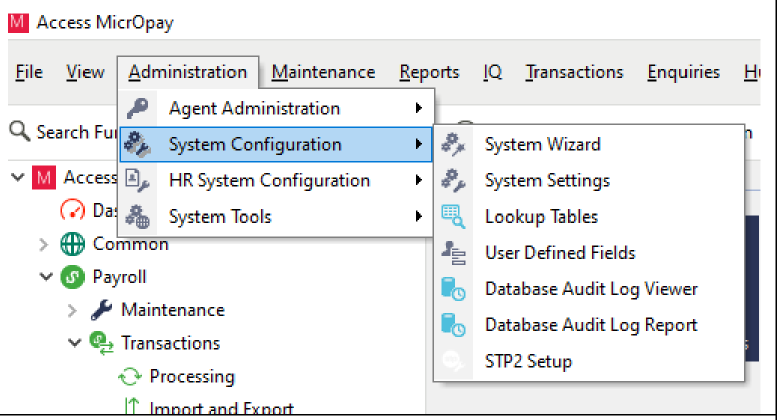
MicrOpay STP2 Wizard Additions / Deductions

Session 13   31/10/2022

<table>
<tr><th>QUESTIONS</th><th>ANSWERS</th></tr>
<tr><td>What is the most recent update of MicrOpay?</td><td>V9.1 SP3 which is available at https://www.theaccessgroup.com/en-au/support/micropay/</td></tr>
<tr><td>I have enabled STP2 and now can't see the STP2 Setup option along the top of the screen. I can only access it using Access MicrOpay Administration/system Configuration. Is this correct?</td><td>Yes, that is correct. After you have enabled STP2 the STP2 wizard disappears from the menu bar but can be access via the Administration Menu>System Configuration>STP2 Setup.
To access Administration functions in MicrOpay you must be logged in as an agent that is part of the Administrator group i.e. Admin agent.


</td></tr>
<tr><td>Is there a way to delete\archive the additions or deductions that are no longer used so we don’t have to categorise these in the STP2 wizard</td><td>No. All additions and deductions will need to be mapped for SPT2 before you can enable STP2.

For auditing purposes Additions and Deductions that have been used in a transaction, attached to an employee (active or terminated employee), used in a pay class or in any other manner cannot be deleted. Currently this means the addition or deduction has the potential to be used again (either intentional or otherwise). Therefore, all additions\deductions must be categorised for STP2.

Best practice is categorise all additions and deductions to the most suitable STP2 Reporting Group, STP2 Subgroup (if applicable) and STP2 Other Allowance Group (if applicable), this especially holds true for any BEFORE TAX additions\deductions.
However, if you have a large amount of AFTER TAX Additions and Deductions that are not in use and are not</td></tr>
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	likely to be used again you may find it easier to categorise those as “Exclude from STP Reporting”. Although, to minimise the risk of the addition\deduction being used with an incorrect reporting category at a later date, you may like to also change the naming convention (description field) of those additions\deductions that should not be used with a ** at the beginning as a visual means to denote an addition\deduction that is no longer in use. Although in principal if you code them as they should be, then they will always be correct if ever they are used again intentionally or otherwise.
I have 7 databases so 4 sounds ok to me	Good Luck!
If a company has run their last pay for 2022-2023 due to outsourcing their payroll, can year end be processed without STP2 setup.	If the outsourcing company is processing payroll now for the same company will they not be processing year end for that company? I expect that outsourcing company will be required to reporting each pay under STP Phase 2 requirements unless they have an STP Phase 2 Start Date Deferral arrangement in place with the ATO. Employers (Companies) can also apply for their own STP Phase 2 **Employer** Deferred Start Date. The ATO website has further information on deferrals: https://www.ato.gov.au/business/single-touch-payroll/need-more-time/deferrals/ Please note: As a **digital service provider** the Access MicrOpay product has an STP Phase 2 deferred start date of 01 January 2023. Employers using Access MicrOpay after this date must report with STP2 unless they have applied for their own employer deferral.
I can't find the links that the presenter referred to at the beginning	The link referred to is: https://access-support.force.com/Support/s/article/Access-MicrOpay-STP2-and-MicrOpay
Please confirm that once the wizard is complete, and enabled, this that the only thing we need to do for STP2?	Yes, that is correct. Note: Our release notes advise STP2 pay event reporting is triggered by the production of Pay Advices.
Can we work on STP setup in blocks? or must it be completed in one go?	You can work on each tab in the wizard and Save as you go, h**owever**, if you activate an STP2 reporting group selection that **requires a sub group selection** you must complete the subgroup selection for that item or you will not be able save and move on to another tab until you

<table>
<tr>
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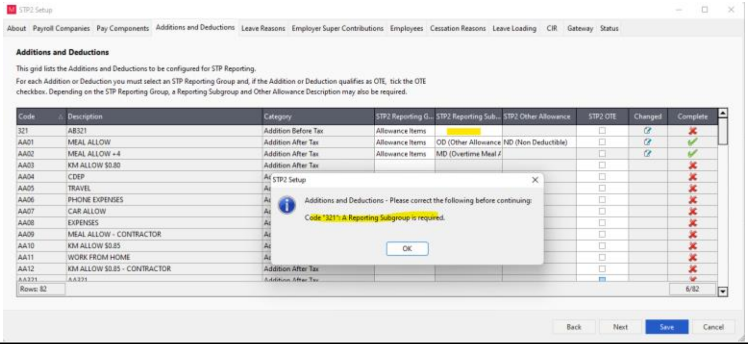
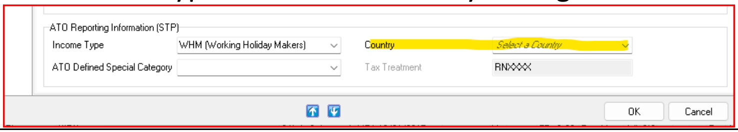
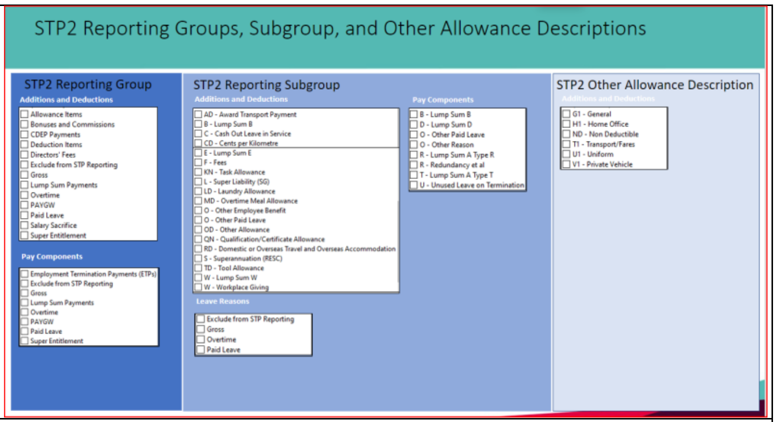
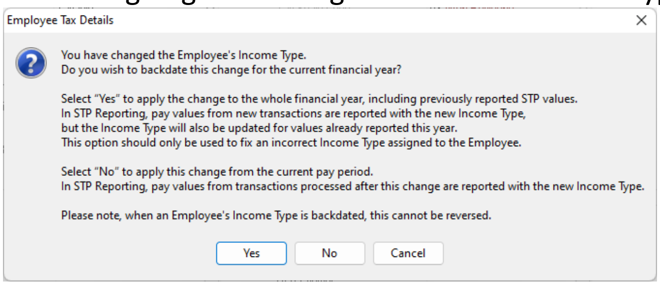
<td>have met the sub group selection requirement. If you close the wizard without saving you will lose all changes you made on the tab up until that point. Example highlighted below in the Additions\Deductions tab, the tab cannot be saved because an item that requires a subgroup selection has not been completed.

</td>
</tr>
<tr>
<td>Thanks, it mentions that current payrolls must be complete. Am I able to complete say ADDS/DEDS only, then run another payrun, then back to STP wizard?</td>
<td>Yes, you can go back to configure your SPT2 data at any time. Enabling the STP should be done at the end of a payroll /beginning of the next.</td>
</tr>
<tr>
<td>Hi, i have shadow payrolls that is for international payruns. They appear in Cessation Reasons list. Should I ignore those employees? Can I leave code as None?</td>
<td>Any reporting done via STP2, will need to have applicable cessation codes entered against terminated employees. Are the employees Inbound Assignees (IAA) as per the ATO:
https://www.ato.gov.au/Business/Single-Touch-Payroll/Concessional-reporting/Inbound-assignees/
If ceasing perhaps “Transfer” is the appropriate option. However, we always recommend seeking such advice from the ATO.</td>
</tr>
<tr>
<td>Hi what is the STP2 reporting group for Loan/Employee Repayment $?</td>
<td>Presuming this is an after tax deduction, it should not be reported to the ATO.</td>
</tr>
<tr>
<td>What is STP2 reporting group for Car Allowance (No Tax)? Thanks</td>
<td>https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?anchor=Reportingtheamountsyouhavepaid#Allowances. This could come under several different areas, depending on the actual wording of the allowance. For example Is this a cents per kilometre allowance or a tool allowance [ie a tool of the trade] Once you have the employees agreement/ their award or EBA in front of</td>
</tr>
</table>

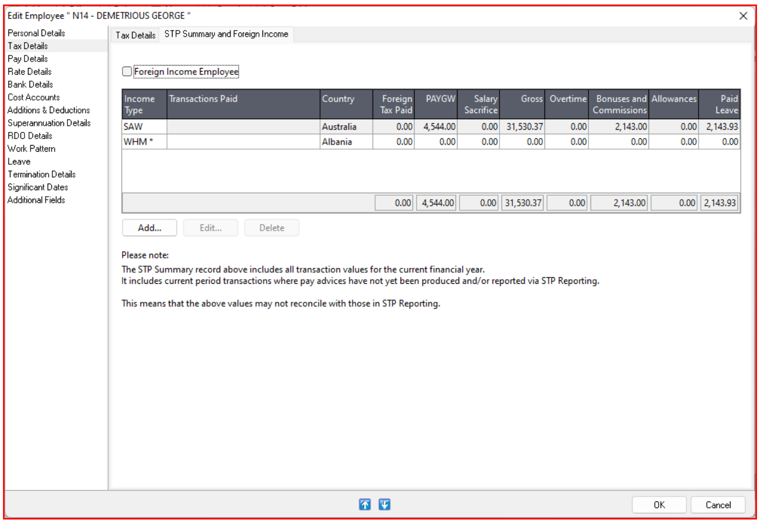
	you, read each of the applicable categorisations to see which is the best fit.
The wizard is asking me to enter a country for those on WHM visa - where do I add their country of origin?	In Maintenance the Employee record > Tax Details screen there is an ATO Reporting Information(STP) area, adjacent to the Income Type Select you will see Country, this is active when the WHM or IAA has been selected as the Income Type. Select the country of origin there. 
Where do we find this screen with all additions/deductions together - I have gone into each individual code to the STP2 reporting tab. Is there a way for me to see if I have missed any?	It is the STP2 setup wizard. You must be logged in as an Administrator agent to access the STP2 Wizard.
Great, thank you, I have not upgraded as yet, and I am not in the administrator login. When I do, will all the changes I've added manually to the STP Reporting tab show in the system? Or will I have to enter all again under Administrator?	Any configuration you have already done, will show in the wizard
Do we need to upgrade to V9.1 SP3 to access the wizard? Or can we do the upgrade to V9.1 SP3 and then start working on the wizard? Thanks	You can start now, but we recommend being on V9.1 SP3 before enabling.
Is there a way we can get this addition and deductions subgroup etc. in an excel sheet format so I can work on this offline and then update this online after our	Right click and save grid to excel. The below screenshot shows the available Reporting Group, Subgroup and Other Allowance Descriptions.

accountants have approved the group and subgroup	
If the Employee prompted by the Wizard is not a Working holiday maker, is this something I need to change in Maintenance or I can amend it on the Employees tab in STP2 tab	You can change STP2 Income Types in the STP2 Wizard in order to get the main stp2 requirements fulfilled, however, when changing things like Income Type it is important to recongise that this will default all YTD reportable figures to that Income Type. If you make the change through the employee file you will be prompted whether you want to change only to apply going forward. Also be aware when changing income type you should then go into the Employee record at Maintenance and check other areas relating to Income type, for example WHM on the TFN Declaration> Tax Status. When changing income type you should be prompted to consider if the change is to be applied to the entire YTD or only going forward. Please note: If your company is not registered as a WHM employer, any employees with WHM Tax Status and income Type should have the Foreign Resident tax scale rather than the WHM tax scale.
Why are the superannuation salary sacrifice items in this example not ticked as 'OTE'? I thought that from 1st January 2021 the ATO declared that superannuation salary sacrifice (pre-tax) is now OTE	The OTE tick box is just a reporting field. The changes which applied from 1st January 2020 is that the salary sacrifice does not reduce the employees OTE superannuation calculations by the salary sacrifice, therefore OTE will not be ticked for salary sacrifice codes.
Sorry super salary sacrifice cant reduce base for OTE. From 1 January 2020: https://www.ato.gov.au/business/super-for-	For salary sacrifice which is NOT superannuation, tick the OTE box. For a salary sacrifice item which is superannuation, untick the OTE box.

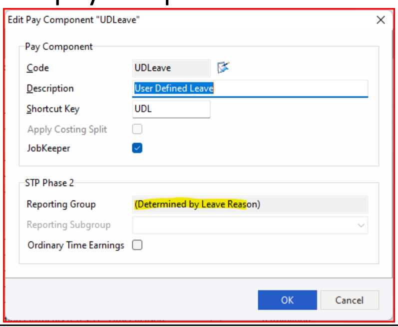
<table>
<tr><td>employers/setting-up-super-for-your-business/how-to-set-up-salary-sacrifice-for-super/
This is why i thought it was OTE.</td><td></td></tr>
<tr><td>Missed the very start, where is the wizard ?</td><td>Log in on the current version, as the system administrator and then you will see the STP2 setup wizard in the menu bar</td></tr>
<tr><td>What version should we be using for the "green ticks"? I am an administrator but can't see them in the wizard</td><td>If you don’t have the green ticks, you are not on the most recent version. Please upgrade to V9.1 SP3</td></tr>
<tr><td>WHAT IS THE LATEST VERSION</td><td>v9.1 SP3 please go to https://www.theaccessgroup.com/en-au/support/micropay/</td></tr>
<tr><td>In STP1 if you make a change to an employee, it asks if you want to make the change for the financial year, if you say yes you cant reverse this. will this question be asked in STP2, and if so, how should it be answered?</td><td>I believe you may be referring to changes such as ‘Income Type’. Yes this will be asked but not from the STP2 Wizard. Making the change from the STP2 wizard, the entire YTD will default to the new Income Type and any payments going forward. It is important to review the individual employee and consider whether their YTD amounts should be fully reported against the new income type or split with the YTDs up to the change date reporting against the previous income type and the amounts going forward against the new income type.


When STP2 is enabled you can then view any Income Types with amounts for that employee for the financial year in Employee Maintenance > Tax Details>STP Summary and Foreign Income.

If you choose to only carry forward the change from current pay period (By selecting ‘No’) you will see the YTD against previous Income Type and a new line for the new Income Type. You will only see the STP Summary and Foreign Income tab when STP2 has been enabled.</td></tr>
</table>

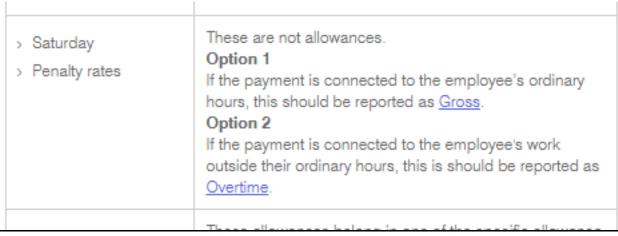
<table>
<tr><td></td><td>
</td></tr>
<tr><td>Hi, you mentioned termination payments already made this year before STP2 implementation. Do we need to go back and edit termination pays or is once the setup is done, it will filter back to those payments?</td><td>No, you will not need to edit any previously made payments under STP1.</td></tr>
<tr><td>Once we completed all tabs -STP2 set up, then good to go for STP2.</td><td>Once all the tabs are completed and you have green ticks against every item. Go to the status tab and press enable STP2.
Note: If you have made Income Type changes please check these in the employee file also.</td></tr>
<tr><td>If I have pay component - (we do not use), still do I need to update STP2?</td><td>If you are referring to Maintenance>General>Pay Components> These are already categorised.

Note: In the Pay Components Grid Use Defined Leave and Other Leave will have a blank STP2 Reporiting Group as these Pay Components are categorised based on the Leave Reason area.</td></tr>
<tr><td>How do you enable STP 2?</td><td>Go into the STP2 setup wizard, and once all the data is mapped, press the Enable STP2 button on the Status page</td></tr>
<tr><td>Do we need to put STP Cessation reason for</td><td>Only if they have received a payment in this financial yeari.e. an employee terminated on the 29/6/2022 and</td></tr>
</table>

previous year terminated employees?	received their termination payment on the 2/7/2022 – this employee would require a cessation reason.
Just wondering If the system has been upgraded can we still run the payroll even if the status is incomplete?	You can run the payroll in STP1 until you have all the data mapped and completed and enable STP2
I recently upgraded to the new version and unfortunately it is showing my status as being incomplete due to 3 invalid leave reasons.	Please contact the support team for assistance in resolving this
I'm not sure whether our Payroll Company should be ticked for WFM purposes?	https://www.ato.gov.au/Business/Registration/Work-out-which-registrations-you-need/Taxation-registrations/Employer-registration-for-working-holiday-makers/
How do you set up Toil accrual? It is an addition before tax.	This Knowledge Base article outlines how to setup TOIL: https://access-support.force.com/Support/s/article/Access-MicrOpay-How-do-I-setup-Time-in-Lieu-in-User-Defined-Leave In terms of STP2 reporting you may need to consider: • TOIL hours taken GROSS> Leave type O – other • TOIL hours cashed out in service GROSS> Overtime • TOIL hours paid on termination ETP> ETP We do recommend checking with the ATO if you are seeking advice on STP2 Reporting Grouping
In pay components, what reporting group does user defined leave belong to?	In the case of User-defined Leave and Other Leave, the Reporting Goup is determined by the leave reason not the pay component. 
How can we turn the enable on to commence STP 2?	When the Status page of the wizard shows that all pages have a Complete status, an Enable STP2 reporting is added to the wizard. Click that and follow the prompts to enable STP2. You can only do this as an Administrative agent.
What happens if I have additions or deductions that we no longer use?	For auditing purposes Additions and Deductions that have been used in a transaction, attached to an employee (active or terminated employee), used in a pay class or in any other manner cannot be deleted.

	Currently this means the addition or deduction has the potential to be used again (either intentional or otherwise). Therefore, **all additions\deductions must be categorised for STP2.** Best practice is categorise **all** additions and deductions to the **most suitable** STP2 Reporting Group, STP2 Subgroup (if applicable) and STP2 Other Allowance Group (if applicable), this especially holds true for any BEFORE TAX additions\deductions. However, if you have a large amount of AFTER TAX Additions and Deductions that are not in use and are not likely to be used again you may find it easier to categorise those as “Exclude from STP Reporting”. Although, to minimise the risk of the addition\deduction being used with an incorrect reporting category at a later date, you may like to also change the naming convention (description field) of those additions\deductions that should not be used with a ** at the beginning as a visual means to denote an addition\deduction that is no longer in use. Although in principal if you code them as they should be, then they will always be correct if ever they are used again intentionally or otherwise.
What is the STP Cessation Reason for the retirement person please?	Here is the ATO list of options and explanations. If you are still unsure, please contact the ATO. https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?anchor=Whenanemployeetransfersorleaves#Whenanemployeetransfersorleaves **Cessation reason** There are many reasons why employees leave, and you will need to include the reason in your STP report. Cessation reasons you can report 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, 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.
And for Casual termination please?	As above

Can we add any other termination reason different what pre-set up in MicrOpay?	No.
How do you set a PAL has that changed for STP 2 [purchased leave]	 https://access-support.force.com/Support/s/article/Access-MicrOpay-How-do-I-setup-Purchased-Leave
Once the wizard is all ticked then do you updated MicrOpay to go live? or updated MicrOpay before	Once the wizard is all ticked, then press the enable STP2 when you are ready to commence reporting . You will need to update MicrOpay to the latest version before you press enable STP2 reporting
Do you upgrade before you complete the system wizard?	Hi Mary - yes you will need to upgrade and then commence the configuration
Where is the enable button is it located in the wizard?	In the status tab of the STP2 Wizard. Ite becomes visible when all tabs in the Wizard have been completed.
I don't have the column "Complete" with the green ticks, I assume will need to do the upgrade first? If the upgrade is done (say today), does it mean setup for all components need to be correct for STP2 in order to do STP reporting for a pay run? Example if I upgrade today, but have not completed STP2 categorised properly, I won't be able to STP my pay run?	Please update your software to the latest version 9.1 Sp3. You can update the software and continue to use STP1. When you complete the STP2 wizard you can enable STP2.
What is the STP2 OTE tick box for?	This indicates that this items is part of ordinary time earnings and therefore attracts super. STP2 OTE means the item will be used in the calculation of Ordinary Time Earnings in STP2

Salary Sacrifice before tax does not give me the choice to put it to Sal Sac, it only gives me a green tick for Gross. this is not correct, how can I overcome this.	Please check you are on latest version 9.1 Sp3. Please provide more detail to our support team on the setup of your Salary Sacrifice if you are unable to select Salary Sacrifice.
how to we actually start using STP2. I have everything set up, but how do I tell the system to start?	On the Status tab of the STP2 wizard, press enable STP2
15% shift allowance, is that categorised as overtime or gross. I thought I saw somewhere that is included in overtime	Check your award or EBA for the wording. If the shift allowance is for work done as part of ordinary hours, then including it in the gross is fine. If the award says the 15% shift allowance is to compensate for something ie overtime, then it needs to be separated out and categorised accordingly  › Saturday › Penalty rates These are not allowances. **Option 1** If the payment is connected to the employee's ordinary hours, this should be reported as Gross. **Option 2** If the payment is connected to the employee's work outside their ordinary hours, this is should be reported as Overtime.
Why deduction before tax, doesn't have exclude from STP reporting?	Before Tax items affect Taxable Gross and Taxation therefore must be reported.
MicrOpay setup only has valid column instead of complete. Is that the same?	Please ensure you are running version 9.1 Sp3
Should you tick STP2 OTE in the pay components for other leave? Or the leave reasons will replace the pay components STP2 tick?	It is best to tick the OTE on the individual Leave Reason rather than the Pay Component in this instance.
For TIL accrued to be excluded in STP2, should we just leave it blank in the STP2 reporting group?	TOIL accrued, is generally a $0 amount therefore you could categorise as Gross, OT or Other Paid Leave and it should not affect your STP Reporting $.
Where can we get the ATO list of additions & deductions categories?	Hi Karina - please refer to this ATO site https://www.ato.gov.au/Business/Single-Touch-Payroll/Expanding-Single-Touch-Payroll-(Phase-2)/

<table>
<tr>
<td>We created pay codes under Pay Classes for time and attendances. it calculates overtime/ penalty rates
 do i need to add to STP setup?</td>
<td>A Pay Class will have Rates categorised as:

Normal Rate
Time\Half rate
Double Rate
Other Rate
Award rate

Etc
These relate to Pay Component setup. If for example a pay class goes through as Normal Rate it will use the STP2 Reporting Group for the Pay Component ‘Normal Rate’</td>
</tr>
<tr>
<td>If wishing to report Child Support deductions and they are set up as an Exclude from STP as after tax. How do we report this?</td>
<td>These currently cannot be reported via STP2 in MicrOpay. Please see Services Australia for how to report Child Support deductions.</td>
</tr>
<tr>
<td>If we have Directors who are usually set up as salary and wages but now need reporting as Director Fees, do we have to set up as an addition before Tax and if so will they still run through auto pay without a base salary in there?</td>
<td>Directors’ fees
If you pay directors’ fees you must separately include these in your STP Phase 2 report.
Directors’ fees include payments to:

the director of a company
a person who performs the duties of a director of the company
a member of the committee of management of the company, or as a person who performs the duties of such a member if the company is not incorporated.

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.
Only pre-sacrifice amounts that are classified as OTE should be included as directors’ fees.
If you are making a back payment or arrears payment, it may be included as directors’ fees.
The following table outlines some examples of what should and shouldn't be included in Directors’ fees.
Directors’ fees reporting examples
<table>
<tr><th>Include</th><th>Don't include</th></tr>
<tr><td>› remuneration you pay to a working director
› remuneration you pay to a non-working director</td><td>› a bonus paid to a director – these should be reported as bonuses and commissions
› allowances paid to a director – these should be reported as the relevant allowance type</td></tr>
</table>
</td>
</tr>
<tr>
<td>Do you have to report Casual with a base and 25% top up show separately or can this all be included as base.</td>
<td>You will need to check the wording of your award. If the award says the 25% is paid to compensate for overtime or leave, then it needs to be shown separately. If the award does not stipulate what the 25% is for, it can be shown as one value.
<table>
<tr><td>› Saturday
› Penalty rates</td><td>These are not allowances.
Option 1
If the payment is connected to the employee’s ordinary hours, this should be reported as Gross.
Option 2
If the payment is connected to the employee's work outside their ordinary hours, this is should be reported as Overtime.</td></tr>
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</table>
</td>
</tr>
<tr>
<td>We have the Paid Parental Leave - Company under User Define Leave and it is under the Pay Components
Do I have to do another code for Company paid parental leave</td>
<td>If the payment is being made using Leave Reason Parental leave Company, that Leave Reason must be defined as Gross > Leave Type P</td>
</tr>
<tr>
<td>Where do I find the "Enable STP2" button</td>
<td>In the STP2 wizard, on the final page called Status. You Must be logged in as Administrator to access the STP2 Wizard.</td>
</tr>
<tr>
<td>How we categorise public holiday?</td>
<td>Is this a public holiday worked? Unworked? Is this make up pay the employee is receiving? Your award or EBA will be the best place to get guidance on a public holiday worked, and if this is considered overtime.
Public Holiday (paid at normal time) GROSS>Gross
Public Holiday (paid at penalty rates) GROSS>Gross
Public Holiday (paid at overtime rates) GROSS>Overtime</td>
</tr>
<tr>
<td>For novated car lease wash up adjustment, if it is pay back to employee for before tax payment, that should be Addition Before Tax and STP2 reporting group for Gross, right?</td>
<td>I believe there are several ways you could process this. Please see advice from ATO on your specific requirements.</td>
</tr>
<tr>
<td>We pay our staff for on call (24 hours a day) which being 8 hours during their normal worktime and 16 hours</td>
<td>Yes, as part of the disaggregation of gross, you will need to separate out the normal work time from the task allowance and the overtime. And pay each component separately.</td>
</tr>
</table>

after normal hours. Does that mean we need to split the payment to 1/3 as KN task allowance and 2/3 as overtime? thank you.	
We have a separate leave system. all paid leaves e.g. annual leaves, sick leaves do not get processed in payroll and we just make standard pay very month. only unpaid leaves or unused leaves on terminations get processed. with STP2 do we have to process all leave types in payroll?	Yes, as part of the disaggregation of gross STP2 subgrouping requirements, you will need to separate out the normal work time from leave.
Hi there, we use a third-party salary packaging agent. They will arrange with staff and tell us how much to deduct from each fortnight. It's a lump sum deduction at the moment, do we need to find out what they are(eg car/house/entertainment) and separate them for STP2?	https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?page=4#Salary_sacrifice

	Salary sacrifice through a third-party provider Some employers outsource the management of their salary sacrifice arrangements to a third-party provider rather than managing those arrangements themselves. In this situation you must still include salary sacrifice amounts in your STP reporting. We understand that this might mean your provider has not given you all the information you need in time for your STP reporting. You know that your employee has sacrificed an amount, but you might not know whether it is salary sacrifice to super, salary sacrifice to other employee benefits, or a combination of both. We have a concessional approach to help you report in this situation: › You can report the whole amount sacrificed as salary sacrifice type O (Other benefits). › Make a correction to your reporting when you know how much salary was sacrificed towards super. › Ensure that when you finalise at the end of the financial year your STP reporting is showing the correct amounts. This is a concession for STP reporting only – it does not change your super guarantee obligations. You still need to make sure that you are paying at least the minimum super guarantee on your employee's OTE base (including amounts salary sacrificed to super) each quarter. **Example: salary sacrifice with a third-party provider** Each fortnightly payday, one of Kim's employees sacrifices $150 from their salary. Kim uses a third-party provider to manage salary sacrifice for her employees, and each fortnight she sends $150 to her chosen provider to be applied in accordance with the instructions provided by the employee. When Kim sends the sacrificed amount to the third-party provider, she does not know how her employee has instructed them to apply the amount. Kim chooses to use the ATO's concessional approach, so she includes the sacrificed $150 as Salary sacrifice type O in her STP reporting. At the end of each quarter, the third-party provider sends Kim a report showing how the amounts sacrificed by her employee have been applied. Kim uses this report to identify that from each of the 6 fortnightly pays during the quarter, her employee sacrificed $50 to super and $100 to other benefits. Kim lodges an update event to correct her STP reporting by increasing the YTD amount reported at salary sacrifice type S by $300 and reducing the YTD amount reported at Salary sacrifice type O by $300 so that it shows the correct amounts. Kim also reviews her super guarantee records to ensure she has paid enough for this employee for the quarter. At the end of the financial year, Kim uses the reports her third-party provider has sent her to make sure that she has reported correct amounts as Salary sacrifice type S and Salary sacrifice type O before she finalises.
Is the car allowance (not taxable part) an OTE item?	OTE relates to if the item is Ordinary Time Earnings for super purposes. If the item is not superable it is not an OTE item. https://www.ato.gov.au/Business/Super-for-employers/Paying-super-contributions/How-much-super-to-pay/List-of-payments-that-are-ordinary-time-earnings/
Showing the wizard information for STP2, is this going to auto populate if we have already set this up for STP1	No. The mapping of data for STP1 and STP2 is different. You will need to go through the wizard and map your data before enablement.
Is there a separate tax code in STP2 for ETP Tax	Termination will be processed as usual. Pay Components relating to termination that are already existin gin MicrOpay will have ETP categorisation. General > maintenance>Pay Components.

Should we complete all the tick boxes before we update MicrOpay to version 9.1.SP3?	You can update now and finish the tick boxes after the upgrade, it is entirely up to you. We would encourage you to upgrade before
Once we update MicrOpay to version 9.1.SP3, does it mean we have already enabled STP2 ?	You will still need to map the data and press the Enable STP2 button in the status page of the wizard.
Sorry, just to confirm if correct. Our mapping is not yet ready for STP2. Can we upgrade to the latest MicrOpay version already? Or need to complete mapping first before upgrading?	Either way is fine
Can we have some help with purchase leave?	Hi Belinda - as you work through the details at https://access-support.force.com/Support/s/article/Access-MicrOpay-STP2-and-MicrOpay if you then require further assistance our support team is available to assist. You may also like to engage with further training or consulting which can be viewed at https://www.theaccessgroup.com/en-au/payroll/resources/micropay-single-touch-payroll-phase-2-changes/
Do we need to do anything for data that has already been reported through stp1, once we change to STP2	No
When moving from STP1 to STP2 how are the YTD figures handled? Does the system break down the previous Gross amount based on allowances/deductions new mapping? Or is that something that has to be done manually? I cant find anything on the support pages to advise on the move mid FY. Thanks	Amount reported as STP1 remain as STP1. Amounts reported as STP2 are reported as STP2. All allowances / deductions need to be mapped, so they can be categorised correctly for the ATO disaggregation of gross.
We were not on the correct version when	I am not sure which reports? Here is the process I would follow: Upgrade to the latest version. Check the wizard.

doing STP2. We had a paid MicrOpay consultant to help with the process - do all the reports need to be run again after updating to 9.1 SP3?	If there any new fields, map the data. When you are ready, press Enable STP2
Hi, we are yet to update to the latest version but have almost completed the STP2 wizard classification. Will the upgrade retain the changes?	Yes, when you upgrade your version, any setup you have done will be retained.
If we are paying someone a professional development allowance but we do not require them to provide tax invoices etc, they just receive it as part of their salary whether they fully expend it or not. Do we class this as other allowance general or as QN?	From the information provided, the categorisation for this could easily fall into a number of options. Please contact the ATO for confirmation as to which they fee is the best fit.
I don't have the complete column with a green tick - how do I find this? We did pay for MicrOpay help to set up STP2 in June 2022	Please install the latest version 9.1 SP3
Will there be a new checklist for payroll processing available for STP2?	Yes. The link to this was included in the release email.
I still can't see the ATO documents etc. We don't have these boxes in the view... Can you send them out via email, please?	https://www.ato.gov.au/Business/Single-Touch-Payroll/Expanding-Single-Touch-Payroll-(Phase-2)/Common-STP-Phase-2-reporting-questions-and-mistakes/ https://www.ato.gov.au/Business/Single-Touch-Payroll/Expanding-Single-Touch-Payroll-(Phase-2)/Employer-STP-Phase-2-checklist/ https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/

<table>
<tr>
<td>For the Ex-gratia. Should I choose lump sump payment under STP2 Reporting Group?</td>
<td>Is the ex-gratia payment being given as part of a termination or while the employee is working. If while working, it might be considered a bonus.

Bonuses and commissions

You may pay some employees bonus and commission payments to reward their performance, service or for meeting a specific goal. These are typically paid as a lump sum.

Only pre-sacrifice amounts that are classified as OTE should be included as bonuses and commissions.

If you are making a back payment or arrears payment, it may be included as bonuses and commissions.

The following table outlines some examples of what should and shouldn't be included in Bonuses and commissions.

Bonuses and commissions reporting examples

<table>
<tr><th>Include</th><th>Don't include</th></tr>
<tr>
<td>› Christmas bonus
› retention bonus
› sign-on bonus for new employees
› performance bonus
› referral bonus
› bonus labelled as ex-gratia but in respect of ordinary hours work
› return-to-work bonus after parental leave
› commission payment</td>
<td>› bonuses and commissions that relate entirely to work performed outside normal hours – these are reported as overtime</td>
</tr>
</table>
If as part of a termination it has not changed.</td>
</tr>
<tr>
<td>If we have a work holiday maker employee. IS our company has to be register with ATO in relation to this? If yes, what is the process.

Thank you.</td>
<td>https://www.ato.gov.au/Business/Registration/Work-out-which-registrations-you-need/Taxation-registrations/Employer-registration-for-working-holiday-makers/</td>
</tr>
<tr>
<td>HI
what category would be Paid Parental Leave in STP2? Thanks</td>
<td>https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?anchor=Reportingtheamountsyouhavepaid#PaidLeave</td>
</tr>
</table>

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<tr>
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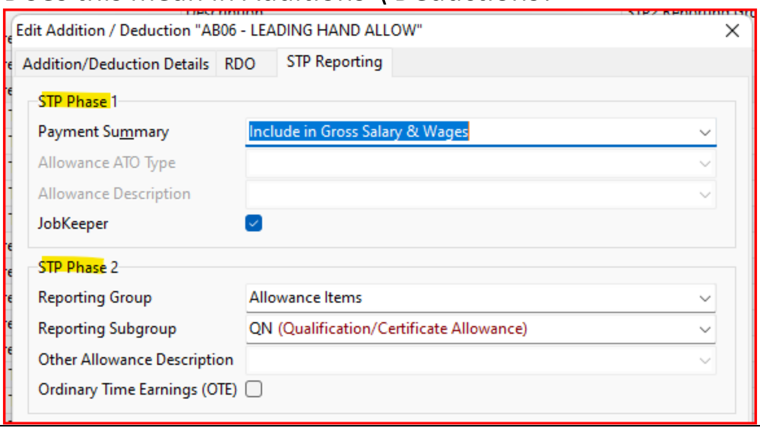
<td>
Paid parental leave (paid leave type P)

All types of paid parental leave must now be reported separately.

Only pre-sacrifice amounts that are not classified as OTE according to the Superannuation Guarantee Act 1992 (SGAA) should be included as paid parental leave. Some industrial instruments may require super to be paid on these amounts.

If you are making a back payment or arrears payment, it may be included as paid parental leave.

The following table outlines some examples of what should and shouldn't be included in Paid parental leave.

Paid parental leave reporting examples
<table>
<tr><th>Include</th><th>Don't include</th></tr>
<tr>
<td>› government paid parental leave (GPPL)
› employer paid parental leave</td>
<td>› bonuses that are paid as an inducement for an employee to return to work after a parental leave absence – this payment must be reported as bonuses and commissions
› keep in touch days when the employee attends work – this must be reported as gross</td>
</tr>
</table>
</td>
</tr>
<tr>
<td>when will we receive an email with the V9.1 SP3 upgrade being available to upload</td>
<td>Hi Judy - the release has been made available including our Payroll Online environment is now running V9.1 SP3</td>
</tr>
<tr>
<td>Hi I am not sure what you mean we are currently running Version SP1 - we usually receive an email to say this is available re the SP2 upgrade as our network won't allow to use the notification part</td>
<td>Hi Judy - we were referring to the version prior to our current release. V9.1 SP3 (which has also been upgraded in our Payroll Online environment) is the STP ready version that can be used once you have completed your configuration</td>
</tr>
<tr>
<td>What about YTD values for Terminated employees prior to the migration to STP2?</td>
<td>Anything processed under STP1 stays as STP1 requirements.</td>
</tr>
<tr>
<td>Setting up new pay codes now before STP2, the STP configuration is based on STP2 reporting how do we setup paycodes under STP1?</td>
<td>Does this mean in Additions \ Deductions?


</td>
</tr>
<tr>
<td>Do we need to finalize the month with STP1 before starting STP2?</td>
<td>NO. You can activate SPT2 between finishing one and starting the next pay period, mid month.</td>
</tr>
</table>

how to rectify categorisation error after enabling STP2?	You can recess the STP2 wizard via Admin. Make the change to the data mapping in the wizard and then run an update event to correct the data sent to the ATO
how to rectify categorisation error after enabling STP2, i.e. if you realize there is a mistake in categorisation after STP2, how can we amend the configuration?	You can recess the STP2 wizard via Admin. Make the change to the data mapping in the wizard and then run an update event to correct the data sent to the ATO
We have many Casual/ Relief Staff who come and go. We terminate them and then open up when they join back. What reasons in the Cessation do we use?? Thanks	Based on the below, it could be C? https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?anchor=Whenanemployeetransfersorleaves#Whenanemployeetransfersorleaves **Cessation reason** There are many reasons why employees leave, and you will need to include the reason in your STP report. Cessation reasons you can report 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, 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.
At present we use "Casual termination". Would it be different in STP2 phase??	You can still choose Termination Reason as 'Casual termination' but you must now also choose the STP Cessation Reason depending on the circumstances ie Transfer, Dismissal, Contract Cessation etc. You must determine the cessation reason. Please seek advice from ATO if you need assistance selecting the correct Cessation reason.
So can we switch to new version and still report STP1 till we are ready to report STP2? If we upgrade immediately, does that affect when we generate payslips immediately or is that	Yes. You can upgrade to the latest version and not enable STP2 until you are ready. As soon as you upgrade, the order of your end of pay process will change

only when we enable STP2?	
Received the updated version V9.1SP3 notification last week. Can I load this before I am STP2 ready?	Yes. Please load this as soon as possible
We had an Access consultant set up our STP2 sometime before EOY June 2022. Has there been changes since then? Does it need to be redone?	Hello - the latest version has some updates - please refer to https://access-support.force.com/Support/s/article/Access-MicrOpay-STP2-and-MicrOpay and then advise us if you need further assistance
Does backpay have to be disaggregated	https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?anchor=Reportingtheamountsyouhavepaid#Backpays

<table>
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<td>
Back pays

Sometimes there may have been an oversight or delay and you need to make a back payment to an employee. As back payments are not a single type of payment, there is no single way to report them through STP. Instead, you need to consider the circumstances of the back payment.

In some cases, the back payment you are making may be a lump sum E payment. Lump sum E is a separately reported payment type for STP.

If you are making a back payment to an employee and it is not lump sum E, then report it in STP as the relevant payment type (such as gross, allowances or overtime).

Lump sum E
Lump sum E is an amount of back payment of remuneration that accrued, or was payable, more than 12 months before the date of payment and is greater than or equal to the Lump sum E threshold amount ($1,200).

Your payroll solution may report Lump sum E:
› in each STP report, or
› only when you finalise your reporting at the end of the financial year.

Both ways are acceptable.

You must report Lump sum E YTD amounts by specifying each prior financial year to which the amount relates.

When you report lump sum E payments, you will no longer need to issue employees with a lump sum E letter at the end of the financial year. This information will now be available on their income statement.

The following table outlines some examples of what should and shouldn't be included in Lump sum E.

Lump sum E reporting examples
<table>
<tr><th>Include</th><th>Don't include</th></tr>
<tr>
<td>› back payments which accrued, or were payable, more than 12 months before the date of payment and are greater than or equal to the lump sum E $1,200 threshold</td>
<td>› back payments that total below the lump sum E threshold
› back payments that accrued or were payable less than 12 months before the date of payment</td>
</tr>
</table>
</td>
</tr>
<tr>
<td>To clarify - we will have to update the cessation reason for all employees that have left in this financial year?</td>
<td>Yes, that is correct</td>
</tr>
<tr>
<td>If we have allowance/deductions not longer used in the future, shall we "exclude it from STP 2 reporting?"</td>
<td>Duplicate question</td>
</tr>
<tr>
<td>Pay components screen STP2 reporting group and subgroups are greyed out - has this been completed on MicrOpay end already ?</td>
<td>Yes</td>
</tr>
<tr>
<td>Is there any IQ report available to download</td>
<td>No but a previous question I included a chart of the selections.</td>
</tr>
</table>

the STP Additions and Deduction set up?	
Do I need to see a tick in the STP2 setup screen/vizard if my system is set up since June ready to go for STP2?	Yes. If you do not see ticks, please ensure that you are on the most recent version 9.1 SP3
Hi I have 4 different databases do I need to do this process in each database. regards Tina	Yes you will Tina 😊
Hi once we upgrade the stp 2 in Nov, does micropay record automatically stp 1 from Jul22-Oct22, and STP2 from Nov22?	MicrOpay will start reporting in SPT2 format from the time you press the enable STP2 button
A before tax garnishee for Centrelink. How do i code this please. Many thanks	Please seek advice from ATO
What is the best STP Cessation reason to select for a Casual Termination	Based on the below, it could be C? https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?anchor=Whenanemployeetransfersorleaves#Whenanemployeetransfersorleaves **Cessation reason** There are many reasons why employees leave, and you will need to include the reason in your STP report. Cessation reasons you can report 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, 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.

Is there a way to mark disused additions/deductions etc as inactive so as to not need to classify for STP2?	No. All additions and deductions need to be categorised for STP2. See above related answers.
Doeas micropay go back records from 1 July when tick enabled stp 2?	MicrOpay will report in SPT 2 from the point it is enabled. Existing records reported as SPT1, will remain in STP1 format
How about express super used after stp 2 is enabled? Do I need to do anything ?	The Express Super process has not changed.
How should we report HECS-HELP as a part of salary packaging?	Seek advice from ATO
Purchased Leave Before Tax Deduction Glenn at Acess STP2 webinar last week said this should go to Gross however there is no option in MicrOpay STP2 only Salary Sacrifice or Deduction items, where should it go?	
Where do I find the STP2 wizard?	Make sure you are on the most recent version 9.1 SP3. Log in as the system administrator and right of the menu bar at the top, you will see the STP2 wizard.
How to do a negative ""Salary Sacrifice" reporting? For example, a staff did $5k salary sacrifice, but later on the staff required a $2k salary sacrifice returned to the Employer, pass to the employee as taxable income. How to tell ATO that now the salary sacrifice is $3k only (not $5K). Thanks.	See Knowledge base about Manual Calc or Adjustments. https://access-support.force.com/Support/s/ Also the ATO community is a good place for advice on STP2 treatment. https://community.ato.gov.au/s/
We have lots of allowances we no longer use, is there a way we can bypass the STP2 set up?	NO. Each item must be mapped before enabling SPT2. Please see similar earlier question.

We have 225 transactions with invalid leave reasons in the status page. Why is that and how do we correct those?	Please contact the support team for help with this
Hi, under employees tab, what is the STP ATO defined? does this need to be filled in?	• ATO Approved Downwards Variation • Death Beneficiary • Non-Employee The ATO Employers Guide has further information on these: https://www.ato.gov.au/misc/downloads/pdf/qc66099.pdf
Leading hand allowance, Do we need to have separate categories, one for Leading hand on normal hours and one for Leading hand on overtime. It is treated as an all purpose allowance under our award, Thank you Donna	Hi Donna, this question probably needs to go to the ATO. You have correctly identified that there are two ways this could be interpreted, so best go to the experts to get clarification on this.
so would you put it in as do not report to STP2 the child support	Yes
So I have a code to manual accrue TOIL in my Adds and Deds code how do you report stp2 because it is showing a red cross?	If you are just using to accrue leave an no $ amount you can choose Gross, Overtime or Paid Leave.
how to go live stp2? my wizard is less than what you have, does that mean i need to update to a newer version of MP to be able to view all?	Sounds like you are not on the most current version. Please install 9.1 SP3.
Could you please help with the coding of casual loading?	Hi Tina - all details of the required configuration changes are available at https://access-support.force.com/Support/s/article/Access-MicrOpay-STP2-and-MicrOpay. For further assistance either via training or consulting please refer to https://www.theaccessgroup.com/en-au/payroll/resources/micropay-single-touch-payroll-phase-2-changes/#690689b0916b493bba9b663bb5339642

I have employee additional super set up as a deduction after tax, which category would this need to be under?	This does not need to be reported to the ATO