

QUESTIONS	ANSWERS
<p>We employ staff for an event and they only work for 10 days and then we terminate them. They are casual. What reason would be specify for them.</p>	<p>Read from the list and select the 'best fit' C maybe?</p> <p>Cessation reason</p> <p>There are many reasons why employees leave, and you will need to include the reason in your STP report.</p> <p>Cessation reasons you can report are:</p> <ul style="list-style-type: none"> › 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.
<p>If we haven't transitioned to STP2 yet, do we still have to follow the STP2 check list if our software has been updated?</p>	<p>You will still need to map all your data in the STP2 wizard and enable STP2 reporting.</p>
<p>Is there a checklist or a step by step guide as to where to commence in transitioning to STP2. We have had a lot of information sent and available but not a step by step guide as to where to commence</p>	<p>https://www.theaccessgroup.com/en-au/payroll/resources/micropay-single-touch-payroll-phase-2-changes/</p>
<p>If there are STP errors, how will these appear and are there IQ/audit reports we can run prior to running the STP Process</p>	<p>There might be 2 types of errors – one in the data structure for example a field is missing like a cessation reason missing from a terminated employees file. Or there might be a calculation error, due to mis mapped data. IE you have an item classified as gross, which should be reported separately. The best way to find mis mapped data is to run some spot checks on your STP2 file, before submitting it to the ATO. Check an employee that has overtime, one that has leave, one that has an allowance and check the mapping looks right.</p>
<p>Trying to correct Leave Reason Codes, is the only fix a script ? and if so how long would this take.</p>	<p>If you have invalid leave reasons, yes the fix is a script. Please contact the help desk for further information regarding this.</p>

<p>With the Update Leave Entitlements screen, after we select the Pay Frequency. What do we need to do then, do we need to change the "Leave Entitlement Date" to the next period end date or just push "OK"?</p> <p>Current Leave Entitlement Date is 30/10/22 (our next period end date).</p>	<p>When you update leave entitlements before producing pay advices, employee balances are updated for the current pay period, based on transactions processed in the period.</p> <p>If the current Leave Entitlement date shown is what you are expecting to see then you can just click OK.</p> <p>Note that if you process further transactions in the same pay period, then you will need to Update Leave Entitlements again to ensure leave balances are updated based on the latest transactions.</p>
<p>If an employee dies, is it ok to record a cessation reason of Deceased when you are still waiting on direction from Estate to pay entitlements?</p>	<p>Yes.</p> <p>The processing of unused leave on termination has not changed</p>
<p>how to process unused leave on termination</p>	<p>The processing of unused leave on termination has not changed</p>
<p>Hi how to set-up my child support in STP2</p>	<p>It is not mandatory for Child support payments to be reported through STP2, and Micropay not include STP2 reporting options for these type of payment.</p> <p>From the ATO STP2 Reporting Guidelines:</p> <p>Child support reporting</p> <p>If your STP solution offers the functionality, you can choose to report child support amounts through STP. If you do so you:</p> <ul style="list-style-type: none"> > won't need to report those amounts separately to Services Australia > must still pay the required amounts to Services Australia using the payment information specified in the Child Support notice issued to you. Do not pay child support amounts to us. <p>If you can't or choose not to use STP to report child support amounts then you must continue to report directly to Services Australia using your existing reporting channels.</p>
<p>We are a school and we pay the teachers their pay as one item but it is actually made up of the pay for their grade plus leadership points if they are a manager. Should we be splitting the pay and the leadership pay. If so does the leadership pay still appear as gross pay?</p>	<p>Pay components that under STP2 are not categorised as gross, must be separated out.</p> <p>https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?anchor=Reportingtheamountsyouthavepaid#Gross</p>
<p>Can you provide the links to the ATO guideline discussed in yesterday's Webinar thanks tania</p>	<p>https://www.ato.gov.au/Business/Single-Touch-Payroll/Expanding-Single-Touch-Payroll-(Phase-2)/Employer-STP-Phase-2-checklist/</p> <p>https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/</p> <p>https://www.ato.gov.au/Business/Single-Touch-Payroll/Expanding-Single-Touch-Payroll-(Phase-2)/Common-STP-Phase-2-reporting-questions-and-mistakes/</p>

<p>Can I ask. We terminated an employee and employee was reinstated using Terminated employee Code. in STP1 Now in STP2 how do we correct as it is now blocking STP Update screen Thanks Tania</p>	<p>Please contact support for assistance with correcting this so that you can report the update in STP2. Before calling, please check the Cessation Reason field in the employee's Termination Details and make sure that it is cleared.</p>																						
<p>Can I enable STP 2 mid month or should I wait until the beginning of a new month? does it matter?</p>	<p>Enable STP2 after the end of a pay run, but before the start of the next one. IT doesn't matter if it is mid month.</p>																						
<p>In regards to RDO - currently we show the 40 hrs worked less the 2 hrs deducted and accrued to RDO. Both have an hourly rate ie value but I have heard a few times that only payments made will be included for Gross. Would this not increase the Gross for the year as I need the deduction amount to reduce the hourly amount.</p>	<p>If I understand this correctly, the employee works 40 hours and is paid 38. The 38 paid hours are reported as gross. The 2 hours RDO when banked are not reported. When the 2 hours are paid [when the employee takes the leave] the hours are reported as O – if this is paid at ordinary time.</p> <p>Other paid leave reporting examples</p> <table border="1"> <thead> <tr> <th>Include</th><th>Don't include</th></tr> </thead> <tbody> <tr> <td>> annual leave and leave loading</td><td>> leave loading that is clearly linked to a notional loss of opportunity to work overtime – this payment must be reported as overtime</td></tr> <tr> <td>> long service leave</td><td>> flexi time taken – this is not a paid absence during ordinary work hours and is reported as gross</td></tr> <tr> <td>> personal or carer's leave</td><td>> Paid parental leave (paid leave type P)</td></tr> <tr> <td>> RDOs (time taken and paid at ordinary rates)</td><td>> Workers' compensation (paid leave type W)</td></tr> <tr> <td>> TOIL (time taken and paid at ordinary time)</td><td>> Ancillary and defence leave (paid leave type A)</td></tr> <tr> <td>> compassionate and bereavement leave</td><td>> Cash out of leave in service (paid leave type C)</td></tr> <tr> <td>> study leave</td><td>> Unused leave on termination (paid leave type U)</td></tr> <tr> <td>> family and domestic violence leave</td><td></td></tr> <tr> <td>> special paid leave</td><td></td></tr> <tr> <td>> gardening leave</td><td></td></tr> </tbody> </table>	Include	Don't include	> annual leave and leave loading	> leave loading that is clearly linked to a notional loss of opportunity to work overtime – this payment must be reported as overtime	> long service leave	> flexi time taken – this is not a paid absence during ordinary work hours and is reported as gross	> personal or carer's leave	> Paid parental leave (paid leave type P)	> RDOs (time taken and paid at ordinary rates)	> Workers' compensation (paid leave type W)	> TOIL (time taken and paid at ordinary time)	> Ancillary and defence leave (paid leave type A)	> compassionate and bereavement leave	> Cash out of leave in service (paid leave type C)	> study leave	> Unused leave on termination (paid leave type U)	> family and domestic violence leave		> special paid leave		> gardening leave	
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<p>Our Leave Type setup is all setup as 'Other Leave' and as such I am getting errors in the STP2 status saying 444 records have an invalid leave reason. Does Annual Leave, Sick Leave and LSL all have to linked to the corresponding Leave Type?</p>	<p>The standard Annual Sick and Long</p>																						

<p>Can Annual Leave have a leave type of 'Other'</p>	<p>Other paid leave (paid leave type O)</p> <p>All forms of paid absences should be reported as Other paid leave (paid leave type O) unless they are required to be itemised using another leave type.</p> <p>Only pre-sacrifice amounts that are classified as OTE should be included as other paid leave.</p> <p>If you are making a back payment or arrears payment, it may be included in other paid leave.</p> <p>The following table outlines examples of what should and shouldn't be included in Other paid leave.</p> <p>Other paid leave reporting examples</p> <table border="1"> <thead> <tr> <th>Include</th><th>Don't include</th></tr> </thead> <tbody> <tr> <td>> annual leave and leave loading</td><td>> leave loading that is clearly linked to a notional loss of opportunity to work overtime – this payment must be reported as overtime</td></tr> <tr> <td>> long service leave</td><td>> flexi time taken – this is not a paid absence during ordinary work hours and is reported as gross</td></tr> <tr> <td>> personal or carer's leave</td><td>> Paid parental leave (paid leave type P)</td></tr> <tr> <td>> RDOs (time taken and paid at ordinary rates)</td><td>> Workers' compensation (paid leave type W)</td></tr> <tr> <td>> TOIL (time taken and paid at ordinary time)</td><td>> Ancillary and defence leave (paid leave type A)</td></tr> <tr> <td>> compassionate and bereavement leave</td><td>> Cash out of leave in service (paid leave type C)</td></tr> <tr> <td>> study leave</td><td>> Unused leave on termination (paid leave type U)</td></tr> <tr> <td>> family and domestic violence leave</td><td></td></tr> <tr> <td>> special paid leave</td><td></td></tr> </tbody> </table>	Include	Don't include	> annual leave and leave loading	> leave loading that is clearly linked to a notional loss of opportunity to work overtime – this payment must be reported as overtime	> long service leave	> flexi time taken – this is not a paid absence during ordinary work hours and is reported as gross	> personal or carer's leave	> Paid parental leave (paid leave type P)	> RDOs (time taken and paid at ordinary rates)	> Workers' compensation (paid leave type W)	> TOIL (time taken and paid at ordinary time)	> Ancillary and defence leave (paid leave type A)	> compassionate and bereavement leave	> Cash out of leave in service (paid leave type C)	> study leave	> Unused leave on termination (paid leave type U)	> family and domestic violence leave		> special paid leave	
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<p>We role allowance up into our hourly rate (leave loading, dirty allowance, boots) do these need to now be separated?</p>	<p>Yes, these need to be separated out. I have a link below to information on specific allowances that need to be reported.</p> <p>https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?anchor=Reportingtheamountsyouthavepaid#Allowances</p>																				
<p>Question specifically for teaching staff and assistants whose salaries are averaged/annualised: how do we report on their annual leave?</p>	<p>A similar question was asked and answered in the ATO Community site: https://community.ato.gov.au/s/question/a0J9s000000NxxhPEAS/p00196592?referrer=a0N9s000000DacGEAS</p> <p>Please note that:</p> <ul style="list-style-type: none"> You will need to register to use the ATO Community site The person answering the question emphasised that it was their opinion only. You may need to seek further clarification directly from the ATO. 																				
<p>We use ESS - what do we need to adjust?</p>	<p>Nothing needs to be changed in ESS</p>																				
<p>Q 1. We are in Education Sector and as per our Multi Enterprise Agreement, Leave Loading is paid to our Staff at the</p>	<p>https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?anchor=STPPHase2reportingQuickreferenceguide#STPPHase2reportingQuickreferenceguide</p>																				

<p>end of the year in Dec. Currently we have set this up as an addition before tax and pay as a one-off amount. How shall we categorise this in STP2?</p> <p>Q 2. Our Teacher's salary is paid throughout the year, means they don't accrue annual leave and currently annual leave is categorised as normal pay. Will we need to classify this differently in STP2?</p> <p>Q 3. Some of our Support Staff whose salary is averaged have user defined leave for non-term time that accrues every fortnight. How shall we classify this in STP2?</p>	
<p>in the Summary of Changes for STP2 Setup we have 'Transactions with invalid Leave Reasons'. How do we fix them?</p> <p>thanks, Nirmala</p>	<p>You will need to contact our support team to assist you with this</p>
<p>A group of our employee's receive an aggregate hourly rate which incorporates shift penalties. This is written into their EBA, Do we need to break this down for STP2? Public holidays and overtimes are paid separately</p>	<p>Read through your EBA to be sure of the incorporated items and then the ATO information to check what needs to be reported separately https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?anchor=Reportingtheamountsyouthavepaid#Gross</p>
<p>do you still need to tick update leave balances at the end of pay?</p>	<p>If you updated leave balances before producing pay advices then you don't need to update them again at end of pay. You can leave the checkbox ticked at EOP, it won't update the leave entitlements again. If the pay frequency includes many employees and you have already updated their leave entitlements, unticking Update Leave may speed up the EOP process.</p>
<p>Do I need to put a STP cessation reason before i can pay a terminated employee</p>	<p>Yes.</p>
<p>i have updated leave entitlements and then I run EOP as per the checklist but EOP asking again to update leave entitlements, do I keep that ticked or untick</p>	<p>You only need to update the leave entitlements 1 time.</p>

When would the Cessation Reason "transfer" option be applicable?	<ul style="list-style-type: none"> 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. <p>(From the ATO Employer Reporting Guidelines for STP2)</p>
You dont make payments to the deceased person - you are paying their estate, so it is a new employee - we processed through accounts payable to the lawyers handling the estate.	Yes, that is correct – please refer to the e-knowledge answer https://access-support.force.com/Support/s/article/Access-Micropay-How-to-process-a-termination-transaction-due-to-Death
I have employees in Workers compensation, PPL and Unpaid leave. Can you give me an idea on how these will change, please?	<p>The way that you process these leave types will not change but the Leave Reasons will need to be set up so they can be reported correctly via STP2.</p> <p>For STP2 reporting:</p> <ul style="list-style-type: none"> Paid Leave for Workers’ Comp should be setup in Micropay with STP Reporting Group > Paid Leave and STP Reporting Sub Group > W (Workers Compensation) PPL should be setup with STP Reporting Group > Paid Leave, STP Reporting Sub Group > P (Paid Parental Leave) Unpaid leave does not have to be reported via STP2, as there is no payment to report. (STP Reporting Group > Exclude from STP Reporting) <p>From the ATO STP2 Employer Reporting Guidelines: https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?page=4#Paid_leave</p>
We have people move from full time to casual. We process a termination and then re-instate them into the system. Should we use the code transfer or is there a better way to process this situation?	Select the explanation that you feel ‘best fits’

	<p>Cessation reason</p> <p>There are many reasons why employees leave, and you will need to include the reason in your STP report.</p> <p>Cessation reasons you can report are:</p> <ul style="list-style-type: none"> › 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.
I want to ask about TIL banked hours. We currently have it as Additional Before Tax item. Under STP2 reporting, we do not need to report this since only hours are being accrued. Only when it is being paid out then it is reported. However under Additional Before Tax, there is no option for excluding from STP reporting. Should we change it to Additional After Tax?	This should remain as addition before tax and please set up as Other Paid Leave (leave type O) as there is no value against the banking of the TIL addition code, it will have a nil effect.
Is Time off in Lieu marked as Other Leave ?	Yes, Other Paid Leave (leave type O)
We have a deduction before tax, which is a repayment to Centrelink. Can you advise how we should code this? Should it be Deduction Items? But then it isn't a fee or workplace giving.	From ATO STP2 Reporting guidelines, there are two types of deduction that are reportable for STP2, Workplace Giving and Fees. The other option that is available to select in MicrOpay is Gross, if Centrelink deduction should not be included as gross, you may need to seek clarification from the ATO on how this deduction should be treated
Once we enable STP2, will we get rejection messages or reports to advise if anything is coded incorrectly? What will be the alert if something's not right?	Depending on where the error is, it may get picked up soonish or not. If an item previously reported under STP1 has decreased, they will contact you. If it is a new item being reported, then it might take a little time for them to build up an expected pattern for this items. If the payments don't meet the pattern, they will contact you – but this will take them longer to uncover.
What happens we have to pay a terminated staff a back payment for example money received back from a salary packaging company to be reimbursed to staff after deducting tax. Is there a special code for this payment	<p>Back pay – total is below Lump sum E threshold</p> <p>The payment type that matches the payment.</p> <p>For example, back pay of ordinary pay = gross, back pay of higher duties allowance = task allowance (allowance type KN).</p>

	<p>Back pay – accrued less than 12 months before date of payment</p> <p>The payment type that matches the payment.</p> <p>For example, back pay of ordinary pay = gross, back pay of higher duties allowance = task allowance (allowance type KN).</p> <p>Back pay – accrued more than 12 months before date of payment</p> <p>Lump sum E https://www.ato.gov.au/Business/Single-Touch-Payroll/In-detail/Single-Touch-Payroll-Phase-2-employer-reporting-guidelines/?anchor=STPPPhase2reportingQuickreferenceguide#STPPPhase2reportingQuickreferenceguide</p>
<p>Hi, On the payroll check sheet / update leave entitlements, before pay advices. If you go to Trans / General / Hi, I haven't gone live with my STP2 as yet. Under Maintenance / Leave / Annual Leave, I have set up a new class for HRS4WKS with an accrual rate. When and how do I link this to all the employees, or is this done automatically once I'm live?leave entitlements, there is a box 'Initial Balance'. What is this for and when do I select it?</p>	<p>Make sure you are on the current version 9.1 SP3. Log in as the system administrator and go to the STP2 wizard from the menu bar at the top. Configure all your STP2 fields from within the wizard</p>
<p>is STP2 through same screen of STP1?</p>	<p>The reporting to the ATO? Yes</p>