

## Attaché Payroll and Attaché Alex June 2007

# Sending payment summaries by email or fax

### Overview

Updates to Attaché Payroll over recent years have facilitated the delivery of Payment Summaries and custom employee notifications (such as Pay Advices) via email and fax.

In making electronic delivery of these important documents available to Payroll users, Attaché has provided flexibility, efficiency and savings to every Payroll user. As well, we have given you the ability to design Pay Advices and Super Guarantee Reports which meet your requirements and a choice of two Payment Summaries to suit your distribution needs.

### Payment Summaries – a Special Case

Payment Summaries are different to Pay Advices and Super Guarantee Reports in that their design and layout are dictated by the Australian Taxation Office and consequentially you do not have the ability to modify them.

For any payment summary printed from 1 July 2006 onwards, the N = Normal and Z = Z-fold layouts should be used. The default setting on first use is Normal.

#### Note

The Single Page, Two Page and Three Page layouts are now **obsolete**, but have been retained in Attaché Payroll in case you need to reprint old payment summaries. Use these layouts only when reprinting payment summaries for tax years which ended on 30 June 2006 and earlier.

Type	Description	Email	Fax	Print
Normal	Suitable for window-face envelopes.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Z-Fold	Suitable for Z-fold stationery.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Single Page <b>(obsolete)</b>	Traditional single sheet with Tax Return Copy, Payee Copy and Notice to Payee all on one page. Great to print and post or hand-deliver and also excellent for plain paper fax but not optimised for email.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Two Page <b>(obsolete)</b>	Two sheets with Tax Return Copy on one sheet and Payee Copy and Notice to Payee on the second. OK to print and post or hand-deliver. Good to fax and acceptable for email.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Three Page <b>(obsolete)</b>	Three sheets with Tax Return Copy, Payee Copy and Notice to Payee each on a separate sheet. Not recommended for print (too much paper). Acceptable for fax (although charged as three pages) and optimised for email.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## Payment Summaries - Email, Fax or Print?

In deciding whether to email, fax or print your Payment Summaries, you need to consider not only the costs and benefits to the business of each method, but also the possible costs and benefits to employees.

Consider the following table showing the costs and benefits of Email and Fax over Print.

	Benefits	Costs
Employer	<ul style="list-style-type: none"><li>• Security and privacy</li><li>• Reduced costs of stationery</li><li>• No printing, folding, stuffing</li><li>• No envelopes to address</li><li>• Ease of distribution</li><li>• No stamps or courier costs</li><li>• Reduced workload for pay officer</li><li>• Reduced workload for line managers</li><li>• Ease of reprint, resend</li><li>• Proof of receipt</li><li>• Ease of tracking</li></ul>	<ul style="list-style-type: none"><li>• Price of email or fax*</li></ul>
Employee	<ul style="list-style-type: none"><li>• Increased security</li><li>• Ease of access</li><li>• Convenient</li><li>• Ability to store electronically</li><li>• Ability to reprint</li></ul>	<ul style="list-style-type: none"><li>• Email or fax address</li><li>• Printing</li></ul>

\* Currently 50 cents per email and 55 cents per fax plus 22 cents for each additional page.

## Are electronic payment summaries legal?

Generally, under pay as you go (PAYG) withholding, a payer must give each of their employees and other workers a payment summary detailing payments made and amounts withheld for a financial year.

While payment summaries have traditionally been provided to these payees on paper, either using Tax Office forms or by printing them on plain paper, they may now be provided to certain payees electronically, provided that ATO instructions are adhered to.

The following questions and answers are provided by the Australian Taxation Office:

- ***Do payers need to obtain their payees' consent to send their payment summary to them electronically?***

Yes, payers who intend to provide payment summaries to their payees electronically must obtain the consent of each payee.

- ***Do payers need to tell their payees that they have provided their payment summaries electronically?***

Yes, payers must tell their payees that the payment summaries are available and ensure that payees know how to access and print them. Printed payment summaries should be of letter quality print or laser printed.

- ***Do payers need to provide paper payment summaries?***

Payers will need to continue to be able to provide paper payment summaries where payees request them.

- **Do payers have an obligation to protect the security of payment summary information?**

Yes, payers will need to ensure the method chosen to distribute electronic payment summaries to payees is secure enough to meet payer's obligations under privacy and taxation legislation to protect tax file numbers and other information belonging to payees.

Source: "PAYG withholding guide no. 4 - providing payment summaries electronically" from the ATO web site at <http://www.ato.gov.au/businesses/content.asp?doc=/content/34901.htm>

## **Sending payment summaries by email or fax**

Now that you have decided to send payment summaries electronically you need to do the following to ensure that you have the right software and that you have met your legal obligations.

### **1. Upgrade to Attaché 7 or Business Partner/Catapult version x6.204**

This upgrade gives you access to the latest payment summary layouts. For any payment summary printed from 1 July 2006 onwards, the N = Normal and Z = Z-Fold layouts should be used. The Single, Two and Three Page layouts are now obsolete.

### **2. Upgrade to the latest AlexConnect**

The latest AlexConnect allows you to set up Payment Summary delivery options for each of your employees to ensure that the document is delivered in the right format and with appropriate security.

### **3. Test your software**

To ensure that you have everything in place ready for end-of-year, you should do a few test runs with the new Payroll and AlexConnect software. You can do this with either a copy of your live data or with Attaché sample Payroll data.

While testing you can send a reasonable number of emails to your registered Alex email address free of charge. However, you will be charged for emails to other addresses and faxes. Your registered Alex email address is the one set up in Senders Properties in the Employee Delivery Address Manager (**Tools | Company | Alexconnect | Employee Delivery Address**).

If your registered Alex email address is one such as Admin@mycompany.com.au that is used for Accounts (Invoices, Orders, Remittances, etc) we strongly suggest that you register a different address such as Payroll@mycompany.com.au for all Payroll documents. This will enable you to block access to the online payroll documents from non-authorised staff and ensure that you fulfil the ATO's security requirements.

### **4. Survey your employees**

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To ensure that you have correct information and to comply with ATO regulations, you need to survey your employees to ascertain their preferred delivery method and to gather information relating to delivery addresses and 'passwords'. Sample documents to assist with this are available from the General Documentation area of the CBP Members website ([www.attachesoftware.com/cbpmembers](http://www.attachesoftware.com/cbpmembers)).

## 5. Enter employee addresses in the employee delivery address manager

Even if you already send Pay Advices and Super Guarantee Reports via Alex, you will need to set up a new delivery address for each employee to receive Payment Summaries. When you do this be sure to change the default document type from All to Payment Summary and enter the email address and unlock code requested by the employee. You will note that Payment Summaries are Locked documents which require an 'unlock code' (password). This is to ensure the privacy and security required by the ATO.

### Tip

To speed up creating new records in the employee delivery address manager, use copy (Ctrl-C) and paste (Ctrl-V) to create a copy of an existing address, then double-click to edit.

### Warning!

Fax or email to generic work fax machines or email addresses may contravene ATO privacy and security requirements.

### *For the technologically minded*

If you are feeling pretty confident and are not at all technologically challenged, you can use XML Export and Import to very quickly create new records for all employees. All you have to do is use the XML export function in the Employee Delivery Address Manager to export the existing addresses to an XML file.

Open the resulting file in a basic editor which **does not** recognise XML (such as Notepad or WordPad) and edit the records to reflect your new information. Once you have made all of the required changes, import the resulting file.

Please be aware that the imported records will be appended to the address list – so it is important to only have **new** entries in the file. Also, Payments Summaries must have the correct document type and authorisation fields as shown below:

```
<?xml version="1.0"?>
<DocumentDelivery>
  <Employee>
    <Location></Location>
    <Code>ADEJ</Code>
    <Document>
      <Active>True</Active>
      <Type>Employee Payment Summary</Type>
      <Method>Email</Method>
      <Copy>1</Copy>
      <Name>Joe Adelino</Name>
      <Address>gerardb@attachesoftware.com</Address>
      <DeliveryNotify>False</DeliveryNotify>
      <SenderName>&lt;Default Sender Name&gt;</SenderName>
      <LDAPAuthRequired>True</LDAPAuthRequired>
      <LDSEnder>ADEJ</LDSEnder>
      <LDRecipient>27051953</LDRecipient>
    </Document>
  </Employee>
</DocumentDelivery>
```

## 6. Printing Payment Summaries

After you have completed all your testing and setups, create and print your Payment Summaries.

## 7. Sending the right Payment Summary forms

When you print payment summaries you can choose between two layouts, N = Normal and Z = Z-Fold (see Payment Summaries – a Special Case, on page 1). The default layout on first use is Normal, after which the software defaults to the layout that was last selected.

The Single Page, Two Page and Three Page layouts are now obsolete, but have been retained in Attaché Payroll in case you need to reprint old payment summaries. Use these layouts only when reprinting payment summaries for tax years which ended on 30 June 2006 and earlier.

## 8. Notifying employees that payment summaries are available

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***... payers must tell their payees that the payment summaries are available and ensure that payees know how to access and print them. Printed payment summaries should be of letter quality print or laser printed.***

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When you send a pay advice via Alex email, the employee will receive an email advising them that their Payment Summary is available at the 'click of a button'.

A confidential document has been sent to you.

<b>Sender:</b>	<b>Attache Sample Company</b>
<b>Sender address:</b>	<b>paymaster@attache.com.au</b>
<b>Recipient:</b>	<b>George Andrews</b>
<b>Recipient address:</b>	<b>georgea@bigpond.com</b>
<b>Document type:</b>	<b>Payment Summary</b>
<b>Document number:</b>	<b>ANDG 2002</b>

[Click here](#) to get the document.

The online Payment Summary contains buttons and instructions to assist in viewing and printing.

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To ensure the security and privacy of the TFN and other information, the Payment Summary is protected by a password. The employee will be advised that this is a Confidential document and they must enter the unlock code provided by the sender and then press View.

## 9. Re-Printing Payment Summaries

If an employee deletes their email or has difficulty printing the Payment Summary they can request that you reprint it and then either email them a copy or give them a hard copy.

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***Payers will need to continue to be able to provide paper payment summaries where payees request them.***

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To reprint Payment Summaries, select **Period End | Payroll | Payment Summaries | Print Payment Summaries**. Enter the original payment summary date and starting tax year and tick Re-Print Payment Summaries. Page Down and enter the (Location and ) Employee Code Range.

Page Down again to the Output screen. If you are resending as an email (and the employee's email address is still set up in the Employee Delivery Address Manager,) select Print (F9). If you wish to create a hard copy, change Output to *Printer only*, select your Printer (F6) and Print (F9). Or, you can enter a different email address or fax number to output the document.

## 10. Following up

To ensure that all of your employees receive their Payment Summaries within the statutory 14 days you should track the notification emails using either the Alex website or through your regular Alex Exception Reports.

### Tracking documents on the web

To track documents on the web, go to [www.attacheonline.com/alex](http://www.attacheonline.com/alex) and sign in using your registered Alex sender address and password. (If you do not know or have forgotten your password, click the Forgot your password link and request a password reset. This will normally happen within 60 minutes but could take up to 24 hours.)

Select the criteria for the documents you want to list and press List Now. You can see a full list of all documents which meet your criteria. To view only those unopened emails and undeliverable faxes, set your selection criteria to *Not opened by the recipient*.

### Using exception reports

If you do not want to go to the web to track documents, you can have Alex Exception reports emailed to you on a regular basis. By default, Alex will send you a weekly list of any undelivered faxes and unopened emails. You can have the list sent daily, weekly, monthly or not at all. The bottom of each Exception report tells you how to unsubscribe or change how frequently you receive them.

See the sample exception report below.

You should follow-up any employees who have not received their Payment Summary within the time required by law. You may need to print and hand-deliver or post Payment Summaries to these employees.