

Memo

To: All Staff
From: Human Resources/Payroll
Date: 4 February 2019
Re: Single Touch Payroll - Pay Cycle Change

The Australian Tax Office (ATO) has implemented Single Touch Payroll (STP) for employers with more than 20 employees. This will change the way the company reports employee pay, tax and superannuation information to the ATO. What it means for the company is that each time a pay run is completed, that information is sent directly from the software to the ATO. This creates a problem for Newcastle Hunter Payroll as currently the pay cycle is not aligned with the pay day.

The current pay cycle runs from Thursday to Wednesday, timesheets cut off on Monday and pays are processed on Tuesday. This means that payment for Tuesday and Wednesday is in advance, creating a problem with the introduction of the ATO's Single Touch Payroll.

In order to fix the problem, the pay cycle will be changed to run Saturday to Friday. The pay run will continue to be processed on Tuesday and payday stays the same. To change to the new cycle, there needs to be a transition pay cycle.

What it means for you:

Pay Date	Pay period	Payrun Info
Wednesday 20th March	14/3 to 20/3	Normal pay
Wednesday 27th March	21/3 to 22/3	Pro rata pay of 2 days No Bank Splits Can "Opt-In" to receive a full week's pay with 3 days pay being a loan advance
Wednesday 3rd April	23/3 to 29/3	Normal pay

What you will need to do:

- If the 2-day pro rata pay on 27th March will create a financial problem for you, you can 'opt in' to be paid an advance for the other 3 days i.e. receive a full week's pay. **Opt-in form must be completed and returned to payroll by 25th February.** Copy of the form is attached, available from payroll or via the Kloster Intranet.
- Check the timing of any direct debits, mortgage payments, credit card payment, rent payment, insurance/health payment, gym memberships etc. against what funds you will have in your bank account. Contact your financial institution if you need to make changes.
- Check the impact of any bank splits you have with your pay; i.e. you have your pay going to more than one account
- If you opt in to be paid the advance pay, you will need to pay back the 3 days advance in equal instalments over the next 6 pay periods.

Should you need further info, please contact Annette O'Connell on ext. 8502 or at payroll.nhd@apeagers.com.au, talk to your manager or contact a HR representative.