

Payday Filing Info Sheet



Simplifying payday filing for you and your clients

It's not long before payday filing becomes mandatory in April 2019. Keep in mind the end of the financial year is a busy time, so we recommend you get ready now.

What's payday filing?

It's a new requirement for reporting payroll information every payday, instead of monthly, to the Inland Revenue (IR). From April 2019 all employers will be required to report to the IR on the day they pay staff instead of filing an Employer Monthly Schedule on the 20th of the month.

Current Process	New Process
Employer Monthly Schedule (IR348)	Employment Information (EI) return completed with the payroll
Employer Monthly Schedule Amendments (IR344)	Correct employment information online
Set up of new employees (IR330 and KS2)	Single online form that pulls data from software to be filed on, or before and new employee's first payday
PAYE reports sent to IR monthly	Payday information sent to the IR within: <ul style="list-style-type: none"> + 48 hours for electronic filers + 10 days for paper filers
PAYE payment due date	No change
Employer Deduction Form (IR345)	No longer required

FAQ's

1. Which of my clients will be impacted by mandatory payday filing?

All of your clients that employ staff will be required to complete payday filing with the IR after it becomes mandatory on 1 April 2019.

If an employer's total PAYE/ESCT is less than \$50,000 for the previous year ended 31 March 2018 they can file one of two ways:

- + Electronically via payroll software or online through myIR. Due date is 2 working days of the pay day
- + With a paper return (but only from April 2019). Due date is within 10 working days of the pay day

Any clients you have with a total PAYE/ESCT more than \$50,000, must file electronically

2. What information is reported through payday filing?

Employment information including what businesses send today with their IR348 as well as:

- + ESCT for each employee
- + Pay period start and end dates
- + Pay cycle e.g. weekly, monthly, ad hoc
- + Payday date
- + Additional information about new and departing employees.

3. Can I file on my clients' behalf?

Yes, but depending on the payroll software you use, you may need to ask them to update their myIR third party access settings to allow you to file on their behalf.

If you use the online MYOB Essentials Payroll software you'll be able to complete payday filing on behalf of your client with the click of a button, without leaving the software. Easy.

If you use the Ace Payroll or MYOB Payroll software you can produce the payday file in the software. However, you'll then need to upload the file to the IR using your client's myIR account. To allow you to do this, your client will need to update your permissions in their myIR third party access settings.

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4. Can I upload more than one client's payday file at a time?

Currently no. You will need to complete filing for each client individually with each pay run.

Please note: The Government has proposed a change to more formally recognise the relationships between tax intermediaries, like payroll bureaus, and their clients. If the legislation is passed, from 23 April 2019, you will be required to either formally register with the IR as a payroll bureau or set up as a nominated person to act on behalf of each of your clients to continue filing on their behalf. **Registered payroll bureaus will be able to file for more than one client at a time.**

If you have any questions, please contact the IR's Payday Filing Account Management team at PaydayReporting@ird.govt.nz. They can explain the registration process and give you further information about the proposed legislation.

5. Should I opt-in my clients for payday filing before it becomes mandatory in April 2019?

We suggest not opting-in until the payday filing feature is available in your payroll software as this will make the payday filing process easier for you.

6. What can I do to get ready now for payday filing?

It's a good idea to start getting organised now by reviewing your payroll processes and software to identify areas where you can streamline workflows (such as moving from desktop to online payroll software for appropriate clients).

If you haven't already, it would also be useful to inform your clients of payday filing and what it means for them:

- + Make it clear you're well across the changes and that you'll ensure they remain compliant
- + Ask them to update their myIR third party access settings to allow you to file on their behalf before 1 April 2019, this will only be possible once they have opted-in through myIR
- + Let them know to contact you (or the IR if you prefer) if they have any questions about payday filing, or need some help changing their myIR third party access settings

7. How do I opt-in for payday filing?

Before 1 April 2019, if you use desktop software (Ace Payroll, MYOB Payroll and IMS Payroll) you'll need to voluntarily opt-into payday filing through your myIR account. Your clients will need to do the same.

If you use our online payroll software, MYOB Essentials Payroll, you can opt-in through the software before you file your first EI to the IR.

After 1 April 2019, the IR will automatically opt-in all employers for payday filing. To use the myIR upload or paper options, call IR on 0800 377 772. They'll register you and work through the process with you.

8. Do I have to upgrade my payroll software?

Yes. If you use online payroll, like MYOB Essentials, there is no action to take as the payday filing feature will be deployed automatically and we'll notify you once it's available. If you use a desktop payroll solution such as Ace Payroll or MYOB Payroll, we'll notify you when the upgrade is available.

9. When will payday filing be available in MYOB software?

All MYOB payroll software will comply by April 2019. We're in the final stages of testing and expect to have this feature available soon for those who wish to voluntarily opt-into payday filing earlier. You can check the status of your product any time [here](#).

10. How will payday filing impact my payroll business?

If you employ staff, you'll need to complete payday filing just like any other employer. In terms of the impact of filing on behalf of your clients, you may see an increase in workload. For example, a business with a weekly pay cycle will now be required to file employee information four times per month rather than monthly. That's four times the filing time required. If you have a large number of clients on weekly pay cycles, this could have a significant impact on workload.

TIME SAVING TIP:

You can save a significant amount of time, simplify the payroll and filing process, and enjoy other benefits by using an online payroll product like MYOB Essentials Payroll. Essentials Payroll links directly with the IR so you can complete payday filing with the click of a button. You can even use our free PayAgent service for automating wage and PAYE payments and payday reporting.

Where can I find out more?

Call our payroll support team on 0508 328 283 or visit the [Inland Revenue](#) website [here](#).

