



QuickBooks Online and Single Touch Payroll

QuickBooks Online integrated payroll (provided by KeyPay) is working closely with the ATO to be Single Touch Payroll (STP) ready well before 1 July 2018. Here's an outline on how STP is going to work and our recommendations to get you and your clients ready.

How's it going to work?*

1. Employer pays employees



- Employer pays their employees using their Business Management Software (their payroll solution).
- A payslip is generated.
- The bank file is transferred.
- The employee receives payment of their salary or wages.

2. ATO receives information



Information received includes:

- Salary or wages information
- Tax withheld
- Super liability amounts and/or Ordinary time earnings.

When the ATO receives the information, it is matched to the right employer/employee account.

W1 and W2 labels are prefilled on BAS. For larger withholders all W labels are removed from the BAS, PAYG withholding via electronic payment.

3. Information available online



Employers can see their PAYG withholding liability through the portals and pay it more regularly.

Employees can have the information prefilled into their tax returns and lodged through myTax, or a tax practitioner. They can also use myGov to log into ATO online services and view their tax and information.

Tax practitioners have prefilled income tax returns, that will be made available through SBR2 and the Practitioner Lodgement Service (PLS).

Getting ready

Conduct a headcount

This must be done as at 1 April 2018. Talk to your clients about the ATO criteria of what's included and excluded in the headcount.

Check STP readiness

Are your clients' payroll solutions STP ready? QuickBooks Online (provided by KeyPay) is working closely with the ATO and will be ready to go.

Review payroll services

Recommend focusing on:

- Superannuation data is reconciled.
- Check your clients' employee data is up to date and complete.
- Review how you process payroll corrections.

Communicate

Communicate the STP changes to your clients. Let them know the impact of payroll errors.

Price it

Consider offering a one-off STP service to manage the transition for your clients. Emphasise the value of this being done by a professional accounting advisor.

IMPORTANT: The ATO continues to tweak the STP specifications. Keep referring to the ATO website for the latest information.

*Source: ATO, (2017) Payroll Reporting. Full information available at: https://softwaredevelopers.ato.gov.au/sites/default/files/resource-attachments/STP_BIG_v2.0.pdf

Like to know more?

Get access to the latest QuickBooks Online STP information by calling the team on 1800 618 521 or attending our QuickBooks Online and STP webinars. Visit intuit.me/advisorwebinars to reserve your seat.