Payroll Basics

Employee set up



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Set up employees in Xero:

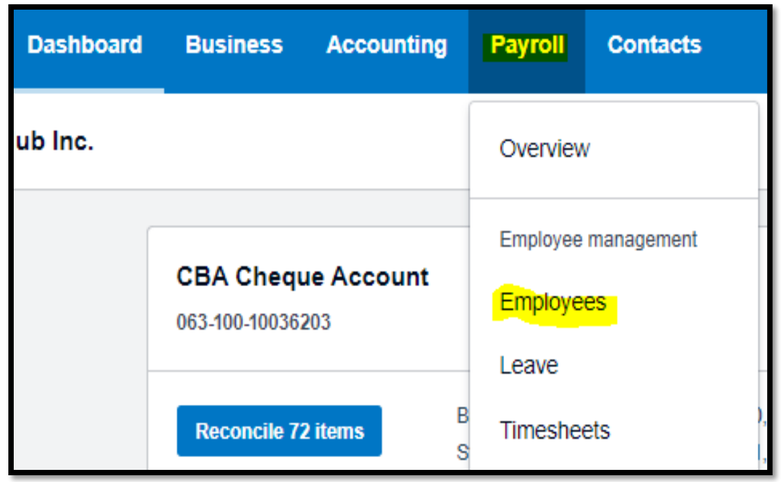
- Once the organization is set up for payroll, we must set up the employees for whom the payroll is required to be processed. Ensure to receive the required documents such as Employment details, Contract, TFN declaration form, Super Choice form etc.

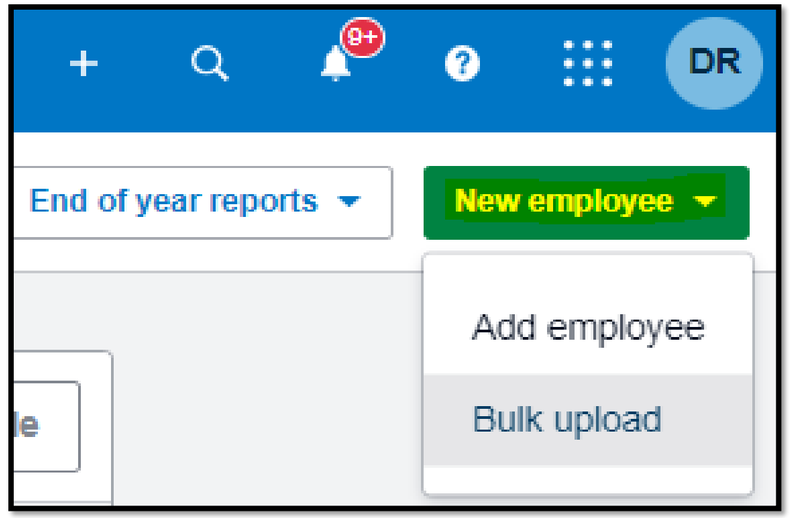
- To add new employees, click on ‘Payroll’ tab. From the drop down menu, click on ‘Employees’.

- On the top right corner, click on ‘New employee’.

- Use the Add employee option if there is just one or few employees.

- Use the bulk upload option to import employee details in bulk. This can be done only by importing the employee details using a CSV template which can be downloaded from Xero.





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Documents required for adding an employee

✓ Employee Contract

✓ TFN Declaration Form

✓ Superannuation Choice Form

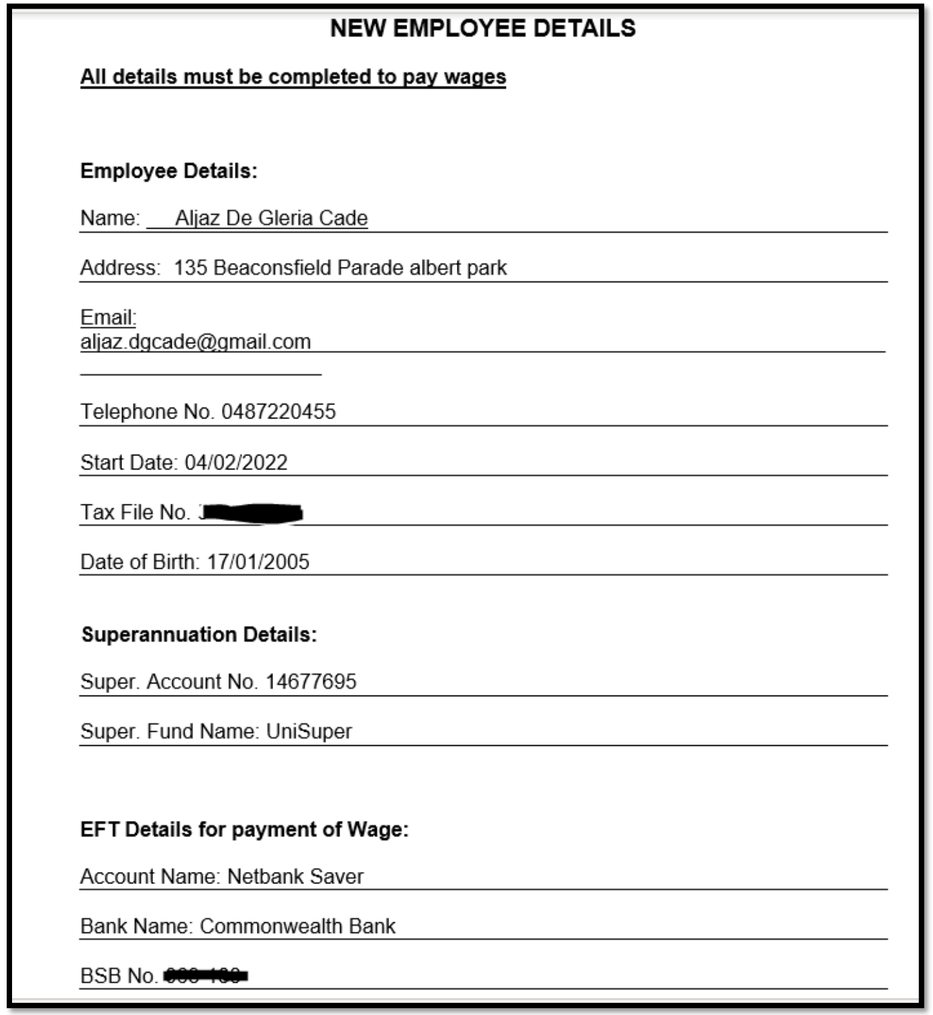
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Employee Contract

Employee contract provides the details of the employee such as Name, Address, E-mail, Mobile number, Start date of employment, Date of Birth etc.

The EFT details of the employee for the payment of wages are also mentioned – Account number, Account name, Bank name and BSB Number.

A BSB is a six-digit number that is used to identify the individual branch of an Australian bank. It is similar to that of the IFSC code we use in India.



NEW EMPLOYEE DETAILS

All details must be completed to pay wages

Employee Details:

Name: Aljaz De Gleria Cade

Address: 135 Beaconsfield Parade albert park

Email:
aljaz.dgcade@gmail.com

Telephone No. 0487220455

Start Date: 04/02/2022

Tax File No. [redacted]

Date of Birth: 17/01/2005

Superannuation Details:

Super. Account No. 14677695

Super. Fund Name: UniSuper

EFT Details for payment of Wage:

Account Name: Netbank Saver

Bank Name: Commonwealth Bank

BSB No. [redacted]

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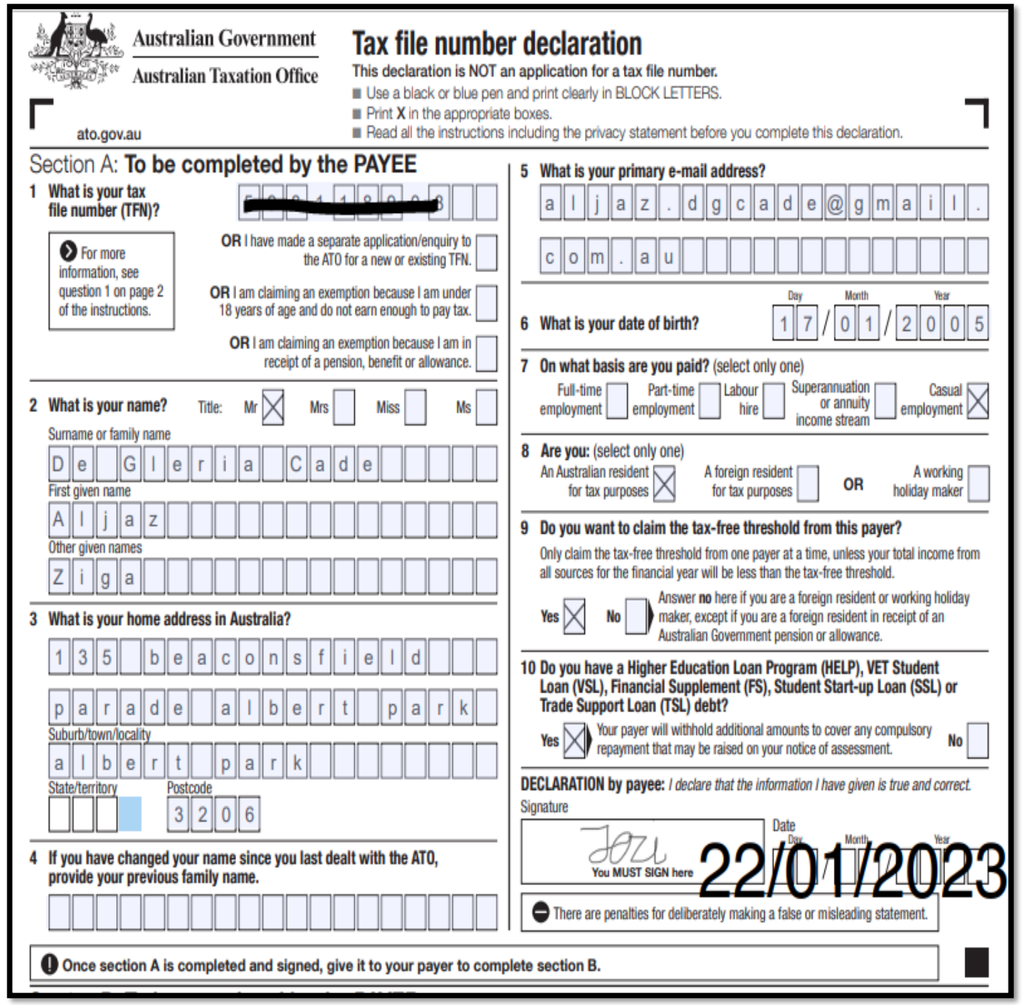
TFN Declaration Form

A TFN (Tax File Number) is a personal 9 digit number that identifies the employee in the tax and super system.

The TFN number remains the same even if the employee switches to a new job.

In the TFN form, you will find the TFN number, personal details of the employee, the basis on which the employee is paid, his residential status, claim for tax free threshold, whether applied for student loan, etc.

Tax free threshold - It is applicable to Australian residents. If you're an Australian resident for tax purposes for a full year, you pay no tax on the first $18,200 of your income.



Australian Government
Australian Taxation Office

Tax file number declaration

This declaration is NOT an application for a tax file number.
- Use a black or blue pen and print clearly in BLOCK LETTERS.
- Print **X** in the appropriate boxes.
- Read all the instructions including the privacy statement before you complete this declaration.

ato.gov.au

Section A: **To be completed by the PAYEE**

1 **What is your tax file number (TFN)?** [redacted]

For more information, see question 1 on page 2 of the instructions.

OR I have made a separate application/enquiry to the ATO for a new or existing TFN. ☐

OR I am claiming an exemption because I am under 18 years of age and do not earn enough to pay tax. ☐

OR I am claiming an exemption because I am in receipt of a pension, benefit or allowance. ☐

2 **What is your name?** Title: Mr ☒ Mrs ☐ Miss ☐ Ms ☐

Surname or family name: De Gleria Cade

First given name: Aljaz

Other given names: Ziga

3 **What is your home address in Australia?**

135 beaconsfield

parade albert park

Suburb/town/locality: albert park

State/territory: VIC Postcode: 3206

4 **If you have changed your name since you last dealt with the ATO, provide your previous family name.**

5 **What is your primary e-mail address?**

aljaz.dgcade@gmail.com

6 **What is your date of birth?** 17/01/2005

7 **On what basis are you paid?** (select only one)

Full-time employment ☐ Part-time employment ☐ Labour hire ☐ Superannuation or annuity income stream ☐ Casual employment ☒

8 **Are you:** (select only one)

An Australian resident for tax purposes ☒ A foreign resident for tax purposes ☐ OR A working holiday maker ☐

9 **Do you want to claim the tax-free threshold from this payer?**

Only claim the tax-free threshold from one payer at a time, unless your total income from all sources for the financial year will be less than the tax-free threshold.

Yes ☒ No ☐ Answer **no** here if you are a foreign resident or working holiday maker, except if you are a foreign resident in receipt of an Australian Government pension or allowance.

10 **Do you have a Higher Education Loan Program (HELP), VET Student Loan (VSL), Financial Supplement (FS), Student Start-up Loan (SSL) or Trade Support Loan (TSL) debt?**

Yes ☒ Your payer will withhold additional amounts to cover any compulsory repayment that may be raised on your notice of assessment. No ☐

DECLARATION by payee: *I declare that the information I have given is true and correct.*

Signature: You MUST SIGN here

Date: 22/01/2023

There are penalties for deliberately making a false or misleading statement.

Once section A is completed and signed, give it to your payer to complete section B.

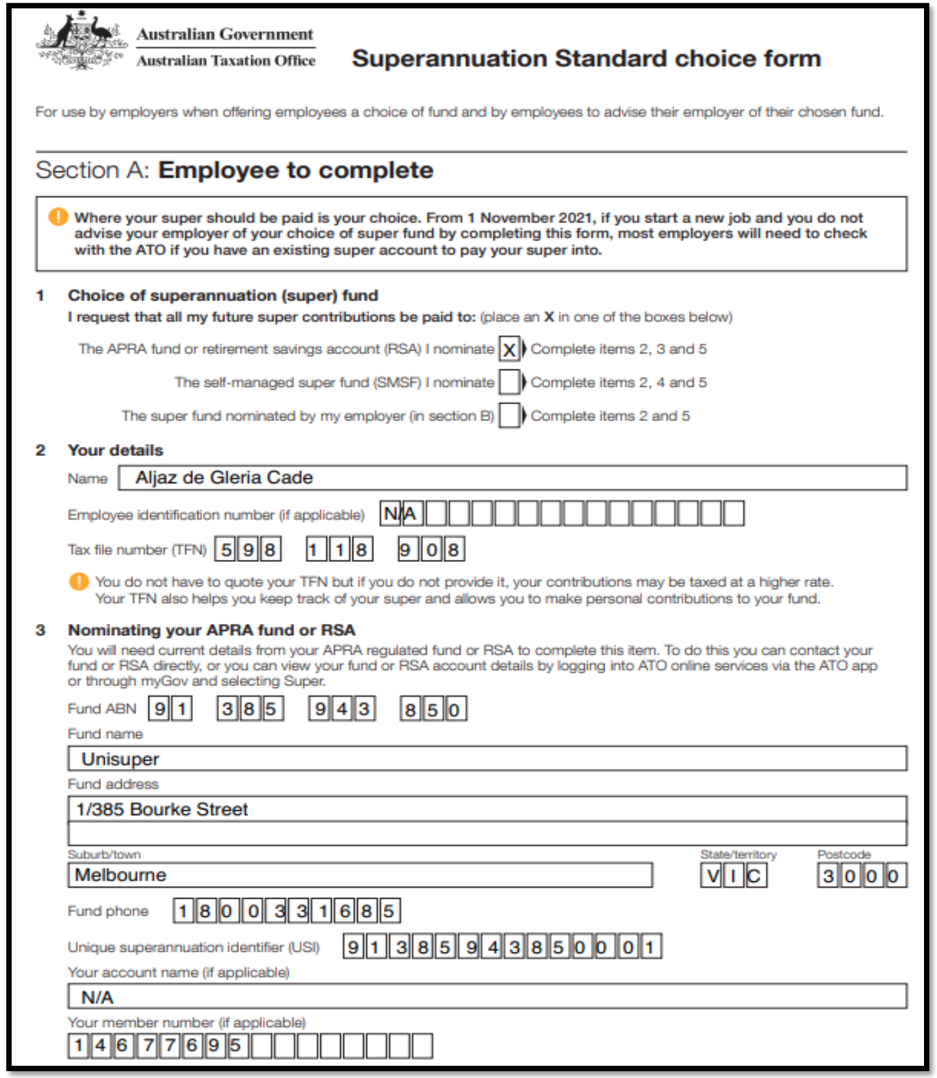
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Superannuation Choice Form

'Superannuation' or in short 'Super' is a way of saving for retirement. The employer must pay a percentage of the employee's earnings into the super account of the employee and the super fund invests the money until you retire. This is similar to that of the Provident Fund Scheme followed in India.

The percentage of superannuation withheld from the employee's salary for the current year (FY 2024) IS 11%.

Superannuation may be regulated or self managed.



Australian Government
Australian Taxation Office

Superannuation Standard choice form

For use by employers when offering employees a choice of fund and by employees to advise their employer of their chosen fund.

Section A: **Employee to complete**

Where your super should be paid is your choice. From 1 November 2021, if you start a new job and you do not advise your employer of your choice of super fund by completing this form, most employers will need to check with the ATO if you have an existing super account to pay your super into.

1 Choice of superannuation (super) fund

I request that all my future super contributions be paid to: (place an **X** in one of the boxes below)

The APRA fund or retirement savings account (RSA) I nominate [X] Complete items 2, 3 and 5

The self-managed super fund (SMSF) I nominate [ ] Complete items 2, 4 and 5

The super fund nominated by my employer (in section B) [ ] Complete items 2 and 5

2 Your details

Name: Aljaz de Gleria Cade

Employee identification number (if applicable): N/A

Tax file number (TFN): 598 118 908

You do not have to quote your TFN but if you do not provide it, your contributions may be taxed at a higher rate. Your TFN also helps you keep track of your super and allows you to make personal contributions to your fund.

3 Nominating your APRA fund or RSA

You will need current details from your APRA regulated fund or RSA to complete this item. To do this you can contact your fund or RSA directly, or you can view your fund or RSA account details by logging into ATO online services via the ATO app or through myGov and selecting Super.

Fund ABN: 91 385 943 850

Fund name: Unisuper

Fund address: 1/385 Bourke Street

Suburb/town: Melbourne

State/territory: VIC

Postcode: 3000

Fund phone: 1800331685

Unique superannuation identifier (USI): 91385943850001

Your account name (if applicable): N/A

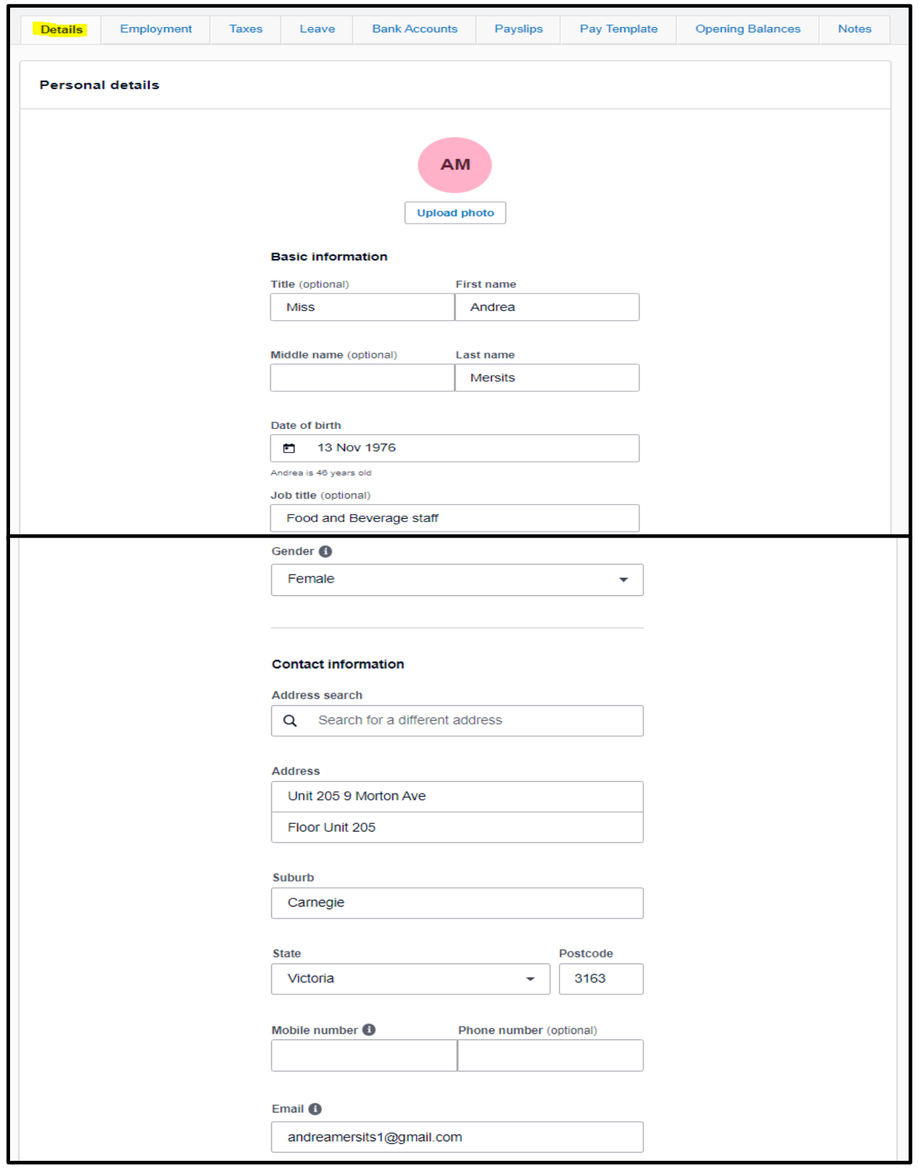
Your member number (if applicable): 14677695

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✓ Employee details:

- Enter the employee's basic details such as title, First name, Middle and last name, date of Birth, Job title, Gender. Contact information such as Address, Mobile number, email and emergency contact as provided by the employee.

- Click on 'Save' before moving to the next tab.

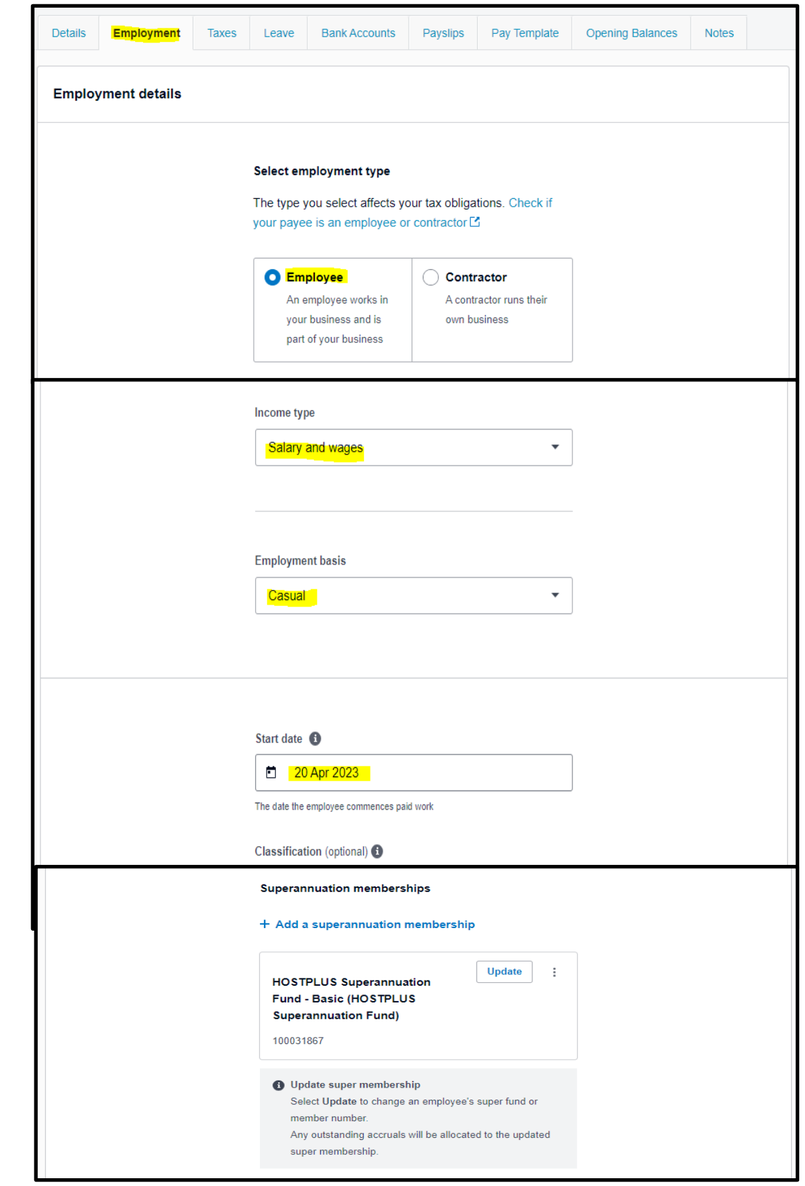


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✓ Employment details:

- Select the employment details such as employment type, Income type and employment basis from the drop down menu.
- Enter the start date of the employee.
- Select the Payroll calendar and Holiday group as applicable to the employee.
- Enter the ordinary earnings rate.
- From the details provided in the Superannuation Choice form, Add the superannuation membership as applicable for the employee.

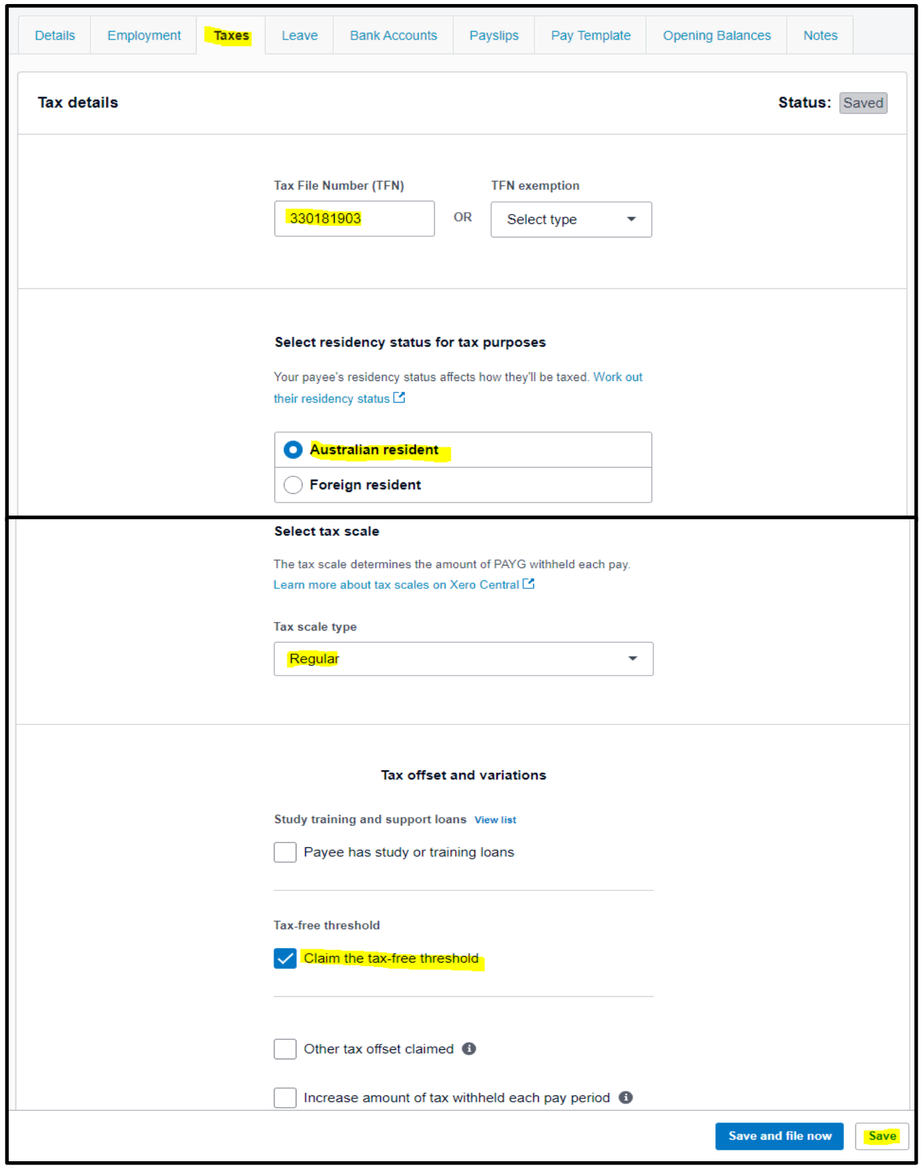


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✓ Add TFN Details:

- From the TFN declaration form provided by the employee enter the Tax File Number. If no TFN is applicable select the relevant TFN exemption type.
- Select the residential status of the employee.
- Select the Tax scale type of the employee.
- Based on the TFN form provided, check the necessary boxes.
- Click on ‘Save’.



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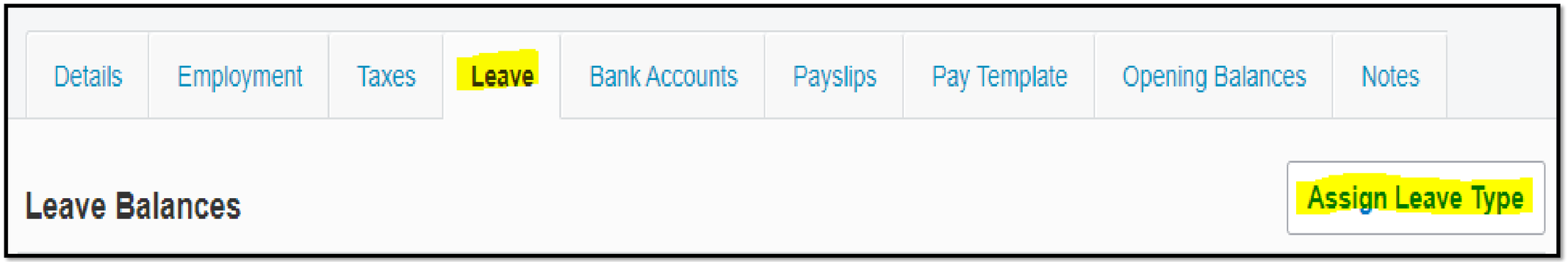
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✓ Leave

It is the period of time an employee does not work.

There are different types of leaves such as Annual leave, Personal or carer's leave, compassionate leave, long service leave, etc.

The leave assigned to an employee is accrual only for the part time and full time employees. In the case of a Casual employee, the leave type is not accrual.



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To assign leave, click on 'Assign leave type'.

Select the type of leave which is to be assigned to the employee.

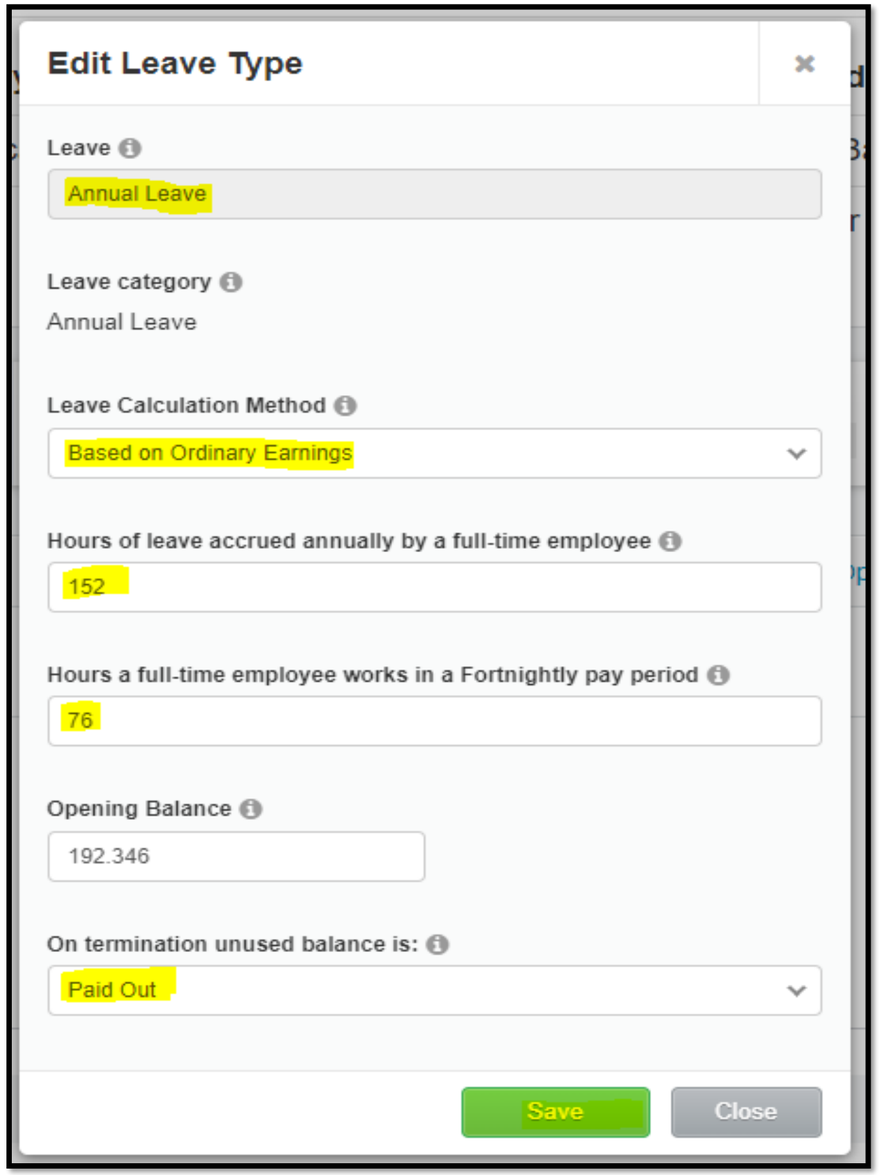
Select the leave calculation method for the employee.

Enter the hours accrued.

If the leave type is 'Annual leave' - the unused balance is 'Paid out' on termination of the employee.

Any other leave type - the unused balance is 'Not paid out' on termination of the employee.

Click on 'Save' to assign the leave type.

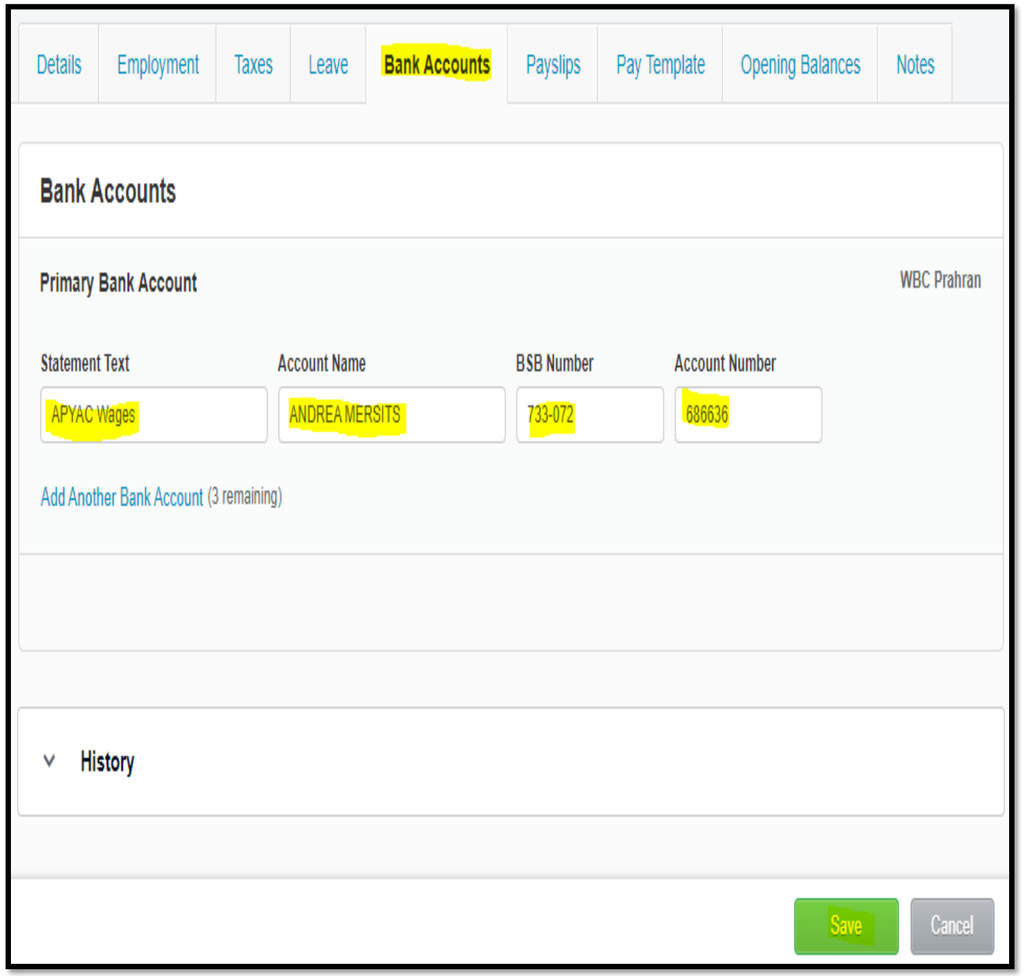


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✓ Bank Account Details:

- In the bank Accounts tab, enter the bank details as provided by the employee.
- Ensure to add the correct bank details as the payroll once processed gets credited to the employee's bank account based on the information provided.
- Give a suitable statement text.
- Enter the account name, BSB number and the account number of the employee.
- Click on 'Save'.



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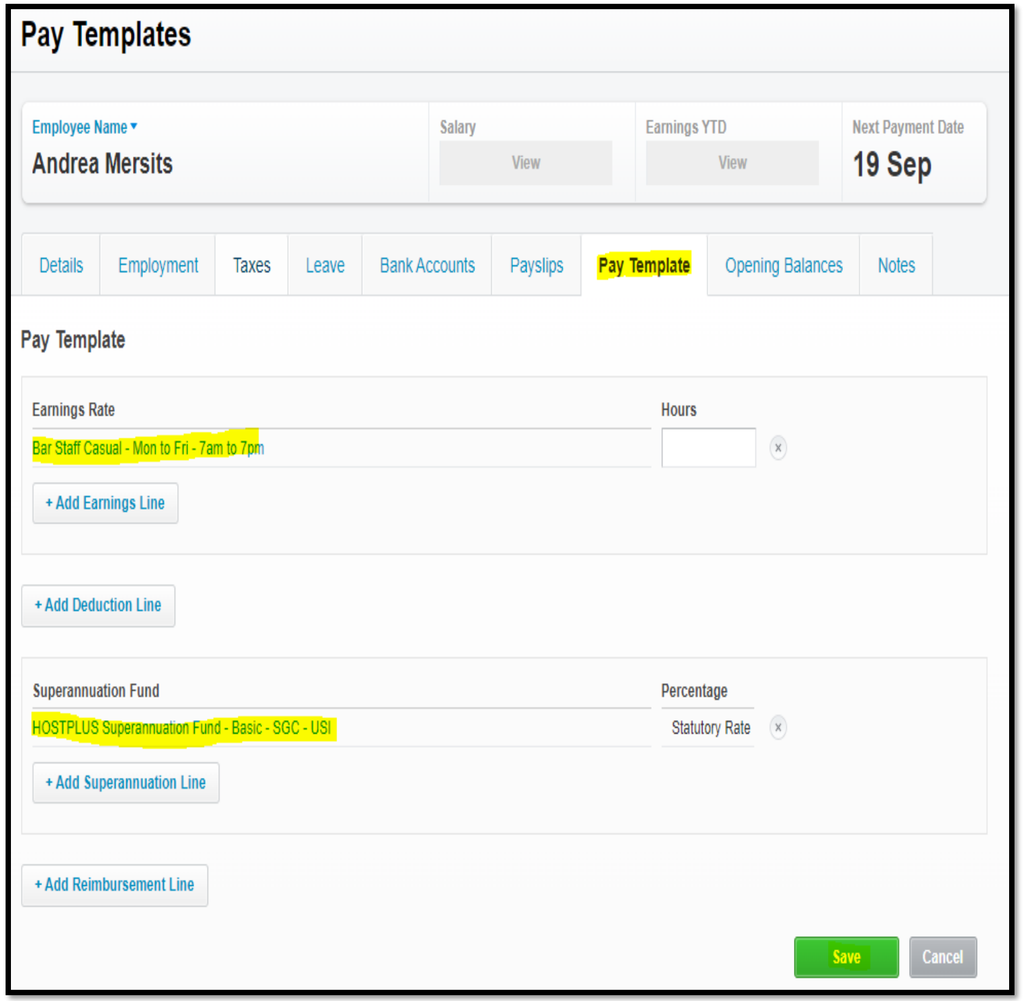
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✓ Set up Pay Template:

Set up the pay template for the employee by selecting the line items for Earnings rate, deductions, and the Superannuation.

If the salary of the employee is fixed, enter the annual salary. On the other hand, if the employee is paid on hourly basis, enter the rate per hour for the employee.

The line items of the payroll when being processed will be shown only if we set up the pay template for the employee. If the pay template is not set up, we will have to manually add the line items each time we process the payroll.



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Thank you

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