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# **MYOB** Ace Payroll 3.48A

## Release Notes

July 2020

**myob**

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# Introduction

## What's New in this Release?

This release contains enhancements aligned to the New Zealand Holidays Act, focused on recording and reporting on Average Weekly Earnings (AWE) and/or Ordinary Weekly Pay (OWP).

## Installing Your Upgrade

**Note:** The ability to update your software directly from within MYOB Ace Payroll is not available for this update. This functionality will be available again from the next release. Follow the instructions below to download and install the software update from the installer file.

### Before you start

- We recommend that you back up your payroll data file to an external drive.
- If your computer only allows users with administrator privileges to install programs, log in to Windows as an administrator.
- Close any open programs.
- Make sure you are connected to the internet.

### Download and install the update

1. Open MYOB Ace Payroll, select Utilities then System Information.
2. Write down the Program Folder location to confirm during installation.
3. Quit MYOB Ace Payroll.
4. [Download the update](#) and run the installer.
5. Follow the onscreen instructions, making sure to install Ace Payroll in the location you wrote down in step 2.
6. Enter your version registration code when prompted. (This code will have been sent to you in an email.)

### Check that your software is up to date

1. Start MYOB Ace Payroll
2. Press F5 to check the version number is 3.48A

If you have any questions, give us a call on 0800 ACE PAY (0800 223 729).

We're here to help.

# New Features

## Holiday Pay Enhancements

This release adds options to include or exclude Allowances from gross earnings for the purposes of calculating Holiday Pay. This has effects on several areas of the system, which are detailed below.

## New Allowance Options

A new **Gross Earnings for Leave Calculation** field is available on the Add New Allowance and Modify An Allowance windows for Allowances whose **Tax Status** is "Taxable":

The screenshot shows the 'Allowance Maintenance' window. At the top, there are fields for 'Ref' (containing '4') and 'Description' (containing 'Course Completion'). Below this, there are several fields: 'Reference No' (4), 'Description' (Course Completion), 'Calculation Method' (Fixed Unit Value \$50,000), 'Gross Earnings for Leave Calculation' (Included for AWE and OWP), and 'Comment' (Incentive). To the right of these fields is a 'Tax Status' section with four options: 'Taxable' (checked with a green checkmark), 'Deduction' (unchecked with a red X), 'Non Taxable' (unchecked with a red X), and 'Reimbursing' (unchecked with a red X). At the bottom of the window are 'OK' and 'Who Uses Report' buttons.

Clicking this field opens the Gross Earnings for Leave Calculation window, which provides options to include or exclude the Allowance from gross earnings when calculating employees' Average Weekly Earnings (AWE) and/or Ordinary Weekly Pay (OWP):

The screenshot shows the 'Gross Earnings for Leave Calculation' window. At the top, it says 'Gross Earnings for Leave Calculation' and 'myob | a.ce PAYROLL'. Below this, there is a paragraph of text: 'Gross Earnings **exclude** payments that the employer is not bound, by the terms of the employee's employment agreement, to pay the employee - such payments will be relatively rare. See the MBIE website for more details.' Below the text are two checked options: 'Include in Gross Earnings for Average Weekly Earnings (Annual Average)' and 'Include in Gross Earnings for Ordinary Weekly Pay (Four Week Average)'. At the bottom of the window are three buttons: 'GO' (green), a blue question mark icon, and 'stop' (red).

By default, both options are ticked (this matches the way Allowances were treated in previous versions of Ace Payroll). If necessary, you can untick either or both of the options for Allowances that should be excluded from gross earnings, e.g. discretionary bonuses.

**Note:** After upgrading to this release, you should go through and check all of your taxable Allowances to make sure that these options are set correctly for them.

The Allowance Index now shows whether or not each allowance is included in gross earnings:

Ref	Desc	Type	Calculation	Gross Earnings for Leave Calculation	Comment
1	Travel	Non Taxable	Pay Rate Units @ \$6.000		
2	Wlnz Repayment	Deduction	Fixed Unit Value \$1.000		
3	Meal Allowance	Non Taxable	Pay Rate Units @ \$1.700		
4	Course Completion	Taxable	Fixed Unit Value \$50.000	Included for AWE and OWP	Incentive
5	Staff Meeting	Taxable	Fixed Unit Value \$20.000	Included for AWE and OWP	
6	Cellphone Allowance	Non Taxable	Fixed Unit Value \$30.000		
7	Staff Meeting - Mgmt	Taxable	Fixed Unit Value \$100.000	Included for AWE and OWP	
8		Taxable	Pay Rate Units @ \$1.000	Included for AWE and OWP	
9		Taxable	Fixed Unit Value \$1.000	Included for AWE and OWP	

The Allowances tab on the Modify Employee Details window also displays this information when the **More Detail** button is clicked:

Ref	Desc	This Pay		Usual Pay	
		Units	\$.c	Units	\$.c
1	Travel - Non Taxable Allowance Pay Rate Units @ \$6.000				
5	Staff Meeting - Taxable Allowance Included for AWE and OWP				

## Effects on Employee Pays

Several areas of employee pays have been updated to display or capture information about whether or not payments are included in gross earnings for the calculation of AWE or OWP.

### Taxable Allowances

The Taxable Allowances window shows the gross earnings status of the selected allowance:

Allowances for CARTRIGHT, Roland T

### Taxable Allowances

Description	Units	Rate	Amount
Course Completion	0.00	50.00	
Staff Meeting		20.00	
<b>Total Taxable Allowances</b>			<b>0.00</b>

Reference : 4  
 Description : Course Completion  
 Type : Taxable Allowances  
**Gross Earnings for Leave Calculation : Included for AWE and OWP**

Usual Pay : nil  
 Last Pay : nil  
 Calculation Method : Fixed Unit Value \$50.00

OK Taxable Non Taxable  
 Deduction All Of Them Change

### Holiday Pay

When cashing up holiday pay, options to include or exclude the payment from gross earnings are now available:

Cashed Up Holiday

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**What You Are Doing**

- CARTRIGHT, Roland T is cashing up holidays to be included in the **Weekly** pay on **10/02/2019**.
- View the [Holiday & Leave Records](#) for this employee.

**What The Law Says**

- Section 28A** of the Holidays Act 2003 allows an employee to cash up one weeks holidays each entitlement year.

**Instructions**

- This employee has been employed for more than a year and has never cashed up any holiday pay.
- An employee can ask to cash up one week's holiday pay a year if you agree.
- Remember an employer can refuse to cash up holiday pay.
- Click **NEXT** to continue.

**Gross Earnings for Leave Calculation**

- Gross Earnings **exclude** payments that the employer is not bound, by the terms of the employee's employment agreement, to pay the employee – such payments will be relatively rare.
- Include in Gross Earnings for Average Weekly Earnings (Annual Average)**
- Include in Gross Earnings for Ordinary Weekly Pay (Four Week Average)**

Back Next Quit

Both settings default to exclude the payment from gross earnings.

When paying Holiday Pay normally, the Gross Earnings window now displays whether the employee's AWE or OWP is being used to calculate their Holiday Pay:

Gross from 04/02/2018 to 03/02/2019

**Gross Earnings** myob | ace PAYROLL

You are paying holiday pay to **JONES, Melanie Ruth** using the **Annual Leave entitlement** method for the pay date **10/02/2019**. This employee started on **29/01/2001** and is **continuing** their employment.

This report shows the gross earnings of **JONES, Melanie Ruth** between **04/02/2018** and **03/02/2019**.

	Date	Comment	Gross
	04/02/2018	Gross pay for Average Weekly Earnings (Annual Average)	807.69
	11/02/2018	Gross pay for Average Weekly Earnings (Annual Average)	807.69
	18/02/2018	Gross pay for Average Weekly Earnings (Annual Average)	807.69
	25/02/2018	Gross pay for Average Weekly Earnings (Annual Average)	807.69
	04/03/2018	Gross pay for Average Weekly Earnings (Annual Average)	807.69
	11/03/2018	Gross pay for Average Weekly Earnings (Annual Average)	807.69
	18/03/2018	Gross pay for Average Weekly Earnings (Annual Average)	807.69
	25/03/2018	Gross pay for Average Weekly Earnings (Annual Average)	807.69
	01/04/2018	Gross pay for Average Weekly Earnings (Annual Average)	807.69
	08/04/2018	Gross pay for Average Weekly Earnings (Annual Average)	807.69
	15/04/2018	Gross pay for Average Weekly Earnings (Annual Average)	807.69
	22/04/2018	Gross pay for Average Weekly Earnings (Annual Average)	807.69

OK Print

## Extra Pays

When adding an extra pay to an employee's pay, options to include the amount in gross earnings are now available:

Extra Emoluments Wizard

**Enter Bonus Amount** myob | ace PAYROLL

- You are making a **Bonus** payment to **CARTRIGHT, Roland T** for the period **10/02/2019**.
- Please enter the amount you are paying.

**Include in Gross Earnings for Average Weekly Earnings (Annual Average)**

**Include in Gross Earnings for Ordinary Weekly Pay (Four Week Average)**

Amount

← Back
Next →
Quit ×

The default settings for the new options depend on the kind of extra pay:

Extra Pay type	Included in gross for AWE	Included in gross for OWP
<b>Bonus</b>	Yes	Yes
<b>Commission</b>	Yes	Yes
<b>Back Pay</b>	Yes	No
<b>Retiring</b>	No	No
<b>Redundancy</b>	No	No

## ACC Payments

ACC Payments with the type “First Week” are included in employee’s gross earnings; payments with the type “Reimbursed” are not included. The text on the Make an ACC Payment window has been updated to reflect this.

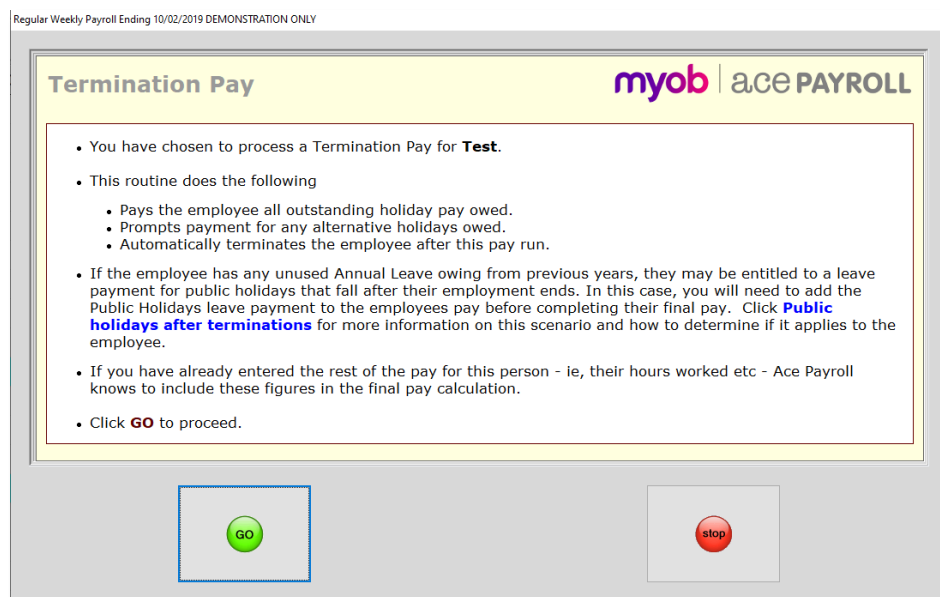
## 52 Week Average

When using the 52 Week Average method to calculate Average Daily Pay for Bereavement, Alternative Holiday, Public Holiday or Sick leave, the system observes the new include/exclude options when determining the Gross earnings amount.

## Update to Terminations

In some cases, a departing employee with unused Holiday Pay may be entitled to Holiday Pay for public holidays that fall after their employment ends—see [“Payment for leave and holidays in final pay” on the Employment New Zealand website](#) for information on this scenario and how to determine if it applies to a departing employee.

The Termination Pay window now displays a message that warns about this scenario and provides a link to the information on Employment New Zealand website:





## Updates to Other Leave Types

This release includes updates to the Select Payment Method screen when paying Sick Leave, Bereavement Leave, Public Holiday Taken and Alternative Leave Taken.

The messaging on this screen has been updated to make it clearer what you are required to pay the employee:

Sick Leave

### Select Payment Method

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- For **JONES, Melanie Ruth** you are allowing **Sick Leave**.
- This employee started on **29/01/2001** and the pay date is **10/02/2019**.
- You are allowing **1 Day** sick leave.

You are required to make payment at the rate the employee would have otherwise received had they worked, using Relevant Daily Pay or Average Daily Pay (where applicable). This includes payments such as regular (taxable) allowances, commission, bonuses and overtime if the employee would have received them on the day.

If paying Relevant Daily Pay and additional daily payments apply, you must ensure these are paid separately in the pay. Select one of the following:

**Relevant Daily Pay**

- ✘ **Salary Inclusive** \$42,000 - This method itemises the days taken, but does not change the regular salary payment.
- ✘ **Hours and Rates** - Use this for employees paid hourly with a clear relevant daily pay.
- ✘ **Agreed Daily Pay** - For use where a relevant daily pay for leave purposes is specified in an employment agreement.

**Average Daily Pay**

- ✘ **52 Week Average** - Use this option if it is impossible or impractical to work out the employee's Relevant Daily Pay.

**Select a payment method before proceeding to the next step.**

Back Next Quit Report

This screen no longer has an option selected by default, reducing the risk of users selecting an incorrect option by mistake.