Pay Employees

The instructions in this article relate to **Pay Employees.** The icon may be located on your *StrataMax Desktop* or found using the *StrataMax Search*.

Pay employees allows for an employee to be setup with Gross Wages, Tax and Superannuation details to be regularly generated. This will create the required transactions to pay the employee (net wages), ATO (withholding tax) and the Superannuation company (superannuation).

Pay Employees | Security

To access the **Pay Employees**, the user must have permission set to 'Allow' for *Pay Employees* under the 'Payments' category in **Security Setup**.
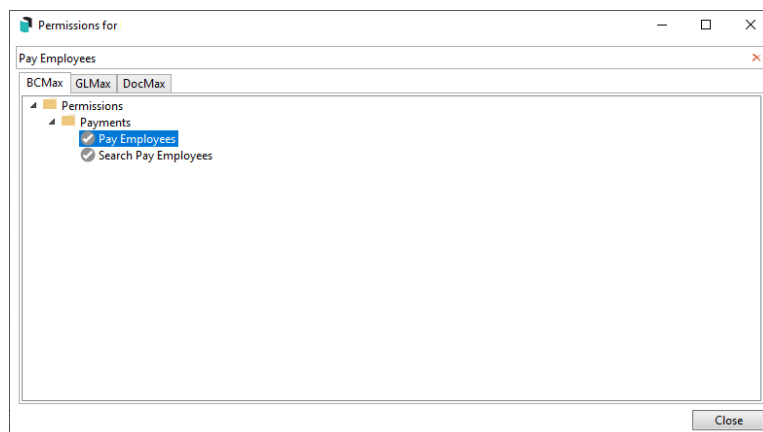
Payment of Wages

If there is an employee to be paid by the Building / Plan, the following should be reviewed prior to adding an employee:

1. **Building Information**
    - Update for *'Registered for BAS / IAS (GST)'* to Yes.
    - Update PAYG Withholding to be Monthly / Quarterly for remitting of tax for the employee to the Australian Taxation Office (ATO).
2. **Account Maintenance**

- Wages expense code - must have tax code: Wages (Gross) for reporting at W1 on the BAS.
- Withholding Tax account (06100*) to be correctly set as a system account: PAYG Withholding Tax.
- Tax on Wages will automatically be applied to generated Tax amounts for reporting at W2 on the BAS based on the amount recorded as Tax Withheld in the Pay Employees.

3. **Creditor Maintenance**
   - Setup creditor accounts for Employee, Superannuation and ATO. Ensure to setup the Tax code correctly as advised by your accountant / tax agent.

Pay Employees Status

1. Search or select **Pay Employees**.
2. Select from options:
   - Current building: Ensures only the employees for the current selected building (noted at the top of the window) are processed.
   - My Buildings (Account Manager): To select an individual Account Manager name and the properties they are listed for.
   - Management Office: Select from drop down if being used.
   - All Buildings: All currently active buildings in the portfolio.
3. Select from filters:
   - Show all to see all setup employees.
   - Show due only to see only those with a next pay date that is in the past and not yet been processed.

Add Employee to Current Building

1. Navigate to the Building using the Building Selector.

2. Search or select **Pay Employees**.

3. Select '*Add Employee to Current Building*'.

   ○ Complete all fields, then select save.

NOTE: Wages expense account must be set tax type 'Wages (Gross)' to be able to be selected in the Gross Pay and / or Overtime fields and will report at W1 on the BAS. Wages Tax Withheld will reported on the BAS as W2.

Edit / Generate Employee Pay

1. Search or select **Pay Employees**.

2. Show 'Due only' for a current wage or 'Show All' to see all setup employees.

3. Select the Employee for wages to be generated or edited.

4. Select the action 'Edit or Generate Employee Pay'.

5. Update details if just requiring an 'Edit'.

6. Select 'Generate' to process pay based on the displayed details, click 'Yes' if prompted to review the date.

7. Select 'Yes' to save changes or the 'Save' button.

8. Select Close.

Transactions, Tax Codes and BAS Reporting

Below are the transactions created when the generation of wages is completed, which includes the transactions for payment for the employee and creditor and the amount due to be paid to the ATO when the BAS is finalised.

Employee Creditor (John Smith)

- Gross Wages expense = $1,750.00 less - Withholding Tax liability = ($384.00) - Total for Employee Creditor to be paid $1366.00.

Superannuation Creditor

- Superannuation expense $201.25, payable based on payment method in the selected Creditor account and reference entered.

Batch No	Date	Account Code	Account Description	Type	Hidden	Amount	Running Balance	Tax Code	Description	Reference
005	15/01/2025	08200144	John Smith		☐	-1,750.00	-1,750.00 Not Included In BAS		Wages 15/01/2025	D0000006
005	15/01/2025	150005	Gross Wages		☐	1,750.00	0.00 Wages (Gross)		08200144 - Committed	DA000006
005	15/01/2025	08200144	John Smith		☐	384.00	384.00 Not Included In BAS		PAYG Tax 15/01/2025	D0000007
005	15/01/2025	061001	WITHHOLDING TAX ACCOUNT		☐	-384.00	0.00 Tax on Wages		08200144 - Committed	DA000007
006	15/01/2025	08200005	SUPERANNUATION		☐	-201.25	-201.25 Not Included In BAS		08200144 15/01/2025	D0000008
006	15/01/2025	26000	SUPERANNUATION		☐	201.25	0.00 Not Included In BAS		08200005 - Committed	DA000008

BAS Reporting

- W1 - Gross Wages - transactions posted to the expense code with a tax code of Wages (Gross).
- W2 - Tax Withheld - Wages - transactions posted to the Withholding Tax Account with the system flag PAYG Withholding Tax in Account Maintenance.

The finalise of the BAS will create the ATO Creditor Invoice for payment and the Withholding Tax Account will be cleared to balance to $0.00 for the reporting period.

Pay Employee

Pay employees is a function to assist with creation of the transactions, with the appropriate tax code, to report correctly on the PAYGW section of the BAS in items 'W1 - Gross Wages' and 'W2 - Tax Withheld - Wages'. This is not designed to replace accounting / payroll software where more details are required to be recorded.

The Creditor Invoices, created at generation, will allow the employee and / or Superannuation Fund to be paid using the normal *Payments* process. Alternatively use *Payment Entry* to complete an individual payment for the employee, to allow the notes in the remittance advice section to be detailed with any additional information for the employee. i.e. use for payslip details that are possibly required to be advised - tax, superannuation, leave, etc.

Delete Employee

1. Search or select **Pay Employees**.
2. Select the Employee to be deleted.
3. Select the action arrow to open the selected employee record.
4. Select 'Delete' and then 'Yes' to remove the employee.

NOTE: This will only remove the employee record, not previous processed transactions which can be reviewed in *Local Transactions*. Payments can be reviewed in*Payments Management* for the employee creditor and emails sent (if applicable) can be viewed in the *Communication* log.