



COVID-19 Government Stimulus Package setup options

In a bid to protect the Kiwi economy against one of the most significant threats to business in recent times, the government has launched a stimulus package that includes wage subsidies, business tax breaks, money for low-income families, healthcare support and more.

Managing your team and your payroll through this time is especially important.

This document provides you with some information to manage payments and leave in Exo Employer Services payroll.

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Before you start:

You will need to access the online guidance available regarding managing the wage and leave subsidies, and eligibility criteria. This document is processing guidance only. You will need to make some choices as a business as to how you wish to manage this.

Government resource website: <https://covid19.govt.nz/>

For any assistance with the following Exo Payroll setup options, check in with our Support and/or Professional Services teams: <https://www.myob.com/nz/enterprise/support>

Setting up in Exo Payroll

Wage Subsidies

The Wage subsidy is a weekly payment and is to be treated like Salary and Wages for the purpose of the Holidays Act 2003. That means the payment is considered Gross Earnings and the subsidy contributes to the Gross KiwiSaver and is subject to Student Loan deductions.

When receiving a wage subsidy for employees, we recommend that you process these payments through Exo Payroll separately from any normal Wage/Salary or Leave payments that they are receiving so you able to track them separately and report on them. There are 2 methods to do this:

Option 1: Set up an Allowance

1. Press [F2] on your keyboard for your maintenance menu and select Allowances.
2. Set up an allowance based on the following settings:

The screenshot shows the 'Allowance Maintenance' window with the following settings:

- Code: 7
- Name: Covid Subsidised FT
- Global Loading:
- Taxable: Non-Taxable:
- Calculation Method: Fixed Dollar Amount
- Amount: 585.8000
- Pay Rate Type: All
- Maximum Number: 0.00
- Wage Rate Code:
- Type: Normal
- Cost Centre: ... Employee's Default
- Override Tax Rate:
- Historical Allowance:
- Options:
 - Add to Gross for Holiday Pay
 - Add to Gross for Super
 - Add to Gross for Relevant Daily Rate
 - Add Earner Levy
 - Not Liable for ACC
 - Add to Gross for KiwiSaver
 - Can Modify Name
 - Eligible for PG
 - Exclude from Ordinary Earnings

Allowance setup - Full time Lump sum payment

The screenshot shows the 'Allowance Maintenance' window with the following settings:

- Code: 6
- Name: Covid Subsidised PT
- Global Loading:
- Taxable: Non-Taxable:
- Calculation Method: Fixed Dollar Amount
- Amount: 350.0000
- Pay Rate Type: All
- Maximum Number: 0.00
- Wage Rate Code:
- Type: Normal
- Cost Centre: ... Employee's Default
- Override Tax Rate:
- Historical Allowance:
- Options:
 - Add to Gross for Holiday Pay
 - Add to Gross for Super
 - Add to Gross for Relevant Daily Rate
 - Add Earner Levy
 - Not Liable for ACC
 - Add to Gross for KiwiSaver
 - Can Modify Name
 - Eligible for PG
 - Exclude from Ordinary Earnings

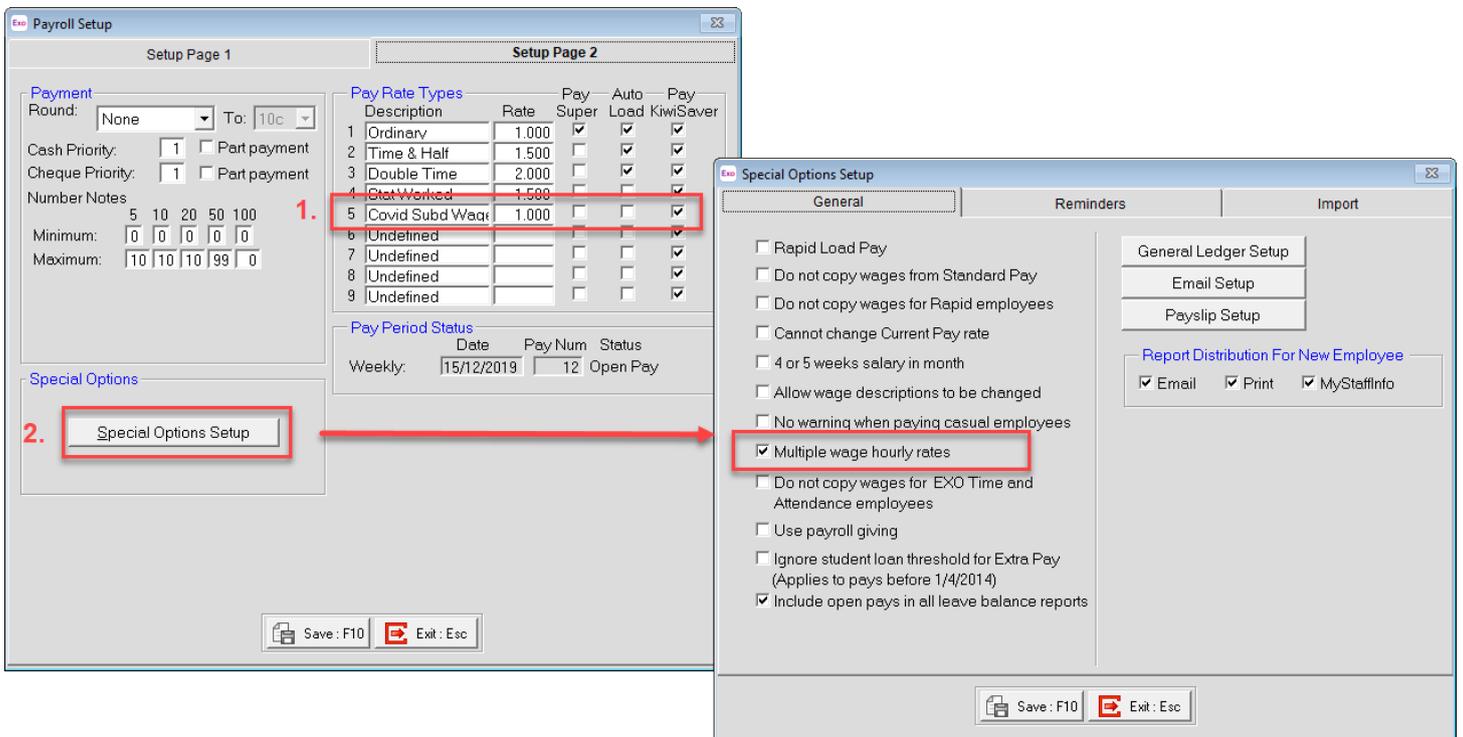
Allowance setup - Part time Lump Sum payment

Note: You can also set up the allowance as a Rated Units allowance to allow tracking of hours covered if you want to track this.

3. Add the allowance to your employee's standard or current pay as required.

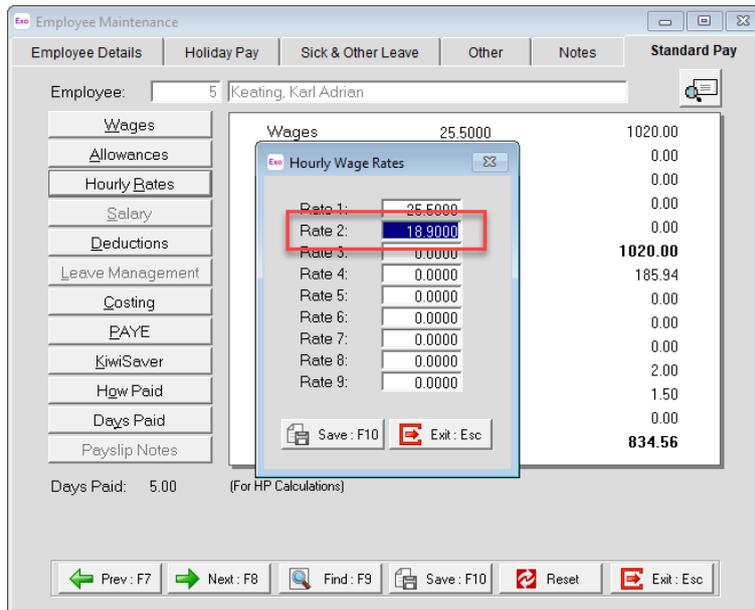
Option 2: Pay through 'Wages' in the current pay.

1. Go to Utilities > Setup Exo Payroll > Setup Page 2. Add a Pay Rate type for this payment, you can call this whatever you like to identify this as the subsidised payment.
2. Whilst on Setup Page 2, for anyone not on minimum wage, ensure you turn on 'Multiple wage hourly rates' in the [Special Options Setup] button



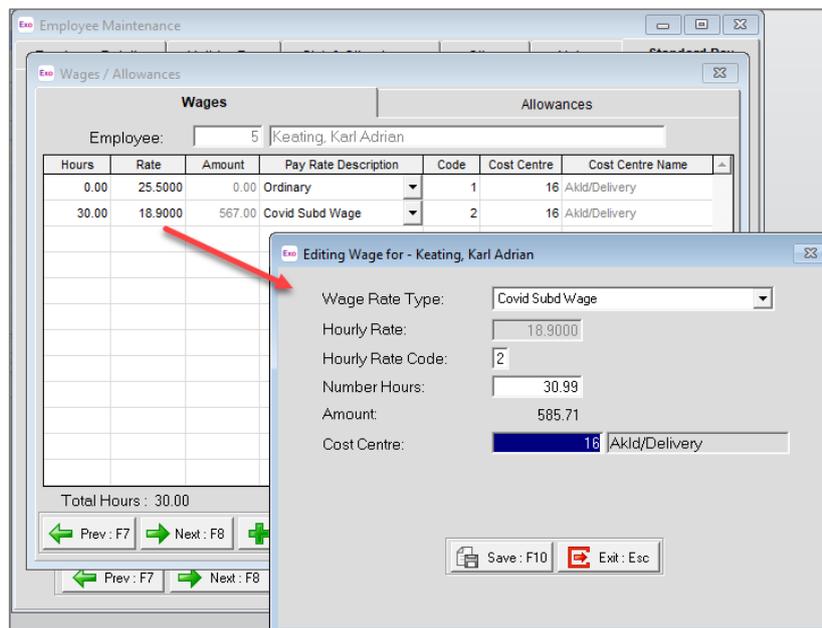
Exo Payroll – rates setup

- In your employee's standard pay, click on the [Hourly Rates] button and add an hourly rate of 18.90 into one of the available rate types.



Employees Standard Pay - Hourly Rate Setup

- In your wages screen, add in a line to pay 30.99 hours of the new Wage Type at the rate of \$18.90.



Full time payment to employee through wage lines

Leave Subsidies

The Leave subsidy is a weekly payment and is to be treated like Salary and Wages for the purpose of the Holidays Act 2003. That means the payment is considered Gross Earnings and the subsidy contributes to the Gross KiwiSaver and is subject to Student Loan deductions.

As with wages, we recommend paying out any leave subsidies separate to any other 'normal' leave, in order to track this.

There are 2 ways to track this:

Option 1: Set up an Allowance

1. Press [F2] on your keyboard for your maintenance menu and select Allowances.
4. Set up an allowance based on the following settings:

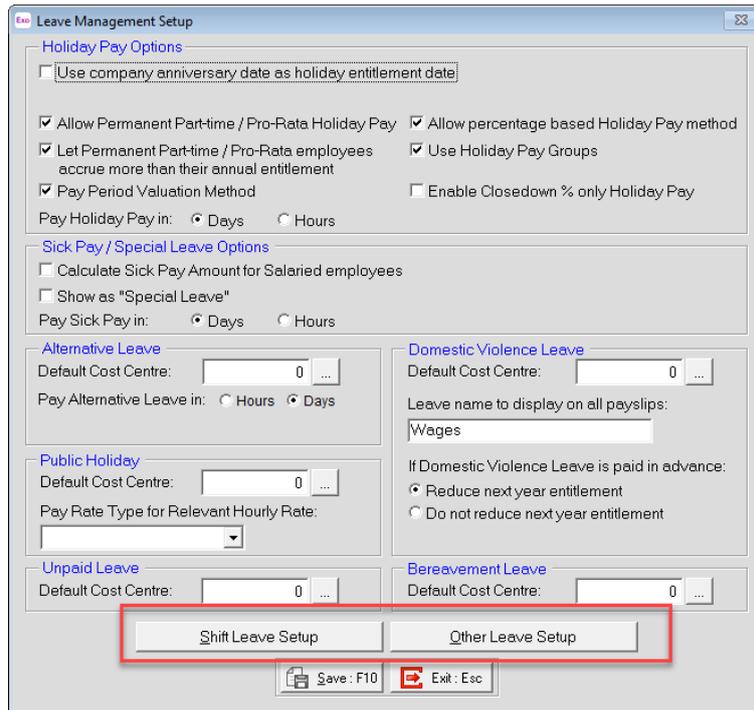
Note: For this example, we have used the option to pay one lump sum payment amount. You may also choose to use a Rated Units allowance.

Option 2: Use a User Defined Leave Type

If you haven't already used these, and you prefer to track this as a leave payment, you may use the User Defined Leave Types in Exo Payroll.

1. Go to Utilities > Exo Payroll Setup > Leave Management Setup button > and select which one to use.

Note: Both options will require you to manage a balances and payments for employees.

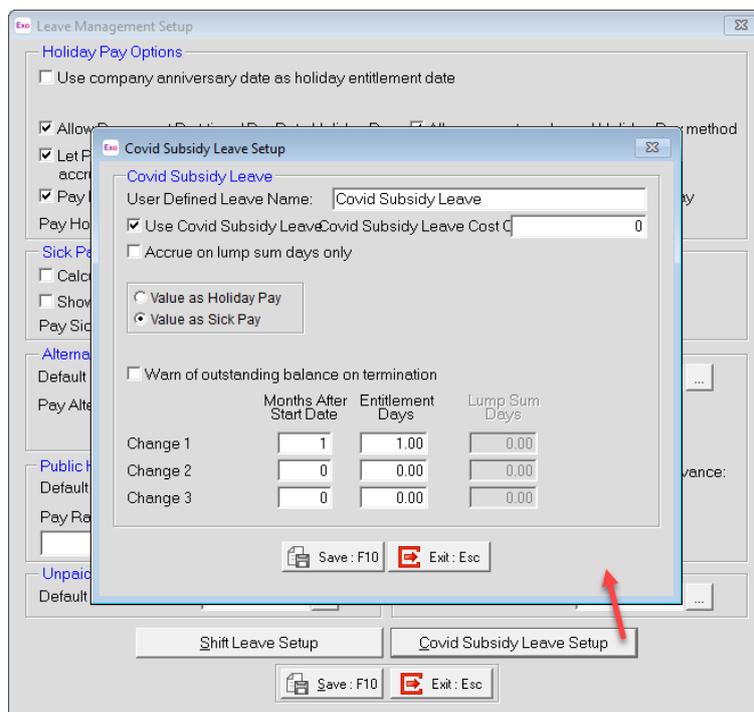


Exo Payroll Setup – Leave Management

In this example we have used Other Leave:

2. Click on the Other Leave Setup Button and change the name to reflect the subsidised leave type and tick the 'Use Leave Name' tick box.
3. In this example, we have provided a very minimal entitlement to minimise leave liabilities on reports. You may provide employees with a balance if you wish.

Note: Ensure you don't show this leave as a balance on payslips.



Exo Payroll Setup – Turn on User Defined Leave

4. Go to your employee maintenance and you can maintain a balance if you wish to add additional days/hours to take. If there is no balance, the system simply allows it to be paid as an 'Advanced' payment.

Employee Maintenance - Covid Subsidy Leave

Employee: 7 Karuso, Robinson Henry

Entitlement days: 1.00

Entitlement date: 20/06/2020

Days accrued: 0.51

Days outstanding from previous entitlements: 0.00

Days paid in advance: 0.00

Amount paid in advance: 0.00

Total days entitlement: 0.51

Covid Subsidy Leave cost centre: 15

Save: F10 Exit: Esc

Employee User Defined Leave Setup

5. In a current pay:
 - a. Select the new leave type and enter the number of days the employee is taking off.
 - b. Enter the days taken in the calendar
 - c. Override the value for the correct number of weeks being paid (i.e. weekly or fortnightly) and the correct full time or part time amount.

Leave Management - 7 (KARUSO) Karuso, Robinson Henry

Covid Subsidy Leave

Days Accrued: 0.51

Days Outstanding: 0.00

Days Advanced: 0.00

Total Days Entitlement: 0.51

Days Taken: 5.00 Dates Taken

Amount: Override 585.80

Cost Centre: 15

Save: F10 Exit: Esc

Employment Details

Standard Pay Salary 0.00

Standard Pay Wages 780.00

Employment Basis Full-Time / Permanent

Hours Per Pay Period 0.00

Hours Per Standard Day 8.00

Default Cost Centre 15 Akld/Packaging

Phone Number 123-4567

Email karuso

Taxation Details

IRD Number 044-444-445

Tax Code M

ESCT Rate Calculated Rate: 10.5%

Leave Calculation Details

Holiday Pay History

Rate Type	Gross Liabile	Days Paid	Rate
Standard Pay	780.00	5.00	156.00
4 Week Average	1740.00	15.00	116.00
12 Month Average	5100.00	50.00	102.00

Relevant Rate History

Rate Type	Gross Liabile	Hours Paid	Rate
Standard Pay	780.00	40.00	19.5000
Average Daily Pay	5100.00	400.00	12.7500
Hourly Rate			19.5000
Special Rate			0.0000

*Type used in calculation

Exo Payroll – Current Pay Leave Management screen



Note: Using this method allows you to track payments of leave through the Leave Paid reports, and the dates/days taken via the Days Taken report.

Other items to consider and investigate:

- Where you are setting up new wage and allowance payments, consider other systems that may be impacted such as Exo Time and Attendance or MyStaffInfo, or other external packages that you may be importing information from.
- Wherever you chose to pay Sick or Annual Leave, always adhere to 'normal' processing rules and rates and consider any changes to working patterns as they relate to entitlements under the Holidays Act
- If you chose to pay further "Special Leave" over and above sick, annual and the subsidised entitlements, we recommend using one of the product set up options outlined in this document.
- As always, if you are unsure on your obligations, seek advice from your employment specialist or the government websites.