

VANILLA PAYROLL **BI-ANNUAL SUBMISSION PROCEDURES**

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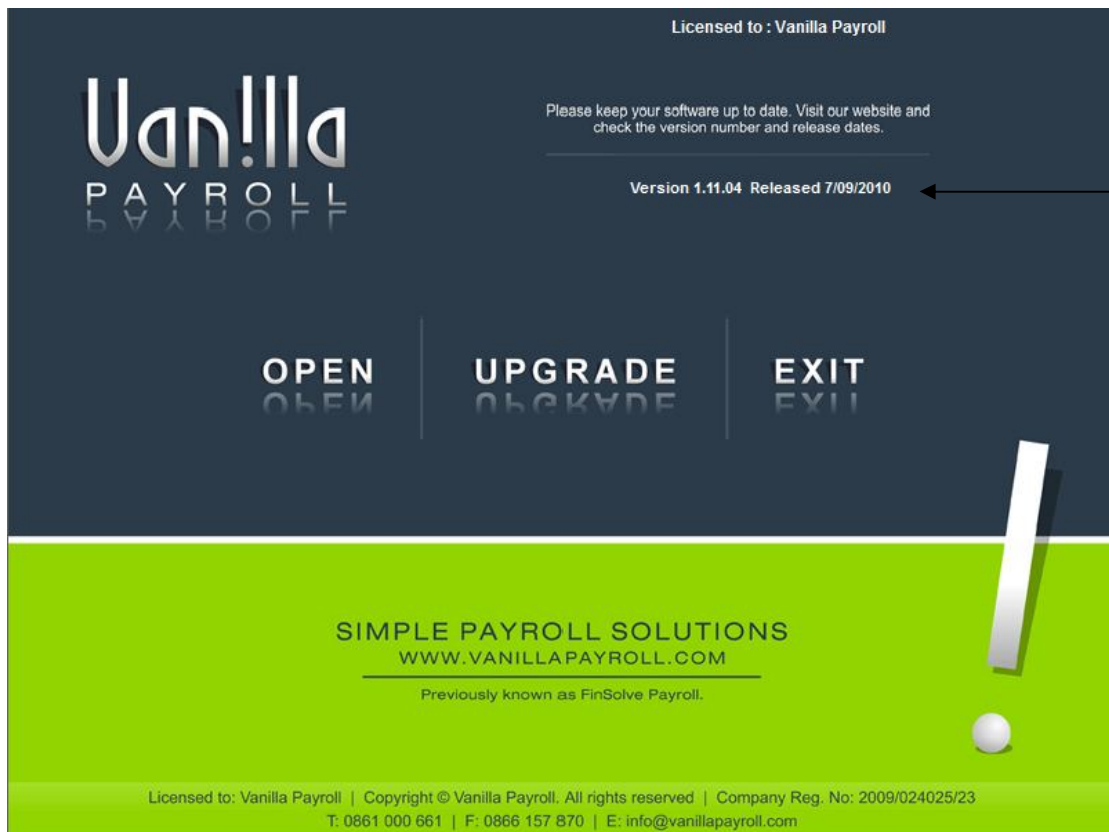
! CHECKING THE SOFTWARE VERSION

During the year we have released updated versions of the payroll for different reasons such as updating tax tables & UIF limits to adding new reports and features.

You may not have downloaded these from our website. It is important that you ensure that you are on the latest version of Vanilla Payroll.

When accessing the payroll, the version number appears in the title bar of the application and on the first screen before entering the payroll. If you wish to update your system, follow these steps to do so:

- Log onto www.vanillapayroll.com and select 'Important Updates'
- Click the relevant tax year link (e.g. Vanilla Payroll 2011 – download 2011 tax year, v1.11.20)
- Once the download is complete, install the latest version directly over your existing version. You will not need to register again.
- Or you can select the 'Check Web for Updates' – refer to page 3



Check that
you are on the latest
version

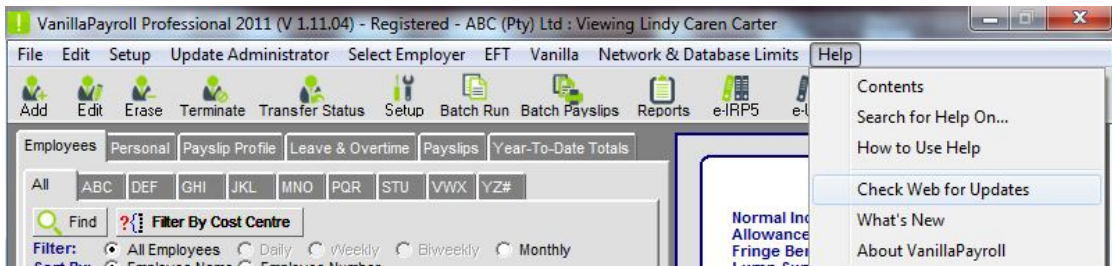
! AUTOMATIC UPDATES

You can use one of the following two methods to run the Automatic Update Facility as follows:

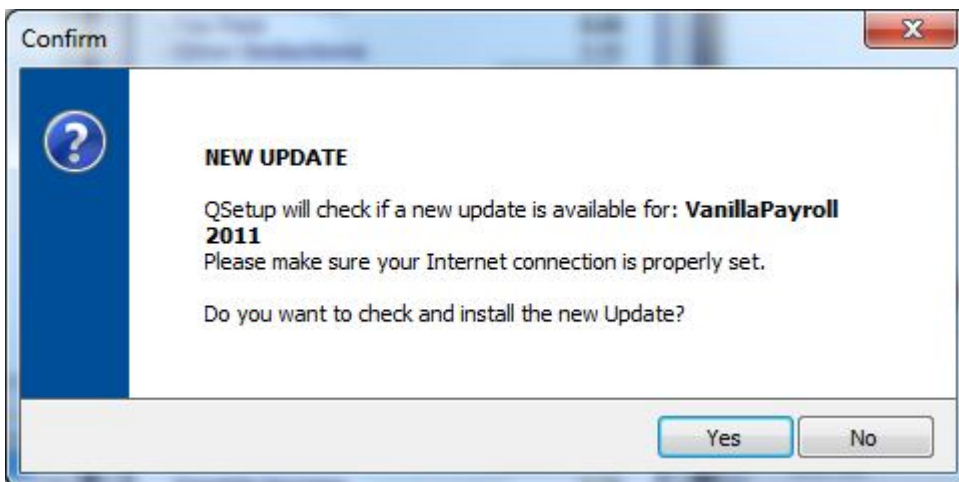
1. Without having to load Vanilla Payroll, click on 'Start' (bottom left hand corner of the screen)
2. Select 'Programs'
3. Select the Vanilla Payroll year you wish to update (e.g. Vanilla Payroll 2011, 2010, etc)
4. Select 'Check web for updates'

OR

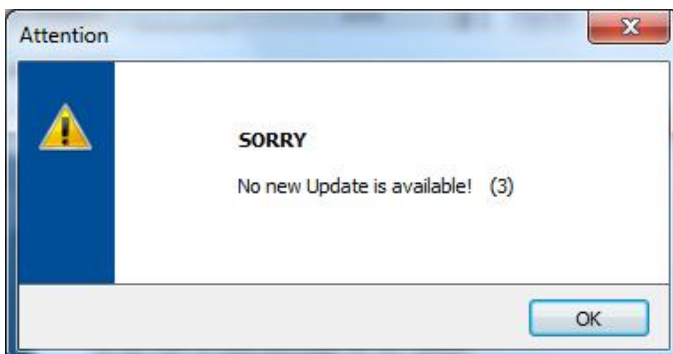
1. You could also select 'Help' from within the Vanilla Payroll
2. Select 'Check web for updates' (as per example below)



The following screen appears:



You will receive the following message if you do not need any updates:



! CHECKING YOUR EMPLOYER DETAILS

The employer information contains your company's name, address, PAYE registration number which will appear on the employee's IRP5/IT3a certificates. To check and, if necessary, correct these details you must highlight the applicable Employer name and then select the edit button on the screen pictured below. Also please note that you may need to update the employer trade classification as this is now a mandatory field as per SARS. NB! It is very important that this information is correct!

Employer Name	Reference No.
Demo (Pty) Ltd	7610709992

Buttons: Add, Edit, Erase, Select, Cancel, Help

Employer Information

Employer Info | Contact Info | Pension/Provident Fund | Bank Details | Company Logo | Tax Paid to Date | WCA Info

Trading Name: * ABC (Fty) Ltd

Registered For: PAYE IT 3 (a) only Fields marked with * are mandatory and must be completed.

PAYE Reference No.: * 2222222222

Registered with the Unemployment Insurance Fund?

UIF Reference No.: U222222222

Department of Labour UIF Reference No.: 222222222

Exempt from Paying SDL

SDL Reference No.: L222222222

Trade Classification.:

IRP 5 Settings

Companies who started using Vanilla Payroll during the current tax year need to pay special attention to the 'Tax paid to date' tab.

If employees YTD figures were taken on from a previous system, this option records the PAYE paid over to SARS each month before the system was in use and should be captured to ensure that the EMP501 report shows the tax paid over for the entire year. It is important that tax captured for the employees agrees with the total figure in the 'tax year to date' tab for each month and that these figures, in turn, balance with the payments.

Employer Information						
Employer Info	Contact Info	Internet	Pension/Provident Fund	Bank Details	Company Logo	Tax Paid to Date
<p>If the employer only starts using VanillaPayroll during the tax year, the year-to-date totals will have to be entered for each of their employees. The tax paid each month before this system was used should be entered below in the relevant months.</p>						
March 2009:	1,025.62			September 2009:	0.00	
April 2009:	1,098.87			October 2009:	0.00	
May 2009:	1,138.48			November 2009:	0.00	
June 2009:	1,247.11			December 2009:	0.00	
July 2009:	1,316.88			January 2010:	0.00	
August 2009:	0.00			February 2010:	0.00	

Pay Frequency Information		
Setup Pay Frequencies	Setup Weekly Employees	Setup Biweekly Employees
<input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input checked="" type="checkbox"/> Monthly	<p>Please select the type of employees that will be on your payroll. You can then setup more information for the weekly, biweekly and monthly employees. Once there are employees in the database for that payment frequency, you may not deselect that payment frequency.</p>	

! CREATING THE ELECTRONIC IRP5 FILE

Assuming that everything balances and you are happy with your payroll to date, click on the e-IRP5 icon:

The screenshot shows the VanillaPayroll Professional 2010 interface. The 'e-IRP5' icon in the toolbar is highlighted with a red arrow. The main window displays a list of employees and two summary panels for Miss KT Birch.

Employee Name	Employee No.	Date Employed	Frequency	IR
Birch, Miss KT		01/03/2001	Monthly	
Carter, Miss CR		01/03/2001	Monthly	
Carter, Miss LC		01/03/2001	Monthly	
Saunders, Miss JK		01/03/2001	Monthly	
Saunders, Miss KR		01/03/2001	Monthly	
Smith, Miss D		01/03/2001	Monthly	
Smith, Miss KC		01/03/2001	Monthly	

Miss KT Birch Earnings for: n / a	
Normal Income	0.00
Allowances	0.00
Fringe Benefits	0.00
Lump Sums	0.00
Gross Remuneration	0.00
+ Non-Taxable Income	0.00
Total Income	0.00
- Taxable Deductions	0.00
Taxable Income	0.00
- Tax Paid	0.00
- Other Deductions	0.00
Net Salary	0.00

Year-To-Date Earnings	
Normal Income	0.00
Allowances	0.00
Fringe Benefits	0.00
Lump Sums	0.00
Gross Remuneration	0.00
+ Non-Taxable Income	0.00
Total Income	0.00
- Taxable Deductions	0.00
Taxable Income	0.00
- Tax Paid	0.00
- Other Deductions	0.00
Net Salary	0.00

The following window appears:

The 'Electronic Transfer' dialog box contains the following information:

It is very important that the test / live indicator is set to "Test" when you submit the electronic disk to SARS. Only once the disk has been accepted can you submit a "Live" disk. If a "Live" disk is rejected by SARS, you will be forced to submit the IRP 5's and IT 3 (a)'s manually.

File Name: C:\FROGRA~1\VANLL~1\SF2011\ip5.11

Test / Live Indicator: Test

Creation Date: 13/09/2010

Period of Reconciliation: 2010 08

Buttons: Change Generation Number, Continue, Cancel, Help

There are two important things to understanding the rules of electronic submissions:

1. Test/Live Indicator

A test file allows you to load your file onto E@syFile many times with the same generation number. Once a file is submitted as 'Live' it can only be loaded once with that generation number. If it is rejected due to incorrect information, a new file must be submitted with a new generation number. The generation number simply increments by one from the last number used.

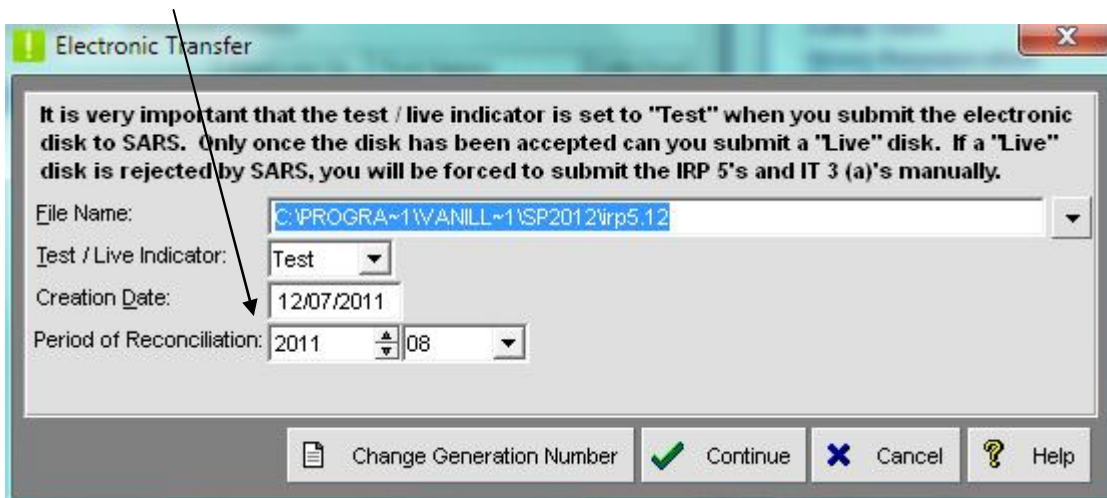
2. Period of Reconciliation

This period indicates the submission period to accommodate multiple submission in a year.

Example:

Where the reconciliation must be submitted for period ending February 2011, the period must be completed as 201102

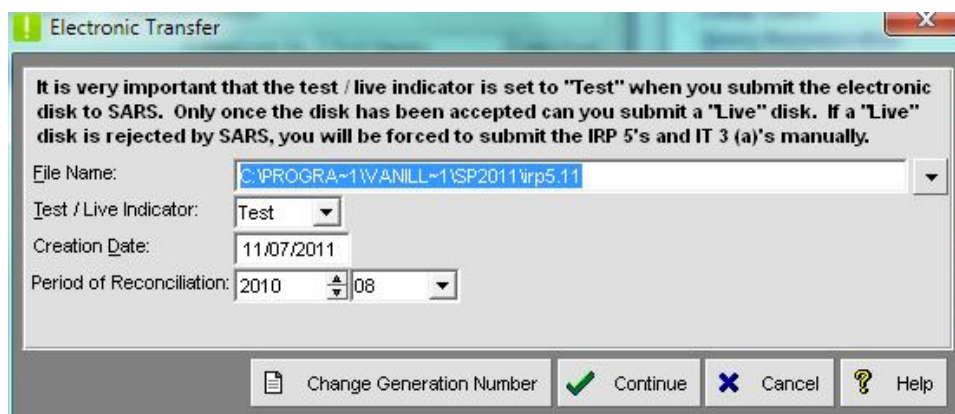
Where the reconciliations must be submitted for period ending August 2011, the period must be completed as 201108



Weekly, biweekly and monthly payroll information with the same PAYE registration numbers will be combined into one electronic record after you have imported your file into E@syFile. If you have two payrolls with the same PAYE registration number on different systems, each one will be submitted separately with different generation numbers. So for obvious reasons the initial submission should be done as a 'TEST' file and once it is cleared of errors it can be recreated as 'LIVE'.

TO CREATE THE E-IRP5 FILE FOLLOW THE BELOW STEPS:

1. Click on E-IRP5
2. Click on the drop down arrow to select the location to send your file to.
(It will default to C:\Program files\Vanilla\SP2011\irp5.11 – if it was created using Vanilla Payroll 2011)
3. Select 'Test' from the 'Test/Live indicator'
4. Period of Reconciliation should be '2010 08' for the 2010 Bi-Annual submission
5. Click 'continue'



Once your 'Test' file validates successfully, you can then create your 'Live' file and import it into EasyFile.

As with the backup of the data files, we strongly suggest making an additional copy to a CD. SARS can request for information to be re-submitted by you should it be misplaced.

! WHAT SARS REQUIRES OF YOU

Once you have completed the creation of the E-IRP5 file you can now download E@syFile from www.sarsefiling.co.za.

Once you have downloaded E@syFile, you can then import your 'TEST' file. If you receive an error, you will have to fix them in Vanilla Payroll and then re-create & import another 'TEST' file. Once your 'TEST' file has been successfully validated, you can then create a 'LIVE' file in Vanilla Payroll and then complete your Reconciliation Declaration on E@syFile.

PLEASE NOTE THAT YOU WILL NOT PRINT ANY IRP5/IT3a CERTIFICATES FOR THE BI-ANNUAL SUBMISSION, THIS WILL ONLY BE DONE AT YEAR END.