

April 2014 Tax Changes

1. STUDENT LOANS - The repayment threshold remains at **\$19,084.00** per annum. Where an employee has a **SLCIR** or **SLBOR** deduction, an additional line for each deduction is required on the **EMS (IR348 file)**. These additional records must follow the employment income detail line for the employee. This is already in place for those using Datacom generated files.

2. ACC EARNER LEVY - The ACC Earner levy will be decreased to **1.45%** for all pay periods ending on or after the 1st of April.

However the following changes will be made:

- The income threshold will be increased to **\$118,191.00**
- The maximum levy will be increased to **\$1,713.76**

3. TAX CODE CHANGE - Where a tax code has a flat rate, gross taxable earnings for the pay period should be truncated to whole dollars.

EXAMPLE: If an employee earns **\$100.36** in the pay period, the tax will be calculated on **\$100.00**.

Note the tax rates have not changed.

TAX CODES AND TAX PERCENTAGES	
NSW (<i>recognise seasonal worker</i>)	11.95%
EDW (<i>election day worker</i>)	18.95%
CAE (<i>casual agricultural worker</i>)	18.95%
ND (<i>non-declaration</i>)	46.45%
SB & SB SL	11.95%
S & SL	18.95%
SH & SH SL	31.45%
ST & ST SL	34.45%

4. NEW MINIMUM WAGE RATES - The adult minimum wage rate will increase to **\$14.25 (before tax)** an hour. The starting-out wage and training minimum wage will also increase to **\$11.40 (before tax)** an hour.

Please note that you will need to inform us to change the rate for the employee concerned as Datacom does not automatically change the rate.

If you have any queries please do not hesitate to give us a call on **0800 856 856**.

Sick Leave: Misuse and Management

A recent "Wellness in the Workplace Survey" carried out by Southern Cross Health Society and Gallagher Basset has revealed that one in five employers believe staff take paid absence as an occasional perk, with "sickies".

The survey showed that **15%** of New Zealanders admit to taking sick leave for non-genuine sickness. It also reveals that those in the **20-30** age bracket were the most likely of any age group to take non-genuine leave. This is then followed by the **31-40** group, then **41-50**; with older workers and those under **20** years the least likely. These "sickies" are accountable for **303,000** lost days of work each year.

While it is impossible to identify the exact level of non-genuine sickness absence, this information should prompt businesses to look at workplace culture; the degree to which "sickies" are taken; and how the issue could be addressed.

The first step in managing sick leave, is to ensure all employees understand the business' sick leave policy and the consequences of violating it. When it comes to identifying misuse of sick leave, patterns could be one of the earliest warning signs that an employee is taking sick leave when they aren't actually sick. The best approach for an employer who suspects repeated misuse of sick leave is to visually track and assess the trends then arrange a meeting with the employee.

The employer can use the data that has been recorded and discuss the impact that the pattern is having - not only on the employees own work performance but also that of their colleagues. The data will assist in starting a conversation and identifying whether there are other issues at play or whether the leave is genuine.

At Datacom, we have the ability to assist employers with monitoring absenteeism. The Bradford University undertook research into absenteeism and its connection to workplace productivity. This research eventually led to the development of the "Bradford Factor", which provides a score for each employee, indicating the level of absenteeism over the preceding period. The Bradford Factor score can be calculated from the number of absences and the total days absent during the preceding year.

All of the required information for a Bradford Factor score calculation exists within your payroll system and so it is relatively straight forward to produce a report from DataPay that will allow you to monitor absenteeism. The score can then be used to trigger investigation into high scores and any subsequent action.

It is important to look at sick leave trends to identify if there are any core issues which could be addressed. Give us a call on **0800 72 97 97** if you would like some assistance from us to configure reports to monitor absenteeism in your organisation.

Datacom Payroll - Website Make-Over

We have been listening to your feedback and we hope that you will notice this change when accessing our new website.

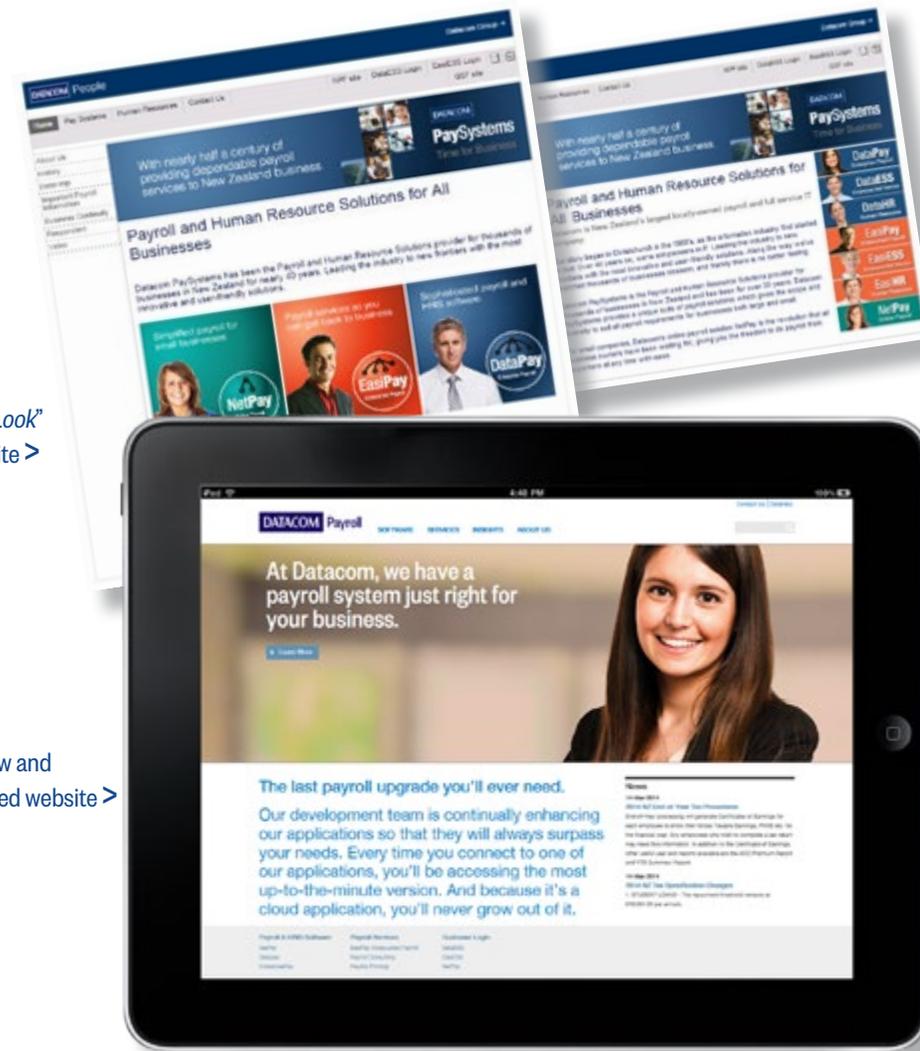
We understand that you are just as likely to be accessing the web via mobile devices more than ever and we want to ensure that our web content displays appropriately when you are using smartphones or tablets. More and more of you are using DataPay to pay Australian employees and so we wanted to make the website less New Zealand centric.

We are delighted to inform you that our website has now had a complete makeover and is now running on a sophisticated new platform that will format pages on the fly to suit each and every browser and device type.

We have also redesigned the site content structure and we hope that this will make it easier to navigate and to find the information that you need. That is all for starters ... we will now be progressively adding a lot more content to make the site a better and more useful resource for you.

One area of the website that will be receiving a lot more content will be our "Insights" pages. These pages will provide you with information about solutions we have implemented for other clients, recommended best practices relating to payroll and people management, information about legislative updates, hints and tips, and much more.

We encourage you to keep an eye on our progress by visiting us on: <http://datacompayroll.co.nz/> and please let us know what you think by emailing us.



"Old Look" website >

The new and improved website >

Goodie Bag Giveaway

Here's your chance for you to win a "Goodie Bag" worth up to \$150.

Entry is simple, all you have to do is to submit your answer by **23 May 2014** to: Answers@datacom.co.nz

If your answer to the question below is correct, you will automatically be in the draw to win!

The Question -

All eligible salary and wage earners must complete a KS 2 form when they start working for you. **What is a KS 2 form and how long do you have to store this document?**

A winner will be drawn by **26th May 2014** and the winner will be notified through post/email and/or in the **June 2014** issue of our Respondent publication.

WINNER

Congratulations to *Jessica Thompson* from *Carglass(NZ) Ltd* who was our winner from the last competition.

Thank you for your submission, for those who entered we wish you all the best for the upcoming competition.

We have a pay system just right for your business.



DATACOM Payroll

To get time back to work on your business, call:

0800 72 97 97

We'll discuss what will suit your needs - big or small.

www.datacompayroll.co.nz