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## Overview

- Introduction to Payroll
- List number of mandatory records necessary for Payroll
- Documentation of employee's payroll records
- Record and insert data from time sheets/ vacation sheets correctly
- An overview of the various income tax, social security & maternity funds contributions
- Government bonuses
- Processing of termination payments correctly within stipulated time
- Preparation of payslip; identifying the difference between gross pay and net pay
- Adhere to the government law effecting the payroll process
- Completion and filing of various FSS records

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# Introduction to Payroll

What is your first reaction when I say the word

# PAYROLL?



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# Introduction to Payroll

- Payroll and Bookkeeping as we know it started in the 14<sup>th</sup> and 15<sup>th</sup> Centuries
- In the early 20<sup>th</sup> Century it became a business practice and therefore a system started being put into place
- In the late 20<sup>th</sup> Century - automation



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## Payroll vs HR vs Accounts

- Does Payroll Belong to the HR department or the Accounts department?
- What do you think?



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Are you familiar with.....

WAGE REGULATION  
ORDERS?



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## Does the company have a WRO?

- <https://dier.gov.mt/en/Legislation/Pages/Wage-Regualtion-Orders.aspx>



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## Income Tax

- The importance of the FS4
- What are the tax rates and how does it work
- Resident and Non Resident
- <https://cfr.gov.mt/en/rates/Pages/TaxRates/Tax-Rates-2021.aspx>



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## Income Tax

What are your biggest concerns with Income Tax?



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## The importance of the Information

- Information that now has become mandatory on the Payslip
- FS3 for tax purposes
- Correct Bank details
- Any court orders
- NI Number, Tax Number, ID Number etc for end of year



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## National Insurance

- Works on the Basic wage of the employee
- Depends also on other factors like if employed elsewhere, age, etc
- Class 1 & Class 2
- <https://cfr.gov.mt/en/rates/Pages/SSC1/SSC1-2021.aspx>



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## Covid

How was Payroll effected?

Or Rather

The effects of Covid on Payroll



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## Payroll systems

- Manual (excel)
- Payroll Software



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## Timesheets

Do you use timesheets at your place of work?



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## Timesheets

Do I need to have a timesheet?

Employees all work office hours

Should these be recorded?



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## Outsourcing

- What is outsourcing of payroll?
- How does it work?
- What are the options?



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