



QuickBooks Online Payroll

Your simple setup guide

Powered By  employmenthero

Welcome to QuickBooks Payroll

Our step-by-step guide will show you how easy it is to manage timesheets, superannuation and payroll alongside your accounts. It's easy to stay organised when everything's in QuickBooks Online.



Sarah's Cupcakes

Employees
Powered By employmenthero

\$0.00
2022 - 2023 TOTAL PAY COST

NET PAY: \$0.00
PAYG WITHHELD: \$0.00
SUPERANNUATION (SG): \$0.00
OTHER DEDUCTIONS: \$0.00

[New Pay Run](#)
[Enable Single Touch Payroll](#)

24/11/2022 - Un-finalised Weekly pay run for period ending 24/11/2022. Open pay run

Employees | Pay Runs | Approved Leave | Reports | Payroll Settings

Find an Employee | **Active Employees** | Manage Employees | Add Employee

EMPLOYEE	JOB TITLE	EMPLOYMENT TYPE	PAY SCHEDULE	LAST PAID
John Smith		Full Time	Weekly	Has not been paid yet

1 - 1 of 1 total results.



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Introducing Payroll

Packed full of time-saving, stress-reducing features



Your one-stop shop

Take care of your payroll alongside your business finances and automatically configure your chart of accounts in a seamless experience. There's no need for additional software.



Pain-free superannuation

Assess your employees and manage their superannuation. Automatically submit information to a superannuation provider and even trigger Direct Debit payments.



Automatic advantages


Automatically take care of compliance, STP and superannuation submissions, as well as pay slips. You can even run payroll automatically.



Access for employees

Save time chasing timesheets, sending out payslips or processing leave requests and expense claims. Individuals can enter their own details through the employee portal and mobile app.

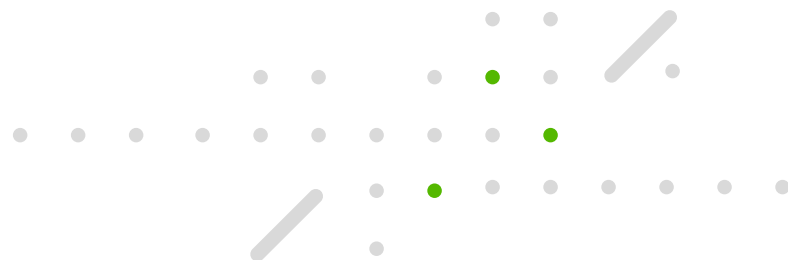
1 Before you get started



It's important to get a few details together before you run payroll. You'll find this information in your own records, from previous payroll providers (if applicable).

Make sure you have your:

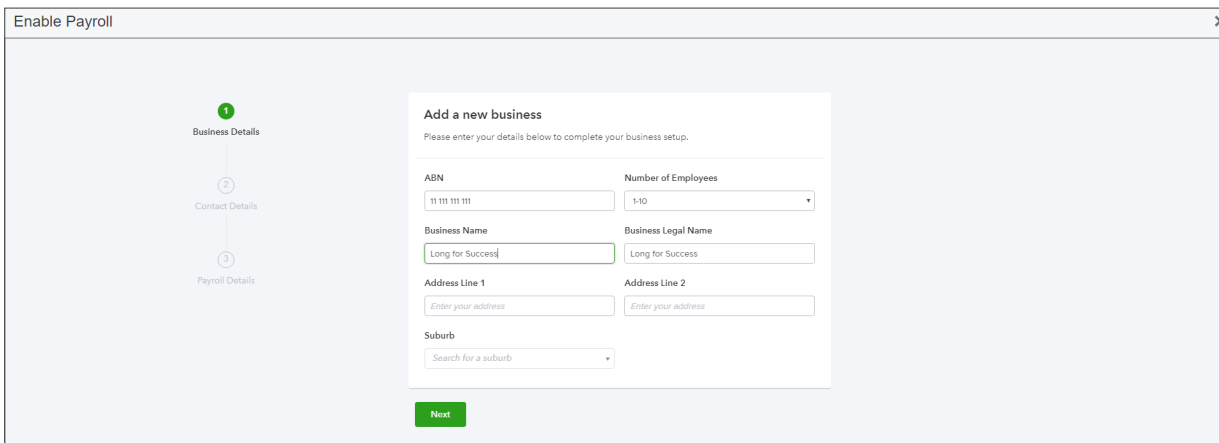
- ✓ Company information (including ABN).
- ✓ Employee information (including TFN, superannuation and bank details).
- ✓ Pay history (if you have paid anyone in the current year).
- ✓ Bank Details (for setting up ABA files and superannuation payments).



2 Setting up

2.1 Set up your company

- 1 Select the **Employees** tab then select **Sign up for Employment Hero**.
- 2 Enter your Australian Business Number (ABN), business name and address and then your name and contact details.
- 3 Under **Payroll Details** select your standard hours for an ordinary working week, how often you pay your employees and the industry you're in.



The screenshot shows a window titled "Enable Payroll" with a close button (X) in the top right corner. On the left side, there is a vertical navigation menu with three steps: 1 Business Details (highlighted with a green circle), 2 Contact Details, and 3 Payroll Details. The main content area is titled "Add a new business" and includes the instruction "Please enter your details below to complete your business setup." The form contains the following fields:

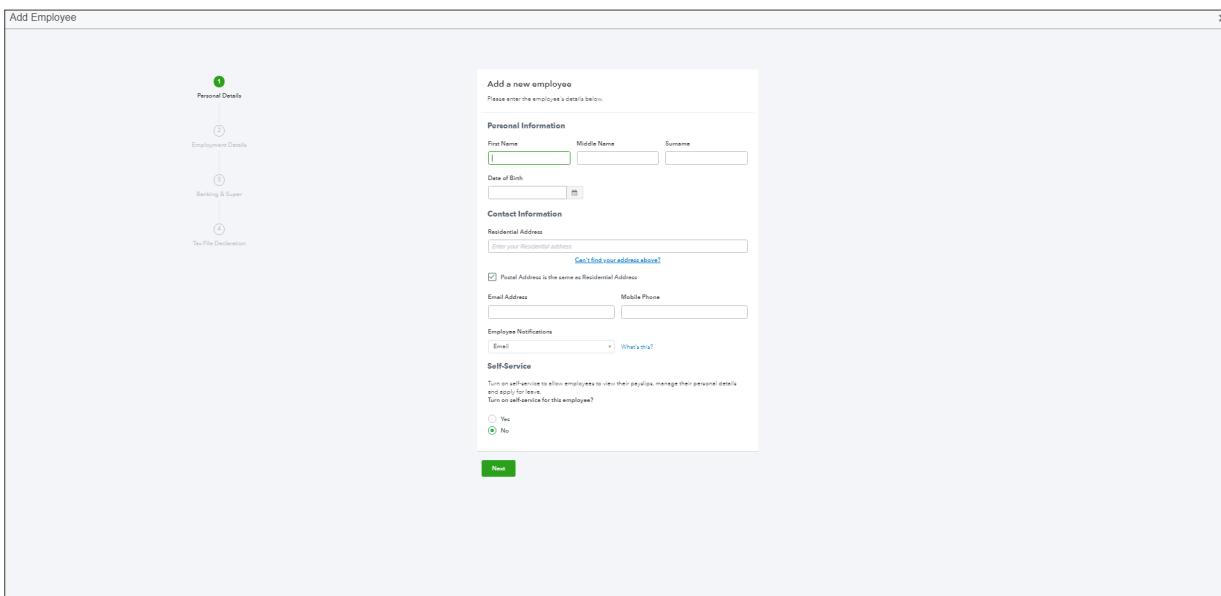
ABN	Number of Employees
<input type="text" value="11 111 111 111"/>	<input type="text" value="1-10"/>
Business Name	Business Legal Name
<input type="text" value="Long for Success!"/>	<input type="text" value="Long for Success"/>
Address Line 1	Address Line 2
<input type="text" value="Enter your address"/>	<input type="text" value="Enter your address"/>
Suburb	
<input type="text" value="Search for a suburb"/>	

At the bottom of the form is a green "Next" button.



2.2 Set up your company

- 1 Select the **Employees** tab on the left and click the **Add Employee** button.
- 2 Enter your employee's name, contact details their date of birth and address, then choose if you want this employee to have access to the self-service function.
- 3 Under **Employment Details** add their start date, pay information and whether you'd like them to submit time sheets.
- 4 You'll then be asked for their bank details and information about their Super Fund.
- 5 Finally, you'll need to submit the Tax File declaration for the employee.



Add Employee

1 Personal Details

2 Employment Details

3 Banking & Super

4 Tax File Declaration

Add a new employee
Please enter the employee's details below.

Personal Information

First Name Middle Name Surname

Date of Birth

Contact Information

Residential Address
Enter your Residential address [Click here to add address above](#)

Postal Address is the same as Residential Address

Email Address Mobile Phone

Employee Notifications
Email [What's this?](#)

Self-Service
Turn on self-service to allow employees to view their pay slips, manage their personal details and apply for leave.
Turn on self-service for this employee?

Yes
 No

Next



2.3 Add pay history *if you're moving to payroll mid year

If you're migrating your payroll from another software in the middle of the tax year, you'll need to set opening balances for leave entitlements and year-to-date payments for your employees.

QuickBooks will add these figures to the pay run and work out the PAYG and superannuation on the whole amount.

Opening balances are for the current tax year only.

To set up the opening balances for an employee, click on their name to open their record and select **Opening Balances** on the left.

Employee Details for Adwin Ko 0 Notes

EMPLOYEE SETTINGS

- Details
- Emergency Contacts
- Tax File Declaration
- Opening Balances

PAY RUN SETTINGS

- Pay Run Defaults
- Pay Rates
- Locations
- Leave Allowances
- Pay Run Inclusions
- Bank Accounts
- Super Funds
- Qualifications
- Work Types

EMPLOYEE MANAGEMENT

- Pay Slips
- Payment Summaries
- Documents
- Leave Balances
- Employee Portal Access

Opening Balances

Enter the opening balances if you are transitioning from another payroll system and need to bring across their current leave balances and/or year-to-date earnings amounts.

Leave Balances
Earnings
Deductions
Employer Liabilities
Super & PAYG
Employment Termination Payments (ETPs)
STP

Please enter the leave balances as at the payroll transition date.

Annual Leave	<input type="text" value="0"/>	hours
Personal/Carer's Leave	<input type="text" value="0"/>	hours
Time In Lieu	<input type="text" value="0"/>	hours
Leave Without Pay	<input type="text" value="0"/>	hours
Long Service Leave	<input type="text" value="0"/>	hours
Family and Domestic Violence Leave	<input type="text" value="0"/>	hours

Save



On this screen you'll see seven tabs:

Leave Balances - or the amount of holiday remaining. Partial hours are entered as a decimals rather than hours and minutes (e.g: 6.5 hours not 6:30).

Earnings - the year-to-date gross values. If you want to use anything other than the default pay category, this will need be added before you enter the opening balances screen. If you want to put the total hours in you can, but this is optional.

Deductions - the year-to-date deduction amounts for the financial year specified.

Employer Liabilities - the year-to-date ...

Super & PAYG - the year-to-date tax withheld and superannuation amounts for the financial year specified.

Employment Termination Payments (ETPs) - This only needs to be entered for employees terminated during the specified financial year.

STP - This section is only relevant if you have migrated from another payroll software and have copied over the BMS ID to this system. In this instance, you must also copy the employee's payroll ID created from the previous payroll software to ensure ongoing STP transactions are consolidated.



Quick Tip

Need to configure or add new leave categories?

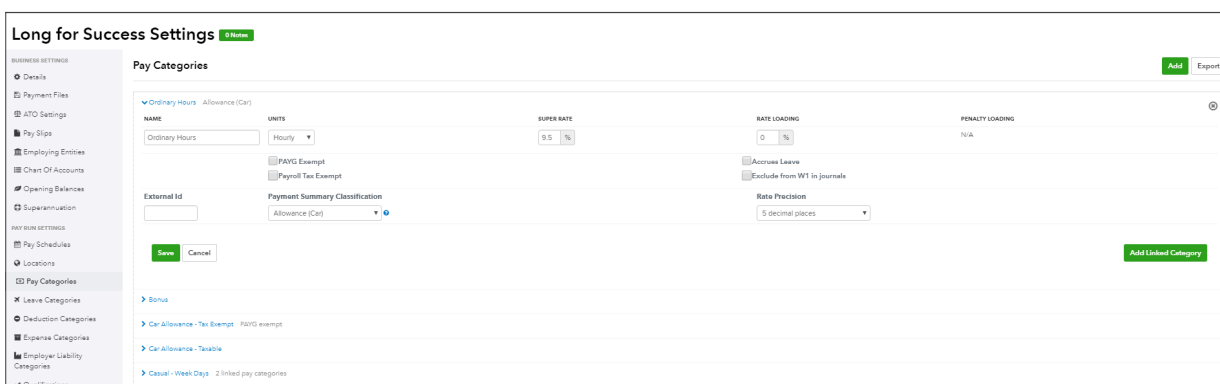
This article outlines the process.



2.4 Define pay schedules *if you have more than one

You will have been asked to select a pay schedule during the setup process. If you're paying different staff at different frequencies, here's what you need to do.

- 1 Go to Payroll Settings and select **Pay Schedules**.
- 2 In the top right, click **Add**, and enter a name for the new pay category.
- 3 Select a frequency from the dropdown menu. You have the option of adding the employees this schedule applies to here as well as choosing your warnings settings and whether you want to run payroll automatically. Click **Save**.
- 4 Next, go to **Employees**, and select the person that you want to assign the new pay schedule to.
- 5 Under **Pay Run Settings**, click **Pay Run Defaults**.
- 6 Update the **Pay Schedule**, then click **Save**.



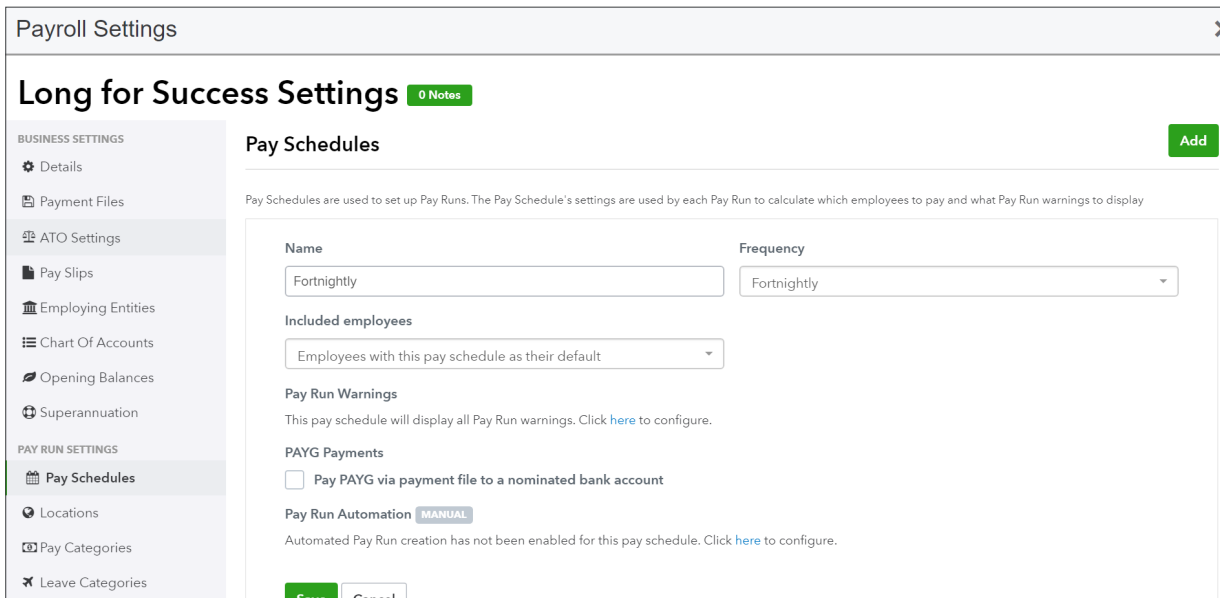

Quick Tip

Employees on any pay category rates can be configured to accrue leave, super and any other type of pay setting.



2.5 Automated pay runs

Automating a pay run is a good way to save time for employees who are paid a fixed amount each month (e.g. directors).



The screenshot shows the 'Payroll Settings' window with the following details:

- Business Name:** Long for Success (0 Notes)
- Section:** Pay Schedules (Add button)
- Business Settings:** Details, Payment Files, ATO Settings, Pay Slips, Employing Entities, Chart Of Accounts, Opening Balances, Superannuation.
- Pay Run Settings:** Pay Schedules (selected), Locations, Pay Categories, Leave Categories.
- Pay Schedules Configuration:**
 - Name:** Fortnightly
 - Frequency:** Fortnightly
 - Included employees:** Employees with this pay schedule as their default
 - Pay Run Warnings:** This pay schedule will display all Pay Run warnings. Click [here](#) to configure.
 - PAYG Payments:** Pay PAYG via payment file to a nominated bank account
 - Pay Run Automation:** MANUAL (Automated Pay Run creation has not been enabled for this pay schedule. Click [here](#) to configure.)
- Buttons:** Save, Cancel

- 1 Go to **Payroll Settings > Pay run settings > Pay schedules**. Click on the pay schedule you wish to automate, then click the link to configure pay run automation.
- 2 Enter the start and end date for the automation and click **Next**.
- 3 On the **Warnings** screen, choose the notifications you want to receive. Remember, these queries may stop a payroll running automatically, so it may make sense to switch some off (e.g. work anniversaries). Add contact details if you want notification if the automated pay run fails and click **Next**.
- 4 Decide if you want to manually finalise the pay run or do it automatically. You can also choose if you want to automatically export journals.
- 5 Select a date for publishing your payslips and click **Next**.
- 6 Read through the summary and if you're happy, click **Complete**.

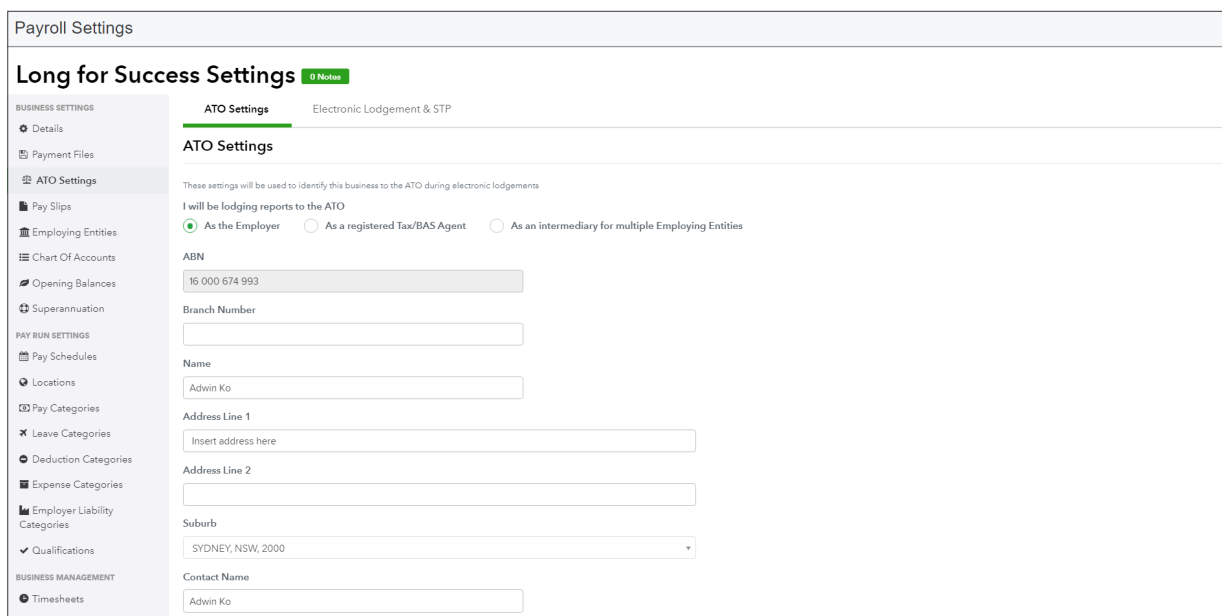


2.6 Set up Single Touch Payroll

To access STP settings go to **Payroll Settings > ATO Settings**. Fill in your:

- ABN
- Business address
- Business contact details

and indicate whether you are eligible for FBT under section 57A of the FBTAA 1986. If you're unsure about either of these, check with ATO.



Click **Save** and then select the **Electronic Lodgement & STP** tab.

You'll then be presented with two options:

- **Option 1:** Log in to your ATO Access Manager using your AUSkey and register the software ID with your account.
- **Option 2:** Contact the ATO on 1300 852 232 and follow the instructions provided to register your software ID.



Once you're completed one of these options click **Enable Electronic Lodgement and Enable Single Touch Payroll.**

Payroll Settings
✕

Long for Success Settings 0 Notes

BUSINESS SETTINGS

- ⚙ Details
- 📁 Payment Files
- ⚙ **ATO Settings**
- 📄 Pay Slips
- 🏢 Employing Entities
- 📊 Chart Of Accounts
- 📈 Opening Balances
- 🔄 Superannuation

PAY RUN SETTINGS

- 📅 Pay Schedules
- 📍 Locations
- 📁 Pay Categories
- ✕ Leave Categories
- 📊 Deduction Categories
- 📄 Expense Categories
- 🏢 Employer Liability Categories
- ✓ Qualifications

BUSINESS MANAGEMENT

- 📄 Timesheets

ATO Settings **Electronic Lodgement & STP**

Electronic Lodgement

The ATO [Cloud software authentication and authorisation \(CAA\)](#) initiative requires businesses to register their software ID before electronic lodgement is permitted.

Electronic lodgement is currently ENABLED

Software Provider

Powered By employmenthero

Software ID

0000007692

Single Touch Payroll (STP)

Single Touch Payroll is a reporting change for employers. It starts from 1 July 2018 for employers with 20 or more employees. For employers with less than 20 employees, it will become mandatory on 1 July 2019 however those employers may opt in earlier if they desire.

Single Touch Payroll is currently ENABLED

Business Management Software (BMS) ID

The BMS ID will uniquely identify your business to the ATO and is included in the data reported to the ATO. The BMS ID displayed here pertains to the default ABN entered in the Business Details screen. If you have employing entities set up, their BMS ID will be displayed in the Employing Entities screen.

If you were previously lodging STP events during the financial year using different payroll software, you may continue using the previous software's BMS ID in accordance with the transition option detailed [here](#). Tick the checkbox below if you want to copy the previous payroll software's BMS ID.

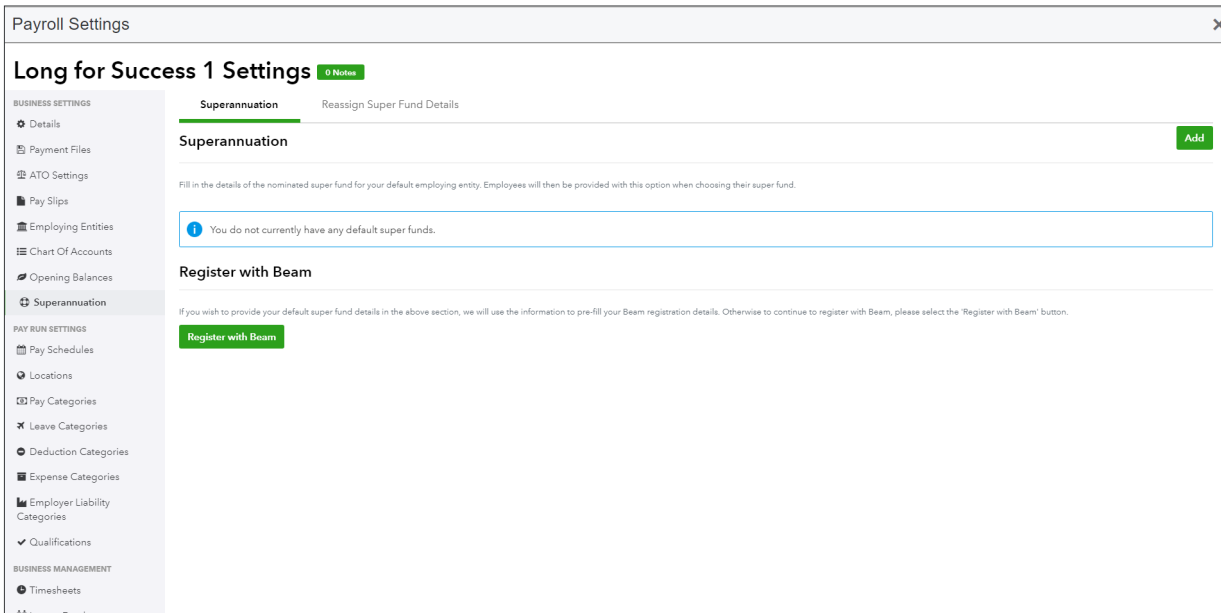
3 Superannuation

3.1 Set up superannuation

You can easily pay employee super contributions directly to any registered super fund in Australia by taking advantage of the inbuilt integration with the Beam super fund clearing house.

To set up, follow these steps:

- 1 From the business dashboard, go to **Payroll Settings > Superannuation**.
- 2 Click **Register with Beam**.




If you require additional instructions on setting up superannuation with Beam, click here.



3 Fill in **Your Details, Payment Method** and **Default Fund**.

2 Read through and agree to the Terms and Conditions, click **Next** and then click **Back to payroll**.

Payroll Settings



1. Your details 2. Payment method 3. Default fund 4. T&C

Check and update the details we'll use

Business details

Business Identifier Type *
ABN

Business Identifier Number *
11111111111

Business Name *
200 characters or less, special characters (<, >, +, etc.) not allowed
Long for Success

Your registered or physical business address

Address Type *
Business

Address line 1 *
50 or less printable characters allowed (letters, digits and punctuation marks)
1 insert address here

Address line 2
50 or less printable characters allowed (letters, digits and punctuation marks)

Address line 3
50 or less printable characters allowed (letters, digits and punctuation marks)



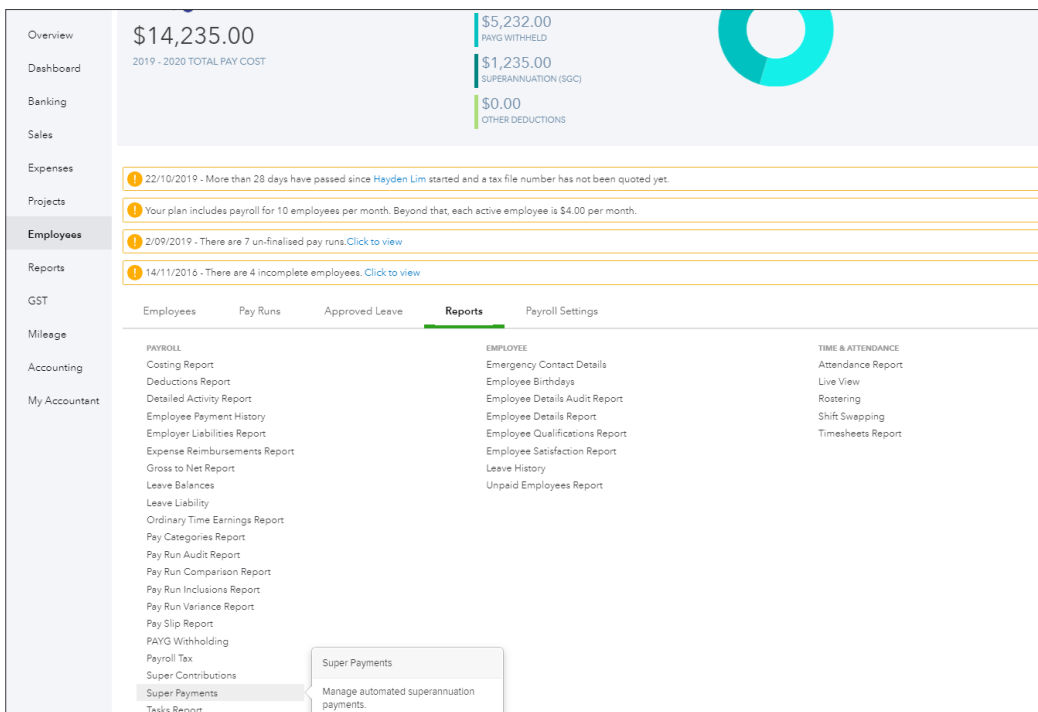
If you require additional instructions on setting up automated superannuation payments with Beam [**click here**](#).



3.2 Automate superannuation payments

Once you have registered with Beam you can automate super payments

- 1 Select the **Reports** tab in **Payroll**, then click **Super Payments**
- 2 Click **New Super Payment Batch**
- 3 Apply the filters (e.g. Date Range, Pay Schedule) then click **Filter** and then **Create Batch**.
- 4 Click Submit and choose your **Payment Method**.



That's your superannuation payments taken care of. Now you're ready to run payroll.



If an employee has more than one super fund you can also adjust the allocation % from this page.



4 Running Payroll

4.1 Create Pay Run


- 1 From the top right of the dashboard, select **New Pay Run**.
- 2 Select the correct **Pay Schedule** from the drop-down menu. If this is your first pay run you'll get a prompt asking you to select the date your pay period ends.
- 3 Enter the date that your employees will be paid. If you need to manually add employees to the pay run you can do that here too.
- 4 Click **Create**.


Pay Run

Pay schedule

i This is the **first** pay run for this pay schedule so you need to specify the date this pay period ends. For future pay runs, this will be worked out for you.

Pay period starting 13/11/2019

Pay period ending 

Date pay run will be paid 

Manually add employees to this pay run

Create pay run with empty pays



4.2 Finalise the pay run

When you've created a pay run, you'll be taken to a screen which shows you the breakdown of the payments. By clicking on the arrow next to an employee's name, you can see more details, including their rate of pay and leave they've taken. You can add notes here too.

- 1** Before you finalise your payroll, click on the **Warnings** tab to see any potential issues that need to be resolved.
- 2** Click on the **Actions > Finalise pay run**.
- 3** On the next screen you can submit your STP pay event to ATO, either manually or automatically.
- 4** You'll be reminded that you're about to finalise payroll, with the date that you're paying your employees and asked to add a date for publishing your pay slips. Click **Finalise** to export the journal to your QuickBooks Online account.



4.3 Lodging pay events to the ATO

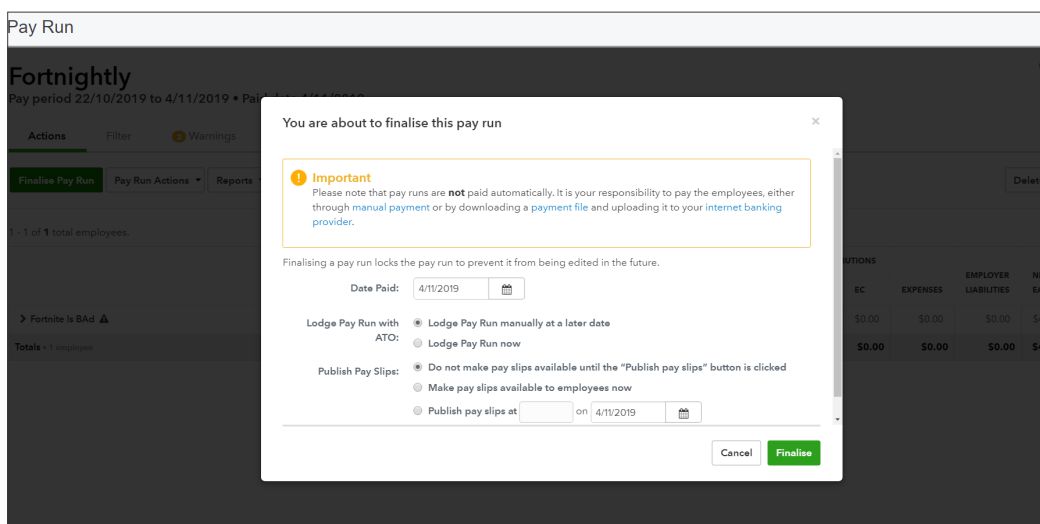
When you process a pay run you need to lodge a **pay event (STP)** to the ATO on or before pay day.

Before you lodge your first pay event, you must make sure you've correctly set up Single Touch Payroll under the **ATO Settings** section.

Once you've set this up, create your pay run as normal, then when you finalise it, you'll be able to select your pay run lodging options:

- **Lodge Pay Run now** will lodge your pay event to the ATO as soon as you click **Finalise**.
- **Lodge Pay Run manually at a later date** will suspend the process until you click **Lodge Pay Run with ATO** run on the **Pay Runs** screen (under the **Actions** tab)

If you lodge a pay event to the ATO in real time you can go to **Reports > Single Touch Payroll** to see if your pay event has been lodged successfully or has failed.



Quick Tip

If you miss a step in the STP setup process you may encounter an error, the following guide will assist in troubleshooting these errors.



4.4 Lodging update events to the ATO

If you're migrating your payroll from another software in the middle of the tax year, you can submit an update event to lodge the year to date information. The process can vary depending on your situation, the **following article** will cover reach process further.

Reports
✕

Single Touch Payroll

Create Update Event
Start Finalisation Process

This page lists all historical Pay Events and Update Events. To create a new Update Event, click the Create Update Event button. To submit a Pay Event, click the **Lodge Pay Run** button from within a finalised pay run.

Financial Year:

2019 - 2020

Pay Schedule:

All pay schedules

ID	EVENT TYPE	DATE	STATUS	NUMBER OF EMPLOYEES	PAY SCHEDULE	RELATED PAY RUN
548722	Update Event	21/10/2019	CREATED	1	Fortnightly	
548701	Update Event	21/10/2019	CREATED	1	Fortnightly	
548440	Update Event	21/10/2019	CREATED	1	Fortnightly	
548415	Update Event	21/10/2019	CREATED	0	Fortnightly	
283293	Pay Event	13/08/2019	CREATED	2	Weekly	Period ending 5/08/2019



5 The employee portal

Introducing self-setup and the WorkZone mobile app



To give an employee access to their employee file on the portal, following these steps:

- 1 Go to **Payroll Settings > Employee Portal Settings**.
- 2 You will see a screen with a variety of options. Tick the boxes to give the employee the access you want them to have.
- 3 Choose the level of employee access you want for timesheets so they can:
 - Not access timesheets so the employee(s) can't view them in the WorkZone app or the employee portal
 - View their own timesheets in the employee portal without being able to create or edit them - this feature is not currently available on the WorkZone app
 - Only edit their own timesheets in the Employee Portal and WorkZone app, without being able to edit kiosk-created timesheet lines
 - Only edit timesheets created via the kiosk without creating timesheet lines in the Employee Portal -WorkZone timesheets will be disabled when this is set
 - Create and edit all timesheets created through the Employee Portal, WorkZone and kiosk.
- 4 Once you have ticked the right option select **Access**.
- 5 Select the employees name(s) that you want apply the previous screen settings to.
- 6 Once ticked, click **Grant Access** or **Revoke Access** for the selected employee(s).

6 Reports

6.1 Run the Single Touch Payroll report

The Single Touch Report details all Pay Events and enables you to submit Update Events to the ATO. To see it go to **Reports > Single Touch Payroll**.

The report can filtered by **Financial Year** and **Pay Schedule**.

The screenshot displays the 'Employees' section in QuickBooks. At the top, there is a summary of payroll costs for the 2019-2020 financial year:

- NET PAY: \$7,768.00
- PAYG WITHHELD: \$5,232.00
- SUPERANNUATION (SGC): \$1,235.00
- OTHER DEDUCTIONS: \$0.00
- TOTAL PAY COST: \$14,235.00

Below the summary, there are four warning messages:

- 4/11/2019 - There are 8 un-finalised pay runs. [Click to view](#)
- 22/10/2019 - More than 28 days have passed since **Hayden Lim** started and a tax file number has not been quoted yet.
- Your plan includes payroll for 10 employees per month. Beyond that, each active employee is \$4.00 per month.
- 14/11/2016 - There are 4 incomplete employees. [Click to view](#)

The bottom section shows a navigation menu with tabs for Employees, Pay Runs, Approved Leave, **Reports**, and Payroll Settings. Under the 'Reports' tab, the 'ATO REPORTING' section is expanded, showing options like Single Touch Payroll, Payment Summaries, and Tax File Declaration. A tooltip for 'Single Touch Payroll' is visible, containing the text: 'Review Pay Events and submit Update Events to the ATO.'



Note

Unpublished pay runs will not appear in this report.



When the report is generated all the relevant data in summary format:

Reports X

Single Touch Payroll [Create Update Event](#) [Start Finalisation Process](#)

This page lists all historical Pay Events and Update Events. To create a new Update Event, click the Create Update Event button. To submit a Pay Event, click the **Lodge Pay Run** button from within a finalised pay run.

Financial Year:

Pay Schedule:

ID	EVENT TYPE	DATE	STATUS	NUMBER OF EMPLOYEES	PAY SCHEDULE	RELATED PAY RUN
548722	Update Event	21/10/2019	CREATED	1	Fortnightly	
548701	Update Event	21/10/2019	CREATED	1	Fortnightly	
548440	Update Event	21/10/2019	CREATED	1	Fortnightly	
548415	Update Event	21/10/2019	CREATED	0	Fortnightly	
283293	Pay Event	13/08/2019	CREATED	2	Weekly	Period ending 5/08/2019

You will see the following headings:

- **ID:** Each pay event/update event has it's own unique ID. When you click on the ID, you will be directed to another screen that provides more detail of that event. This includes the wages/figures being reported to the ATO, lodgement details and errors (if applicable) as well as the ability to export the data to excel
- **Event Type:** There are only two options here - a Pay Event or an Update Event (descriptions of each event type are detailed below)
- **Date:** The date the event was submitted
- **Status:** This is the date the event was created
- **Number of Employees:** The number of employees included in the event
- **Pay Schedule:** The pay schedule for the event.

What is the difference between a Pay Event & an Update Event?

Pay Event:

Whenever an employer makes a payment to an employee that is subject to withholding, they are required to lodge a pay event with the ATO on or before the date the payment is made. This includes where the amount of withholding is \$0 (for example where an employee's gross income is below the tax free threshold) or where the employee has no net pay (for example where the employee is repaying an advance or overpayment to the employer, voluntarily foregoing their net pay).

A pay event reports employee YTD gross payments, tax withheld, allowances, deductions and superannuation liability information for each individual employee reported. As employee amounts are YTD, once an amount has been reported it should continue to be reported even if it has not changed (for example Employment Termination Payments should continue to be reported in each pay event after they are first reported if the employee is included in any subsequent pay events). Put simply, once a pay run is finalised, a pay event should be lodged with the ATO.

Update Event:

An update event is used to report changes to employee YTD amounts previously reported to the ATO. Update events are not associated with a pay run and thus can only be created when an employee payment has not been made. Other examples of why an update event would be created include:

- Upon transferring YTD payroll data from one payroll system to another to align the latest employer BMS data with the last employee data reported to the ATO.
- To assist with EOFY processes, including finalisation and amendments to STP. After 30 June, any changes made to reported employee data for the prior financial year must only be submitted through an update event.



6.2 Run the Gross to Net report

This is probably the most commonly used report in QuickBooks Payroll.

- 1 Go to **Payroll Settings > Reports > Payroll.**
- 2 Specify your date range, select a pay schedule and location plus employee, category and group. Leave as **All** if no filter is required.

- 3 Select **Run report** to see the breakdown for the salary, PAYG withheld, superannuation, and net wages.

You can export this to Excel or CSV for customisation.



6.3 Report packs

Use payroll's Report Packs to save time. Select the required reports and a time period and they will be automatically generated on a recurring basis. You can add an email address for them to be automatically sent to.



7 Final steps



7.1 Paying your employees

Once you've run payroll you're ready to pay your employee (The payment to your employees happens outside of QuickBooks). You can streamline this process by **setting up ABA Files.**

Congratulations, you completed the set up process!



Want to learn more?
quickbooks.com.au/payroll