**Single Touch Payroll**

**The critical role of accountants**

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BM **Single Tough Payroll. You’ve got a due date of 1 July 2018. Where’s the sense of urgency?**

JS The sense of urgency needs to be now. We have got only a short period. 1 April is the check date if you have got more than 20 employees and 1 July 2018 we expect somewhere around 70,000 large employers to start to implement Single Touch Payroll.

Question **Isn’t Single Touch Payroll a technology issue for software providers to resolve?**

JS No absolutely. This is not just a software patch by no means. So accountants and bookkeepers and businesses really need to understand this change and what it means for them, and be working with their software provider to make sure they are in the best possible position when they implement.

Question **Are accountants ready for Single Touch Payroll?**

MC Some firms are more prepared than others as you would expect, perhaps depending upon the size of the firm. Larger firms with more resources might be better prepared, I’m not sure. But it’s an important message that Attaché is trying to get out there. That we have to, that as an accounting profession we need to get all over this because if we don’t, someone else will be approaching our clients and offering services.

Question **Has the M-Institute seen any sense of urgency?**

MR Zero sense of urgency. The medium sector typically people with $2 million to $100 million turnover are really lost on the horizon. We talk about SME as grouping, but they are nothing like small businesses, they are totally different, they are like large businesses. But they need the resources of accounting firms. They don’t have these resources internally, they rely on accounting firms and we really need the accounting fraternity to really grab the opportunity and help these medium businesses. And as an accountant myself I would suggest this medium group probably provide a very, very sizable chunk of their fees, if not the majority of their fees. So it is self-preservation as well as looking after their clients.

Question **Are accountants missing the bigger opportunity?**

MC It’s huge Barry. So in other countries where this has been done it’s been seen as an opportunity to offer a suite of employment services if you like. Payroll tax, FBT, superannuation, employee share plans if that is relevant.

Question **So accountants could broaden their relationship within their client base?**

MC Exactly. And with payroll, the interesting thing about payroll conversations and benefit conversations you are typically talking to the top people in your client. So own the conversation with those key decision makes in a business is generally a pretty good sign you’ve actually got the whole client covered. But it is all about a conversation starter and Single Touch Payroll gives you an excellent opportunity to start a conversation.

Question **Which clients should I help first?**

MR First targets are very easy to identify. These are people who have desktop-based server-based systems probably installed way back around GST time. They are absolutely in bad need of getting updated. But you’ve got to be careful they probably got spreadsheets and custom software and goodness knows what. This is an opportunity to isolate the payroll side we’re even suggesting to some people that they have a standalone server sitting there so it doesn’t impact any other side of the business. But they need to ensure the payroll they get suits their size of business. Most small businesses are cloud, the medium group over 70% are not, they are what is called hybrid – part in house and part cloud. Totally different market, so they’ve got to make sure they buy a truck and not a car.

Question **This is more than a simple upgrade. Is Attaché helping the broader market to transition to Single Touch Payroll?**

MR Absolutely because of the association with the M-Institute our view or vision is wider than our own product or products. The checklist will help anyone affected by Single Touch Payroll. Doesn’t matter what software they’ve got it will help them, so it is very much a community service. So it’s available, Accountants can use it, anyone can use it. There are different versions. There are a few extra things in the advisors version, but anyone can use it. It’s freely available, no copyright, go for your life.

[*attachesoftware.com/checklist*](https://www.attachesoftware.com/checklist)

Link >> <https://www.attachesoftware.com/guides/single-touch-payroll-checklist/?utm_campaign=single+touch+payroll&utm_medium=video&utm_source=ato>

Question **What can I do now?**

MR There is a massive amount of on onboarding that can happen now, pre that event and this is something that is outlined in the checklist. And I think this conversation is probably going to worry a few people. The solutions are actually easier than you think. It’s in the checklist you can have someone on your staff be the STP champion and it’s not that hard provided you start acting now and follow what’s in the checklist, I think it will end up being pretty smooth.

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Question **What were those key dates again?**

JS So the first big key date is 1 April 2018. That’s the time to actually count how many employees the employer has. If they have more than 20 employees at that date they’re required to start reporting Single Touch Payroll from 1 July 2018. Now I know that’s not that very far away, but they’re the dates so 1 April is the date to count your employees and 1 July 2018 to start reporting. But of course you can start reporting earlier if your system is ready, our system is ready to receive that reporting now, so if you want to come in and report earlier. Similarly those employers with less than 20 employees can start reporting as well.

Question **Some people are saying that Single Touch Payroll will be postponed?**

JS Look I think it is just employers or accountants thinking that this is not going to happen 1 July. So rest assured as I said earlier this is a really important change and it’s a foundational piece, so we need to get this right. The worst thing to do would be to just ignore it and actually not start to think and get ready and help your clients get ready. Accountants and bookkeepers and tax agents are a really important resource to businesses as we’re talked about so they need to get their knowledge up to speed on this so they can be a key advisor to their clients

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