



COVID-19

Payroll Guidelines

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1. Helping you implement the COVID Wage Supplement

In the wake of the coronavirus outbreak, the Government of Malta approved economic assistance to help businesses keep their employees in work.

One such scheme is the COVID Wage Supplement (CWS) which aims to support the wages of those employed by eligible businesses. The supplement passes from the employer to the employee as gross pay of up to €800, appearing in the payslip as a gross amount. It is currently not treated as an income or a grant to the employer. It is best to monitor the government website to stay updated on the CWS.

Our mission at Dakar Software has always been to customise HR systems to fit the way our clients work, so our products have in-built flexibility to accommodate change.

Embedding the COVID Wage Supplement is no exception.

Here, we are pleased to offer our guidance to clients so that they can implement the supplement quickly and easily. While we are in no position to offer any legal or regulatory advice, our guides take you through CWS implementation step-by-step. If you have any queries or need further assistance, our support team are on hand via the help function, email or website chat. We will be happy to guide you through the changes necessary so that the CWS appears in your records as they should.

2. Purpose

The **COVID Wage Supplement** scheme aims to assist businesses in keeping their workers employed.

If the scheme applies to you, this document will show you the different options available to set up your payroll system with the new Covid Wage Supplement

There are different options according to information from Malta Enterprise.

2.1. Employee on a full salary

- If the employee is to be paid his/her fully salary and you will still be claiming for the COVID Wage Supplement, use this link to skip to: [Adding the COVID Wage Supplement](#)
- In this scenario, the employees' basic pay will still be the same, but the company will be receiving a refund on the amount of COVID allowance applied for.

2.2. Employee on reduced hours

- If the employee is to have his/her hours reduced, for example, from a 40 hour week to a 20 hour week, use this link to skip to: [Changing employee on reduced fixed hours.](#)
- In this scenario, the employees' working hours are reduced as part of the company's response to the economic conditions brought on by Covid-19. The employees' hourly rate will still remain the same.

2.3. Employee on variable hours

- If the employee is going to work variable hours, (i.e. basic hours that vary each payroll) you will first need to follow the steps provided in: [Changing employee on variable hours per payroll](#), then skip to: [Allocating the supplement to employees.](#)
- In this scenario, the employees will work variable hours, on a need-to basis. The hourly rate will still remain the same, but you will need to input the number of hours worked for the employees.

3. Changing basic hours (optional)

If, for any reason, the employee's working hours are to change, follow the steps below according to the **Employee Job Type**

Please note that the basic should include the supplement amount.

3.1. Changing employee on variable hours per payroll

If the employee will be working different hours (earning a different basic amount) in one payroll only, kindly follow the steps below:

Step 1: Set up the employee as being **variable hours**:

- Go on **Employee**
- Click on **Employee Details** from the left menu
- Select the employee
- Click on the **Settings** tab
- Tick **Part Timer (Variable Hrs)**
- Make sure the **P/Timer Hours (Per Pay)** and the **Schedule Work Days** are blank and **Save**.

The screenshot displays the 'Employee Basic Details' form with the 'Settings' tab selected. The form contains the following fields and controls:

- Employee Code:** JC001
- Name:** Jack Cassar
- Settings Tab:** Active, with other tabs for Basic Details, Suspensions, Govt. Bonus, and Salary.
- Student Worker:**
- Part Timer (Variable Hrs):**
- Special Part Timer:**
- P/Timer Hours (Per Pay):**
- NI Cat 'B' 10%?:**
- Spouse I.D. Card:**
- Pay Leave on Termination:**
- Net to Gross Salary:**
- Marital Status:**
- FSS Tax Schedule:** M
- 35% Tax at €10000 (P15):**
- Fixed Tax Rate %:**
- Suspend 50% Tax Limit:**
- Fixed Tax Deduction (€):**
- Schedule Work Days:**
- Expatriate(Deduct Company NI Only):**

At the bottom of the form, there are three buttons: **SAVE**, **CLEAR**, and **PRINT**.

Step 2: Input the basic hours for the payroll

- Go on **Payroll**
- Click on **Global Adjustments** from the left menu
- Ensuring you are on the correct pay period and in line with the employee, under the **Extras** column, select **Basic Hours – BASIC** from the dropdown menu
- Under the **Hrs/Amt** column, input the hours for that payroll and **Save**

	Employee	Allowances	Extras	Absences	Hrs/Amt
1	Azzopardi Vella Anthea - AZZ01				0.000
2	Borg Joan - SPI005				0.000
3	Borg Mary - BORG02				0.000
4	Cassar Jack - JC001		Basic Hours - BASIC		160

3.2. Changing employee on reduced fixed hours

If the employee's hours are to be reduced fixed hours (working the same basic hours every payroll), kindly follow the steps below:

Step 1: Input the reduced fixed hours

- Go on **Employee**
- Click on **Employee Details** from the left menu
- Select the employee
- Click on the **Settings** tab
- Input the basic hours per payroll in the **P/Timer Hours (Per Pay)**
- Make sure the **Part Timer (Variable Hrs)** is not ticked and **Save**.

Employee Basic Details

Employee Code: MM001
Name: Mark Muscat

Basic Details | Settings | Suspensions | Govt. Bonus | Salary

<input type="checkbox"/> Student Worker	<input type="checkbox"/> Marital Status
<input type="checkbox"/> Part Timer (Variable Hrs)	FSS Tax Schedule: S
<input type="checkbox"/> Special Part Timer	35% Tax at €10000 (P15)
P/Timer Hours (Per Pay): 86.67	Fixed Tax Rate %
<input type="checkbox"/> NI Cat 'B' 10%?	Suspend 50% Tax Limit
Spouse I.D. Card	Fixed Tax Deduction (€)
<input type="checkbox"/> Pay Leave on Termination	Schedule Work Days
<input type="checkbox"/> Net to Gross Salary	Expatriate (Deduct Company NI Only)

SAVE CLEAR PRINT

4. Adding the COVID Wage Supplement

There are two ways to allocate the wage supplement amount:

Option 1 is by **inputting the value within the corresponding payroll number, per employee** and

option 2 is by **importing the value via a CSV file**.

4.1. Adding the COVID Wage Supplement to employees Individually

To input the wage supplement for an individual employee, follow these steps:

The screenshot displays the 'Employee Covid Wage Supplement' interface. At the top, the title 'Employee Covid Wage Supplement' is centered. Below it, there are two input fields: 'Employee Code' with the value 'BIA08' and a dropdown arrow, and 'Name' with the value 'Paula Schranz'. A section titled 'COVID Wage Supplement' contains a table with two columns: 'Payroll No' and 'Covid Wage Supplement'. The table has 8 rows, with the first row containing '5' and '500.00'. Below the table, there is a 'Covid Total' field showing '500.00' and a 'Show In Payslip' checkbox which is checked.

- Go on **Employee** from the top menu
- Click on **COVID Supplement** from the left menu
- Select the employee you wish to allocate the supplement to
- Input the payroll number under the **Payroll No** column
- Input the wage supplement the employee is entitled to for that payroll under the **COVID Wage Supplement** column in line with the payroll number
- Tick the **Show in Payslip** box if you wish to show the supplement amount in **Payslip Remarks**
- **Save**

Description	Hours / Occurance	Current Month	Year to Date
BASIC PAY	86.660	833.333	6315.381
LEAVE PAID			184.619
COMMUNICATION ALLOWANCE		100.000	204.660
MAR BONUS			121.160
GROSS PAY		933.330	6825.820
TAXABLE GROSS PAY		933.330	6825.820
SOCIAL SEC. 4C2		-76.920	-269.220
TAX ARREARS		0.000	0.000
TAX (FSS) (S)		-86.000	-1321.000
COMMUNICATION ALLOWANCE		100.000	300.000
NET PAY (€)		€ 870.410	€ 5535.600

Covid of 500.00, has been included in this Pay

4.2. Adding the COVID Wage Supplement as a batch import

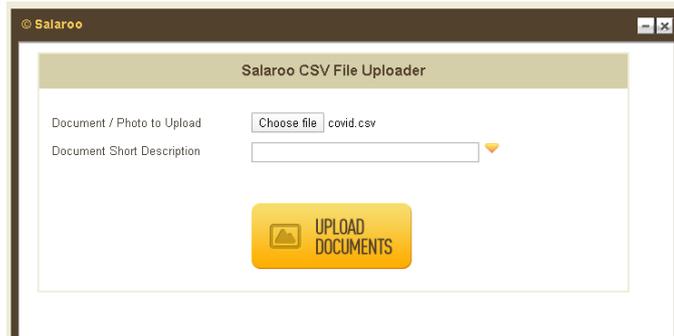
To add the employee wage supplement as a batch, first download the template and fill it out by:

- Clicking on **Settings** from the top menu
- Click on **Upload COVID CSV** from the left menu
- Click on **COVID Uploads**
- Click on **Download Sample COVID CSV file format**
- Download the template by clicking on **View Sample COVID CSV File Upload Format**

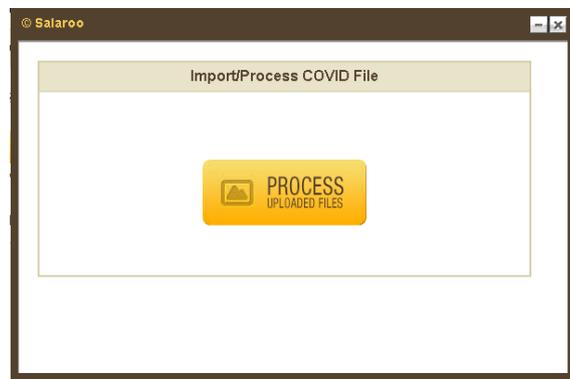
	A	B	C	D	E
1	Employee	Name	Payroll	Covid Amount	
2	BIA01	Paul Schranz	2	700	
3	BIA08	Paula Schranz	2	800	
4					

Upload the adjusted template by following the steps below:

- Click on **Settings** from the top menu
- Click on **Upload COVID CSV** from the left menu
- Click on **COVID Uploads**
- Click on **Upload COVID CSV File**
- Select the file you wish to upload
- Click on the **Upload Documents** button



- Go back to the **Upload COVID CSV** from the left menu
- Click on **COVID Uploads**
- Go on **Import/Process COVID File**
- Click on the **Process Uploaded Files** button.



The supplements are now uploaded. Simply calculate the payroll to effect the change (from **Payroll > Calculate Payroll**)

Employee Covid Wage Supplement

Employee Code: BIA08
Name: Paula Schranz

COVID Wage Supplement

	Payroll No	Covid Wage Supplement
1	5	500.00
2	2	800.00
3		
4		
5		
6		
7		
8		

Covid Total: 1300.00
Show In Payslip:

5. Issuing the COVID Wage Supplement Report

This report can be issued in multiple formats by selecting **Report Format** from the top left part of the screen.

Report Format PDF ▼

To issue the report showing all the supplements and the NI amount featured in a specific payroll, please follow these steps:

- Go on **Reports** from the top menu
- Click on **COVID Supplement** from the left menu
- Select the company
- Select the payroll number
- Click on **COVID Wage Supplement**
- Click on **COVID Wage Supplement Report**
- Click on the **Issue Report** button to run the report
- Once the process is complete click on the **Print** button to show the report on screen

17-Apr-20 6:12:43P

Covid Wage Supplement Report

<u>Employee Code</u>	<u>Employee Name</u>	<u>Payroll No</u>	<u>COVID Wage Supplement Amt</u>	<u>COVID Wage Supplement NI</u>
Company: 123456				
SPI005	Ms Joan Borg	5	800.00	80.00
BIA08	Paula Schranz	5	500.00	50.00
Total :			1,300.00	130.00

6. Adjusting FS5 to include the wage supplement

The FS5 needs to be amended so that 10% of the NI on the supplement is deducted from the total NI amount due to the Commissioner for Revenue.

You can do this by first issuing the **COVID Wage Supplement Report** as it gives you the amount of NI you need to deduct for that payroll.

Note: If you normally have multiple payrolls in one FS5, issue the report for all the payrolls that fall under that FS5 month and add up the NI totals to calculate the value you need to deduct.

Issue the FS5 Report and adjust it by following these steps:

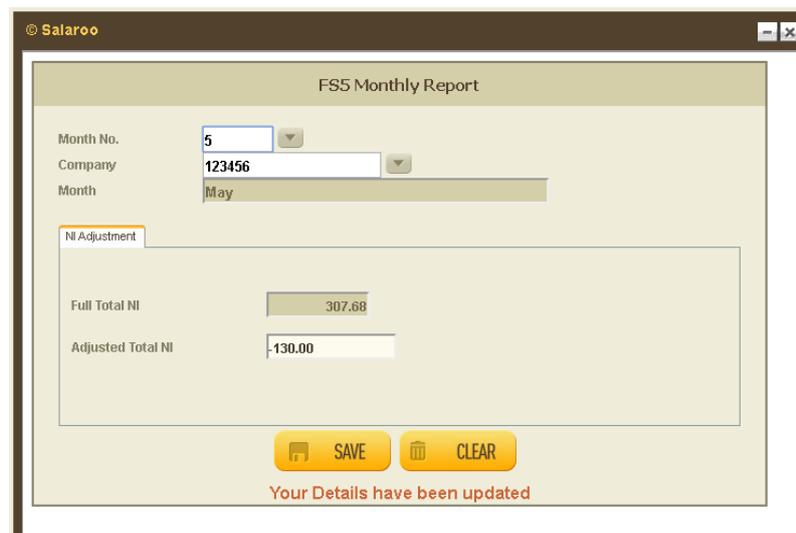
6.1. Issuing the FS5 Report

- Go on **Reports** from the top menu
- Click on **Payroll** from the left menu
- Click on **Monthly Tax Reports**
- Click on **Issue Monthly FS5 Report**
- Select the FS5 month and click on **run report** to generate the FS5 report

6.2. Adjusting the FS5

Once the FS5 is generated you need to adjust the FS5 by following these steps:

- Go on **Reports** from the top menu
- Click on **COVID Supplement** from the left menu
- Click on **COVID Wage Supplement**
- Click on **FS5 Adjustment**
- The **Full Total NI** field shows the full employee and employer amount
- Input the amount to deduct in NI (**Total Supplement NI** figure issued in the [COVID Wage Supplement Report](#) with a negative sign (-) in front) in the **Adjusted Total NI**
- **Save**
- Then [re issue the FS5](#)



The screenshot shows a web application window titled "Salaroo" with a sub-header "FS5 Monthly Report". The interface includes the following elements:

- Month No.:** A dropdown menu with the value "5" selected.
- Company:** A dropdown menu with the value "123456" selected.
- Month:** A text field containing "May".
- NI Adjustment:** A section with two input fields:
 - Full Total NI:** A text field containing "307.68".
 - Adjusted Total NI:** A text field containing "-130.00".
- Buttons:** Two yellow buttons labeled "SAVE" and "CLEAR".
- Message:** A red text message at the bottom stating "Your Details have been updated".

Social Security Contributions

177.68

7. Disclaimer

We recommend the steps as set out in this document to assist in addressing the COVID requirements as stipulated by the Maltese government as they currently apply to Salaroo Payroll™.

At Dakar Enterprises Ltd, owner and operator of Salaroo™, we are in the process of guiding clients to the best of our knowledge and understanding. However, it is the client's responsibility to ensure that the settings and resulting payslips are in line with what they require as a company. Dakar Enterprises Ltd cannot be held liable whatsoever for any errors made by the client in this regard.

It should also be noted that details of the government's financial assistance may change over time. While we are able to help you with the way it is applied in our systems, we cannot be held responsible for relaying government advice in any of our communications or website. It is therefore advisable to stay up to date with any developments directly using the government website and other of their communications.

If you need technical assistance or information, please go to our [website](#) or contact us via the help function, email or web chat.