Checklist ✅

Changing or starting payroll software.

Determining needs:

When choosing payroll software, you want to find the one that's the right fit. In order to ensure that you're choosing the right payroll solution, it helps be aware of the following:

- [ ] Your industry and industry-specific needs
- [ ] Number of employees and contractors
- [ ] Your payroll knowledge and experience
- [ ] Who will be administrating and approving payroll
- [ ] Your primary accounting software
- [ ] Required functions and add-ons
- [ ] If you're changing software, identify the key reasons for the change.

Getting set up:

The key to setup is being prepared by having all the information you need. A good rule of thumb is to allow for up to two weeks to complete the process.

Business information:

- [ ] **CRA business and payroll registration notice**

  Provided when the business registers itself.
  (If you don't have this, you can request it from the CRA.)

  - Legal business name and address
  - CRA payroll account number
  - Remittance frequency
    - Non-accelerated – monthly
    - Threshold 1 – bi-weekly
    - Threshold 2 – weekly

- [ ] **Business banking information**

  - Either a voided cheque or an official statement with bank, transit and account numbers.
  - Authorized bank contact (signing authority)

- [ ] **Provincial/territorial tax information**

  In addition to your federal tax ID, you may also need specific provincial and territorial ID numbers:

  - Alberta
    - Workers' Compensation (WCB)
  - British Columbia
    - Workers' Compensation (WorkSafeBC)
    - Employer Health Tax
    - Medical Services Plan (to be replaced by EHT in 2020)
  - Québec
    - Workers' Compensation (CNESST)
    - Québec Parental Insurance Plan (QPIP)
    - Health Services Fund
    - Contribution Related to Labour Standards
    - Workforce Skills Development and
    - Recognition Fund (WSDRF)

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- Manitoba
  - Workers' Compensation (WCB)
  - The Health and Post Secondary Education
  - Tax Levy (HE Levy)
- New Brunswick
  - Workers' Compensation (WorkSafeNB)
- Newfoundland and Labrador
  - Workers' Compensation (WorkPlaceNL)
  - Health and Post Secondary Education Tax
- Nova Scotia
  - Workers' Compensation (WCB)
- Ontario
  - Workers' Compensation (WISB)
  - Employer Health Tax (EHT)
- Prince Edward Island
  - Workers' Compensation (WCB)
- Saskatchewan
  - Workers' Compensation (WCB)
- Northwest Territories
  - Workers' Compensation (WSCC)
- Nunavut
  - Workers' Compensation (WSCC)
- Yukon
  - Workers' Compensation (WCB)

☐ **Deduction types**
The following simply need to be selected from the existing list in Wagepoint:

(Source deductions, like CPP and EI, are automatically calculated when you process payroll and don't need to be set up as a type of deduction. (Income tax is also established based on the information in each employee's TD1.)

- Medical/health
- Critical illness
- Dental
- Vision
- STD
- LTD
- Life ins
- Supplemental life ins
- Dependent life ins
- AD&D
- RRSP
- RRSP (LCF – tax credit)
- Profit sharing
- Pension
- Taxable benefit
- Taxable benefit non-ins
- Garnishments
- Union fringe
- Union special
- Union dues
- Voluntary
- Other
- General
- Charitable

☐ **Income types**
The following have already been created and you simply need to select them:

- Bonus – discretionary
- Bonus – work-related
- Car allowance
- Contractor
- Commission
- Double overtime
- Expense allowance
- Expense reimbursement
- Stat holiday
- Time worked on a stat holiday
- Pay in lieu of notice
- Miscellaneous pay
- Other pay
- Overtime
- Regular pay
- Retro pay
- RRSP earned
- Sick pay
- Severance
- Controlled tips
- Direct tips
- Taxable benefit
- Vacation pay

☐ **Custom deduction and income types**
Please note that you'll need to allow time to request these deductions as part of the setup.

You will also need to know if these items are taxable.

☐ **Paygroups**
Group employees based on pay frequency, location, classification, etc. Wagepoint automatically creates a paygroup based on the payroll frequency you selected during setup, but you can add more paygroups as needed.

- The common denominator for each group is payroll frequency as this impacts the income and deduction calculations.
- Confirm locations, departments and job titles if they are key to organizing and reporting information.

☐ **Statutory holidays**
Wagepoint provides a list and you simply need to select the applicable dates. The list bellow has the most common holidays. Make sure you know the statutory holiday for each province or territory where you pay employees.

- New Year's
- Family Day
- Good Friday
- Victoria Day
- Canada Day
- August Civic Holiday
- Labour Day
- Thanksgiving
- Christmas Day
- Boxing Day

☐ **Employee information**
For each employee, you'll need:

- First and last name
- Birthdate
- Hire date
- SIN
- Address
- TD1 for tax info
- Vacation and PTO amounts
- Banking info — voided cheque or direct deposit form with transit, institution and account numbers.
- Email address

☐ **Contractor information**
For each contractor, you'll need:

- First and last name
- Birthdate
- Hire date
- Contractor BN (SIN if a sole proprietor)
- Address
- Banking info — voided cheque or direct deposit form with transit, institution and account numbers.

☐ **ROE authorization**
In order for Wagepoint to generate an ROE on your business' behalf, authorization has to be given. This is done through an e-sign form within the app.

Year-to-date amounts:

These are crucial for ensuring that the payroll is accurate right from the start. If you have been paying employees either manually or using another software, you will need to provide the year-to-date amounts for:

- [ ] Gross earnings
- [ ] CPP — employee and employer
- [ ] EI — employer and employee
- [ ] Income tax — federal and provincial
- [ ] Deductions
- [ ] Incomes
- [ ] Vacation

Changing payroll software:

- If you've been using other software, you'll need to:
  - Notify your current provider of your intent to change and confirm a timeline. (A period of up to 30 days may apply.)
  - Request a payroll register report with your year-to-date amounts and ROEs with reason code K (other) and a note stating "switching payroll providers."
- If you've been processing payroll manually, you'll have to put together your own report and generate your own ROEs.
- The only time you don't need year-to-date amounts is when you're starting with the first payroll of the year or if it's the first payroll you've ever run.

Make payroll even easier...

If you need specific, scheduling and time-tracking tools, check out our latest time-keeping and paid time-off tools, Track and Luna, along with other popular and practical integrations. Once your set up is complete, you'll be able to access these add-ons from within Wagepoint.

Track Luna
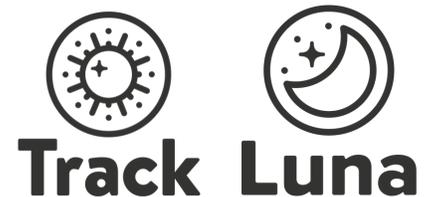
Discover Small Business Payroll You'll LOVE!

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Sign up!

Signing up is free and you aren't billed until you run your first payroll.
If you've already created an account, click here to sign in and continue getting set up.

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