

# Benefits of Using Payroll Software System



Managing payroll in-house can be a complex matter. Payroll involves managing time-sheets, matching time-sheets to actual work done, tax deductions, bank holiday pay, maternity pay, parental leave and that's just for starters. One of the ways to get a handle on payroll is to use a payroll software system. Many of the systems on the market today enable an in-house book-keeper to manage the payroll while still keeping in contact with an accountant on a monthly or quarterly basis.

If you haven't considered automating your payroll, here are five benefits to using a payroll software system.

## 1. Compliance Becomes Simple

Compliance with Revenue is a major issue for SMEs. You must be compliant with paying correct amounts for PRSI and Income Tax. However, these days things are a bit more complicated. For instance some employees may have opted to pay Property Tax out of their wages so you will have to ensure that it is deducted on time. There are also other deductions to consider like employee pension contributions etc. Additions like bank holidays, travel/mileage reimbursements should also be included in the payroll where relevant.

When you use a payroll system correctly, they are set up to comply with all the latest payroll legislation. Some offer reminders so you never miss a deadline.

## 2. Plan and Pay without Hassle

One of the biggest challenges that my clients have is time and attendance records, rosters, managing schedules when

someone is sick and someone else covers for them. One of the greatest advantages of a payroll system is you can manage sick leave, over-time, swapped shifts and absences. You can easily plan ahead as well as see how many hours an employee has worked.

## 3. Payslips made Easy

Under the Payment of Wages Act of 1991, all employees have a right to a payslip which shows their gross wage. It lists all the deductions from gross pay to give your employee their net or take home pay. As an employer, you must provide it in either an electronic format or hard copy.

One of the best ways to ensure you stay compliant with the law is to use a payroll software system. Payslips are as easy as pressing a button to publish. Using any number of systems, you can either email directly the payslip or download to PDF. Most have a customisation button so you can add in your logo, contact details or anything extra that you may need to add. You don't need specific payroll stationery.

## 4. Automatic Calculation

In January 2016, the new hourly rate was increased by 50c. So for an experienced adult worker, it went from €8.65 to €9.15. Using a payroll software system, you would enter that information in just once and your system is automatically updated across all relevant personnel. Similarly, if you gave pay rises or deductions, it will be reflected easily in the relevant employees wage slip. This removes the need for repeated calculations for each member of staff.

## 5. Time Saving

Once you have your payroll system set up, running your payroll will take less time. If you are running payroll using spreadsheets and a manual process, you will immediately see time and resources freed up to do other tasks.

*If you would like further information on any of the above, we would be delighted to speak with you.*

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