



Payroll Outsourcing: Still thinking about it?



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Payroll processing is a delicate and complex area. Considering the peculiarities of cross border taxation, tax incentives, tax statuses, fringe benefits and an array of other monthly adjustments, the effort and expertise required to process payroll are on the increase. The consequences of any delays in processing, incorrect calculations and lack of privacy can have significant consequences on both the employer and employee.

Our dedicated team of payroll and tax professionals can put our clients' mind at rest that their payroll will be processed confidentially and on time, in accordance with the highest quality standards and in full compliance with tax rules. We have ample experience in managing payroll of local and international clients ranging from micro to large entities.

Benefits of payroll outsourcing



Time and cost savings allowing HR and management to focus more on core operations



Access to real time payroll information for employees and HR via cloud based payroll software



Peace of mind that payroll is processed on time should a payroll executive become unexpectedly unavailable



Enhanced confidentiality around sensitive employee and executive compensation



Support from an experienced team of payroll, tax and accounting professionals fully abreast with the frequently changing employment and tax legislation



Access to the multidisciplinary KPMG network, both at a local and international level



No training and software license costs



Have employee data analysed via statistical information enabling management to make people strategic decisions

What are the greatest challenges?

- Keeping up to date with the implementation of new provisions and legislation in the areas of social security, employment and tax rules such as persons returning to work, highly qualified individuals, fringe benefits, part time work, overseas employment and lump sum payments;
- The globalisation of employment, cross-border workers and the opening up of the labour markets;
- Complying with internal and external requirements with regard to quality, processes and checks; and
- Maintaining data confidentiality.



How can we help?

Our payroll outsourcing service includes all payroll activities from the initial data collection and input, right up to the payment of net salaries and all related administrative requirements. Apart from providing full payroll for all your employees, we also offer “executive payroll” services that many times require added discretion.

We work with our clients to help improve processes, though we do so while keeping our client’s present processes and solutions in mind. We therefore devote significant effort to the initial process set up and agree with you the most appropriate communication.

Our dedicated payroll team can provide you with payroll services either in our offices or at client premises. We can also support your HR team by loaning one of our experienced and trained payroll executives who can temporarily handle payroll processing in the event of temporary staff shortages or where expert knowledge is required.

Our outsourced payroll services include:

- Setting up of your payroll in our system based on your individual requirements;
- Registration and deregistration of employees with the authorities;
- Assistance with work permit applications, residence cards, posting of workers notifications and VISA assistance for both employees and their family members;
- Submission of information required to update the profile of your employees for social security purposes;
- Calculation of each employee's monthly net salary, covering also tax, social security and maternity fund contributions, leave balances, etc.;
- Advice on the taxability of fringe benefits (payments in kind and other allowances) and calculation of taxable fringe benefit value;
- Calculation of gross-ups where there is a net salary agreement;
- Preparation of monthly payslips and distribution of same to the employees either electronically through password protected emails or by post;
- Preparation of bank transfers, cheques and/or a bank file for Maltese bankers to execute the payment of the net salary payable to the employee;
- Preparation of monthly and annual statutory forms required for submission to relevant authorities together with respective payments;
- Preparation of payroll journal entries for accounting purposes and preparation of an employee listing for bank reconciliation purposes;
- A basic salary report showing the basic salary rate for individual employees and other customised monthly reports; and
- Handling all communication with the relevant authorities.

Our multidisciplinary team will assist you with all the human resources queries in the field of payroll, accounting, taxation and global mobility such as obtaining work and residence permits, preparing personal tax returns, taking advantage of available tax incentives and preparing employment contracts.

As a complimentary service to payroll outsourcing, we also provide Leave Management services through an online portal accessible through a range of mobile devices. The Leave Management system provides for the setting up of different leave entitlements, authorisers for different departments, the automatic carry forward of leave, application and authorisation for leave via a web-based app, reports of leave consumed and remaining balances and much more. All leave adjustments are then populated to the payroll module for the monthly processing of payroll. This gives management and staff the flexibility to securely apply and approve for leave online whilst having leave data immediately updated to the payroll system.

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