

# 2 – DAY

## MANAGING & PROCESSING PAYROLL IN MALAYSIA

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### INTRODUCTION

Payroll is an organisation's financial records of employees' salary payments, bonuses and deductions. An organisation's payroll management is expected to adhere to the latest statutory obligations as they are subjected to law and regulations. Effective and efficient payroll management ensures payslips are properly prepared, salaries are paid and statutory returns completed.

Apart from Employment Terms and Conditions, this program will also highlight to participants the computation of EPF, SOCSO, EIS, HRD levy contributions and income tax deductions in compliance with the legal requirements in Malaysia. In addition, the Malaysian payroll system, up-keeping of payroll system and other statutory requirements will also be covered.

### METHODOLOGY

- Highly interactive, you will learn via PowerPoint presentations
- Presentations, groups discussion and worksheets
- Highly practical and experiential learning examples
- Lively discussions and informative Q&A sessions
- Highly informative and practical course notes for reference

### COURSE OBJECTIVES

By the end of this course, you will be able to:

- Learn how to calculate pay based on employment terms and conditions according to the Employment Act 1955
- Have an understanding of termination and lay-off benefits and its computation
- Understand the computation of EPF, SOCSO, EIS, HRD levy contributions and income tax deduction.
- Understand in detail the background and benefits of EPF, SOCSO, EIS, HRD levy contributions and income tax deduction.
- Learn how to set up the payroll system and up-keeping of payroll system.
- To understand what are the year-end reports and statutory requirements

### WHO SHOULD ATTEND?

- Finance Managers / Accountants
- Finance / Accounts Executives
- Human Resource Managers/ Executives
- Administration
- Personnel Managers / Executives
- Payroll Executives
- Anyone who's responsible for payroll processing

# PROGRAM OUTLINES

## MODULE 1: DEFINITION OF PAYROLL

## MODULE 2: EMPLOYMENT TERMS AND CONDITIONS

- The Background
- Definitions
- Casual Workers
- Temporary Employees
- Employees Outside the Coverage of the Employment Act
- Salary for Incomplete Months
- Ordinary Rate of Pay
- Notice Period and Termination
- Inquiry, Misconduct and Suspension
- Payment of Wages
- Annual Bonus
- Deduction from Wages
- Advance to Employees
- Female Employees
- Maternity Protection
- Rest day and Work on Rest Day
- Hours of Work and Shift Work
- Holidays and Annual Leave
- Sick Leave

## MODULE 3: APPLICATION OF EMPLOYMENT ACT

## MODULE 4: EMPLOYMENT RELATED CALCULATIONS

- Part time Employees and Casual Employees
- Wage Periods
- Overtime on Public Holidays and Normal Overtime
- Maternity Pay
- Unpaid Leave
- Payment in Lieu of Notice
- Payment for Annual Leave

## MODULE 5: APPLICATION OF EMPLOYMENT RELATED CALCULATIONS

## MODULE 6: TERMINATION AND LAY-OFF BENEFITS

## MODULE 7: APPLICATION OF TERMINATION AND LAY-OFF BENEFITS

## MODULE 8: EMPLOYEES PROVIDENT FUND (EPF)

- Background
- Obligations on Employers and Employees
- Accounts of Contributors
- Retirement
- Rate of Monthly Contribution
- General

## MODULE 9: SOCIAL SECURITY ORGANISATION'S (SOCSO)

- Background
- 1st category SOCSO Contributions
- 2nd category SOCSO contributions
- Assumed Wages
- Calculation of Temporary Disablement Benefit
- Foreign Employees

## MODULE 10: EMPLOYMENT INSURANCE SYSTEM (EIS)

- Background
- Application of EIS and Registration
- Contributions
- Benefits and Claims

## MODULE 11: HUMAN RESOURCES DEVELOPMENT CORPORATION (HRDCORP)

- Background
- Rate of HRD Levy
- Application of HRDCorp

## MODULE 12: INCOME TAX DEDUCTION

- Background
- Employee's Residence Status
- Employee Category
- Definition of Remuneration in the Income Tax Context
- Benefits-in-Kind (BIKs) & Value of Living Accommodation (VOLA)
- Allowable Deduction and Rebate Under the Act
- Optional Deductions and Rebates
- New Hires in the Company
- Additional Remuneration Formula
- Compensation for Loss of Employment
- Additional Information on Monthly Tax Deduction (MTD)

## MODULE 13: SETTING UP THE PAYROLL SYSTEM AND UP-KEEPING

- Year-end reports and statutory requirements