

List of Recommended Controls for Payroll Software (integrated with API)

Below is the list of controls that good payroll software is recommended to have. Payroll software vendors are strongly encouraged to build in good controls in their payroll software for employers' use. Please note that the list is solely for reference purposes.

If you are looking to purchase payroll software, please also refer to "[List of AIS payroll software vendors](#)" on IRAS' website while engaging them.

Note: Changes from YA 2024 are indicated in orange fonts.

S/N	Recommended Controls	Should Have	Good to Have
Generic controls for data preparation			
1	The payroll software supports all data items (mandatory and optional) in the file format specifications, and should not automatically mark/default any indicators or remuneration components as a non-taxable item.	✓	
2	The relevant values in the Form IR8S and Appendices 8A / 8B are automatically populated to the corresponding fields in the Form IR8A (e.g. "Total Value of benefits-in-kind" in Appendix 8A will be populated to item d9 – "Value of benefits-in-kind" of Form IR8A).	✓	
3	All relevant remuneration components are tagged correctly to the corresponding fields in the Forms IR8A / IR8S and Appendices 8A / 8B.	✓	
4	The payroll software should not allow editing on generated Forms IR8A / IR8S and Appendices 8A / 8B. Users should make amendment directly on the payroll records and regenerate the forms.		✓
5	The payroll software is able to allow generation/ submission of amendment records only for the affected employees, and giving the difference in amounts.		✓
6	The payroll software is able to auto-compute the benefits-in-kind amount based on current tax treatment (e.g. furniture and fittings and car benefits).		✓



Controls for tax reporting of CPF contributions		
7	The payroll software can compute compulsory CPF contributions based on prevailing CPF rates, age group and residence status.	✓
8	The payroll software is able to do the following with regard to the tax reporting of CPF contributions: a) Compute excess employer CPF contributions and auto-populate the excess contributions to item d7 of Form IR8A b) Exclude any excess/voluntary employee CPF contributions from the Employee's Compulsory Contribution to CPF in Form IR8A c) Auto complete Sections A and B of the Form IR8S due to the excess employer's and employee's CPF contributions.	✓
Access rights controls		
9	Provide adequate access rights controls (e.g. access is given on a need to basis, there should be login IDs, password and audit trail to prevent and trace unauthorised access or update).	✓
10	The payroll software should be able to control and allow only authorised users to perform direct API submission.	✓
Proper documentation of the software products for users		
11	Provide users with the procedures on the backing up of payroll data.	✓
12	Provide users with help tool or user manual.	✓
Generation of relevant reports and information		
13	The payroll software is able to allow users to generate the following items to ensure the accuracy of the information that is transmitted to IRAS: a) Summary of submission – To check that the information to be submitted is correct. b) Reconciliation report – To compare the total remuneration paid against the total remuneration reported for tax. c) Verification report – To ensure that all remuneration items have been either classified as taxable or non-taxable and to also highlight if there are any cases of excess CPF contributions.	✓



14	<p>The payroll software is able to clearly output the following information to users:</p> <p>a) Error or Warning Messages –</p> <ul style="list-style-type: none">Record containing the error/warning to allow users' rectificationRespective error/warning message <p>b) Details of "successful submission" to users –</p> <ul style="list-style-type: none">Submission Reference No.Organisation NameOrganisation Tax Reference No.Year of AssessmentFile Type (Original or Amendment)No. of RecordsDate and Time of submissionMasked ID of the user who performed the submission	✓	
15	<p>The payroll software is able to allow users to check the details of submission to IRAS, by providing the following:</p> <p>a) Submission logs, including details of employees' employment income information submitted.</p> <p>b) Instructions to check submission status via myTax Portal. <i>Revised</i></p>		✓



Useful prompters		
16	The payroll software should be able to flag warning messages to users and prompt users for action, by using the "bypass" indicator.	✓
17	The payroll software is able to prompt users to file Form IR21 when the date of cessation of employment for a foreign employee is entered. Form IR21 has to be prepared and submitted to IRAS when a foreign employee ceases employment with the company.	✓
18	The payroll software is able to prompt users to generate Appendix 8A when benefits-in-kind are provided to the employees.	✓
19	The payroll software is able to prompt users to generate Appendix 8B when employees derived gains or profit from Employee Stock Option (ESOP) Plans or other forms of Employee Share Ownership (ESOW) Plans.	✓
20	The payroll software is able to prompt users to generate Form IR8S when there are excess CPF contributions and / or when there is refund claimed or to be claimed from the CPF Board.	✓
21	The payroll software is able to prompt users to claim for the refund of excess CPF contributions from CPF Board.	✓
22	The payroll software is able to identify and alert users if there are duplicate employees' records.	✓
23	The payroll software is able to prompt users to keep a copy of the data before submission.	✓
24	The payroll software is able to provide instructions on how to prepare an amendment submission i.e. prompt users to refer to IRAS' website at https://go.gov.sg/iras-ais-amend . ^{New}	✓

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