

A DLS Technology Guide

SQL Payroll Onboarding Guide

How to set up SQL Payroll for a Malaysian SME — from registering as an employer through your first month-end payroll run.

Payroll mistakes are expensive — wrong PCB, missed SOCSO, late CP39. Get the setup right and the monthly run takes minutes. This guide gets the setup right.

Before You Start

Have these in hand before you sit down to configure SQL Payroll:

- SSM company details and employer number
- EPF, SOCSO, EIS and HRDF employer reference numbers
- LHDN employer number (the "E" file number)
- Employee master list with: name, IC number, EPF/SOCSO numbers, bank account, basic salary, joining date
- Your salary cycle (most common: 1st of month to month-end, paid on the last working day)

Step 1: Company Configuration

01 Maintain → Company Profile

Enter SSM, statutory employer numbers, signing officer name and contact. SQL prefills your contributions to all reports.

02 Maintain → Payroll Setup

Set the salary cycle dates, default pay day, working days per month, and overtime rules per your employment contracts.

03 Maintain → Bank

Add the bank account you pay salaries from. SQL generates the e-submission file in your bank's exact format.

Step 2: Setting Up Each Employee

This is where most setup mistakes happen — and they propagate every month until fixed. Take time per employee.

Personal details

- Full name as per IC, IC / passport number, date of birth, gender, marital status
- Bank account number — verify it carefully (typos here = payroll day disaster)
- LHDN PCB category (single, married, dependants — directly affects monthly tax)

Statutory contributions

- EPF: employee category and contribution rate. Confirm the latest published rate before going live.
- SOCSO & EIS: most employees qualify; some non-Malaysian categories don't — verify by status.
- HRDF: only if your industry is liable and you have 10+ employees.
- PCB: SQL auto-calculates based on chargeable income and PCB category.

Salary structure

- Basic salary (fixed monthly amount)
- Fixed allowances (transport, meal, telephone, etc.)
- Variable items configured for the monthly run: OT, commission, claims, bonus
- Fixed deductions (loan repayment, attire, etc.)

Tip. Allowances are not all equal in the eyes of EPF, SOCSO and LHDN. For example, fixed travelling allowance is generally not EPF-subject but is taxable. SQL handles this per allowance type — get the type right and the calculation is automatic.

Step 3: Your First Payroll Run

The monthly rhythm in SQL Payroll, once setup is right:

- 01 Open the new payroll period**
Payroll → New month. SQL creates the period and pulls forward each employee's setup.

- 02 Enter variable items**
OT hours, commissions, claims, leave deductions, late deductions. SQL applies the right calculation per item type.

- 03 Calculate**
One click. SQL computes EPF (employee + employer), SOCSO (both portions), EIS, PCB, and any HRDF liability.

- 04 Review**
Glance at the payroll summary. Are gross totals and net pay in the expected range? Anything wildly off is usually a bad variable item or a mis-set allowance.

- 05 Print & email payslips**
Batch-email password-protected PDF payslips to every employee. (Default password is the last 4 digits of their IC.)

- 06 Generate bank giro file**
Export the bank-format e-submission file. Upload to your online banking, schedule the salary payment.

- 07 File statutory contributions**
EPF (e-Caruman), SOCSO (Perkeso ASSIST), LHDN (e-CP39) — SQL exports the right file for each.

Reasonable timing expectations

For an SME with 10–50 employees, a clean monthly run is 30–45 minutes once setup is right. If you're spending two hours, something in your master data or allowance setup needs fixing.

Year-End in SQL Payroll

December's run is no different from any other month, but afterwards you have annual filings:

- Generate EA forms for every employee (Reports → EA form).
- Distribute EA forms (printable or password-protected PDF).
- Prepare Borang E for filing with LHDN.
- Prepare CP8D — the supporting schedule for Borang E.
- Submit by the LHDN deadline (typically end of March for the previous year).



Confused about a statutory calculation? WhatsApp the question to +6016-620 6990.
After a decade of running payroll for Klang Valley SMEs, we've seen every edge case.

This guide is published by DLS Technology Sdn Bhd, an authorised SQL Payroll dealer in the Klang Valley. Content is original. Statutory rates and forms change — verify current figures before each payroll run via kwsp.gov.my, perkeso.gov.my and hasil.gov.my.