

# Negative YTD+ figures on an IRP5 code

## How to check this in VIP payroll

### Why is this a problem?

A common error that customers receive when doing the Periodic Reconciliation run is as a result of negative Year-to-date values on an IRP5 code. SARS does not allow a negative value to be submitted on an IRP5 code and therefore the VIP system also will not allow you to export the IRP5 file if an IRP5 code has a negative allocated to it.

### An example of when this occurs

We have come across this error many times, due to the following scenario:

An employee is terminated and upon termination their leave balance is in a negative, meaning that they owe the company money. When the user processes this negative leave value they process it on the Leave Paid Out Earning line (which has a 3605 IRP5 code). Now, if the employee has not have any other periodic payments (also with a 3605 IRP5 code) paid to them during the year then this means that code 3605 = Leave Paid Out Earning amount = negative value.

If an employee owes leave upon termination then we suggest that this negative leave value be processed on an Unpaid Leave Earning line (code 3601) and not on a Leave Paid Out line, In this way, code 3601 (which comprises of the employee's Year-to-date Salary plus the negative unpaid leave) will not be a negative, even with this negative value.

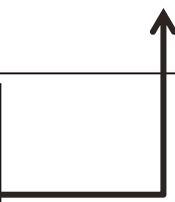
E.g. of the error that you could receive, when doing the Periodic Reconciliation run, in this scenario:

The following mandatory EMPLOYEE FIELDS for Company 016 are empty or not valid

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Employee Code	Employee Name	Nature Person	Description
001	NDORO P	A	Amount for Code 3605 is negative ( -2870.92)

This means that the YTD+ total of 3605 for this employee is negative



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E.g. of how the payslip could look like in this scenario:

EARNINGS SUMMARY				
Desc	Current	Previous	YTD	YTD+
SALARY	14000.00	14000.00	154000.00	168000.00
COMM				
TRAVEL				
ANN BON			14000.00	14000.00
L/PAID	-2870.92			-2870.92
O/TIME				
UNPAID				

YTD Leave Paid Out is negative

### How to correct this error (using the example above)

If your company is still in July or August:

- You can do a Year-to-date adjustment by removing the negative amount from the Leave Paid Out Earning line and adding the negative amount to the Unpaid Leave Earning line:

05	L/PAID		2870.92	001
06	O/TIME			
07	UNPAID		-2870.92	001

Reverse the amount on the Leave Paid Out line by processing the same amount as a negative

Add the negative amount to the Leave Paid Out line

- Do a test Periodic Run again to make sure that you no longer receive the error.

If your company has already been rolled over into September or October:

- Adjustments will need to be made on the History Screen for the employee.
- You need to fill in and sign the History Screen adjustment form, send this form to support and a consultant will then assist you to make an adjustment.
- Hence why it is better if you pick up this problem and fix it while your company is still in July or August.

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