

Earning Definitions

Adding an Earning line

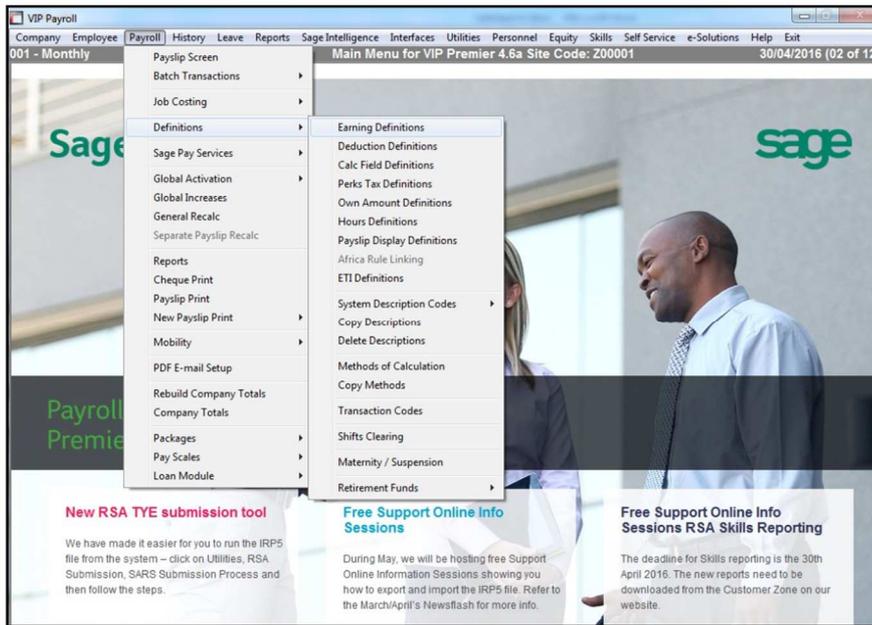


Creating a new Earning line

- Ensure that all operators are out the system
- Ensure that a recent backup of the company has been made

Steps to follow

- From the Main Menu, click on Payroll> Definitions> Earning Definitions



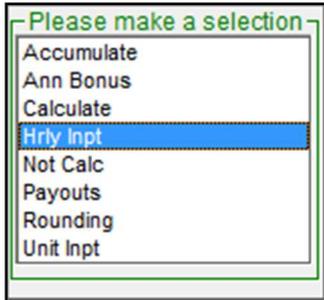
Example of an Earnings Definition screen

The screenshot shows the 'Earning Definition Screen' in Sage Payroll software. The table below lists 23 different earnings definitions with their respective details.

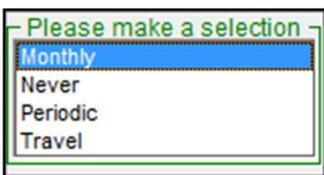
No	Short	English	Alternate	Earning Type	When Taxable	BCEA	RFI	IRP5 Code	Incl SDL
01	Salary	Salary	Salaris	Basic Sal	Monthly	F	Y	3601	F
02	O/T 1.5	Overtime 1.5	Oortyd 1.5	Hrly Inpt	Monthly	V	N	3601	F
03	O/T 2.0	Overtime 2.0	Oortyd 2.0	Hrly Inpt	Monthly	V	N	3601	F
04	Travel	Travel Allowanc	Reistoelaag	Not Calc	Travel	F	N	3701	T
05	RKm Tax	Reimb Km Taxed	Klomet Belas	Unit Inpt	Never	N	N	3702	N
06	RKm N/T	Reimb Km N/Tax	Klomet N/Belas	Unit Inpt	Never	N	N	3703	N
07	Cell Ph	Cell Phone All	Selfoontoelaag	Not Calc	Monthly	N	N	3601	F
08	Transp	Transport All	Vervoertoelaag	Not Calc	Monthly	N	N	3601	F
09	Subs LT	Subs Local Tax	R/Verbl PIs Bel	Not Calc	Never	N	N	3704	N
10	Subs LN	Subs Local N/T	R/Verbl PIs NB	Not Calc	Never	N	N	3714	N
11	Subs FT	Subs Foreign T	R/Verbl Bui Bel	Not Calc	Never	N	N	3715	N
12	Subs FN	Subs Foreign NT	R/Verbl Bui NB	Not Calc	Never	N	N	3714	N
13	Oth All	Other Allowance	Ander Toelae	Not Calc	Monthly	N	N	3713	F
14	Comm	Commission	Kommissie	Not Calc	Monthly	V	N	3606	F
15	ABonus	Annual Bonus	Jaarlikse Bonus	Ann Bonus	Periodic	G	N	3605	F
16	GIFT	GIFT	GIFT	Not Calc	Periodic	N	N	3605	F
17	LvePaid	Leave Paid Out	Verlof Uitbetaa	Unit Inpt	Periodic	N	N	3605	F
18	BCEA Lv	BCEA Leave	BCEA Verlof	Unit Inpt	Monthly	N	N	3601	F
19	Lumpsum	Lumpsum	Lompsom	Not Calc	Never	N	N	3901	N
20	UnpLve	Unpaid Leave	Onbet Verlof	Unit Inpt	Monthly	N	Y	3601	F
21	Reimbur	Other Reimburse	Ander Terugbet	Not Calc	Never	N	N		N
22	Savings	Savings Payout	Spaargeld Uitb	Not Calc	Never	N	N		N
23	Backpay	Backpay	Terugbetaling	Not Calc	Monthly	N	N	3601	F

- Click in the **short description** field of the first open line and type in a description (maximum 7 characters)
- Complete the **English** and **Alternate** fields
- Select the correct **type of earning**

The available options are:

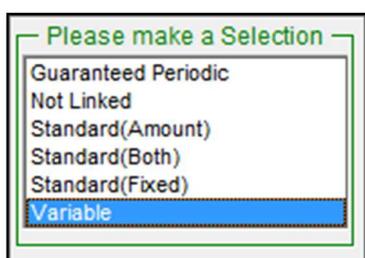


- **Accumulate** – selected if a balance needs to be computed for the earning
 - **Annual Bonus** – only used if an Annual Bonus earning is being created
 - **Not Calc** – used if the earning will be a manually advised amount
 - **Calculate** – used if a method of calculation must be entered to calculate the amount
 - **Hrly/Unit Input** – used if a method of calculation must be entered using an advised number of hours/units to calculate the amount
 - **Rounding** – only used if the net salary must be rounded. A rounding type of deduction must also be created and the rounding amount must be indicated on the Company Miscellaneous Screen
 - **Payouts** – selected if the earning is a loan/savings that must be paid out through the payroll (Never taxable, no IRP5 code)
- Select the correct 'When Taxable' option. The available options are:



- **Monthly/Weekly/Bi-weekly** – normal monthly/weekly/bi-weekly earning amounts
 - **Periodic** – used if the earning is a once-off amount
 - **Never** – only used if the amounts is a reimbursement or a loan/saving payout
 - **Travel** – used to indicate a travel/car allowance
- Indicate if the earning should be included in BCEA Remuneration for the calculation of Leave Pay

The available options are:



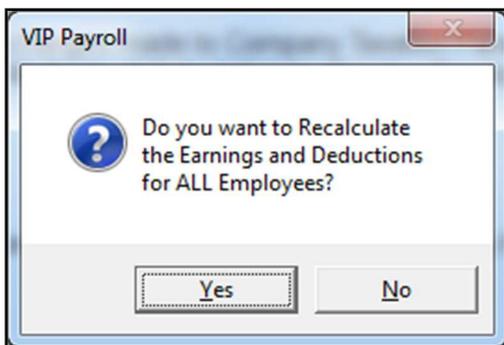
- **Not Linked**– not taken into account for the BCEA Remuneration calculation
- **Standard Fixed**– include the amount reflected in the Fixed column into the Standard portion of the BCEA Remuneration calculation
- **Standard Amount**– include the amount reflected in the Once column into the Standard portion of the BCEA Remuneration calculation
- **Standard Both**– include both the Fixed and the Once columns into the Standard portion of the BCEA Remuneration calculation
- **Variable** – include the amount in the variable portion of the BCEA Remuneration calculation
- **Guaranteed Periodic** – only used when the earning line is an Annual Bonus line and the bonus amount is guaranteed, i.e. a fixed 13th cheque
- Select **No** in the RFI column.
- Enter the relevant **IRP5 Code** from the list provided.

VIP Payroll
001 - Monthly Earning Definition Screen 30/04/2016 (02 of 12)

No	Short	English	Alternate	Earning Type	When Taxable	BCEA	RFI	IRP5 Code	Incl SDL
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21	Reimbur	Other Reimburse	Ander Terugbet	Not Calc	Never	N	N		N
22	Savings	Savings Payout	Spaargeld Uitb	Not Calc	Never	N	N		N
23	Backpay	Backpay	Terugbetaling	Not Calc	Monthly	N	N	3601	F

ChangeMode Close Routing Default SDL

- A general recalculation message will appear. Click on **YES** to confirm the recalculation



- The process of adding an earning line has now been completed