



PeopleSoft 8.3 Global Payroll for Spain PeopleBook

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About the HRMS PeopleBooks

The HRMS PeopleBooks provide you with the information you will need for implementing and using PeopleSoft Human Resources Management System (HRMS) products.

This section describes information you should know before you begin working with PeopleSoft products and documentation, including PeopleSoft-specific documentation conventions, information specific to the PeopleSoft HRMS product line, how to order additional copies of our documentation, and so on.

Before You Begin

To benefit fully from the information covered in these books, you need to have a basic understanding of how to use PeopleSoft applications. We recommend that you complete at least one PeopleSoft introductory training course.

You should be familiar with navigating around the system and adding, updating, and deleting information using PeopleSoft windows, menus, and pages. You should also be comfortable using the World Wide Web and the Microsoft® Windows or Windows NT graphical user interface.

Because we assume you already know how to navigate the PeopleSoft system, much of the information in these books is not procedural. That is, it does not typically provide step-by-step instructions on using tables, pages, and menus. Instead, we provide you with all the information you need to use the system most effectively and to implement your PeopleSoft application according to your organizational or departmental needs. These books expand on the material covered in PeopleSoft training classes.

PeopleSoft Application Fundamentals for HRMS PeopleBook

The individual HRMS PeopleBooks provide you with implementation and processing information for the individual HRMS products. However, there is additional, essential information describing the setup and design of each HRMS product contained in the companion volume of documentation called *PeopleSoft Application Fundamentals for HRMS PeopleBook*.

The *PeopleSoft Application Fundamentals for HRMS PeopleBook* consists of important topics that apply to many or all PeopleSoft applications across the HRMS product line. Whether you are implementing a single HRMS product, some combination of products within the product line, or the entire PeopleSoft HRMS system, you should be familiar with the contents of this central PeopleBook. It is the starting point for fundamentals such as setting up control tables and administering security.

In the *PeopleSoft Applications Fundamentals for HRMS PeopleBook*, we've included common information pertinent to all applications in the HRMS product line, such as defining general options. If you're upgrading from a previous PeopleSoft release, you may notice that we've

removed some topics or topic headings from the individual application PeopleBooks and consolidated them in this single reference book. You'll now find only application-specific information in your individual application PeopleBooks. This makes the documentation as a whole less redundant. Throughout each PeopleBook, we provide cross-references to *PeopleSoft Application Fundamentals for HRMS* and other PeopleBooks.

Related Documentation

To add to your knowledge of PeopleSoft applications and tools, you may want to refer to the documentation of other PeopleSoft applications. You can access additional documentation for this release from PeopleSoft Customer Connection (www4.peoplesoft.com/cc). We post updates, troubleshooting documentation, and other items on Customer Connection, as well. In addition, documentation for this release is available on CD-ROM and in hard copy.

Important! Before upgrading, it is *imperative* that you check PeopleSoft Customer Connection for updates to the upgrade instructions. We continually post updates as we refine the upgrade process.

Documentation on the Internet

You can order printed, bound versions of the complete PeopleSoft documentation delivered on your PeopleBooks CD-ROM. You can order additional copies of the PeopleBooks CDs through the Documentation section of the PeopleSoft Customer Connection Web site: <http://www4.peoplesoft.com/cc>

You'll also find updates to the documentation for this and previous releases on Customer Connection. Through the Documentation section of Customer Connection, you can download files to add to your PeopleBook library. You'll find a variety of useful and timely materials, including updates to the full PeopleSoft documentation delivered on your PeopleBooks CD.

Documentation on CD-ROM

Complete documentation for this release is provided on the CD-ROM *PeopleSoft 8.3 HRMS PeopleBooks*, SKU HR83PBR0, and *PeopleTools 8.14 PeopleBooks*, SKU PTB814R0.

Note. Your access to PeopleSoft PeopleBooks depends on which PeopleSoft applications you've licensed. You may not have access to some of the PeopleBooks listed here.

Hardcopy Documentation

To order printed, bound volumes of the complete PeopleSoft documentation delivered on your PeopleBooks CD-ROM, visit the PeopleSoft Press Web site from the Documentation section

of PeopleSoft Customer Connection. The PeopleSoft Press Web site is a joint venture between PeopleSoft and Consolidated Publications Incorporated (CPI), our book print vendor.

We make printed documentation for each major release available shortly after the software is first shipped. Customers and partners can order printed PeopleSoft documentation using any of the following methods:

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Telephone	Contact Consolidated Publishing Incorporated (CPI) at 800 888 3559 .
Email	Email CPI at callcenter@conpub.com .

PeopleBooks Standard Page Element Definitions

Throughout our product documentation, you will encounter fields that are used on many application pages or panels. This section lists the most common fields and provides standard definitions.

Field	Definition
Address 1, Address 2, Address 3	Freeflow text entry fields that enable you to describe street, street number, apartment number, and other address information.
As of Date	The last date for which a report or process includes data.
Block (Bloque)	In Spanish addresses, a building or buildings that are close together may be called a Block (Bloque). Include the Block name in the address, if necessary.
Business Unit	An identification code that represents a high-level organization of business information. You can use a business unit to define regional or departmental units within a larger organization.
City	Name of city for address.
Comment(s)	Freeflow text entry that enables you to add comments.
Company	A business organization. For US companies using PeopleSoft Payroll for North America or PeopleSoft Pension Administration, a business unit that has a unique federal Employer Identification Number (EIN) for payroll reporting purposes.

Field	Definition
Country	Country for address. Other address fields will be adjusted to reflect Country choice. Select a country from the list of valid values and press TAB to move through the field. The system automatically displays the appropriate address fields using the standardized address formats previously set up in the Country Table. Enter the appropriate address data in the fields that appear.
County (also Prefecture and Parish)	Name of county (prefecture/parish) for address, if applicable.
Currency Code	The 3-letter code in which the currency is specified.
Description	Freeflow text up to 36 characters that describes what you are defining.
Department	An identification code that represents an organization in a company.
Door (Puerta)	In Spanish addresses, identifies the door name or number.
Effective Date	Date on which a table row becomes effective; the date that an action begins. For example, if you want to close out a ledger on June 30, the effective date for the ledger closing would be July 1. This date also determines when you can view and change the information. Pages or panels and batch processes that use the information use the current row.
Email	The email address for a person or organization.
EmplID (employee ID)	Unique identification code for an individual associated with your organization.
Empl Rcd# (Employee Record Number)	A system-assigned number that indicate an employee has more than one record in the system.
Fax (also Fax Number)	The fax number for a person or organization.
Floor (Piso)	In Spanish addresses, identifies the floor name or number.
House	Identifies the type of house.
Initials	Initials of individual.
Language	Language spoken by employee/applicant/non-employee.
Language or Language Code	The language in which you want the field labels and report headings of your reports to print. The field values appear as you enter them. Language also refers to the language spoken by an employee, applicant, or non-employee.
Last Run On	The date that a report or process was last run.
Locality	A tax location within an organization.
Name	Name of individual.

Field	Definition
National ID	Identification code used by countries to track information on their residents for payroll, identification, benefits, and other purposes. For example, for US residents this would be their Social Security Number; for German residents it would be their Social Insurance Number, and for UK residents it would be their National Insurance Code.
Number	The number related to a street, avenue, or other address field in Spanish addresses. When an address has no number, enter s/n (sin numero) to indicate that there is no number.
Phone	The phone number for a person or organization.
Phone Extension	The phone extension number for a person or organization.
Phone Type	Identifies the type of phone number entered in the Telephone field. Valid values are Business , Campus , Cellular , Dormitory , FAX , Home , Other , Pager 1 , Pager 2 , or Telex .
Post Code (also Postal)	Postal code for address.
Prefix	Prefix for individual (such as Mr., Ms., Mrs., Dr., and so on)
Process Frequency group box	Designates the appropriate frequency in the Process Frequency group box: Once executes the request the next time the batch process runs. After the batch process runs, the process frequency is automatically set to Don't Run . Always executes the request every time the batch process runs. Don't Run ignores the request when the batch process runs.
Process Monitor	This button takes you to the Process List page, where you can view the status of submitted process requests.
Regulatory Region	A regulatory region can be any region where there are specific laws and regulations that are addressed by functionality in PeopleSoft Human Resources. Many country-specific transactions are driven by regulatory requirements where Regulatory Region is used for transaction processing.
Report ID	Identifies a report.
Report Manager	This button takes you to the Report List page, where you can view report content, check the status of a report, and see content detail messages (which show you a description of the report and the distribution list).
Request ID	A request identification that represents a set of selection criteria for a report or process.
Run	This button takes you to the Process Scheduler request page, where you can specify the location where a process or job runs and the process output format.

Field	Definition
Run Control ID	Identifies specific run control settings for a panel.
Run Date	The date that a process was run or a report was generated.
Run Time	The time that a process was run or a report was generated.
SetID	An identification code that represents a set of control table information. SetIds enable the sharing of a set of control table information across two or more Business Units.
Short Description	Freeflow text up to 15 characters.
Stair (Escalera)	In Spanish addresses, identifies the stair name or number.
State (also Province)	State (Province) for address.
Status	Indicates whether a row in a table is <i>Active</i> or <i>Inactive</i> .
Street Type	Identifies whether an address is a place, street, avenue, road, or so on. Spanish law requires addresses in official documents to include the Street Type.
Telephone (Phone)	The telephone number for a person or organization.
User ID	The system identifier for the individual who generates a transaction.

See Also

PeopleTools Development Tools: Application Designer PeopleBook, “Creating Field Definitions,” Understanding Effective Dates

PeopleSoft Process Scheduler

PeopleBook Standard Group Boxes

The following group boxes and field groupings appear throughout PeopleSoft HRMS. We have documented them once here.

Entering Name Information

The following fields appear wherever you enter or display naming information:

Format Using

Select the country with name format appropriate for this employee. The system will display the appropriate fields for this format in the Person Name group box.

Refresh the Name Field

Click to refresh the Name field after you’ve edited any of the name fields. The system will refresh the name field when you save.

Person Name or Current Name

The following fields appear in the Person Name group box. You will not see all of the fields listed below at any one time. The system displays the fields necessary for the country you select in the Format Using field.

Title	Select a title. If you are reporting employee information under the German Duevo Directive, this field is required and must be completed according to the Duevo rules.
Prefix and Name Prefix	Select a Prefix or Name Prefix, if applicable.
Royal Prefix	Select a Royal Prefix, if applicable.
First Name	Enter the employee's official first name.
Preferred First Name	For The Netherlands, enter the employee's preferred first name, if different from the First Name. The system will use the preferred name when you generate form letters or mailing labels for this employee.
Last Name Preference	For the Netherlands, choose this link to provide additional name information for married employees. The Last Name Preference page contains three fields: Last Name Partner, Prefix Partner and Last Name Preference.
Middle	Enter the employee's middle name, if applicable.
Last Name	Enter the employee's official last name.
Suffix	Select a suffix, if applicable.
Second Last Name	For Spanish employees, enter the second surname (mother's surname).
Alternate Character Name	Use this field to enter the employee's name using alternate characters (such as Japanese phonetic characters). Note. You can enter names using Japanese characters with or without a space between the surname and given name. Names using Roman alphanumeric characters require a comma delimiter. Warning! Be sure to select the correct character set on the Installation Table – Alternate Characters page. Using the wrong character set generates an error message.
Royal Suffix	Select the appropriate royal suffix. If you are reporting employee information under the German Duevo Directive, this field is required and must be completed according to the Duevo rules.
Name	The system displays the employee's name as it will appear in the system.

Displaying Japanese Names on Pages

Pages that display personal name fields usually display them in First Name, Last Name order. When the country is Japan, however (JPN in the Format Using field), those fields appear in the Last Name, First Name order.

Another difference is that the Name field displays “Last Name[space]First Name,” not “Last Name,First Name”; that is, a space separates the last and first names, not a comma.

Person Name	
Last:	津村
First:	友則
Alternate Character Name:	ツムラトモリ
Name:	津村 友則

Japanese name format on a page

See Also

PeopleSoft Applications Fundamentals for HRMS PeopleBook, “Setting Up PeopleSoft HRMS,” Working With Double-Byte Characters

Entering Address Information

The following fields appear in address group boxes throughout PeopleSoft HRMS. You may not see all of the fields listed below as the system displays only the fields necessary for the country in use. Determine which address fields are required for each country on the Country Table – Address Format page.

Country	Select the country with address format appropriate for this address. The system will display the appropriate fields for this format in the address group box.
Address 1, Address 2, Address 3, and Address 4	Freeflow text entry fields that enable you to describe street, street number, apartment number, and other address information.
City	Enter the city.
County	Enter the county, if applicable.
State (State, Province, or other)	Enter the state or province.
Postal	Enter the postal, such as zip or postal code.
Number 1, and Number 2	Enter the number related to a street, avenue, or other address field in Spanish addresses. When an address has no number, enter s/n (sin numero) to indicate that there is no number.

House Type	Enter the house type, if applicable.
Postal Search	Click Postal Search to use international address formats.

Entering or Viewing Pay Components

Amounts Tab

Pay Components - Amounts

Rate Code	Rate codes are IDs for pay components. The system inserts any compensation information associated with this rate code in the compensation grid. Note. If a seniority rate code is inserted as a default value on the Job Data - Compensation page, the values for these rate codes are unavailable for entry.
Seq (sequence)	The sequence number of the rate code if it is used more than once.
Details	Click the Details button to open the Comp Rate Code Secondary Panel page.
Comp Rate , (compensation rate) Currency , and Frequency	The compensation rate, its currency, and the frequency (for example, annually, weekly, or hourly) the comp rate will be paid.
Apply FTE	If selected, the system multiplies the rate code value by the FTE factor for annualization and deannualization. FTE is the percent of full time the employee should normally work in the corresponding job. This field isn't available for Percent rate codes.
Points	The salary points associated with this rate code, if any.
Percent	If the rate code rate type is Percent , the system displays the percent to be applied to the job compensation rate or to a rate code group if you are using rate code groups.
Rate Code Group	A rate code group enables you to be more specific when calculating percentages based components as part of your employee compensation package.

Comp Rate Code Secondary Panel

Comp Rate Code:	TSDFLT
Description	Salaried Default
	☒ Base Pay ☐ Use Highest Rate
	☐ Default Without Override
Rate Code Type:	Flat Amount
Rate Code Class:	

Comp Rate Code Secondary Panel

Access this page by clicking the Details link on the Amounts page. Displays additional information about the rate code.

See Also

PeopleSoft Application Fundamentals for HRMS PeopleBook, “Working With Multiple Components of Pay,” **Defining Rate Codes**

Changes Tab

Pay Components						First	1 of 1	Last
Amounts		Changes	Conversion					
*Rate Code	Seq	Manually Updated	Change Amount	Change Points	Change Percent			
1	0	☐	0.000000		0.000	+	-	

Pay Components – Changes page

This page displays the change in an employee’s salary.

Manually Updated	The system selects this if you have manually updated the pay components.
Change Amount	The overall change amount to this pay component rate.
Change Points	The overall change amount (in points) to this pay component, if applicable.
Change Percent	The overall percentage change to this pay component, if applicable.

Pay Components						First	1 of 1	Last
Amounts		Changes		Conversion				
*Rate Code	Seq	Source	Default Without Override	Apply FTE	Converted Comp Rate			
1	0	None	☐	☐		+	-	

Pay Components – Conversion

This page displays the conversion rates in an employee's salary.

Source	The system displays the source of the rate code, such as <i>Absorbing Premium</i> , <i>Seniority Pay</i> , <i>Job Code</i> , or <i>Manual</i> .
Default Without Override	Selected if the worker's compensation package cannot be manually updated on the Job Data – Compensation page.
Apply FTE	Indicates if the converted rate code value will be multiplied by the FTE factor for annualization and deannualization.
Converted Comp Rate	Displays the converted compensation rate for this pay component. The system converts all base pay components to the Job currency and compensation frequency.

Required Fields on Pages

When you see a field on a page with an asterisk (*) preceding the field name, it means the field is required. You can not save a page without entering data into all of the required fields on a page.

*Description:	This is a required field
----------------------	---

Example of a required field label

In some unique instances a field may be required even though there is no asterisk preceding the field name. In such cases, you will be prompted to enter data in these fields before saving the page.

Typographical Conventions and Visual Cues

To help you locate and interpret information, we use a number of standard conventions in our online documentation.

Please take a moment to review the following typographical cues:

monospace font

Indicates PeopleCode.

Bold	Indicates field names and other page elements, such as buttons and group box labels, when these elements are documented below the page on which they appear. When we refer to these elements elsewhere in the documentation, we set them in Normal style (not in bold). We also use boldface when we refer to navigational paths, menu names, or process actions (such as Save and Run).
<i>Italics</i>	Indicates a PeopleSoft or other book-length publication. We also use italics for <i>emphasis</i> and to indicate specific field values. When we cite a field value under the page on which it appears we use this style: <i>field value</i>. We also use italics when we refer to words as words or letters as letters, as in the following: Enter the number <i>0</i>, not the letter <i>O</i>.
KEY+KEY	Indicates a key combination action. For example, a plus sign (+) between keys means that you must hold down the first key while you press the second key. For ALT+W, hold down the ALT key while you press W.
See Also	PeopleBooks provide cross-references under the heading “See Also.” Capitalized titles in italics indicate the title of a PeopleBook; titles in quotes indicate the title of a chapter; titles in normal font refer to sections within the PeopleBook. Here's an example:

See Also

About These HRMS PeopleBooks, **PeopleSoft 8.3 HRMS PeopleBooks Preface**

Note. Text in this bar indicates information that you should pay particular attention to as you work with your PeopleSoft system. If the note is preceded by **Important!**, the note is crucial and includes information that concerns what you need to do for the system to function properly.

Warning! Text within this bar indicates a crucial configuration consideration. Pay very close attention to these warning messages.

Process Introductory Table

In the documentation, each business process in the application is accompanied by an introductory table with pertinent information about the pages used in the process.

<i>Page</i>	<i>System Name</i>	<i>Navigation</i>	<i>Usage</i>
Name of the page.	Gives the system name of the page as specified in the PeopleTools Application Designer. For example, the system name of the Detail Calendar panel is DETAIL_CALENDAR1.	Provides the path for accessing the page.	Describes how you would use the page.

USF U.S. Federal Government Functionality

Any functionality that is specific to the U.S. Federal Government sector will be designated by a USF marker. Most often this will appear at the beginning of a section heading (such as with this section), but the USF designation might also appear in a note or within text, if appropriate.

E&G Education and Government Functionality

Any functionality that is specific to the Education and Government sector will be designated by an E&G marker. Most often this will appear at the beginning of a section heading (such as with this section), but the E&G designation might also appear in a note or within text, if appropriate.

Local Country Functionality

Any functionality that is specific to an individual country will be designated by the three-character ISO code for that country. For example, functionality specific to Germany would be indicated by a DEU designation at the beginning of a section heading. Most often this will appear at the beginning of a section heading (such as with this section), but the country designation might also appear in a Note or within text, if appropriate.

Comments and Suggestions

Your comments are important to us. We encourage you to tell us what you like, or what you would like changed about our documentation, PeopleBooks, and other PeopleSoft reference and training materials. Please send your suggestions to:

PeopleSoft HRMS Product Documentation Manager
 PeopleSoft, Inc.
 4460 Hacienda Drive
 Pleasanton, CA 94588

Or send comments by email to the authors of the PeopleSoft documentation at:

DOC@PEOPLESOFT.COM

While we cannot guarantee to answer every email message, we will pay careful attention to your comments and suggestions. We are always improving our product communications for you.

CHAPTER 1

About the PeopleSoft 8.3 Global Payroll for Spain PeopleBook

This book provides you with the information you will need for implementing and using PeopleSoft Global Payroll for Spain.

This preface explains how to use the documentation for PeopleSoft Global Payroll for Spain. General information you should know before you begin using PeopleSoft documentation is presented in About These HRMS PeopleBooks. It provides information about the following topics:

- Using related documentation such as the PeopleSoft Application Fundamentals for HRMS PeopleBook.
- Ordering documentation on the Internet, on CD-ROM, and in hardcopy.
- PeopleBooks standard page element definitions.
- Required fields on pages.
- Typographical conventions and visual clues in the documentation.
- Process introductory table explanation.
- Local country functionality designation within the documentation.
- Comments and suggestions about the documentation.

Note. We strongly recommend that you read About These HRMS PeopleBooks. In particular, the PeopleSoft HRMS Application Fundamentals section explains where you can find information about topics that apply to many PeopleSoft applications across the HRMS product line. For example, you can find information about setting up control tables, administering security, and setting language and currency preferences in the *PeopleSoft Application Fundamentals for HRMS PeopleBook*.

See Also

PeopleSoft HRMS PeopleBooks Preface, “About These HRMS PeopleBooks”

PeopleSoft Global Payroll PeopleBook, “Preface”, Understanding the Documentation

CHAPTER 2

Understanding PeopleSoft-Delivered Elements for Spain

PeopleSoft Global Payroll for Spain delivers numerous elements and rules needed to run a Spanish payroll. Some of these rules are specifically designed to meet legal requirements, while others support common or “customary” payroll practices. This chapter provides an overview of the elements and rules PeopleSoft delivers to run a Spanish payroll and describes how to:

- Maintain elements.
- Understand element-naming conventions.

How Were Spanish Elements Created?

All of the elements delivered as part of your country extension were created using the core application—the same application you will use both to create additional elements and (in many cases) to configure existing elements delivered as part of your PeopleSoft Global Payroll system. Because the tools needed to redefine or create new payroll elements are fully documented in the core application PeopleBook, we do not reproduce this information here. Instead, we briefly review the relationship between the core application (which contains the tools you need to define your own elements) and the country extensions (which contain country-specific rules and elements defined by PeopleSoft).

The core application has the following characteristics:

- It consists of a payroll rules engine—a flexible tool that enables users to define the rules of their payroll system and execute payroll and absence calculations. PeopleSoft Global Payroll does not embed payroll-specific logic or computations in application code. Instead, it specifies all business application logic, such as earnings, deductions, absences, and accumulators, in terms of payroll rules. PeopleSoft Global Payroll enables the user to enter and maintain payroll rules through a set of pages and offers a comprehensive set of features that enable the user to work in their preferred language or currency.
- It provides a payroll processing framework—a flexible way to define and execute payroll and absence processing flows, such as calendars, run types, pay periods, and process lists.

Country extensions have the following characteristics:

- They are built using the core application.
- They consist of statutory and customary objects (country-specific payroll rules, elements, payroll processes, reports, pages, and self-service applications).

Element Ownership and Maintenance

This section describes PeopleSoft's approach to element ownership and what this means for the maintenance of Spanish payroll rules. This information will help clarify which parts of the system you may be required to maintain, what you can modify, and what parts of the system you cannot change.

Understanding Ownership in PeopleSoft Global Payroll

There are five categories of element ownership in PeopleSoft Global Payroll.

PS Delivered/Maintained	Elements delivered and maintained on an ongoing basis by PeopleSoft.
PS Delivered/Not Maintained	Elements PeopleSoft delivers that must be maintained by the customer. This category consists primarily of either customary (non-statutory) rules or statutory elements that customers may want to define according to a different interpretation of the rules. Although PeopleSoft may occasionally update elements defined as <i>PS Delivered/Not Maintained</i> , you are not required to apply these updates.
Customer Maintained	Elements created and maintained by your organization. PeopleSoft does not deliver rules defined as <i>Customer Maintained</i> .
PS Delivered/Customer Modified	Elements that were originally <i>PS Delivered/Maintained</i> elements over which the customer has decided to take control (this change is irreversible).
PS Delivered / Maintained / Secure	Delivered elements that the customer can never modify or control.

Understanding Element Ownership in PeopleSoft Global Payroll for Spain

Of the five ownership categories listed here, only the following two are used to define Spanish elements: PS Delivered/Maintained and PS Delivered/Not Maintained. Although PeopleSoft Global Payroll for Spain delivers some elements as PS Delivered/Maintained, the large majority of elements are designated PS Delivered/Not Maintained. This enables you to modify, update, and reconfigure the delivered elements to meet your own, unique requirements.

Note. In general, PeopleSoft Global Payroll for Spain uses the ownership category PS Delivered/Not Maintained except where the modification of an element might interfere with calculations designed to satisfy strict (and generally invariable) legal requirements. The value of this approach is clearly evident in the setup of delivered accumulators. Because balance accumulators (for example, those storing taxable gross on a year-to-date basis) must be set up to comply with rigid legal requirement for reporting taxes and contributions, PeopleSoft Global Payroll for Spain defines them as PS Delivered/Maintained (meaning you cannot modify or directly add new elements to them). However, you can add new elements to these accumulators using the delivered segment accumulators, which serve as the **basic entry point into the system and are not maintained by PeopleSoft**. Therefore, when you define a new earning or deduction, you can assign the element to a segment accumulator, and the segment accumulator automatically contributes to the correct balance accumulators.

The following table contains an element-by-element description of PeopleSoft Global Payroll for Spain's approach to element ownership and maintenance.

<i>Element Type</i>	<i>Ownership</i>	<i>Exceptions</i>
Earnings	PS Delivered/Not Maintained	Social security benefits.
Deduction	PS Delivered/Not Maintained	Taxes (IRPF) and social security deductions.
Variable	PS Delivered/Not Maintained	Variables used in social security or tax calculations.
Bracket	PS Delivered/Maintained	None
Accumulator	PS Delivered/Not Maintained for segment accumulators. Delivered/Maintained otherwise.	In the tax and social security areas, PeopleSoft delivers the balance accumulators as PS Delivered/Maintained, but the segment accumulators as PS Delivered/Not Maintained.
Element Group	PS Delivered/Not Maintained	None
Process List	PS Delivered/Not Maintained	None
Section	PS Delivered/Not Maintained	None
Formula	PS Delivered/Not Maintained, but this varies by functional area	Almost all formulas used in social security or tax calculations are defined as PS Delivered/Maintained. Otherwise, formulas are defined as PS Delivered/Not Maintained.
Array	PS Delivered/Not Maintained	Arrays used in social security or tax calculations are defined as PS Delivered/Maintained.
Writable Array	PS Delivered/Not Maintained	Writable arrays used in social security or tax calculations are defined as PS Delivered/Maintained.
Historical Rule	PS Delivered/Maintained	None

Element Type	Ownership	Exceptions
Generation Control	PS Delivered/Not Maintained	None

See also

PeopleSoft Global Payroll PeopleBook, "Defining General Element Information," Defining an Element Name (GP_PIN)

Naming Elements

One of the keys to understanding how delivered payroll elements function in the system is to understand their names. Understanding the naming convention developed for PeopleSoft-delivered elements can help you determine how an element is used, the element type, and even the functional area it serves. Depending on whether the element is a primary element, a component of a primary element, or a supporting element, one of the following naming conventions applies.

Supporting Elements

For supporting elements, such as variables, formulas, dates, durations, and so on, PeopleSoft uses the following naming convention: FFF TT NAME.

- FFF: Functional Area Code (see Functional Area Codes for more information).
- TT: Type of Supporting Element (see List of Element Type Codes for more information).
- NAME: The name is based on a term in Spanish and provides a further means of identifying the element.

For example, in the tax array TAX AR ING A EST, *TAX* represents the functional area, *AR* represents the element type, and *ING A EST* (*ingresos anuales estimados*) provides a further means of identifying the element.

Note. This naming convention applies to the following element types: arrays, brackets, counts, dates, durations, formulas, rate codes, variables, historical rules, fictitious calculation rules, proration rules, rounding rules, and generation control conditions.

Primary Elements

Primary elements, such as earnings, deductions, absence take, and absence entitlement elements generally do not contain functional area codes or element type codes in their names. This is because primary elements have names, based on Spanish terms, that identify their function and element type without the use of additional codes. For example, the name of the earning element SALARIO BASE clearly identifies this element as an earning, and more specifically, as a base salary element.

Other Elements

Although there is no fixed naming convention for accumulators, sections, and element groups, PeopleSoft Global Payroll for Spain commonly uses the following naming convention: FFF TT NAME.

- FFF: Functional Area Code (see Functional Area Codes for more information).
- TT: Type of Supporting Element (see List of Element Type Codes for more information).
- NAME: The name is based on a term in Spanish and provides a further means of identifying the element.

For example, a section in a process list for Spain might be named GEN SE DEV BAS B, where *GEN* and *DEV* are functional area codes, *SE* represents the element type, and *BAS B* provides a means of uniquely identifying the element.

Additional Clues to the Use of Spanish Elements

Many Spanish elements contain abbreviations that provide clues (beyond those provided by the functional area codes or element type codes) to their use in the system. For example, the following duration elements have been defined for Spain: GEN DR PERIODO D, GEN DR PERIODO M, and GEN DR PERIODO A. While the functional area code *GEN* indicates that these elements are used across various functional areas (they have general relevance), and the element type code *DR* identifies them as duration elements, the abbreviations *D*, *M*, and *A* provide additional clues to how each element measures time. The duration element GEN DR PERIODO D measures time in days (dias), hence the *D* in the element's name. Likewise, the code *M* reveals that the element GEN DR PERIODO M measures time in months (meses). As you become more familiar with the payroll rules created for Spain, these abbreviations will help you to further identify and understand the role played by each element.

The following table lists the most common abbreviations used in the names of Spanish elements.

Abbreviations Used in PeopleSoft Global Payroll for Spain	English
A	Years or annual
BS	Base
CC	Common contingencies
CP	Professional contingencies
CT	Tax quota
D	Days
DD	Deductions
DEV	Earnings
DIN	Income
EX	Exempt

Abbreviations Used in PeopleSoft Global Payroll for Spain	English
M	Months or monthly
MN	Minimum
MX	Maximum
N	Number and negation
S	Segment
SPC	In kind
T	Total and quarterly
TP	Ceiling
U	Unit

Component Names (Suffixes)

Note. To view all the suffixes defined for your country, use the Element Suffixes page in the core PeopleSoft Global payroll application.

In PeopleSoft Global Payroll for Spain, suffixes are used to name the components of earnings and deduction elements. For example, when you create an earning, deduction, or absence element in PeopleSoft Global Payroll, you must define the components that make up the element, such as base, rate, unit, and percentage. The system automatically generates the components and accumulators for the element based on the calculation rule or accumulator periods that are used. The system also names the components and accumulators by appending a suffix to the element's name.

For example, let's say you define the earnings element named EARN1 with the following calculation rule:

EARN1 = Rate x Unit

The system automatically creates two additional elements for the components in the calculation rule: a rate element called EARN1_RATE and a unit element called EARN1_UNIT.

As you can see, the system creates suffixes to name the components of the element (_RATE and _UNIT). In PeopleSoft Global Payroll all suffixes fall into one of the following types:

- Separator.
- Earnings/Deductions component suffixes.
- Earnings/Deductions accumulator suffixes.
- Deduction arrears component suffixes.
- Absence entitlement component suffixes.

- Absence entitlement accumulator suffixes.

In PeopleSoft Global Payroll for Spain, the following suffixes are pre-delivered:

Separator

The separator is defined as: _ (underscore)

Component Suffixes

Component	Suffix
Base	BSE
Percentage	PCT
Rate	VLR
Unit	UNID

Accumulator Suffixes

Accumulator	Suffix – Calendar Period: Amount	Suffix - Calendar Period : Unit	Suffix - Fiscal Period: Amount	Suffix – Calendar Period: Unit
Calendar Period to Date	IC C	UC C	IF C	UF C
Month to Date	IC M	UC M	IF M	UF M
Quarter to Date	IC T	UC T	IF T	UF T
Year to Date	IC A	UC A	IF A	IF A

Deduction Arrears Component Suffixes

Deduction Arrears Component	Suffix
Payback	DEVOL
Amount not Taken	NODES
Add to Arrears	SUMAT
Arrears accumulator	ATR

Absence Entitlements Suffixes

Absence Entitlement	Component/Accumulator	Suffix
Separator		–
Component	Unit Paid	UPG
	Unit Adjustment	UAJ

Accumulator	Balance	BAL
	Adjustment	AJ
	Entitlement	DR
	Take	DF

See Also

PeopleSoft Global Payroll PeopleBook, "Defining General Element Information," Defining Suffixes for Components and Accumulators

Functional Area Codes

The following table contains the functional area codes used in the names of Spanish elements.

Functional Area	Description
AJB	Gross to net
AJN	Net to gross
ANT	Seniority
AUS	Absences
AYP	Loans and advances
FNQ	Termination
GEN	General (multiple areas)
RTR	Retroactivity
SIN	Unions
SS	Social security
TAX	Taxes
XTR	Extra period

List of Element Type Codes (PIN_TYPE)

The following table contains codes for all the element types. Because not all element types are delivered for Spain, not all of these codes appear in the names of Spanish elements.

Element type	Description
AE	Absence Entitlement
AT	Absence Take
AC	Accumulator
AR	Array

Element type	Description
AA	Auto Assigned
BR	Bracket
CT	Count
DT	Date
DD	Deduction
DR	Duration
ER	Earnings
EG	Element Group
EM	Error Message
FC	Fictitious Calculation
FM	Formula
GC	Generation Control
HC	Historical Rule
PP	Previous Period Rule
PR	Process
PO	Proration Rule
RC	Rate Code
RR	Rounding Rule
SE	Section
SY	System Element
VR	Variable

Viewing Delivered Elements for Spain

PeopleSoft delivers a query that you can run to view the names of all delivered elements designed for Spain. Instructions for running the query are provided in the *PeopleSoft Global Payroll PeopleBook*.

See Also

PeopleSoft Global Payroll PeopleBook, “Delivered Elements and System Data”

CHAPTER 3

Setting Up PeopleSoft Global Payroll for Spain

This chapter describes the high-level setup needed for PeopleSoft Global Payroll for Spain and shows you how to:

- Set up data in PeopleSoft Human Resources.
- Set up Global Payroll data.
- Use core functionality in Spain.
- View delivered process lists.

Setting Up Data in PeopleSoft Human Resources

PeopleSoft Global Payroll for Spain uses data that is already stored in Peoplesoft Human Resources, such as company, job, and personal data. You don't need to re-enter this information. In this section, we discuss the Human Resources pages you need to define for your country setup.

Component	Navigation	Comments
Company Table	Define Business Rules, Manage Human Resources (GBL), Setup, Company Table	Enter company data including the CIF (fiscal identification number).
Establishment	Define Business Rules, Manage Human Resources (GBL), Setup, Establishment	Enter insurance company information and define the SSN Employer for a Spanish social security work center.
Social Security Scheme	Administer Workforce, Administer Workforce (GBL), Setup Lcl, ESP SS Scheme Table	Define the social security work groups and the social security contributions.
Job Data	Administer Workforce, Administer Workforce (GBL), Use, Job Data	Specify job-related information, including matricula and labor agreement data, company, location, category, SS risk code, union information, payroll system, and salary plan.

Component	Navigation	Comments
Labor Agreement Table	Administer Workforce, Administer Workforce (GBL), Setup, Labor Agreement Table	Define labor agreements, working hours, and vacation periods.
Labor Agreement Categories	Administer Workforce, Administer Workforce (GBL), Setup, Labor Agreement Category Tbl	Define the categories included in a labor agreement and their relationship with the social security work group.
Contract Type Table	Administer Workforce, Administer Workforce (GBL), Setup, Contract Type Table	Define contract types for Spain, including social security contribution reductions.
Contract Data	Administer Workforce, Administer Workforce (GBL), Use, Contract Data	Store general information about an employee's contract and associate it with the corresponding contract type and contribution ID.
Dependent Data	Administer Workforce, Administer Workforce (GBL), Use, Dependent Data	Indicate dependents with disabilities as well as the disability percentage for tax purposes. This information is also automatically entered on the Payee Data page in Peoplesoft Global Payroll for Spain.
ESP Industry Activity Tbl	Define Business Rules, Manage Human Resources (GBL), Setup Lcl, ESP Industry Activity Tbl	Enter information about your organization's insurance company.
Salary Plan Table	Administer Workforce, Administer Workforce (GBL), Setup, Salary Plan Table	Define the common characteristics of your salary plan. German users can use this page to associate a German tariff and tariff area with the salary plan.
Salary Grade Table	Administer Workforce, Administer Workforce (GBL), Setup, Salary Grade Tables	Specify the minimum, maximum, and midpoint rates for salary grades.
ESP SS Risk Code Table	Administer Workforce, Administer Workforce (GBL), Setup Lcl, ESP SS Risk Code Table	Define the risk codes that will apply to employees in your organization.

See Also

PeopleSoft Application Fundamentals for HRMS PeopleBook, “Setting Up Companies, Agencies, and Locations”

PeopleSoft Human Resources PeopleBook: Administer Workforce, “Setting Up the Administer Workforce Business Process,” “Hiring Your Workforce,” and “Entering Additional Data in Human Resources Records”

Defining Labor Agreements

In Spain, labor agreements define every facet of the employer and employee relationship, such as compensation rates, salary increases, the number of extra salary disbursements, seniority rules, rules pertaining to absences (PTO and holidays), method of payment, payment dates, advances, and expenses.

Each company is required to have at least one labor agreement and at least one professional category. Every employee is assigned to a labor agreement and a professional category on the Job Data component.

Because of data relationships, it’s important to define your data in the following order:

1. Define the social security scheme and then the labor agreement on the Labor Agreement Table in PeopleSoft Human Resources.
2. Define the labor agreement categories on the Labor Agreement Categories page in PeopleSoft Human Resources. Within the categories, specify the Scheme ID and the social security work group, as well as FORCEM.
3. Define Global Payroll-specific information about the labor agreement, such as seniority calculation, definition of extra periods, and social security benefits on the Labor Agreement page in PeopleSoft Global Payroll for Spain.

See Also

“Working with Labor Agreements”

Setting Up Data in the PeopleSoft Global Payroll Core Application

You must set up several pages in the core application before you set up PeopleSoft Global Payroll for Spain. These include:

Component	Navigation
Pay Entity	Define Business Rules, Define Global Payroll Rules, Setup 4, Pay Entity
Source Bank	Define Business Rules, Define Global Payroll Rules, Setup 5, Source Bank Accounts
Bank/Branch Table	Define Business Rules, Define Global Payroll Rules, Setup 5, Banks
Bank Account Information	Compensate Employees, Maintain Global Payroll Data, Use

See Also

PeopleSoft Global Payroll PeopleBook, “Understanding the Organizational Structure” and “Understanding Banking”

Defining Payee Data in PeopleSoft Global Payroll for Spain

When employees are hired, they must indicate their personal status, such as whether they have fiscal dependents, spouses to support, or neither. This information is required by the government in order to calculate an employee's taxes.

Page Used to Define Payee Data

Page Name	Object Name	Navigation	Usage
Payee Data	GPES_PAYEE_DATA	Global Payroll Spain, Maintain Payroll Data (ESP), Use, Payee Data	Enter information about employees and their dependents as it relates to payroll calculation.

Entering Payee Data Details

Access the Payee Data page.

Payee Data

Perez Trabado,MarianaEmployeeEmplID: KEG003

Payee Data

View AllFirst1 of 1Last

Effective Date:

01/01/2000

Disabled

Handicap Percent: 46

Help to Go to Work

*Family Situation:

3.- Other situations

*Relationship Type:

1.- General relationship

Ceuta/Melilla

Tax Location Code:

KE01

Estatad Fiscal Territory

Dependent Data

View AllFirst1 of 1Last

ID	Name	Relation	Birthdate	Disabled	Handicap	Dep. %
1	Pérez González,Juan José	Son	05/01/1990			

Payee Data page

Payee Data

In the **Payee Data** group box, define the details for an employee as they relate to tax calculation.

Effective Date	You must enter a new effective date every time any information related to tax calculation changes, including data that appears as display-only.
Disabled	Selected if you indicate the employee is disabled on the Disability page in PeopleSoft Human Resources.
Help to Go to Work	Selected if you indicate that the employee needs help to go to work on the Disability page.
Handicap Percent	If the employee is disabled, the handicap percent appears. This information comes from the Disability page in PeopleSoft Human Resources.
Family Situation	- Select the family situation of the employee, as defined by the government: With fiscal dependents (if the employee has dependents to support): Some dependents are recognized by Hacienda as fiscal dependents. Qualifying someone as a fiscal dependent has an impact on an employee's tax calculation. For example, if an employee has a son who is less than 25 years old, the employee's taxes are reduced because the son is a fiscal dependent. A similar situation applies if an employee has a spouse to support. Note. Not all dependents defined in PeopleSoft Human Resources are automatically considered fiscal dependents for tax purposes. Dependents must be younger than 25 years old and earn less than 1.000.000 pesetas per year (6.010,12 euros) in order to qualify as fiscal dependents. With spouse to support. The spouse must earn less than 250.000 pesetas (1.502,53 euros). Other situations (if the employee does not have fiscal dependents or a spouse to support).
Relationship Type	Define the contract type as agreed to between the employee and the company: Less than 1 year relationship: For contracts with a duration of less than 1 year. Special Relationship: For special contracts, such as those for non-employees (for example, for consultants). General Relationship: For all other situations.

Ceuta/Melilla Select if the employee lives in the cities of Ceuta or Melilla. Employees who reside in these two Spanish cities, which are located in Africa, get special tax treatment.

Tax Location Code Select the tax location code for the employee.

Dependent Data

In the **Dependent Data** group box, define the details for an employee's dependents as they relate to tax calculation.

ID	Select the dependent/beneficiary ID for the employee.
Name	The name of the dependent.
Relation	The relation of the dependent to the employee.
Birthdate	The birth date of the dependent.
Disabled	Selected if you entered disability information for the dependent on the Dependent Data page in Peoplesoft Human Resources. This information is used in calculating an employee's taxes.
Handicap Dep % (dependent percentage)	Define the percentage of the handicap for the dependent. This information is used in calculating an employee's taxes.

See Also

“Understanding Tax Calculation”

Using Core Global Payroll Functionality

This section describes how to use specific core PeopleSoft Global Payroll features, such as retroactivity, payment keys, triggers, proration, and segmentation in your Spanish payroll system.

Defining Retroactivity

Retroactivity is the process of going back in time and recalculating prior calendars because changes were made after the original calculation was run. When retroactive processing occurs for a payee, the system recalculates each element generated for the payee. The difference between these results is the retro delta.

In PeopleSoft Global Payroll, there are two methods for calculating retro:

- Corrective.
- Forwarding.

The most common retro method used in Spain is the corrective method. Using this method, you go back and recalculate the elements of the pay run, updating all accumulators, including balance accumulators and calendar period accumulators. The recalculated pay run replaces the previously calculated run. However, the original pay run calculation remains available for auditing and reporting purposes. Rather than forwarding retro deltas to the current calendar as an adjustment, the system sends any adjustment to "Net to be Paid" for the recalculation period for the banking process to be managed.

Note. PeopleSoft Global Payroll for Spain delivers sample data that uses the corrective method. You can also set up retro with the forwarding method during your implementation, if it fits your company's needs.

How PeopleSoft Global Payroll for Spain Handles Retroactivity

- The standard retro method delivered with PeopleSoft Global Payroll for Spain is the corrective method.
- The retro process (RETRO) uses the corrective method without variance.
- Retro overrides are used in PeopleSoft Global Payroll for Spain. They serve two purposes:
 - Retro overrides make it easy to report retro calculations to Hacienda. The system forwards the tax information for the current period using the IRPF RTR element. This element receives the value from the IRPF AFW element that is forwarded into IRPF RTR in a retro calculation of a month in the same year.
 - Retro overrides are used to manage the retro across different tax years. The system uses the IRPF FWD element, which receives the value from the IRPF AFW element that is forwarded into IRPF FWD in a retro of a month that is after a closed tax year.

Note. Define retro overrides on the Retro Process Overrides page (Define Business Rules, Define Global Payroll Rules, Setup 5).

- Define your own retro event.
- Define your own retro triggers according to your company needs.
- Define your own pay entities according to your company needs, but the common setup in PeopleSoft Global Payroll for Spain is as follows:
 - Calendar period: Starts in January.
 - Fiscal period: Starts in January.
 - Backward limits: Depends on how you customize PeopleSoft Global Payroll for Spain.
 - Forward limits: Two years.

Launching Retro Across Different Tax Years

When the prior period is in a different tax year, your company can't collect the tax due and pay it to Hacienda because the prior year is already closed for tax reporting. This applies to both situations of underpayment and overpayment.

The solution is that, when reporting to Hacienda, deltas of the previous year are considered. The deltas are considered in Model 111 of the current month and in Model 190 for the current year (at the end of the year) as income from a previous tax year. The system calculates the IRPF tax for that delta by applying a fixed percentage (currently at 18 percent), instead of the valid IRPF percentage in the retro period or the current period.

Note. Taxes and social security are calculated differently. Social security calculation is not affected when the retro calculation is across different tax years. The way to calculate retro in this case is the same as the one used in calculating retro in the current year.

Example of Calculating Retro for a Different Tax Year

Let's say that both the calendar period and the fiscal period for your pay entity start on 1 January. If the retro starts in a different tax year, the fiscal period determines how the retro of taxes is calculated. The following provides the details for this example:

- Launch the calculation for the May 2001 pay period.
- Launch a retro calculation for November 2000.
- Report the tax calculation for the deltas from all the launched retro from November until April in the Model 111 of May 2001. In the case of the retro for November 2000 and December 2000, the IRPF for the delta is calculated with an 18 percent tax rate. The same calculation occurs in the Model 190 for the year 2001 as incomes from the previous year.

The following summarizes all the information you'll need for your retro calculation. This table is only a suggestion using the common setup parameters that is delivered with PeopleSoft Global Payroll for Spain. You may find that your company's requirements are different and may need to define retro differently during your customization.

<i>Setup Issue</i>	<i>Requirement</i>
Default retro method	Corrective
Retro process (retro method)	Corrective
Retro process - does it vary?	No
Calendar period starts on:	January 1
Fiscal period starts on:	January 1
Backward limits:	Implementation date
Forward limits:	Two years after employee termination

See Also

“Understanding Social Security Benefits for Spain”

“Understanding Tax Calculation”

PeopleSoft Global Payroll PeopleBook, “Defining Retroactive Processing”

Defining Payment Keys

In PeopleSoft Global Payroll for Spain, you can define payment keys for company (the company ID). The primary use of payment keys is during a forwarding retro situation. When a payment key exists (such as company) for the recalculation period (the period from which the retro deltas are being forwarded), and the deltas are being forwarded to the current period, the system keeps the retro delta data separate in the current pay period. This allows the system to run a separate gross-to-net calculation in the current pay period for that set of payment keys, thereby creating an additional GP_PYE_SEG_STAT record.

Company information is needed for tax reporting purposes. The *Agencia Tributaria* needs to know in which company the employee is working and being paid from.

Also consider when retro is launched. You may need to report the tax calculation of the deltas related to the prior company. Or you may need to report the tax calculation of the deltas related to the current company. It all depends on which company is declaring the payment to Hacienda.

Payment keys affect forwarding retro in three different ways:

- How adjustments are forwarded to the current period.
- How retro deltas are calculated.
- How adjustments are summed before being moved to the current period.

When the payment keys of the current period don't match the payment keys in the retro period, the deltas are managed as a separate gross-to-net calculation in the current calendar period. When a retro is launched that affects more than one calendar period, the deltas that come from each one will be summed only when the payment keys match.

Because the corrective retro method is used in Peoplesoft Global Payroll for Spain, deltas are not forwarded into the current period in most cases. However, when the retro calculation is done over a closed fiscal year, the income deltas are transferred to the current period.

See Also

PeopleSoft Global Payroll PeopleBook, “Understanding the Organizational Structure” and “Defining Retroactive Processing”

Defining Accumulators

In Peoplesoft Global Payroll for Spain, there are two types of accumulators:

- User-defined accumulators (balance accumulators): Accumulate different elements for any period of time for which you want to accumulate any number of elements.
- Auto-generated accumulators (payment accumulators): Accumulate a particular element during a defined period.

For user-defined accumulators, there are four functional areas that have specific prefixes:

- Absences accumulators (AUS).
- Earnings and deductions (AJB, FNQ, and GEN).
- Social security (SS).
- Taxes (TAX, RETJ).

For auto-generated accumulators, there are two functional areas that have specific suffixes:

- Absences (ADJU, BAL, ENT, TAKE).
- Deductions (ATR).

In Peoplesoft Global Payroll for Spain, you'll define accumulators for several earnings and deductions. Accumulators for earnings include those for base salary, seniority pay, *mejora voluntaria*, *complemento absorbible*, and extra period payments. Accumulators for deductions include social security deductions.

See Also

PeopleSoft Global Payroll PeopleBook, “Setting Up Accumulators”

Defining Segmentation

In Peoplesoft Global Payroll, you can segment elements based on different events or changes. There are two types of segmentation:

- Period segmentation: The system calculates each element more than once and keeps the results of these calculations separate.
- Element segmentation (also known as slice segmentation): The system segments only the element selected. There is only one gross-to-net result set.

Peoplesoft Global Payroll for Spain uses element segmentation in most cases. There are many reasons why a slice can occur:

- Changes in the labor agreement information.
- Changes in job information.

- Changes in contract information.
- Changes in an employee's compensation rate.
- Changes in the department code.
- Changes in the work center code.

Peoplesoft Global Payroll for Spain could use period segmentation, for example, in the case where two payslips are needed, such as when an employee transfers from one company to another.

Note. PeopleSoft Global Payroll for Spain doesn't deliver default segmentation triggers. You must decide what needs to cause segmentation depending on your company's needs.

See Also

PeopleSoft Global Payroll PeopleBook, “Defining Segmentation”

Setting Up Triggers

In PeopleSoft Global Payroll, the mechanism used to detect online changes to data that should result in some type of system action is called a *trigger*. Examples of common data changes that might use triggers are the hiring of a new payee, a change in pay rate, or a change in job location.

There are three types of triggers:

- Iterative.
- Segmentation.
- Retro.

Note. In PeopleSoft Global Payroll for Spain, you can define your own triggers based on your company's needs. During customization, you must define the needed segmentation triggers and retro triggers.

See Also

PeopleSoft Global Payroll PeopleBook, “Setting Up Triggers”

Defining Rounding Rules

When you resolve an element that is a numerical value, you often need to round the resulting value. You'll use rounding rules to do this.

Once you define a rounding rule element, apply it to other elements. The rounding rule can be applied to any component of an earning or deduction, to the resolved amount of an earning or deduction, or within a formula.

In Peoplesoft Global Payroll for Spain, you can create rounding rules in pesetas or in euros. Currently, the calculation is done in pesetas, but the net to pay must be expressed in euros on the payslip, so the payslip generation process can create the net to pay in euros.

The following guidelines apply to rounding rules in Peoplesoft Global Payroll for Spain:

- Monetary amounts expressed in pesetas must have values with rounding to the nearest zero decimals, for example, from 80000.5 to 80001. Peoplesoft Global Payroll for Spain provides the GEN RR REDONDEO rounding rule for this.
- Monetary amounts expressed in euros need to have values with rounding to the nearest two decimals, for example, from 33.345 to 33.35. There is no PeopleSoft-provided rounding rule for this situation because the amount in euros is generated during the creation of the payslip.
- IRPF percentage calculation needs a rounding rule down to two decimals (truncate). Peoplesoft Global Payroll for Spain provides the TAX RR TRUNC 2DEC rounding rule for this.
- In the case of IRPF tax calculation, you need a rounding rule down to zero decimals with the following logic:
 - 22.3 → 22
 - 22.5 → 22
 - 22.6 → 23

Peoplesoft Global Payroll for Spain provides the GEN RR LEGAL 0 DEC rounding rule for IRPF tax calculation.

For social security calculation, you need a rounding rule down to zero decimals. Peoplesoft Global Payroll provides the GEN RR LEGAL 0 DED rounding rule.

Note. Starting 1 January 2002, monetary amounts must be expressed in euros.

See Also

“Understanding Tax Calculation”

“Understanding Social Security Benefits for Spain”

PeopleSoft Global Payroll PeopleBook, “Defining Calculation Elements”

Defining Proration Rules

In PeopleSoft Global Payroll, you can apply proration rules to earnings, deductions, and formulas. The only elements that you can use in a proration rule are accumulators, counts, formulas, and variables. Proration must occur before rounding rules are applied. Proration is closely tied to segmentation.

In PeopleSoft Global Payroll for Spain, define proration rules at the pay group level for earnings and deductions where segmentation takes place.

Depending on the type of employee that you are calculating, the denominator for the proration rule will be different. For example, if you are calculating an employee who has a daily rate, the proration rule will be different than if you are calculating an employee with a monthly rate. If an employee is paid with a daily rate, the denominator refers to calendar days. If an employee is paid with a monthly rate, the denominator is fixed and is equal to 30 regardless of the month that is being calculated.

See Also

PeopleSoft Global Payroll PeopleBook, “Defining Calculation Elements”

Defining the Processing Structure

In PeopleSoft Global Payroll, there are five organizational levels:

- Elements.
- Element groups.
- Eligibility groups.
- Pay groups.
- Pay entities.

Note. The eligibility groups, pay groups, and pay entities that PeopleSoft Global Payroll for Spain delivers are only sample data. You must define your own eligibility groups, pay groups, and pay entities during your configuration. You can use the element groups delivered with PeopleSoft Global Payroll for Spain as the basis of your own configuration or only as samples.

In PeopleSoft Global Payroll, there is also a processing structure, including process lists and sections.

See Also

PeopleSoft Global Payroll PeopleBook, “Understanding the Organizational Structure” and “Defining Processing Elements”

Viewing Delivered Process Lists

PeopleSoft Global Payroll for Spain delivers the following four process lists:

Calculation Type	Process List
Absence calculation	ABSENTISMO PR
Payroll calculation	GEN PR CALC NOM
Extra period calculation	XTR PR PAGA EXTRA
IRPF percentage calculation	TAX PR CALC IRPF

Calculate IRPF percentage either as part of the normal payroll (in the GEN PR CALC NOM process list) or as a separate calculation (in the TAX PR CALC IRPF process list).

Note. PeopleSoft delivers a query that you can run to view the names of all delivered elements designed for Spain.

See Also

PeopleSoft Global Payroll PeopleBook, “Delivered Elements and System Data”

CHAPTER 4

Defining Basic Earnings

This chapter provides an overview of basic earnings, base salary, and complements and describes how to:

- Calculate earnings.
- Define compensation.
- View delivered basic earnings elements.

Understanding Basic Earnings

In PeopleSoft Global Payroll for Spain, there are two types of earnings: basic and non-basic. Whether an earning is considered basic or non-basic depends on its frequency and whether it's a fixed amount or a variable amount.

Basic earnings are:

- Paid every month.
- Included in the employee's annual income at the beginning of the year.
- The same amount each period (fixed earnings).

Basic earnings include:

- Base salary.
- Seniority.
- Prorated extra periods established by the labor agreement.
- Various complements, such as languages, degrees, *mejora voluntaria*, *complemento absorbible*, and public transportation.

Any other type of earning is considered a non-basic earning.

Note. The basic earnings we discuss here are only the ones that PeopleSoft delivers as sample data. They are typically the most common basic earnings required in Spain. You can also create your own additional earnings and modify the calculation rules to fit your company's needs.

Use the core PeopleSoft Global Payroll pages to define your earnings.

See Also

“Establishing Non-Basic Earnings”

PeopleSoft Global Payroll PeopleBook, "Defining Earnings and Deduction Elements"

Processing Considerations for Basic Earnings

Basic earnings have the following processing considerations:

- Net to gross and gross to net adjustments.
- Seniority calculation.
- Extra period calculation.
- Termination.

Because of these processing considerations, all basic earnings have the following special characteristics:

Calculation Rule = Unit * Rate

All basic earnings must:

- Be defined with the calculation rule of Unit * Rate.
- Be identified by the category ‘BAS’ at the earning definition.
- Have their own rate code.
- Have the formula GEN FM RATE AN/DAN as a preprocess formula.

PeopleSoft Global Payroll for Spain calculates the earnings for all employees on a daily basis, regardless of the way they contribute to social security (daily or monthly). Therefore, the rate component is always a daily rate. For employees who contribute monthly, the Unit component is 30 days (when they work the whole month) for regular payments or the extra period timeframe rights for an extra period. For employees who contribute daily, the unit component contains the number of days the employee worked. The unit is the GEN FM UNIDADES formula.

The rate for basic earnings is always a rate code, which retrieves its values from the Job Data - Compensation page. Note that you can enter rate codes with whatever frequency you need. In the case of daily employees, you must provide daily rates. If you want to specify an earning on a monthly basis, however, you can assign it to a frequency other than daily. All rate codes are annualized/deannualized to days. So, you can think of the unit as the actual number of days worked in a month and the rate as the theoretical amount that an employee is supposed to earn per day.

For employees whose earnings are calculated daily and who work the entire month, the unit equals 30 for months with 30 days and 31 for months with 31 days. The unit equals the number of days worked for employees who don't work the entire month.

For employees whose earnings are calculated monthly and who work the entire month, the unit equals 30 regardless of the number of days that month has. If an employee is sick 10 days, the unit equals 20.

Generation Control = GEN GC MEN O PXTRA

The GEN GC MEN O PXTRA generation control is used to determine whether an earning must be calculated at an extra period when processing an extra period payroll.

See Also

Understanding Base Salary

“Calculating Extra Periods”

Understanding Base Salary

Base salary depends on the compensation tables of each labor agreement. A labor agreement defines the different categories and a base salary for each category.

The base salary is a basic earning. It is typically calculated as Unit * Rate.

Note. The rate code is established by the labor agreement. In PeopleSoft Global Payroll for Spain, the GEN RC SAL BASE rate code is used to specify the base salary.

Adjustments to Salary

In order to calculate an employee's total salary, you may have to consider some adjustments to the base salary that are specified in the labor agreement. These adjustments may come from an employee's personal agreement.

If the salary in the employee's personal agreement is the same as the amount reflected in the labor agreement, no adjustment is necessary. This salary includes both base salary and complements.

Adjustments may include:

- Gross to net: Make this adjustment if the employee's gross salary defined by the labor agreement for his professional category is different from the gross salary in his personal agreement.
- Net to gross: Make this adjustment if you need to calculate an employee's annual gross salary from a net amount and an estimated gross amount.

See Also

“Understanding Gross and Net Guarantee“

Complemento Absorbible

The difference between the real gross defined in employees’ personal agreements and the total earnings that they should receive in their professional category must be reflected in an earning element called *complemento absorbible*. In the case of net guarantee, the *complemento absorbible* is the difference between the calculated gross (calculated from the net) and the total earnings based on the professional category of the employee.

The calculation rule for *complemento absorbible* is defined as Unit * Rate, where the Unit is the number of days worked in a month and the Rate is the rate code GEN RC COM ABS EST.

In order to calculate the *complemento absorbible*, you must override the variable GEN VR TIPO AJ SAL for that employee using the value *BRUTO* for gross to net adjustment or the value *NETO* for net to gross adjustment. Use the Supporting Elements Overrides page in the core application to enter this override.

See Also

PeopleSoft Global Payroll PeopleBook, “Understanding Overrides,” Defining Pay Entity Overrides

Seniority

Seniority years are often calculated by subtracting the seniority date minus the payroll period end date. This is the PeopleSoft-delivered calculation method, but you can change it to fit your company's needs. If you want to change the calculation method, specify a custom duration or formula to calculate seniority years for that labor agreement on the Labor Agreement - Seniority page.

Note. Absences can decrease seniority years based on the number of months absent.

You can measure seniority pay in different ways. Typically, you can measure seniority in multiples of three years (*trienniums*) or four years (*cuatrenniums*). You can also measure seniority as a mixture of years.

Note. PeopleSoft delivers *trienniums* and *cuatrenniums*, but you can create a different seniority measurement by adding a new earning with the same characteristics as one of the existing earnings. If a new earning is defined for a new seniority measurement, add it on the Seniority Earnings page.

The most common way to determine seniority is to associate an amount with a *triennium* or *cuatrennium*. For example, an employee could get 18 euros per month for the first *triennium*

and 21 euros per month for the second *triennium*. So, if an employee has six years of seniority, he would get 39 euros per month in seniority earnings.

Another typical seniority calculation method is a percentage over the base salary or base salary plus some complement.

Here's another example:

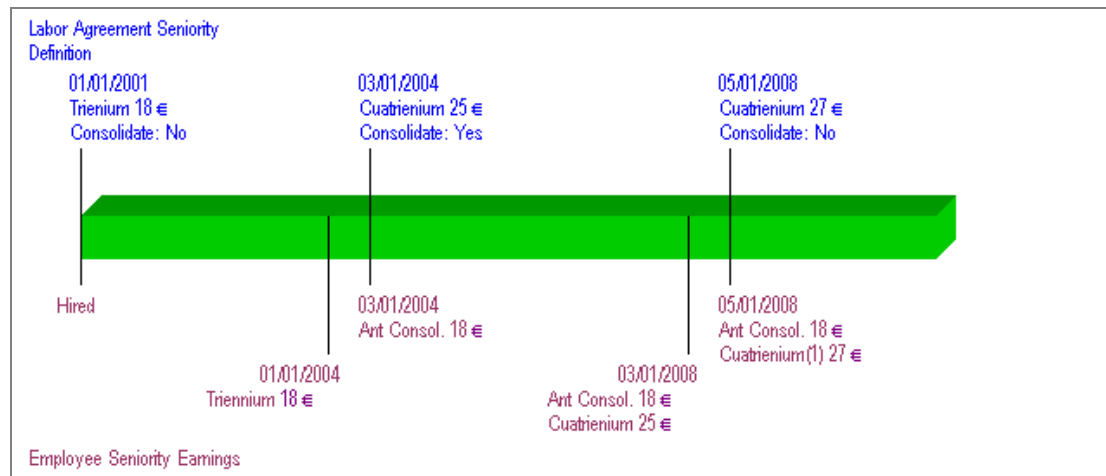
Let's say that you have a programmer who is at Salary Level 4, earning 700 euros per month. The labor agreement defines seniority as a *cuatrennium* that is 4 percent of the base salary. The programmer has eight years of seniority, which is equal to two *cuatrenniums*. His seniority earnings per month is calculated as follows:

- $\text{Unit} \times (\text{Percentage} \times \text{Base}) = \text{Seniority earnings.}$
- $2 \text{ (cuatrenniums)} \times (0.04 \times 700\text{€}) = 56 \text{ euros per month.}$

Consolidated Seniority (Antigüedad consolidada)

Sometimes, the labor agreement establishes a change in the measurement of seniority, for example, from *trienniums* to *cuatrenniums*. When this happens, the seniority appears as another earnings element called consolidated seniority (*antigüedad consolidada*). The consolidated seniority element must reflect the total amount that the employee was receiving until the date of the change. This occurs if you select the Consolidation check box when adding a new effective-dated row on the Labor Agreement – Seniority page. If you don't select this check box, the seniority is recalculated with the new values or percentages.

Example



Labor agreement seniority example

See Also

“Working With Labor Agreements,” Defining Seniority

Understanding Complements

Complements complete the final gross pay for each employee or group of employees. Complements understood as basic earnings are always calculated as $\text{Unit} * \text{Rate}$ because the worked days is in the Unit component of the calculation rule.

There are three types of complement earnings:

- Personal conditions.
- Work executed.
- Company's situation and results.

The payroll calculation process treats all these complements in the same way in the payroll calculation process.

In this section, we provide detailed information about personal condition complements, which include language skills, degrees or special skills, *mejora voluntaria*, and transportation. Complements for work executed and company situation are discussed in Establishing Non-Basic Earnings.

See Also

“Establishing Non-Basic Earnings“

Languages Complement

Generally, employees receive a language complement only if they were hired specifically for their language skills and if using those language skills is a tool in their job.

The calculation rule for the language complement element is defined as $\text{Unit} * \text{Rate}$, where the unit is the days worked in a month.

Because the language complement is an employee-specific earnings, it must be assigned individually for each employee who qualifies.

Note. The calculation rule, page setup, and accumulators for the degrees or special skills complement and the *mejora voluntaria* complement are the same as those for the language complement.

Degrees or Special Skills Complement

The degrees or special skills complement is used to compensate employees for their knowledge of a subject or for their skills.

Mejora Voluntaria

Mejora voluntaria is the substitute for the *complemento absorbible*. It is a complement that is manually calculated to pay an employee the difference between the market price and the specific salary reflected in the labor agreement for his category.

Public Transportation and Distance Complement

The public transportation and distance complement is paid to an employee to compensate for the distance between his residence and the company. There is a maximum tax and social security exempted and it is 20 percent of SMI (*salario mínimo interprofesional*), but depending on whether the employee contributes to social security on a monthly or daily basis, the SMI amount is either monthly or daily.

Note. *Salario mínimo interprofesional* is the minimum monthly or daily salary that is to be paid to any employee. It is a wage that is established annually. The maximum of 20 percent of SMI is exempt for tax and social security contributions.

Only earnings that are paid in excess of the 20 percent of SMI must be included over the Social Security base and the taxable base. For the year 2001, this ceiling has been established as the following:

- 20% x 72.120 pesetas (433,45 euros) (SMI) = 14.424 pesetas/month (86,69 euros/month)

Because the public transportation and distance complement is an employee-specific earning, you must assign it individually for each employee who qualifies.

Note. There is one exception for daily employees and for the transportation complement. Sometimes, the transportation complement is paid monthly regardless of whether an employee contributes to social security on a monthly or daily basis. You can specify how the earning is calculated by assigning a daily or non-daily frequency on the Job Data - Compensation page. Frequencies other than daily generate monthly transportation complements.

See Also

“Establishing Non-Basic Earnings,” Working With Non-Salary Earnings, Setting Up Statutory Rates

Extra Periods

In addition to the 12 pay periods in a year, employees are eligible for two or more extra period payments, as defined by their labor agreements. Two extra period payments are the statutory minimum; however, a labor agreement may set a higher number.

See Also

“Calculating Extra Periods“

Calculating Earnings

PeopleSoft Global Payroll for Spain calculates earnings daily. Then, depending on the way the employee contributes to social security, the rate is multiplied by 30 for monthly employee or by the number of days in the month for daily employees.

Note. Regardless of how an employee's earnings are calculated, all employees are paid monthly.

If you calculate daily employees, you must know the daily values for each earning, as well as the total number of days worked. An employee with a daily calculation type will not receive the same gross and net amount every month because different months have different number of days. For example, an employee will receive less money in February than in June.

Another reason to calculate earnings daily is for part-time employees. For example, let's say that the monthly gross salary for a full-time employee, working eight hours a day, is equal to 2000 euros. Let's say there is also a part-time employee, working six hours a day, and he is in the same professional category and labor agreement as the full-time employee. The system automatically calculates the rate to 6/8 and the monthly gross salary for the part-time employee equals 1500 euros.

Earnings and Accumulators

Each earnings element can accumulate its value over other elements. The following is a list of the accumulators that are used with earnings elements. Before defining a new element, it's a good idea to understand what each accumulator does.

- **Basic earnings (GEN AC DEV BAS S):** The sum of all basic earnings for an employee. Use this base in determining the amount of an extra period or as the base for calculating an hourly rate.
- **Non-basic earnings (GEN AC DEV VRBLS S):** The sum of all non-basic earnings for an employee.
- **Total earnings (GEN AC SAL BRUTO S):** The sum of all elements considered as earnings for an employee.
- **In kind earnings (SPC AC BASE EXCESO):** The sum of all in kind earnings for tax reasons.
- **Salary taxable base (TAX AC DIN S):** The sum of all the taxable salary earnings.

Note. Not all salary earnings are added to the taxable base. For example, *dietas* don't contribute to taxes until an employee reaches a statutory rate that is established annually. So only the *dietas* earnings that are in excess of the statutory rate contribute to the taxable base.

- In kind taxable base (TAX AC SPC S): The sum of all the taxable in kind earnings.
- Employee's social security common contribution base (SS AC BSE D S and SS AC BSE M S): The sum of all the contribution earnings in common contributions.

When you create a new element, it is important to define which accumulators to which the element will contribute.

The following is a list of basic earnings and to which accumulators each basic earnings type contributes:

<i>Type of Basic Earning</i>	<i>Accumulators</i>
Base Salary	Basic Earnings, Total Earnings, Taxable Base, Social Security Common Contribution Base
Seniority	Basic Earnings, Total Earnings, Taxable Base, Social Security Common Contribution Base
<i>Mejora voluntaria</i>	Basic Earnings, Total Earnings, Taxable Base, Social Security Common Contribution Base
<i>Complemento absorbible</i>	Basic Earnings, Total Earnings, Taxable Base, Social Security Common Contribution Base
Extra periods	Basic Earnings, Total Earnings, Taxable Base

Defining Compensation

In PeopleSoft Global Payroll for Spain, you can define compensation at different levels:

- The labor agreement (that include categories and salary levels). In this case, you define a specific salary plan for the labor agreement. You can associate the salary grades of the salary plan with every category or subcategory of the labor agreement.
- Your company's own salary plan (with salary steps and grades that are different than the ones in the labor agreement). In this case, you need to set up the auto-calculated premium section that is part of multiple components of pay.
- Job code.
- Individual employee (you can put a different amount than what is stated in the labor agreement directly into the individual employee's job data).
- With a specific rule defined using the functionality of rate code defaulting rules.

An employee's compensation appears on the Job Data – Compensation page.

PeopleSoft Global Payroll for Spain:

- Provides the option to enter salary plans that are defined by salary grades and steps.
- Relates the compensation tables to the steps of the grades in a salary plan. You can link the salary grades of a salary plan to a professional category in the labor agreement.
- Enables you to link the job to a professional category (so you already have the compensation for that employee due to that category) when you hire an employee.
- Enables you to override the information that comes from the labor agreement on the Job Data - Compensation page, if an employee has an agreement with the company to receive compensation different than the one defined in his professional category.

See Also

PeopleSoft Human Resources: Plan Salaries PeopleBook

PeopleSoft Application Fundamentals for HRMS PeopleBook, “Working With Multiple Components of Pay”

PeopleSoft Human Resources PeopleBook: Administer Workforce, “Entering Additional Data in Human Resources Records,” Setting Up and Tracking Employment Contracts

Viewing Delivered Basic Earnings Elements

This section contains information about the rules PeopleSoft Global Payroll for Spain delivers to process basic earnings.

Basic Earnings

Basic Earning	Description
ANT CONSOLDA	Consolidated seniority
CUATRIENIOS	Seniority <i>cuatrienniums</i>
TRIVENIOS	Seniority <i>trienniums</i>
COMP ABSRBLE	Absorbable complement
TRANSPORTE	Transportation complement
TRNSPRTE EX	Transport taxable excess
SALARIO BASE	Base salary
IDIOMAS	Languages complement
CUALIFCN	Degrees or special skills complement
MEJORA VOLUN	Voluntary income

Basic Earning	Description
PXTRA PRTDA	Prorated extra period

Basic Earnings Process List

Process List	Description
GEN PR CALC NOM	Regular payroll process

Note. PeopleSoft delivers a query that you can run to view the names of all delivered elements designed for Spain.

See Also

PeopleSoft Global Payroll PeopleBook, “Delivered Elements and System Data” and “Defining Earnings and Deduction Elements”

CHAPTER 5

Working with Labor Agreements

This chapter shows you how to define labor agreements in PeopleSoft Global Payroll for Spain.

Understanding Labor Agreements

Labor agreements determine several aspects of employee compensation and work conditions including absences, professional categories, and salary scales. Every company is required to have at least one labor agreement and one professional category and every employee must be assigned to a labor agreement.

Labor agreements contain the different professional categories and their respective compensation by using salary plans. The compensation reflects the base salary as well as complementary earnings that employees could receive if they qualify for certain criteria.

Defining Labor Agreements

Before defining labor agreement information on the Labor Agreement component in PeopleSoft Global Payroll for Spain, you need to set up labor agreements and their associated categories on the Labor Agreement and Labor Agreement Categories pages in PeopleSoft Human Resources.

See Also

PeopleSoft Human Resources PeopleBook: Administer Workforce, “Setting Up the Administer Workforce Business Process,” Defining Labor Agreements, Labor Agreement Categories, and Employee Classes

Pages Used to Define Labor Agreements

<i>Page Name</i>	<i>Object Name</i>	<i>Navigation</i>	<i>Usage</i>
Seniority	GPES_LBR_SENIORITY	Global Payroll Spain, Define Payroll Rules (ESP), Setup, Labor Agreement, Seniority	Define the details for calculating seniority earnings for the labor agreement.

Page Name	Object Name	Navigation	Usage
Seniority Earnings	GPES_SEN_EARNIN GS	Click the Seniority Earnings link on the Seniority page.	Assign an element name to a measurement for a labor agreement.
Extra Period	GPES_LBR_XTRA_P D	Global Payroll Spain, Define Payroll Rules (ESP), Setup, Labor Agreement, Extra Period	Define the details for the extra period payments as stated in the labor agreement.
Complementary Benefits	GPES_LBR_BNF	Global Payroll Spain, Define Payroll Rules (ESP), Setup, Labor Agreement, Complementary Benefits	Define the periods and the percentages that employees receive for illness and accident-related benefits. The periods are established by the labor agreement.

Defining Seniority

Access the Seniority page.

Seniority Extra Period Complementary Benefits

SetID: ESP **Labor Agreement:** GE001

Seniority View All First 1 of 1 Last

Effective Date: 01/01/2000 **Status:** Active

Calc Rule: Duration **ANT DR ANTIGDAD** Elapsed seniority years

[Seniority Earnings](#) ☐ Consolidation

Seniority Segments View All First 1 of 1 Last

*Sequence	*Measurement (Yrs.)	*Occurrences	Flat Amount	Currency	Percentage
1	1	3	99	4,000	ESP

Seniority Base Earnings View All First 1 of 1 Last

Element Name	Description
1 SALARIO BASE	Base salary

Seniority page

Seniority

Calc Rule (calculation rule) Select the calculation rule that corresponds to seniority, either **Duration** or **Formula**. A calculation rule is required for calculating employee seniority years. In the field next to **Calc Rule**, enter the corresponding element name for the seniority calculation. Peoplesoft delivers the ANT DR ANTIGDAD duration calculation rule.

Seniority Earnings Click to access the Seniority Earnings page.

Consolidation Select to consolidate the calculation in a single seniority earning. The sum of the previous seniority amounts will be assigned to the ANT CONSOLDA earnings element. This typically occurs when the labor agreement establishes a change in the measurement of seniority, for example from *trienniums* to *cuatrenniums*. When this happens, the total previous seniority will appear as another earning called consolidated seniority (*antiguedad consolidada*) if you select the Consolidation check box.

Seniority Segments

Sometimes a labor agreement indicates that seniority be calculated in different ways. Then, seniority is calculated in different segments. Use the **Seniority Segments** group box to define seniority calculations if segments are used.

- *Sequence** Indicates the order of the various segments.
- *Measurement (Yrs.)** Enter the number of years in which you measure seniority. Typical values are **3** (for *triennium*) or **4** (for *cuatrennium*). PeopleSoft delivers measurements for *trienniums* and *cuatrenniums*, but you can also create your own measurements.
- *Occurrences** Define how many times the occurrence of the seniority will occur. For example, you could pay the first 3 *trienniums* as 5 % and the next *cuatrennium* as a flat amount.
- Flat Amount** Enter the flat amount of the seniority earnings in a segment. Some labor agreements define seniority earnings as flat amounts, rather than a percentage of base earnings.
- Percentage** Enter the percentage of the base earnings in a segment. Some labor agreements define seniority earnings as a percentage of base earnings, rather than flat amounts.

Seniority Base Earnings

Element Name Select the earnings elements used as the base to calculate seniority.

Calculating Seniority Over Segments

Sometimes a labor agreement indicates that seniority be calculated in different ways. When this happens, seniority is calculated in different segments. The **Seniority Segments** group box is where you define details for the various segments.

For example, let's say that a labor agreement establishes that employees will receive seniority earnings according to the following schedule:

Number of years	Seniority Earnings
1-3 (<i>triennium</i>)	6 euros per month
3-6 (<i>triennium</i>)	6 euros per month
6-9 (<i>triennium</i>)	9 euros per month
9-13 (<i>cuatrennium</i>)	12 euros per month * Employees will receive 6 euros every month and 6 additional euros every month and so on. The employee starts earning the seniority amount when he has been in the company for a period of time. If the employee is in the company for three years, he starts earning <i>trienniums</i> in the fourth year every month.

Here is what an employee will typically receive for seniority earnings:

- Employees will receive 0 euros per month from Year 0 to Year 3.
- Employees will receive 6 euros per month from Year 3 + 1 month to Year 6
- Employees will receive 12 euros per month from Year 6 + 1 month to Year 9
- Employees will receive 21 euros per month from Year 9 + 1 month to Year 13
- Employees will receive 33 euros per month from Year 13 + 1 month to Year 17
- Employees will receive 45 euros per month from Year 17 + 1 month to Year 21

Here is how you can set up the seniority earnings in PeopleSoft Global Payroll for Spain:

Sequence 1:

- Measurement = 3
- Occurrences = 2
- Flat Amount = 6 euros

Sequence 2:

- Measurement = 3
- Occurrences = 1
- Flat Amount = 9 euros

Sequence 3:

- Measurement = 4
- Occurrences = 99

Flat Amount = 12 euros

Defining Seniority Earnings

Access the Seniority Earnings page.

Sen earnings by measurement

Seniority Earnings				View All	First	1-2 of 2	Last
Measurement (Yrs.)	Element Name	Description					
1 3	TRIENIOS	Seniority trienniums					
2 4	CUATRIENIOS	Seniority cuatrienniums					

Seniority Earnings page

Note. PeopleSoft delivers *trienniums* and *cuatrenniums*, but you can create a different seniority measurement by adding a new earning with the same characteristics as one of the existing earnings. If you define a new earning for a new seniority measurement, add it on the Seniority Earnings page.

Measurement (Yrs)	Enter the number of years in which you measure seniority. Typical values are 3 (for <i>triennium</i>) or 4 (for <i>cuatrennium</i>).
Element Name	Select the element name that corresponds to the Measurement (Yrs.) field.

Defining Extra Period Data

Access the Extra Period page.

Seniority **Extra Period** Complementary Benefits

SetID: ESP Labor Agreement: GE001

Extra Periods View All First ◀ 1 of 1 ▶ Last

Effective Date: 01/01/2000 Status: Active

Earnings Eligible for Extra Periods View All First ◀ 1-3 of 4 ▶ Last

Element Name	Description		
1 ANT CONSOLDA	Consolidated seniority	+	-
2 SALARIO BASE	Base salary	+	-
3 COMP ABSRBLE	Absorbable complement	+	-

Extra Period Definition View All First ◀ 1-2 of 4 ▶ Last

General **Contribution** Termination Earnings

*Xtra Pd	*Description	Prorate	*Pd From	*Duration	Payment Period		
1	June Extra Period	☐	1	6	6	+	-
2	December Extra Period	☐	7	6	12	+	-

Extra Period page

Earnings Eligible for Extra Periods

Element Name Select the earning elements that you want to make eligible for the extra period payment. Earnings are not automatically eligible for the extra period payment; instead, you have to select those earnings that are eligible.

Extra Period Definition

Use the **Extra Period Definition** group box to define the conditions for extra period payments.

Common Page Information

***Xtra Pd** (extra period) Enter the number of the extra period, as defined by the labor agreement. Typically, there are two extra periods per year.

***Description** Enter a description for the extra period. Typically, the extra period payments are in June and December.

General Tab

Use the **General** tab to define the timeframe for the extra period payments.

Prorate

Select to pay the earnings every month as part of the regular pay period, and not as a unique payment. The earnings will be prorated as 1/12 of the extra period payment.

Note. If you select the **Prorate** check box, the **Pd From** and **Duration** fields become display-only. Because the extra period payment is prorated over 12 months, the **Pd From** field is automatically defined as **1** and the **Duration** field is defined as **12**.

Note. The **Pd From** field and the **Duration** field apply only to extra period payments that are not prorated. For extra period payments that are not prorated, there is a contribution timeframe. The timeframe is determined by a beginning period (defined in the **Pd From** field) and a duration (defined in the **Duration** field). During this timeframe, an amount is withheld from the employee.

***Pd From**

Enter the month of the year when the extra period contribution timeframe begins. For example, if you enter **1**, the contribution timeframe begins in January.

***Duration**

Enter the number of months of the contribution period. For example, if you enter **6**, the contribution will last 6 months.

Payment Period

Specify the period in which the withheld amount is paid. For example, if you enter **6**, the withheld amount will be paid in June.

Contribution Tab***Factor**

Extra periods can be paid in full or at a percentage of the earnings. For example, if you enter **100** in the **Factor** field, these earnings will be paid in full in the extra period payment. If you enter **50**, these earnings will be paid at 50% of their regular amount.

Termination Earnings Tab

When an employee is terminated, he is paid for the portion of the extra period payment that he has been accumulating. An employee will receive his proportional compensation, depending on the number of days worked in the extra period timeframe. Use the **Termination Earnings** tab to select the earnings elements that apply to the extra termination payment.

Element Name

Select the earnings element that corresponds to the extra period termination payment specified by the labor agreement.

See Also

“Terminating Employees“

Defining Complementary Benefits

Access the Complementary Benefits page.

Seniority Extra Period Complementary Benefits

SetID: ESP Labor Agreement: GE001

Complementary Benefits View All First 1 of 1 Last

Effective Date: 01/01/2000 Status: Active

IT Total Benefits View All First 1 of 1 Last

To	Percentage
1 540	100.000000 + -

AT Total Benefits View All First 1 of 1 Last

To	Percentage
1 540	100.000000 + -

Complementary Benefits page

Complementary Benefits

Use the **Complementary Benefits** group box to define the benefits an employee may receive if he has an illness or accident.

IT Total Benefits

Use the **IT Total Benefits** group box to define details for both the statutory and complementary benefits received for common illnesses or non-work related accidents.

To

Define the period for the benefit (usually the number of days up to a certain day). For example, if you enter **4** in the first row, this means that from days 1-4 (up to day 4) of the common illness or non-work related accident, the employee will receive a specified percentage of social security benefits. If you enter **5** in the second row, this means that for day 5, the employee will receive another specified percentage. If you enter **10** in the third row, this means that from days 6-10, the employee will receive another specified percentage.

Percentage

Define the percentage of the total benefit that an employee will receive for an illness or accident. For example, if you enter **100**, the employee will receive 100% of his compensation during the specified period.

Note. This percentage is a combination of statutory and complementary benefits.

AT Total Benefits

Use the **AT Total Benefits** group box to define details for both the statutory and complementary benefits received for work-related accidents. The difference between the **IT Total Benefits** and the **AT Total Benefits** is that for AT benefits, the statutory benefit is 75% starting from day 1.

To

Define the period (usually the number of days up to a certain day) for the benefit. For example, if you enter **10** in the first row, this means that from days 1-10 (up to day 10) of the work-related accident, the employee will receive a specified percentage of social security benefits. If you enter **80** in the next row, this means that from days 11-80, the employee will receive another specified percentage.

Percentage

Define the percentage of the total benefit that an employee will receive for a work-related accident. For example, if you enter **95**, the employee will receive 95% of his compensation during the specified period.

Note. This percentage is a combination of statutory and complementary benefits.

Complementary Benefits Example

When an employee cannot work due to a common illness, non-work related accident, or work-related accident, he does not receive any compensation; however, the law requires that he receive social security benefits. Depending on the number of days that an employee does not work, he will receive a percentage of his daily social security contribution base.

The following table specifies the statutory percentage of the daily contribution base of the previous pay period that an employee should receive depending on the number of days he is absent from work:

Days	Social Security Percentage Received
1-3	0%
4-20	60%
21 and on	75%

In addition to the statutory percentages, a company can choose to pay the difference between the percentage stated in the labor agreement and 100% of an employee's compensation. This difference is called complementary benefits.

For example, let's say that your company has a labor agreement with the following rules for IT benefits (for common illness or non-work related accidents):

- From day 1 to day 10, employees receive 100% of the previous daily contribution base.
- From day 11 to day 25, employees receive 90% of the previous daily contribution base.
- From day 26 and on, employees receive 75% of the previous daily contribution base.

So, we have the following breakdown of benefits received:

Days	Type of Benefit	Total Benefits
1-3	Statutory: 0% Complementary: 100%	100%
4-10	Statutory: 60% Complementary: 40%	100%
11-20	Statutory: 60% Complementary: 30%	90%
21-25	Statutory: 75% Complementary: 15%	90%
26 - and on	Statutory: 75% Complementary: 0%	75%

On the Complementary Benefits page, you'll define the periods (number of days) and the corresponding percentages for a benefit. In our example, the following parameters would be defined:

To field = 10, Percentage field = 100

To field = 25, Percentage field = 90

See Also

“Understanding Social Security Benefits for Spain“

CHAPTER 6

Establishing Non-Basic Earnings

This chapter provides an overview of non-basic earnings and describes how to:

- Work with non-basic earnings.
- Work with non-salary earnings.
- Work with benefits in kind.
- Process non-basic earnings.
- View non-basic earning delivered elements.

Understanding Non-Basic Earnings

In PeopleSoft Global Payroll for Spain, there are two types of earnings: basic earnings and non-basic earnings. Non-basic earnings may be paid infrequently, may be fixed or varied amounts, and may not have been included in employee's annual income. The list of non-basic earnings includes complements, non-salary earnings, and salary in kind. Examples are pay for holiday work, reimbursements for business travel expenses, and special interest rates for loans.

See Also

“Understanding Loans and Advances“

PeopleSoft Global Payroll PeopleBook, "Defining Earnings and Deduction Elements"

Working With Non-Basic Earnings

Complements complete the final gross pay for each employee or group of employees. They can be calculated as a flat amount or as a formula.

All the complements discussed here are treated the same way in the payroll calculation process. They all accumulate their values to salary earnings, taxable base, and the employee's social security contribution base.

There are three types of complement earnings:

- Personal conditions.
- Work executed.
- Company's situation and results.

PeopleSoft provides the complements listed below for positive input only. They are not mentioned in the labor agreement component and are not associated with any calculations. You must attach any calculation rules.

Note. Complements for personal conditions are considered basic earnings.

See Also

“Defining Basic Earnings,” Understanding Complements

Work Executed Complements

Work executed complements are based on the special requirements of a particular job. Typical work executed complements include nighttime complements and toxicity/hazard complements.

Generally these types of compensation are a percentage of the salary base. Sometimes they can be calculated as a formula depending on the number of hours worked under those conditions. The elements used for these earnings are variable.

The rules for each of these complements are based on labor agreements and are subject to change. For example, a new labor agreement may enlarge the time frame of the nighttime complement.

Nighttime Complement

Work performed between the hours of 22:00 and 6:00 is considered nighttime work and must be compensated at a higher rate than normal.

Typically, the calculation rule for the nighttime complement is either a flat amount for each day worked in that timetable or a rate based on a regular hourly value.

For a flat amount, the number of days worked as nighttime is multiplied by the flat amount defined in the labor agreement. For example, if the flat amount is 20 euros and the number of late nights worked is four, then a total of 80 euros is the nighttime complement.

For a rate, if the rate is defined as 20 percent more than the base salary, then you'll calculate the nighttime complement as follows:

- To calculate the regular hourly rate, start with the base salary. For example, let's say a programmer earns 800 euros per month: $800 \text{ euros} \times 14 \text{ months} = 11.200 \text{ euros per year}$. Then divide the annual amount by the number of working days in a year. If the labor agreement stipulates a work year of 2.000 hours, 11.200 euros per year divided by 2.000 hours equals 5,6 euros per hour.
- To apply the extra 20 percent over this value, assign the value to the nocturnal hourly rate that is 6,72 euros per nocturnal hour.
- To determine the amount for the nighttime complement, calculate the following. Let's say that the programmer worked ten hours of nighttime. You'll multiply $6,72 \times 10$ to get 67,2 euros of nighttime complement for that month.

Festivity Complement

If employees work during a holiday, they get some additional compensation. Labor agreements usually specify the amounts to be paid for working on Sundays or on holidays. You can calculate an employee's holiday complement by multiplying the special rate by the number of holidays worked.

Toxicity/Hazard Complement

An employee who works with hazardous or toxic materials, or who has a dangerous job gets a hazard complement. The details of the hazard complement are in the labor agreement.

Only the actual days worked in these conditions are paid with this complement.

The calculation rule for the hazard complement element is similar to the nighttime complement: either a flat amount or the base x percentage formula applies.

Note. PeopleSoft delivers these work-executed complements (such as the nighttime, festivity, and toxicity/hazard complements) as sample data. You need to enter the value as positive input every period. You can also modify the calculation rules to fit your company's needs.

Company Situation Complements

Company situation complements are typically related to company profits and incentives and are more subjective than other complements. Sometimes, a labor agreement details these complements for a company's general objectives. Other times, these complements are addressed in a company or employee contract.

The values of these complements are variable and are currently entered into the system by positive input.

Profit Participants Complement

This complement depends on the company's earnings results. It can be defined annually or monthly, for example, depending on the company.

Incentives Complement

The incentive policy must be defined at the beginning of the period that the company considers a measure to appoint different milestones.

The complement can be defined as a total amount when the whole objective is achieved.

For example, a company's goal is to produce 10 million screws within a defined time period. The production of 10 million screws would grant the entire incentive complement. No incentive complement would be given for missing the production goal.

It can also be defined as a percentage dependent upon the grade of achievement.

In our example, let's say that the incentive complement is in direct proportion to the number of screws produced. The production of 9 million screws would yield 90 percent of the incentive complement.

You must manually record the incentive amounts into the system using positive input.

Working With Non-Salary Earnings

Non-salary earnings are exempt from taxes and social security contributions in certain situations. Because of this, the system handles non-salary earnings differently, depending on their amounts.

This section discusses the following complements:

- Travel Expenses.
- Dietas.

Each earning has a statutory maximum daily amount exempt from tax and social security contributions. Use the Statutory Rates page to enter these values into the system.

Any reimbursement over the statutory maximum is subject to taxes and social security contributions. Likewise, the entire amount must be accumulated over total earnings, but only the amounts in excess of the statutory maximum must be accumulated over the taxable and social security base.

These earnings are calculated by entering the number of days and the total amount of the complement in the amount through positive input.

As a result of the calculation, PeopleSoft provides three different elements for every non-salary earning:

- One earning: the total amount the employee receives.
- One earning (the name includes the letters “EX”): represents the amount that exceeds the maximum taxable exempted.
- One deduction (the name includes the letter “EXX”): represents the amount that exceeds the maximum taxable exempted.

See Also

Viewing Non-Basic Earning Delivered Elements

Travel Expenses Earnings

Traveling expenses are compensations due to trips, displacements, and general traveling expenses. PeopleSoft delivers a mileage earning and accounts for its tax and social security deductions in excess of the statutory rate.

Dietas Earnings

Dietas earnings are compensations that reimburse expenses resulting from business trips. They include domestic (DEITA LCL) and international traveling maintenance (DIETA INT), as well as domestic (PRNCTA LCL) and international overnight stays (PRNCTA INT).

See Also

“Defining Basic Earnings,” Public Transportation and Distance Complement

Page Used to Set Up Non-Salary Earnings

<i>Page Name</i>	<i>Object Name</i>	<i>Navigation</i>	<i>Usage</i>
Statutory Rates	GPES_STATUTORY	Global Payroll Spain, Define Payroll Setup (ESP), Setup, Statutory Rates	Enter the rates for non-salary earnings paid for business trip expenses.

Setting Up Statutory Rates

Access the Statutory Rates page.

Statutory Rates

Statutory Rates View All First 1 of 1 Last

*Effective Date: 01/01/2001 Status: Active

*Currency Code: ESP

EE Min Salary (Daily): 2,404 EE Min Salary (Monthly): 72,120

Statutory Interest: 4.00 Excess Percentage o/SMI: 20.00

Maintenance Domestic: 4,350 Maintenance International: 8,000

Night Domestic: 8,700 Night International: 15,200

Mileage Rate: 28

Statutory Rates page

EE Min Salary (Daily)
(Employee Minimum Salary
(Daily))

Enter the minimum daily wage established by law.

EE Min Salary (Monthly)
(Employee Minimum Salary
(Monthly))

Enter the minimum monthly wage established by law.

Statutory Interest Rate

Enter the interest rate established by law. You can apply this interest rate or another rate to any employee loan. If you apply a lower rate, the difference is considered salary in kind.

Excess Percentage o/SMI

Enter the percent used to calculate the exempted amount for the public transportation and distance complement, and for salary in-kind earnings. All salary in-kind earnings contribute to EX AC BASE EXCESO. EX FM EXCESO CALC then uses this percentage to calculate the amounts included in tax and social security contributions.

Maintenance Domestic

Enter the exempted daily amount reimbursement for domestic traveling maintenance.

Maintenance International

Enter the exempted daily amount reimbursement for international traveling maintenance.

Night Domestic

Enter the exempted daily amount reimbursement for domestic overnight stays.

Night International

Enter the exempted daily amount reimbursement for international overnight stays.

Mileage Rate

Enter the exempted amount per mile reimbursement for mileage.



Click to display these rates in currencies other than the one selected in the Currency Code field.

See Also

“Defining Basic Earnings,” Public Transportation and Distance Complement

Working With Benefits in Kind

A benefit in kind is a good or service provided for the payee at a rate lower than the market price. PeopleSoft Global Payroll for Spain delivers a low interest loan benefit.

See Also

“Understanding Loans and Advances “

Processing Non-Basic Earnings

Non-basic earnings are contained in three sections: GEN SE DEV VARBL, GEN SE DEV OTROS, and AYP SE DEDUCCIONES.

- GEN SE DEV VARBL contains complements, such as nighttime complements, Festivity complements, toxicity/hazard complements, overtime, profit participants complements, and incentives complements.
- GEN SE DEV OTROS contains the Dietas, overnight stay, and mileage earnings.
- AYP SE DEDUCCIONES contains loans and advances.

All of these earnings are included in the payroll calculation (GEN PR CALC NOM), but not in the extra period calculation (XTR PR PAGA EXTRA).

Note. Basic earnings and various other complements are contained in a section called GEN SE DEV BASICOS.

See Also

“Defining Basic Earnings,” Viewing Delivered Basic Earnings Elements

“Paying Overtime“

PeopleSoft Global Payroll PeopleBook, "Defining Earnings and Deduction Elements"

Viewing Non-Basic Earning Delivered Elements

This section contains information about the rules PeopleSoft Global Payroll for Spain delivers related to non-basic earnings.

Earnings

Earning	Description
DIETA LCL	Domestic Maintenance. Value assigned by positive input. Units must be specified for the number of days and the total amount.
DIETAEX LCL	Domestic Maintenance Taxable Excess. Customer field 5 contains the label, DIETAEX LCL.
DIETA INT	International Maintenance. Value assigned by positive input. Units must be specified for the number of days and the total amount.
DIETAEX INT	International Maintenance Taxable Excess. Customer field 5 contains the label, DIETAEX INT.
PRNCTA LCL	Domestic Overnight Stay. Value assigned by positive input. Units must be specified for the number of days and the total amount.
PRNCTAEX LCL	Domestic Overnight Stay Excess. Customer field 5 contains the label, PRNCTAEX LCL.
PRNCTA INT	International Overnight Stay. Value assigned by positive input. Units must be specified for the number of days and the total amount.
PRNCTAEX INT	International Overnight Stay Taxable Excess. Customer field 5 contains label, PRNCTAEX INT.
KILOMETRAJE	Mileage. Value assigned by positive input. Units must be specified for the number of miles and the total amount.
KLMTRJEEX	Mileage Taxable Excess. Customer field 5 contains the label, KLMTRJEEX.
NOCTURNIDAD	Nighttime Complement. Value assigned by positive input.
FESTIVIDAD	Festivity Complement. Value assigned by positive input.
TOXICIDAD	Toxicity/Hazard Complement. Value assigned by positive input.
INCENTIVOS	Incentives. Value assigned by positive input.

Earning	Description
PRTCPCN BEN	Profit Participation Comp. Value assigned by positive input.

Deductions

Deduction	Description
DIETAEXX LCL	Domestic Maintenance Taxable Excess. Value assigned by EX FM EXCESO CALC as an offset of DIETAEX LCL.
DIETAEXX INT	International Maintenance Taxable Excess. Value assigned by EX FM EXCESO CALC as an offset of DIETAEX INT.
PRNCTAEXXLCL	Domestic Night Taxable Excess. Value assigned by EX FM EXCESO CALC as an offset of PRNCTAEX LCL.
PRNCTAEXXINT	International Night Taxable Excess. Value assigned by EX FM EXCESO CALC as an offset of PRNCTAEX INT.
KLMTRJEEXX	Mileage Taxable Excess. Value assigned by EX FM EXCESO CALC as an offset of KLMTRJEEX.

Note. PeopleSoft delivers a query that you can run to view the names of all delivered elements designed for Spain.

See Also

PeopleSoft Global Payroll PeopleBook, “Delivered Elements and System Data” and “Defining Earnings and Deduction Elements”

CHAPTER 7

Paying Overtime

This chapter provides an overview of overtime processing for Spain and shows you how to:

- Integrate with PeopleSoft Time and Labor.
- View delivered overtime earnings.

Understanding Overtime

PeopleSoft Global Payroll for Spain enables you to pay overtime hours. Each organization can specify the annual, monthly, or weekly worked hours based on the maximum legal number of hours established by the Spanish government. Overtime (*horas extra*) occurs when an eligible payee works more than the specified number of hours. In this case, the employer should pay a surcharge on the extra time worked.

Note. Not all organizations pay overtime for extra hours. When implementing the system, consider whether your organization manages overtime as extra hours.

There are two types of overtime, depending on ordinary or extraordinary circumstances:

Structural overtime (*horas extras estructurales*)

Overtime that an organization requires in order to:

- Prevent accidents and disasters.
- Repair damages caused by extraordinary circumstances.

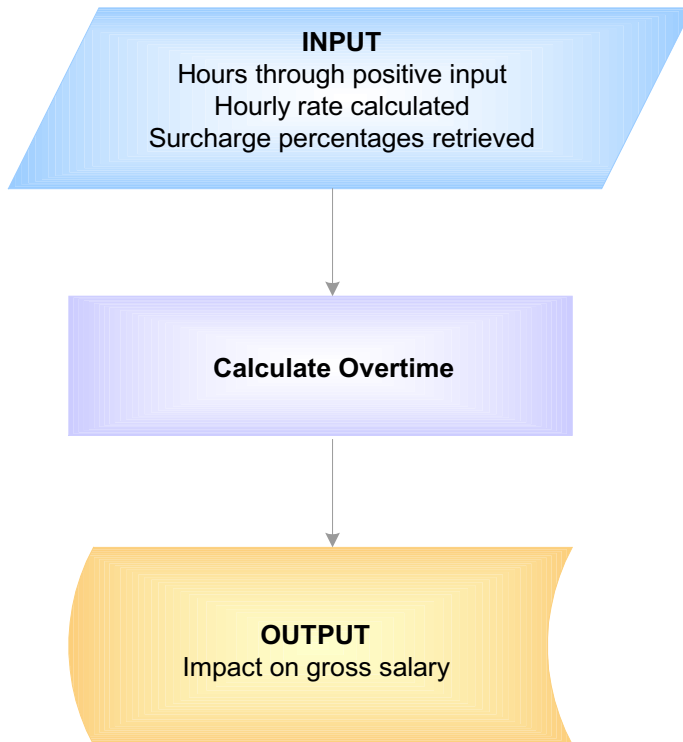
This type of overtime is usually approved by labor unions.

Non-structural overtime

Overtime not related to extraordinary circumstances.

Overtime in the Pay Process Flow

The following diagram describes how the overtime functionality fits into the overall pay process flow of PeopleSoft Global Payroll for Spain.



Overtime process flow

Integrating With PeopleSoft Time and Labor

If your organization uses PeopleSoft Time and Labor, you can:

- Include time and labor data in the pay runs.
- Transmit cost data back to PeopleSoft Time and Labor after a pay run.
- Share employee schedules.

PeopleSoft Time and Labor identifies and stores the different time units in order to send the information to PeopleSoft Global Payroll. Therefore, PeopleSoft Global Payroll receives and manages the units sent by PeopleSoft Time and Labor to apply the respective rates for each one.

Depending on whether an organization uses PeopleSoft Time and Labor, there are two different ways to process time units:

1. If PeopleSoft Time and Labor is used, the calculation of the different kinds of hours is performed outside the payroll process. In this case, the payroll triggers the different payments.
2. If PeopleSoft Time and Labor is *not* used, enter the number of hours at the overtime rate.

When an organization uses PeopleSoft Time and Labor, the number of hours per category come from positive input. Organizations that use another application to calculate the different

categories of hours use the positive inputs to store their results. These can also be stored manually as positive inputs. In this case, all hours and entitlements are calculated outside the payroll process. The payroll process only calculates the earnings attached to those hours and updates the correct accumulators.

A time entry that is reported in PeopleSoft Time and Labor has a Time Reporting Code (TRC) that identifies its type, the applicable units, currency, and other characteristics. In addition, a task code can be assigned to each time entry. Using task codes, you can track time by product, location, or some other category.

See Also

PeopleSoft Time and Labor PeopleBook

Time Administration Process

Time entry must be converted to payable time before it can be processed by a payroll system. It can use user-defined rules for overtime, night overtime, and a variety of other rules. Some rules may require absence data. In this case, absence data from PeopleSoft Global Payroll must be sent to PeopleSoft Time and Labor before running the Time Administration process—the process that generates the TRCs that transfer the time unit to PeopleSoft Global Payroll.

After the Time Administration process runs, you can launch the pay run. PeopleSoft Global Payroll automatically retrieves payable time from PeopleSoft Time and Labor during the calculation phase of processing.

When the payroll is finalized, you can launch a process that updates the payable time entries in PeopleSoft Time and Labor.

See Also

PeopleSoft Global Payroll PeopleBook, “Working With Interfaces,” Integrating Global Payroll With Time and Labor

Viewing Delivered Overtime Earnings

PeopleSoft Global Payroll for Spain delivers the following earning elements.

Earnings	Description	Accumulators
HRS EXTRA E	Structural overtime	GEN AC DEV VRBLS S SS AC BSE HR X E S
HRS EXTRA NE	Non-structural overtime	GEN AC DEV VRBLS S SS AC BSE HR X NES

Note. PeopleSoft delivers a query that you can run to view the names of all delivered elements designed for Spain.

See Also

“Setting Up Social Security Contributions for Spain”

PeopleSoft Global Payroll PeopleBook, “Delivered Elements and System Data” and “Defining Earnings and Deduction Elements”

CHAPTER 8

Working with Loans and Advances for Spain

This chapter provides an overview of loans and advances for Spain and describes how to:

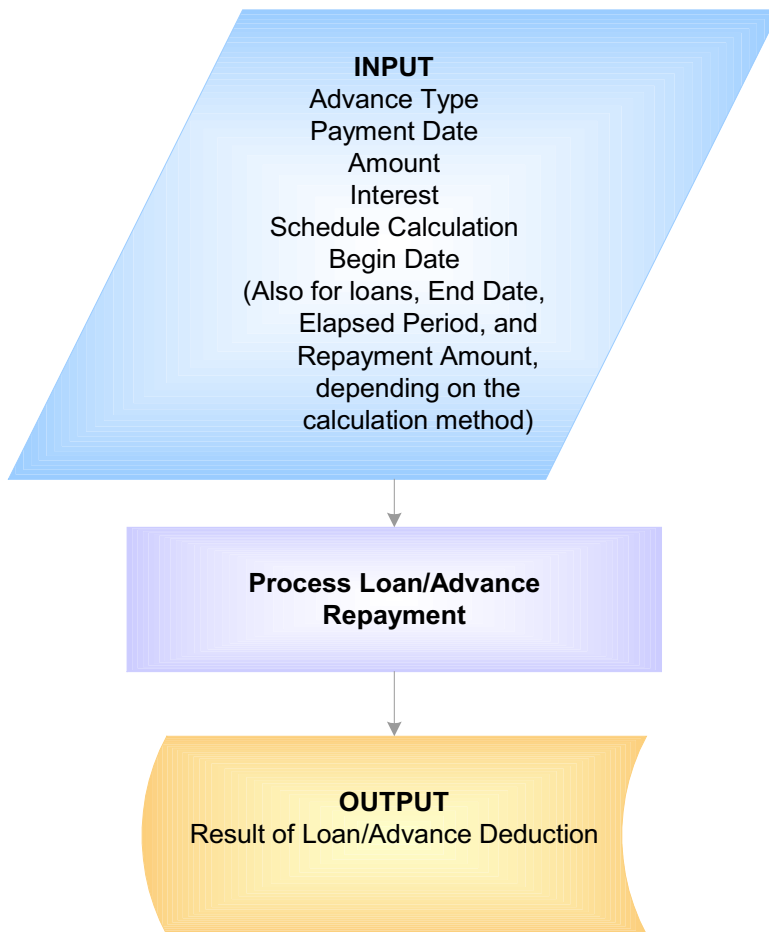
- Set up loan/advance repayments.
- View delivered loan/advance elements.

Understanding Loans and Advances

PeopleSoft Global Payroll for Spain enables you to process loans and advance payments made to employees through the payroll. You pay the loan or advance with the employee's pay or in cash for one pay period, and then take repayments from the employee's pay over successive pay periods, until the amount is repaid in full. (Advances must be repaid over a single period.) Use the Advance/Loan page to enter details of an employee's loan or advance, and the system records the repayments on the Payment Schedule page.

Loan/Advance Repayments in the Pay Process Flow

This section describes how loan/advance repayments fit into the overall pay process flow of PeopleSoft Global Payroll for Spain. Loan and advance repayments are voluntary deductions, which are deducted after statutory deductions. They appear in the process list after the statutory deductions.



Loans and advances process flow

Setting Up Loan/Advance Repayments

If an employee receives an advance, the total amount must be repaid in the same month that the advance was granted, or in the following month. Advances are paid over one period only; that is, they cannot be repaid over several months. Employees may also request an advance payment over an extra period—in this case, PeopleSoft Global Payroll for Spain deducts the advance repayment from an extra pay period.

If an employee is granted a loan, use PeopleSoft Global Payroll for Spain to select one of three calculation types for repayment. Specify the number of periods over which repayment is to be made and let the system determine the end date. Or specify the repayment amount for each period and let the system determine the end date.

You can also enter the type of interest that applies. For example, if the statutory interest rate is 7 percent, and you grant an employee a loan at 4 percent, this is 3 percent less expensive than a bank loan. The Spanish government regards the difference between the statutory interest rate and the company interest rate as salary in kind—“*salario en especie*”—which is calculated as follows:

Salary in kind = interest repayment amount at statutory rate – interest repayment amount at company rate.

With PeopleSoft Global Payroll, you can instruct the system to take into account the number of extra pay periods to which an employee is entitled. Employees in Spain are usually paid over 12 periods, plus the number of extra pay periods stated in the labor agreement. If you want PeopleSoft Global Payroll to consider extra pay periods when calculating loan repayments for employees who are paid additional pay periods, the system checks the employee's labor agreement for the number of additional pay periods and calculates the loan repayment accordingly.

Use the Advance/Loan page to enter details of an employee's loan or advance, and the system displays the employee's repayments on the Payment Schedule page.

Pages Used to Set Up Loans and Advances

<i>Page Name</i>	<i>Object Name</i>	<i>Navigation</i>	<i>Usage</i>
Advance/Loan	GPES_ADV_LOAN	Global Payroll Spain, Maintain Payroll Data (ESP), Use, Advance/Loan	Record the details of a loan or advance payment made to an employee.
Payment Schedule	GPES_ADVLOAN_SCHEDULED	Global Payroll Spain, Maintain Payroll Data (ESP), Use, Advance/Loan	Display the status of an employee's loan or advance, as well as the repayments that they have made. The page displays the original amount of the loan/advance, as well as the remaining amount to be repaid.

Entering Loans and Advances

Access the Advance/Loan page.

Advance/Loan Payment Schedule

EmplID: KE0001 Rodriguez Salgado, Antonio

Advances/Loans Find | View All First 1 of 1 Last

*Sequence number: 1 Description: + -

Payment Info

Advance Type: Loan Statutory Interest: 4.00

Payment Date: 10/01/02 Amount: 20,000.00 Currency: EUR Company Interest:

Repayment Schedule

Calculation Type: Elapsed Period ☐ Consider Extra Period

Begin Date: End Date: Calculate Loan

Elapsed Period: 1

Advance/Loan page

Sequence number	Enter a sequence number for the advance/loan. (This number helps avoid duplicate key conditions; it does not control the processing sequence.)
Advance Type	Select the advance type that the employee is going to receive: <i>Advance</i> or <i>Loan</i> .
Statutory Interest	This field appears for advances only. The system displays the statutory interest rate that you defined on the Statutory Rates page.
Payment Date	Select or enter the date when the loan or advance is to be paid to the employee. The system generates an earnings amount for the corresponding payroll period. Note. If the field is left blank, it is assumed the payment will be made in cash.
Amount	Enter the amount of the loan or advance.
Company Interest	This field appears for advances only. Enter the interest rate that applies to the loan from the employer.

Repayment Schedule

Note. Depending on the **Calculation Type** that you select, the system displays certain fields and hides others in the Repayment Schedule group box.

Calculation Type	Fields That Appear	Fields That Hide
<i>Elapsed Period</i>	Begin Dt	End Dt
	Calculate Loan	
	Elpsed Pd	
<i>End Date</i>	Begin Dt	Elpsed Pd
	End Dt	
	Calculate Loan	
<i>Flat Amount</i>	Begin Dt	End Dt
	Calculate Loan	
	Repayment	

Calculation Type

Select a calculation type to determine the payment schedule.

Elapsed Period: Select if you want the system to calculate the end date for you, according to the number of periods you specify in the Elpsed Pd field.

End Date: Select if you want to specify the end date of the loan repayments.

Flat Amount: Select if you want to specify the flat amount the employee is to repay each pay period. The system automatically calculates the number of repayment periods.

Note. If you select the Advance Type *Advance*, the system automatically sets the Calculation Type to *Elapsed Period*.

Consider Extra Period?

The use of this field varies for loans and advances:

Loans: Select this check box if a loan is to be repaid over additional pay periods. The employee's labor agreement states how many extra pay periods that employee is entitled. If you do not select this check box, the loan is repaid over 12 periods.

Advances: Select this check box if you are setting up an extra period advance. In this case, repayment must be made in the extra period.

Begin Dt (begin date)

Enter the date when the employee begins making the loan/advance repayments.

For extra period advances, the begin date must fall within the extra period in which the repayment will be made.

End Dt (end date)	Enter the date when the loan/advance repayments are due to end. (You can only enter a value in this field when you select <i>End Date</i> as the calculation type.) Note. The system generates payments between the begin and end dates and calculates the necessary amount to be deducted.
Elpsd Pd (elapsed period)	Enter the number of pay periods over which the employee is to repay the loan. (You can only enter a value in this field when you select <i>Elapsed Period</i> as the Calculation Type.) The system automatically calculates the end date for you. For example, if you enter the Elpsd Pd as 13, the system calculates the end date as 13 pay periods after the begin date that you entered and the amount to repay. Note. If you select the Advance Type <i>Advance</i>, the system automatically sets the Elpsd Pd to 1. This is because advances must be repaid in full in the next pay period.
Repayment	Enter the monthly loan repayment amount that the employee has requested to pay. This amount includes the principal amount of the loan and the interest payment. (You can only enter a value in this field when you select <i>Flat Amount</i> as the Calculation Type.)
Calculate Loan	This button appears for loans only. Click this button to automatically calculate the loan. The system checks the employee's labor agreement and takes into account the number of extra pay periods to which the employee is entitled.

Displaying the Payment Schedule

Access the Payment Schedule page.

Advance/Loan		Payment Schedule					
EmplID:	KE0001	Rodriguez Salgado, Antonio					
Advance/Loan Totals		View All First 1 of 1 Last					
Sequence number: 1							
Total Amount:	20,938.32	Remaining Amount:	20,938.32				
		Currency:	EUR				
Loan Amortization Table		View All First 1-6 of 36 Last					
Month	Extra Period	Year	Capital	Interest	Repayment	Salary in Kind	Paid
4	☐	2001	531.62	50.00	581.62	66.67	☐
5	☐	2001	532.95	48.67	581.62	64.90	☐
6	☐	2001	534.28	47.34	581.62	63.12	☐
7	☐	2001	535.62	46.00	581.62	61.34	☐
8	☐	2001	536.96	44.66	581.62	59.56	☐
9	☐	2001	538.30	43.32	581.62	57.76	☐

Payment Schedule page

Sequence Number	Displays the sequence number that you entered on the Advance/Loan page.
Total Loan Amount	Displays the total amount of the loan/advance that was made to the employee. If an employee has several loans, the system displays the details of each loan, the total loan amount, and automatically calculates the remaining loan amount to be repaid.
Remaining Loan Amount	Displays the amount of the loan/advance that has not been repaid. This amount is automatically reduced per pay period, when the repayments are taken from the employee's salary.
Month	Records the month in which repayments were made. For example, if you selected 1/4/2001 as the Begin Dt on the Advance/Loan page. The system displays 4 as the first repayment. In other words, the first repayment was made in April, the fourth month of the year.
Extra Pd? (extra period?)	This check box is selected automatically if a repayment is to be made in an extra pay period.
Year	The system automatically enters the year in which the repayment was paid.
Capital	Displays the capital amount of the loan repayment that the employee has to pay. This amount does not include the interest payment for the loan.
Interest	The system automatically calculates the interest payment that applies to the loan.

Repayment	The system automatically calculates the total loan/advance repayment for that month. This amount comprises the capital and the interest payments.
Salary in Kind	The system automatically calculates the difference between the cost of the loan at the statutory interest rate, and the interest rate that you defined on the Advance/Loan page. This information is used for tax purposes.
Paid?	This check box is selected automatically when a loan/advance amount has been repaid.

Viewing Delivered Loan/Advance Elements

This section contains information about the elements that PeopleSoft Global Payroll for Spain delivers to process loan/advance repayments.

Loan/Advance Earnings

PeopleSoft Global Payroll for Spain uses the following earnings to calculate payments for loans and advances:

Earnings	Description
DEV ADELANTO	Salary advance. Used for advance payments. Customer field 5 contains the label DEV ADLNT0. Only processed for the last segment in the period. No retro calculation.
DEV PRESTAMO	Loan. Used for loan payments. Customer field 5 contains the label DEV PRSTMO. Only processed for the last segment in the period. No retro calculation.
PRSTMO EX	In kind loan taxable excess. Shows the excess interest amount that results when the interest rate is lower than the statutory rate. Calculated by subtracting the loan interest amount from the statutory interest amount on a month by month basis.

Loan/Advance Deductions

PeopleSoft Global Payroll for Spain uses the following deductions to calculate repayments for loans and advances:

Deduction	Description
DD ADELANTO	Advance deduction. Used for repayment of advances. Customer field 5 contains the label DD ADELANTO. Only processed for the last segment in the period. No retro calculation.
DD PRST CAP	Loan capital deduction. Used for repayment of the capital portion of a loan. Customer field 5 contains the label DD PRST CAP. Only processed for the last segment in the period. No retro calculation.

<i>Deduction</i>	<i>Description</i>
DD PRST INT	Loan interest deduction. Used for repayment of the interest portion of a loan. This deduction takes its value from the variable AYP VR IMPTOT INT previously calculated in AYP FM IMPORTE called from DDPRST CAP. Only processed for the last segment in the period. No retro calculation.
PRSTMO EXX	In kind loan taxable excess. Shows the excess interest amount that results when the interest rate is lower than the statutory rate. This deduction is linked to PRSTMO EX and offsets it.

Note. PeopleSoft delivers a query that you can run to view the names of all delivered elements designed for Spain.

See Also

PeopleSoft Global Payroll PeopleBook, “Delivered Elements and System Data” and “Defining Earnings and Deduction Elements”

CHAPTER 9

Setting Up Social Security Contributions for Spain

This chapter provides an overview of social security contributions and deductions and describes how to:

- Calculate contributions.
- View, modify, and define social security ceilings, rates, and bases.
- Calculate the funding base in special situations.
- Calculate the multiple employment funding base.
- Use human resource data in social security calculations.
- Run social security reports.
- View delivered social security deductions.

Understanding Social Security Terms and Concepts

Bases

PeopleSoft Global Payroll for Spain calculates social security contributions and deductions as a percentage of a *funding base*, except in the case of trainees and apprentices, whose contributions and deductions are based on fixed rates. In some cases, contributions and deductions may be calculated from a reduced base, as in the case of regular employees with multiple jobs.

Note. The following discussion is mostly concerned with the setup of social security for “regular” employees in the General Scheme—that is, employee who are neither trainees nor apprentices. Special cases are discussed in Calculating the Funding Base in Special Situations.

PeopleSoft delivers two main funding base accumulators for calculating social security contributions:

- **Common Contingencies Base** (SS AC BSE CC NRM S): Used to calculate social security contributions for illness, maternity, and non work-related injuries.
- **Professional Contingencies Base** (SS AC BSE CP NRM S): Used to calculate social security contributions for the following:
 - Temporary Disability (*Incapacidad Temporal* or *I. T.*).
 - Work-Related Injuries (referred to as the contribution for *Accidentes de Trabajo y Enfermedades Profesionales*, or *A. T. & E. P.*).
 - Unemployment.
 - Professional training.
 - FOGASA (Fondo de Garantía Salarial).
 - Permanent disability, death, and survival benefits (*Invalidez, Muerte, y Supervivencia*, or *I. M. S.*).

Note. In addition to the common and professional contingencies base accumulators, PeopleSoft delivers accumulators for storing structural and non-structural overtime pay. These are used to calculate the employee and employer contributions for overtime and are discussed in Calculating Contributions.

Percentages/Rates

Depending on the CCC (*Código Cuenta de Cotización*) type, PeopleSoft Global Payroll calculates social security contributions and deductions either as *percentages* of a funding base or on the basis of fixed *rates*. For employees with a CCC Type of *regular*, PeopleSoft Global Payroll for Spain calculates contributions and deductions as a percentage of the common contingencies (CC) base, the professional contingencies (CP) base, or the structural and non-structural overtime bases. For employees whose CCC Type is *trainee* or *apprentice*, contributions and deductions are based on fixed rates. The exact rates or percentages are set by law and can vary from year to year.

Note. View and update the percentages/rates used in the social security calculation on the Contribution page.

General and Special Schemes

The social security system is divided into a general scheme and various special schemes. The general scheme applies to most employees working for others, while special schemes cover the self-employed and some categories of employees, such as sailors, those in the coal mining industry, and housekeeping employees. Currently, PeopleSoft delivers rules only for the general scheme.

Note. Although PeopleSoft delivers rules for only the general scheme, you can easily define rules for other schemes using the Scheme, Work Group, and Contribution pages.

Contribution Groups

All employees who contribute to social security are assigned to government defined contribution groups based on their levels of education, professional skills, and job titles. Every year, the government establishes different minimum and maximum funding bases and ceilings for each contribution group and scheme (see the following definitions).

Note. The values of the maximum and minimum bases and ceilings for the general scheme are defined on the Scheme page.

Minimum and Maximum Funding Bases

For each contribution group, the government establishes a minimum and a maximum base to use in calculating the common contingencies funding base. This means that for an employee in a specific group, the social security funding base cannot be greater than or less than the maximum or minimum established for that group. For example, if an employee's earnings subject to social security contributions are so high that the calculated funding base exceeds the upper limit, the actual funding base must be reduced to the upper limit. In other words, social security contributions are based only on the portion of a payee's salary that is equal to or falls within the upper and lower limits for each group.

Note. Define the maximum and minimum funding bases for common contingencies on the Work Group page.

Upper and Lower Ceilings

Each year, the government establishes upper and lower ceilings for calculating the professional contingencies base. Just as in the case of the common contingencies contributions, social security contributions for professional contingencies are based only on the portion of a payee's salary that is equal to or falls within the upper and lower ceilings. The ceilings are the same for all contribution groups within a scheme.

Note. The upper and lower ceilings for professional contingencies are defined on the Scheme page.

See Also

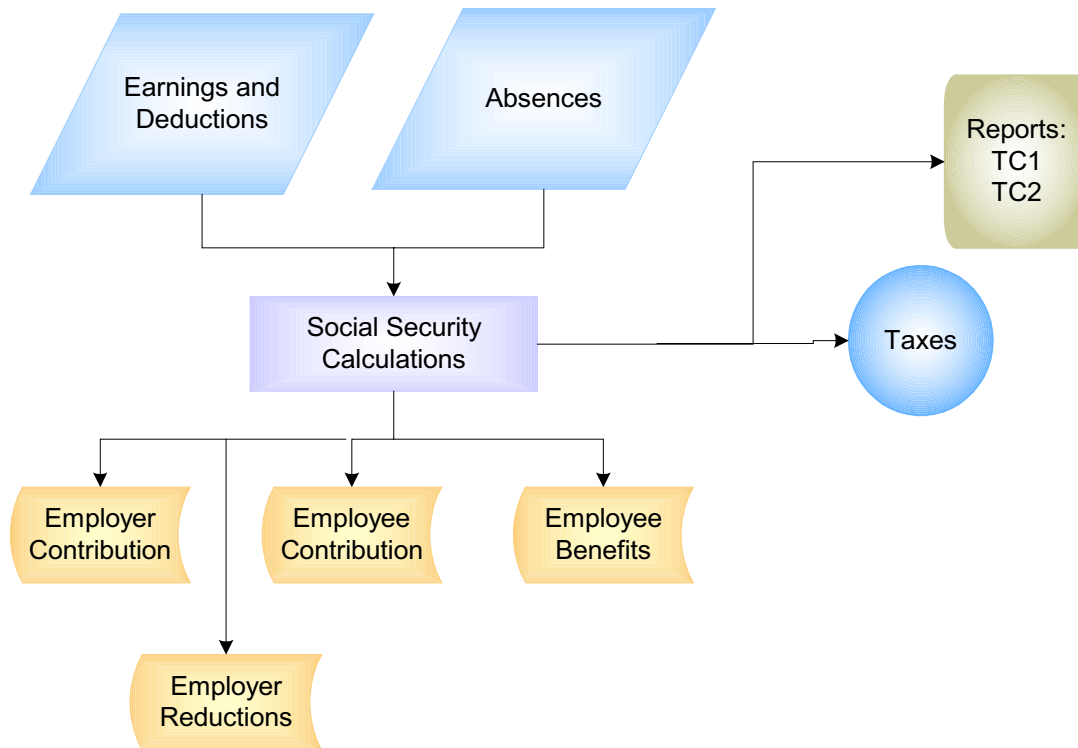
Trainees and Apprentices

Reference Bases and Ceilings

PeopleSoft Human Resources PeopleBook: Administer Workforce, "Setting Up Country-Specific Tables," (ESP) Setting Up Spanish Workforce Tables

Social Security in the Pay Process Flow

The following diagram illustrates how social security processing fits into the overall pay process flow of PeopleSoft Global Payroll for Spain. The social security process calculates the employer and employee contributions, the employer reductions, and generates data for the social security reports TC1 and TC2. The next step after social security processing is the tax calculation.



Social security in the pay process flow

Calculating Contributions

PeopleSoft Global Payroll for Spain calculates social security contributions by multiplying a base by a percent (in the case of regular employees) or by retrieving a fixed rate (in the case of trainees and apprentices). In this section, we discuss how the system:

- Calculates the social security funding base for regular employees.
- Retrieves the percent used to calculate the contributions of regular employees (or rates in the case of trainees and apprentices).
- Calculates contributions by multiplying a base by a percent (or by assigning a fixed rate in the case of trainees and apprentices).

See Also

Trainees and Apprentices

Calculating the Funding Base

The common contingencies and professional contingencies bases, as well as the bases for structural and non-structural overtime, are stored in the following four accumulators:

- SS AC BSE CC NRM S (common contingencies base accumulator).
- SS AC BSE CP NRM S (professional contingencies base accumulator).
- SS AC BSE HR X E S (accumulator for structural overtime).
- SS AC BSE HR X NES (accumulator for non-structural overtime).

The Common Contingencies Base (SS AC BSE CC NRM S)

The accumulator SS AC BSE CC NRM S represents the sum of various *subbases* containing earnings for days during which the employee is well (non-sick days), as well as days on which the employee has one of the following types of absences:

- IT Absence.
- AT Absence.
- Maternity Absence.
- Absence for Risk During Pregnancy.
- Absence in which the employee contributes according to his earnings (*cotiza por lo que gana*).
- Absence in which the employee contributes according to the minimum base (*cotiza por la base minima*).

To sum up the subbases that make up the common contingencies base, PeopleSoft uses the formula SS FM BS CC. Before it can sum the subbases, however, SS FM BS CC “calls” several other formulas to resolve them. These formulas and the subbases they calculate are as follows:

- SS FM BS CC CTZ GN (calculates the subbase for absence days on which the employee contributes according to his earnings [*cotiza por lo que gana*]).
- SS FM BS CC CTZ BM (calculates the subbase for absence days on which the employee contributes according to the minimum base [*cotiza por la base minima*]).
- SS FM BS CC SANO (calculates the subbase for days without absence and calls another formula—SS FM NRMLZ CAL—to normalize the base for days without absence).

- SS FM BS CC AUS (brings the subbases for days the employee is on temporary disability leave (*I.T.*), work-related injury leave (*A.T. & E.P.*), maternity leave, or pregnancy risk leave into the social security calculation from the absence process).
- SS FM BS CC SM PC (adds all the subbases for the employee—except the contribution “according to earnings” base—and sets the value of the maximum and minimum bases used in the comparison and normalization process).
- SS FM NRMLZ COMP (takes the sum of the subbases calculated by the formula SS FM BS CC SM PC and compares this amount to the maximum and minimum bases for the employee’s contribution group).

Note. The maximum and minimum funding bases for common contingencies are defined on the Work Group page.

In addition to summing up various subbases to calculate the final amount of the common contingencies base, the formula SS FM BS CC sets the value of the maximum and minimum bases to use in the comparison and normalization process when an employee has multiple jobs in different companies.

See Also

Understanding Comparison and Normalization

Multiple Jobs

The Professional Contingencies Base (SS AC BSE CP NRM S)

The calculation of the professional contingencies base is almost identical to that of the common contingencies base, except that the formulas used to perform the same basic calculations and processing often have different names. So, for example, the formula that drives the process is SS FM BS CP rather than SS FM BS CC. To calculate the subbases that make up the professional contingencies base, SS FM BS CP calls the following other formulas:

- SS FM BS CP CTZ GN (calculates the subbase for days on which the employee contributes according to his earnings [*cotiza por lo que gana*]).
- SS FM BS CP CTZ BM (calculates the subbase for days on which the employee contributes according to the minimum base [*cotiza por la base minima*]).
- SS FM BS CP SANO (calculates the subbase for days without absence and calls another formula—SS FM NRMLZ CAL—to normalize the base for days without absence).
- SS FM BS CP AUS (brings the subbases for days the employee is on temporary disability leave (*I.T.*), work-related injury leave (*A.T. & E.P.*), maternity leave, or pregnancy risk leave into the social security calculation from the absence process).

- SS FM BS CP SM PC (adds all the subbases for the employee—except the “contribution according to earnings” base—and sets the value of the maximum and minimum bases used in the comparison and normalization process).
- SS FM NRMLZ COMP (takes the sum of the subbases calculated by the formula SS FM BS CC SM PC and compares this amount to the upper and lower ceilings for the employee’s social security scheme).

Note the following additional differences:

- Where the common contingencies calculation uses the maximum and minimum bases for the employee’s contribution group (as defined on the Work Group page), the professional contingencies calculation instead uses the upper and lower ceilings defined on the SS Scheme page. (The upper and lower ceilings are contained in the variables SS VR REG TP MX and SS VR REG TP MN, respectively.)
- Formula SS FM BS CP SANO uses the accumulator SS AC BSE D S (the total daily common contingencies funding base) plus structural and non-structural overtime in its calculation.
- Just as the common contingencies calculation uses a minimum hourly rate to calculate the funding base for part time employees, the professional contingencies calculation uses its own minimum hourly rate. However, the minimum hourly rate for common contingencies is stored in the variable SS VR GP CTZ HR MN (defined on the Work Group page); for professional contingencies, it is contained in the variable SS VR REG HR MN (defined on the Scheme page).

The Overtime Bases (SS AC BSE HR X E S and SS AC BSE HR X NES)

Unlike the common and professional contingencies bases, the bases for structural (SS AC BSE HR X E S) and non-structural overtime (SS AC BSE HR X NES) do not undergo comparison or normalization and do not require any special calculations. They are used only as a basis for determining the employer contribution for overtime.

See Also

Calculating Contributions

Multiple Jobs

Understanding Comparison and Normalization

PeopleSoft Human Resources PeopleBook: Administer Workforce, “Setting Up Country-Specific Tables,” (ESP) Setting Up Spanish Workforce Tables

Understanding Comparison and Normalization

This section explains how PeopleSoft Global Payroll for Spain compares and normalizes the funding bases used to calculate both professional and common contingencies contributions for regular employees.

Comparison and Normalization When Contributions are Calculated On a Monthly Basis

Note. The following explanation applies to both the common contingencies and professional contingencies base.

To compare and normalize the social security base when contributions are processed on a monthly basis, PeopleSoft Global Payroll for Spain does the following:

1. Calculates all the subbases that contribute to the main funding base accumulator (as explained in Calculating the Funding Base).
2. Normalizes the well-days subbase contributing to this accumulator.

To normalize the well-days subbase for an employee whose contributions are calculated monthly, PeopleSoft Global Payroll divides the subbase by 3000, takes the nearest whole number, and multiplies that number by 3000. The result is the well-days base.

Note. If the result of dividing the monthly gross by 3000 results in a decimal greater than .5, the system uses the next higher integer. So, for example, if the result is 23.5, the amount would be lowered to 23. PeopleSoft Global Payroll uses the rounding rule GEN RR LEGAL 0 DEC to perform this action.

3. Sums all the subbases contributing to the social security funding accumulator—except the “contribution according to earnings” base.
4. Compares the sum calculated in Step 2 to the maximum and minimum bases (amounts) defined for each contribution group on the Work Group page in order to determine the *common contingencies* base. To calculate the *professional contingencies* base, it compares the amount obtained in Step 2 to the upper and lower ceilings defined on the Scheme page. If the amount from Step 2 is below the minimum base/lower ceiling, it sets the base used for calculating contributions equal to the minimum base/lower ceiling. If this amount is greater than the maximum base/upper ceiling, it sets the base used for calculating social security contributions equal to the maximum base/upper ceiling.
5. Adds the amount calculated in Step 3 to the “contribution according to earnings” base, once normalization and comparison has taken place. The result is the social security funding base for common and professional contingencies (SS AC BSE CC NRM S and SS AC BSE CP NRM S).

Note. Starting 1 January 2002 (due to the introduction of the euro in social security calculation), step 2 will no longer be necessary. The normalization process won't occur and the social security bases will be the original calculations without normalization (considering two decimals and the specific rounding rule for this currency).

Example: Comparison and Normalization

This example illustrates how PeopleSoft Global Payroll for Spain compares and normalizes the common contingencies base.

Let's imagine that an employee has a monthly salary of 233,333.33, has no absences in the current month, and has social security contributions that are processed monthly. The system normalizes this amount as follows:

It divides 233,333.33 by 3000, giving us an amount of 77.77. The nearest integer (whole number) is 78, so to calculate the contribution base for well days, the system multiplies $78 \times 3000 = 234,000$. If we assume that the maximum and minimum bases for our employee are 407,709, and 240,000, respectively, we see that the amount of 234,000 falls below the minimum base. So 240,000 is defined as the funding base.

Calculating the Normalized Social Security Base When Contributions are Calculated On a Daily Basis

Note. The following explanation applies to both the common contingencies and professional contingencies base.

The primary difference between the calculation of the contribution base for payees whose contributions are calculated on a monthly basis and those whose contributions are calculated on a daily basis is as follows: When normalizing the amount of the social security base, PeopleSoft Global Payroll multiplies the monthly gross by 100, rather than 3,000, and then divides the nearest integer (whole number) by 100 to obtain the funding base.

See Also

Reference Bases and Ceilings

Reference Bases and Ceilings

Although social security processing is essentially the same for professional and common contingencies, the two contribution types employ a different set of reference bases or ceilings. When calculating the common contingencies base, the system uses the maximum and minimum bases defined on the Work Group page. When calculating the professional contingencies base, the system uses the upper and lower ceilings defined on the Scheme page. In addition, when processing part time employees, the system uses a set of reference bases/ceilings derived from the statutory minimum hourly rate.

The following table identifies the system pages on which you view, update, or define the current bases and ceilings used to calculate contributions for full time employees, and the minimum hourly rates used to define the reference bases and ceilings for part time employees.

<i>Contribution Type</i>	<i>View, Update, or Define Base/Ceiling on:</i>	<i>Comments</i>
Common contingencies (full time employees)	Work Group Page	
Professional Contingencies (full time employees)	Scheme Page	

Contribution Type	View, Update, or Define Base/Ceiling on:	Comments
Common Contingencies (part time employees)	Work Group Page	When processing part time employees, the system calculates the minimum base by multiplying the statutory minimum hourly rate by the real number of hours worked. The maximum base is the same as the maximum for full time employees.
Profession Contingencies (part time employees)	Scheme Page	When processing part time employees, the system calculates the lower ceiling by multiplying the statutory minimum hourly rate by the number of hours worked. The upper ceiling is the same as for full time employees.

Note. The maximum bases, minimum bases, and the minimum hourly rates for common contingencies vary by scheme ID and contribution group. The upper ceiling, lower ceiling, and minimum hourly rate for professional contingencies vary by scheme ID alone.

See Also

PeopleSoft Human Resources PeopleBook: Administer Workforce, “Setting Up Country-Specific Tables,” (ESP) Setting Up Spanish Workforce Tables

Retrieving Calculation Percentages and Rates

In the case of regular employees, once the base for calculating social security contributions has been defined, the system retrieves the correct percentage to apply to the base. In the case of non-regular employees (trainees and apprentices), the system retrieves the contribution rate.

PeopleSoft Global Payroll for Spain uses one of the following arrays to retrieve the correct percentage or rate:

**SS AR
CONTRIBUCION**

In the case of regular employees, this array retrieves the percentages used to calculate all social security contributions except for those based on an *epigrafe* or risk code. In addition, SS AR CONTRIBUCION retrieves the PIN numbers for the funding bases used to calculate the deductions and contributions, the PIN numbers of the employee deductions, the PIN numbers of the accumulators storing the employer contributions, and the PIN numbers of the elements storing percentages for the TC reports.

In the case of apprentices and trainees, SS AR CONTRIBUCION retrieves fixed monthly rates.

SS AR EPIGRAFES

This array retrieves the “epigraph” number and the correct percentages needed to calculate A. T. & E. P. contributions (*Accidentes de Trabajo y Enfermedades Profesionales*) based on the employee’s *epigrafe* (or risk code) for days when the employee is *not* on leave for A. T. (*Accidentes de Trabajo*), I. T. (*Incapacidad Temporal*), maternity, or risk during pregnancy.

SS AR EPIGRAFE 126

This array retrieves the percentages used to calculate contributions based on a risk code (*epigrafe 126*) for the days when an employee is on leave for A. T. (*Accidentes de Trabajo*), I. T. (*Incapacidad Temporal*), maternity, or risk during pregnancy.

The exact rate or percentage used to calculate each contribution is set by law and can vary according to the scheme ID, contribution ID, and effective date.

Note. View, update, and define the current calculation rates and percentages on the Contribution page.

See Also

Calculating Contributions

PeopleSoft Human Resources PeopleBook: Administer Workforce, “Setting Up Country-Specific Tables,” (ESP) Setting Up Spanish Workforce Tables

Calculating the Contribution

The final step in the social security process is to determine the actual amount of the contributions either by multiplying the correct percentage by the appropriate funding base accumulator (in the case of regular employees) or by assigning a fixed amount (in the case of

trainees and apprentices). In PeopleSoft Global Payroll for Spain, the final contribution amount is calculated by one of the following formulas:

SS FM CONTRIBUCION In the case of regular employees, this formula calculates employee and employer contribution amounts by multiplying the funding base for each contribution or deduction by the appropriate percentage. The array SS AR CONTRIBUCION retrieves both the bases and percentages used in this calculation in the form of either PIN numbers or variables.

In the case of apprentices and trainees, the formula calculates and assigns deductions and contributions based on fixed rates rather than as percentages of a base.

SS FM EPIGRAFE The function of this formula is to calculate employer contributions based on an *epigrafe* for both well-days and days when the employee is on leave for maternity, risk during pregnancy, temporary disability (I. T.), or work-related injury (A. T. & E. P.). It calculates the contribution amount by multiplying the correct base by a corresponding percentage.

The information used in this formula is retrieved by the arrays SS AR EPIGRAFES and SS AR EPIGRAFE 126.

Viewing, Modifying, and Defining Social Security Ceilings, Rates, and Bases

In this section, we explain how to view and update the delivered values of the ceilings, rates, and bases used in the General Scheme. We also explain how you can define values for other schemes using pages in both PeopleSoft Human Resources and PeopleSoft Global Payroll for Spain.

To view or define ceilings, rates, and other calculation values:

1. View or define social security ceilings.

To view or update ceilings and the minimum hourly rate associated with the general scheme (delivered by PeopleSoft), use the Scheme page in PeopleSoft Human Resources. To define values for other schemes, enter the Scheme page in add mode and supply the required data.

2. View and define the maximum and minimum social security bases, as well as the minimum hourly rate.

Most common contingency bases are calculated in relation to a maximum and minimum funding base or are derived from a minimum hourly rate (in the case of part-time employees). To view or update the maximum base, the minimum base, or the hourly rate for the general scheme, use the Work Group page in PeopleSoft Human Resources. If you

are defining values for a different scheme, enter the component in add mode and supply the required data.

3. View and define rates used in the contribution calculation.

Once you have reviewed the ceilings and bases used to calculate social security contributions, use the Contribution page in PeopleSoft Human Resources to view or update the contribution rates and percentages for the general scheme. If you are defining values for a different scheme, enter the component in add mode and supply the required data.

4. View key elements used in the social security calculation.

Once you have viewed or defined data on the Scheme, Work Group, and Contribution pages, use the Social Security Contribution page to obtain information on deductions, key accumulators, and variables used in the social security process.

5. View and maintain information related to contribution reductions on the Reduction and Reduction Data pages.

In some cases, employers may be granted a reduction in the amount of their social security contributions if they hire older employees or employees with qualifying disabilities. To set up and maintain the correct reduction percentage, as well as the duration of the reduction, use the Reduction and Reduction Data pages.

6. View key elements related to the employer's social security reduction

Once you have viewed, modified, or entered new reduction information on the Reduction and Reduction Data pages, use the Reduction Definition page to obtain information on key accumulators used to calculate and store the amount of the employer reductions.

See Also

PeopleSoft Human Resources PeopleBook: Administer Workforce, "Setting Up Country-Specific Tables," (ESP) Setting Up Spanish Workforce Tables

Pages Used to View, Modify, and Define Social Security Data

Page Name	Object Name	Navigation	Usage
Social Security Contribution	GPES_SS_CNTB_BSE	Global Payroll Spain, Define Payroll Setup (ESP), Setup, Social Security Contribution	Obtain information on key elements used in the social security process.
Reduction	GPES_SS_BNF	Global Payroll Spain, Define Payroll Setup (ESP), Setup, Social Security Reduction, Reduction	View and define the employer's social security reduction data.

Page Name	Object Name	Navigation	Usage
Reduction Data	GPES_SS_BNF_DTA	Global Payroll Spain, Define Payroll Setup (ESP), Setup, Social Security Reduction, Reduction Data	View and define the employer's social security reduction data.
Reduction Definition	GPES_SS_BNF_DEF	Global Payroll Spain, Define Payroll Setup (ESP), Setup, Social Security Reduction Def, Reduction Definition	Obtain information on key accumulators used in the social security reduction process.
Social Security Country Codes	GPES_SSTC_COUNT RY	Global Payroll Spain, Define Payroll Setup (ESP), Setup, Social Security Country Table, Social Security Country Codes	Store country codes valid for social security reporting purposes.

Viewing Social Security Contribution Elements

Access the Social Security Contribution page.

Social Security Contribution

Social Security Contributions [View All](#) [First](#) [1 of 8](#) [Last](#)

Common Contingency

Base: SS AC BSE CC NRM S Normalized CC Base

Employer Contribution: SS AC ER CC S ER Common Contingencies

Employee Contribution: SS DD CC SS Common Contingencies

Percentage (For TCs): SS VR TC PCT CC Percentage for CC

Social Security Contribution page

For each defined contribution (common contingency, temporary disability, permanent disability, and so on), the Social Security Contribution page displays information on the following key accumulators, deductions, and variables used in the social security calculations:

- For each contribution type, the accumulator storing the funding base from which the contribution is calculated.
- The employee deduction elements.

- The accumulators storing the amount of the employer contributions.
- The variables storing the total contribution percentages to be included in the TC reports.

Base

The name of the accumulator storing the normalized base used in the social security calculation:

SS AC BSE CC NRM S: The accumulator storing the common contingencies funding base.

SS AC BSE CP NRM S: The accumulator storing the professional contingencies funding base.

SS AC BSE HR X E S: The accumulator storing structural overtime pay.

SS AC BSE HR X NES: The accumulator storing non-structural overtime pay.

Note. The calculation of these base accumulators is explained in Calculating Contributions.

Employer Contribution

The names of the accumulators storing the amount of the employer's contribution to social security:

SS AC ER CC: The accumulator storing the employer contribution for common contingencies.

SS AC ER I.T: The accumulator storing the employer contribution for risk of temporary disability (*riesgo de incapacidad temporal*).

SS AC ER I.M.S: The accumulator storing the employee contribution for risk of death and disability (*riesgo de invalidez/muerte/supervivencia*).

SS AC ER FRM PR: The accumulator storing the employee contribution for professional training.

SS AC ER FOGASA: The accumulator storing the employer contribution for FOGASA.

SS AC ER DSMPL: The accumulator storing the employer contribution for unemployment.

SS AC ER HR X E: The accumulator storing the employer contribution for structural overtime.

SS AC ER HS X NE: The accumulator storing the employer contribution for non-structural overtime.

Note. Unless otherwise noted, these accumulators have their values “assigned” to them by the formula SS FM CONTRIBUCION.

Percentage (For TC's)

The variables storing total contribution percentages (employee plus employer percent) that must be recorded in the TC reports:

SS VR TC PCT CC: The variable that holds the total percentage for common contingencies.

SS VR TC PCT CP: The variable that holds the total percentage for professional contingencies.

SS VR TC PCT OTRAS: The variable that holds the total percentage for professional training, FOGASA, and unemployment.

SS VR TC PCT H XE: The variable that holds the total percentage for structural overtime.

SS VR TC PCT H XNE: The variable that holds the total percentage for non-structural overtime.

See Also

Calculating Contributions

Viewing Reductions

Access the Reduction page.

Reduction ID: 001

Reduction Data

Reduction View All First 1 of 1 Last

*Effective Date: 01/01/1985 *Status: Active

*Reduction Type: INEM (Box 209 of TC-1)

*Description: 50% Cuota CC

Comment: Bonificación del 50% de la cuota empresarial por contingencias comunes.

Reduction page

In certain limited cases—such as when a company hires employees with disabilities, or hires workers older than 45 years of age—employers may qualify for a reduction in the amount of their social security contributions.

Reduction ID

The reduction ID identifies the specific reduction definition/rule that applies to an employer. When entering this page, select an ID and view (or modify) the existing data, or enter a new ID and define the reduction associated with that ID.

Note. Associate the reductions you define here with a contract type on the Contract Type page.

Reductions Type

Identifies the agency that manages the reduction:

INEM (Box 209 or TC-1): Select if the reduction is managed by INEM.

SS (Box 601 of TC-1): Select if the reduction is managed by Social Security (*Tesorería*).

See Also

Using Human Resources Data in Social Security Calculations

Reduction Data Page

Access the Reduction Data page.

Reduction ID: 001 50% Cuota CC

Reduction View All First 1 of 1 Last

Effective Date: 01/01/1985 Status: Active Type: INEM (Box 209 of TC-1) + -

View All First 1 of 2 Last

	*Concept	*Reduction Percentage	From	To	
1	Common Contingency	50.00	0	999	+ -

Reduction Data page

Concept

Identifies the type of contribution (common contingency, FOGASA, temporary disability, and on) to which the reduction defined in the **Reduction Percentage** and the **From** and **To** fields applies (see the following description).

Reduction Percentage

View, modify, or define the percentage amount of the reduction that applies to the contribution type identified in the Concept field.

From and To

Define a reduction with a limited duration. Use the From field to identify the first month of the reduction; use the To field to identify the last month of the reduction. The actual calendar month on which the reduction begins or ends is based on the contract begin date identified on the Contract Data page in PeopleSoft Human Resources. For example, in the above exhibit, the value of the From field is **1** and the value of the To field is **999**. This means that beginning with the month of the initial contract (let's say 1/1/1990), the reduction applies for 999 months. If the start date had been **4** and the To date had been **6**, the reduction would not begin until April (three months after the contract begin date) and would end after the month of June (five months after the month that the contract started). If you enter **1** in the From field and **999** in the To field, the system assumes that the duration of the contract is unlimited.

Viewing Reduction Elements

Access the Reduction Definition page.

Reduction Definition

Reduction		View All	First	1 of 6	Last
Common Contingency					
Employer Contribution:	SS AC ER CC S	ER Common Contingencies			
Social Security Reduction:	SS AC BNF CC S S	CC Reduction - SS			
INEM Reduction:	SS AC BNF CC I S	CC Reduction - INEM			

Reduction Definition page

Once you have viewed, modified, or entered new reduction information on the Reduction and Reduction Data pages, use the Reduction Definition page to obtain information on the key accumulators used to calculate and store the amount of the employer reductions.

Employer Contribution	The accumulator storing the amount of the employer's contribution to social security for each of the following contribution types: 1. Common Contingency. 2. Permanent Disability D&S. 3. Professional Training. 4. FOGASA. To calculate the employer reductions, PeopleSoft Global Payroll for Spain applies the reduction percentages defined on the Reduction Data page to the amounts in these accumulators. To view the name of the accumulator corresponding to each contribution type, use the scroll arrows at the top of the page.
Social Security Reduction	The names of the accumulators storing the employer reductions managed by social security for each contribution type (common contingency, permanent disability D & S, professional training, and FOGASA). To view the name of the accumulator corresponding to each contribution type, use the scroll arrows at the top of the page.
INEM Reduction	The names of the accumulators storing the employer reductions managed by INEM for each contribution type (common contingency, permanent disability D & S, professional training, and FOGASA). To view the name of the accumulator corresponding to each contribution type, use the scroll arrows at the top of the page.

Viewing Social Security Country Codes

Access the Social Security Country Codes page.

Social Security Country Codes

Country Codes for Social Security				View All		First	1-6 of 12	Last
Country	Description	SS Citizenship	SS Country Cd					
1	BEL Belgium	056	002	+	-			
2	DEU Germany	276	004	+	-			
3	DNK Denmark	208	008	+	-			
4	ESP Spain	724	011	+	-			
5	FRA France	250	001	+	-			
6	GBR United Kingdom	826	006	+	-			

Social Security Country Codes page

Country	Stores the standard ISO country codes.
SS Citizenship	Stores the citizenship code used for social security processing.
SS Country Cd	Stores the country code used for social security processing.

Calculating the Funding Base in Special Situations

PeopleSoft Global Payroll for Spain handles social security funding base calculation for employees with multiple jobs or employed as trainees and apprentices somewhat differently than it does for employees in a single job or for non-trainees/apprentices. In this section, we discuss these differences and explain how to trigger the correct processing of employees in these situations.

Multiple Jobs

When an employee has multiple jobs in different companies, the total social security base must be distributed between jobs to prevent excess contributions being taken from the employee's paycheck.

To trigger the calculation of the base for multiple jobs:

- Specify the date (the effective date) on which the distribution of bases is to begin on the Multiple Employment page.
- Enter a percentage (supplied by Social Security) representing the proportion of the base that applies to each job on the Multiple Employment page. The system applies these percentages to the ceilings and bases used in the comparison and normalization process.

See Also

Calculating the Multiple Employment Funding Base

Trainees and Apprentices

Because social security contributions of trainees and apprentices aren't calculated as a percentage of a funding base, but by means of fixed rates, the system doesn't need to define a base in order to resolve the contributions or deductions of this category of employees. However, it still calculates both the CC and CP bases for use in processing social security benefits.

Calculating the CC Base for Trainees and Apprentices

Just as for regular employees, PeopleSoft Global Payroll for Spain uses the formula SS FM BS CC to calculate the common contingencies base for trainees and apprentices. However, rather than summing and processing multiple subbases to arrive at a single CC base (as it does in the case of regular employees), SS FM BS CC calls the formula SS FM BS CC NO REG to calculate the base using either the minimum base (for full time employees whose contribution frequency is monthly or daily) or the minimum hourly rate (if the employee works part time).

Note. The maximum and minimum bases and the minimum hourly rate used in this calculation come from the Work Group page.

Calculating the CP Base for Trainees and Apprentices

Just as for regular employees, PeopleSoft Global Payroll for Spain uses the formula SS FM BS CP to calculate the professional contingencies base for trainees and apprentices. However, rather than summing and processing multiple subbases to arrive at a single CP base (as it does in the case of regular employees), SS FM BS CP calls the formula SS FM BS CP NO REG to calculate the base using either the lower ceiling (for full time employees whose contribution frequency is monthly or daily) or the minimum hourly rate (in the case of part time employees).

Note. The lower ceiling and the minimum hourly rate used in this calculation come from the Work Group page.

Triggering Calculations for Trainees and Apprentices

To trigger the correct calculation for trainees and apprentices, define the contribution rates to apply on the Contribution page and link the employee to the correct Scheme and SS Contribution ID on the Contract Data page.

See Also

Using Human Resources Data in Social Security Calculations

Understanding Social Security Benefits for Spain

Calculating the Multiple Employment Funding Base

Use the Multiple Employment page to calculate the funding base in the case of multiple jobs.

Page Used to Calculate the Multiple Employment Funding Base

<i>Page Name</i>	<i>Object Name</i>	<i>Navigation</i>	<i>Usage</i>
Multiple Employment	GPES_MULT_EMP	Global Payroll Spain, Maintain Payroll Data (ESP), Use, Multiple Employment	Enter information needed to trigger and manage the processing of social security contributions for employees with multiple jobs.

Entering Multiple Employment Data

Access the Multiple Employment page.

Multiple Employment

Artico Dávila, Amalia Employee EmplID: KE0006 Empl Rcd#: 0

Multiple Employment View All First 1 of 1 Last

*Effective Date: 10/01/2001 *Status: Active

Sector: Private

*Min Base Percentage: 50.00

*Max Base Percentage: 50.00

Description:

Multiple Employment page

Sector	For information only: <i>Public</i> or <i>Private</i> .
Min Base Percentage (minimum base percentage)	The percentage to be applied to: • The Lower Ceiling used in the calculation of the professional contingencies base. • The Minimum Base used to calculate the funding base for common contingencies.
Max Base Percentage (maximum base percentage)	The percentage to be applied to: • The Upper Ceiling used in the calculation of the professional contingencies base. • The Maximum Base used to calculate the funding base for common contingencies.

Example: Applying Distribution Percentages to the Standard Bases and Ceilings

Note. This example assumes that you are familiar with the explanation of the social security calculation contained in the section Calculating Contributions.

In this example, let's assume that an employee has two jobs with the following characteristics:

- Hours and Salary for Job 1:
 - Hours Worked: 5/day.
 - Contribution Group: 2.
 - Base Salary: 200,000 pesetas/month (1.202,02 euros/month).
 - Additional Salary: 48,500 pesetas/month (291,49 euros/month).

- Overtime: 57,500 pesetas in current month (345,58 euros).
- Number of Extra Periods: 0.
- Hours and Salary for Job 2:
 - Hours Worked: 3hrs/day.
 - Contribution Group: 3.
 - Base Salary: 49,000 pesetas/month.
 - Additional Salary: 4,000 pesetas/month.
 - Number of Extra Periods: 0 (including base salary).

In this example, let's assume that the social security calculation generates the following maximum and minimum common contingency bases to use in the comparison process:

Base	Standard Base Amount
Maximum Base	415.950 pesetas (2.499,91 euros)
Minimum Base	104.040 pesetas (625,29 euros)

Let's also assume that the social security calculation generates the following upper and lower professional contingencies ceilings to use in the comparison process:

Ceiling	Standard Ceiling Amount
Upper Ceiling	415.950 pesetas (2.499,91 euros)
Lower Ceiling	84.150 pesetas (505,75 euros)

If the distribution percentage for Job 1 (provided by Social Security) is 75 percent, the maximum and minimum bases for common contingencies are recalculated as follows (this recalculation is carried out by the formula SS CM BS CC):

Base	Standard Base Amount	Recalculated Base
Maximum Base	415.950 pesetas (2.499,91 euros)	$415.950 \times 75\% = 311.962$ (1.874,92 €)
Minimum Base	104.040 pesetas (625,29 euros)	$104.040 \times 75\% = 78.030$ (468,97 €)

And if the distribution percentage for Job 1 (provided by Social Security) is 75 percent, the upper and lower ceilings for professional contingencies are recalculated as follows (this recalculation is carried out by the formula SS CM BS CP):

Base	Standard Base Amount	Recalculated Base
Maximum Base	415.950 pesetas (2.499,91 euros)	$415.950 \times 75\% = 311.962$ (1.874,92 €)

Base	Standard Base Amount	Recalculated Base
Minimum Base	84.150 pesetas (505,75 euros)	$84.150 \times 75\% = 63.112$ (379,31 €)

Note. The Maximum and Minimum Base percentages in these tables are defined on the Multiple Employment page using the Max Base Percentage and Min Base Percentage fields.

Using Human Resources Data in Social Security Calculations

PeopleSoft Global Payroll for Spain uses a considerable amount of human resources (HR) data to calculate social security contributions. The following table provides a quick reference to the basic HR information used in social security processing. It lists the pages on which you must enter the required data, as well as the names of the specific fields containing the data.

Page	Navigation	Field(s)	Use
Job Information	Administer Workforce, Administer Workforce (GBL), Use, Job Data, Job Information	Contract Number	Each employee must be associated with a contract number. After the hiring process, you must go to the Contract Data page and enter the contract number there. On the Contract Data page, the contract number is associated with information used in the social security process, such as Contract Begin Date, Regimen ID (Scheme ID), and Social Security Contribution ID.
		Full/Part	Identifies whether the employee works full or part time. Depending on the value you enter in this field, PeopleSoft Global Payroll for Spain uses the social security calculation method for either full or part time employees.

Page	Navigation	Field(s)	Use
		Social Security Risk Code (<i>epigrafe</i>)	The risk code or <i>epigrafe</i> is needed to calculate the A. T. & E. P. contribution for professional contingencies in the case of regular employees (contribution for work-related accidents and occupational disease).
Job Labor	Administer Workforce, Administer Workforce (GBL), Use, Job Data, Job Labor	Labor Agreement	Associate employees with a labor agreement, which provides data used in the calculation of social security contributions. Also associate employees with the Social Security Number of the employer.
		Category	Each labor agreement must be associated with a group “category,” and these categories contain information needed to process social security.
Labor Agreement Categories	Administer Workforce, Administer Workforce (GBL), Setup, Labor Agreement Category Tbl, Labor Agreement Categories	Scheme ID	See Regimen ID below.

Page	Navigation	Field(s)	Use
		Social Security Work Group Cd. (Social Security Work Group Code)	The social security work group code identifies the contribution group. For each contribution group (within a social security scheme), the government establishes a minimum and a maximum funding base, as well as a minimum hourly rate.
Contract Type Table	Administer Workforce, Administer Workforce (GBL), Setup, Contract Type Table	Reduction ID	Enter one of the reduction IDs you defined on the Reduction and Reduction Data pages in PeopleSoft Global Payroll for Spain. In this way, the reduction ID is associated with a contract type.
Contract Status/Content	Administer Workforce, Administer Workforce (GBL), Use, Contract Data	Contract Begin Date	Define a contract begin date for each employee.
		Scheme ID	Associate each employee with a scheme ID. Although you define the social security calculation rule of each social security scheme on the ESP SS Scheme Table component, employees must be associated with a social security scheme by means of the Scheme ID field.

Page	Navigation	Field(s)	Use
		Contribution ID	In PeopleSoft Global Payroll for Spain, there may be different social security rate and percentage “sets” within a social security scheme. Each of these sets is identified by a contribution ID. Although you define the different SS Contribution IDs and their corresponding rates or percentages using the Contribution page in PeopleSoft Global Payroll for Spain, you must link each employee to a Contribution ID on the Contract Status/Content page.
Contract Type/Clauses	Administer Workforce, Administer Workforce (GBL), Use, Contract Data, Contract Type/Clauses	Contract Type	Define a contract type for each employee.

See Also

Calculating Contributions

PeopleSoft Human Resources: Administer Workforce PeopleBook, “Setting Up the Administer Workforce Business Process,” “Hiring Your Workforce,” and “Entering Additional Data in Human Resources Records”

Running Social Security Reports

PeopleSoft Global Payroll for Spain delivers two reports for social security: TC1 and TC2. There are two steps involved in generating these reports:

1. **Data Preparation:** To prepare data for the reports, the social security section SS SE PREPARAR TCS executes the formula SS FM TC WA, which sends data to the writable array SS TC WA during the regular payroll process. This writable array contains data used in the TC reporting process.
2. **Reporting Process:** To generate the reports, the reporting process reads the data in the writable array (see Step 1).

See Also

“Appendix: PeopleSoft Global Payroll for Spain Reports”

PeopleSoft Global Payroll PeopleBook, “Defining Data Retrieval Elements,” Working With Writable Arrays

Pages Used to Setup Up Social Security Reports

Page Name	Object Name	Navigation	Usage
Company Setup	GPES_SSTC_SETUP	Global Payroll Spain, Manage Payroll Process (ESP), Setup, Social Security TCs, Company Setup	Set the parameters for creating the FAN file and TCs.
CCC Setup	GPES_SSTC_SETUP2	Global Payroll Spain, Manage Payroll Process (ESP), Setup, Social Security TCs, CCC Setup	Specify data for each <i>Codigo Cuenta de Cotizacion</i> (Social Security contribution number) for the FAN file.
TCs Run Control	GPES_SSTC_RUNCN TL	Global Payroll Spain, Maintain Payroll Process (ESP), Process, Social Security TCs Generation	Enter the data needed to process TCs.

Setting Up Company Parameters

Access the Company Setup page.

Company Setup **CCC Setup**

Company: KE1 Business Institute - Spain

Company Data View All First 1 of 1 Last

Effective Date: 01/01/2000

*Main SSN Employer: 08/7654321/09 Reg ID - Sector: General

Employer Code: CIF B25896547 SS Country Cdt: 011 Spain

Deliver Process Code: Magnetic D

Authorization Key: 12345678 Silcon Key: 87654321

Contact Name: KE0001 Rodriguez 3 Balgado 3 Antonio

Contact Phone: 917898645 Contact Fax:

Company Setup page

Reg ID Sector Select either *General* or *Collaborat*.

Deliver Process Code Select *MS DOS*, *Magnetic D*, or *Winsuite*.

Authorization Key Enter the authorization key provided by the social security agency for electronic file transfer.

Silcon Key Enter the key provided by the social security agency to identify your company during electronic file transfers.

Setting Up Social Security Number Parameter

Access the CCC Setup page.

Company Setup **CCC Setup**

Company: KE1 Business Institute - Spain

Company Data View All First 1 of 2 Last

Effective Date: 04/24/2001

Main SSN Employer: 08/7654321/09 Regimen ID - Sector: General

Social Security Number Data View All First 1 of 3 Last

*SSN Employer	Description	Reg ID - Sector	Insurance Company Code	Description	Days Type	Pay Type
1 28/12345678		General	00001	Health Insurance	Regular	Regular
2 28/12345680		General	00001	Health Insurance	Regular	Regular
3 28/12345681		General	00001	Health Insurance	Regular	Regular

CCC Setup page

Regimen ID – Sector The regimen ID.

Reg ID – Sector Select either *General* or *Collaborat*.

Days Type Select *Regular*.

Pay Type Select *Regular*.

Processing TCs

Access the TCs Run Control page.

TCs Run Control

Run Control ID: 1 [Report Manager](#) [Process Monitor](#) [Run](#)

Report Request Parameters

Company: KE1 Business Institute - Spain

Calendar Year: 2001 Month: October

Payment Type: Normal

Out Of Date: Payment in Period

File Name:

Social Security Numbers to process View All First 1 of 1 Last

Soc.Sec.Number for Employer	Description	Soc.Sec.Nbr. for Employer Type
1 28/2345678/34	Madrid Work Centrer	Regular

TCs Run Control page

Payment Type *Complementary: Retroactivity, Complementary: Tramitation Sal., Normal, and Normal + Retroactivity.*

Out of Date *Payment Out of Period and Payment In Period.*

Viewing Delivered Social Security Deductions

PeopleSoft defines employee contributions to social security as deductions with a calculation rule of amount. The actual calculation of the contributions is done by the formula SS FM CONTRIBUCION, which assigns a value to the deduction elements listed in the following table:

<i>Deduction</i>	<i>Description</i>
SS DD CC	Employee deduction for common contingencies.
SS DD FRM PR	Employee deduction for professional training.

<i>Deduction</i>	<i>Description</i>
SS DD DSMPL	Employee deduction for unemployment.
SS DD HS X E	Employee deduction for structural overtime.
SS DD HS XNE	Employee deduction for non-structural overtime.

Note. PeopleSoft delivers a query that you can run to view the names of all delivered elements designed for Spain.

See Also

PeopleSoft Global Payroll PeopleBook, “Delivered Elements and System Data” and “Defining Earnings and Deduction Elements”

CHAPTER 10

Understanding Social Security Benefits for Spain

This chapter provides an overview of social security benefits and describes how to:

- Calculate benefits.
- Trigger benefits.
- View delivered benefit elements.

Understanding Benefit Terms and Concepts

Benefit Types

Employees in Spain are eligible to receive the following three types of benefits:

- Temporary Disability Benefits for Common Sickness and Non-Industrial Accidents (IT).

IT (*Incapacidad Temporal*) benefits are available to employees who have contributed to social security at least 180 days in the last five years before the leave date.

- Disability Benefits Due to Work Related Injuries (AT & EP).

AT & EP (*Accidentes de Trabajo y Enfermedades Profesionales*) benefits are available to workers who have suffered workplace injuries.

- Maternity/Pregnancy Risk.

Maternity and pregnancy risk benefits are available to employees who have contributed to social security at least 180 days in the last five years before the date of birth. Because these benefits are paid entirely by Social Security, the payment amounts are not calculated by PeopleSoft Global Payroll for Spain. However, the system does calculate the common contingencies (CC) and professional contingencies (CP) bases for the days employees are absent for maternity or pregnancy risk.

Legal and Complementary Benefits

There are two sets of benefits for IT and AT & EP—the legal benefits known as *Subsidio IT* and *Subsidio AT*, and the complementary, employer-paid benefits known as the *Prestación*

Complementaria IT and *Prestación Complementaria AT*. Both sets of benefits are calculated as percentages of a benefits base (see following definition of bases and percentages).

Note. If employers want to pay a supplemental benefit, they must define the total percentage to be paid on the Complementary Benefit page. The system automatically calculates the portion of this total percentage that belongs to the *Subsidio* (IT or AT) and the portion that belongs to the *Prestación Complementaria* (IT or AT).

Bases (Base Reguladora Diaria)

In PeopleSoft Global Payroll for Spain, social security benefits are calculated as a percentage of a daily benefits base (*Base Reguladora Diaria*). The daily bases for IT and AT & EP are derived from the CC and CP funding bases for social security. The following table identifies the social security funding base from which the daily base for each benefit is derived:

Benefit	SS Base
IT	Common Contingencies
AT & EP	Professional Contingencies

Percentages

The percentages used to calculate benefits are set both by the government (in the case of legally mandated benefits) and by employers (in the case of complementary benefits). The percentages used to calculate the IT benefit (*Subsidio IT*) vary depending on the number of days the employee is on leave, while the amount of the AT and EP benefit (*Subsidio AT*) is currently set at 75 percent of the daily base (the *Base Reguladora Diaria*) for each day of leave.

Pago Delegado

Pago Delegado refers to the system whereby an employer pays IT or AT benefits to an employee, but is later reimbursed for these payments by Social Security. In other words, the company acts as the direct provider of benefits and is later repaid. In the case of IT, the employer can reimburse, as *pago delegado*, the social security benefits from the 16th day of sickness. In the case of AT, the employer has the right to reimburse from the first day of sickness. This reimbursement isn't a real refund, but rather a discount of the total amount to pay through the social security TCs, reflected in a special field on the TC1—the 201 box for IT and the 410 box for AT.

See Also

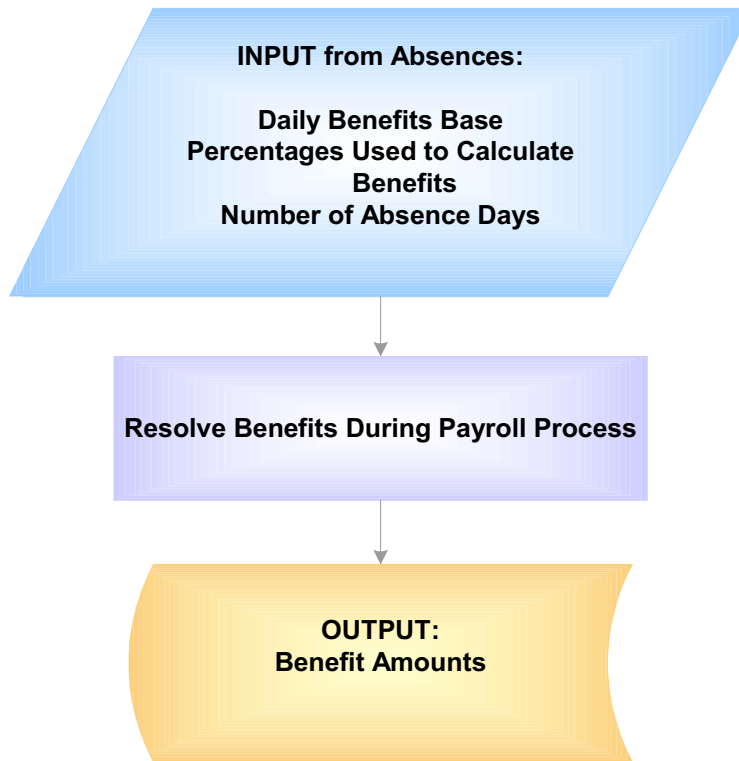
Calculating Benefits

“Setting Up Social Security Contributions for Spain“

“Working With Labor Agreements,” Defining Complementary Benefits

Social Security Benefits in the Pay Process Flow

The following diagram illustrates how benefits processing fits into the overall pay process flow of PeopleSoft Global Payroll for Spain.



Benefits in the pay process flow

As shown in the diagram, benefits preparation takes place during absence processing. The absence module calculates the daily benefits base (*Base Reguladora Diaria*), the percentages to apply to the base, and the number of days the employee is on each type of leave. Then, during the payroll process, the benefits set up in absences are resolved.

Calculating Benefits

PeopleSoft Global Payroll for Spain calculates IT and AT benefits by multiplying the employee's daily IT or AT base (*Base Reguladora Diaria*) by the number of leave days, and then applying a percentage to this base. The percent applied varies according to the benefit being calculated, the number of days the employee is on leave, as well as the amount of the complementary benefit. In this section, we discuss how PeopleSoft Global Payroll for Spain calculates the final benefit amount.

Calculating IT Benefits

When payees are on temporary disability leave (IT), they are eligible for the following benefits:

- The legally mandated benefit (*Subsidio IT*).
- A supplementary benefit (*Prestación Complementaria*) defined by the employer.

Note. Although employee can be considered beneficiaries only when they have contributed to Social Security for at least 180 days in the past five years, PeopleSoft Global Payroll treats all payees as eligible for IT benefits. In other words, Global Payroll does not validate eligibility for this benefit.

Legal Benefit

The legally mandated benefit is defined as a percentage of the benefits base—with the percentage varying according to the number of day the employee is on leave. The current percentages (and the benefits base to which the percentages are applied) are shown in the following table:

<i>From Day in IT</i>	<i>To Day in IT</i>	<i>Percentage</i>	<i>Base</i>
4	20	60	CC Base
21	180	75	CC Base

There are two benefit phases. From day 4 to day 15 of the benefit, the employer is responsible for making payments to the employee. Beginning with day 16 and continuing to day 180, Social Security subsidizes the benefit. Although the company serves as the direct provider of the benefit during the entire benefit period, Social Security reimburses the company for any payments made after day 15 under a system known as *Pago Delegado*. The following table shows who is responsible for the benefit paid during each phase:

<i>From Day in IT</i>	<i>To Day in IT</i>	<i>Who Pays?</i>
4	15	Company
16	180	Social Security

Complementary Benefits

To define complementary benefits for IT (*Prestaciones Complementarias IT*), set up the date ranges and the total percentages to be paid on the Complementary Benefits page.

IT Calculation

- Legal benefit.

The legal benefit is calculated by the earning element SUBSIDIO IT, an earning with a calculation rule of *Unit x Rate x Percent*. The correct percent is retrieved by the formula SS FM PCT SUBSD IT and varies depending on the day of the leave (see previous table). The rate is the daily base for IT, which is returned by the formula SS FM BRD CC. The unit is the number of days that the employee is on leave (has an IT absence take) and must be entered on the Absence Event Entry page.

The formula SS FM BRD CC returns a rate (the daily base) using one of three historical rules:

1. If the employee is full-time and on leave for IT (*Incapacidad Temporal*), AT & EP (*Accidentes de Trabajo y Enfermedades Profesionales*), risk during pregnancy, or maternity, the formula uses the historical rule SS HC CC FT to calculate the base.
2. If the employee is part-time and on leave for IT (*Incapacidad Temporal*), AT & EP (*Accidentes de Trabajo y Enfermedades Profesionales*), or risk during pregnancy, the formula uses the historical rule SS HC CC PT IT to calculate the base.
3. If the employee is part-time and on leave for maternity, the formula uses the historical rule SS HC CC PT MT to calculate the base.

- Complementary benefit.

The complementary benefit is calculated by the earning element PRST COMP IT, an earning with a calculation rule of *Unit x Rate x Percent*. The correct percent is retrieved by the formula SS FM PRST CMP IT and must be defined by the employer on the Complementary Benefits page. The rate is the daily base for IT, which is returned by the formula SS FM BRD CC. The unit is the number of days that the employee is on leave (has an IT absence take) and must be entered on the Absence Event Entry page.

The formula SS FM BRD CC defines the daily base just as it does in the case of the legal benefit (see the previous discussion).

See Also

PeopleSoft Global Payroll PeopleBook, "Absence Entry and Processing," Entering, Updating, and Voiding Absence Events

"Understanding Spanish Absence Rules"

"Working With Labor Agreements," Defining Complementary Benefits

Calculating AT& EP Benefits

When payees are on disability leave for work-related injury (AT & EP), they are eligible for the following benefits:

- The legally mandated benefit (*Subsidio AT*).
- A supplementary benefit (*Prestación Complementaria*) defined by the employer.

Note. There are no special criteria for defining eligibility for AT & EP benefits—employees are automatically eligible for benefits immediately following a workplace accident or injury.

Legal Benefit

The current legally mandated benefit is defined as 75 percent of the benefits base throughout the entire benefit period. The current percentage, as well as the benefits base to which the percentage is to be applied, are shown in the following table:

<i>From Day in IT</i>	<i>To Day in IT</i>	<i>Percentage</i>	<i>Base</i>
1	180	75 (This percentage is contained in the variable	CP Base

By law, the Mutual Insurance Company is responsible for paying the AT benefit through the entire benefit period. Although the company acts as the direct provider of the benefit, Social Security reimburses the company for any payments made under a system known as *Pago Delegado*. The following table shows who is responsible for the benefits paid.

<i>From Day in IT</i>	<i>To Day in IT</i>	<i>Who Pays?</i>
1	180	Social Security

Complementary Benefits

To define complementary benefits for AT, (*Prestaciones Complementarias AT*), set up the date ranges and the total percentages to be paid on the Complementary Benefits page.

AT Calculation

- Legal benefit.

The legal benefit is calculated by the earning element SUBSIDIO AT, an earning with a calculation rule of *Unit x Rate x Percent*. The correct percent is stored in the variable SS VR PCT SUBSD AT. The rate is the daily base for AT, which is returned by the formula SS FM BRD CP. The unit is the number of days that the employee is on leave (has an AT absence take) and must be entered on the Absence Event Entry page.

The formula SS FM BRD CP returns a rate (the daily base) using one of three historical rules:

1. If the employee is full time and on leave for IT (*Incapacidad Temporal*), AT & E. P (*Accidentes de Trabajo y Enfermedades Profesionales*), risk during pregnancy, or maternity, the formula uses the historical rule SS HC CP FT to calculate the base.
 2. If the employee is part-time and on leave for IT (*Incapacidad Temporal*), AT & E. P (*Accidentes de Trabajo y Enfermedades Profesionales*), or risk during pregnancy, the formula uses the historical rule SS HC CP PT IT to calculate the base.
 3. If the employee is part time and on leave for maternity, the formula uses the historical rule SS HC CP PT MT to calculate the base.
- Complementary benefit.

The complementary benefit is calculated by the earning element PRST COMP AT, an earning with a calculation rule of Unit x Rate x Percent. The correct percent is retrieved by the formula SS FM PRST CMP AT and must be defined by the employer on the Complementary Benefits page. The rate is the daily base for AT, which is returned by the formula SS FM BRD CP. The unit is the number of days that the employee is on leave (has an AT absence take) and must be entered on the Absence Event Entry page.

The formula SS FM BRD CP defines the daily base just as it does in the case of the legal benefit (see the previous discussion).

See Also

PeopleSoft Global Payroll PeopleBook, "Absence Entry and Processing," Entering, Updating, and Voiding Absence Events

"Understanding Spanish Absence Rules"

"Working With Labor Agreements," Defining Complementary Benefits

Calculating Maternity and Pregnancy Risk Benefits

Maternity and pregnancy risk benefits consist of 100 percent of the employee's salary. Social Security is responsible for paying benefits beginning with the first day of leave. As a consequence, this benefit is not calculated or processed through the PeopleSoft Global Payroll system.

The following table summarizes the benefit amount and benefit period for maternity:

<i>From Day in IT</i>	<i>To Day in IT</i>	<i>Amount</i>
1	Depends on number of children born.	100 % of her salary.

The following table summarizes the benefit amount and benefit period for pregnancy risk:

<i>From Day in Risk During Pregnancy</i>	<i>To Day in Risk During Pregnancy</i>	<i>Amount</i>
1	No limits	100 % of her salary.

Triggering Benefits

PeopleSoft Global Payroll for Spain triggers social security benefits when you enter a qualifying absence on the Absence Event Entry page.

See Also

PeopleSoft Global Payroll PeopleBook, "Absence Entry and Processing," Entering, Updating, and Voiding Absence Events

"Understanding Spanish Absence Rules"

Viewing Delivered Benefit Elements

This section contains information about key elements (both primary and supporting) that PeopleSoft Global Payroll for Spain delivers to calculate social security benefits.

Benefit Earnings

In PeopleSoft Global Payroll for Spain, social security benefits are defined as earnings with a calculation rule of *Unit x Rate x Percent*. The unit in this calculation is the number of days an employee is on leave, the rate is the *Base Reguladora Diaria* or benefit to be paid for each day of leave, and the percent is the percentage of the daily base paid to the employee. The following table lists the earnings elements used to calculate the total amount of an employee's benefits.

<i>Earning Name</i>	<i>Element Function</i>
SUBSIDIO AT	This earnings element is used to calculate the legally mandated benefit for AT & EP (<i>Accidentes de Trabajo y Enfermedades Profesionales</i>).
SUBSIDIO IT	This earning element is used to calculate the legally mandated benefit for IT (<i>Incapacidad Temporal</i>).
PRST COMP AT	This earning element calculates additional benefits that an employer may want to pay as a complement to the legally mandated minimum benefits for workplace injury.
PRST COMP IT	This earning element calculates additional benefits that an employer may want to pay as a complement to the legally mandated minimum benefits for temporary disability.

See Also

PeopleSoft Global Payroll PeopleBook, “Defining Earnings and Deduction Elements”

Benefit Process Lists and Sections

PeopleSoft Global Payroll for Spain delivers the section SS BENEFICIOS for calculating the CC and CP sub-bases for the days on which an employee is on leave for IT, AT, maternity, or risk during pregnancy. (These sub-bases are used in the social security process to calculate the monthly CC and CP bases.) After calculating the sub-bases, SS BENEFICIOS calculates the IT and AT & EP benefits.

The section SS BENEFICIOS is contained in the process list GEN PR CALC NOM and consists of the following elements:

Section Name	Purpose	Elements in Section	Element Function
SS BENEFICIOS	The purpose of this section is to calculate contribution bases for the days when an employee is on leave for work related accidents, temporary disability, maternity, and risk during pregnancy. These individual bases are then transferred to the social security process and summed up to calculate the total funding base for professional and common contingencies. In addition, this section calculates social security benefits (earnings) for temporary disability and work related injuries.	RT BSE CC AT	This earning element calculates the common contingencies base for the days when an employee is on work-related injury leave. The value of this element is transferred to the SS contributions process where it is used to calculate the total common contingencies base.

Section Name	Purpose	Elements in Section	Element Function
		RT BSE CC IT	This earning element calculates the common contingencies base for the days when an employee is on temporary disability leave. The value of this element is transferred to the SS contributions process where it is used to calculate the total common contingencies base.
		RT BSE CC MT	This earning element calculates the common contingencies base for the days when an employee is on maternity leave. The value of this element is transferred to the SS contributions process where it is used to calculate the total common contingencies base.
		RT BSE CC RE	This earning element calculates the common contingencies base for the days when an employee is on pregnancy risk leave. The value of this element is transferred to the SS contributions process where it is used to calculate the total common contingencies base.

Section Name	Purpose	Elements in Section	Element Function
		RT BSE CP AT	This earning element calculates the professional contingencies base for the days when an employee is on work-related injury leave. The value of this element is transferred to the SS contributions process where it is used to calculate the total professional contingencies base.
		RT BSE CP IT	This earning element calculates the professional contingencies base for the days when an employee is on temporary disability leave. The value of this element is transferred to the SS contributions process where it is used to calculate the total professional contingencies base.
		RT BSE CP MT	This earning element calculates the professional contingencies base for the days when an employee is on maternity leave. The value of this element is transferred to the SS contributions process where it is used to calculate the total professional contingencies base.

Section Name	Purpose	Elements in Section	Element Function
		RT BSE CP RE	This earning element calculates the professional contingencies base for the days when an employee is on pregnancy risk leave. The value of this element is transferred to the SS contributions process where it is used to calculate the total professional contingencies base.
		SUBSIDIO AT	This earnings element is used to calculate the legally mandated benefit for AT & EP (<i>Accidentes de Trabajo y Enfermedades Profesionales</i>).
		SUBSIDIO IT	This earning element is used to calculate the legally mandated benefit for IT (<i>Incapacidad Temporal</i>).
		PRST COMP AT	This earning element calculates additional benefits that an employer may want to pay as a supplement to the legally mandated minimum benefits for workplace injury.
		PRST COMP IT	This earning element calculates additional benefits that an employer may want to pay as a supplement to the legally mandated minimum benefits for temporary disability.

Section Name	Purpose	Elements in Section	Element Function
		PAGO DELEGDO	This element stores the total amount that the employer pays for <i>Subsidio IT</i> and <i>AT</i> , and enables this amount to be recorded in the TC reports.

Note. PeopleSoft delivers a query that you can run to view the names of all delivered elements designed for Spain.

See Also

PeopleSoft Global Payroll PeopleBook, “Delivered Elements and System Data,” “Defining Earnings and Deduction Elements,” and “Defining Processing Elements”

“Setting Up Social Security Contributions for Spain”

CHAPTER 11

Understanding Tax Calculation

PeopleSoft Global Payroll for Spain enables you to manage the official withholding tax, *Impuesto sobre la renta de las personas físicas* (IRPF). The withholding amount originates from employee income and reductions.

This chapter provides an overview of tax calculation and describes how to:

- Calculate an employee's withholding percentage.
- Update the system information.
- Estimate the total annual income.
- Estimate the Social Security contribution.
- Calculate the available deductions.
- Calculate the withholding percentage.
- Report the results of the withholding percentage.
- Review delivered tax calculation deductions.

IRPF Calculation Steps

Before the system calculates IRPF, ensure that the tax bracket and tax office location information is current. Also update the Tax Calendar page to calculate withholding while running payroll. Otherwise, you must run the tax manually.

To calculate an employee's withholding percentage, the system:

1. Estimates the total annual income.
2. Estimates the social security contribution.
3. Calculates the available reductions.

These include deductions for dependants, any personal deductions due to age or disability, and any spousal garnishments.

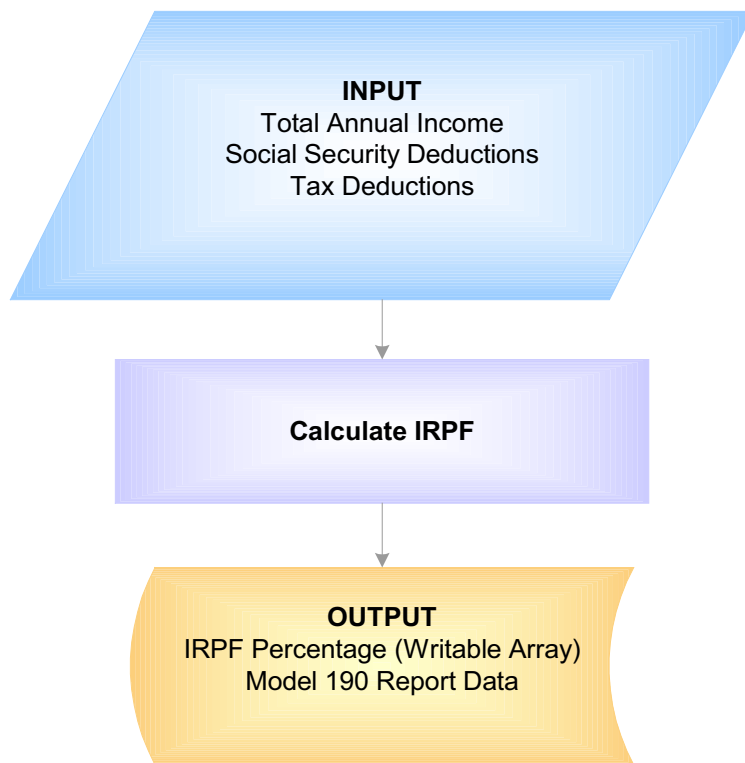
4. Subtracts the social security contribution and the available reductions from the total annual income.

5. Calculates the withholding percentage.

The system generates the withholding percentage based on the previous steps. If needed, you may alter this percentage.

IRPF in the Pay Process Flow

This section illustrates how the IRPF calculation process fits into the overall pay process flow of PeopleSoft Global Payroll for Spain.



IRPF process flow

Updating the System Information

PeopleSoft provides the following information in accordance with government regulations:

- Tax office locations.
- Minimum annual contribution amounts.
- Total contribution per taxable base.
- Reduction amounts based on personal data (age and disability status), family data (number of dependants, disability status, and degree of dependency), and work situation (contract type and tax location).

PeopleSoft Global Payroll for Spain enables you to calculate tax independently or while running the payroll process. Use the Tax Calendar page to coordinate the tax calculation and payroll process.

Pages Used to Update System Information

Page Name	Object Name	Navigation	Usage
Tax Location Table	GPES_TAX_LOCTN_TBL	Global Payroll Spain, Define Payroll Setup (ESP), Setup, Tax Location Table	Set up tax office locations.
Tax Calendar	GPES_TAX_CALENDAR	Global Payroll Spain, Define Payroll Setup (ESP), Setup, Tax Calendar	Embed the tax calculation process in the payroll process.
Tax Elements	GPES_TAX_ELEMENT	Global Payroll Spain, Define Payroll Setup (ESP), Setup, Tax Elements	Set up the elements that store garnishment values that could be paid by employees. This data is considered during the tax calculation.

Setting Up Tax Elements for Garnishments

Access the Tax Elements page.

The screenshot shows the 'Tax Elements' page with a tab labeled 'Tax Elements'. Below the tab is a table titled 'Garnishment Accumulators'. The table has three columns: 'Element Utility', 'Element Name', and 'Description'. There are two rows of data. The first row shows '1' in the 'Element Utility' column, 'Spouse Support' in the 'Element Name' column, and 'RETJ CNYG' in the 'Description' column. The second row shows '2' in the 'Element Utility' column, 'Child Support' in the 'Element Name' column, and 'RETJ ALIM' in the 'Description' column. To the right of each row is a yellow button with a plus sign. Above the table, there are links for 'View All', 'First', '1-2 of 2', and 'Last'.

Garnishment Accumulators			View All	First	1-2 of 2	Last
Element Utility	Element Name	Description				
1 Spouse Support	RETJ CNYG	Spouse support garnishment				+
2 Child Support	RETJ ALIM	Children support garnishment				+

Tax Elements page

Element Utility

Select the type of garnishment; for *Spouse Support* or *Child Support*.

Estimating the Total Annual Income

An employee's total annual income includes fixed income, variable income, and benefits income.

If you are calculating the withholding percentage for the first time, the system takes fixed income and benefits income amounts from the Compensation Date page and the annual benefits base rate on the job data page (JOB.ANNUAL_RT and JOB.ANNL_BENEF_BASE_RT on JOB_DATA). If there is no data on the Compensation Date page, the system uses the annual rate.

The variable income amount comes from last year's variable income accumulator (TAX VR HC VAR A), which is derived from a historical rule.

If the withholding percentage calculation is a regularization process, all incomes originate from the year-to-date accumulators plus the estimated incomes for the remainder of the year.

Estimated Fixed Income

The estimated fixed income varies if the employee has a net guarantee. For these employees, the estimated fixed income is derived from the net to gross process and the regularization process is run every month during the payroll process wither or not it's set up on the tax calendar.

For those employees not net-paid, the estimated fixed income comes from the sum of the annual rate and the annual base benefits (JOB.ANNUAL_RT + JOB.ANN_BENEF_BASE_RT). This sum is then prorated for the remainder of the year or contract.

See Also

“Understanding Gross and Net Guarantee”

Estimated Variable Income

The estimated variable income (TAX VR HC VAR A) originates from the previous year's variable incomes. The system uses a historical rule (TAX HC ING VAR A) to sum up the variable income accumulators (GEN AC DEV VRBLS S) for each slice between the current pay end date of the previous year and the end of that year.

For example, if you calculate the estimated variable income for March 2001, the historical rule totals every variable income accumulator slice from 31/03/2000 to 31/12/2000.

Taxable and Non-Taxable Income

The following sources of revenue are subject to IRPF:

- Base salary and complements
- Entertainment allowance
- Meals, lodging, and traveling expenses in excess of legal limits

Example

You want to calculate the taxable annual income for the year 2000 for an employee hired on 01/01/1993 with the following criteria:

1. Base Salary: 140.000/month (841,42 €)
2. Seniority: 4.000/month for each triennium (24,04€)
3. Personal complement: 12.000/month (72,12 €)
4. Traveling expenses: 10.000/month (60,10 €)
5. Extra-periods: two extra periods containing base salary, seniority and personal complement.

The taxable annual income would be:

1. $140.000 \times 12 = 1.680.000$ (10.097,00 €)
 2. $4.000 \times 12 \times 2$ (2 trienniums from 01/01/1993 to 12/31/2000) = 96.000 (576,97 €)
 3. $12.000 \times 12 = 144.000$ (865,46 €)
 4. Traveling expenses are exempt and not added to the total.
 5. 2 extra periods x {base salary + (seniority rate x number of extra periods) + personal complement}
- $$2 \times (140.000 + (4.000 \times 2) + 12.000) = 320.000$$
- (1.923,24 €)

Total = 1.680.000 + 96.000 + 144.000 + 320.000 = 2.240.000 (13.462,67 €)

Estimating the Social Security Contribution

Once the taxable base has been calculated, the system subtracts the employee's annual social security contribution. The remaining value is the *Rendimiento neto del trabajo* (RNT). To calculate RNT, the system uses the social security contribution accumulator (TAX AC SS CT A) for the actual year-to-date contribution and estimates future contributions. These calculations are made in the formula TAX FM CT SS EST.

RNT is subject to deductions for salary level, disability, personal minimum deductions, family minimum deductions (dependants), and alimony.

The sum of the RNT and all of its deductions is the BASE.

Taxable Base - Employee's Social Security Contributions - Reductions over RNT - Personal Minimum Deductions - Family Minimum for Dependants Reductions – Spouse Support Garnishment = BASE.

See Also

“Understanding Social Security Benefits for Spain“

Calculating the Available Deductions

The system calculates the ART18 reduction, the personal minimum reduction, and the familiar minimum reduction.

The ART18 reduction is based on income level (TAX VR RNT) and disability (TAX VR PCT DISC EE). Both values are compared to ranges in the system to determine the reduction amounts using the formula TAX FM RD ART18.

The personal minimum reduction is based on age (GP AGE IN YEARS) and disability (TAX VR PCT DISC EE). Both values are compared to values in the system to determine the reduction amounts using the formula TAX FM RD MN PERS.

The familiar minimum reduction is based on dependants, both children and adults. The system considers the total number of dependants (TAX VR N DESCENDT), their ages (TAX VR N HIJOS3 for children under 3 and TAX VR N HIJOS316 for children between 3 and 16), and their degree of disability (TAX VR N DISCAP33 and TAX VR N DISCAP65). The system calculates these deductions using the formulas TAX FM RD MN FAML and TAX FM RD FAM NUM.

Calculating the Withholding Percentage

Once the social security contribution and the other reductions have been subtracted from the total income to derive the taxable net base, the system can calculate the withholding percentage. To do this, the system employs formula TAX FM CT IRPF EE to compare the taxable net base with the income ceilings and generate the total contribution amount. In this formula, the taxable net base (TAX VR BS LQ TOT) is measured against the tax bracket (TAX BR TBL IRPF). PeopleSoft delivers and maintains this bracket.

This total contribution amount is then applied to the formula TAX FM PCT IRPF EE to calculate the IRPF tax rate.

If the payee's income is lower than the government's annual minimum, the system applies a ceiling. This ceiling is 35 percent of the annual income minus a corresponding amount stored in bracket TAX BR MN EXENTO.

Payees can increase their percentage using the Tax Percentage Override page. However, if the override is lower than the calculated percentage, the system uses the higher amount. You cannot use the Tax Percentage Override page to reduce the tax percentage.

Taxing Garnishments

There are two garnishment types that affect tax calculations: child support and spousal support.

If a payee has a child support garnishment, the system estimates the annual value for this garnishment (or estimates the value for the remainder of the contract). Then, the system calculates separate contribution amounts for the garnishment and for the remainder of the taxable net base.

For example, assume a taxable net base of 3.764.515 pesetas (22.625,19 €) and an estimated annual garnishment amount (TAX VR RJ ALIM EST) of 450.000 pesetas (2.704,55 €). The bracket calculations would be applied to 450.000 pesetas (2.704,55 €) and to 3.764.515 pesetas (22.625,19 €) (the sum of 3.764.515-450.000) generating two contribution amounts, TAX VR CT1 IRPF and TAX VR CT2 IRPF. The system then combines these amounts into TAX VR CT IRPF, which is used to calculate the tax percentage.

The system subtracts the spouse support garnishment's annual estimation from TAX VR RNT as a special reduction.

Regularization

To avoid large differences between the estimated IRPF tax rate and the real tax contribution needed at the end of the year, calculate the withholding percentage multiple times during the year. This process is called regularization. The percentage withholding regularization process accounts for incomes earned and taxes and contributions paid, as well as income, tax, and contribution estimates for the remainder of the contract period. To do this, the system uses formula TAX FM REGULARZN.

Page Used to Calculate the Withholding Percentage

Page Name	Object Name	Navigation	Usage
Tax Percentage Update	GPES_TAX_RSLT_OVRD	Global Payroll Spain, Maintain Payroll Data (ESP), Use, Tax Percentage Update	Change an employee's tax withholding percentage.

Updating Tax Percentages

Access the Tax Percentage Update page.

Tax Percentage Update

Rodriguez 3 Salgado 3, Antonio Employee ID: KE0001 Empl Rcd#: 0

Tax Percentage Override		View All	First	1 of 1	Last
Effective Date	Withholding percentage				
1 04/21/2001	+ -				

Tax Percentage Update page

Withholding percentage Enter the new withholding percentage.

Viewing the Results

Once the system has calculated the taxable income base, the annual tax contribution and the withholding percentage, view the results by pay group on the IRPF Percent Calculation page.

Page Used to View Results

Page Name	Object Name	Navigation	Usage
IRPF Percent Calculation	GPES_RSLT_TMP	Global Payroll (ESP), Manage Payroll Process (ESP), Inquire, IRPF Percent Calculation	View the tax withholding percentage, the taxable income base, and the annual tax contribution for a pay group.

Reporting Results

PeopleSoft Global Payroll for Spain provides you with a mechanism to produce the following reports:

- Model 111 report (*Modelo de declaración de retenciones e ingresos a cuenta de grandes empresas*), used for large companies to declare employee deductions.
- Model 190 report, an annual summary of deductions.

Pages Used to Report Results

Page Name	Object Name	Navigation	Usage
Process 111 Setup	GPES_TAX111_SETUP	Global Payroll Spain, Manage Payroll Process (ESP), Setup, Tax Process, Process 111 Setup	List the accumulators used to generate the Model 111 report. The 111 Model is a flat file containing monthly withholding data.
Process 190 Setup	GPES_TAX190_SETUP	Global Payroll Spain, Manage Payroll Process (ESP), Setup, Tax Process, Process 190 Setup	List the accumulators used to generate the Model 190 report.
Model 111 Parameters	GPES_RC_TAX_111	Global Payroll Spain, Manage Payroll Process (ESP), Process, 111 Model Generation, Model 111 Parameters	Select the parameters with which the system generates the 111 Model report. Use the Tax Process page to establish the reported elements.

Page Name	Object Name	Navigation	Usage
Presenter Data	GPES_TC_TAX_190	Global Payroll Spain, Manage Payroll Process (ESP), Process, 190 Model Generation, Presenter Data	Select the withholder company and the run control parameters used to generate the 190 Model report. Usually the withholder company is also the presenter company. Also use this page to assign the report's location.
Withholder Data	GPES_RC_TAX_190B	Global Payroll Spain, Manage Payroll Process (ESP), Process, 190 Model Generation, Withholder Data	Specify those companies included in the report. The report lists all company employees, grouped by tax location. The company must send one report per tax location.

See Also

“Appendix: PeopleSoft Global Payroll for Spain Reports”

[PeopleTools PeopleBook: Process Scheduler](#)

Common Elements in This Section

Tax Location Code	Select the tax location code.
Calendar Year	Select the reporting year.
File Name	Enter the flat file name and location.
Contact Name	Select the contact's name.
Contact Phone	Displays the contact's phone number.

Selecting Model 111 Parameters

Access the Model 111 Parameters page.

Model 111 Parameters

Run Control ID: TAX [Report Manager](#) [Process Monitor](#) [Run](#)

Report Request Parameters

*Company: KE1 Business Institute - Spain

*Tax Location Code: KE02 Navarra Fiscal Territory

*Calendar Year: 2001 Month: December

File Name: c:\temp\111ene01.bt

Contact Name:

Contact Phone:

Comments:

Model 111 Parameters page

Month Select the reporting month.

Selecting Model 190 Parameters

Access the Presenter Data page.

Presenter Data Withholder Data

Run Control ID: TAX [Report Manager](#) [Process Monitor](#) [Run](#)

Report Request Parameters

*Company: KE1 Business Institute - Spain

*Tax Location Code: KE02 Navarra Fiscal Territory

*Calendar Year: 2001 Device CD: FloppyDisk

Contact Name:

Contact Phone:

File Name: c:\temp\119_2001.bt

Presenter Data page

Device CD Select the device CD.

Specifying Withholder Data

Access the Withholder Data page.

Presenter Data Withholder Data

Run Control ID: TAX [Report Manager](#) [Process Monitor](#) [Run](#)

Report Request Parameters

Company: KE1 Business Institute - Spain **Tax Location:** KE02 Alava
Calendar Year: 2001 **Device CD:** FloppyDisk
File Name: C:\Temp\190a

Companies to process View All First 1 of 1 Last

Reporting Type	Contact Data
Company Description	Type of Statement
1 KE1 Business Institute - Spain	Ordinary

Withholder Data page

Device CD The device code CD: **C** (Cartridge) or **D** (Diskette).

Reporting Type

Type of Statement The type of declaration: **Ordinary**, **Complementary**, or **Substitution**.

Running the Tax Annual Deductions Report

The Report menu in PeopleSoft Global Payroll for Spain enables you to run an additional tax report, the Tax Annual Deductions Report.

As an employer, you are obliged to issue the Annual Deductions certificate for every employee before the beginning of the income tax return period.

The report must include fiscal data on the employer and the employee, as well as all of the deductions for an employee, including annual social security deductions and annual tax deductions. Use this document to submit employee income tax returns.

The information in the Tax Annual Deductions Report has the same data as the 190 Model, but for individual employees.

Use the tax process component to determine which accumulators will appear on this report.

See Also

Reporting Results

“Appendix: PeopleSoft Global Payroll for Spain Reports”

Viewing Delivered Tax Calculation Deductions

PeopleSoft Global Payroll for the Spain delivers the deduction IRPF for salary taxes with the following parameters:

Parameters	Description
Base	TAX AC ING DIN
Generation control	GP APPLY LST SEG
Percent	TAX VR PCT
Accumulators	GEN AC DEDUCCIONES, IRPF_MTDA, IRPF_YTDA, IRPF_FMDA, IRPF_FYDA

Note. PeopleSoft delivers a query that you can run to view the names of all delivered elements designed for Spain.

See Also

PeopleSoft Global Payroll PeopleBook, “Delivered Elements and System Data” and “Defining Earnings and Deduction Elements”

CHAPTER 12

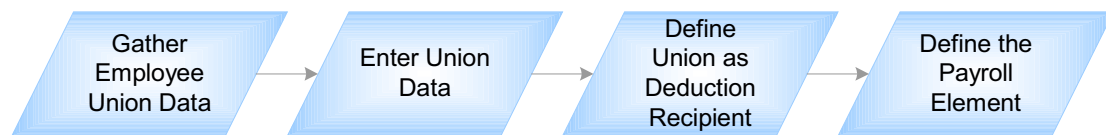
Paying Union Fees

This chapter describes how to:

- Set up union fees.
- View delivered union fee deductions.

Setting Up Union Fees

PeopleSoft Global Payroll for Spain enables you to pay your employees' union fees as part of the regular payroll processing cycle. Setting up your system to automatically pay union fees during the regular payroll processing cycle requires four steps:



Setup steps for paying employee union fees during payroll processing

To set up union fees:

1. Gather the employee's union information.

If employees want their union fees to be paid by the payroll process, the employee must provide the information necessary to set up the automatic payments. The employee must provide:

- Union name.
- Union date (the date on which the employee was first affiliated with the union).
- Monthly flat amount (the union fee).
- Union fee start and end dates (the initial date on which the fees should be paid through payroll and, if applicable, the date on which the payment of fees should stop). Unless an end date is specified, the system will continue to pay the union fees until an end date is provided.

- The employee's function in the union (if applicable).
- Exemptions or free working hours to partake in union activities (if applicable).

2. Enter union data.

Once you have the information about an employee's union affiliation, enter that information on the Job Labor page in the Job Data component, which you can find at Administer Workforce, Administer Workforce (GBL), Use, Job Data, Job Labor.

Note. The Fee Start Dt (fee start date) and Fee End Dt (fee end date) fields can be left blank. If Fee Start Dt is blank, then 01/01/1900 will be the default value. If Fee End Dt is blank, then 01/01/3000 will be the default value.

3. Define the union as the recipient of the deduction.

After associating an employee with a union, define the union as a recipient of the deduction on the Recipient page, which can be found at Define Business Rules, Define Global Payroll Rules, Setup 3, Deductions, Recipient. The Recipient page provides detailed information about the third-party recipient for a deduction. The Recipient page enables you to indicate who gets a deduction. This provides a direct relationship between the union and bank account into which the deduction is deposited.

4. Define the payroll element.

The final step is to define the payroll element to use as the deduction (union fee) for the employee. Use the Deduction Recipients page found at Compensate Employees, Maintain Global Payroll Data, Use, Deduction Recipients to do this. This associates an employee with an element name (the payroll element for the union fee) and a recipient (the union and, therefore, the appropriate bank account).

Union Fees Rules and Processing Flow

Once you have completed the preceding setup steps, the designated union fee to be paid by the employee is deducted during payroll processing and transferred to the identified union bank account. Section GEN SE DEDUCCIONES contains the necessary elements to perform the union fee deduction and executes only during the regular payroll process (not during extra period processing).

See Also

PeopleSoft Application Fundamentals for HRMS PeopleBook, "Setting Up Jobs and Pay Groups"

PeopleSoft Global Payroll PeopleBook, "Understanding Banking" and "Defining Earnings and Deduction Elements"

Viewing Delivered Union Fee Deductions

PeopleSoft Global Payroll for Spain delivers the deduction CUOTA SNDCL for union fees. This deduction takes the value of SIN VR IMPORTE DED (this variable gets its value from the array SIN AR CUOTA) and contributes to accumulator GEN AC DEDUCCION S.

Note. PeopleSoft delivers a query that you can run to view the names of all delivered elements designed for Spain.

See Also

PeopleSoft Global Payroll PeopleBook, “Delivered Elements and System Data” and “Defining Earnings and Deduction Elements”

CHAPTER 13

Working With Spanish Absence Rules

This chapter provides an overview of Spanish absence rules and describes how to:

- Set up absences.
- View delivered absence elements.
- Understand the user-defined (TAKE CONFIG) fields.
- Enter absences.

Understanding Spanish Absence Rules

PeopleSoft delivers predefined rules for processing absences due to vacation, illness, maternity, work accidents, and other reasons. We've designed these rules according to Spanish statutory requirements. You can easily modify many of these rules to reflect absence policies that are specific to your organization or to labor agreements that may be in force for your employees.

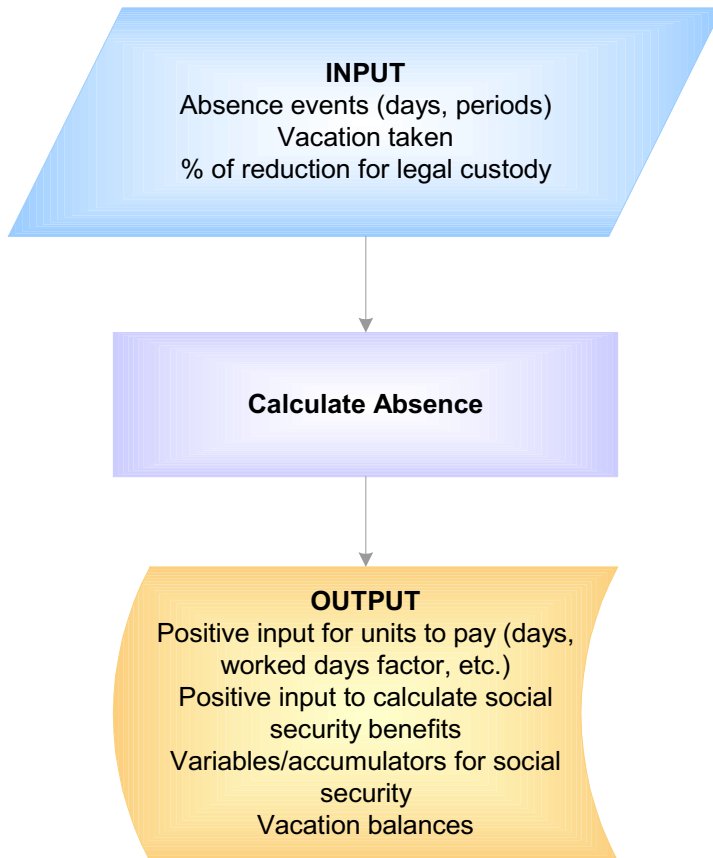
This section supplements the absence documentation provided in the *PeopleSoft Global Payroll PeopleBook*, which we recommend that you read before reading this chapter on Spanish-specific absence processing.

See Also

PeopleSoft Global Payroll PeopleBook, "Understanding Absences," "Defining Absence Elements," and "Absence Entry and Processing"

Absences in the Pay Process Flow

This diagram illustrates how the absence functionality fits into the overall pay process flow of PeopleSoft Global Payroll for Spain.



Absence process flow

Setting Up Absences

Before you can enter and process absences for Spain, you must complete various setup tasks.

To prepare PeopleSoft Global Payroll for Spain for absence processing:

1. Define work schedules and assign a schedule to each payee.
2. Define holiday schedules.
3. Modify the delivered absence take and absence entitlement elements, and create new absence elements, as needed.

A list of the absence take and absence entitlement elements we deliver with PeopleSoft Global Payroll for Spain appears in this section. We deliver sample values for many of these elements. Most likely, you'll want to replace at least some of these values with data that is specific to your organization.

4. Assign absence elements to payees and process lists.

As with all primary elements, you must assign absence entitlement and take elements to

payees and include the elements in the process lists that you use when you run the absence processes. (This step is not necessary for per-absence entitlement elements.)

PeopleSoft delivers predefined sections and process lists for absence processing. Use these, modify them, or create your own.

See Also

PeopleSoft Global Payroll PeopleBook, "Using Schedules"

Viewing Delivered Absence Elements

This section contains information about the rules for processing absences PeopleSoft Global Payroll for Spain delivers.

If you want more information about the specific rules composition for any of the elements listed in this section, use the PeopleSoft Global Payroll core pages to get this information. For example, if you want to see what elements are members of an accumulator element, use the Members page in the Accumulators component (Define Business Rules, Define Global Payroll Rules, Setup 3, Accumulators, Members).

Note. PeopleSoft delivers a query that you can run to view the names of all delivered elements designed for Spain. You can also see the relationship between elements by using the View Element Relationships utility (Define Business Rules, Define Global Payroll Rules, Utilities, View Element Relationships.)

See Also

PeopleSoft Global Payroll PeopleBook, "Delivered Elements and System Data" and "Defining Earnings and Deduction Elements"

Absence Entitlements

The following table contains information about the absence entitlements used to calculate absences in PeopleSoft Global Payroll for Spain.

Absence Entitlement	Description
VACACIONS	Vacations: The annual entitlement is defined in the Contract Data Table, and a portion (1/365 of the total entitled days for payees with a daily pay frequency, 1/360 of the total entitled days for payees with a monthly pay frequency) is assigned by corresponding days according to pay periods. This portion is 1/366 in a leap year. The vacation entitlement data is retrieved using the AUS AR D VAC DR array. The accumulator AUS AC VAC ANOANT stores vacation not taken at the end of the year and is generated during December's payroll process. Depending on your company's vacation policy, you should add the value of this accumulator to the affected elements for the new year.
PERM PAGADS	Additional paid time off (PTO): The additional PTO entitlement is for the entire year (or the proportional part of the year for new hires) given at the beginning of the year. Entitled days are stored in the Labor Agreement Table, and the system retrieves the additional PTO data using the AUS AR D PTO CONV array. PTO that is not taken by the end of the year is lost.

See Also

PeopleSoft Global Payroll PeopleBook, "Defining Absence Elements," Defining Absence Entitlement Elements

Absence Takes

The following table contains information about the absence takes used to calculate absences in PeopleSoft Global Payroll for Spain.

Absence Take	Description
AT/EP	Work related injuries
AUSENCIA EDUCACION	Leave (absence) for education
CIERRE PATRONAL	Legal lockout
CRGO PBLICO OBLIG	Holding public office (obligatory)
CRGO PBLICO RPRSTV	Holding public office
CURSOS PRENATALES	Leave for attendance at prenatal classes
EXAMENES	Leave for going to exams
EXCEDENCIA FORZOSA	Forced extended leave of absence
EXCEDENCIA VOLUNTR	Voluntary extended leave of absence
FORMACION	Leave for training
FZA MAYOR TEMPORAL	Temporary circumstances (<i>temporal force majeure</i>)

Absence Take	Description
GUARDA LEGAL	Legal custody (reduction in the timetable)
HUELGA POR DIAS	Strike (by day)
HUELGA POR HORAS	Strike (by hours)
IT	Temporary Disability
JORNADA REDUCIDA	Reduction of timetable for a particular interest
LACTANCIA	Leave for lactation
LIBERACION SINDCAL	Leave for doing union activities
MATERNIDAD	Maternity
MATRIMONIO	Leave for marriage
MILI PSS	Military service or substitute social service
NACIMIENTO HIJO	Birth of own son
PARIENTES	Death, accident, or serious illness of relative (blood or affinity relation to the 2nd degree)
PERM NO PAGADO HRS	Unpaid time off (by hours)
PERMISO DEBER	Leave for public and personal duty
PERMISO EDUCACION	Leave (permission) for education
PERMISO NO PAGADO	Leave for own matters (unpaid)
PERMISOS PAGADOS	Paid time off (PTO)
PRIVACION LIBERTAD	Freedom privation (while there is no condemnatory sentence)
RAZON TECNC/ECONMC	Economic or technical reason
RIESGO EMBARAZO	Risk during pregnancy (maternity) and similar
SUSPENSION	Suspension without pay and work
TRASLADO	Relocation (with or without residence change)
VACACIONES	Vacations

Note. Absence take rules use earnings and deduction elements, elements that retrieve units for positive input, and/or elements that retrieve percent for positive input. The user-defined field system elements TAKE CONFIG1 through TAKE CONFIG4 are used in each of the absence take rule definitions.

See Also

Understanding the User-Defined (TAKE CONFIG) Fields

PeopleSoft Global Payroll PeopleBook, "Defining Absence Elements," Defining Absence Take Elements

Absence Process Lists

PeopleSoft Global Payroll for Spain delivers the following process list for absence processing.

Process List	Description
ABSENTISMO PR	Contains the three delivered sections (AUS SE INICIO, AUS SE PROCESO and AUS SE GEN PI). This process list combines the entitlement and take processes.

Use ABSENTISMO PR as is, modify the list to meet your needs, or create your own process lists for absence processing.

See Also

PeopleSoft Global Payroll PeopleBook, "Defining Processing Elements," Using Process Lists

Understanding the User-Defined (TAKE CONFIG) Fields

The Calculation page that you use to define take elements includes four *user-defined* fields, which populate the system elements TAKE CONFIG1 through TAKE CONFIG4. The TAKE CONFIG fields provide additional instructions to the system during the absence process.

If you are defining your own take element, follow the same usage conventions for the user-defined fields to ensure that the system will function properly.

Note. The system elements TAKE CONFIG1 through TAKE CONFIG4 are used throughout many of the delivered formulas in PeopleSoft Global Payroll for Spain.

TAKE CONFIG1

TAKE CONFIG1 identifies the effect on the payroll. The following table details the payroll effect according to the delivered values.

Delivered Value	Payroll Effect
00	100% Paid
01	0% Paid
02	Temporary Disability
03	Labor Accident/Professional Sickness
04	Legal Custody
05	Maternity
06	Risk on Pregnancy

Note. For legal custody and timetable reduction absence takes, define the percentage of reduction using the TAKE CONFIG1 field. Specify the taken reduction in decimals. For example, if a reduction is 50 percent, specify *0.5* in the TAKE CONFIG1 field.

TAKE CONFIG2

TAKE CONFIG2 identifies the effect on vacation accrual. In other words, TAKE CONFIG2 instructs the system if this absence take should be added to the accumulator to accrue vacation. The following table details the vacation accrual effect according to the delivered values.

<i>Delivered Value</i>	<i>Vacation Accrual Effect</i>
00	Accumulating
01	Not Accumulating

TAKE CONFIG3

TAKE CONFIG3 identifies the type of social security contribution. The following table details the types of social security contributions according to the delivered values.

<i>Delivered Value</i>	<i>Social Security Contribution Type</i>
00	Normal
01	No contributing
02	By days earnings
03	By minimum base

See Also

“Understanding Social Security Benefits for Spain“

TAKE CONFIG4

TAKE CONFIG4 identifies the effect on seniority accrual. In other words, TAKE CONFIG4 instructs the system if this absence take should be added to the accumulator to accrue seniority. The following table details the seniority accrual effect according to the delivered values.

<i>Delivered Value</i>	<i>Seniority Accrual Effect</i>
00	Accumulating
01	Not Accumulating

Entering Absences

For *Guarda Legal* and *Jornada Reducida*, the percentage of reduction must be specified in the EVENT CONFIG1 field as a decimal (percentage of reduction in decimals). For example, 50% = 0.5 and 40% = 0.4.

See Also

PeopleSoft Global Payroll PeopleBook, ""Absence Entry and Processing"

CHAPTER 14

Calculating Extra Periods

This chapter provides an overview of extra periods and describes how to:

- Calculate extra periods.
- View delivered extra period elements.

Understanding Extra Periods

In PeopleSoft Global Payroll for Spain, you define the details for the extra period payments as stated by the labor agreement on the Extra Periods page of the Labor Agreement component. This chapter provides additional information about calculating extra periods.

In addition to the 12 pay periods in a year, employees are eligible for two or more extra period payments, as defined by their labor agreements. Typically, most employees get extra period payments in June and December. Two extra period payments are the statutory minimum; however, a labor agreement may set a higher number. The amount of the extra period payment is also defined in the labor agreement.

Some extra period payments are prorated and others are paid as a lump sum. For example, the labor agreement can specify that the first extra period payment is to be paid every month and prorated as 1/12 of the total amount of the extra period payment. The labor agreement can also state that the second extra period payment is to be paid as a unique payment in December.

See Also

“Working with Labor Agreements,” Defining Extra Period Data

Calculating Extra Periods

The base for calculating extra periods is defined in the labor agreement. Each labor agreement establishes those earnings that are to be included in the extra period payment.

Earnings Eligible for Extra Periods

Extra periods can be calculated as the sum of the earnings that are defined as eligible for the extra period payment or they can be prorated. Sometimes, a labor agreement specifies that the extra period payment in June be prorated and that the extra period payment in December be a lump sum.

Example

The labor agreement can specify that one of the extra period payments be prorated over the 12 regular payments during the year.

Note. Only one extra period payment can be prorated over the course of the year.

Let's say that the labor agreement specifies three extra period payments a year: a flat amount to be paid in June and December and a prorated amount to be paid in 12 regular payments (monthly). The extra period payments are 1200 euros each.

The prorated amount is calculated as follows:

$$1200/12 = 100 \text{ euros per month}$$

In the case of the prorated amount, an element called *Prorated Extra Periods* appears in the monthly payslips with a value equal to 100 euros. This amount is accumulated over the gross and the taxable base, but not over the social security base, because the value of extra periods is considered in the social security base through the extra period proration.

In the case of a flat amount, a separate payslip reflecting only the extra period payment is generated.

Note. A separate payslip is always generated for extra period payments that are not prorated.

Extra period payments don't include all the earnings in a regular pay period. Also, the earnings paid at extra periods are different depending on the labor agreement. Select the earnings that are eligible for extra periods on the Extra Period page.

Prorated extra periods are calculated by summing all eligible earnings and dividing by the duration (the extra period timeframe, which is 12 months). A prorated extra period is paid as a unique earning.

Partial Payments for Extra Period Earnings

When employees join a company in the middle of an extra period timeframe, they are paid for only the portion of the timeframe that they work. The system calculates the partial payment for the extra period earnings using a formula (XTR FM PXTR DVNGDA). The formula calculates a factor by dividing the number of worked days by the total number of days in the extra period timeframe.

The calculation of the factor depends on an employee's social security contribution group type. Depending on whether his contribution group type is calculated daily or monthly, the calculation varies. The following are some formulas:

- Daily contribution groups:

The timeframe is in calendar days. For example, for the timeframe from January to June, the calculation is the sum of all the calendar days in the months from January to June:

$$(31 + 28 + 31 + 30 + 31 + 30) \text{ divided by } 181.$$

In this example, the factor is $181/181 = 1$

Now, let's say that an employee is hired on January 15, rather than January 1. The timeframe is as follows:

$(17 + 28 + 31 + 30 + 31 + 30)$ divided by the total number of days from January 1 to June 30 which is $(167/181)$.

In this example, the factor is $167/181 = .9226$.

- Monthly contribution groups:

Let's say that we have an employee who is on a monthly payroll and his hire date is January 15. In this case, the days that must be considered month by month are 30, and we must calculate the proration for that month (January) in which the employee has not worked fully. So the calculation is as follows:

$(17 + 30 + 30 + 30 + 30 + 30)$ divided by $(30 * 6)$

In this example, the factor is $167/180 = .9278$.

Viewing Delivered Extra Period Elements

This section contains information about the rules PeopleSoft Global Payroll for Spain delivers to process extra periods.

Extra Period Earnings

<i>Earning</i>	<i>Description</i>
PXTRA PRTDA	Prorated extra period. Used for prorated extra periods. By convention, prorated extra periods are calculated as if the payment period is 30 days regardless of whether the employee is monthly or daily. The system obtains the total amount that the employee would earn for that extra period if is were paid in a month and then divides that amount in 12 parts so every part is paid every month. To calculate the amount that would be paid as a lump sum, it calculates the values of basic earnings considered in the extra period (provided by the labor agreement) as $RATE * UNIT$, where the unit is always 30 in this type of calculation (prorated extra period).

Extra Period Process Lists

Section	Description
GEN PR CALC NOM	Regular payroll process. Regular payroll process including termination, salary adjustments, and prorated extra periods.
XTR PR PAGA EXTRA	Extra period process. Extra period process. It only includes basic earnings sections, salary adjustments processing, and taxes.

Extra periods are calculated and processed in two ways, depending on the type of extra period. Prorated extra periods are calculated in the normal process list, and extra periods that are not prorated are calculated in a separate process list (XTR PR PAGA EXTRA). The type of extra period (prorated or not) is defined when you specify the extra period for the labor agreement.

Note. PeopleSoft delivers a query that you can run to view the names of all delivered elements designed for Spain.

See Also

PeopleSoft Global Payroll PeopleBook, “Delivered Elements and System Data” and “Defining Earnings and Deduction Elements”

CHAPTER 15

Terminating Employees

This chapter provides an overview of terminations for Spain and how to:

- Process terminations.
- Run termination reports.
- View delivered termination elements.

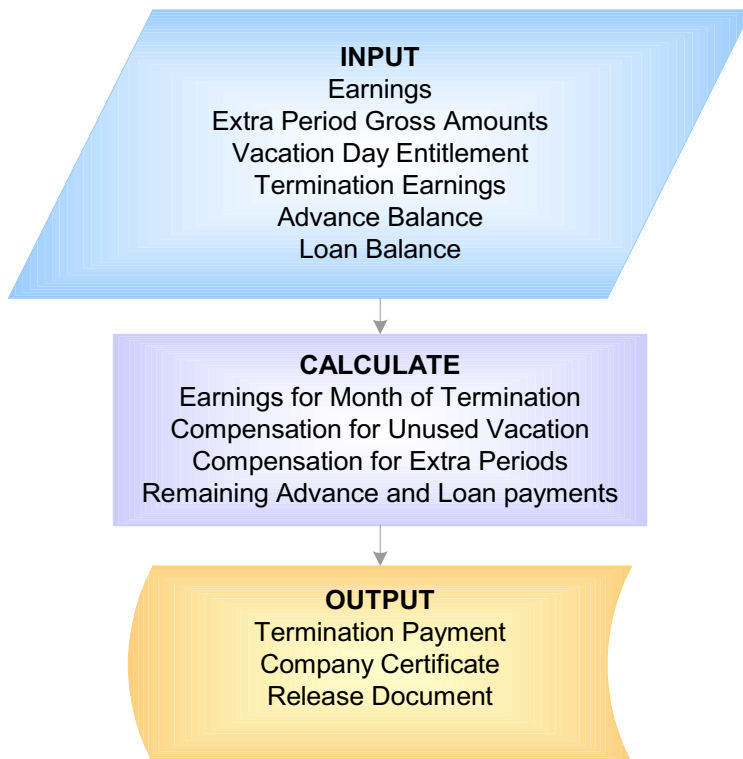
Understanding Terminations for Spain

When an employee is terminated, your company pays the employee for any vacation days not taken, for days of the month worked, and for the proportion of the extra period payment earned. The company also subtracts the pending loans or advances repayments.

Termination are calculated with the payroll and not as a separate process. To administer terminations, update the Labor Agreement component.

Terminations in the Pay Process Flow

The following diagram describes how terminations fit into the overall pay process flow of PeopleSoft Global Payroll for Spain.



Terminations in the pay process flow

Processing Terminations

The final payment to an employee must include all money due to that employee. This compensation includes the regular salary, extra periods, unused vacation days, and unpaid overtime. The final payment must also consider any outstanding loans and advances.

To calculate termination pay, the system calculates:

1. The regular earnings/deductions that are due for the month of termination.
2. The compensation for the unused paid vacation days.

To do this, the system multiplies the daily rate (FNQ AC DEV BAS M) by the number of remaining paid vacation days.

3. The total compensation due if the employee had fully contributed to extra periods.

This calculation is needed to define eligible extra period earnings as a subset of the employee's monthly earnings.

4. The unpaid extra period earnings.

Employees must be paid for the extra pay periods to which they contributed during the year. To calculate the compensation amount, the system multiplies the percentage of payments made by the total extra period compensation (the result of step 3).

5. The amount owed for loans and advances, independent of each other.

This amount is automatically deducted from the last payslip.

Note. Termination payments are calculated in the payroll and not as a separate process.

See Also

“Calculating Extra Periods“

Running Termination Reports

Use PeopleSoft Global Payroll for Spain to create the two reports that are required for employees who terminate their contracts:

- Release document.
- Company certificate.

The release document establishes an employee's termination conditions, indicating the end date of the contractual relationship (the sign date) and the total termination compensation (including the respective monthly compensations). It must be signed by the employees to indicate that they agree to the termination conditions.

The release document can be printed only after the termination payment has been calculated (so that net to pay and the different components and amounts are included). The release document can be presented to the employee with the regular payslip. Thus, termination compensation can be included in the regular payslip or separately.

Even though the organization issues the release document, it is written in the employee's voice and includes the following information:

- Employee name.
- Company name.
- Hire and end date.
- Employee professional category.
- Total termination compensation, including social security contributions and tax deductions.
- Employee signature.

The company certificate may be issued to an employee by an organization at the end of the contractual relationship. The social security office uses it to calculate employee unemployment benefits. If an employer has not registered the employee with the social security department or has not been contributing the employee's benefits, then the employer must pay the employee's unemployment benefits.

See Also

“Appendix: PeopleSoft Global Payroll for Spain Reports”

Viewing Delivered Termination Elements

This section contains information about the rules PeopleSoft Global Payroll for Spain delivers to process termination payments.

Termination Earnings

Extra Period Termination Earnings considered in the termination process must be listed on the Termination Earnings tab of the Extra Period page in the Labor Agreement component.

An employee who is entitled to extra periods in July and December, for example, would be paid the earnings LIQ PXTR JUL and LIQ PXTR DIC.

Note. PeopleSoft delivers sample earnings that are defined as PeopleSoft Delivered/Not Maintained. If you want to create your own termination elements, first define them on the earnings page and then list them on the Extra Period - Termination Earnings page.

Similarly, vacation entitlements must be listed in the Vacation Period field on the Contract Data page in the Contract Data component.

Example of Termination Earnings Calculation

Let's say that an employee has a total gross annual compensation of 50.000 euros. The labor agreement specifies that the employee will receive two extra period payments; one will be paid on June 15 and the other on December 15. Your company has a monthly payroll, so in addition to the 12 regular payments, there are two other payments, making it a total of 14 payments in a year. To get the gross compensation for the monthly payment, you will calculate the following:

$$50.000/14 = 3571.43 \text{ euros}$$

Let's say that the employee joined the company on March 1 and that the timeframe for the June extra period is six months (from January to June). Imagine that the extra period payment date is June 15. He will earn 4/6 times the gross compensation of the payment because he has been working for four months.

Remember that the payment date does not alter the result so the extra period calculation will take into consideration the days worked up to June 30, regardless of the payment date. For example, if the payment date is June 15 and the timeframe end date is June 30, the system calculates the days worked that we know from May 15 to June 30.

The result for a monthly employee who joined the company in mid-May (using a month with 30 days) is:

$$((17+30) / 180) * 3571.43 = 0.261111 * 3571.43 = 932.54 \text{ euros}$$

The result for a daily employee:

$$((17+30) / 181) * 3571.43 = 0.259669 * 3571.43 = 927.39 \text{ euros}$$

Now let's take the example of an employee hired March 1 and terminated May 31.

If the employee is paid monthly, the result is:

$$((30 + 30 + 30) / 180) * 3571.43 = 0.5 * 3571.43 = 1785.72 \text{ euros}$$

If the employee is paid daily, the result is:

$$(31 + 30 + 31) / 181) * 3571.43 = 0.508287 * 3571.43 = 1815.31 \text{ euros}$$

This amount is paid through the earning element for the June extra period that's specified on the Termination Earnings tab on the Extra Period - Termination Earnings page.

Delivered Termination Earnings

<i>Earning</i>	<i>Description</i>
LIQ PXTR JUL	July extra period termination. Used for July extra period termination payment. The execution of this earning is conditioned to generation control FNQ GC LIQ DEV.
LIQ PXTR SEP	September extra period termination. Used for September extra period termination payment. The execution of this earning is conditioned to generation control FNQ GC LIQ DEV.
LIQ PXTR DIC	December extra period termination. Used for December extra period termination payment. The execution of this earning is conditioned to generation control FNQ GC LIQ DEV.
VAC NDSFRTDS	Terminate vacation days. Used to store the amount of vacation days to which a terminating employee is entitled.

See Also

“Working With Labor Agreements,” Defining Extra Period Data

Termination Deductions

<i>Deduction</i>	<i>Description</i>
LIQ ADLNT0	Advance termination. Used for advance termination payment. Customer field 5 contains label 'LIQ ADLNT0' (See FNQ FM AYP VAL).
LIQ PRSTMO	Loan termination. Used for loan repayments (Capital part) termination payment. Customer field 5 contains label 'LIQ PRSTMO' (See FNQ FM AYP VAL).

Note. PeopleSoft delivers a query that you can run to view the names of all delivered elements designed for Spain.

See Also

PeopleSoft Global Payroll PeopleBook, “Delivered Elements and System Data” and “Defining Earnings and Deduction Elements”

CHAPTER 16

Understanding Gross and Net Guarantee

This chapter provides an overview of gross and net guarantee and describes how to determine the absorbable complement for gross to net and net to gross calculations.

Overview of Gross and Net Guarantee

When you calculate a payee's total salary, it's important to consider some adjustments to the base salary that are specified in the employee's personal agreement. These adjustments may come from a payee's contract. If the salary in the payee's contract is the same as the amount reflected in the labor agreement, no adjustment is necessary. This salary includes both base salary and complements.

In this chapter, we focus on two adjustments:

Compensation Setup

- *Gross to net.*

A gross to net adjustment is necessary when the annual gross salary stated in a payee's employment contract is different from the gross salary reflected in the payee's labor agreement.

The system calculates (through the compensation calculation functionality) an estimated absorbable complement as the difference between the negotiated gross and the sum of all earnings that the employee would receive by default based on his professional category, job code, or other defaulting criteria.

- *Net to gross.*

This type of adjustment applies when a payee's employment contract states a net amount.

The system calculates (through the compensation calculation functionality) an estimated absorbable complement as the difference between the targeted compensation and the sum of all earnings that the employee would receive by default based on his professional category, job code, or other defaulting criteria. The targeted compensation rate is the net guarantee to the employee.

Note. In both cases, we refer to the estimated absorbable complement because it doesn't consider seniority. The actual amount is calculated during the payroll process and is reflected in the earning element *complemento absorbible*.

Calculation

- Gross to net.

The system calculates an absorbable complement as the difference between the negotiated gross and the sum of all earnings calculated for the employee during the payroll calculation (including, for example, seniority earnings).

- Net to gross.

The system uses an iterative process to calculate the gross amount from the net amount guarantee and an estimated gross amount. It uses the absorbable complement to obtain the agreed net amount during the payroll calculation.

See Also

“Defining Basic Earnings,” Complemento Absorbible

Gross to Net Calculation Method

To determine the absorbable complement for a gross to net calculation, the system:

1. Determines the monthly gross income based on the labor agreement.
2. Divides the agreed gross annual amount by the total number of payments in the year to get the monthly gross amount.
3. Calculates the difference between the agreed monthly gross amount and the monthly gross amount calculated in Step 1.

This amount is reflected in the earnings element called *absorbable complement*.

Note. To specify that an employee's earnings must be adjusted gross to net, assign a supporting element override to variable GEN VR TIPO AJ SAL with a value of *BRUTO*.

Example

Assume a payee has a contractual agreement for an annual income of 40,334.00 euros. According to the labor agreement for the payee's professional category, that employee should receive a base salary of 750.00 euros/month and a complement of 500.00 euros/month. There are two extra pay periods.

To calculate the absorbable complement, the system first determines the monthly income based on the labor agreement:

Total monthly income per labor agreement: $750.00 + 500.00 = 1.250.00$ euros/month.

Next, the system divides the agreed annual compensation by the total number of payments in the year:

$40.334.00 / 14$ (12 months + 2 extra periods) = 2.881.00 euros per month

The system then calculates the difference between the agreed monthly gross amount and the monthly gross amount according to the labor agreement:

$2.881.00 - 1.250.00 = 1.631.00$ euros per month

This is the amount of the monthly adjustment or absorbable complement that the payee receives in addition to the base salary and annual complement stated in the labor agreement. This amount is expressed as $RATE * UNIT$, where the rate is the monthly amount divided by 30 for monthly employees and the number of days of the payment period for daily employees.

Note. The system always includes extra periods in the gross to net calculations to obtain the annual gross.

Net to Gross Calculation Method

Calculation

To calculate a payee's gross salary from a monthly net amount, the system needs the following information:

- All basic earnings that the payee receives based on professional category.
- The total number of periods.
- The tax percentage. This percentage depends on compensation (variable, in kind, and regular), personal situation (such as marital or disability status), and family situation (such as number of dependents).
- An estimate of the gross salary. This figure is used as the starting point for the iterative calculations. By default, the system calculates the estimated gross by annualizing the net amount and increasing the result by 30 percent to cover statutory deductions.

Note. The net to gross process considers only social security and tax deductions. Other deductions, such as loans and advances, garnishments, and union fees, are not included in the calculation loop.

To obtain the annual gross salary, the system:

1. Calculates the estimated gross salary.
2. Calculates the net amount from the estimated gross.

To accomplish this, the system:

- Divides the estimated annual gross by the total number of periods to calculate all the monthly gross earnings.
 - Subtracts the tax deductions from the monthly gross. The system determines the IRPF tax percentage according to the Data Communication model on the Payee Data page.
 - Subtracts the social security contribution from the monthly gross.
3. Determines the difference between the calculated net and the actual net.

The system uses this formula to calculate the difference:

$$\text{Agreed Net} - \text{Calculated Net} = \text{Difference}$$

If the difference is 0.5 euros or less, the estimated gross amount is considered to be accurate.

4. Calculates a new estimated gross amount.

Using the difference calculated in Step 3 and the following formula, the system calculates a new estimated gross amount:

$$\text{New Estimated Gross} = \text{Estimated Gross} + \text{Difference} + (\text{Difference} * (1 - (\text{Calculated Net} / \text{Estimated Gross})))$$

Note. Changing the estimated gross may affect the seniority amount as well as the prorated extra period and absorbable complement. More importantly, the tax percentage can change producing a different deduction. Even though the percentage does not change, the tax deduction will be different. Changes in the gross also affect social security contributions.

5. Recalculates the net from the new estimated gross (repeat step 2).

The system repeats Step 1 to recalculate the net from the new estimated gross. Steps 2 through 5 are iterative and can occur up to ten times. If the difference between the calculated net and the actual net (calculated in Step 3) is more than .5 euros after ten attempts, the system ends with the tenth calculation.

Note. To specify that an employee's earnings must be adjusted net to gross, assign a supporting element override to variable GEN VR TIPO AJ SAL with a value of *NETO*.

Example

According to his contract, Jose earns a monthly net payment of 1.500.000 euros. His labor agreement stipulates 14 periods per year. His company estimates his annual gross salary to be 25.000.00 euros. Following the steps shown above, the system:

- Calculates the monthly gross earnings: $25.000.00 / 14 = 178.571$.

- Resolves all basic earnings and calculates absorbable complement, taking into account the estimated monthly gross amount and the total of all basic earnings.
- Subtracts the tax deductions from the total monthly gross.

Assuming a tax rate of 12,12 percent, this deduction is 216.43.

- Subtracts the social security contribution from the monthly gross.

Assuming after calculating the social security base, the contribution is 53.30. The monthly net is $1.785.71 - 216.43 - 53.30 = 1.515.98$.

- Determines the difference between the calculated net and the actual net: $1.515.98 - 1.500.00 = 15.98$ euros.
- Because the difference is greater than .5 euros, the system calculates a new estimated gross and repeats this process until this value is within an accepted range of the actual net.

See Also

“Understanding Tax Calculation“

“Setting Up Social Security Contributions for Spain“

CHAPTER 17

Setting Up Payslips for Spain

This chapter describes you how to:

- Set up payslips.
- Generate payslips.

Setting Up Payslips

PeopleSoft Global Payroll for Spain enables you to generate payslips, which you can adapt to display exactly the information that you require. This section discusses the pages that you must complete to create your payslip.

Pages Used to Set Up Payslips

<i>Page Name</i>	<i>Object Name</i>	<i>Navigation</i>	<i>Usage</i>
Payslip Setup	GPES_PSLIP_GRP	Global Payroll Spain, Manage Payroll Process (ESP), Setup, Payslip, Payslip Setup	Create a new payslip for the pay groups that you select.
SortKeys	GPES_PSLIP_SORTKEY	Global Payroll Spain, Manage Payroll Process (ESP), Setup, Payslip, SortKeys	Enter the elements by which you want to sort the payslip. Sort the elements in ascending or descending order.
Earnings and Deductions	GPES_PAYSLIP_LINES	Global Payroll Spain, Manage Payroll Process (ESP), Setup, Payslip, Earnings and Deductions	Select the elements that you want to display on the payslip, as well as the layout of the payslip itself.
SS Contribution	GPES_PAYSLIP_APORT	Global Payroll Spain, Manage Payroll Process (ESP), Setup, Payslip, SS Contribution	Select the Social Security contributions that you want to display on the payslip and the order in which the contributions appear.

Page Name	Object Name	Navigation	Usage
IRFP	GPES_PAYSLIP_IRP F	Global Payroll Spain, Manage Payroll Process (ESP), Setup, Payslip, IRFP	Select the IRPF deductions that you want to display on the payslip.
Totals	GPES_PAYSLIP_TOT AL	Global Payroll Spain, Manage Payroll Process (ESP), Setup, Payslip, Totals	Select the elements that display the social security base contribution values on the payslip. These values are used to calculate social security and IRPF contributions.

Common Payslip Elements

Payslip ID The system automatically displays the payslip ID that you created or entered to access this page.

Elements Tab

Element Print Order Enter the order in which you want the element to appear on the payslip. If an element has the Element Print Order **1**, the element appears as the first element on the payslip.

Element Type Specify whether the element is an **Earning** or a **Deduction**.

Element Name Select the element that you want to appear on the payslip. If you selected the Element Type **Earning**, the system displays a list of the earnings that are defined in your system.

Description Tab

Element Print Order The system automatically enters this from the Payslip Setup – Elements page.

Take description from You can use either the element description (that was created when the element was created), or you can create your own description, which appears on the payslip: **User Text** or **Element**.

Description Description appears if you take the element description from the **User Text**. Enter your description of the element here.

Spaces Tab

Element Print Order	The system automatically populates this field with the value you entered on the Payslip Lines - Elements page.
No. of Space Before (number of space before)	Enter the number of empty lines you want to appear on the payslip before this element.
No. of Space After (number of space after)	Enter the number of empty lines you want to appear on the payslip after this element.

Creating a New Payslip

Access the Payslip Setup page.

Payslip Setup | Sort Keys | Earnings and Deductions | SS Contribution | IRPF | Totals

Payslip ID: KE01

Retro Type:

Payslip / Pay Groups		View All	First	1-2 of 2	Last
Pay Group	Description				
1 KE01	Employees of company KE1				+ -
2 KE02	Employees of company KE2				+ -

Payslip Setup page

Retro Type	Select <i>Two Payslips</i> . The system generates one payslip for regular pay and a second payslip for retroactive pay, if applicable.
Pay Group	Select the pay group that should receive the payslip.

Setting Payslip SortKeys

Access the SortKeys page.

Payslip Setup Sort Keys Earnings and Deductions SS Contribution IRPF Totals

Payslip ID: KE01 Standard PaySlip Layout

Field Name: COMPANY A/D: ASC

Field Name: LOCATION A/D: DESC

Field Name: DEPTID A/D: ASC

Field Name: A/D:

Field Name: A/D:

SortKeys page

Field Name Select the element by which you want to sort the payslip.

A/D (ascending/descending) Select whether you want to sort the elements in *Ascending* or *Descending* order.

Selecting the Social Security Contributions

Access the SS Contribution page.

Payslip Setup Sort Keys Earnings and Deductions SS Contribution IRPF Totals

Payslip ID: KE01 Standard PaySlip Layout

Payslip Body Find | View All First 1-5 of 5 Last

Elements	Description	Spaces
Element Print Order	Element Name	Concept
1 100.00	SS DD CC	Common Contingency
2 200.00	SS DD DSMPL	Unemployment
3 300.00	SS DD FRM PR	Professional Training
4 400.00	SS DD HS X E	Structural Overtime
5 500.00	SS DD HS XNE	Non Structural Overtime

SS Contribution page

Concept Select the contribution type associated with the element:
Common Contingency, Nonstructural Overtime, Professional Training, Structural Overtime, and Unemployment.

Generating a Payslip

Generate your payslip using the Payslip report component.

See Also

“Appendix: PeopleSoft Global Payroll for Spain Reports”

CHAPTER 18

Setting Up Banking for Spain

This chapter provides an overview of banking and garnishments and describes how to:

- Assign garnishments.
- Set up banking.
- Create the payments report.

Understanding Banking

To use the banking feature that PeopleSoft Global Payroll for Spain offers, start by defining pages in the PeopleSoft Global Payroll core application and continue with processing in PeopleSoft Global Payroll for Spain.

Before processing, you need to define the following:

- A source bank for your company.
- Bank and branch information for your company.
- Bank account information for each employee.

After running a payroll, funds are sent to the source bank along with instructions for payments. The bank needs to know:

- Who is going to be paid.
- How much they will receive.
- To which bank the wages are to be sent.

This information is extracted from the core application and stored in the Spanish payroll files based on a list of payees corresponding to those in the last payroll run. The system creates a file with lines for each payee, containing a name, the bank account number, and the amount of money. This file is sent to the bank, which then distributes the funds.

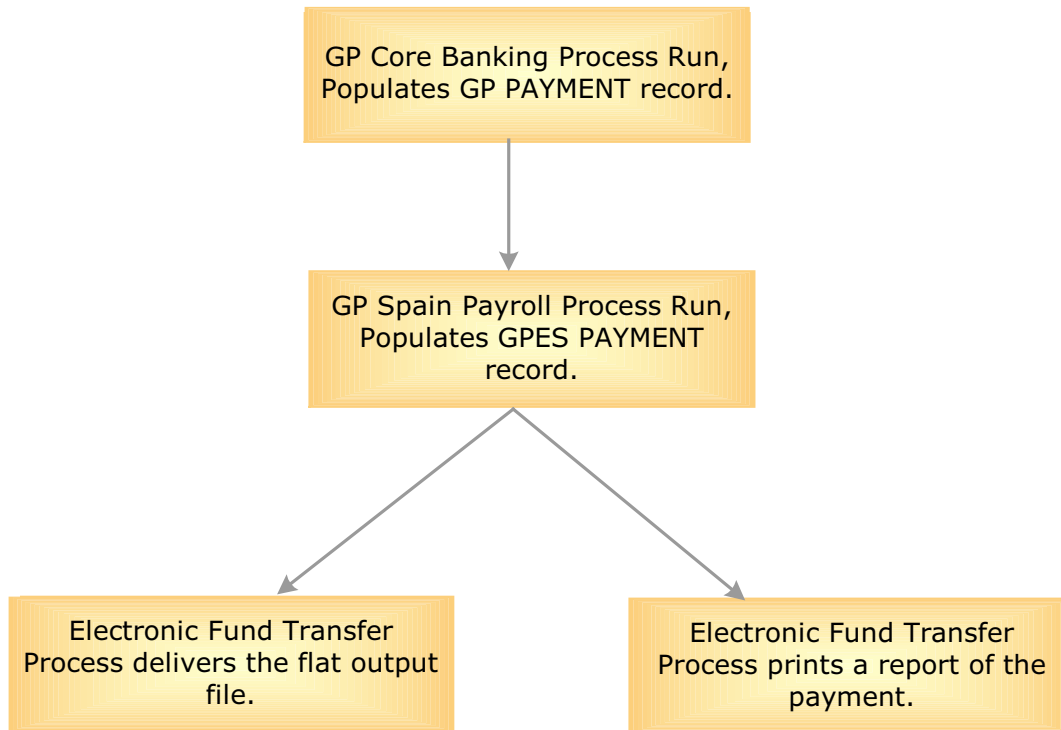
See Also

PeopleSoft Application Fundamentals for HRMS PeopleBook, “Setting Up Banks and Bank Branches”

PeopleSoft Global Payroll PeopleBook, "Understanding Banking"

Overview of the Banking Process for Spain

The following diagram illustrates the banking process in PeopleSoft Global Payroll for Spain:



The banking process in PeopleSoft Global Payroll for Spain

PeopleSoft Global Payroll performs the banking process in the following way:

1. The PeopleSoft Global Payroll application runs the payroll process.

This provides the data for the banking process.

2. The PeopleSoft Global Payroll application runs the banking process.

The GP PAYMENT output table is populated. The GP status is set to *P* (prepared).

The GP PAYMENT table contains one entry for every net pay distribution from every payment included in a given calendar run. The GP PAYMENT table provides the basis on which a company pays its payees.

3. PeopleSoft Global Payroll for Spain runs the Banking Preparation process (Application Engine Program GPES_PMT_AE), which populates the GPES PAYMENT output table.

In this step, the system selects payees with a payment status of *P* (prepared) from GP PAYMENT. The system runs the payment preparation. This process sets the payment

status for the selected payees to *T* (transferred) in GP PAYMENT and to *P* (prepared) in GPES PAYMENT.

Note. If the GP PAYMENT is rerun, you must rerun the GPES PAYMENT preparation.

Understanding Garnishments

When a payee owes money to a third-party for judicially ordered obligations, such as child support, the employer might be required to deduct part of what is owed before the payee receives payment. The deduction, known as a garnishment, is taken every month, according to national guidelines. The size of the deduction depends on the payee's earnings and the number of dependents.

This section describes the garnishment deductions delivered with PeopleSoft Global Payroll for Spain and how to assign them to payees. Once you set up garnishments, the system automatically deducts the correct amount from payees' earnings each month. The payments are then delivered to the third party via the banking process.

Viewing Delivered Garnishment Deductions

The following garnishment deduction elements are delivered with PeopleSoft Global Payroll for Spain.

<i>Name</i>	<i>Description</i>
RETJ JUDCL	This deduction represents an amount, ordered by a court, to be paid for any cause except child support (RETJ ALIM) or spouse support (RETJ CNYG).
RETJ CNYG	This deduction represents an amount, ordered by a court, to be paid to a former spouse after a divorce settlement. This deduction affects the calculation of the tax withholding percentage.
RETJ ALIM	This deduction represents an amount, ordered by a court, to be paid for child support. This deduction affects the calculation of the tax withholding percentage.

Note. PeopleSoft delivers a query that you can run to view the names of all delivered elements designed for Spain.

See Also

PeopleSoft Global Payroll PeopleBook, “Delivered Elements and System Data” and “Defining Earnings and Deduction Elements”

Assigning Garnishment Deductions to Payees

Use the Earning/Deduction Assignment page to assign a garnishment deduction to payee to ensure that the garnishment is deducted from a payee's wages during payroll processing.

See Also

PeopleSoft Global Payroll PeopleBook, "Understanding Overrides"

Setting Up Banking

Set up banking on the Banking Preparation and Employee List preparation pages.

Pages Used to Set Up Banking

<i>Page Name</i>	<i>Object Name</i>	<i>Navigation</i>	<i>Usage</i>
Banking Preparation	GPES_RC_BANKING	Global Payroll Spain, Manage Payroll Process (ESP), Process, Banking Preparation	Populate the GPES PAYMENT record. Part of the banking process involves populating the Spanish record of the payroll results. The Banking Preparation page enables you to select a group of payees for whom you want to retrieve data. It should be the same group for which the payroll was run.

Page Name	Object Name	Navigation	Usage
Employee Selection	GPES_RC_BNK5	Global Payroll Spain, Manage Payroll Process (ESP), Process, Employee Selection	Create a flat output file (EFT) that is sent to the bank. The EFT file contains the payment details for each employee. It is sent to the bank so funds can be transferred to employees' accounts. The file includes employee name, beneficiary name, the date, and amount of payment. You may also select whether to override an employee's payment. Note. Before using this page, first run the banking process in the core application and the banking preparation process in PeopleSoft Global Payroll for Spain.

See Also

PeopleTools PeopleBook: Process Scheduler

Populating the GPES PAYMENT Record

Access the Banking Preparation page.

Banking Preparation

Run Control ID: bvl [Report Manager](#) [Process Monitor](#) **Run**

Calendar Group ID: ES1PG2 MAR01 🔍

Banking Preparation page

Calendar Group ID Select the calendar group for which the payroll was run.

Creating a Flat Output File for the Bank

Access the Employee Selection page.

Employee Selection

Run Control ID: bvl
[Report Manager](#)
[Process Monitor](#)

Calendar Group ID: ES1PG2 MAR01

Pay Entity: ESP COMP1
Source Bank ID: ESPSRC 0156 0001 07 4456985780

File Name:

View All First 1-3 of 3 Last					
EmplID	Employee	Beneficiary	Debit Date	Payment Amount	Pay
1 ES1PG2F14D3	GONZALEZ DIEZ,JOSE	GONZALEZ DIEZ,JOSE	05/09/2001	206,295.000000	☒
2 ES1PG2F14M1	HERNANDEZ MENDOZA,PILAR	HERNANDEZ MENDOZA,PILAR	05/09/2001	224,439.000000	☒
3 ES1PG2F14M2	GARCIA GOMEZ,JUAN	GARCIA GOMEZ,JUAN	05/09/2001	216,667.000000	☒

Employee Selection page

Calendar Group ID

Select the calendar group for with the payroll was run.

Pay Entity

Select the pay entity.

Note. Enter a calendar group ID, a pay entity, and a file name.

Source Bank ID

The bank account number from where the payments are withdrawn.

File Name

Enter a name and location for the EFT file. Remember that the path is available on your server, but not on your desktop. If no file type is entered, the system automatically uses the .txt format. The system creates a file name related to your company name, such as FILE01GBI.TXT, to help you identify the files that are generated.

Beneficiary

The name of the person who receives the payment.

Debit Date

The date of payment.

Payment Amount

The payment amount.

Pay

Clear this option to deny payment to an employee. A typical reason for denying payment to an employee is if the payment is too large and there are not enough funds in the bank to pay for it. Otherwise, the system's default value makes a payment.

Creating the Payments Report

To create this report, the following SQRs are run:

GPESBNK1 Employees without bank account	Reports all of the employees without a bank account in the database.
GPESBNK2 Employees with bank account	Reports all of the employees with a bank account, sorted by country and pay entity.
GPESBNK3 Monthly Transfers	Prints all of the transfers made, sorted by period.
GPESBNK5 Electronic Transfer	Builds the flat file that is sent to banks to make payroll payments. The SQR uses the OPEN and WRITE FILE function. This function enables you to export the result of your run in a specific file (designated on the Employee Preparation List Page) under a specific format. At the end of this process, the system updates GPES_PAYMENT by setting field PMT_STATUS from <i>P</i> to <i>T</i> (transferred).
GPESBNK4 Monthly Pending Transfers	Prints all of the pending transfers for a selected period.

CHAPTER 19

Appendix: PeopleSoft Global Payroll for Spain Reports

This appendix provides an overview of PeopleSoft Global Payroll for Spain reports and enables you to:

- View summary tables of all reports.
- View report details and source records.

Note. For samples of these reports, see the PDF files published on CD-ROM with your documentation.

See Also

PeopleSoft Process Scheduler PeopleBook

PeopleSoft Global Payroll for Spain Reports: General Description

These tables list the PeopleSoft Global Payroll for Spain reports sorted by report ID. The reports listed are all structured query reports (SQRs) unless indicated otherwise. If you need more information about a report, refer to the report details at the end of this chapter.

See Also

PeopleSoft Global Payroll for Spain Reports: A to Z

PeopleSoft Global Payroll for Spain Reports

Report ID and Report Name	Description	Navigation	Run Control Page
GPESBNK1 Employees w/o Bank Account	Lists those employees who have no bank account in the system.	Global Payroll Spain, Maintain Payroll Process (ESP), Report, Employees w/o Account	GPES_RC_BNK1

Report ID and Report Name	Description	Navigation	Run Control Page
GPESBNK2 Employees Bank Account	Banking Report: Lists all of the employees and their bank accounts.	Global Payroll Spain, Maintain Payroll Process (ESP), Report, Employees Bank Account	GPES_RC_BNK2
GPESBNK3 Monthly Transfers	Banking Report: Lists all of the transfers made during a period.	Global Payroll Spain, Maintain Payroll Process(ESP), Report, Monthly Transfers	GPES_RC_BNK3
GPESBNK4 Pending Monthly Transfers	Banking Report: Lists all of the pending transfers for a period.	Global Payroll Spain, Manage Payroll Process (ESP), Report, Pending Monthly Transfers	GPES_RC_BNK4
GPESFNQ1 Company Certificate	Termination Report: Reflects the monthly social security contributions for the last 180 days. Sent to the government unemployment office to calculate the unemployment benefit.	Global Payroll Spain, Maintain Payroll Process (ESP), Report, Company Certificate	GPES_RC_FNQ1
GPESFNQ2 Release Model	Termination Report: Generates a release document for the employees listed.	Global Payroll Spain, Manage Payroll Process (ESP), Report, Release Model	GPES_RC_FNQ2
GPESGL01 Cost Center Summary	Creates a report that shows the payroll cost distribution among the different Cost Centers. Required by the accounting department. (Crystal)	Global Payroll Spain, Manage Payroll Process (ESP), Report, Cost Center Summary	GPES_RC_GL01
GPESPYS1 Payslip	Payslip Report: Prints a payslip summary for each employee selected.	Global Payroll Spain, Maintain Payroll Process (ESP), Report, Payslip	GPES_RC_PAYSLIP
GPESSS01 SS TC1	Prints a summary of the monthly contribution for each CCC.	Global Payroll Spain, Manage Payroll Process (ESP), Report, Social Security TC1, TC1 Run Control	GPES_RC_SS1

Report ID and Report Name	Description	Navigation	Run Control Page
GPESTAX1 Tax Annual Deductions	Tax Report: Word template able to mail merge with a flat file containing annual tax deduction information for each employee. (Winword)	Global Payroll Spain, Manage Payroll Process (ESP), Report, Tax Annual Deductions Report	GPES_RC_TAX_10T

PeopleSoft Global Payroll for Spain Reports: A to Z

This section provides detailed information on individual reports including important fields and source records. The reports are listed alphabetically by report ID.

GPESBNK1 - Employees w/o Account

Source Records

PS_PERSONAL_DT_FST, PS_JOB, PS_PAY_BANKACCT, PS_PERS_NID,
PS_PERSONAL_PHONE, PS_EMAIL_ADDRESSES

See Also

“Setting Up Banking for Spain“

GPESBNK2 - Employees Bank Account

Country Select the country for the report.

Pay Entity Select the pay entity for the report.

Source Records

PS_GPES_RC_BNK, PS_JOB, PS_GP_PYGRP, PS_GP_PYENT,
PS_PERSONAL_DT_FST, PS_PYE_BANKACCT, PS_PERS_NID, PS_SRC_BANK

GPESBNK3 - Monthly Transfers

Month Enter the month for the monthly transfer.

Year Enter the year for the monthly transfer.

Source Records

PS_GPES_RC_BNK, PS_JOB, PS_GPES_PAYMENT, PS_PERSONAL_DT_FST,
PS_PERS_NID, PS_SRC_BANK

GPESBNK4 - Pending Monthly Transfers
Source Records

PS_GPES_RC_BNK, PS_JOB, PS_GPES_PAYMENT, PS_PERSONAL_DT_FST,
PS_PERS_NID, PS_SRC_BANK

GPESFNQ1 - Company Certificate

Responsible ID	Enter the ID for the employee responsible for signing the document on behalf of the company.
Job Code	The system displays the job code that corresponds to the employee ID.
EmplID (employee ID)	Enter the ID for the employee being terminated. You may make multiple entries.
Empl Rcd Nbr (employee record number)	Enter the employee record number that corresponds to the employee ID.
Name	The name that corresponds to the employee ID.

Source Records

PS_GPES_RC_FNQ1, PS_GPES_RC_FNQ1_EE, PS_EMPLOYMENT, PS_JOB,
PS_JOB_JR, PS_CONTRACT_DATA, PS_ACTN_REASON, PS_ACTN_RSN_LANG,
PS_EMPL_CTG_L1, PS_RGM_BSE_ESP_TBL, PS_EMPL_CTG_L1_LNG,
PS_JOBCODE_TBL, PS_JOBCODE_LANG, PS_PERSONAL_DT_FST,
PS_PERSON_ADDRESS, PS_ADDRESS_TYP_TBL, PS_PERS_NID,
PS_COMPANY_TBL, PS_LOCATION_TBL, PS_ESTAB_TBL, PS_RGM_CTZ_ESP_TBL,
PS_ESTAB_SSEC_ESP, PS_COMPNY_TBL_LANG, PS_STATE_NAMES_TBL,
PS_STATE_NAMES_LNG, PS_INDSTRY_ACT_ESP, PS_GPES_SSTC_RSTL

See Also

“Terminating Employees”

GPESFNQ2 - Release Model

EmplID (employee ID)	Enter the ID for the employee being terminated. You may make multiple entries.
-----------------------------	--

Empl Rcd Nbr (employee record number)	Enter the employee record number that corresponds to the employee ID.
Name	The name that corresponds to the employee ID.

Source Records

PS_GPES_RC_FNQ2, PS_EMPLOYMENT, PS_JOB, PS_JOBCODE_TBL,
 PS_JOBCODE_LANG, PS_PERSONAL_DATA, PS_COMPANY_TBL,
 PS_COMPNY_TBL_LANG, PS_GP_RSLT_ED_VW, PS_GP_PIN

See Also

“Terminating Employees”

GPESGL01 – Cost Center Summary
Source Records

PS_GP_GL_DATA, PS_EMPLMT_SRCH_QRY

GPESPYS1 - Payslip

Before using this page, you must first have set up a payslip on the Payslip Setup page.

Payment Date	The date of payment.
OK to Print	Select this check box if the employee can receive payment.
Payroll to Print	Select Regular to include only regular payroll activities in the report. Select Retroactivity to include only retroactive payroll activities in the report. Select Both to include both regular and retroactive payroll activities in the report.

Source Records

PS_GPES_RC_PAYSLIP, PS_GPES_PSLIP_TMP, PS_GPES_E_PSLIP_VW,
 PS_PERSONAL_DATA, PS_JOB, PS_GPES_PSLIP_TMP2, PS_GP_RSLT_DELTA,
 PS_GP_PIN, PS_GPES_PSLIP_TMP5, PS_EMPL_CTG_L1, PS_RGM_BSE_ESP_TBL,
 PS_PERS_NID, PS_COMPANY_TBL, PS_STATE_NAMES_TBL, PS_JOB_JR,
 PS_GPES_PSLIP_TMP4

See Also

“Setting Up Payslips for Spain”

GPESSS01 - SS TC1

Test	Select to print the report in a test mode.
Payment Type	<i>Complementary: Retroactivity, Complementary: Tramitation Sal., Normal, or Normal + Retroactivity.</i>
Load Data	Select to load the SSN Employer that matches the conditions you've entered.
Soc. Sec. Number for Employer (Social Security Number for Employer)	Select the employer's social security number.
Soc. Sec. Nbr. for Employer Type (Social Security Number for Employer Type)	The social security number for the employer type.
TC1 Generated	Selected if TC1 has been generated for this employer social security number.
TC1 Run	Selected if TC1 has been printed for this employer social security number.

Source Records

PS_GPES_RC_SS1, PS_GPES_SSTC_TC1

GPESTAX1 - Tax Annual Deductions

Calendar Year	Select the calendar year to report.
Location Code	Select the location code.
Signature City	Select or enter the city where the report was signed.
Signature Date	Enter the signing date.
Responsible ID	Enter the employee ID of the person who must sign the report.
Payee List	Use this link to generate an Annual Deductions report for the individual or for small groups of employees.

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