



About the PeopleSoft 8.3 Global Payroll for Hong Kong PeopleBook

About the PeopleSoft 8.3 Global Payroll for Hong Kong PeopleBook

SKU HRMSr83GPH-B 1001

PeopleBooks Contributors: Teams from PeopleSoft Product Documentation and Development.

Copyright © 2002 PeopleSoft, Inc. All rights reserved.

Printed in the United States.

All material contained in this documentation is proprietary and confidential to PeopleSoft, Inc. ("PeopleSoft"), protected by copyright laws and subject to the nondisclosure provisions of the applicable PeopleSoft agreement. No part of this documentation may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, including, but not limited to, electronic, graphic, mechanical, photocopying, recording, or otherwise without the prior written permission of PeopleSoft.

This documentation is subject to change without notice, and PeopleSoft does not warrant that the material contained in this documentation is free of errors. Any errors found in this document should be reported to PeopleSoft in writing.

The copyrighted software that accompanies this document is licensed for use only in strict accordance with the applicable license agreement which should be read carefully as it governs the terms of use of the software and this document, including the disclosure thereof.

PeopleSoft, the PeopleSoft logo, PeopleTools, PS/nVision, PeopleCode, PeopleBooks, *PeopleTalk*, and Vantive are registered trademarks, and "People power the internet." and Pure Internet Architecture are trademarks of PeopleSoft, Inc. All other company and product names may be trademarks of their respective owners. The information contained herein is subject to change without notice.

Contents

About the HRMS PeopleBooks

Before You Begin.....	xi
PeopleSoft Application Fundamentals for HRMS PeopleBook.....	xi
Related Documentation	xii
Documentation on the Internet.....	xii
Documentation on CD-ROM.....	xii
Hardcopy Documentation	xii
PeopleBooks Standard Page Element Definitions.....	xiii
PeopleBook Standard Group Boxes	xvi
Entering Name Information	xvi
Entering Address Information.....	xviii
Entering or Viewing Pay Components.....	xix
Required Fields on Pages	xxi
Typographical Conventions and Visual Cues	xxi
Process Introductory Table.....	xxii
USF U.S. Federal Government Functionality.....	xxiii
E&G Education and Government Functionality.....	xxiii
Local Country Functionality.....	xxiii
Comments and Suggestions.....	xxiii

Chapter 1

About the PeopleSoft 8.3 Global Payroll for Hong Kong PeopleBook

PeopleBooks Standard Page Element Definitions.....	1-2
--	-----

Chapter 2

Understanding PeopleSoft-Delivered Elements for Hong Kong

Creating Elements for Hong Kong	2-1
Understanding Element Ownership and Maintenance	2-1
Understanding the Element Naming Conventions	2-3
Naming Conventions	2-3
Functional Area Codes for Hong Kong	2-4
Element Type Codes (PIN_TYPE)	2-5
Abbreviations in Element Names for Hong Kong.....	2-5
Viewing Delivered Elements.....	2-7

Chapter 3

Setting up PeopleSoft Global Payroll for Hong Kong

Understanding Retroactive Payment Processing	3-1
Understanding Triggers and Segmentation.....	3-2
Understanding Payment Keys.....	3-3
Understanding Accumulators	3-3
Understanding User Keys	3-3
Understanding Proration Rules.....	3-4
Viewing Delivered Elements	3-5

Chapter 4

Defining Earnings for Hong Kong

Understanding Earnings in Hong Kong.....	4-2
Calculating Basic Salary.....	4-2
Calculating Basic Hourly.....	4-3
Calculating Overtime.....	4-3
Calculating OT1.5	4-3
Calculating OTFIX.....	4-4
Calculating Shift Allowance.....	4-4
Calculating SHNTFIX.....	4-4
Calculating SHNT1.3	4-4
Calculating Typhoon and Black Rain Allowances	4-5
Calculating TYPHOON	4-5
Calculating BLCKRAIN	4-5
Calculating Meal Allowance	4-5
Calculating Meal Reimbursement	4-6
Understanding the Meal Reimbursement Maximum Limit.....	4-6
Calculating Mobile Phone and Pager Allowance	4-7
Calculating Housing Allowance	4-7
Working with the ALW BR HOUSING Bracket.....	4-7
Calculating Rent Reimbursement.....	4-8
Calculating Education Allowance	4-8
Calculating Gratuity.....	4-8
Using Generation Control in Gratuity Calculation.....	4-9
Using Formulas in Gratuity Calculation	4-9
Calculating 13th Month Pay	4-9
Understanding 13th Month Pay Proration.....	4-9
Using Generation Control in the 13th month Pay Calculation.....	4-10
Calculating Cash Advance.....	4-11
Calculating Absence and Termination Earnings.....	4-11

Calculating Annual Leave Instead of Annual Leave Entitlement.....	4-11
Calculating 80 Percent of Daily Wages	4-12
Calculating Leave Without Pay	4-12
Calculating Severance and Long Service Payments	4-13
Calculating 13th Month Payment on Termination.....	4-13
Calculating Amount Earnings	4-14
Using Flat Amounts	4-14
Using Formula-Based Amounts.....	4-15
Calculating Earnings Included in MPF Calculations.....	4-15
Calculating the Earnings Rolling Average	4-16
Using Accumulators in the Rolling Average Calculation.....	4-17
Using Variables in the Rolling Average Calculation.....	4-17
Using Formulas in the Rolling Average Calculation	4-17
Working with Rolling Average (Example).....	4-18
Controlling the Maximum Frequency Amount	4-18
Controlling Earnings Maximum (Goal) Amount	4-19
Scheduling Earnings Using Generation Control.....	4-20
Understanding Subsetting.....	4-20
Understanding Delivered Earnings Elements.....	4-21
Viewing Delivered Elements.....	4-22

Chapter 5

Defining Deductions for Hong Kong

Understanding Deductions for Hong Kong	5-1
Calculating Cash Advance Recovery	5-2
Using Generation Control in the Cash Advance Recovery Calculation	5-2
Calculating Community Chest.....	5-3
Calculating Leave Without Pay and Daily Rate Deduction	5-3
Calculating Mandatory Provident Fund Deductions	5-4
Calculating Employer MPF Regular Mandatory 1 - ERMPFMN1.....	5-4
Calculating Employer MPF Permitted Period Mandatory 2 - ERMPFMN2	5-5
Calculating Employer MPF Regular Voluntary 1- ERMPFVOL1	5-5
Calculating Employer MPF Permitted Period Voluntary 2 - ERMPFVOL2.....	5-5
Calculating Employee MPF Regular Mandatory 1 - EEMPFMN1	5-6
Calculating Employee MPF Permitted Period Mandatory 2 - EEMPFMN2	5-6
Calculating Employee MPF Regular Voluntary 1 - EEMPFVOL1	5-6
Calculating Employee MPF Permitted Period Voluntary 2 - EEMPFVOL2.....	5-6
Scheduling Deductions Using Generation Control.....	5-7
Understanding Delivered Deduction Elements	5-7
Viewing Delivered Elements.....	5-8

Chapter 6

Defining Absence Rules for Hong Kong

Understanding Absence Rules for Hong Kong.....	6-1
Common Elements Used in This Chapter	6-2
Understanding Delivered Absence Primary Elements.....	6-2
Absence Entitlements Elements	6-3
Absence Take Elements	6-4
Calculating Annual Leave	6-5
Understanding Absence Forfeiture.....	6-5
Understanding Leave Accrual	6-5
Calculating Annual Leave for General Employees	6-6
Calculating Annual Leave for Statutory Employees	6-7
Calculating Absence Entitlements on Termination	6-8
Calculating Unused Annual Leave.....	6-8
Calculating 13th Month Payment.....	6-9
Calculating Severance and Long Service Leave Payments.....	6-10
Paying Outstanding Deduction Recovery Upon Termination.....	6-11
Calculating Sick Leave	6-12
Calculating Sick Leave Payments	6-12
Calculating Maternity Leave	6-13
Calculating Maternity Leave	6-14
Calculating Leave Without Pay	6-14
Calculating Leave Without Pay.....	6-15
Calculating Other Leave	6-15
Calculating Other Leave.....	6-16
Viewing Delivered Elements	6-17

Chapter 7

Administering Mandatory Provident Fund Contributions for Hong Kong

Understanding Administering Mandatory Provident Fund Contributions.....	7-1
Common Elements Used in This Chapter	7-2
Making Statutory and Customary MPF Deductions.....	7-4
Accommodating MPF Exemption Rules and Limits	7-6
Understanding Accommodating MPF Exemption Rules and Limits	7-6
Understanding the MPF Contribution Holiday Rule.....	7-6
Understanding MPF Age Eligibility Rules	7-7
Understanding MPF Permitted Period Termination Rules.....	7-9
Defining Casual Employees for MPF Contributions	7-10
Excluding Employees from MPF Calculations	7-10
Applying Maximum and Minimum Limits to MPF Contributions	7-11

Calculating Permitted Period MPF Contributions.....	7-13
Calculating Employer Mandatory Permitted Period MPF Contributions	7-13
Calculating Employee Mandatory Permitted Period MPF Contributions.....	7-14
Calculating Employer and Employee Voluntary Permitted Period MPF Contributions.....	7-14
Calculating Regular MPF Contributions	7-15
Calculating Employers Regular Mandatory MPF Contributions.....	7-15
Calculating Employees Regular Mandatory MPF Contributions	7-16
Calculating Employer Regular Voluntary MPF Contributions.....	7-16
Calculating Employees Regular Voluntary MPF Contributions.....	7-17
Understanding the Balance Accumulator Rule.....	7-17
Understanding MPF Proration Rules.....	7-18
Understanding the MPF PO REVLNT INCM Proration Rule.....	7-19
Understanding the MPF PO 18TH BTHDAY Proration Rule.....	7-19
Setting up Additional MPF Report Details.....	7-20
Pages Used to Set up Additional MPF Recipient Reporting Details	7-20
Setting up Recipient MPF Commission and Scheme Details	7-21
Defining MPF Recipient Membership Numbers	7-23
Viewing Delivered Elements for Hong Kong	7-24

Chapter 8

Managing Inland Revenue Reports for Hong Kong

Understanding Hong Kong Inland Revenue Reports	8-1
Common Elements Used in This Chapter.....	8-3
Setting Up Inland Revenue Reporting.....	8-3
Pages Used to Set Up Inland Revenue Reporting.....	8-4
Associating Accumulators With Report Elements.....	8-5
Setting Up Employee Departure Details.....	8-6
Setting Up Principal Employers for Part-Time Employees	8-7
Setting Up Employee Housing Quarters Details.....	8-8
Setting Up Self-Employment Data	8-11
Setting Up Overseas Concern Details.....	8-11
Setting Up IR56B and IR56M Starting Sheet Numbers	8-12
Creating Inland Revenue Report Data.....	8-12
Page Used to Create Inland Revenue Report Data.....	8-13
Generating IR56 Report Data	8-13
Reviewing and Maintaining IR56 Report Data	8-17
Pages Used to Review and Maintain IR56 Report Data	8-17
Maintaining IR56 Personal Details	8-18
Maintaining IR56 Job and Residence Quarters Details	8-19

Maintaining IR56 Monetary Details	8-20
Generating the IR56B Electronic File	8-22
Page Used to Generate the IR56B Electronic File	8-22
Creating the IR56B Electronic File	8-22
Viewing Delivered Elements	8-23

Chapter 9

Setting Up Banking and Recipient Processing for Hong Kong

Understanding Banking and Recipient Processing for Hong Kong	9-1
Common Elements Used in This Chapter	9-2
Understanding the Hong Kong Banking Process Flow	9-2
Linking Source Banks To Pay Entities	9-3
Page Used to Link Source Banks To Pay Entities	9-3
Setting Up Pay Entity Source Banks	9-3
Managing Electronic Fund Transfers to Recipients	9-5
Understanding the EFT HSBC File	9-5
Page Used to Manage Electronic Fund Transfers to Recipients	9-6
Creating the EFT HSBC File	9-6
Generating Recipient Payment Report Files	9-8
Page Used to Generate Recipient Payment Report Files	9-9
Creating the Recipient Payment Report File	9-9
Processing Manual and Separate Cheques	9-10
Processing Manual Cheques Using Calendars	9-10
Processing Separate Cheques	9-11
Viewing Delivered Elements	9-11

Chapter 10

Setting Up Payslips for Hong Kong

Understanding Payslips for Hong Kong	10-1
Common Elements Used in This Chapter	10-1
Creating Payslip Templates	10-1
Understanding Payslip Templates	10-2
Pages Used to Create Your Payslip Templates	10-2
Setting Up Payslip Templates and Accumulators	10-3
Setting Up Payslip Earnings and Deductions	10-5
Setting Up Payslip Absence Details	10-7
Attaching Payslip Templates to Pay Groups	10-7
Page Used to Attach Payslip Templates to Pay Groups	10-8
Attaching Payslip IDs to Pay Groups	10-8
Creating Payslip Messages	10-8

Page Used to Create Payslip Messages	10-9
Setting Up Payslip Messages	10-9
Overriding Payslip Delivery Options	10-10
Page Used to Override Payslip Delivery Options	10-10
Overriding Payee Payslip Delivery Options	10-10
Printing Payslips	10-11
Viewing Payslip Data Online	10-12
Viewing Delivered Elements.....	10-12

Chapter 11

Appendix: PeopleSoft Global Payroll for Hong Kong Reports

PeopleSoft Global Payroll for Hong Kong Reports: General Description	11-1
Payroll and Absence Reports	11-1
Mandatory Provident Fund Reports.....	11-2
Recipient Payment Reports.....	11-3
Inland Revenue - Legislative Reports.....	11-4
Additional Reports	11-5
PeopleSoft Global Payroll for Hong Kong Reports: A to Z.....	11-6
GPHKPY11 - Payroll Register	11-6
GPHKPY12 - Reconciliation	11-7
GPHKPY13 - Pay Component Register	11-7
GPHKPY14 - Payee Message.....	11-9
GPHKEE01 - MPF - New/Terminated Employees	11-9
GPHKMPF1 - Remittance Statement	11-9
GPHKEFT2 - Recipient Payment	11-10
GPHKEFT1 - Net Payment.....	11-11
GPHKIRR4 - IR56F - Notification by Employer of an Employee About to Cease Employment	11-12
GPHKIRR3 - IR56G - Notification by Employer of an Employee About to Depart Hong Kong.....	11-13
GPHKIRR1 - IR56B - Employer's Return of Remuneration and Pensions	11-14
GPHKIRR2 - IR56M - Notification of Remuneration Paid to Persons Other Than an Employee	11-15
GPHKIRR5 - IR56E - Notification by Employer of an Employee Commencing Work	11-16
GPHKPY01 - Hong Kong Payslip.....	11-16
Viewing Delivered Elements for Hong Kong	11-17

Index

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:

Internet	From the main PeopleSoft Internet site, go to the Documentation section of Customer Connection. You can find order information under the Ordering PeopleBooks topic. Use a Customer Connection ID, credit card, or purchase order to place your order. PeopleSoft Internet site: http://www.peoplesoft.com .
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

*Rate Code	Seq	Details	Comp Rate	Currency	Frequency	Points	Percent	Rate Code Group
1		Details						

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

DescriptionSalaried 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

AmountsChangesConversion

*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

First1 of 1Last

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, Seniority Pay, 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.

Page	System Name	Navigation	Usage
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 Hong Kong PeopleBook

This book provides you with the information you will need for implementing and using PeopleSoft 8.3 Global Payroll for Hong Kong.

This preface explains how to use the documentation for PeopleSoft Global Payroll for Hong Kong. General information you should know before you begin using PeopleSoft documentation is presented in About the 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.
- U.S. Federal Government functionality designation within the documentation.
- Education and Government functionality designation within the documentation.
- Local country functionality designation within the documentation.
- Comments and suggestions about the documentation.

Note. We strongly recommend that you read About the 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 8.3 Application Fundamentals for HRMS PeopleBook*.

See Also

PeopleSoft HRMS PeopleBooks Preface, “About the HRMS PeopleBooks”

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

PeopleBooks Standard Page Element Definitions

Throughout our product documentation, you will encounter fields that are used on many application pages. This section lists the most common fields and provides standard definitions for PeopleSoft Global Payroll for Hong Kong.

Field	Definition
Begin / End Date	These fields enable you to narrow down the criteria (of employees) for whom the report should be generated. For example, could be the tax period for which the employee received a particular amount.
Control List	Hong Kong IRD regulations state that either a hard copy or an electronic file must be submitted to the IRD. This is a simple listing of the report.
From Date	The start date for which a report or process includes data.
Hard Copy Report	Hong Kong IRD regulations state that either a hard copy or an electronic file must be submitted to the IRD. This is a full, hard copy printout of the report.
Housing Quarters	Housing provided to local employees as well as expatriates.
Overseas Concern	An organization located outside Hong Kong that pays a Hong Kong employee.
Print Date	The date on which you are generating a report.
Sequence (Number)	Determines the order in which specific elements display.
Tax Year	The period for which specific reports have to be reported. Hong Kong has set the tax period to be April 1 to March 31. Enter the Year as 4 digits (2000).
To Date	The end date for which a report or process includes data.

See Also

PeopleSoft Global Payroll PeopleBook, “Preface”, PeopleBooks Standard Page Element Definitions

CHAPTER 2

Understanding PeopleSoft-Delivered Elements for Hong Kong

This chapter provides overviews of:

- Creating elements for Hong Kong.
- Element ownership and maintenance.
- Element naming conventions.
- Viewing delivered elements.

Creating Elements for Hong Kong

PeopleSoft Global Payroll (core application) consists of a payroll rules engine that enables you to define payroll system rules and execute payroll calculations. PeopleSoft Global Payroll provides a set of pages for entering and maintaining payroll rules. All of the elements delivered as part of your country extension were created using these pages in the core application.

Although PeopleSoft Global Payroll for Hong Kong delivers all of the key elements needed to run a Hong Kong payroll, you might want to create additional elements to meet needs that are specific to your own industry or organization. To do this, use the same core components and pages that PeopleSoft used to create the elements delivered for Hong Kong.

Understanding Element Ownership and Maintenance

Other chapters in this PeopleBook provide detailed information about elements related to specific business processes for Hong Kong payroll. This section offers a high-level introduction to delivered elements for Hong Kong. It also explains how PeopleSoft Global Payroll defines element ownership and what that means for the maintenance of Hong Kong payroll rules. This information helps you identify which parts of the system you might be required to maintain, what you can modify, and what parts you cannot change.

Understanding Element Ownership in PeopleSoft Global Payroll

PeopleSoft Global Payroll has the following five categories of element ownership:

PS Delivered/Maintained	Elements delivered and maintained on an ongoing basis by PeopleSoft.
PS Delivered/Not Maintained	Elements delivered by PeopleSoft that must be maintained by the customer. This category consists primarily of either customary (nonstatutory) rules or statutory elements that customers might want to define according to a different interpretation of the rules. Although PeopleSoft might occasionally update elements defined as PS Delivered/Not Maintained, you are not required to apply these updates.
Customer Maintained	Elements created and maintained by your organization. PeopleSoft does not deliver rules defined as Customer Maintained.
PS Delivered/Customer Modified	Elements that were originally PS Delivered/Maintained 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 Hong Kong

Of the five ownership categories, only the following two are used to define Hong Kong elements: PS Delivered/Maintained and PS Delivered/Not Maintained. Although PeopleSoft Global Payroll for Hong Kong 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.

The following table illustrates the approach to element ownership and maintenance in PeopleSoft Global Payroll for Hong Kong.

<i>Element Type</i>	<i>Ownership</i>	<i>Class</i>
Earnings	PS Delivered/Not Maintained	Customary
Deductions	PS Delivered/Not Maintained	Customary
	PS Delivered/Maintained	Statutory
Brackets	PS Delivered/Not Maintained	Customary
Accumulators	PS Delivered/Not Maintained	Customary
Element Groups	PS Delivered/Not Maintained	Customary
Process Lists	PS Delivered/Not Maintained	Customary
Sections	PS Delivered/Not Maintained	Customary
Formulae	PS Delivered/Not Maintained	Customary
	PS Delivered/Maintained	Statutory
Arrays	PS Delivered/Not Maintained	Customary

Element Type	Ownership	Class
Writable Arrays	PS Delivered/Not Maintained	Customary
Historical Rules	PS Delivered/Not Maintained	Customary
	PS Delivered/Maintained	Statutory
Generation Controls	PS Delivered/Not Maintained	Customary

See Also

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

Understanding the Element Naming Conventions

Understanding the naming convention developed for PeopleSoft-delivered elements can help you determine how an element is used, the element type, and the functional area that 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.

This section provides overviews of:

- Naming conventions.
- Functional area codes for Hong Kong.
- Element Type Codes (PIN_TYPE).
- Abbreviations in element names for Hong Kong.

Naming Conventions

Supporting Elements

PeopleSoft Global Payroll for Hong Kong uses the naming convention FF TT NAME for arrays, brackets, counts, dates, durations, formulas, rate codes, variables, historical rules, fictitious calculation rules, proration rules, rounding rules, accumulators, sections, element groups, and generation control conditions. Following is an explanation of the components of the naming convention:

FF	Functional area code.
TT	Type of supporting element.
NAME	Description of the element.

For example, in the Mandatory Provident Fund (MPF) variable MPF VR TRUST PAYDT, MPF represents the functional area (Mandatory Provident Fund), VR represents the element type (variable), and TRUST PAYDT represents *trustee payment date*.

Component Names (Suffixes)

When you create an earnings or deduction element in PeopleSoft Global Payroll, you 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. The system also names the components and accumulators by appending a suffix to the element's name.

For example, suppose that you define the earnings element named OTFIX with the following calculation rule:

$$\text{OTFIX} = \text{Unit} \times \text{Rate}$$

The system automatically creates two additional elements for the components in the calculation rule: a rate element (OTFIX_RATE) and a unit element (OTFIX_UNIT).

In PeopleSoft Global Payroll for Hong Kong, all suffixes belong to one of the following types:

- Separator.
- Earnings, deductions, and absence entitlement component suffixes.
- Earnings, deductions, and absence entitlement accumulator suffixes.
- Deduction arrears component suffixes.
- Deduction arrears accumulator suffixes.
- Recipient suffixes.

To view the suffixes used for Hong Kong, navigate to **Define Business Rules, Define Global Payroll Rules, Setup1, Element Suffixes**.

See Also

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

Functional Area Codes for Hong Kong

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

Functional Area Code	Description
OT	Overtime
SH	Shift

<i>Functional Area Code</i>	<i>Description</i>
ALLOW	Allowance
REIM	Reimbursement
BAS	Basic pay
OE	Other earnings
DED	Deductions
ARR	Arrears
MPF	Mandatory Provident Fund
ALV	Annual leave
SLV	Sick leave
MLV	Maternity leave
OLV	Other leave types
TER	Termination processing
TAX	Tax accumulators
CM	Areas common to multiple functional areas

Element Type Codes (PIN_TYPE)

Many element types, particularly supporting elements, are identified by the type codes in their names. For example, the FM in OE FM 13MTH PAY identifies the element as a formula. You can see all of the element types on the search page when you navigate to **Define Business Rules, Define Global Payroll Rules, Setup 1, Element Types**. Because not all element types are delivered for Hong Kong, not all of these codes appear in the names of Hong Kong elements.

Abbreviations in Element Names for Hong Kong

The following table lists some of the common abbreviations used in the names of Hong Kong elements.

<i>Abbreviation</i>	<i>English</i>
ACT	Active
ALLOW	Allowance
ANNIV	Anniversary
AMT	Amount
ADV	Advance
AVG	Average

Abbreviation	English
BAS or BSC	Basic
CAL	Calendar
CM	Common
CUR	Current
DY	Daily
DED	Deduction
EE	Employee
ER	Employer
ENT	Entitlement
ED or EDUC	Education
FIX	Fixed
FREQ	Frequency
GRA	Gratuity
GENL	General
HOL	Holiday
LWOP	Leave without pay
LSP	Long service payment
MT	Monthly
MAT	Maternity
MARR	Marriage
MIN	Minimum
MN	Mandatory
MPF	Mandatory Provident Fund
MTH	Month
MAX	Maximum
MSG	Message
PRV	Previous
PERM	Permitted
REG	Regular
RSLV	Resolve
REIM	Reimbursement
R	Regular

Abbreviation	English
ROLL	Rolling
SAL	Salary
SERV	Service
STAT	Statutory
HLV	Hourly
TX	Tax
VOL	Voluntary
13MTH	13 th month

Viewing Delivered Elements

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

See Also

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

Customer Connection, Library, Documentation, “Delivered Supporting Elements for PeopleSoft Global Payroll for Hong Kong”

CHAPTER 3

Setting up PeopleSoft Global Payroll for Hong Kong

This chapter provides overviews of:

- Retroactive payment processing.
- Triggers and segmentation.
- Payment keys.
- Accumulators.
- User keys.
- Proration rules.
- Viewing delivered elements.

Understanding Retroactive Payment Processing

The Default Retro method and the On Conflict Retro method for Hong Kong are both forwarding, which complies with the Inland Revenue Board's requirement to report payments in the tax year in which they are paid. Set this on the Country Setup page (Define Business Rules, Define Global Payroll Rules, Setup1).

Working With Corrective Retroactivity

While Forwarding Retro is the default retro method for Hong Kong, you can still use the Corrective Retro method. If you use Corrective Retro, ensure that all periods before the start of the current tax year (1 April to 31 March) are forwarded to the current year. For example, if in May an employee was paid a back dated increase for the period January to April, you can use Corrective Retro for the period in the current tax year (April), but use Forwarding Retro for the period in the prior tax year (January to March).

Note: Some elements that have monthly limits, such as Mandatory Provident Fund elements, have accumulators with corrective retro behavior. This ensures that calculations are always based on an updated accumulator. If you define accumulators with corrective behavior but then forward some deltas to the current period that is contributing to this accumulator, verify that you end up with the correct numbers.

See Also

PeopleSoft Global Payroll PeopleBook, "Defining Retroactive Processing"

Understanding Triggers and Segmentation

PeopleSoft Global Payroll for Hong Kong uses both element and period segmentation in most cases.

Name	Description	Purpose
GRADE	Grade Segmentation	Slices (into element segmentations) the HSING (Housing Allowance) earnings element. The amount paid to the housing allowance depends on the payee's grade. If the payee changes grades, the element segmentation trigger slices the allowance.
COMPRATE	Comp Rate Segmentation	Slices (into element segmentations) the following earnings and deductions: • CASHADV • BASSAL • 13MTHPAY • BASHLY • OT1.5 • SHNT1.3 • TYPHOON • BLCKRAIN • ANN LIEU • DY WAGE 80 • LWOP • SEV/LSP • TER 13TH PAY

Note. In PeopleSoft Global Payroll for Hong Kong, you can define triggers based on your company's needs. During configuration, define the segmentation triggers and retro triggers that you need.

See Also

PeopleSoft Global Payroll PeopleBook, "Setting Up Triggers," Understanding Triggers and "Defining Segmentation," Understanding Segmentation

Understanding Payment Keys

Hong Kong uses *Company* as the payment key for Inland Revenue reporting because of retro. If an employee changed companies during a retro processing period, forward the deltas to the correct company. By default, retro uses *Pay Entity*, but forwarding the deltas to a company is more precise.

Payment keys are used with forwarding retro to separate retro payments by payment keys provided by PeopleSoft Global Payroll (company, contract number, department ID and establishment ID).

For example, John was transferred from Company A to Company B in June 2000. On 1 September, John was given a pay rate change to be backdated to January 2000. The retrospective payments for Company A (January to May 2000) can be separated from payments to company B (June- August 2000). This can be achieved by specifying the Company/Pay Entity as a payment key.

See Also

PeopleSoft Global Payroll PeopleBook, "Understanding the Organizational Structure"

Understanding Retroactive Payment Processing

Understanding Accumulators

In PeopleSoft Global Payroll for Hong Kong, two categories of accumulators are common to Inland Revenue Reporting, earnings, deductions, and payslips:

- Accumulators that support the gross-to-net pay calculation (segment period accumulators).
- Balance accumulators required for payslip and other reports (year-to-date accumulators).

Note. All earnings and deductions are set up as month-to-date and year-to-date accumulators.

See Also

PeopleSoft Global Payroll PeopleBook, "Setting Up Accumulators"

Understanding User Keys

When employees are terminated and subsequently rehired in the same or similar position in the same tax year (using the Job Data component in PeopleSoft Administer Workforce), there is a legislative reporting requirement in Hong Kong to keep the periods of employment and earnings balances separate. The easiest way to report the earnings separately from each period

of employment is to store the earnings separately. This requirement is met by using the CM VR BAL GRP ID (balance group ID) as the user key for accumulators.

Pay Entity is also used as a user key. If, for example, you want to track earnings or deductions by pay entity, select the system element PAY ENTITY as a user key. This directs the system to maintain different accumulated numbers for each of the employee's locations.

See Also

PeopleSoft Human Resources PeopleBook: Administer Workforce, “Hiring Your Workforce,” Entering Employee Payroll Processing Data

Understanding Proration Rules

In PeopleSoft Global Payroll for Hong Kong, proration is based on calendar days. A standard proration rule based on calendar days (number of calendar days in the segment or slice over the number of calendar days in the period) meets Hong Kong requirements.

Name	Description	Numerator	Denominator
OE PO 13MTH Proration for 13 th month pay	Applies to thirteenth month pay. Calculates employee's total days of service divided by the number of days in a calendar year. If the hire date is before the start of the last calendar year, no proration occurs. If not, proration is calculated as follows: Proration = (Duration in days between (Period End Date + 1) and (Hire Date) / Number of days in a calendar year. Proration uses a formula because it applies only to employees hired in the last calendar year.	Formula OE FM 13MTH PAY	Duration OE DR DAYS IN YR
MPF PO 18TH BTHDAY 18 th birthday proration	Prorates relevant income when the employee turns 18. Proration = (Days of service in a period since turning 18) / (Number of days in a period)	Duration MPF DR BIRTHDAY	Duration GP CAL DAYS PERIOD
MPF PO REVLNT INCM Proration for relevant income	Prorates relevant income for new hires and rehires. Proration = (Days of service since period hire date or rehire date) / (Number of days in a period)	Formula MPF FM STRT- END DY	Duration GP CAL DAYS PERIOD

See Also

“Administering Mandatory Provident Fund Contributions for Hong Kong”

PeopleSoft Global Payroll PeopleBook, “Defining Calculation Elements,” Defining Proration Rules

Viewing Delivered Elements

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

See Also

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

Customer Connection, Library, Documentation, “Delivered Supporting Elements for PeopleSoft Global Payroll for Hong Kong”

CHAPTER 4

Defining Earnings for Hong Kong

This chapter provides an overview of earnings for Hong Kong and describes how to calculate:

- Basic salary.
- Basic hourly.
- Overtime.
- Shift allowance.
- Typhoon and black rain allowances.
- Meal allowances.
- Meal reimbursement.
- Mobile phone and pager allowances.
- Housing allowance.
- Rent reimbursement.
- Education allowances.
- Gratuity.
- Thirteenth month pay.
- Cash advance.
- Absence and termination earnings.
- Amount earnings.
- Earnings included in Mandatory Provident Fund (MPF) calculations.
- Earnings rolling average.

This chapter also describes how to:

- Control the maximum frequency amount.
- Control earnings maximum (goal) amount.

- Schedule earnings using generation control.
- Understand subsetting.
- Understand delivered earnings elements.
- View delivered elements.

Understanding Earnings in Hong Kong

PeopleSoft has created several earnings to demonstrate the flexibility of the PeopleSoft Global Payroll rules to meet common processing requirements. The following sections discuss:

- Ways that you can use earnings and supporting elements to produce the desired results.
- How PeopleSoft meets specific earnings processing requirements.

Note. User keys enable you to track an accumulator at levels lower than the employee record. This directs the system to maintain different accumulated numbers for each of the employee's locations. User key 1 for all earnings on the Earnings Accumulators page is PAY ENTITY. (This is required by Inland Revenue Reporting.) User key 2 for all year-to-date accumulators is CM VR BAL GRP ID (balance group ID).

See also

PeopleSoft Human Resources PeopleBook: Administer Workforce, “Hiring Your Workforce,”
Entering Employee Payroll Processing Data

Calculating Basic Salary

Basic salary (BASSAL) is an earnings element with a flat amount, which is paid at the earnings level only. Basic salary is paid once per month for permanent employees, in the first month's salary for a new hire, and in the last month's salary for terminated employees.

The calculation rule is Amount:

Amount: System element COMPRATE (monthly compensation rate of the payee).

Pay group proration is used whenever there is a partial period or when a pay rate change occurs during the pay period. Following are examples of the partial basic salary calculation:

Example 1

An employee is hired on 20 February 2000 with a salary of HKD 1000. The basic salary is calculated as:

$$10 / 29 \times 1000 = 344.83$$

Example 2

If an employee salary increases to HKD 1200 (effective since 18 March 2000), then the March basic salary is calculated as:

$$(17 / 31 \times 1000) + (14 / 31 \times 1200) = 548.39 + 541.94 = 1090.33$$

Calculating Basic Hourly

Basic hourly (BASHLY) is monthly income for hourly employees, and the entire hourly pay group is paid once per pay period. As the name implies, hourly employees use the hourly rate to calculate their monthly income.

The calculation rule is Unit $\times$ Rate:

- Unit: Payee level (number of hours worked).
- Rate: System element HOURLY RT (hourly rate), which is the system variable.

Hourly rate is calculated from the employee's compensation rate. The number of hours is entered at the positive input level. When a pay rate change occurs during the pay period, the system variable returns the correct hourly rate.

Calculating Overtime

Two earnings exist for overtime:

- OT1.5 (to pay time-and-a-half).
- OT FIX (to pay a fixed amount of HKD 200).

Calculating OT1.5

The OT1.5 calculation rule is Unit $\times$ Rate $\times$ Percent:

- Unit: Payee level (overtime hours).
- Rate: System element HOURLY RT (system variable).
- Percent: 150.

Example

The overtime rate is 1.5 times the standard hourly rate. If an employee earns 7.5 overtime hours and their standard hourly rate is HKD 400, the overtime payment is calculated as:

$$7.5 \times 1.5 \times 400 = 4500.00$$

Calculating OTFIX

The OT FIX calculation rule is $\text{Unit} \times \text{Rate}$:

- Unit: Payee level.
- Rate: Numeric 200.

Example

A fixed HKD 200 reward is paid to employees who work overtime and leave the office after 21:00. If an employee has worked three days overtime and leaves the office after 21:00, their overtime payment is calculated as:

$$3 \times 200 = 600.00$$

Overtime earnings are paid monthly at the positive input level in Hong Kong payroll because they are not recurring payments. In Hong Kong, the previous months overtime payment might be paid in the current month. The pay date is always a few days before the pay period end date, so the overtime hours between the pay date and pay period end date are unknown. If the previous months overtime must be paid in the current period, then system treats it as retroactive pay.

Calculating Shift Allowance

Two earnings exist for shift allowances paid once per month to compensate employees who work overnight. Like overtime, there is an earnings element to pay a fixed amount (SHNTFIX) and another to pay 130 percent of the hourly rate (SHNT1.3). This section describes how to calculate:

- SHNTFIX
- SHNT1.3

Calculating SHNTFIX

The SHNTFIX calculation rule is $\text{Unit} \times \text{Rate}$:

- Unit: Payee level (shift hours).
- Rate: Numeric HKD 100 (per shift).

Calculating SHNT1.3

The SHNT1.3 calculation rule is $\text{Unit} \times \text{Rate} \times \text{Percent}$:

- Rate: System Element HOURLY RT (system variable).

- Percent: 130.

Calculating Typhoon and Black Rain Allowances

Typhoon (TYPHOON) and black rain (BLCKRAIN) allowances are intended to compensate employees for inconveniences caused by emergency typhoons or black rain duty. Both typhoon and black rain compensations are paid monthly. This section describes how to calculate:

- TYPHOON
- BLCKRAIN

Calculating TYPHOON

The TYPHOON calculation rule is $\text{Unit} \times \text{Rate} \times \text{Percent}$:

- Unit: Payee level (typhoon hours).
- Rate: System element HOURLY RT (system variable).
- Percent: 200.

Calculating BLCKRAIN

The BLCKRAIN calculation rule is $\text{Unit} \times \text{Rate} \times \text{Percent}$:

- Unit: Payee level (black rain hours).
- Rate: System element HOURLY RT (system variable).
- Percent: Numeric 200.

Calculating Meal Allowance

Meal Allowance (MEAL) is a fixed meal benefit.

The MEAL calculation rule is Amount:

Amount: Numeric HKD 2000.

A fixed meal allowance amount of HKD 2000 is defined and paid each month to employees in the salary pay group at the earnings assignment level because it is a recurring payment.

Calculating Meal Reimbursement

Meal reimbursement (MEALREIM) is a nontaxable meal expense and you can set the maximum claiming limit for every claim.

The calculation rule is Amount:

Amount: Payee level.

This section provides an overview of the meal reimbursement maximum limit.

Understanding the Meal Reimbursement Maximum Limit

While meal reimbursement (MEALREIM) has no minimum amount limit, it does have a maximum limit of HKD 100 per claim. Therefore, for every claim, you can reimburse the lower of HKD 100 or the exact expense from the bill to the employee. Each month can have multiple instances of claims. The total amount of monthly claims is paid as part of the monthly salary.

Example

Following is a simple example with one positive input instance of HKD 110. If an employee is paid HKD 110, but the maximum earnings limit is HKD 100, the system pays HKD 100. If the HKD 110 payment is spread over multiple positive input instances, the system still compares it to the paid sum.

In this case, the system determines whether the accumulated monthly amount exceeds the monthly maximum amount of HKD 100. The system displays a warning message and pays only HKD 100, because HKD 110 is greater than HKD 100.

With multiple positive input (PI) instance paid:

PI Instance	Amount	Accumulator	< or >	Resolve
1	HKD 40	HKD 40	< HKD100	HKD 40
2	40	80	< 100	40
3	40	120	> 100	20

While the system pays PI instance 1 and 2, PI instance 3 exceeds the maximum amount by HKD 20. In this case, the system resolves HKD 20 for PI instance 3.

Depending on the frequency, the maximum amount is converted to the calendar period maximum amount (monthly or annual frequency). For example, if you select a frequency of annual, the process deannualizes the maximum amount.

The formula FM MAX AMT determines whether the earnings accumulated amount exceeds the maximum. The accumulated amount is used is because the system must calculate the total amount paid through positive input.

Calculating Mobile Phone and Pager Allowance

MOBILE is a nontaxable expense for using mobile phones or pagers.

The calculation rule is Amount:

Amount: Numeric HKD 250.

The mobile and pager allowance is a flat amount of HKD 250 per month, payable at the earnings level for the Salaried pay group.

The generation control CM GC RSLV ONCE stops the allowance from resolving twice if period segmentation occurs.

Calculating Housing Allowance

The housing allowance (HSING) is a monthly benefit that is part of the taxable housing benefit.

The calculation rule is Amount:

Amount: Formula ALW FM HOUSING.

This section describes how to work with ALW BR HOUSING bracket.

Working with the ALW BR HOUSING Bracket

This HSING earnings element pays the housing allowance and the amount depends on the payee's salary grade. The ALW BR HOUSING bracket stores the salary grade and the corresponding housing allowance amount.

Example

A Grade 001 payee is paid HKD 10,000 and a Grade 003 payee is paid HKD 5000. The ALW BR HOUSING bracket stores the following information:

Salary Grade	Monthly Housing Allowance
001	10,000
002	8000
003	5000
004 or lower	NA (ineligible)

This customary bracket enables you to update or add additional grades and allowance amounts. The system compares the payee's salary grade to the ALW BR HOUSING bracket and pays the corresponding allowance. If the payee's salary grade is not found, the system pays a zero allowance. The earnings are paid at the earnings assignment level because it is a recurring monthly payment.

Note. Only employees in the Salaried pay group are eligible for this benefit.

Calculating Rent Reimbursement

Rent reimbursement (RENTREIM) is used to pay an employee's accommodation costs when working far from home.

The calculation rule is Amount:

Amount: Payee level.

This earnings element has no maximum amount limit. When the employee's claim is approved, the employee receives the rent reimbursement in the current pay period.

Note. Employees can have one rent reimbursement per month. No multiple instances are allowed.

Calculating Education Allowance

Your organization might set up scholarship programs for employees. The education allowance (EDALLOW) is paid once per year. This fixed scholarship amount is granted to employees when their dependents receives an offer from the recognized institute.

The calculation rule is Amount:

Amount: Payee level.

Employees can apply for the education allowance again in future academic years. No refund is made when their dependents drop out of a course, or if the employee is terminated.

Because the education allowance is paid as a flat amount and as a recurring override, you can enter the amount at the payee earnings assignment level. The reason for this is that the education allowance is paid when the scholarship has been granted.

The generation control CM GC RSLV ONCE ensures that the allowance is paid only once per year if period segmentation occurs.

Calculating Gratuity

Gratuity (GRA) is a one-off payment paid to contract workers at the end of a contract or when a contractor leaves.

The calculation rule is Amount:

Amount: Payee level.

This section describes how to use the following in gratuity calculation:

- Generation control
- Formulas

Using Generation Control in Gratuity Calculation

Gratuity is paid to employees on a contract by using the generation control OE GC GRA. The system automatically pays gratuity based on the contract end date and resolves the amount using the generation control. If the employees are unable to finish their contracts, they receive a prorated gratuity amount. It also includes the OE FM CNTR EXPIRE formula. The earnings resolve if the contract end date occurs during the current pay period. If the contract end date is outside the current pay period, the gratuity is not paid.

While you enter gratuity at the earnings assignment level, it is resolved once through generation control.

Using Formulas in Gratuity Calculation

The OE FM CNTR EXPIRE formula determines whether the contract dates occur during the current pay period and uses segment begin and end date so that the earnings are not paid twice during period segmentation.

No proration rule applies because of the many ways gratuity can be paid in Hong Kong. It is up to the organization to pay prorated gratuity when contract employees cannot manage to finish the contract period.

Calculating 13th Month Pay

It is common in Hong Kong to pay employees an extra month of basic salary. The system pays the basic salary as of the last period of the last calendar year. The 13MTHPAY earnings element is payable only on the Chinese New Year. For example, the Chinese New Year off-cycle run is during either January or February, but basic salary is paid as of December of the last calendar year.

The calculation rule is $\text{Base} \times \text{Percent}$:

- Base: Formula OE FM 13MTH BASE (base pay).
- Percent: Numeric 100 (payee level).

Understanding 13th Month Pay Proration

Proration applies to 13th month pay. The proration calculates the employee's total days of service divided by the number of days in a calendar year.

If the employee's hire date is before the start of the last calendar year, then no proration occurs. If the employee's hire date is after the start of the last calendar year, proration is calculated as follows:

$$\text{Proration} = (\text{Duration in days between (Period End Date + 1) and Hire Date}) / (\text{Number of days in a calendar year})$$

Prorated 13th month pay is paid if the permanent employee has worked fewer than twelve months. The following system parameters are considered in the payment calculation:

- Factor: 100 percent of basic salary.
- Salary day: 31 December 2000.
- Cut off day: 1 November 2000.
- Proration rule: (Service period in year) / (Calendar days in year) × basic salary.

Example 1: Receiving the Full Factor

An employee is hired on 2 February 1999. Their basic salary as of 31 December 2000 is HKD 12000. The employee's 13th month pay = HKD 12000.

Example 2: Employee Joins After Cut-off Day

An employee is hired on 1 November 2000. Their basic salary as of 31 December 2000 is HKD 20000. The employee's 13th month pay is zero

Example 3: Proration Rule Applied

An employee is hired on 10 January 2000. Their basic salary as of 31 December 2000 is HKD 30000. The employee's 13th month pay is calculated as:

$$(357 / 366) \times 30000 = 29262.30$$

Note. Terminated employees are eligible for prorated 13th month pay only if they have completed their probation period.

Using Generation Control in the 13th month Pay Calculation

Generation control OE GC 13MTH PAY is used to resolve the earnings based on the cut-off date. The cut-off date is entered at the pay group override level. The earnings are paid through earnings assignment with begin and end dates so that they are paid once during the Chinese New Year.

See Also

“Defining Absence Rules for Hong Kong,” Calculating 13th Month Payment

PeopleSoft Global Payroll PeopleBook, "Defining Calculation Elements," Defining Proration Rules"

Calculating Cash Advance

An employee can be paid a cash advance of 50 percent of basic salary (CASHADV), which one must pay back in installments over five months.

The calculation rule is $\text{Base} \times \text{Percent}$:

- Base: Earnings BASSAL (base salary).
- Percent: Payee level.

The generation control CM GC RSLV ONCE stops paying the allowance more than once, if period segmentation occurs. Generation control ensures that the allowance is paid only once per year.

Note. The CASHADV deduction with formula DED FM CASHADV (that calculates 20 percent of the goal amount) enables you to pay back the cash advance.

See Also

"Defining Deductions for Hong Kong," Calculating Cash Advance Recovery

Calculating Absence and Termination Earnings

This section describes how to calculate:

- Annual leave instead of annual leave entitlement.
- Eighty percent of wages.
- Leave without pay (LWOP).
- Severance and long service payments (LSP).
- Thirteenth month payment on termination.

Calculating Annual Leave Instead of Annual Leave Entitlement

The ANN LIEU is a payment in lieu of annual leave entitlement. This earnings element is used to pay terminated employees for unused annual leave or for part of their annual leave entitlement before the leave is forfeited.

The calculation rule is $\text{Unit} \times \text{Rate}$:

- Unit: Formula (TER FM ALV BAL).
- Rate: Formula (CM FM DAILY RATE).

ANN LIEU is a taxable earnings element, which means that it contributes to the annual taxable accumulator. ANN LIEU is also used to pay employees when they accept the payment from their employer to offset part of their annual leave. This is a positive input and the unit of ANN LIEU is overridden by the number of adjusted days from the annual leave balance.

Note. ANN LIEU can be a negative value because general employees in Hong Kong are allowed to have a negative balance.

See Also

“Defining Absence Rules for Hong Kong,” Calculating Annual Leave

Calculating 80 Percent of Daily Wages

The DY WAGE 80 earnings element is eighty percent of average earnings paid to statutory employees when taking maternity leave or sick leave. Employees are eligible for maternity leave payments after 40 weeks of continuous service. The entitlement is granted when the leave occurs and the paid maternity period is 70 days from the maternity commencement date. The absence period can be shorter but not longer than 70 days. Unpaid maternity is treated as LWOP.

The calculation rule is $\text{Unit} \times \text{Rate} \times \text{percent}$:

- Unit: Payee level.
- Rate: Formula (CM FM DAILY WAGE).
- Percent: 80.

See Also

“Defining Absence Rules for Hong Kong,” Calculating Sick Leave and Calculating Maternity Leave

Note. Eighty percent of an employee’s daily wage is covered for valid maternity leave for statutory employees and 100 percent coverage for general employees.

Calculating Leave Without Pay

The total LWOP ($\text{Units} \times \text{Daily Rate}$) is subtracted from an employee's basic salary if the employee takes leave without pay.

The calculation rule is $\text{Unit} \times \text{Rate}$:

- Unit: Payee level.
- Rate: Daily RT.
- Percent: 80.

See Also

“Defining Absence Rules for Hong Kong,” Calculating Leave Without Pay

Calculating Severance and Long Service Payments

Terminated employees might have severance or long service payments, but not both. The SEV/LSP earnings element is processed in the TER SE MAIN section and is a nontaxable payment. An employer should pay severance when an employee who has been employed under a continuous contract for no fewer than 24 months is dismissed by reason of redundancy. An employer should pay long service payments when an employee has been employed no fewer than five years under a continuous contract.

The calculation rule is Amount:

Amount: Formula TER FM LSP PAYMT.

The variable TER VR LSP CEILING stores the maximum ceiling of average wages which is currently HKD 15000.

The variable TER VR MAX LSP stores the maximum LSP amount used in the bracket.

The formula TER FM LSP PERIOD is used as the search key of the bracket TER BR LSP ENT.

The bracket TER BR LSP ENT stores the list of years of service and maximum claimable LSP amounts.

See Also

“Defining Absence Rules for Hong Kong,” Calculating Severance and Long Service Leave Payments

Calculating 13th Month Payment on Termination

If an employee is eligible for 13th month pay and is terminated after three months of continuous service, prorated 13th month pay is paid when the employee is terminated. The TER 13TH PAY earnings element is used to pay the 13th month payment for terminated employees.

The calculation rule is $\text{Base} \times \text{Percent}$ here:

- Base: Formula TER FM 13TH PAY.
- Percent: 100.

The prorated 13th month payment calculation is:

$$(\text{Duration between service date and termination date}) / 365 \times (\text{Basic})$$

If the employee received current year 13th month pay before Chinese New Year, (terminated on June 2000) and received 13th month pay in February 2000, the prorated 13th month payment is calculated as:

$$(\text{Duration between 1 January 2000 and termination date}) / 365 \times (\text{Basic})$$

Factor 365 is used even in a leap year.

See Also

“Defining Absence Rules for Hong Kong,” Calculating 13th Month Payment and Calculating Absence Entitlements on Termination and Calculating Thirteenth Month Payment on Termination

PeopleSoft Global Payroll PeopleBook, “Defining Calculation Elements,” Defining Proration Rules

Note. The 13th MTH PAY is different from the TER 13TH PAY (termination) earnings element. The 13th MTH PAY earnings element is the calculation of the regular year end. TER 13TH PAY is used exclusively for the TER SE MAIN termination section.

Calculating Amount Earnings

This section describes how to use:

- Flat amounts.
- Formula-based amounts.

Using Flat Amounts

For Hong Kong, there are eight earnings with the calculation rule Amount. Two are flat amounts:

- Meal allowance (MEAL).
- Mobile and pager (MOBILE).

See Also

Calculating Meal Allowance

Calculating Mobile Phone and Pager Allowance

Using Formula-Based Amounts

The housing allowance uses the ALW FM HOUSING formula to find the earnings amount that stores the salary grade and the corresponding housing allowance amount.

The gratuity earnings use the formula OE FM CNTR EXPIRE to determine whether the contract dates occur during the current pay period and use segment begin and end dates so that the earnings are not paid twice in period segmentation.

The termination earnings use formula OE FM ROLL AVG to calculate the rolling average amount. The formula calls a historical rule to retrieve the amount from an accumulator. The formula then calculates the average from the amount retrieved.

The severance and long service leave earnings use formula TER FM LSP PAYMT to return the severance payment or long service payment, depending on the year of service and the action reason.

See Also

Calculating Housing Allowance

Calculating Gratuity

Calculating Absence and Termination Earnings

Calculating Severance and Long Service Payments

Calculating Earnings Included in MPF Calculations

Not all earnings are included in MPF calculations. Earnings that are included in the MPF calculation are considered relevant income and include wages, salaries, leave pay, fees, commissions, bonuses, and gratuities. Examples of earnings that are excluded from MPF calculations are housing allowances, housing benefits, severance payments, and long service leave payments. The following earnings are included as relevant earnings in MPF calculations:

<i>Earnings Name</i>	<i>Description</i>
BASSAL	Basic salary
OT1.5	Overtime 1.5 ×
OTFIX	Overtime fix
SHNT1.3	SHIFT1.3 ×

Earnings Name	Description
SHNTFIX	Shift fix
GRAT	Gratuity
13MTHPAY	Thirteenth month pay
TYPHOON	Typhoon allowance
BLCLRAIN	Black rain allowance
MOBILE	Mobile and pager allowance
BASHLY	Basic hourly salary

These earnings are included in the monthly accumulator MPF AC REVLNT INCM that is based on the pay period end date and the user key of EmplID (employee identification).

See Also

“Administering Mandatory Provident Fund Contributions for Hong Kong”

Calculating the Earnings Rolling Average

You can set up an earnings element for which the rate is determined by the average of another earnings element during a rolling period, such as the preceding 12 months. The average earnings are used to calculate the compensation when there is a termination or accident at work.

The following earnings contribute to average earnings:

- Cash wages.
- The value of any privilege or benefit that can be estimated in cash (such as food, fuel, or quarters supplied to the employee).
- Overtime or other special remuneration through bonus, allowance, or otherwise.
- Customary tips.

This section describes how to use the following in the rolling average calculation:

- Accumulators
- Variables
- Formulas

This section also provides an example of working with rolling averages.

Using Accumulators in the Rolling Average Calculation

The rolling average calculation uses the OE AC ROLLAVG AMT (amounts) accumulator. The accumulator accumulates the *below* earnings for rolling average calculation. It is a monthly accumulator with an accumulated date of the payment date. The system uses the amount values of the members of accumulator OE AC ROLLAVG AMT in its averaging calculation. PeopleSoft delivers this accumulator with the following earnings as its members:

Earnings Name	Description
BASSAL	Basic salary
BASHLY	Basic hourly salary
OT1.5	Overtime 1.5×
OTFIX	Overtime fix
SHNT1.3	SHIFT1.3×
SHNTFIX	Shift fix
MEAL	Meal allowance
HSING	Housing allowance
GRAT	Gratuity
13MTHPAY	13th month pay

See Also

PeopleSoft Global Payroll PeopleBook, "Setting Up Accumulators"

Using Variables in the Rolling Average Calculation

The rolling average calculation uses the OE VR ROLLAVG AMT (amounts) variable. The system adds the amounts retrieved from the OE AC ROLLAVG AMT accumulator to variable OE VR ROLLAVG AMT. The variable OE VR ROLL UNIT holds the rolling number of months for calculating the rolling average. You can set the variable OE VR ROLL UNIT to the number of months that you want the system to use to retrieve period data for use in the calculation.

See Also

PeopleSoft Global Payroll PeopleBook, "Defining Calculation Elements," Defining Variable Elements

Using Formulas in the Rolling Average Calculation

The rolling average calculation uses the OE FM ROLLAVG AMT (amounts) formula. The rolling unit indicates how far back to calculate the rolling average. The formula, OE FM ROLLAVG AMT attached to an earnings element, calls a historical rule to retrieve the

accumulator value at the time of the calculated period. The period is calculated by the last period end date minus the number of months specified. The formula then calculates the average from the amount retrieved.

See Also

PeopleSoft Global Payroll PeopleBook, "Defining Calculation Elements," Defining Formula Elements

Working with Rolling Average (Example)

Following is an example of the accumulated value of the earnings element for the last five periods. Assume that:

- In period 2, these earnings did not contribute to the accumulator.
- You are running the pay run in period 5.

Value	Period 1	Period 2	Period 3	Period 4	Period 5
Earnings value	10,000	Not paid	10,000	10,000	10,000
Accumulator Value	10,000	10,000	20,000	30,000	40,000

Assume that you want to calculate the average earnings for the last four periods from period 5 (hence, you retrieve from period 1). Therefore, the accumulator holds 10,000 for period 1 and the rule retrieves 10,000. The formula retrieves the current period accumulator value of 40,000 in period 5.

The rolling average calculation is as follows:

$$((\text{Accumulator, current period}) - (\text{Accumulator, previous period})) / (\text{Months})$$

Hence, the calculation resolves to:

$$(40,000 - 10,000) / 4 = 7500$$

Controlling the Maximum Frequency Amount

There is an accumulator for each monthly and annual frequency. You can select a frequency of monthly or annual. Two accumulators are provided for each frequency.

During the calculation process, a formula determines whether the accumulated amount exceeds the maximum. Depending on the frequency, the formula selects the appropriate accumulator.

You can set the maximum amount and frequency at the payee level. Earnings element MEALREIM is set up this way. The accumulator CM AC MAX MONTH determines whether the monthly maximum amount (ceiling) has been reached for meal reimbursements.

Example 1

With a maximum yearly amount of HKD 10,040, the system pays HKD 40 if the payee's earnings are HKD 50 per month, and after payment, the accumulated yearly amount is HKD 10,050.

Example 2

With a monthly maximum amount of HKD 60, the system pays HKD 10 if the payee's earnings are HKD 50 per month, and after payment, the accumulated monthly amount is HKD 100. The system determines whether the accumulated monthly amount exceeds the monthly maximum amount of HKD 60.

In this case, because HKD 100 is greater than HKD 60, the accumulated monthly amount does exceed the monthly maximum amount. The earnings amount is updated with the difference. In this case, because the payee earns HKD 50 per month:

$$(50 + 60 - 100) = \text{HKD } 10$$

Controlling Earnings Maximum (Goal) Amount

You can set a goal amount for earnings—an upper limit on the earnings so that no more than that amount is paid in an accumulation period. CASHADV is set up with this control. It is set up to have a quarterly limit. You can nominate a goal amount to be paid for earnings or deductions.

CASHADV is always 20 percent of the CASHADV earnings and the recovery ceases to resolve when the cash advance goal balance accumulator equals zero.

When termination occurs, the whole cash advance goal balance is recovered in the last pay period, so the deduction amount of the CASHADV is overridden by the cash advance goal balance accumulator. A negative net balance is allowed when the net amount is not enough to recover the whole goal balance.

Example

If the total accumulated deduction amount exceeds the goal amount, then only the difference is deducted. For example, suppose that a payee's deduction is HKD 50. After the deduction, the accumulated amount is HKD 10,050 and the goal amount is nominated at HKD 10,040. In this case, the system deducts only HKD 40. The concept of the goal amount is similar to the maximum amount. The difference is that the accumulated amount is a life-to-date accumulator.

A formula determines whether the earnings amount exceeds the goal amount. If it does, then the difference is returned and a warning message displayed.

See Also

Calculating Cash Advance

“Defining Deductions for Hong Kong,” Calculating Cash Advance Recovery

Scheduling Earnings Using Generation Control

Generation control elements enable you to instruct the system to process an earnings element based on criteria that you define.

For Hong Kong, you control the payment of an earnings by assigning one of three generation controls to the earnings:

- OE GC GRA
- GM GC 13MTH PAY
- GM GC RSLV ONCE

For each generation control, there is a corresponding formula. When the formula returns TRUE, the earnings are paid.

For example, to pay an education allowance, the generation control CM GC RSLV ONCE resolves the allowance if either of the following conditions is true:

- The allowance has not been paid this year.
- Period segmentation occurred and the allowance was paid (hence, segmentation status is inactive).

The generation control CM GC RSLV ONCE ensures that the allowance is paid only once per year if period segmentation occurs.

See Also

Calculating Gratuity

Calculating 13th Month Pay

PeopleSoft Global Payroll PeopleBook, "Defining Calculation Elements," "Defining Generation Control Elements"

Understanding Subsetting

Subsetting enables a group of earnings to be paid for a calendar. For example, during a regular calendar run, you commonly pay basic salary and other earnings. In a 13th month off-cycle calendar run, you are required to pay only 13th month pay.

A variable is overridden at the calendar level. The variable contains the subset type. A formula determines whether the variable is for a subset type such as 13th month pay. The formula is attached to the process list condition and the section resolves if the formula is true.

The 13th month pay formula CM FM 13MTH SUBSET resolves if the variable CM VR SUBSET TYPE is 13MTH (for 13th month pay).

The variable CM VR SUBSET TYPE stores the calendar subset type. You attach the variable on the calendar override page and assign it the appropriate run. The variable is used in a

section conditional formula to resolve the section based on the calendar. For example, to run a regular subset type, assign the value REGULAR to the variable. If you run an off-cycle 13th month pay run, assign the value 13 MONTH to the variable. Only the 13th month section is resolved.

See Also

Calculating 13th Month Pay

Understanding Delivered Earnings Elements

In the following table, the first column combines the earnings name and description. A (GC) in the row indicates that the earnings have a generation control. The other four columns indicate the earnings calculation rule of Unit $\times$ Rate, Unit $\times$ Rate $\times$ Percent, or Amount. The formulas used for some of the earnings are discussed in further detail. (SE) indicates a system element, and (N) indicates numeric.

Name and Description	Unit	Rate	Base	Percent	Amount
Regular Pay					
BASSAL Basic salary					COMPRA TE
BASHLY Basic hourly	Payee Level	HOURLY RT (SE)			
Overtime					
OT1.5 Overtime 1.5 $\times$	Payee Level	HOURLY RT (SE)		150	
OTFIX Overtime fix	Payee Level	200 (N)			
Shifts					
SHNT1.3 Shift 1.3 $\times$	Payee Level	HOURLY RT (SE)		130 (N)	
SHNTFIX Shift fix	Payee Level	200 (N)			
Allowances					
TYPHOON Typhoon allowance	Payee Level	HOURLY RT (SE)		200 (N)	
BLCKRAIN Black rain allowance	Payee Level	HOURLY RT (SE)		200 (N)	
Meal Meal allowance					2000 (N)
MEALREIM Meal reimbursement					Payee Level

Name and Description	Unit	Rate	Base	Percent	Amount
MOBILE Mobile and pager allowance (GC)					250 (N)
HSING Housing allowance					ALW FM HOUSING
RENTREIM Rent reimbursement					Payee Level
EDALLOW Education allowance (GC)					Payee level
GRA Gratuity (GC)					Payee Level
13MTHPAY 13th month payment (GC)			OE FM 13MTH BASE	100 (N)	
CASHADV Cash advance (GC)			BASSAL	Payee Level	
Leave (Absence)					
DY WAGE 80 80 percent of daily wages	Payee Level	CM FM DAILY WAGE		80 (N)	
LWOP Leave without pay	Payee Level	DAILY RT (SE)		80 (N)	
SEV/LSP Severance and long service					TER FM LSP PAYMT
Termination					
ANN LIEU Annual leave in lieu	TER FM ALV BAL	CM FM DAILY WAGE			
TER 13TH PAY 13th payment termination			TER FM 13TH PAY	100 (N)	

Viewing Delivered Elements

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

See Also

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

Customer Connection, Library, Documentation, “Delivered Supporting Elements for PeopleSoft Global Payroll for Hong Kong”

CHAPTER 5

Defining Deductions for Hong Kong

This chapter describes how to calculate:

- Cash advance recovery.
- Community chest.
- Leave without pay (LWOP) and daily rate reduction.
- Mandatory Provident Fund (MFP) deductions.

This chapter also describes how to:

- Schedule deductions using generation control.
- Understand delivered deduction elements.
- View delivered elements.

Understanding Deductions for Hong Kong

PeopleSoft has created several deductions to demonstrate the flexibility of the PeopleSoft Global Payroll rules to meet common processing requirements such as the preservation of minimum net pay. The following sections discuss:

- How you can use deductions and supporting elements to produce desired results.
- How PeopleSoft has met specific deduction processing requirements.

Note. User keys enable you to track an accumulator at levels lower than the employee record. This directs the system to maintain different accumulated numbers for each of the employee's location. User Key 1 for deductions on the Deduction Accumulators page is PAY ENTITY (required by Inland Revenue Reporting). User Key 2 for all year-to-date accumulators is CM VR BAL GRP ID (balance group ID).

See also

“Defining Earnings for Hong Kong”

PeopleSoft Human Resources PeopleBook: Administer Workforce, “Hiring Your Workforce,”
Entering Employee Payroll Processing Data

Calculating Cash Advance Recovery

Employees can be paid 50 percent of their basic salary cash advances (CASHADV), which they must pay back using CASHADV in installments over five months. Use the cash advance recovery deduction exclusively to offset the cash advance. For cash advance payments, employees do not pay the interest.

As the total cash advance recovery amount is deducted from the annual taxable income, the cash advance recovery is a taxable deduction.

The calculation rule is $\text{Base} \times \text{Percent}$:

- Base: Accumulator OE AC CASHADV.
- Percent: 20.

Using Generation Control in the Cash Advance Recovery Calculation

The generation control CM GC RSLV CSHADV determines when the deduction starts and stops, if period segmentation occurs.

The formula DED FM RSLV CSHADR is attached to the generation control and determines whether if the cash advance accumulator is greater than zero. If so, the deduction is resolved. The accumulator is timed after calculation because the deduction is resolved after the CASHADV earnings is paid (the accumulator is updated after the deduction—not when the earning is resolved). The first time that the earning is paid, the deduction is not resolved because the accumulator is updated at the end of the pay run.

In the next period, the deduction is resolved because the accumulator would have been updated with the earnings amount. The generation control determines whether if the goal amount balance has been reached.

Example

A salaried employee's current basic salary is HKD 20000 per month. The organization decided that 50 percent of that basic salary cash advance is paid to them on 15 January 2001. The cash advance amount that the employee will receive on 15 January 2001 is calculated as:

$$(50 \text{ percent}) \times 20000 = 10000 \text{ (Cash Advance)} = \text{HKD}10000$$

After the cash advance is finalized, the deduction cash advance recovery is created (20 percent of cash advance with goal amount for the payee on the Earnings and Deductions Assignment page).

Note. Determine how much the employee owes at any one time. A goal amount balance accumulator holds the owed balance.

See Also

“Defining Earnings for Hong Kong,” Calculating Cash Advance

PeopleSoft Global Payroll PeopleBook, “Defining Calculation Elements,” Defining Generation Control Elements

Calculating Community Chest

The community chest deduction enables employees to donate to charity from their salaries. The donated amount is a taxable deduction and is paid at the earnings assignment level. Proration is not applicable to the donation.

The COMCHST calculation rule is Amount:

$$(\text{Amount}) = (\text{Payee Level})$$

The generation control CM GC RSLV ONCE prevents deducting the allowance more than once if period segmentation occurs.

Calculating Leave Without Pay and Daily Rate Deduction

Employees might take leave without pay during their working periods. One calendar daily rate is taken from salary for one day of unpaid leave. Unpaid leave is a taxable deduction.

LWOP can be taken anytime during the servicing period. One DAILY RT is reduced from the employee’s monthly income for every single day of LWOP taken. The value of one DAILY RT equals:

$$(\text{Annual Salary}) / 365$$

365 is used even in the leap year.

Example

Three days of unpaid leave has been taken in April and the basic salary in April is HKD 10000. The April monthly salary is calculated as:

Basic Salary :	10000
Unpaid Leave :	– (3/30) × 10000
Net :	HKD 9000

A salary change can occur during unpaid leave. In this case, the unpaid leave is split into two segments: segment one is based on the old daily rate and segment two is based on the new daily rate.

See Also

“Defining Earnings for Hong Kong,” Calculating Leave Without Pay

Calculating Mandatory Provident Fund Deductions

All members of the workforce, between age 18 and 65, except those who are exempt, are required to make regular contributions to registered Mandatory Provident Fund (MPF) schemes. Contributions are calculated at 10 percent of the employee’s income, with the employee and employer each paying 5 percent. Both the employee and employer can elect to make additional voluntary contributions.

The employer and employees’ contributions are deducted and paid to the selected MPF scheme each pay period. After the MPF scheme receives the deductions, they are immediately deposited into the employees’ retirement savings plans.

Eight MPF Deductions are provided in Hong Kong Payroll:

- Employer MPF Regular Mandatory 1 - ERMPFMN1
- Employer MPF Permitted Period Mandatory 2 - ERMPFMN2
- Employer MPF Regular Voluntary 1 - ERMPFVOL1
- Employer MPF Permitted Period Voluntary 2 - ERMPFVOL2
- Employee MPF Regular Mandatory 1 - EEMPFMN1
- Employee MPF Permitted Period Mandatory 2 - EEMPFMN2
- Employee MPF Regular Voluntary 1 - EEMPFVOL1
- Employee MPF Permitted Period Voluntary 2 - EEMPFVOL2

Calculating Employer MPF Regular Mandatory 1 - ERMPFMN1

The ERMPFMN1 deduction is used for employer regular MPF mandatory contributions.

The calculation rule is Base × Percent:

- Base: MPF FM ERMN1.
- Percent: 5.

See Also

“Administering Mandatory Provident Fund Contributions for Hong Kong”

Calculating Employer MPF Permitted Period Mandatory 2 - ERMPFMN2

The ERMPFMN2 deduction is used for employer MPF mandatory contributions during the 60-day permitted period.

The calculation rule is $\text{Base} \times \text{Percent}$:

- Base: MPF FM ERMN2.
- Percent: 5.

See Also

“Administering Mandatory Provident Fund Contributions for Hong Kong”

Calculating Employer MPF Regular Voluntary 1- ERMPFVOL1

The ERMPFVOL1 deduction is an additional 5 percent of relevant earnings and should be given to all employees. The rest of the rules are the same as for the MPF Employer Voluntary deduction. The deduction is used for employer MPF voluntary contributions.

The calculation rule is $\text{Base} \times \text{Percent}$:

- Base: MPF FM ERVOL1 BASE.
- Percent: 5.

See Also

“Administering Mandatory Provident Fund Contributions for Hong Kong”

Calculating Employer MPF Permitted Period Voluntary 2 - ERMPFVOL2

The ERMPFVOL2 deduction is used for employer MPF voluntary contributions during the 60-day permitted period.

The calculation rule is $\text{Base} \times \text{Percent}$:

- Base: MPF FM ERVOL2 BASE.
- Percent: 5.

See Also

“Administering Mandatory Provident Fund Contributions for Hong Kong”

Calculating Employee MPF Regular Mandatory 1 - EEMPFMN1

The EEMPFMN1 deduction is used for employee MPF mandatory contributions.

The EEMPFMN1 calculation rule is $\text{Base} \times \text{Percent}$:

- Base: MPF FM EEMN1 BASE.
- Percent: 5.

See Also

“Administering Mandatory Provident Fund Contributions for Hong Kong”

Calculating Employee MPF Permitted Period Mandatory 2 - EEMPFMN2

The EEMPFMN2 deduction is used for employee MPF mandatory contributions during the 60-day permitted period.

The calculation rule is $\text{Base} \times \text{Percent}$:

- Base: MPF FM EEMN2 BASE.
- Percent: 5.

See Also

“Administering Mandatory Provident Fund Contributions for Hong Kong”

Calculating Employee MPF Regular Voluntary 1 - EEMPFVOL1

The EEMPFVOL1 deduction is used for employer MPF voluntary contributions.

The calculation rule is $\text{Base} \times \text{Percent}$:

- Base: MPF FM EEVOL1.
- Percent: 100.

See Also

“Administering Mandatory Provident Fund Contributions for Hong Kong”

Calculating Employee MPF Permitted Period Voluntary 2 - EEMPFVOL2

The EEMPFVOL2 deduction is used for employee MPF voluntary contributions during the 60-day permitted period.

The calculation rule is $\text{Base} \times \text{Percent}$:

- Base: MPF FM EEVOL1.
- Percent: 100.

See Also

“Administering Mandatory Provident Fund Contributions for Hong Kong”

Scheduling Deductions Using Generation Control

Generation control elements enable you to specify whether to process a deduction element based on defined criteria. For PeopleSoft Global Payroll for Hong Kong, the system controls deduction payments by assigning a generation control to the deductions.

For each generation control, there is a corresponding formula. When the formula returns TRUE, the deduction is resolved.

See Also

PeopleSoft Global Payroll PeopleBook, “Defining Calculation Elements,” “Defining Generation Control Elements

Understanding Delivered Deduction Elements

In the following table, the first column combines the deduction name and description. **(GC)** in the row indicates that the deduction has a generation control. The other five columns indicate the deduction’s calculation rule of $\text{Unit} \times \text{Rate}$, $\text{Unit} \times \text{Rate} \times \text{Percent}$, $\text{Base} \times \text{Percent}$. The formulas used for some of the deduction codes are discussed in further detail. **(N)** indicates numeric.

Name and Description	Unit	Rate	Base	Percent	Amount
DEDUCTIONS (Section)					
CASHADV Cash Advance Recovery (GC)			OE AC CASHADV	20 (N)	
COMCHST Community Chest (GC)					Payee Level
MPF SE DEDUCTION (section)					
ERMPFMN1 MPF Employer Mandatory 1 (Regular)			MPF FM ERMN1	5 (N)	

Name and Description	Unit	Rate	Base	Percent	Amount
ERMPPFMN2 MPF Employer Mandatory 2 (Permitted Period)			MPF FM ERMN2	5 (N)	
ERMPPFVOL1 MPF Employer Voluntary 1 (Regular)			MPF FM ERVOL1 BASE	5 (N)	
ERMPPFVOL2 MPF Employer Voluntary 2 (Permitted Period)			MPF FM ERVOL2 BASE	5 (N)	
EEMPPFMN1 MPF Employee Mandatory 1 (Regular)			MPF FM EEMN1 BASE	5 (N)	
EEMPPFMN2 MPF Employee Mandatory 2 (Permitted Period)			MPF FM EEMN2 BASE	5 (N)	
EEMPPFVOL1 MPF Employer Voluntary 1 (Regular)			Payee Level	100 (N)	
EEMPPFVOL2 MPF Employee Voluntary 2 (Permitted Period)			Payee Level	100 (N)	

Viewing Delivered Elements

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

See Also

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

Customer Connection, Library, Documentation, “Delivered Supporting Elements for PeopleSoft Global Payroll for Hong Kong”

CHAPTER 6

Defining Absence Rules for Hong Kong

This chapter provides overviews of:

- Absence rules for Hong Kong.
- Delivered absence primary elements.

This chapter also describes how to:

- Calculate annual leave.
- Calculate absence entitlements on termination.
- Calculate sick leave.
- Calculate maternity leave.
- Calculate leave without pay (LWOP).
- Calculate other leave.
- View delivered elements.

Understanding Absence Rules for Hong Kong

PeopleSoft Global Payroll for Hong Kong delivers predefined rules for processing absence payments, such as annual leave, long service leave, sick leave, maternity leave, and jury leave. Rules are also delivered to calculate absence entitlements on termination, including rules for the payment of unused annual leave, 13th month payment, outstanding deduction recovery, severance, and long service.

PeopleSoft designed these rules in accordance with Hong Kong statutory requirements. You can easily modify many of these rules to reflect absence and termination policies that are specific to your organization or to labor agreements with your employees.

To demonstrate how PeopleSoft Global Payroll can process typical absence requirements in Hong Kong, PeopleSoft provides 8 absence entitlement elements and 10 absence take elements. After the table of primary elements—the absence and take elements—we describe the interaction of each element with supporting elements.

Note. For the customary data discussed in this chapter, two categories of employees are identified: *Statutory* and *General*. Each category has its own customary data (absence entitlement, take rules, and accrual rules).

See Also

PeopleSoft Global Payroll PeopleBook, "Understanding Absences," "Defining Absence Elements" and "Absence Entry and Processing"

Common Elements Used in This Chapter

Leave Without Pay (LWOP)	Unpaid absence type.
Maternity Leave (MLV)	Paid confinement period.
Sick Leave (SLV)	Paid sick period.
Annual Leave (ALV)	Paid absence type.
Other Leave (OLV)	Paid or unpaid absence type subjected to organization decision.
Long Service Payment (LSP)	Payment made when termination occurs after a long period of service.
General Employees	Employees employed on a permanent basis.
Statutory Employees	Employees employed on an hourly and contract basis.

Understanding Delivered Absence Primary Elements

Primary absence elements are absence entitlements—entitlement or pro rata—and absence takes. In the following tables, we cross-reference entitlements to takes and takes to entitlements in the description column. After the following tables, we describe each element in detail.

This section describes:

- Absence entitlements elements.
- Absence take elements.

Absence Entitlements Elements

Name	Description and Used By
Annual Leave	
ALV GENL ENT	Genl (general) annual leave entitlement ALV GENL TKE
ALV STAT ENT	Stat (statutory) annual leave entitlement ALV STAT TKE
Jury Leave	
OLV JURY ENT	Jury entitlement OLV JURY TKE
Compassion Leave	
OLV COMP ENT	Compassion entitlement OLV COMPASS TKE
Marriage Leave	
OLV MARR ENT	Marriage entitlement OLV MARRIAGE TKE
Maternity Leave	
MLV MAT ENT	Maternity entitlement MLV GENL TKE and MLV STAT TKE
No Paid Leave	
NPL LWOP ENT	No paid leave entitlement NPL LWOP TKE
Sick Leave	
SLV SICK ENT	Sick leave entitlement SLV GENL TKE and SLV STAT TKE

See Also

PeopleSoft Global Payroll PeopleBook, "Defining Absence Elements," Defining Absence Entitlement Elements

Absence Take Elements

Name	Description and Take Uses
Annual Leave	
ALV GENL TKE	Genl annual leave take ALV GENL ENT
ALV STAT TKE	Stat annual leave take ALV STAT ENT
Jury Leave	
OLV JURY TKE	Jury take OLV JURY ENT
Compassion Leave	
OLV COMPASS TKE	Compassion leave take OLV COMP ENT
Marriage Leave	
OLV MARRIAGE TKE	Marriage leave take OLV MARR ENT
Maternity Leave	
MLV GENL TKE	Genl maternity leave take MLV MAT ENT
MLV STAT TKE	Stat maternity leave take MLV MAT ENT
Leave Without Pay	
NPL LWOP TKE	Leave without paid take NPL LWOP ENT
Sick Leave	
SLV GENL TKE	Genl sick leave take SLV SICK ENT
SLV STAT TKE	Stat sick leave take SLV SICK ENT

Note. For Hong Kong, the unit for absence entitlement, take, and accrual is day. While half-day absence is allowed, a quarter day or the hours of absence are generally not accepted. All absence types except maternity leave can take half-day leave. The service date is used as the default base for the absence accrual process. The anniversary date for absence and termination is derived from the service date.

See Also

PeopleSoft Global Payroll PeopleBook, "Defining Absence Elements," Defining Absence Take Elements

Calculating Annual Leave

An employee is entitled to annual leave after working 12 months for one employer, and then for each succeeding 12-month period. The following annual leave rules are delivered for general and statutory employees.

This section provides overviews of:

- Absence forfeiture.
- Leave accrual.

This section also describes how to calculate:

- Annual leave for general employees.
- Annual leave for statutory employees.

See Also

"Defining Earnings for Hong Kong," Calculating Annual Leave Instead of Annual Leave Entitlement

Understanding Absence Forfeiture

Annual leave can be carried forward to the next 24 months and compensation is not paid for forfeited annual leave. There is no limitation for statutory employees; the annual leave balance is always carried over to the next year. However, for general employees, the annual leave balance can be carried forward only to the next 24 months.

Understanding Leave Accrual

The accrual process for annual leave occurs once per month. Run this process before pay calculation. For general employees, prorated entitlement is added to the entitlement balance after the monthly accrual process is finished.

For example, an employee is hired on 15 April 2001 and is entitled to 12 days of annual leave per year. The annual leave entitlement at the end of the first month is:

$$16 / 30 \times 12 / 12$$

If the entitlement increases after a set number of years of service, such as an additional one day, annual leave is awarded when finishing the first year of service. In this case, the employee in the anniversary period gains:

$$(14 / 30 \times 12 / 12) \text{ last years entitlement plus } (16 / 30 \times 13 / 12) \text{ new entitlement (effective from the first anniversary day).}$$

For statutory employees, absence accrual runs annually during the anniversary month. For example, if an employee is hired in January 2000, then the first annual absence accrual process is January 2001. After the first accrual, the employee earns seven days of entitlement.

Calculating Annual Leave for General Employees

The annual leave entitlement ALV GENL ENT, using formula ALV FM GENL ENT, returns the monthly annual leave entitlement during the monthly accrual process. Use the annual leave in lieu earnings ANN LIEU to pay unused annual leave for termination or payment.

The ALV FM GENL ENT formula resolves as follows:

1. The annual leave entitlement value is retrieved from bracket ALV BR GENL ENT.

The yearly entitlement is deannualized whenever the entitlement has not been changed during the pay period. If the entitlement has been changed, the partial entitlements before and after the anniversary date are added up and returned.
2. The current year's annual leave entitlement variable CM VR CUR ENT stores the current deannualized annual leave entitlement. The previous year's annual leave entitlement variable CM VR PRV ENT stores the previous deannualized annual leave entitlement.
3. The duration CM DR YR OF SERV returns the employee's years of service (number of years between the service date SERVICE DT and the pay period end date PERIOD END DATE).
4. The formula ALV FM PREV ACCM returns the previous year's balance (system variable PREV VALUE ACCM) and is used in the accumulator initialize rule.
5. The annual leave balance accumulator ALV GENL ENT_BAL is carried forward to the new annual leave accumulator.

Whenever the accumulator begins, the previous accumulator balance is brought to the current balance (new accumulator period).

6. The variables, CM VR ANNIV MTH (begin month) and CM VR ANNIV DY (begin day) specify the begin date of the accumulators.

All accumulator periods are year-to-date (YTD) and begin to accumulate from the employee's hire date.

7. The formula ALV FM GENL FORFEIT returns the forfeited units that are eventually reduced from the annual leave balance accumulator. The formula ALV FM GENL ADJUST returns the forfeiture unit.

This formula checks the current year's entitlement plus last year's entitlement and forms a forfeiture level. For example, an employee is entitled to seven days in the first year, eight days in the second, and nine days in the third year. During the second year of service, the employee's annual leave balance cannot exceed 15 days, and it cannot exceed 17 days during the third year of service.

Calculating Annual Leave for Statutory Employees

The accrual process runs once for every 12-month period from the employee's hire date. The annual leave entitlement ALV STAT ENT, using formula ALV FM STAT ENT, returns the annual leave entitlement for statutory employees, only when their anniversary dates occur in the current pay period. The formula also returns annual leave entitlement from the employee's last anniversary date to the termination date only when the employee is terminated in the current pay period.

The ALV FM STAT ENT formula resolves as follows:

1. The annual leave entitlement value is retrieved from bracket ALV BR STAT ENT.
2. The current year's annual leave entitlement variable CM VR CUR ENT stores the current deannualized annual leave entitlement. The previous year's annual leave entitlement variable CM VR PRV ENT stores the previous deannualized annual leave entitlement.
3. The duration CM DR YR OF SERV returns the years of service. (number of years between the service date SERVICE DT and the pay period end date PERIOD END DATE).
4. The formula ALV FM PREV ACCM returns the previous year's balance (system variable PREV VALUE ACCM) and is used in the accumulator initialize rule.
5. The annual leave balance accumulator ALV STAT ENT_BAL is carried forward to the new annual leave accumulator.

Whenever the accumulator begins, the previous accumulator balance is brought to the current balance (new accumulator period).

6. The formula ALV FM STAT FORFEIT returns the forfeited units that are eventually reduced from the annual leave balance accumulator.
7. The generation control ALV GC ANNIV MTH controls the entitlement by resolving only when the employee's anniversary month equals the pay period month.
8. The formula ALV FM ANNIV MTH resolves when GP PRD END DATE MO (variable that stores the *mm* part of the pay period end date) equals CM VR ANNIVMTH (variable that stores the payee's *mm* part of the hire date) and the employee is not hired in the current pay period.

9. The variables CM VR ANNIV MTH and CM VR ANNIV DT specify the accumulator's begin date.

All accumulator periods are YTD and begin to accumulate from the employee's hire date.

Calculating Absence Entitlements on Termination

PeopleSoft delivers a set of predefined rules for processing absences due to termination. PeopleSoft designed these rules in accordance with Hong Kong statutory requirements.

This section describes how to:

- Calculate unused annual leave.
- Calculate 13th month payment.
- Calculate severance and LSP.
- Pay outstanding deduction recovery upon termination.

Note. The system element TERMINATION DT in the employment record is populated when you select an action reason of either *Retirement* or *Termination* on the Job page. They are both considered termination. Action *Termination* with a reason of *Redundancy* or *Layoff* is considered job redundancy. If the employee is terminated with one these reasons and has worked more than two years, then the employee is entitled to severance payment.

See Also

“Defining Earnings for Hong Kong,” Calculating Absence and Termination Earnings

Calculating Unused Annual Leave

When general and statutory employees are terminated after three months of continuous service, they are entitled to a payment for their prorated unused annual leave. The earnings element ANN LIEU is the payment in lieu of annual leave entitlement. The calculation of the unused annual leave amount is $\text{Unit} \times \text{Rate}$:

- Unit: Formula TER FM ALV BAL (unused annual leave balance in days).
- Rate: Formula CM FM DAILY RATE (average daily rate).

$$(\text{Average Daily Rate}) = (\text{Average Monthly Earnings}) / 30$$

Note. The constant 30 represents the number of days in a month and is also used in February (28 or 29 days) or March (31 days).

The TER FM ALV BAL and CM FM DAILY RATE formulas resolves as follows:

1. The system checks the service date system element TER DATE to determine whether the terminated payee is eligible to a payment instead of unused annual leave. The date CM DT PROBATION is three months after the service date.
2. The actual annual leave balance for termination calculation is returned by formula TER FM ALV BAL, using ALV GENL ENT_BAL for general employees and ALV STAT ENT_BAL + current year (up to the termination date) balance.
3. The value is returned to the earnings element ANN LIEU and is then multiplied by the average daily rate calculated by CM FM DAILY RATE.

Also use ANN LIEU to pay employees when they accept payments from their employer to offset part of the annual leave. This is a positive input and the unit of ANN LIEU is overridden by the number of adjusted days from the annual leave balance. ANN LIEU is a taxable earnings element. Therefore, it contributes to the annual taxable accumulator.

Note. An employee can have a negative annual leave balance when processing unused leave during the termination process. The outstanding balance should be converted to monetary value and paid back to the employer. The calculation of the outstanding annual leave is the same as the unused annual leave.

See Also

“Defining Earnings for Hong Kong,” Calculating Annual Leave Instead of Annual Leave Entitlement

Calculating 13th Month Payment

Regular 13th month payment is an additional payment of basic salary (normally 100 percent of regular) paid to employees a few days before the Chinese New Year. If the employee is eligible for 13th month pay and is terminated, then prorated payment is paid even if the employee was hired on or after the cut-off date (assuming that the employee has completed the probation period of three months of service). Some organizations set the cut-off period to stop current yearly 13th month pay if the employee was hired on or after the previous year’s cut-off date.

To pay 13th month payments, use the TER 13TH PAY earnings element attached to the TER SE MAIN section. The 13th month payment is calculated as $\text{Base} \times \text{Percent}$:

- Base: Formula TER FM 13TH PAY.
- Percent: 100.

The TER FM 13TH PAY formula resolves as follows:

1. If the employee is hired and terminated in the same year, (when variable CM VR SERV YR equals variable OE VR CAL YEAR), or if the employee is hired on or after the previous year’s cut-off date and terminated in the current year (when the SERVICE DT is

on or after the variable OE VR CUT OFF DT), then the following specific elements are included in the calculation:

- *A*: Duration from hire date to termination date (using duration TER DR DY IN SERV).
- *B*: Calendar days in termination year—either 365 or 366 (using duration OE DR DAYS IN YR).
- *C*: Basic salary as of termination date (using MONTHLY RT).

2. The prorated 13th month pay is calculated as:

$$A / B \times C$$

3. If the employee is hired before the previous year's cut-off date and is terminated in the current year, then the following additional element is incorporated into the preceding calculation:

D: Duration from January 1 of the termination year to the employee's termination date (using duration TER DR DY LAST YR).

4. The prorated 13th month pay is calculated as:

$$D / B \times C$$

The duration TER DR MTH IN SERV determines the total number of service months between the employee's hire date and termination date. If this is fewer than three months, no payment is made. The date OE DT CAL YEAR extracts the current calendar year.

The service date must be on or after the 13th month pay cut-off date OE VR CUT OFF DT.

See Also

"Defining Earnings for Hong Kong," Calculating 13th Month Pay and Calculating 13th Month Payment on Termination

Calculating Severance and Long Service Leave Payments

An employer should pay severance payment when an employee who has been employed under a continuous contract for not less than 24 months is dismissed by reason of redundancy. Customary data with the following rules pays severance payments when:

- The employee has worked for the company for more than 24 months.
- The termination action is redundancy (*terminated with benefit*).

The calculation rule for both severance and long service payments is the same. Employees can receive only severance payment or long service payment, but not both. An employer should pay long service payment to an employee who is employed not less than five years under a continuous contract, and who:

- Is not dismissed due to serious misconduct.
- Dies.
- Resigns due to ill health.
- Retires early or at age 65 or above.

The formula TER FM LSP PAYMT (severance and LSP amount) returns the severance payment or long service payment, depending on the employee's year of service and the termination action reason.

The TER FM LSP PAYMT formula resolves as follows:

1. The years of service and maximum claim amount for the terminated employee are retrieved from bracket TER BR LSP ENT.

The formula TER FM LSP PERIOD is used as the search key for the bracket.

2. The variable TER VR MAX LSP stores the maximum claimable LSP amounts that are stored in the bracket TER BR LSP ENT. The variable TER VR LSP CEILING stores the maximum ceiling of average wages (currently HKD 15000).
3. The duration CM DR MTH OF SERV returns the number of months between the service date SERVICE DT and the pay period end date GP PRD END DT plus one. The duration CM YR OF SERV NDEC returns the years of service with no decimals.
4. The variable OE VR ROLL UNIT is needed before it calls the formula OE FM ROLL AVG.
5. The formula OE FM ROLL AVG obtains the employee's average earnings and calculates the employee's payment using the following formula:

$$\text{LSP} = (\text{Average Earnings} \times 2/3) \times (\text{Reckonable Years of Service})$$

The factor 2/3 is a constant factor defined by the Hong Kong Labor Department. The formula first checks the monthly average earnings and multiplies it by 2/3 (0.67). The result cannot be greater than the maximum ceiling of HKD 15000, which is also defined by the Labor Department. The total is then multiplied by the employee's reckonable years of service stored in the bracket TER BR LSP ENT. If it exceeds HKD 15000, then HKD 15000 is returned and multiplied by the employee's reckonable years of service.

See Also

"Defining Earnings for Hong Kong," Calculating Severance and Long Service Payments

Paying Outstanding Deduction Recovery Upon Termination

The earnings element CASHADV is a cash advance that is paid in advance to an employee. The total amount of the advance must then be paid back to the organization in several installments. The outstanding cash advance balance is stored in the goal amount (balance)

accumulator. When the termination occurs, the system checks the goal amount accumulator and resolves the whole goal amount during the last pay period.

The CASHADV recovery deduction is always 20 percent of the CASHADV, and the recovery ceases to resolve when the cash advance goal balance accumulator CM AC GOAL BAL equals zero.

When the employee is terminated, the whole cash advance goal balance should be recovered in the last pay period, so the deduction amount of the CASHADV is overridden by the cash advance goal balance accumulator. A negative net balance is allowed when the net amount is not enough to recover the whole goal balance.

See Also

“Defining Earnings for Hong Kong,” Calculating Cash Advance

“Defining Deductions for Hong Kong,” Calculating Cash Advance Recovery

Calculating Sick Leave

One sick leave entitlement SLV SICK ENT (formula SLV FM ENT) for both general and statutory employees is delivered as customary data. The sick leave balance is always carried over to the next period, but the balance cannot exceed 120 days.

Statutory Employees

The employer should pay statutory employees sickness allowance if the employee takes sick leave of no less than four consecutive days. Only 80 percent of the employee’s daily wage is paid. Uncertified sick leave or zero balance sick entitlement is considered LWOP. To pay sick leave for statutory employees, also use the DY WAGE 80 earnings element and take SLV STAT TKE.

General Employees

Employees can take half or more days of paid sickness only when they have enough balance. For an approved sickness, they receive 100 percent of their normal daily wages. Uncertified sick leave or zero balance sick entitlement is considered LWOP. To pay sick leave for general employees, also use the take SLV GENL TKE.

This section describes how to calculate sick leave payments.

Calculating Sick Leave Payments

The formula SLV FM ENT returns sick leave entitlement if the employee is not terminated during the pay period. When the employee is terminated during the pay period, the formula returns either zero or the SLV BR ENT bracket value, which eventually returns the monthly sick entitlement (two or four days) to the terminated employee.

The SLV FM ENT formula resolves as follows:

1. The bracket SLV BR ENT stores the monthly sick entitlement. The system checks the bracket and attempts to resolve the sick entitlement. The prorated entitlement is not returned, but the lower is returned from the bracket.

For example, 1.9 months of service returns 2 from the bracket. Sick leave accrual is run on each pay period and during the accrual process.
2. The adjustment formula SLV FM ADJUST adjusts the exceeded sick leave balance when it reaches 120 days. It evaluates the system element ABS END ENTL BAL if it is greater than 120, then returns the exceeded unit to offset the sick leave balance.
3. The formula SLV FM PREV ACCM returns the system element PREV VALUE ACCM, which stores the value of the old accumulator. This formula is used in the accumulator initialization to bring the old balance to the new accumulator.
4. The formula SLV FM ENT returns sick leave entitlement if the employee is not terminated during the pay period. When termination occurs during the pay period, the formula returns either zero or the SLV BR ENT bracket value, which eventually returns the monthly sick entitlement (two or four days) to the terminated employee.
5. The absence day formula CM FM TKE UNIT evaluates each day of the absence event. The required entitlement units (either 1 or 1/2) of each absence date are returned and compared with the beginning entitlement balance to calculate the paid and unpaid units. If PARTIAL HOURS is greater than half of SCHED HRS, it is treated as a one-day leave of absence.
6. For statutory employees, take SLV STAT TKE generates earnings element DY WAGE 80 for every paid sick leave, which calculates 80 percent of the employee's average earnings. The earnings element uses formula CM FM DAILY WAGE to return the employee's daily wage, which is calculated by the formula OE FM ROLL AVG.

Calculating Maternity Leave

The following rules are delivered as customary data for maternity leave:

- Employees are eligible if they worked no less than 40 weeks.
- A maximum of 10 weeks of paid maternity leave is granted, if eligible. Alternative holiday is not granted if statutory or public holidays occur during the maternity period.
- Statutory employees receive 80 percent of average earnings, and general employees receive 100 percent of basic salary.
- A half-day of maternity leave cannot be taken by employees.

This section describes how to calculate maternity leave.

Calculating Maternity Leave

The maternity leave entitlement MLV MAT ENT is delivered for all employees and is granted when the leave occurs (per absence). The PAID maternity period is 70 days from the maternity commencement date. Absence periods longer than 70 days are considered LWOP.

The maternity leave calculation resolves as follows, using the MLV FM MAT ENT and MLV FM RESOLVE ENT formulas:

1. The date MLV DT ELIG (maternity eligible date), in conjunction with the ABSENCE DATE, specifies the date that must be reached before the maternity absence can be paid. The date is 40 weeks after the hire date (service date SERVICE DT). If the date of the absence is earlier than the maternity eligible date, no payment is made.
2. The formula MLV FM MAT ENT returns 1 if the employee has reached the maternity eligible date.
3. The conditional resolution formula MLV FM RESOLVE ENT resolves if the absence date is fewer than 70 days and does not resolve to use the existing entitlement balance. The formula returns one SCHED HRS entitlement for each absence date.

Because there is always no entitlement balance for maternity, the required entitlement units of maternity leave longer than 70 days are considered LWOP.

4. The formula MLV FM RESOLVE ENT uses duration MLV DR MAT to determine the duration in days between the absence begin date and absence date. It determines if the maternity absence date is paid or unpaid.
5. The take MLV STAT TKE generates earnings element DY WAGE 80 for statutory employees, which calculates 80 percent of the employee's average earnings. The earnings element uses formula CM FM DAILY WAGE to return the employee's daily wage, which is calculated by the formula OE FM ROLL AVG. For general employees, MLV GENL TKE, no positive input is generated because the employees are paid 100 percent of basic salary.
6. The absence day formula CM FM TKE UNIT evaluates each day of the absence event. The required entitlement units (either 1 or 1/2) of each absence date are returned and compared with the beginning entitlement balance to calculate the paid and unpaid units. If PARTIAL HOURS is greater than half of SCHED HRS, it is treated as a one-day leave of absence.

Calculating Leave Without Pay

There are no entitlement and accruals associated with LWOP. The following rules are delivered:

- LWOP can be taken from the employee's hire date.
- One daily rate (Annual Basic Salary / 365) is deducted from monthly pay for every single LWOP taken during the pay period.

- A half-day can be taken.

Statutory Employees

Annual leave cannot be taken if the employee has not earned it. When the accrual balance for annual leave is not enough to cover the whole duration of annual leave, the difference is considered LWOP.

General Employees

Annual leave can be taken if the employee has not earned it.

See Also

“Defining Earnings for Hong Kong,” Calculating Leave Without Pay

Calculating Leave Without Pay

The NPL LWOP ENT (no paid leave entitlement) is delivered for both general and statutory employees. LWOP can be taken anytime during the servicing period. One daily basic rate is deducted from the employee’s salary for every single day of LWOP. The value of one daily basic rate equals the annual salary divided by 365 (even in a leap year).

The LWOP calculation is $\text{Unit} \times \text{Rate (daily)}$:

- Unit: Payee lvl (payee level).
- Rate: Daily RT (daily rate).
- Percent: 80.

LWOP pay is calculated as follows:

1. The system element DAY COUNT UPD notifies the system to generate earnings for the UNPAID unit only. The total amount is subtracted from the employee’s basic salary when the employee takes the LWOP (per absence). A zero entitlement is granted when the LWOP occurs.
2. The take NPL LWOP TKE uses the day formula CM FM TKE UNIT to determine if the absence date requires entitlement.
3. The earnings element LWOP is generated for each day of LWOP using the conditional resolution formula CM FM RESOLVE ENT. This returns one SCHED HRS entitlement for each absence date.

Calculating Other Leave

Three types of other leave are delivered as customary data for Hong Kong:

- Jury
- Compassion
- Marriage

Note. Examination leave and study leave are considered LWOP.

This section describes how to calculate other leave.

Calculating Other Leave

There are no entitlements for other leave types and no accruals are associated with them. Employees are paid when the absences occur. Although jury, compassion, and marriage leave have similar entitlement and take setups, marriage leave requires completion of an eligibility period of three months. To handle this, a date CM DT PROBATION is defined, which is three months after the service date. The formula OLV FM MARR ENT resolves if the employee has finished the probationary period and returns zero if the employee is under probation.

Other leave is calculated as follows:

1. The variables CM VR ANNIV MTH and CM VR ANNIV DT notify the system when the accumulators should start to accumulate. During the initialization session, the payee's hire date is retrieved and the *ddmm* part of the date is extracted and assigned to these variables.
2. The date element CM DT HIRE stores the payee's hire date, then passes the *mm* part of the date to CM VR ANNIV MTH and the *dd* part of the date to CM VR ANNIV DT during the absence initialization.
3. A day formula CM FM TKE UNIT determines each absence date from the absence event (if it is a rest day or a working day). The formula returns zero for rest days and returns one or half-day if the absence date is a working day.
4. The system uses a conditional resolution formula CM FM RESOLVE ENT, which resolves if it is a working day and doesn't resolve if it is a rest day.

No further conditions are required before the entitlement is resolved for all other leave types.

5. Although the entitlement setup for all other leave types is identical, each leave type has its own set of accumulators. The entitlement formulas OLV FM ENT or OLV FM MARR ENT pay one or half-days of entitlement, which are then resolved whenever the absence occurs.

All accumulator periods are YTD accumulators and begin to accumulate from the employee's hire date.

6. The takes for each of the other leave types use the day formula CM FM TKE UNIT to determine whether the absence date requires entitlement. Only the date CM DT PROBATION is used to specify the eligibility date for marriage leave.

Viewing Delivered Elements

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

See Also

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

Customer Connection, Library, Documentation, “Delivered Supporting Elements for PeopleSoft Global Payroll for Hong Kong”

CHAPTER 7

Administering Mandatory Provident Fund Contributions for Hong Kong

This chapter provides an overview of the administration of Mandatory Provident Fund (MPF) contributions for Hong Kong and discusses how to:

- Make statutory and customary MPF deductions.
- Accommodate MPF exemption rules and limits.
- Calculate permitted period MPF contributions.
- Calculate regular MPF contributions.
- Understand the Balance Accumulator rule.
- Understand MPF proration rules.
- Setting up additional MPF report details.
- View delivered elements for Hong Kong.

Understanding Administering Mandatory Provident Fund Contributions

PeopleSoft supports the administrative and reporting requirements of Mandatory Provident Fund (MPF) administration and maintenance and provides:

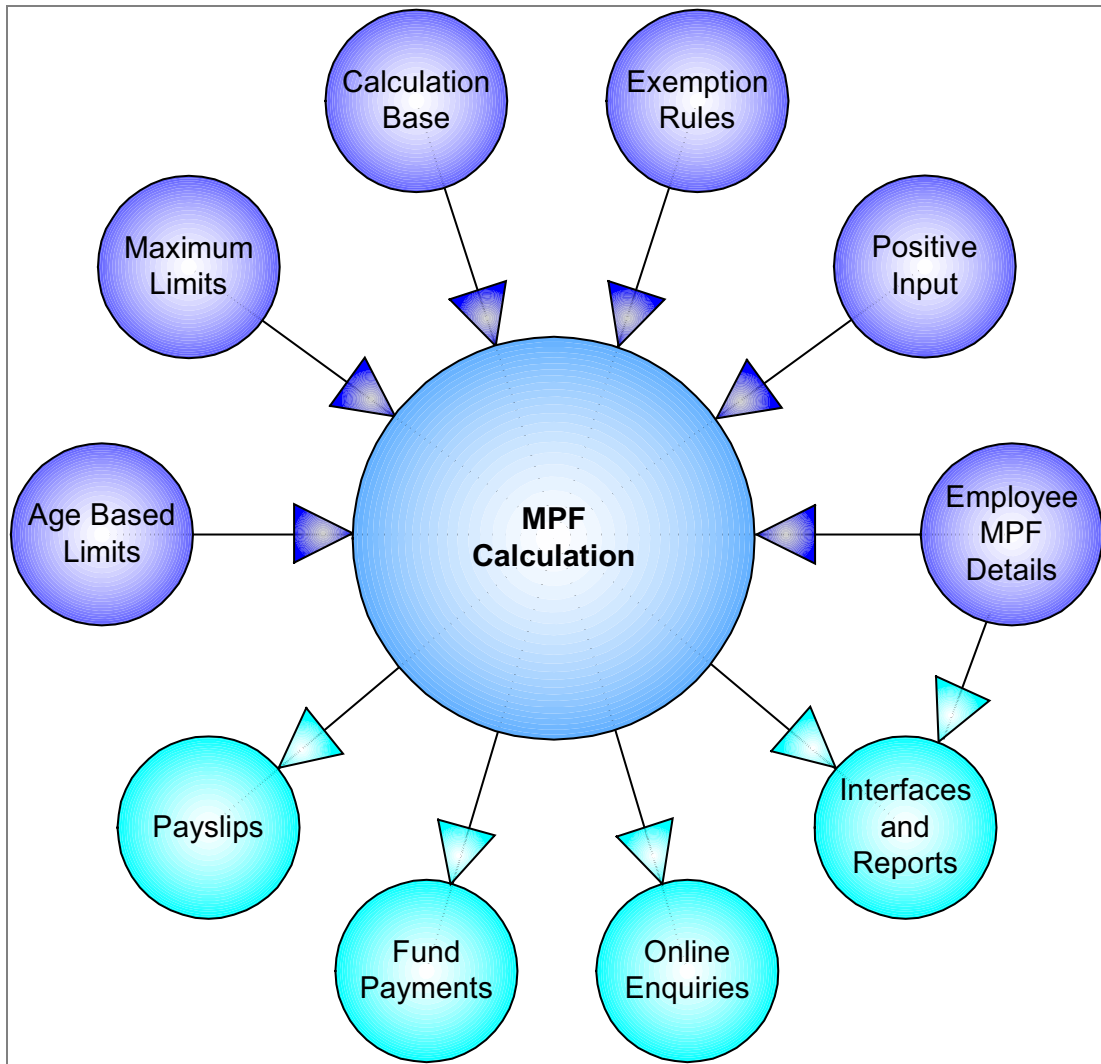
- Support for both employee and employer payments to a nominated fund in accordance with the calculation of eligibility rules for MPF legislation.

These deduction rules cover legislative MPF requirements such as permitted period processing, age eligibility, and the contribution holiday rule.

- Reports to support administrative reporting in accordance with MPF requirements.

MPF reports such as the Remittance Statement and Terminated Employees Report enable you to manage your contributions.

The following diagram displays the rules and options that you are required to set up or exercise to ensure correct MPF calculation and system outputs.



User inputs and system outputs for Mandatory Provident Fund deductions

See Also

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

“Defining Earnings for Hong Kong,” Calculating Earnings Included in MPF Calculations

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

Common Elements Used in This Chapter

Casual Employee (as defined by MPF Ordinance)	A relevant employee engaged in the construction or catering industry, who is employed on a day to day basis or for a fixed period of less than sixty days.
--	--

Contribution Day	For non-casual employees, the tenth day after the last day of the contribution period or the contribution period in which the permitted period ends—which ever is the later. The employer must contribute to a scheme for their employees on or before the tenth day after the last day of the contribution period. For casual employees, (who are not members of an industry scheme), this is the tenth day after the last day of the relevant contribution period, or the contribution period in which the permitted period ends—which ever is the later. The employer and the approved trustee of the scheme concerned approve one of the following days: • The day on which the casual employee is paid. • The tenth day after the last day of the relevant contribution period.
Contribution Holiday	An employee does not have to contribute to MPF for the first thirty days of his or her employment. (The first thirty days is referred to as the contribution holiday.) An employee must start paying MPF from the thirty-first day of his or her employment.
Contribution Period (Non casual employee)	Regarded as the payroll period. If an employee is paid on a calendar month basis and the payment pattern is specified in the employment contract, the contribution period should be one calendar month.
Employee Reporting Period	The pay period in which the holiday contribution period ends. Employee's can commence contributing to MPF in this period.
Employer Reporting Period	The pay period in which the permitted period ends. The Remittance report and payslip are required to disclose the contribution amount and contribution dates within the permitted period.
Mandatory Provident Fund (MPF)	A compulsory retirement plan scheme implemented by the government of Hong Kong to help ensure a financially sound retirement for the territory's workforce. Under MPF, both the employer and employee make regular mandatory contributions into an employee's account, with benefits payable at retirement.
Permitted Period	For casual employees, the period within which the employer must enroll the employee into a registered scheme. Ten days for casual employees.
Permitted Period MPF Deduction	An MPF deduction (contribution amount) for the permitted period required for the MPF Remittance report. Used to report MPF contribution within the permitted period and does not contribute to balance accumulators.

Regular MPF Deduction

Regular MPF deductions are used for regular deduction processing in payroll and contribute to balance accumulators. There are two deduction elements. One element resolves the amount for payroll and the other resolves for reporting.

Making Statutory and Customary MPF Deductions

We have supplied the following deductions for the common MPF contributions. The deductions are PeopleSoft Delivered and Maintained and are all defined with a calculation rule of Base x Percent. Mandatory and Voluntary deductions are delivered for both employers and employees.

<i>Deduction</i>	Description
ERMPFMN1 Employer Regular MPF Mandatory Contribution	Used for employer Regular MPF Mandatory contributions. Base = MPF FM ERMN1 Percent = 5 (Statutory)
ERMPFMN2 Employer Permitted Period MPF Mandatory Contribution	Used for employer MPF Mandatory contributions within the sixty-day permitted period. Base = MPF FM ERMN2 Percent = 5 (Statutory)
ERMPFVOL 1 Employer Regular MPF Voluntary Contribution	An additional 5 percent of relevant earnings and should be given to all employees. The rest of the rules are the same as those for the MPF Employer Voluntary deduction. The deduction is used for employer MPF voluntary contribution. Base = MPF FM ERVOL1 BASE Percent = 5 (Customary)
ERMPFVOL 2 Employer MPF Permitted Period Voluntary Contribution	Used for employer MPF voluntary contributions within the sixty-day permitted period. Base = MPF FM ERVOL2 BASE Percent = 5 (Customary)

Deduction	Description
EEMPFMN1 Employee Regular Mandatory MPF Contribution	Used for employee MPF mandatory contributions. Base = MPF FM EEMN1 BASE Percent = 5 (Statutory)
EEMPFMN2 Employee Permitted Period Mandatory MPF Contribution	Used for employee MPF mandatory contributions within the sixty-day permitted period. Base = MPF FM EEMN2 BASE Percent = 5 (Statutory)
EEMPFVOL 1 Employee Regular Voluntary MPF Contribution	Used for employee MPF voluntary contributions. Entered at the deduction assignment level. Base = Payee Level Percent = 100 (Customary)
EEMPFVOL 2 Employee Permitted Period Voluntary contribution	Used for employee MPF voluntary contributions within the sixty-day permitted period. Entered at the deduction assignment level. Base = Payee Level Percent = 100 (Customary)

Note. Earnings that are included in the MPF calculation are referred to as relevant income and include wages, salaries, leave pay, fee, commission, bonus, and gratuity. Because not all earnings are included in MPF calculations, it is possible to define the earnings that should be included in MPF calculation using the Earnings Component.

See Also

“Defining Earnings for Hong Kong,” Calculating Earnings Included in MPF Calculations

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

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

Calculating Permitted Period MPF Contributions

Calculating Regular MPF Contributions

Accommodating MPF Exemption Rules and Limits

In this section, we discuss accommodating MPF exemption rules and limits and discuss how to:

- Define casual employees for MPF contributions.
- Exclude employees from MPF calculations.
- Apply maximum and minimum limits to MPF contributions.

Understanding Accommodating MPF Exemption Rules and Limits

Although it is mandatory for employers to pay MPF contributions for each employee, the following exemptions and limits exist:

- An employee does not have to contribute to MPF for the first thirty days (contribution holiday) of their employment.
- If the employee is paid on a monthly calendar basis, they reach the age of 65 prior to the payment date, and they are not terminated, then MPF contribution is not required by both the employer and employee for that month.
- If an employee terminates within their first sixty days of employment (permitted period), their employer is exempted from making the MPF contribution.
- For casual employees, the sixty-day (permitted period) rule for employers and thirty-day (contribution holiday) rule for employees does not apply.
- Mandatory contributions are subject to maximum and minimum levels.

For example, employees earning less than 4000 HKD per month in relevant income do not have to contribute to MPF, but the employer still needs to contribute 5 percent of the employee's income even if they earn less than 4000 HKD in relevant income in the month. Employer mandatory contributions have no minimum levels.

Note. No age eligibility or minimum and maximum rules are applied to employee voluntary deductions. However, employer voluntary deductions do check for these rules.

Understanding the MPF Contribution Holiday Rule

Generation control resolves the MPF deduction if the employee's service days are greater than thirty days. For example, for the EEMPFMN1 deduction, the MPF generation control MPF GC EEMN1, using formula MPF FM RSLV EEMN1, resolves if the employee's service days are greater than thirty days (not within the holiday contribution period) and no additional exemptions apply.

Depending on whether the employee is hired or rehired, their days of service are calculated as:

Period End Date – Hire Date +1

Or

Period End Date – Rehire Date + 1

If the contribution holiday end date MPF DT HOL END DT is before or the same as the PERIOD END DATE, then the formula MPF FM HOL END DT resolves. The formula determines if the period is greater than the contribution holiday end date.

The formula MPF FM END HOL PRD checks the holiday contribution period and resolves if the holiday contribution end date is greater than or equal to the period begin date, or less than the period end date.

Note. Contributions begin when the period is greater than the contribution holiday end date.

See Also

“Defining Earnings for Hong Kong,” Calculating Earnings Included in MPF Calculations

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

Calculating Permitted Period MPF Contributions

Calculating Regular MPF Contributions

Understanding MPF Age Eligibility Rules

The formula MPF FM AGE 65 checks if the employee is 65 years of age. The formula calls GP AGE IN YEARS to calculate the employee’s age and resolves whether the following conditions are true:

- The employee’s age is 65.
- The employee’s birthday falls within the period and on or before the payment date.

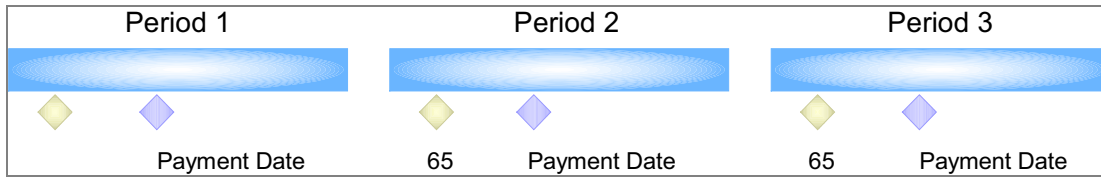
Note. GP AGE IN YEARS calculates the number of years from the employee’s birthdate to the period end date.

The generation controls MPF GC ERMN1 and MPF GC ERMN2 stop resolving MPF mandatory deductions once the employee has reached 65 on or before the payment date. The following are examples of different scenarios where the payment date determines the payment of MPF contributions.

Employees Turning 65 Before Their Payment Date

Suppose an employee turns 65 before his or her payment date and the payment date is within the pay period begin and end date. In Period 1, MPF is resolved but in Period 2, MPF is not

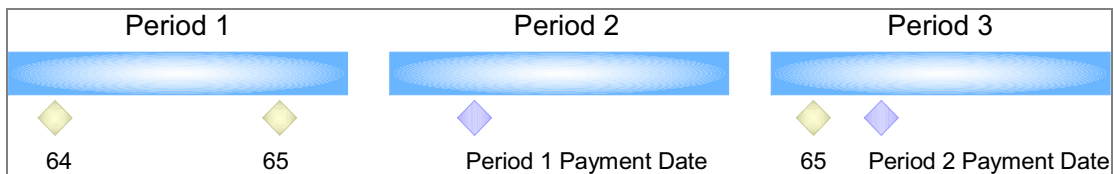
resolved because the employee turns 65 before the payment date. In Period 3, since the employee is already 65, MPF isn't resolved. The following diagram illustrates this scenario:



An employee turns 65 before their payment date which is within the pay period begin and end date

Employees Turning 65 Before the Period 2 Payment Date

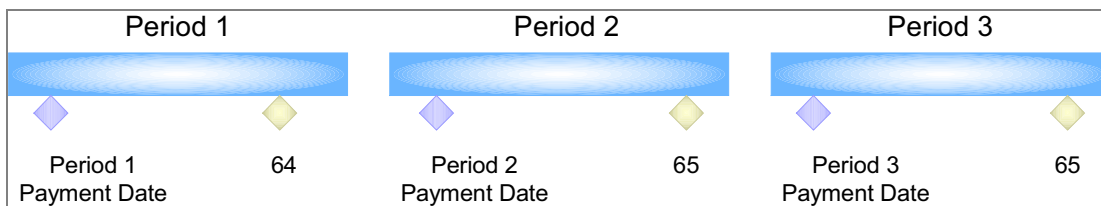
A pay period spans 1 January 2000 – 29 January 2000. If the employee's 65th birthday falls on 2 February 2000, the MPF deduction won't be resolved by using the rule above. In Period 1, MPF is resolved but in Period 2, MPF is not resolved because the employee turned 65 before the Period 2 payment date. In Period 3, since the employee is already 65, MPF won't be resolved. The following diagram illustrates this scenario:



An employee turned 65 before the Period 2 payment date

Employee's Birthday Falls After the Payment Date

In Period 1, MPF is resolved because the employee has not reached 65. In Period 2, MPF is resolved because the employee turns 65 after the payment date. In Period 3, MPF is not resolved because the employee is already 65 years old. The following diagram illustrates this scenario:



An employee's birthday falling after payment date

The same rules apply if the employee turns 65 within the permitted period. However, contribution made to that person does not have to be paid until after the permitted period.

Note. If the employee ceases employment immediately upon reaching the age of 65 and all outstanding relevant income is paid or payable on the day before the employee's 65th birthday, the final payment is considered as relevant income and contributions are payable on it.

See Also

“Defining Earnings for Hong Kong,” Calculating Earnings Included in MPF Calculations

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

Calculating Permitted Period MPF Contributions

Calculating Regular MPF Contributions

Understanding MPF Permitted Period Termination Rules

Termination is only considered if the employee terminates from their primary job. The array MPF AR PRIM JOB retrieves the hire date, rehire date, and termination date from the Job Table for the employee's primary job.

The formula MPF FM TERM CONTRB checks if the employee terminates before the employee's birthday, using the following elements:

- MPF FM TERMINATE - Determines if the termination is within the permitted period.
- MPF VR TERM DATE - Resolves the termination date.
- MPF DT BIRTHDAY - Resolves the birth date.

The formula MPF FM TERM CONTRB resolves if the termination date is before the employee's birthday. If the employee turns 65 within the contribution period and terminates before age 65, then the MPF contribution is deducted.

Note. If an employer decides to make the first contribution during the first sixty days of employment (permitted period), MPF is calculated and deducted for the employee.

Working with Contributions on the Last Day of Employment

The contribution period for a terminated employee can also end on the date the employee is terminated. If the employee's contract states that their final contribution should be paid on the last date of his or her employment, then the mandatory contributions for the relevant employee should be paid to the trustee on or before the tenth day after the date of cessation of employment.

For example, suppose a relevant employee paid on a calendar month basis ceases employment on 10 April 2001 and all their outstanding relevant income is paid to them on that day, the mandatory contributions for their last contribution period should fall due on 20 April 2001. However, if their salary for April is payable under his employment contract on 30 April

(following their normal pay cycle) the contribution period would end on 30 April, and the mandatory contributions would be due on 10 May.

Note. In the period the employee terminates, the maximum and minimum limits are not prorated.

See Also

“Defining Earnings for Hong Kong,” Calculating Earnings Included in MPF Calculations

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

“Defining Absence Rules for Hong Kong,” Calculating Absence Entitlements on Termination

Calculating Permitted Period MPF Contributions

Defining Casual Employees for MPF Contributions

Contributions for casual employees are calculated each pay or contribution period. Casuals are processed in a separate pay group to other employees as they are most often paid daily.

As there is a difference between the way that casual employees and non-casual employees are calculated. You can mark an employee as a casual employee. The variable MPF VR CASUAL FLG (casual pay group staff flag) is delivered as customary data and is attached at the pay group override level to indicate whether the pay group is for casual employees.

See Also

Calculating Permitted Period MPF Contributions

Understanding the MPF Contribution Holiday Rule

Excluding Employees from MPF Calculations

Although all members of the workforce between the ages of 18 and 65 are eligible for MPF, you may have to exclude an employee from MPF calculations. The CM SE INITIALISE section (common initialize section paid by eligibility) is delivered as an example. You can change the section to pay by payee and exclude specific employees from MPF calculations, by entering the deduction as inapplicable at the deduction assignment level. By doing this, the employee is exempted from MPF calculations in every pay run.

Applying Maximum and Minimum Limits to MPF Contributions

Mandatory contributions are subject to maximum and minimum levels. For example, employees earning less than 4000 HKD per month in relevant income do not have to contribute to MPF. However, their employer still needs to contribute 5 percent of the employee's income, even if they earn less than 4000 HKD in relevant income in the month. Employer mandatory contributions have no minimum levels. For employees earning more than 20,000 HKD per month, mandatory contributions for employer and employee are capped at 1000 HKD (5 percent of 20,000 HKD).

Note. MPF calculations for pay periods other than monthly are identical, except that the maximum and minimum levels of relevant income will vary.

The MPF BR MINMAX REVL bracket stores the minimum (variable MPF VR MIN LEVEL) and maximum (variable MPF VR MAX LEVEL) relevant income ceiling for each period frequency. The following table lists the maximum and minimum levels of contribution for the different pay periods:

<i>Pay Period</i>	<i>Min Level of Relevant Income</i>	<i>Max Level of Relevant Income</i>
Daily	130	650
Weekly	910	4550
Biweekly	1820	9100
Fortnightly	1820	9100
Monthly	4000	20000
Quarterly	8000	40000
Yearly	48000	240000

This rule enables you to run multiple calendars in a period. For example, you can run a regular pay run and Thirteenth Month pay in separate calendars. The rules calculate contributions as follows:

Regular Run

Relevant Income = 19,000

MPF contribution = 19,000 x 5%

Thirteenth Month

Relevant Income = 19,000

MPF Contribution = 1,000 x 5%

MPF contribution is calculated on 1000 HKD instead of 19,000 HKD in the Thirteenth Month pay run because MPF is capped at 20,000 HKD.

Note. If an employee has concurrent jobs, the maximum and minimum limits are applied per employee, not per job. The holiday period is applied to the earliest hire date (or rehire date) of the employee's primary job regardless of whether the employee has concurrent jobs.

Commencing Employee MPF Contributions

Contributions for the period in which the employee's contribution holiday ends are calculated on a pro-rata basis. Prorating may be performed based on the number of days in the month. On this basis, the minimum levels of relevant income for one day in October (a 31 day month) and one day in November (a 30 day month) would be (HKD) 129 and (HKD) 133 respectively. Accordingly, the minimum levels of relevant income for the week from 29 October 2001 to 4 November 2001 would be:

$$919 \text{ HKD } (3 \times 129 + 4 \times 133)$$

Note. You can use 130 HKD and 650 HKD as the daily minimum and maximum levels of relevant income. The minimum and maximum levels for contribution periods longer than a day are calculated as a multiple of the daily minimum and maximum levels.

For example, suppose an employee is paid monthly and commences employment on 11 April and his or her monthly salary is 18,000 HKD, and the employee's contribution holiday ends on 10 May. For the purposes of calculating their mandatory contributions for the month ending May 31:

The employee's relevant income = 12,194 HKD (being 18,000 HKD x 21/31)

The maximum relevant income level = 13545 HKD (being 20000 HKD / 31 rounded to closest dollar x 21)

The minimum relevant income level = 2,709 HKD (being 4000 HKD / 31 rounded to closet dollar x 21)

Since the relevant income is between 2709 HKD and 13,545 HKD, the mandatory contributions for the month ending 31 May = 609.28 HKD (being 12,194 HKD x 5%)

See Also

“Defining Earnings for Hong Kong,” Calculating Earnings Included in MPF Calculations

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

Calculating Permitted Period MPF Contributions

Calculating Regular MPF Contributions

Calculating Permitted Period MPF Contributions

Permitted MPF deductions only resolve during the sixty-day employment period (permitted period). One MPF deduction is resolved in every period for reporting, so the reports can retrieve the contribution periods in which the permitted MPF deduction is resolved.

The formula MPF FM PERM PERIOD checks whether the current period falls within the permitted period and resolves whether the period begin date is less than or equal to the permitted period end date.

The date MPF DT PERM END DT returns the permitted period end date. Depending on whether the employee is hired or rehired, the permitted period end date calculation is as follows:

Hire date + 59 days

Or

Rehire date + 59 days

Note. It is possible that you will make MPF contributions immediately and not wait until the permission period has elapsed. Since rules cater for the permission period, you are required to remove all associated PeopleSoft rules that cater for the permission period; hence, these deductions are processed as regular deductions.

See Also

“Defining Earnings for Hong Kong,” Calculating Earnings Included in MPF Calculations

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

Calculating Regular MPF Contributions

Accommodating MPF Exemption Rules and Limits

Calculating Employer Mandatory Permitted Period MPF Contributions

The ERMPFMN2 contribution is calculated at 5% of relevant income for employees between the ages of 18 and 65 if they have relevant income greater than (HKD) 4000 for the month. The maximum relevant income that is included in the calculation is (HKD) 20,000.

The formula MPF FM ERMN2 with generation control MPF GC ERMN2 (using formula MPF FM ERMN2) resolves if the following conditions are true:

- The employee’s age is greater than or equal to 18 and less than 65, or
- The employee’s age is 65 and their birthday falls within the period and the birthday is greater than the payment date, and
- The period is within the permitted period.

The generation control stops resolving the deductions once the employee reaches 65 on or before the payment date.

The bracket MPF BR MINMAX REVL retrieves the minimum and maximum amount associated with the period frequency.

See Also

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

Calculating Regular MPF Contributions

Accommodating MPF Exemption Rules and Limits

Calculating Employee Mandatory Permitted Period MPF Contributions

The formula MPF FM EEMN2 BASE with generation control MPF GC EEMN2 (using formula MPF FM RSLV EEMN2) calculates the relevant income for employee mandatory contributions within the permitted period, based on the following:

- Relevant income is prorated if the employee is a new hire or rehire. (Using the formulas MPF FM SET STARTDT, MPF FM PERM STRTDT, and MPF FM SET EE STRT).
- Relevant income is prorated if the employee turns 18 years of age. (Using formula MPF FM AGE 18-64 and prorate using MPF PO 18TH BTHDAY).

The bracket MPF BR MINMAX REVL retrieves the minimum and maximum amount associated with the period frequency.

See Also

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

Calculating Regular MPF Contributions

Accommodating MPF Exemption Rules and Limits

Calculating Employer and Employee Voluntary Permitted Period MPF Contributions

The formula MPF FM ERVOL2 BASE with generation control MPF GC ERVOL2 (MPF GC EEVOL2 for employees) using formula MPF FM RSLV ERVOL2 (MPF FM RSLV EEVOL2 for employees) resolves when the period is within the permitted period.

The post-processing formula MPF FM POST EEVOL2 prorates the amount.

The formula MPF FM MAX LVL using variable MPF VR MAX LEVEL determines the maximum contribution level.

See Also

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

Calculating Regular MPF Contributions

Accommodating MPF Exemption Rules and Limits

Calculating Regular MPF Contributions

In this section, we discuss calculating regular MPF contributions and how to:

- Calculate employers regular mandatory MPF contributions.
- Calculate employees regular mandatory MPF contributions.
- Calculate employer regular voluntary MPF contributions.
- Calculate employees regular voluntary MPF contributions.

See Also

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

Accommodating MPF Exemption Rules and Limits

Calculating Permitted Period MPF Contributions

Calculating Employers Regular Mandatory MPF Contributions

The ERMPFMN1 contribution is calculated at 5 percent of relevant income (5 percent of earnings that are included in the MPF calculation). MPF only needs to be calculated for employees between 18 and 65 and contribution only needs to be calculated on the first 20,000 HKD of relevant income for the month. For casual employees, contributions are calculated and paid from day one.

While contributions have to be calculated from the employees hire date, the first contribution to MPF for non casual employees does not have to be made on or before the first contribution day after the sixty-day employment period ends.

The post processing formula MPF FM POST ERMN1 checks if it is the reporting period. If it is, then the MPF contributions from the permitted period (sixty-day employment period) and the current period are totaled.

The formula MPF FM ERMN1 with generation control MPF GC ERMN1, using formula MPF FM RSLV ERMN1, resolves when the employee is between 18 and 65 (using formula MPF FM AGE 18-64), and the contribution is calculated on the first 20,000 HKD of relevant income for the month.

Contributions for casual employees with the MPF VR CASUAL FLG are calculated and paid from day one.

See Also

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

Accommodating MPF Exemption Rules and Limits

Calculating Permitted Period MPF Contributions

Defining Casual Employees for MPF Contributions

Calculating Employees Regular Mandatory MPF Contributions

The formula MPF FM EEMN1 BASE with generation control MPF GC EEMN1, using formula MPF FM RSLV EEMN1, resolves the deduction if the employee’s service days are greater than thirty days (not within the holiday contribution period).

The MPF FM EEMN1 formula calculates the relevant income for regular employee mandatory contributions based on the following:

- Relevant income is prorated if the employee is a new hire or rehire. (Using MPF PO REVLNT INCM).
- Relevant income is prorated if the employee turns 18 years of age. (Using MPF PO 18TH BTHDAY).

The bracket MPF BR MINMAX REVL retrieves the minimum and maximum amount associated with the period frequency.

See Also

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

Accommodating MPF Exemption Rules and Limits

Calculating Permitted Period MPF Contributions

Calculating Employer Regular Voluntary MPF Contributions

The formula MPF FM ERVOL1 BASE with generation control MPF GC ERVOL1, using formula MPF FM RSLV ERVOL1, resolves based on the following:

- Relevant income is prorated if the employee turns 18 years of age. (Using MPF PO 18TH BTHDAY).
- If the employee is not 18 years of age then the bracket MPF BR MINMAX REVL retrieves the minimum and maximum amount associated with the period frequency.

The post processing formula MPF FM POST ERVOL1 checks if it is the reporting period. If so, the MPF contribution from the permitted period and the current period are totaled.

See Also

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

Accommodating MPF Exemption Rules and Limits

Calculating Permitted Period MPF Contributions

Calculating Employees Regular Voluntary MPF Contributions

The generation control MPF GC EEVOL1, using formula MPF FM RSLV EEVOL1, calculates the relevant income for regular employer mandatory contributions based on the following:

- Relevant income is prorated if the employee turns 18 years of age. (Using MPF PO 18TH BTHDAY).
- If the employee is not 18 years of age, then the bracket MPF BR MINMAX REVL retrieves the maximum amount associated with the period frequency.

The formula MPF FM POST EEVOL1 prorates the deduction amount.

See Also

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

Accommodating MPF Exemption Rules and Limits

Calculating Permitted Period MPF Contributions

Understanding the Balance Accumulator Rule

Employer mandatory MPF and employer voluntary MPF deductions have no effect on balance accumulators. However, employee mandatory MPF and employee voluntary MPF deductions reduce the employee’s taxable gross salary.

The maximum value that can be claimed as a tax deduction is 12,000 HKD per year. Any MPF contributions above this amount are treated as an after tax deduction.

For example, an employee receives 10,000 HKD in relevant income, contributes 1000 HKD in the period and the contribution to date is 11,500 HKD.

Relevant income = 10,000

Before tax MPF contribution = 500 (11,500 – 12,000 + 1000)

Taxable gross = 9,500 (10,000 – 500)

After tax deduction = 500 (1000 – 500)

Net salary = 9000 HKD (9500 – 500)

Employee MPF deductions for both mandatory and voluntary contributions, are added to the year to date accumulator (MPF AC YTD).

Formulas are used to decide to which accumulator the year-to-date accumulator should contribute. Any amount less than or equal to 12,000 HKD is added to the pre-tax deduction segment accumulator (TAX AC PRE-TX DED). In turn, the pre tax deduction segment accumulator contributes to a pre-tax deduction year to date accumulator.

The amount exceeding 12,000 HKD is added to the post tax deduction segment accumulator (TAX AC POST-TX DED), and the segment accumulator contributes to a post-tax deduction year-to-date accumulator.

The variable (MPF VR PRE TAX) is a member of the pre tax deduction accumulator and adds to the accumulator. The formula checks whether the MPF year-to-date accumulator is less than or equal to 12,000 HKD. If so, the formula adds to the accumulator.

Another variable, MPF VR POST TAX is a member of the post tax deduction accumulator and adds to the accumulator. The formula checks if the MPF year to date accumulator is greater than (HKD) 12,000. If so, the formula returns the amount in excess of (HKD) 12,000, which is added to the post tax deduction accumulator.

See Also

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

Accommodating MPF Exemption Rules and Limits

Calculating Permitted Period MPF Contributions

Calculating Regular MPF Contributions

PeopleSoft Global Payroll PeopleBook, “Setting Up Accumulators”

Understanding MPF Proration Rules

Proration of relevant income only occurs when the following conditions apply:

- New hire or rehire for employer contributions.
- An employee turns 18 years of age within the period.

See Also

PeopleSoft Global Payroll PeopleBook, “Defining Calculation Elements,” Defining Proration Rules

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

Accommodating MPF Exemption Rules and Limits

Calculating Permitted Period MPF Contributions

Calculating Regular MPF Contributions

Understanding the MPF PO REVLNT INCM Proration Rule

The MPF PO REVLNT INCM proration rule is used to prorate relevant income for new hire / rehires. The proration rule calculation is:

Days of service since period hire date or rehire date / Number of days in a period.

The MPF FM POST EEVOL1 formula prorates the employee voluntary contribution amount if the employee is a new hire.

See Also

PeopleSoft Global Payroll PeopleBook, "Defining Calculation Elements," Defining Proration Rules

"Defining Deductions for Hong Kong," Calculating Mandatory Provident Fund Deductions

Accommodating MPF Exemption Rules and Limits

Calculating Permitted Period MPF Contributions

Calculating Regular MPF Contributions

Understanding the MPF PO 18TH BTHDAY Proration Rule

If the employee's eighteenth birthday falls within the contribution period in which the thirty first day of employment falls, prorating of the minimum and maximum levels of relevant income for the employee's first mandatory contribution is required. The MPF PO 18TH BTHDAY proration rule prorates relevant income when the employee turns 18 years of age. The proration rule calculation is defined as follows:

Number of days contributed in a month / Number of days in month.

If a period spans two months, for example 15 October 2001 – 11 November 2001, the relevant income is 10,000 HKD and the employee's birthday falls on the 16th, then contribution is prorated as follows:

$$(16/31 \times 10,000 \times 5\%) + (14/30 \times 10,000 \times 5\%) = 508.06.$$

For example, suppose an employee is hired on 1 February and turns 18 on 16 May 2001, then the employee's relevant income for May 2001 is 10,000 HKD. MPF for May is calculated as follows:

31st day of employment: 3 March 2001

18th birthday: 16 May 2001

Relevant income (16 - 31 May 2001): $10,000 \text{ HKD} \times 16/31 = 5,161.29 \text{ HKD}$

Max relevant income level: 20,000 HKD

Min relevant income level: 4,000 HKD

Employee's mandatory contribution for May 2001: 5,161.29 HKD X 5%

Employer's mandatory contribution for May 2001: 5,161.29 HKD X 5%

See Also

PeopleSoft Global Payroll PeopleBook, "Defining Calculation Elements," Defining Proration Rules

"Defining Deductions for Hong Kong," Calculating Mandatory Provident Fund Deductions

Accommodating MPF Exemption Rules and Limits

Calculating Permitted Period MPF Contributions

Calculating Regular MPF Contributions

Setting up Additional MPF Report Details

In this section, we discuss setting up additional MPF report details and how to:

- Set up recipient MPF commission and scheme details.
- Define MPF recipient membership numbers.

Pages Used to Set up Additional MPF Recipient Reporting Details

<i>Label</i>	<i>Object Name</i>	<i>Navigation</i>	<i>Usage</i>
Recipient Details - Commission	GPHK_RECIPIENT_EXT	Global Payroll Hong Kong, Define Payroll Setup (HKG), Setup, Recipient Details	Enter additional information required for the Remittance Statement. Additional information must be captured for each MPF scheme. Define the commission calculation method for one or more pay entities and associate each recipient with a file layout name.
Recipient Membership Number	GPHK_MEMBERSHIP_NO	Global Payroll Hong Kong, Maintain Payroll Data (HKG), Use, Recipient Membership Number	Define recipient membership numbers associated with employees.

Setting up Recipient MPF Commission and Scheme Details

Access the Recipient Details - Commission page.

Recipient Details

Recipient ID:

KHBUPA

File layout Name:

GPHK_RCPNT_FILE

Registration Number:

1345897

Commission & Scheme Details

View AllFirst1 of 1Last

Commission

Scheme

Pay Entity	Description	Recipient Group #	*Commission Calc Option	*Commission Calc Method	Commission Value
1 KHHKBI	Hong Kong Business Institute	567239	Report	None	

Recipient Details - Commission page

Note. Multiple views of this page are available by clicking the tabs in the scroll area. We document fields common to all views first.

File Layout Name

Associate each recipient with a file layout object name (EFT file format name).

Select the appropriate **File layout Name** from those that you created in Application Designer for the electronic data (report) files that you submit to your recipients. The system creates the file in the layout that you specify here.

Although we support a default format for all the recipients, it is possible that some of them will have different needs. You can therefore associate a recipient with a specific format name.

Registration Number

The MPF reference number.

Commission & Scheme Details

Commission Tab

Pay Entity

Recipients give commission to pay entities for making employee deductions on their behalf. Enter the pay entity that is going to receive this commission. If the commission is to be deducted from the payment due to the recipient, the debit to the pay entity's source bank account will be reduced by the commission amount. You can add multiple pay entities.

Recipient Group #

When a transaction takes place between the employer and the recipient, it is common to have a unique identification number representing the company. Enter the unique identifier with which the recipient has supplied your pay entity. For payment to recipients, the Group Number is

part of the unique lodgment reference that is part of each recipient EFT file.

Associate a Group Number with the pay entity who will remit amounts to the recipient. This unique ID must be captured and maintained for the reports and electronic file supplied to the recipient.

Commission Calc Option

Commission is calculated either for reporting or deducting the calculated amount (from the total amount transferred). Select the method used to calculate fee processing:

Deduct (deduct commission): The system deducts the commission amount from the payment due to the recipient. Select a **Commission Calc Method** (the method of commission calculation which is Flat Amount or Percentage).

Report (report only): The system reports the commission amount in the EFT file but won't deduct it from the payment.

Once a recipient has been identified for processing and the total amount to be paid is known, the system calculates commission (if you have specified it) and deducts the amount or fee from the total amount. This step is carried out only if the set up at the recipient level (for the pay entity) has been set to "calculate and deduct commission."

Commission Calc Method

Enter the commission as a percent rate ***Percentage*** or flat amount ***Flat Amt.***

If commission is to be deducted, the appropriate value is calculated and the newly calculated amount is written to the file layout object:

The Flat Amount Commission payment calculation is:

Payment Amount – Commission amount

The Percentage Amount Commission payment calculation is:

Payment Amount x Commission amount

Commission Value

The flat amount or percentage of the commission (to be calculated). If you select ***Flat Amt*** or ***Percent*** as the **Commission Calc Method**, you must enter a value in the **Commission Value** field.

Note. You should enter the value as an actual percentage (2% as 0.02).

Scheme Tab

Participation Number, Contact ID, and Contact Phone

For reporting, employers must enter their MPF membership details for each of their employees. Just as recipients identify each employer with a group number, they also identify their employees (associated with the employer) with a unique number that is also known as the participation number.

Since an employee can be associated with more than one recipient, you can capture multiple recipients and the number allocated by each recipient.

See Also

- “Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions
- Accommodating MPF Exemption Rules and Limits
- Calculating Permitted Period MPF Contributions
- Calculating Regular MPF Contributions
- “Setting up Banking and Recipient Processing for Hong Kong”
- “Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

Defining MPF Recipient Membership Numbers

Access the Recipient Membership Number page.

Recipient Membership Number

EmpID: KH0003

Name: Chow, Jessica

Membership Number

Find | View All

First 1 of 1 Last

Recipient ID: KHBUPA

BUPA Hong Kong Health

Membership Number: 123-76543

Recipient Membership Number page

Membership Number

Recipient ID

When a transaction takes place between the employer and the recipient, it is common to have a unique identification number representing the company. Enter the unique identifier with which the recipient has supplied your pay entity.

Membership Number

For reporting, employers must enter their MPF membership details for each of their employees. Just as recipients identify each employer with a group number, they also identify their employees (associated with the employer) with a unique number that is also known as the participation number.

The membership number is used on the reports and electronic file supplied to the recipient.

See Also

“Defining Deductions for Hong Kong,” Calculating Mandatory Provident Fund Deductions

Accommodating MPF Exemption Rules and Limits

Calculating Permitted Period MPF Contributions

Calculating Regular MPF Contributions

“Setting up Banking and Recipient Processing for Hong Kong”

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

Viewing Delivered Elements for Hong Kong

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

See Also

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

Customer Connection, Library, Documentation, “Delivered Supporting Elements for PeopleSoft Global Payroll for Hong Kong”

CHAPTER 8

Managing Inland Revenue Reports for Hong Kong

This document provides an overview of Hong Kong Inland Revenue (IR56) reports and describes how to:

- Set up Inland Revenue reporting.
- Create Inland Revenue report data.
- Review and maintain IR56 report data.
- Generate the IR56B electronic file.
- View delivered elements.

Understanding Hong Kong Inland Revenue Reports

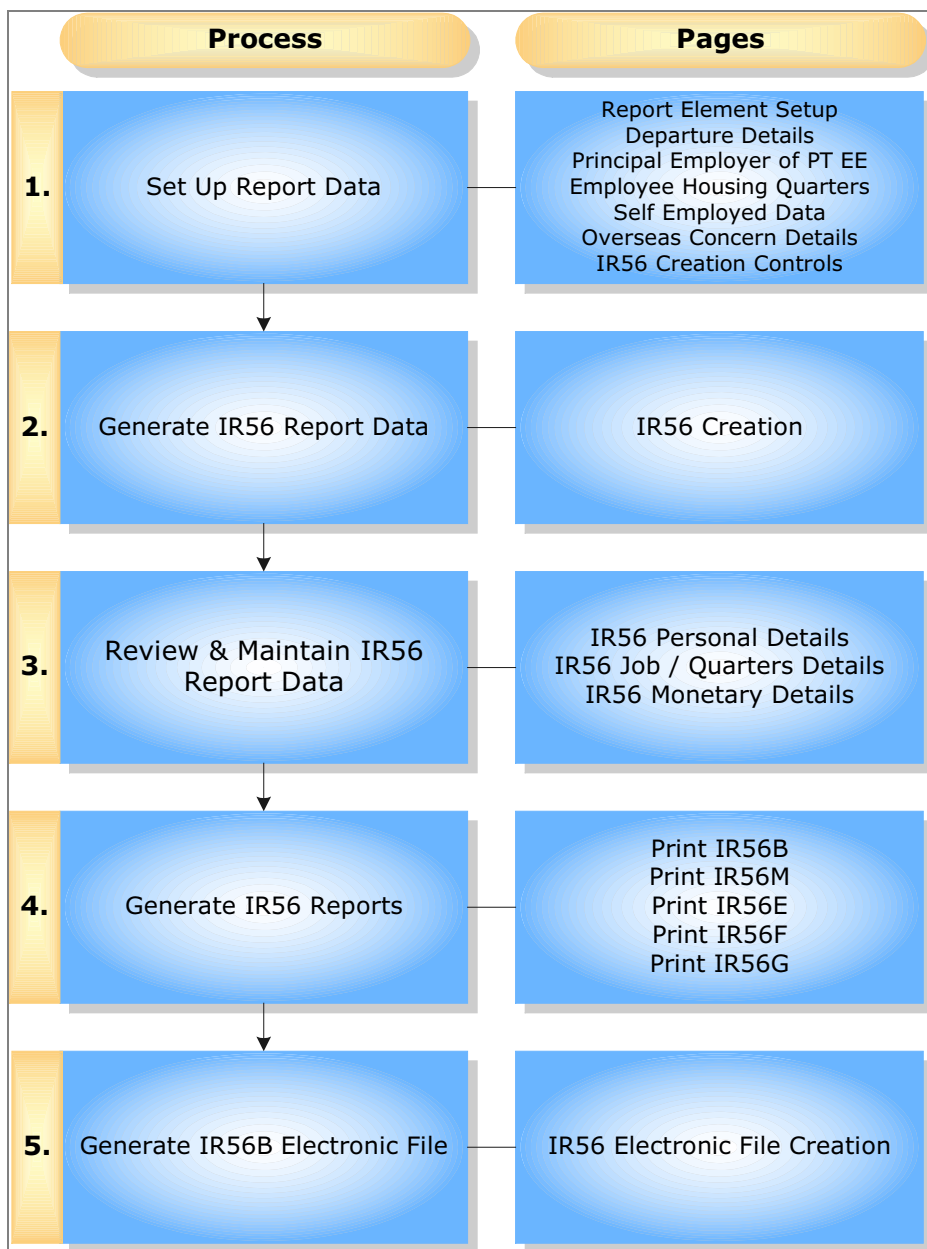
You must generate several reports to comply with Hong Kong legislative payroll requirements. These reports are statutory and report the following information:

- IR56B: Employer's return of remuneration and pensions.
- IR56E: Notification by employer of an employee commencing work.
- IR56F: Notification by employer of an employee about to cease employment.
- IR56G: Notification by employer of an employee about to depart Hong Kong.
- IR56M: Notification of remuneration paid to persons other than an employee.

We discuss all aspects of the preparation for and creation of the data for these Inland Revenue reports. This includes all of the pages that enable you to capture, generate, and maintain both employee and company identification and biographical data that support the reporting requirements of the Hong Kong Inland Revenue Department (IRD).

This is followed by an overview of the electronic file creation process.

To ensure that you populate all of the available details required for your Inland Revenue reports, it is important that you follow the correct sequence of steps:



Correct sequence of steps to manage your Inland Revenue reporting

Note. Inland Revenue reports also use personal data, such as spouse details and national IDs. You can check this information after you run the reports using the IR56 Personal Details page.

See Also

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

Common Elements Used in This Chapter

The following terms are related to Inland Revenue legislative reports in PeopleSoft Global Payroll for Hong Kong:

Reporting Element	A unit of information (category) that appears in a specific report.
Payroll Element	A global payroll object that describes earnings, deductions, accumulators, or positive input.
IRR	Inland Revenue Reporting.
IRD	Inland Revenue Department.
IR	Inland Revenue.
Principal Employer	An organization or agency to which a part time employee belongs.
Overseas Concern	An organization located outside Hong Kong that pays a Hong Kong employee.
Quarters	Housing provided to local employees and expatriates.

Setting Up Inland Revenue Reporting

Before you can generate, review, and print your Inland Revenue forms and reports, you must set up additional report data. Employee departure details, housing and quarters details, and employer details are required for specific Inland Revenue reports. You can also associate multiple payroll accumulators with report elements and allocate starting sheet numbers.

This section describes how to:

- Associate accumulators with report elements.
- Set up employee departure details.
- Set up principal employers for part-time employees.
- Set up employee housing quarter details.
- Set up self-employment data.
- Set up overseas concern details.
- Set up IR56B and IR56M starting sheet numbers.

Pages Used to Set Up Inland Revenue Reporting

Page Name	Object Name	Navigation	Usage
Report Element Setup	GPHK_IR56REPT_TBL	Global Payroll Hong Kong, Define Payroll Setup (HKG), Setup, Setup Report Elements	Associate payroll accumulators with report elements. You can link accumulators to the report element.
Departure Details	GPHK_DPRT_DTLS_HKG	Global Payroll Hong Kong, Maintain Payroll Data (HKG), Use, Departure Details	Capture the departure details of employees leaving Hong Kong. This information appears in the IR56G report. This information applies only to employees who are not citizens of the country. It is required when an overseas employee is terminated.
Principal Employer of PT EE	GPHK_PT_ER_HKG	Global Payroll Hong Kong, Maintain Payroll Data (HKG), Use, Principal Employer	Capture the name of the principal employer for part time employees. Identifies employees who are working for one organization but are actually employed by another.
Employee Housing Quarters	GPHK_EMPL_QTRS	Global Payroll Hong Kong, Maintain Payroll Data (HKG), Use, Housing Quarters Details	Capture housing quarter information.
Self Employed Data	GPHK_IR56_ER_HKG	Global Payroll Hong Kong, Maintain Payroll Data (HKG), Use, Self Employed Data	Capture self-employment (employer) details.
Overseas Concern Details	GPHK_OVSEAS_CNCRN	Global Payroll Hong Kong, Define Payroll Setup (HKG), Setup, Overseas Concern Details	Capture overseas concern details. If the employee received any amount from an overseas concern, you must report the amount and the organization that made the payment.

Page Name	Object Name	Navigation	Usage
IR56 Creation Controls	GPHK_IR56_CONTROL	Global Payroll Hong Kong, Define Payroll Setup (HKG), Setup, IR56 Creation Controls	Set up starting sheet numbers that identify the IR56 document for each employee when it is sent to the IRD. You can set the starting number for the IR56B and IR56M reports.

Associating Accumulators With Report Elements

Access the Report Element Setup page.

Report Element Setup

IR56 Report Element: 01 Salary / Wages

Report Element Details [Find](#) | [View All](#) First ◀ 1 of 1 ▶ Last

Effective Date: 01/01/2000   

Accumulators associated with Report Element [Find](#) | [View 5](#) First ◀ 1-10 of 10 ▶ Last

Element Name	*Operand	
1 BASSAL_FYTDA 	Add	 
2 BASHLY_FYTDA 	Add	 
3 OT1.5_FYTDA 	Add	 
4 SHNT1.3_FYTDA 	Add	 
5 OTFIX_FYTDA 	Add	 
6 SHNTFIX_FYTDA 	Add	 
7 TYPHOON_FYTDA 	Add	 
8 BLCKRAIN_FYTDA 	Add	 
9 DY WAGE 80_FYTDA 	Add	 
10 LWOP_FYTDA 	Subtract	 

Report Element Setup page

IR56 Report Element

Displays predetermined categories that appear in Inland Revenue reports. You can associate multiple accumulators that must be reported against an IR56 report element.

Accumulators associated with Report Element

Element Name

Select the payroll accumulators to link to the IR56 report element.

During the data creation process, the year-to-date (YTD) balance amount is retrieved from the result table for the specific accumulators that you associate with each report element. The IR56 result table contains the total amount for each accumulator associated with each report element. You can view and modify the amounts. Amounts for the report element are grouped at the time of reporting (on the electronic file and hard copy output).

For example, when you associate three accumulators with the *Commission/Fees* report element, the IR56 result table contains three rows of data (one for each accumulator). At the time of reporting and printing, the amounts from the three accumulators are totaled and printed against the *Commission/Fees* report element.

Operand

Identify whether you want the accumulator to **Add** or **Subtract** when resolving.

Accumulators always store amounts as positive values. However, to attach an accumulator to a report element that is a negative amount, select **Subtract**. This informs the IR56 creation process that the amount associated with the accumulator should be treated as a negative amount.

For example, the accumulator LWOP_FYTDA for the leave without pay earnings is attached to the *Salary/Wages* report element. The Payroll result table has an amount of 1200. When you select **Subtract**, the 1200 is reduced from the total amount calculated for the *Salary/Wages* report element.

See Also

PeopleSoft Global Payroll PeopleBook, "Setting Up Accumulators"

Creating Inland Revenue Report Data

Reviewing and Maintaining IR56 Report Data

Generating the IR56B Electronic File

Setting Up Employee Departure Details

Access the Departure Details page.

Departure Details	
Lee, William	Employee EmplID: KH0001
Date of Departure:	08/06/2001
*Reason for Departure:	Expatriate - Returning Home
Destination:	AUS Australia
Other Reason for Departure:	
Expected Return Date:	12/06/2002

Departure Details page

Date of Departure	Displays the date on which an employee is expected to depart the country. This applies mainly to employees who come into the country for work and leave after a specified duration.
Reason for Departure	Identify why the employee is leaving Hong Kong: • <i>Move to Another Country.</i> • <i>Expatriate - Returning Home.</i> • <i>Expatriate - Move.</i> • <i>Other.</i> This information is required only for the IR56G report.
Destination	Select the country to which the employee is departing.
Other Reason for Departure	Enter a description if the reason for departure is Other (reasons for departure other than those specified by IRD).
Expected Return Date	Enter the employee's expected date of return to Hong Kong.

See Also

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

Creating Inland Revenue Report Data

Reviewing and Maintaining IR56 Report Data

Generating the IR56B Electronic File

Setting Up Principal Employers for Part-Time Employees

Access the Principal Employer of PT EE page.

Employer

Enter the name of the employee's principal employer, which is an organization or agency to which a part-time employee actually belongs. The employee might be working for an organization but actually employed by another (principal) organization. If the information is available, it must be reported in the specific statutory report.

This information is required only at the time of printing; it doesn't affect the data creation process.

See Also

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

Creating Inland Revenue Report Data

Reviewing and Maintaining IR56 Report Data

Generating the IR56B Electronic File

Setting Up Employee Housing Quarters Details

Access the Employee Housing Quarters page.

Employee Housing Quarters	
Khoo, Lin	Employee
EmpID: KH0005	
Employee Residence Quarters Details	
Find View All First 1 of 1 Last	
*Quarters Number:	1
Country:	HKG Hong Kong
Address 1:	13A Tanwan Place
Address 2:	Kowloon
Address 3:	
District	
Area Code	K Kowloon
Occupancy Begin Date:	07/02/2001
Occupancy End Date:	12/02/2001
Nature of Quarters:	Kowloon Apartments
Amount Paid By	
Employer to Landlord:	Employer to Employee:
Employee to Landlord:	Employee to Employer:

Employee Housing Quarters page

Employee Residence Quarters Details

Quarters are housing provided to employees by their employer. This benefit can be provided to local employees and expatriates. If employees are provided with housing quarters, the details must be reported on IR56 reports. This information is required only at the time of printing; it doesn't affect the data creation process.

Quarters Number

Displays a running serial number that enables you to enter multiple quarter information for a single employee.

A maximum of two housing quarters (for each employee) are reported on the IR56 reports. Which two rows are reported depends on the occupancy end date.

If an employee was provided with housing quarters at more than two locations in a tax year, a separate IR56B identifying the housing details must be reported. This additional report must contain the additional housing information (above the two locations).

You can enter information for more than two quarters per employee.

**Country, Address 1,
Address 2, and Address 3**

Enter the country and address where the quarters are located.

District and Area Code

Enter the district and corresponding area code for the area where the quarters are located. Select from the following area codes:

- ***H - Hong Kong Island.***
- ***K - Kowloon.***
- ***N - New Territories.***

The area code is used in the electronic file reporting of IR56B data.

**Occupancy Begin and
Occupancy End Date**

Enter the dates on which the employee started and stopped occupying the quarters.

When processing the data, the system selects the last two rows of housing quarter information. The information is reported if the period of occupation is during the tax year being processed.

Housing quarters information is reported only if the occupancy dates overlap the processing period.

Housing quarters information that does not have an occupancy end date is selected. Additionally, the occupancy end date that is closest to the period end date is also selected. (For IR56B and IR56M the period end date is the end of the tax year, while for IR56F and IR56G, the period end date is a value that you enter in the run control record.)

Nature of Quarters

Enter text describing the quarters.

Amount Paid By**Employer to Landlord,
Employer to Employee,
Employee to Landlord, and
Employee to Employer**

Enter the amount paid by specific people for an employee occupying the housing quarters. This could be a rent refunded to the employee or employer or paid to the employee's landlord.

See Also

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

Creating Inland Revenue Report Data

Reviewing and Maintaining IR56 Report Data

Generating the IR56B Electronic File

Setting Up Self-Employment Data

Access the Self Employed Data page.

Employer and Business Registration Number

Under the provisions of the Hong Kong Business Registration Ordinance, a new business undertaken by an individual or a partnership must be registered with the Business Registration Office within one month of its commencement.

If the employee is self-employed, enter their employer (trading) name and the business registration number.

Note. This information is crucial for the IR56M report.

See Also

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

Creating Inland Revenue Report Data

Reviewing and Maintaining IR56 Report Data

Generating the IR56B Electronic File

Setting Up Overseas Concern Details

Access the Overseas Concern Details page.

Overseas Concern Details

Overseas Concern and Identifier

Create an identifier and enter the name of the overseas concern (outside Hong Kong). If the employee received an amount from an overseas concern, you must report the name and address of the organization that made the payment.

Note. You can enter the amount paid by the overseas concern on the IR56 Monetary Details page.

See Also

Maintaining IR56 Monetary Details

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

Creating Inland Revenue Report Data

Reviewing and Maintaining IR56 Report Data

Generating the IR56B Electronic File

Setting Up IR56B and IR56M Starting Sheet Numbers

Access the IR56 Creation Controls page.

IR56 Control Parameters

IR56B and IR56M Starting Sheet Number

Enter the starting sheet number that is allocated to each of the employees for each pay entity in the tax year that you are reporting. The IR56B and IR56M reports include a sheet number (or serial number) that identifies the report for each employee when it is sent to the Inland Revenue Department. Legislation requires that sheet numbers for IR56B should start with **000001** and with **900001** for IR56M.

Note. If the pay entity is paying its employees in a foreign currency (and you are generating a manual IR56B), set the starting number for IR56B to **900000**.

The data in the underlying table is created during the IR56B/M creation process. When you run the process, it determines whether a serial number exists for the selected pay entity and tax year. If a number is not found, a row is created with the default value of **0** for IR56B and **900000** for IR56M.

You can then reset the values if you have been testing the creation process and want to regenerate the data for the final time using the correct starting sheet number.

See Also

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

Creating Inland Revenue Report Data

Reviewing and Maintaining IR56 Report Data

Generating the IR56B Electronic File

Setting Up Inland Revenue Reporting

Creating Inland Revenue Report Data

The Inland Revenue Report data creation process generates data for all Inland Revenue reports. The Inland Revenue Department has defined the report layout and the conditions that must be met while generating the IR56 reports. These conditions affect the way in which you generate and store the data in PeopleSoft tables.

The GPHK_IR56_TBL table stores the results of the data generated by the data creation process. This data is used for viewing and generating the IR56B electronic file and hard copy reports.

This section describes how to generate IR56 report data.

Page Used to Create Inland Revenue Report Data

Label	Object Name	Navigation	Usage
IR56 Creation	GPHK_IR56_CREATE	Global Payroll Hong Kong, Manage Payroll Process (HKG), Process, Create IR56 Details	Run the process that captures information required for generating IR56 data and reports. After the process is initiated, the process identifies eligible employees and retrieves the information required for reporting.

Generating IR56 Report Data

Access the IR56 Creation page.

IR56 Creation

Run Control ID: IR561 [Report Manager](#) [Process Monitor](#) [Run](#)

*Pay Entity: Hong Kong Business Institute Creation Date:

*Tax Year: ☐ Recreate

*Report Type:

Begin Date: End Date:

Selected Employee List for IR56 [Find](#) | [View All](#) First 1 of 1 Last

EmplID	Name
1	

[+](#) [-](#)

IR56 Creation page

Pay Entity

Identify the organization for which the IR56 must be generated. The payroll result tables contain pay entities and their associated employees.

Creation Date

Enter the date on which the data is being generated.

Tax Year

Enter the period for which the report must be reported. Hong Kong has set the tax period to be 1 April to 31 March. Enter the year with 4 digits (for example, 2000).

Note. Although the tax year is not required for the IR56G and IR56F reports, you must still enter it.

Recreate

When you run the IR56 generation process for the first time, the value of this field does not matter. Data is generated for the selected employees or all eligible employees of the pay entity.

When you initiate the process again with the same parameters, the **Recreate** check box determines the following:

If you select the check box:

- Employees (records in the IR56 table) that belong to the select group are deleted if the document created earlier has not been issued. Manual changes or information entered on the employee record using the IR56 Inquiry component are retained and included in the new record created for the employees.
- If employees have been issued the respective document, a new employee record is generated on top of the existing one. The newly created record is identified as a replacement record. Manually entered information in the earlier version is copied into the new record.

If you clear the check box, records are generated for the select group only if they don't already have a record existing. The record created is identified as an original record.

Note. The select group is the employee list entered on the run control page or the employees that are selected based on the criteria entered on the run control page for a specific pay entity.

Begin Date and End Date

These fields are required for the IR56F, IR56G, and IR56E reports. They enable you to narrow down the criteria of employee) for whom the report should be generated. The begin and end dates are the tax period for which the employee received a particular amount.

For an IR56F, employees whose termination dates occur during the specified date range are selected.

For an IR56G, employees whose departure dates from Hong Kong occur during the specified date range are selected.

For an IR56E, employees whose hire dates occur during the specified date range are selected.

Unlike the IR56B and IR56M reports, in which balances for employees must be retrieved as of the end of the year, balances in this case are retrieved as of the period end date. The process identifies the last finalized pay calendar

that is closest to the period end date and retrieves the balances for reporting.

Selected Employee List for IR56

EmplID (employee identification)

You can initiate the data creation process for a specific set of employees by selecting one or more employees.

Although you can select an employee ID, the process still decides if an employee is eligible to receive the selected IR56 document. For example, if you are running the process to create IR56B and you select an employee who has been terminated, the process ignores this employee.

Working With Report Types

The report type determines the report for which the data is being created. The type of report that you select is important when determining which employees are selected during the IR56 creation process. A single creation process creates data for various reports.

<i>Report Type</i>	<i>Processing</i>
Annual Return For Employees IR56B	Employees who are active at the end of the tax year are selected for processing. Active employees are identified by their employee status. Valid values are: A: Active. P: Leave with pay. Q: Retired with pay. U: Terminated with pay. The value is matched with the current row in the JOB record for the employee. Because an employee can have multiple jobs, the status is checked against all of the job records for the employee being processed. An employee is considered active when at least one job record matches the previously mentioned employee status.
Annual Return For Non-Employee IR56M	Nonemployees who are active at the end of the tax year are selected for processing. The same processing as IR56B occurs.

Report Type	Processing
Notifying Terminating Employee IR56F	Employees who have been terminated at the end of the period are selected for processing. Employees are considered terminated when all of the concurrent jobs associated with their EMPLIDs have been terminated. The Employee Status field in the JOB record identifies whether an employee is active or inactive. Valid employee status values to identify terminated employees are: A: Active. P: Leave with pay. Q: Retired with pay. U: Terminated with pay. An employee is considered inactive when all of the job records match the previously mentioned employee status. The process ensures that the employee has not been issued an IR56B or IR56G for the same period of employment.
Notify Employee Departing HKG IR56G	Employees whose dates of departure from Hong Kong are during the period that you specify are selected for processing. Although this report is more likely for terminated employees, the process does not search for the employee status of the employee. The process ensures that the employee has not been issued an IR56B or IR56F for the same period of employment.
Notifying New Employee Commencing Work IR56E	Employees whose hire dates are during the period that you specify are selected for processing. Although this report is more likely for terminated employees, the process does not search for the employee status of the employee. The process ensures that the employee has not been issued an IR56B or IR56F for the same period of employment.

Note. The employee status is only one of the parameters used to determine whether the employee is eligible to receive an IR56 report. The second parameter is the YTD balance that is maintained by payroll.

See Also

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

Creating Inland Revenue Report Data

Reviewing and Maintaining IR56 Report Data

Generating the IR56B Electronic File

Setting Up Inland Revenue Reporting

Reviewing and Maintaining IR56 Report Data

After you set up and generate the data required for Inland Revenue reporting and generate those forms, you can review the results and maintain available fields. The IR56 Inquiry component enables you to view and amend the generated IR56 data.

To access the component, enter the specific Inland Revenue report type, tax year, run number, employee ID, or pay entity. The inquiry pages display the information generated for an employee for specific report types. The fields on these inquiry pages contain three types of information:

- Values generated from related tables that you cannot modify.
- Values that you can enter only on the inquiry page because there is no way of calculating the value.
- Values generated by the IR56 data creation process, which you can override by entering an adjustment amount. The adjustment amount is captured and maintained in a separate field.

This section describes how to maintain:

- IR56 personal details.
- IR56 job and residence quarter details.
- IR56 monetary details.

Pages Used to Review and Maintain IR56 Report Data

<i>Page Name</i>	<i>Object Name</i>	<i>Navigation</i>	<i>Usage</i>
IR56 Personal Details	GPHK_IR56_INQ1	Global Payroll Hong Kong, Manage Payroll Process (HKG), Inquire, IR56 Inquiry	View the IR56 details generated for the employee and review an employee's personal information.
IR56 Job/Quarters Details	GPHK_IR56_INQ2	Global Payroll Hong Kong, Manage Payroll Process (HKG), Inquire, IR56 Job/Quarters Details	View the IR56 details generated for the employee. This page provides job-related and housing quarter information provided to the employee.

Page Name	Object Name	Navigation	Usage
IR56 Monetary Details	GPHK_IR56_INQ3	Global Payroll Hong Kong, Manage Payroll Process (HKG), Inquire, IR56 Monetary Details	View the IR56 details generated for the employee and enter employee monetary and tax details. Specific group boxes for each report type also appear.

Maintaining IR56 Personal Details

Access the IR56 Personal Details page.

Issue Status

Displays the level of the report. Select **Not issued** when the process generates the data. It changes to **Issued** by the printing process. To stop a particular record from being processed, select **On Hold**. This status stops both the electronic file process and the printing process from processing the record.

You can also change the status back to **Not Issued**.

Electronic File Status

If you are creating an IR56B for an employee after you have sent the electronic file to the IRD, there are additional records that weren't included in the initial file. The new electronic file status is **Supplementary**. The status of the initial file is **Sent**.

Employee Identification Detail/Employee Spouse Details

In addition to employee details, statutory reports must report details of the employee's spouse. The Administer Workforce menu in PeopleSoft Human Resources provides a Dependent Details component to maintain spouse details.

National ID

It is necessary to store the employee and spouse Hong Kong Identity Card (IC) numbers or Tax File Numbers. This information is used in correspondence with the Inland Revenue Department. It is also a necessary to store the Identity Card numbers of the employee's dependants.

The details are retrieved from the National ID table (PERS_NID) under Personal Data. The DEP_BENEF_NID table contains different IDs for an employee's spouse.

Passport Number

Displays the employee or spouse passport number (required for noncitizens). The CITIZEN_PSSPRT table contains passport details of both employees and their dependants.

Name	Displays the employee's full name details. The Name history page in Administer Workforce enables you to enter employee names in non-English characters. You can enter names in Chinese and English at the same time in separate fields. PeopleSoft enables to enter employee names in alternate characters. This feature is available in the Administer Workforce - Personal Details component in PeopleSoft Human Resources. Note. The Chinese name is used in correspondence with the Inland Revenue Board and is used on the employee's payslip.
-------------	---

See Also

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

Creating Inland Revenue Report Data

Generating the IR56B Electronic File

Setting Up Inland Revenue Reporting

Maintaining IR56 Job and Residence Quarters Details

Access the IR56 Job/Quarters Details page.

Country Departure Details

Date of Departure and Reason For Departure	Displays the date on which an employee is expected to depart the country. This field applies mainly to employees who come into the country for work and leave after a specified duration. Define the date and reason on the Departure Details Setup page.
Expected Return Date	Displays the date on which the employee is expected to return to Hong Kong. Enter this date on the Departure Details Setup page.

Employee Residence Quarters Details

Occupancy Begin, End Date, and Nature of Quarters	The occupancy dates are the dates on which the employee commenced and stopped occupying the quarters. The nature of quarters represents the text that you entered describing the quarters. Define this information on the Employee Housing Quarters page.
--	---

Amount Paid By

**Employer to Landlord,
Employer to Employee,
Employee to Landlord, and
Employee to Employer**

Displays the amounts paid by specific people for an employee occupying the housing quarters. This could be a rent refunded to the employee or employer or paid to the employee’s landlord.

Define these values on the Employee Housing Quarters page.

See Also

- “Appendix: PeopleSoft Global Payroll for Hong Kong Reports”
- Creating Inland Revenue Report Data
- Reviewing and Maintaining IR56 Report Data
- Generating the IR56B Electronic File
- Setting Up Inland Revenue Reporting

Maintaining IR56 Monetary Details

Access the IR56 Monetary Details page.

IR56 Personal Details

IR56 Job / Quarters Details

IR56 Monetary Details

Chua,Brandon

Employee

EmplID: KH0017

Run Number:

0

Tax Year:

2000

Report Type:

Notifying New Employee

Total Amount

Find | View All

First

1 of 1

Last

*IR56 Report Element:

01

Salary / Wages

+

-

Find | View All

First

1 of 1

Last

	Element Name	Begin Date	End Date	Adjustment Amount	Amount	Reported Amount		
1	BASSAL_FYTDA				7916.67	7916.67	+	-

IR56 Monetary Details page (1 of 2)

Comments:			
Tax Amount paid by Employer:	0.00	Begin Date:	
		End Date:	
Payments by Overseas Concern			
Overseas Concern Identifier:			
Amount Paid:			

IR56 Monetary Details page (2 of 2)

Total Amount

IR56 Report Element and Element Name

Display predetermined categories that appear in Inland Revenue reports.

Associate payroll accumulators (element names) that must be reported against an IR56 report element instead of rerunning payroll to populate the accumulators.

Associate payroll accumulators with IR56 report elements on the Report Element Setup page.

Begin Date and End Date

Display the dates during which the element and accumulator link are effective.

Adjustment Amount

You can override an amount calculated by the data creation process. Instead of modifying the generated amount, enter an adjustment that is used to recalculate the amount to be reported.

Overrides are amounts that you enter to add or negate a value generated by the process for an accumulator associated with a report element.

Tax Amount paid by Employer

Displays the amount of taxes paid by an employer for an employee. This information is needed for IR56 reporting.

Payments by Overseas Concern

If the employee received an amount from an overseas concern, select the organization that made the payment and enter the amount.

Overseas Concern Identifier

Select the code used to track the overseas concern. Define the overseas concern name and identifier on the Overseas Concern Details page.

Amount Paid

Enter the amount paid by the overseas concern to the employee.

IR56E/F/G/M Specific Details

For each report type that you select, an additional group box appears, enabling you to enter details specific to the report.

See Also

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

Creating Inland Revenue Report Data

Reviewing and Maintaining IR56 Report Data

Generating the IR56B Electronic File

Setting Up Inland Revenue Reporting

Generating the IR56B Electronic File

PeopleSoft provides the ability to create a flat file that complies with Hong Kong Inland Revenue Department requirements for the submission of electronic files. The output is created by an Application Engine process using a file layout object that has the same structure as that of the electronic file expected by the IRD of Hong Kong.

The employees are selected from the GPHK_IR56_TBL table and records from GPHK_IR56_TBL, GPHK_IR56_QTR, and GPHK_IR56_DTL are retrieved and processed. Along the way, personal information, spouse details, and identifications details are also retrieved and the file layout object GPHK_IR56B is populated.

This section describes how to create the IR56B electronic file.

Page Used to Generate the IR56B Electronic File

<i>Page Name</i>	<i>Object Name</i>	<i>Navigation</i>	<i>Usage</i>
IR56 Electronic File Creation	GPHK_IR56_EFILE	Global Payroll Hong Kong, Manage Payroll Process (HKG), Process, Create IR56B Electronic File	Create a flat file that complies with Hong Kong Inland Revenue Department requirements for the submission of electronic files.

Creating the IR56B Electronic File

Access the IR56 Electronic File Creation page.

IR56 Electronic File Creation page

Pay Entity	Identifies the organization for which the IR56 must be generated. The payroll result tables contain pay entities and their associated employees.
Tax Year	Displays the period for which the report must be created. Hong Kong has set the tax period to be 1 April to 31 March. Note. Although the tax year is not required for the IR56G and IR56F reports, you must still enter it.
Creation Date	Displays the date on which you are generating the data.
Test Run	Select this check box to create the electronic file, but not send it, so that you can view and check your data. When selected, employee records are not marked as sent and the supplementary status is not applicable.

See Also

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

Creating Inland Revenue Report Data

Reviewing and Maintaining IR56 Report Data

Setting Up Inland Revenue Reporting

Viewing Delivered Elements

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

See Also

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

Customer Connection, Library, Documentation, “Delivered Supporting Elements for PeopleSoft Global Payroll for Hong Kong”

CHAPTER 9

Setting Up Banking and Recipient Processing for Hong Kong

This document provides an overview of banking and recipient processing for Hong Kong and describes how to:

- Understand the Hong Kong banking process flow.
- Link source banks to pay entities.
- Manage electronic fund transfers (EFT) to recipients.
- Generate recipient payment report files.
- Process manual and separate cheques.
- View delivered elements.

Understanding Banking and Recipient Processing for Hong Kong

PeopleSoft Global Payroll for Hong Kong supports net payment (employee salary) direct deposits and recipient payments using the electronic file (HSBC) format used by the Hong Kong and Shanghai Corporation Bank. Banking and recipient processing enables you to:

- Run an EFT file creation process to generate a file that includes employee salaries (net payments) and recipient payments. Net amounts and recipient payments are calculated by the core banking process and stored in the GP PAYMENT result table.
- Generate data for delivering deduction details to the recipient. The process extracts payment information directly from the GP PAYMENT result table to create the HSBC file.
- As recipients pay a commission to the pay entity, you can decide whether to take the commission out of the recipient payment.
- To keep track of your banking and recipient processing, you can generate the following reports:
 - Net Payment report: Contains information about amounts transferred to employee accounts.

- Recipient report: Contains details about amounts collected from employees on behalf of a recipient.

See Also

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

PeopleSoft Global Payroll PeopleBook, “Understanding Banking”

Common Elements Used in This Chapter

HSBC	Hong Kong and Shanghai Banking Corporation.
HSBC File	Electronic file format, as described by the Hong Kong and Shanghai Corporation Bank (fixed-length file used for electronic fund transfer).
HSBC EFT Data	Single process used to generate the data required for reporting in the EFT format, as defined by HSBC.
Recipient	Any third-party organization that has dealings with the employer using global payroll software.
Net Payment	Payment that includes employee salaries.
Source Bank	Money sources defined at the pay entity level, from which payroll disbursements are drawn. They identify each funding location and the EFT formats used by each institution.

Understanding the Hong Kong Banking Process Flow

The PeopleSoft Global Payroll banking process brings together payroll data, pay entity source bank data, and payee or recipient bank data. The Hong Kong EFT file creation process extracts data compiled by the banking process according to the type of EFT file that you are creating, merges it with data provided by the Hong Kong country extension, and creates the file for transmission.

PeopleSoft Global Payroll handles the banking process as follows:

1. Run the payroll process using PeopleSoft Global Payroll.

This provides the payment data for the banking process.

2. Run the PeopleSoft Global Payroll banking process.

Net amounts and recipient payments are calculated by the core prepayment banking process and stored in the GP PAYMENT result table. The GP status is set to *P* (prepared). The GP PAYMENT result table contains one entry for every net pay distribution from every payment included in a calendar run and provides the basis on which an organization pays its payees.

- Using PeopleSoft Global Payroll for Hong Kong, run the banking preparation process (Application Engine process GPHK_EFT), which populates the HSBC file used for electronic fund transfer.

In this step, the system selects payees from GP PAYMENT with the following parameters:

- Payment status: *P* (prepared).
- Payment type: *01* (net pay distribution).
- Payment method: *T* (bank transfer).
- Currency code: HKG.

The payment status for the selected payees is set to *T* (transferred) in GP PAYMENT.

Note. You must run the banking process before the HSBC file generation process.

See Also

PeopleSoft Global Payroll PeopleBook, “Understanding Banking”

Managing Electronic Fund Transfers to Recipients

Linking Source Banks To Pay Entities

After you identify your banks and branches, source banks are the first entities that you create as part of the banking feature in PeopleSoft Global Payroll. Source banks identify each funding location and the EFT formats used by that institution.

This section describes how to set up pay entity source banks.

Page Used to Link Source Banks To Pay Entities

<i>Page Name</i>	<i>Object Name</i>	<i>Navigation</i>	<i>Usage</i>
Bank Details for Pay Entity	GPHK_PYENT_BNK	Global Payroll Hong Kong, Define Payroll Setup (HKG), Setup, Bank Details for Pay Entity.	Link a source bank to a pay entity and define the source bank's customer number that identifies the EFT formats used by that organization.

Setting Up Pay Entity Source Banks

Access the Bank Details for Pay Entity page.

Bank Details for Pay Entity

Pay Entity: KHHKMI HK Manufacturing Industries

*Source Bank ID	Account Name	Customer Number
1 KH03	Hong Kong Manufacturing Industries Clearing Acct	456

View All First 1 of 1 Last

Bank Details for Pay Entity page

Pay Entity and Source Bank ID

Link a specific pay entity with the source bank ID that is used to fund all payroll activities for all payees that are part of this pay entity. The system uses these to do the following:

- For net payments, it locates source bank IDs and pay entities for the calendar group ID.
- For recipient payments, it locates source bank IDs and pay entities for the debit date.
- For both net and recipient payments, it locates the source bank IDs and pay entities for the debit date and the calendar group ID.

Define your source banks and account numbers on the Source Bank Accounts page.

Customer Number

For each source bank ID, identify the appropriate bank or branch customer number (bank reference number). This number identifies the EFT formats used by that institution and is used to generate the name of the electronic file.

The HSBC file name is the first 8 digits of the customer number with the APC file extension. Because HSBC has the profile of all customers, they verify the submitted file with the customer information. If the file is valid, they transfer the funds on the appointed date.

For example, the HSBC customer number for PeopleSoft Hong Kong is 586 2988 023-233. The autopay file for PeopleSoft Hong Kong is 58629880.APC.

See Also

PeopleSoft Global Payroll PeopleBook, “Understanding Banking,” Setting Up Funding”

Managing Electronic Fund Transfers to Recipients

Managing Electronic Fund Transfers to Recipients

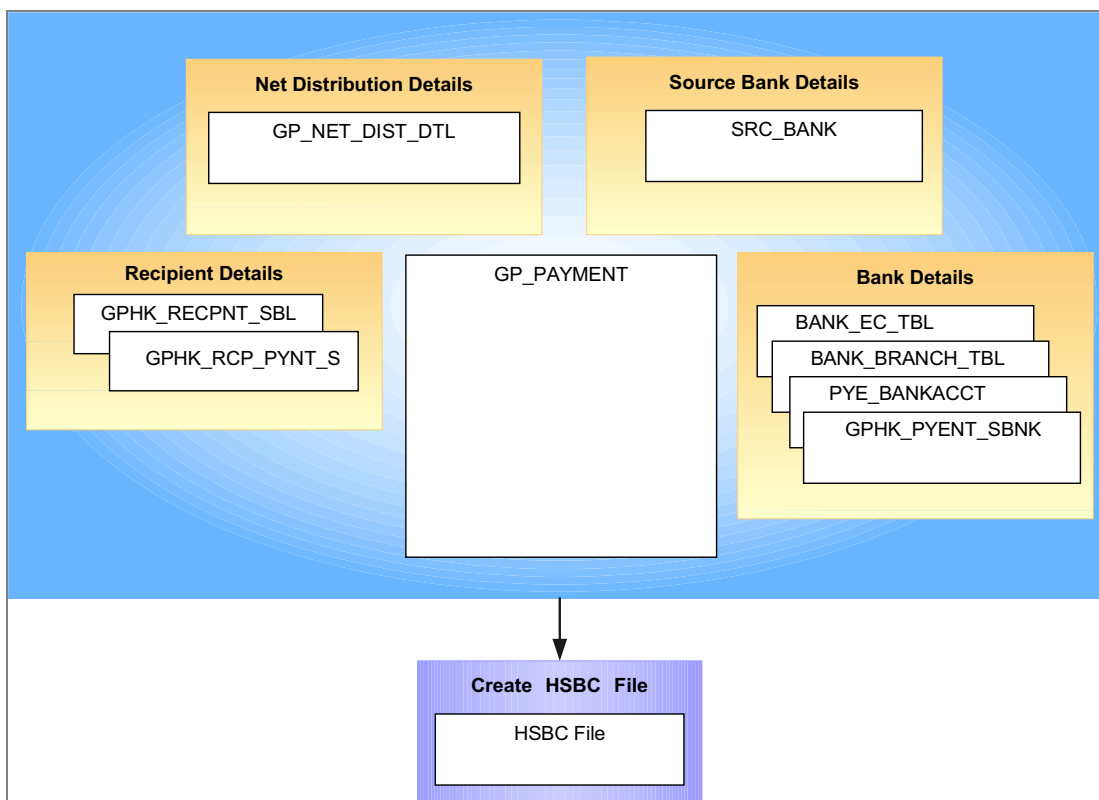
This section provides an overview of the EFT HSBC file and describes how to create the EFT HSBC file.

Understanding the EFT HSBC File

The Hong Kong-standard HSBC file for EFT is created by a process that provides multiple options that control what each file contains. You can create an EFT file that contains:

- Net pay data only.
- Recipient data only.
- Net pay and recipient data.

The following diagram shows the tables that contribute data to the HSBC file that is part of the EFT file.



Tables contributing data to the HSBC file

Note. You must finalize your banking process (GP_PMT_PREPARE) before you can create the HSBC file. After the HSBC file has been created, the system changes PMT_STATUS on GP_PAYMENT from *P* (prepared) to *T* (transferred).

Page Used to Manage Electronic Fund Transfers to Recipients

Page Name	Object Name	Navigation	Usage
Electronic Funds Transfer	GPHK_EFT_RUNCTL	Global Payroll Hong Kong, Manage Payroll Process (HKG), Process, Electronic Funds Transfer	Enter run parameters and initiate the process that creates the EFT file for the bank transfer and the reports. This page enables you to decide whether the EFT file should contain net payment data, recipient payment data, or both.

Creating the EFT HSBC File

Access the Electronic Funds Transfer page.

Electronic Funds Transfer

Run Control ID: 123 [Report Manager](#) [Process Monitor](#) [Run](#)

*Payment Type:

Calendar Group ID:

Payment Date: Debit Date:

Description:

Recipients List View All First 1 of 1 Last

Recipient ID	Description
1 KHBUPA	BUPA Hong Kong Health

Electronic Funds Transfer page

Payment Type

The EFT file that the system creates contains only payments of the type that you specify. The value that you select here enables you to identify which details are written to the EFT file and determines the other fields that you must complete on this page.

Net Pay Distribution: Enter a calendar group ID and payment date. You don't need to enter a debit date or recipient ID. Only employee salary details (net payments) are processed. The system selects employees with a payment method of bank transfer for the specified calendar group. When processing net payments, multiple pay entities are associated with a single calendar group ID,

and there is a distinct EFT file for each pay entity, regardless of whether they use HSBC or some other format.

Recipient Payment: Enter a debit date. You don't need to enter a calendar group ID. Recipient payments are selected. You might be processing payroll weekly but paying the recipient only once per month or quarter. Therefore, if you processed by calendar group ID, you produce only one period of payments for the recipient. This problem is overcome by using the **Debit Date** field. You can enter the date on which recipients must be paid. The date that you enter is compared to the Debit Date field in the GP_PAYMENT result table. All matching rows for the selected recipient in which the payment type is **Recipient Payment** or **Net Pay and Recipient** are retrieved for processing.

Net Pay and Recipient: Enter a calendar group ID, debit date, and recipient ID.

To process recipients, the payment type can be either **Recipient Payment** or **Net Pay and Recipient**—both are included. Both payments are processed if you select both payment types.

Calendar Group ID

Enter the calendar group ID for which you want the file to be created. This enables you to select a separate pay calendar to pay a smaller group of employees on a different date.

Note. There is a possibility of using multiple EFT formats to generate the electronic file. There might be multiple pay entities in a single calendar group ID, which means that the process can create separate flat files for each pay entity.

Payment Date

Enter the date passed to the EFT file header on which the fund amount is transferred between accounts by the bank. Enter a date regardless of the payment type that you select.

Debit Date

Identifies the recipient transactions that should be selected for processing. The system extracts recipient payments for which the deposit schedule date equals the deposit date.

Recipients List

Recipient ID

Select recipients to be paid by bank transfer.

A recipient is paid only if the payment method in the GP_PAYMENT result table has been identified as *T* (bank transfer). A recipient identified with a payment method

other than bank transfer is not processed, even if you select them here.

Note. Leaving this field blank indicates that a file must be created for all of the recipients.

See Also

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

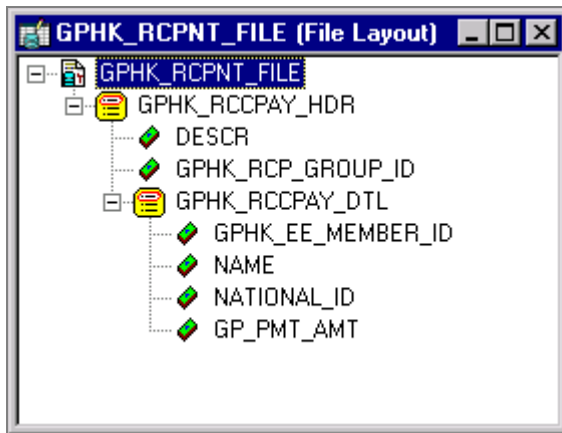
PeopleSoft Global Payroll PeopleBook, “Understanding Banking”

Generating Recipient Payment Report Files

It is common for organizations to transmit a file to a recipient so that they can update their records. For example an organization might pay a recipient weekly and, at the end of the month, deliver a file with all of the payment details. Recipients generally specify the information that they want and the report file layout. After you create the file layout, link it to the recipient on the Recipient Details page.

You can select the appropriate file layout from those that you created in PeopleSoft Application Designer for the electronic data (report) files that you submit to your recipients. When you run the creation process, the system creates the file in the layout that you specify here.

PeopleSoft supplies a sample file layout for the recipient file template, GPHK_RCPNT_FILE.



Sample recipient file layout for Hong Kong

This section describes how to creating the recipient payment report file.

Page Used to Generate Recipient Payment Report Files

Page Name	Object Name	Navigation	Usage
Recipient Payment File	GPHK_RCP_RUNCT L	Global Payroll Hong Kong, Manage Payroll Process (HKG), Process, Recipient Payment File	Generate your recipient payment file. This process stores recipient IDs that should be included during the EFT process for the recipient payment.

Creating the Recipient Payment Report File

Access the Recipient Payment File page.

Recipient Payment File

Run Control ID: 123 [Report Manager](#) [Process Monitor](#) [Run](#)

Language: SChinese

Debit Date: 07/13/2001

*Report Level: Detail

Recipients List		View All	First	1 of 1	Last
Recipient ID	Description				
1 KHHSBC	HSBC (MPF)				

Recipient Payment File page

Debit Date

Enter a date to initiate the process. The process retrieves all recipient payments for which the debit date in the GP_PAYMENT result table equals the debit date that you entered on the Electronic Funds Transfer page.

The system extracts payment data for which the deposit date equals the date that you enter here.

Report Level

Select the level of detail that you require in your report:

Detailed: Prints all of the selected records.

Summary: Prints summary lines for each pay entity. A summary line is both:

- A total of all credit payments.
- A total count of the number of transactions that amounted to the total credit payment.

Recipients List**Recipient ID**

Enter one or more recipient IDs to restrict the number of recipients being processed and reported.

Note. This page should contain the same values that you entered for the generation of the file for bank transfer. A different set of values can lead to generating a file with a totally different set of information. For example, if you ran the bank transfer with a payment date of 31 March 2000 and the recipient payment file is generated for 28 February 2000, the results are not the same. You should use the same run time parameters.

See Also

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

PeopleSoft Global Payroll PeopleBook, “Understanding Banking”

Creating the EFT HSBC File

Processing Manual and Separate Cheques

Organizations are often required to produce manual cheques for their employees. When required, all values are calculated and paid outside of the payroll system. PeopleSoft enables you to enter these values in the system to keep the employee's earnings history current.

It is also common for employers to have local agreements that require certain payments to be assigned to a separate cheque number. PeopleSoft enables you to assign additional earnings to a separate cheque number, either on a one-time basis through positive input or on a more permanent basis through additional earnings. When you run the pay calculation process, a separate gross-to-net calculation is performed.

This section describes how to process:

- Manual cheques using calendars.
- Separate cheques.

Processing Manual Cheques Using Calendars

If a payment to a payee is missed in PeopleSoft Global Payroll, enter the values into the pay calendar in which the payment should have occurred. The system recognizes that the pay calendar has been finalized and changes made to that calendar are considered during retroactive (retro) processing.

To use calendars for manual cheques:

1. Create a new calendar ID and calendar group ID.

If you incorporate into the naming convention of the calendar group ID a notation that the run was specifically for manual cheques, then you can identify at the employee level that the payment was not banked.

2. Add or correct the data (through positive input) in the calendar in which the payment should have occurred.

If the amounts have already been calculated and paid, enter these values here and retro processes the entered amounts.

3. Run the pay calculation process for the new calendar.
4. Finalize the pay run when you are satisfied that the results are correct.
5. Use the results of the calculation to create and issue the cheque.

Note. Don't run the banking process. This prevents the payment from being sent to the bank.

Processing Separate Cheques

You typically use separate cheque functionality for bonus payments and retro payments, and the result in the pay calculation is a separate gross-to-net calculation.

To process separate cheques in PeopleSoft Global Payroll, set up a new calendar, enter positive input, and process the pay run as usual. (Retro payments can be made in separate calendars, but most earnings need a generation control so that they are not processed in the retro run.)

Employees might also request that their net pay, as the result of this separate calculation, be deposited to a different bank account than that of their regular pay. PeopleSoft Global Payroll enables employees to have multiple net distribution details, but they are defined by run type. If you defined a run type for regular run type and another for bonus run type, then the employee can nominate a different bank account for each run.

Note. If this method is used to pay into a different bank account, then retro mismatches occur. When retro triggers are processed, you must manually forward the deltas to a target calendar on the Unprocessed Retro Deltas page.

Viewing Delivered Elements

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

See Also

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

Customer Connection, Library, Documentation, “Delivered Supporting Elements for PeopleSoft Global Payroll for Hong Kong”

CHAPTER 10

Setting Up Payslips for Hong Kong

This document provides an overview of payslips for Hong Kong and describes how to:

- Create payslip templates.
- Attach payslip templates to pay groups.
- Create payslip messages.
- Override payslip delivery options.
- Print payslips.
- View payslip data online.
- View delivered elements.

Understanding Payslips for Hong Kong

PeopleSoft Global Payroll for Hong Kong enables you to design, print, and view payslips. You can create and control the *look and feel* of your online and printed hardcopy payslips. You can also override payslip templates at lower levels so that you do not have to create multiple templates to cover every payslip scenario that you might have.

Common Elements Used in This Chapter

Sequence	Determines the order in which the payslip elements display. They display in ascending order (lowest number first).
Element Name	The earnings, deduction, or absence element name from its name page in its respective component.

Creating Payslip Templates

This section provides an overview of payslip templates and describes how to:

- Set up payslip templates and accumulators.

- Set up payslip earnings and deductions.
- Set up payslip absence details.

Understanding Payslip Templates

When designing payslips, you can:

- Set the accumulator column labels.
- Select the accumulators to appear under the column labels.
- Create unlimited numbers of rows of accumulators and set the sequence in which they appear.
- Create unlimited sections for earnings and deductions.
- Select the absence types that appear.
- Use standard or customized element descriptions.
- Set delivery options.
- Exclude departments or locations from printing at setup level, but override those exclusions at run time.

Pages Used to Create Your Payslip Templates

<i>Page Name</i>	<i>Object Name</i>	<i>Navigation</i>	<i>Usage</i>
Accumulators	GPHK_PSLP	Global Payroll Hong Kong, Define Payroll Setup (HKG), Setup, Payslip Setup	Set up delivery and print exclusion options, column headings (labels), and column contents (rows of accumulators).
Earnings and Deductions	GPHK_PSLP1	Global Payroll Hong Kong, Define Payroll Setup (HKG), Setup, Payslip Setup	Create sections of earnings and deductions, select from three description options, and set the element components (from the calculation rule) that the payslip should display.

Page Name	Object Name	Navigation	Usage
Absence Details	GPHK_PSLP2	Global Payroll Hong Kong, Define Payroll Setup (HKG), Setup, Payslip Setup	Add absence entitlements and absence pro rata elements. The payslip displays the current balance of the entitlement or pro rata.

Setting Up Payslip Templates and Accumulators

Access the Accumulators - Accumulators page.

Accumulators page

Note. Multiple views of this page are available by clicking the tabs in the scroll area. We document fields that are common to all views first.

Payslip ID

Select an ID to attach a single template to multiple pay groups.

Note. Only one template can be attached to a pay group at one time.

Payslip Template Definition

Delivery Option

Determines where the hardcopy payslips are sent. Select from a list of internal type addresses (such as **Department** or **Location**) or external addresses (such as **Home Address** and **Mail Address**, which are recorded in the payee's Personal Data record).

Exclude Printing, Department List, and Location List

Note. Use the Payee Payslip Overrides page to override the delivery destination of the printed payslip from the default delivery option that you select here. The Payee Payslip Overrides page is effective-dated to enable you to override the delivery option for a period of time.

Select **Location** or **Department** to exclude the printing of specific departments or locations on your payslips. The corresponding links then become available and enable you to select the specific departments or locations that you don't want to display on the payslips during the print process. You can select multiple locations or departments.

If you want to print a location or department that you previously excluded, you can override this on the Print Payslips page before you run the print process.

Note. If you enter a pay entity as the reprint option on the Print Payslips page and you exclude a location that is part of that pay entity, it is not printed.

Accumulator Labels

Column 1 through Column 6 Enter the column heading labels for the accumulators that appear across the page on the printed payslip.

Accumulators 1 to 3 Tab

Sequence Enter a sequence number to set the order in which the accumulators appear. They display in ascending order (lowest number first).

Description Enter a description of each accumulator row.

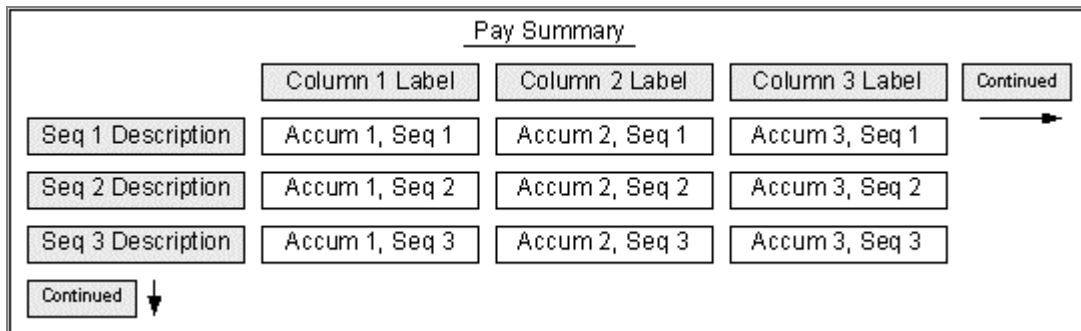
Accumulator 1 through Accumulator 3 Select the accumulators to display for the corresponding column. **Accumulator 1** values appear under the column 1 label, **Accumulator 2** values appear under the column 2 label, and so on.

For example, you might have already have entered a description of sequence 1 and 2 as *Current* and *YTD* (year-to-date). If you also want to display quarter-to-date (QTD) accumulated amounts, you must create a new row, give the new row the description *QTD*, and select the accumulators that correspond to the columns headings (labels).

Accumulators 4 to 6 Tab

Set up accumulators 4 to 6 on this tab. This is the same as the Accumulators 1 to 3 tab, except that it doesn't have Sequence or Description fields because the same sequence number and description apply to all six accumulators in the row.

The following diagram shows how column numbers (labels), sequences (row descriptions), and accumulator numbers work together on the printed payslip.



Columns and rows on the payslip in the Pay Summary region

See Also

Overriding Payslip Delivery Options

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

Printing Payslips

PeopleSoft Global Payroll PeopleBook, “Setting Up Accumulators”

Setting Up Payslip Earnings and Deductions

Access the Earnings and Deductions page.

Sequence Number	Element Name	Display YTD Units	Display YTD Amount
1	BASSAL	☒	☒
2	BASHLY	☒	☒
3	OT1.5	☒	☒
4	OTFIX	☒	☒
5	SHNT1.3	☒	☒

Earnings and Deductions page: Element Details tab

Note. Multiple views of this page are available by clicking the tabs in the scroll area. We document fields that are common to all views first.

Payslip Template Definition

Description	You can create and name an unlimited number of sections. Create each section by entering a section (sequence) number and section description (name), such as <i>Earnings</i>. You can determine the sequence for the individual earnings and deductions elements that appear under these sections.
MPF Section (Mandatory Provident Fund section)	Select this check box to display the following Mandatory Provident Fund (MPF) details on payslips: • Employer mandatory contribution period. • Employee mandatory contribution period. • Total base on which MPF was calculated. • Contribution pay date to trustee. All of the related information is stored and retrieved from the MPF result table (GPHK_MPF_RSLT).

Element Details Tab

Display YTD Units and Display YTD Amount	Select these check boxes to have the YTD units and amounts for each element appear in the payment details region under the heading <i>Year to Date Values</i> .
---	---

Element Components Tab

Description Type and Description	You can create a custom description of each element. Select the following values for each element: Custom: A field becomes available that enables you to change the custom, default name of the element. For example, <i>Basic Salary 1</i>. Description: The default element description appears. For example, <i>Basic Salary</i>. Element Name: The default system element name appears. For example, <i>BASSAL</i>.
Print Base, Percentage, Rate, and Unit	These check boxes represent the components of the calculation rule for the element. Select the components to show for each earnings or deduction in your sections. You can select only the components in the calculation rule for the element. For example, for earnings with the calculation rule Unit × Rate, only the unit and rate check

boxes are available for entry.

If not in the calculation, the check box is cleared and unavailable for selection.

Note. The amount always appears, so it isn't an option here.

See Also

“Defining Earnings for Hong Kong”

“Defining Deductions for Hong Kong”

“Administering Mandatory Provident Fund Contributions for Hong Kong”

Overriding Payee Payslip Delivery Options

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

Printing Payslips

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

Setting Up Payslip Absence Details

Access the Absence Details page.

Select the absence elements to display in the Absence section of the payslip and the sequence in which these elements should appear.

Use this page the same way that you used the Earnings and Deduction page. Enter a sequence number and an element name, and select one of three descriptions. The system extracts the balance of each entitlement or absence element that you include in the section to show on the payslip.

See Also

“Defining Absence Rules for Hong Kong”

PeopleSoft Global Payroll PeopleBook, “Defining Absence Elements”

Printing Payslips

Attaching Payslip Templates to Pay Groups

This section describes how to attach payslip IDs to pay groups.

Page Used to Attach Payslip Templates to Pay Groups

<i>Page Name</i>	<i>Object Name</i>	<i>Navigation</i>	<i>Usage</i>
Payslip Template Details	GPHK_PYGRP_PSLP	Global Payroll Hong Kong, Define Payroll Setup (HKG), Setup, Paygroup Details	Attach the payslip template to pay groups.

Attaching Payslip IDs to Pay Groups

Access the Payslip Template Details page.

The screenshot shows the 'Payslip Template Details' page. It includes a header 'Payslip Template Details'. Below this, there are two rows of information: 'Pay Group: KMONTHLY Monthly Pay Group' and 'Effective Date: 01/01/2000'. Underneath, there is a section titled 'Payslip Template' which contains a 'Payslip ID:' field with the value 'KHHKG01' and a magnifying glass icon for searching.

Payslip Template Details page

Payslip ID

After you create the payslip, attach the template to pay groups.

Note. Only one template can be attached to a pay group at one time.

See Also

Creating Payslip Templates

Creating Payslip Messages

You can create custom text messages that appear on payslips and select the recipient level to which the message is distributed. You can select the following:

- All employees identified in the calendar group.
- All payees associated with a group build ID.
- Employees in a specific employee list.

This section describes how to set up payslip messages.

Page Used to Create Payslip Messages

Page Name	Object Name	Navigation	Usage
Payslip Messages	GPHK_PSLP_EXT	Global Payroll Hong Kong, Manage Payroll Process (HKG), Process, Payslip Messages	Create payslip messages and control who receives the messages.

Setting Up Payslip Messages

Access the Payslip Messages page.

Payslip Messages page

Message Level and Group ID

Select the recipient of the message:

All: All payees identified in the calendar group.

Group: All payees included in a group that was built using the Group Build Definition feature in PeopleSoft Manage Human Resources (called VC Group Build in Variable Compensation). You can also access the group build pages through the **Define Payroll Setup (HKG), Setup** menu. If you select this value, the **Payee Message** link becomes unavailable for selection and you can select a group ID.

The HK AR GRP BLD ID array extracts all employees that exist for the group build ID that might also exist for the calendar group ID. This array uses the processing formula HK FM GRP BLD ID. The array extracts all employees from the Group Build result table (GB_GRP_RES_TBL).

Payee List: All payees in a list built using the PeopleSoft Global Payroll Group List feature (**Define Global Payroll Rules, Setup 4**). If you select this value, the **Payee Message** link becomes available for selection.

Message Number

Enter the message ID that the system uses to receive the correct message for the correct payees. Arrays and formulas combine to retrieve the correct message. You can enter multiple numbers for multiple messages.

Message

Enter the text of the message to appear on selected payslips.

Note. The HK AR PSLP MSG writable array extracts the payslip message level and message. It uses the processing formula HK FM PSLP MSG, which retrieves the correct message for the correct calendar group ID. This array extracts all fields from the payslip message record (GPHK_PSLP_MSG) and writes the message to the writable array result table (GPHK_PSLP_RSLT). The writable array stores data from certain system elements, such as the pay period to and from dates and payslip messages.

Overriding Payslip Delivery Options

If an employee must have the delivery address for the employee's payslip overridden from the standard internal or external setup address that you created on the Payslip Setup - Accumulators page, you can use the Payee Payslip Overrides page. Set an effective-dated override of the default at the payee level to redirect the payslip to a different delivery option.

This section describes how to override payslip delivery options.

Page Used to Override Payslip Delivery Options

<i>Page Name</i>	<i>Object Name</i>	<i>Navigation</i>	<i>Usage</i>
Payee Payslip Overrides	GPHK_PSLP_PYE	Global Payroll Hong Kong, Maintain Payroll Data (HKG), Use, Payee Payslip Overrides	Override the delivery destination of the printed payslip (template) from the default delivery option that you select in the Delivery Option field on the Payslip Setup - Accumulators page.

Overriding Payee Payslip Delivery Options

Access the Payee Payslip Overrides page.

Payee Payslip Overrides

Jones, Walter Employee EmplID: B-BARET209 Empl Rcd#: 1

Payslip Override Details Find | View All First 1 of 1 Last

*Effective Date: 09/07/2001

*Delivery Option: Home Address

Payee Payslip Overrides page

Delivery Option

Select a delivery option for a specific employee to override the default details that you set up as part of the payslip template on the Accumulators page. The option that you select is effective-dated to enable you to override the delivery option for a period of time. The options are the same as those on the Accumulators page. This is required to determine where the hardcopy payslip is sent.

For example, you might set the pay group to use an internal address (location or department) but at the employee level, you can override this to use the employee's home address. Some employees have multiple home addresses (for example, residential address or mailing address).

See Also

Creating Payslip Templates

Printing Payslips

Print payslips by calendar group ID. You can, however, restrict the payslips printed from the pay run associated with the calendar group ID. The template that you defined using the Payslip Setup pages controls the layout of the printed payslip.

Fields on the Print Payslip page enable you to select a range of reprint options from the pay entity, department, location, and a payee list. You can reprint defined groups of employees or single employees.

See Also

“Appendix: PeopleSoft Global Payroll for Hong Kong Reports”

Creating Payslip Templates

PeopleSoft ePay PeopleBook, “Managing Pay Information for Global Payroll,” Setting Up and Viewing the Employee Payslip for Hong Kong

Viewing Payslip Data Online

What you see online is based on the layout defined in your payslip template, just as what you see on the printed payslip is based on the payslip template. The online payslip is delivered as a single, long page and includes additional information (such as accumulator codes, descriptions, and amounts) to assist you with your inquiries.

See Also

PeopleSoft ePay PeopleBook, “Managing Pay Information for Global Payroll,” Setting Up and Viewing the Employee Payslip for Hong Kong

Viewing Delivered Elements

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

See Also

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

Customer Connection, Library, Documentation, “Delivered Supporting Elements for PeopleSoft Global Payroll for Hong Kong”

CHAPTER 11

Appendix: PeopleSoft Global Payroll for Hong Kong Reports

This appendix provides an overview of PeopleSoft Global Payroll for Hong Kong 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. You can print all of the reports in the Hong Kong official language: Traditional Chinese.

See Also

PeopleSoft PeopleTools PeopleBook: Process Scheduler

PeopleSoft Global Payroll for Hong Kong Reports: General Description

These tables list the PeopleSoft Global Payroll for Hong Kong reports, sorted alphanumerically by report ID. The reports listed are all SQR reports. If you need more information about a report, refer to the report details at the end of this appendix.

See Also

PeopleSoft Global Payroll for Hong Kong Reports: A to Z

Payroll and Absence Reports

The following payroll and absence reports are required for Hong Kong to support payroll reconciliation, processing, and inquiries.

Report ID and Report Name	Description	Navigation	Run Control Page
GPHKPY11 Payroll Register	Lists a summary of all earnings, deductions, and net pay for the period for each payee. Lists the payroll results by pay entity and reports across multiple pay periods.	Global Payroll Hong Kong, Manage Payroll Process (HKG), Report, Payroll Register	GPHK_RC_PY11
GPHKPY12 Reconciliation	Assists you in the reconciliation process. Contains a summary of all earnings and deductions paid in the pay period and year-to-date (YTD) values.	Global Payroll Hong Kong, Manage Payroll Process (HKG), Report, Reconciliation	GPHK_RC_PY12
GPHKPY13 Pay Component Register	Lists all of the amounts taken from the employee's pay by element code. Provides the option to report by pay component separately (such as earnings only) or on specific elements in a component (such as overtime).	Global Payroll Hong Kong, Manage Payroll Process (HKG), Report, Pay Components	GPHK_RC_PY13
GPHKPY14 Payee Message	Details the contents of the message table. Lists errors or warning messages that occurred during the pay run, grouped by employee.	Global Payroll Hong Kong, Manage Payroll Process (HKG), Report, Payee Messages	GPHK_RC_PY14

Mandatory Provident Fund Reports

The following reports support Mandatory Provident Fund (MPF) processing tasks.

Report ID and Report Name	Description	Navigation	Run Control Page
GPHKEE01 New/Terminated Employees	Enables you to report on new and terminated employees. When your organization terminates an employee, you should notify your trustee within 30 days and state the exact date on which an employee ceased employment. This report assists employers in notifying their trustees (MPF providers) when an employee's employment ends. It can also assist employers in identifying the employees whom they must enroll with their MPF providers.	Global Payroll Hong Kong, Manage Payroll Process (HKG), Report, New/Termination	GPHK_EE01_RC
GPHKMPF1 Remittance Statement	Enables you to report on mandatory and voluntary MPF contributions that were deducted for the contribution period for the MPF provider. Used to inform the trustee of the amount of MPF contributions paid for relevant employees.	Global Payroll Hong Kong, Manage Payroll Process (HKG), Report, MPF Remittance Statement	GPHK_MPF1_RC

Recipient Payment Reports

The following reports enable you to keep track of your banking and recipient processing. You can view information on amounts transferred to employee accounts and collected from employees on behalf of a recipient.

Report ID and Report Name	Description	Navigation	Run Control Page
GPHKEFT1 Net Payment	Contains information on amounts transferred to employee accounts. Lists the same details that are written to the electronic file (generated for net payments).	Global Payroll Hong Kong, Manage Payroll Process (HKG), Report, Net Payment	GPHK_NPY_RUNCTL
GPHKEFT2 Recipient Payment	Contains details of amounts collected from employees on behalf of a recipient. Lists the same details that are written to the electronic file (generated for recipients).	Global Payroll Hong Kong, Manage Payroll Process (HKG), Process, Recipient Payment	GPHK_RCP_RUNCTL

Inland Revenue - Legislative Reports

There are several statutory reports that you must generate to comply with Hong Kong legislative payroll requirements.

Report ID and Report Name	Description	Navigation	Run Control Page
GPHKIRR1 - IR56B Employer's Return of Remuneration and Pensions	Provides an annual report generated for tax declaration purposes. It includes a summary of the earnings and deductions for each employee, reported in a predetermined format. The information is also generated in a predetermined electronic file format and submitted electronically.	Global Payroll Hong Kong, Manage Payroll Process (HKG), Report, Print IR56B	GPHK_IR56B_RUNCTL

Report ID and Report Name	Description	Navigation	Run Control Page
GPHKIRR2 - IR56M Notification of Remuneration Paid to Persons Other Than an Employee	Reports on candidates other than employees who received remuneration during a period for a given tax year and are about to cease employment. You must run the data creation process before running this report.	Global Payroll Hong Kong, Manage Payroll Process (HKG), Report, Print IR56M	GPHK_IR5M_RUNCTL
GPHKIRR3 - IR56G Notification by Employer of an Employee About to Depart Hong Kong	Reports on employees who are about to depart from Hong Kong. All tax liabilities are to be settled before the employee's departure.	Global Payroll Hong Kong, Manage Payroll Process (HKG), Report, Print IR56G	GPHK_IR56FG_RUNCTL
GPHKIRR4 - IR56F Notification by Employer of an Employee About to Cease Employment	Reports on employees who are about to cease employment during a period. You must run the data creation process before running this report. You are not required to submit the report if a terminated employee is about to depart Hong Kong. Instead, you should submit an IR56G report.	Global Payroll Hong Kong, Manage Payroll Process (HKG), Report, Print IR56F	GPHK_IR56FG_RUNCTL
GPHKIRR5 - IR56E Notification by Employer of an Employee Commencing Work	Lists employees who joined the organization during a period. It must be sent within three months of the date on which employment commenced.	Global Payroll Hong Kong, Manage Payroll Process (HKG), Report, Print IR56E	GPHK_IR56E_RUNCTL

Additional Reports

You can also run the following additional reports from PeopleSoft Global Payroll for Hong Kong.

Report ID and Report Name	Description	Navigation	Run Control Page
GPHKPSO1 Hong Kong Payslip	SQR	Global Payroll Hong Kong, Manage Payroll Process (HKG), Report, Print Payslip	GPHK_RUNCTL_PS LP

PeopleSoft Global Payroll for Hong Kong 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.

GPHKPY11 - Payroll Register

Lists a summary of all earnings, deductions, and net pay for the period for each payee. Lists the payroll results by pay entity and reports across multiple pay periods. Enables additional sort sequencing (by department and payee) and consolidation.

Sections

This selection criteria refers to sections of the report (not to be confused with sections from a process list). This report has three main sections.

All	Reports all sections, earnings, deductions, and accumulators.
Earnings and Deductions	Reports only earnings and deductions, and suppress the printing of accumulators. This is sorted by earnings, then deductions. Within each type, it is sorted alphabetically by element name. Within each element name, it is arranged by slice dates.
Accumulators	Reports accumulators and suppresses the printing of earnings and deductions. Within each type, it is sorted alphabetically by element name. Within each element name, it is arranged by slice dates.

Source Records

PS_GP_CAL_RUN, PS_GP_PYENT, PS_GP_PYGRP, PS_GP_RUN_TYPE, PS_GP_CAL_PRD, PS_DEPT_TBL, PS_LOCATION_TBL, PS_GP_PYGRP_LANG, PS_GP_RUN_TYP_LANG, PS_GP_CAL_PRD_LANG, PS_GP_PYE_PRC_STAT, PS_CUR_RT_TYPE_TBL, PS_JOB, PS_GP_RSLT_ERN_DED, PS_GP_PIN_LANG, PS_GP_RSLT_ACUM, PS_GP_PIN_CMPNT, PS_GP_PIN, PS_GPHK_RC_REPORTS, PS_GPHK_RC_PYGRP, PS_GPHK_RC_EMPLID

See Also

“Defining Earnings for Hong Kong”

“Defining Deductions for Hong Kong”

GPHKPY12 - Reconciliation

This report assists you in the reconciliation process. It contains a summary of all earnings and deductions paid in the pay period and YTD values. Enables sort sequencing (by department and location), consolidation, and the inclusion of YTD amounts.

Include YTD Values

Because YTD values are stored in accumulators, you can select this information as an option. Values for the earnings or deduction YTD accumulators appear on the same line in the report as the earnings or deduction.

Sections

This selection criteria refers to sections of the report (not to be confused with sections from a process list). This report has three main sections.

Earnings, Deductions, Earnings, and Deductions

Select an option if you want the report to print only those parameters. For example, select ***Earnings Only*** if you want the report to print only earnings and suppress the printing of the other options.

Source Records

PS_GP_CAL_RUN, PS_GP_PYENT, PS_GP_PYGRP, PS_GP_CAL_PRD, PS_DEPT_TBL,
PS_LOCATION_TBL, PS_GP_PYGRP_LANG, PS_GP_RUN_TYP_LANG,
PS_GP_CAL_PRD_LANG, PS_GP_PYE_PRC_STAT, PS_CUR_RT_TYPE_TBL, PS_JOB,
PS_GP_PIN_LANG, PS_GP_SUFFIX, PS_GP_PIN, PS_GP_RSLT_ACUM,
PS_GPHK_RC_REPORTS, PS_GPHK_RC_PYGRP

See Also

“Defining Earnings for Hong Kong”

“Defining Deductions for Hong Kong”

GPHKPY13 - Pay Component Register

Lists all of the amounts taken from employees' pay, by element code. Enables you to nominate the elements to be printed, the sort sequence (by department or location), and a consolidation option. Provides the option to report by pay component separately (such as earnings only) or report on specific elements in a component (such as overtime).

Note. In the Pay Component report, the commission calculation related to deductions is covered in the electronic fund transfer (EFT) to recipients. Therefore, there is no need for the Pay Component Register report to include it.

Sections

This selection criteria refers to sections of the report (not to be confused with sections from a process list). This report has three main sections.

Earnings, Deductions, and Accumulators

Select **Deductions, Earnings, or Accumulators**, which enables you to use one report for multiple purposes. This is useful in producing the following:

- Overtime reports: You can nominate all of your overtime codes and the time range for the report.
- Completion of surveys: You might be required to complete surveys of particular earnings types, either for external parties or for internal use.
- Assisting with general ledger or costing inquiries by reporting on the values of nominated codes.
- Assisting with budget preparation by reporting on YTD values (accumulators) for nominated codes.

Population

Select Element and Elements

The Pay Component report lists, by element code, all of the amounts taken from employees' pay. This enables you to nominate the elements to be printed.

If you select **Select Element**, you can report on specific elements in the pay component. If you select **Select Element**, click the **Elements** link to access the Payee Element Assignment page.

Source Records

PS_GP_CAL_RUN, PS_GP_PYENT, PS_GP_PYGRP, PS_GP_RUN_TYPE,
 PS_GP_CAL_PRD, PS_DEPT_TBL, PS_LOCATION_TBL, PS_GP_PYGRP_LANG,
 PS_GP_RUN_TYP_LANG, PS_GP_CAL_PRD_LANG, PS_GP_PYE_PRC_STAT,
 PS_CUR_RT_TYPE_TBL, PS_JOB, PS_GP_RSLT_ERN_DED, PS_GP_PIN_LANG,
 PS_GP_RSLT_ACUM, PS_GP_PIN_CMPNT, PS_GP_PIN, PS_GPHK_RC_REPORTS,
 PS_GPHK_RC_ELM

See Also

“Defining Earnings for Hong Kong”

“Defining Deductions for Hong Kong”

GPHKPY14 - Payee Message

The Payee Message report lists errors or warning messages that occurred during the pay run, by employee. It also details the contents of the message table.

Note. Hong Kong's message set number is 17285.

Source Records

PS_GP_CAL_RUN, PS_GP_PYGRP, PS_GP_PYGRP_LANG, PS_GP_CAL_PRD_LANG,
PS_GP_MESSAGES, PS_GP_PIN, PS_GPHK_RC_REPORTS

GPHKEE01 - MPF - New/Terminated Employees

This is a report of new and terminated employees. The process generates a new or terminated employee report based on the report type that you select.

The report is independent of the payroll process and is sorted by recipient name (MPF provider), because while in most organizations there is only one provider, it is possible for an organization to use multiple MPF providers.

Note. The only difference between the new employees and terminated employees report is the report title and hire or terminated date column.

Source Records

PS_GPHK_MPF_RUNCTL, PS_JOB, PS_EMPLOYMENT, PS_PERSONAL_VW,
PS_GP_PYGRP, PS_PERS_NID, PS_DEPT_TBL, PS_REG_REGION_TBL,
PS_ADDRESSES, PS_STATE_NAMES_TBL, PS_GP_PYENT

See Also

“Administering Mandatory Provident Fund Contributions for Hong Kong”

“Defining Absence Rules for Hong Kong,” Calculating Absence Entitlements on Termination

GPHKMPF1 - Remittance Statement

If an employee changes pay groups in the pay period, they are to be reported only once under the latest pay group. Active employees, excluding those who haven't been enrolled yet (under 18 or less than 60 days employment), are included in the report even if they have no relevant earnings for the month. Employees with no relevant MPF earnings are included in the Existing Employees section of the report.

MPF contribution amounts are printed out for each type of MPF deduction. Contributions for employees with different contribution periods (such as weekly and monthly) are reported in separate remittance statements.

As it is possible to have multiple pay groups with the same remittance period, you can enter multiple pay groups on the run control.

To provide for reporting terminated employees' MPF contributions, change the calendar payment date to the appropriate date, then run payroll for terminated employees through a group list. Having done this, you can generate the Remittance report for terminated employees because the report is generated by payment date and group list.

However, if you must run it for continuing employees, set the appropriate calendar payment date before running the payroll so that you can generate the report with the regular payment date and regular group list, excluding the terminated group list.

Note. While service providers might specify their own remittance statements, the MPF Authority specified the content and format of the remittance statement with which the service provider must comply. The remittance statement has, therefore, been defined in accordance with the content and format of the statement specified by the MPF Authority.

The report is sorted by recipient name (MPF provider), because while in most organizations there is only one provider, it is possible for an organization to use multiple MPF providers.

Legislation requires the employer to make MPF contributions within 10 days of the employee's termination date during regular periods. Therefore, you must generate the Remittance Statement report within 10 days of termination.

Source Records

PS_GPHK_RECPT_SBL, PS_RECIPIENT, PS_GPHK_RCP_PYNT_S,
PS_GPHK_MPF_RSLT, PS_GPHK_MPF_RUNCTL, PS_STATE_NAMES_TBL,
PS_PERS_NID, PS_JOB, PS_GPHK_MEMBERSHIP, PS_GP_PYENT,
PS_GP_PYENT_DTL

See Also

“Administering Mandatory Provident Fund Contributions for Hong Kong”

“Defining Earnings for Hong Kong,” Calculating Earnings Included in MPF Calculations

GPHKEFT2 - Recipient Payment

Not all recipients receive an electronic file for updating their systems. Some recipients might prefer a hard copy report. You can generate the report for more than one recipient at the same time. Each recipient's details are printed on a fresh page.

Note. While the electronic file processes only records identified with a payment method of *bank transfer*, the report lists all of the records associated with the recipient.

Debit Date Enter the date on which recipients are to be paid. This identifies the recipient transactions that should be selected for processing.

Report Level

- Select the level of detail that you require in your report:

Detailed: All of the selected records are printed.

Summary: Summary lines for each pay entity are printed. A summary line is both:

- A total of all credit payments.
- A total count of the number of transactions that amounted to the total credit payment.

Recipients List

Recipient ID Select recipients. Leaving this field blank assumes that a file must be created for all of the recipients.

Source Records

PS_GPHK_RCP_RUNCTL, PS_GPHK_EFT_RUNCTL, PS_RECIPIENT,
PS_GP_PAYMENT, PS_GPHK_EE_NID_VW, PS_NAMES, PS_GPHK_MEMBERSHIP,
PS_GP_PYENT, PS_GPHK_RCP_PYNT_S

See Also

“Setting up Banking and Recipient Processing for Hong Kong”

GPHKEFT1 - Net Payment

Payment Date Enter the date (passed to the EFT file header) on which the bank passed the payment to the recipient. It is written to the output report file.

Report Level

- Select the type of report that you require:

Detailed: All of the selected records are printed.

Summary: Summary lines for each pay entity are printed. A summary line is both:

- A total of all credit payments.
- A total count of the number of transactions that amounted to the total credit payment.

Source Records

PS_GPHK_EFT_RUNCTL, PS_GP_CAL_RUN_DTL, PS_GP_PAYMENT,
PS_GPHK_EE_NID_VW, PS_NAMES, PS_GPHK_RCP_RUNCTL

See Also

“Setting up Banking and Recipient Processing for Hong Kong”

GPHKIRR4 - IR56F - Notification by Employer of an Employee About to Cease Employment

Note. You must run the data creation process before running this report. You are not required to submit the report if a terminated employee is about to depart Hong Kong. Instead, you should submit an IR56G report.

If an employee is terminated and rehired, earnings from the date of rehire until the end of the tax year should be reported. The earnings accrued before termination should appear in the IR56F or IR56G report.

Tax Year	Select the tax year that you are reporting. The IR56F report must be generated annually for all active employees at the end of the tax year for tax declaration. Note. The Hong Kong tax period is 1 April to 31 March.
Reprint Yes/No	Select this check box to generate an IR56F that was printed earlier. If you do not select it, only records with a <i>not issued</i> status are printed.
Begin/End Date	Enter the tax period for which the employee commenced work.

Selected Employees List for IR56

EmplID (employee identification)	If you don't select an employee ID, the process retrieves the employee records from the GPHK_IR56_TBL table that was populated by the data creation process. The process retrieves employee records that are associated with the IR56F report type.
---	---

Source Records

PS_GPHK_I56_RUNCTL, PS_GPHK_I56_EE_RC, PS_GPHK_IR56_TBL,
 PS_GPHK_OVS_CNCRN, PS_PERS_DATA_EFFDT, PS_NAMES,
 PS_GPHK_EE_NID_VW, PS_GPHK_SPS_NID_VW, PS_PERS_NID,
 PS_GPHK_EE_PP_VW, PS_DEPENDENT_BENEF, PS_GPHK_EESP_PP_VW,
 PS_GPHK_PT_ER_DTL, PS_GPHK_IR56_PR_VW, PS_JOBCODE_TBL,
 PS_ADDRESSES, PS_STATE_NAMES_TBL, PS_GP_PYENT, PS_GP_PYENT_DTL,
 PS_GP_PYENT_SOVR, PS_GP_PIN_NM_VW, PS_GPHK_IR56_QTR, PS_JOB,
 PS_ACTN_REASON_TBL, PS_GPHK_IR56_DTL, PS_GP_PIN, PS_COUNTRY_TBL

See Also

“Managing Inland Revenue Reports for Hong Kong”

GPHKIRR3 - IR56G - Notification by Employer of an Employee About to Depart Hong Kong

Any person liable for salaries tax who is about to permanently leave Hong Kong should give notice in writing to the Inland Revenue Department (IRD) no later than one month before the person's expected date of departure (or a shorter notice if the Commissioner deems reasonable). Upon receipt of notification, arrangement is made for the issue of a return and payment of tax. All tax liabilities are to be settled before the employee's departure. The IR56G report provides information about employees who are about to depart from Hong Kong.

Tax Year	The report must be generated annually for all active employees at the end of the tax year for tax declaration purposes. Select the tax year that you are reporting. Note. The Hong Kong tax period is 1 April to 31 March.
Reprint Yes/No	Select this check box to generate an IR56G that was printed earlier. If you do not select this check box, only records with a <i>not issued</i> status are printed.
Begin/End Date	Enter the tax period for which the employee commenced work.

Selected Employees List for IR56

EmplID	If you don't select an employee ID, the process checks for new hires or rehires by determining whether the effective date in the JOB table is between the periods that you entered. New hires are identified by the action <i>HIR</i> in the Action field, while the value <i>REH</i> in the Action field identifies a rehire.
---------------	---

Source Records

PS_GPHK_I56_RUNCTL, PS_GPHK_I56_EE_RC, PS_GPHK_IR56_TBL,
 PS_EMPLOYMENT, PS_GPHK_OVS_CNCRN, PS_PERS_DATA_EFFDT, PS_NAMES,
 PS_GPHK_EE_NID_VW, PS_GPHK_SPS_NID_VW, PS_GPHK_EE_PP_VW,
 PS_GPHK_EE_SPS_VW, PS_GPHK_EESP_PP_VW, PS_GPHK_PT_ER_DTL,
 PS_GPHK_IR56_PR_VW, PS_JOBCODE_TBL, PS_ADDRESSES,
 PS_STATE_NAMES_TBL, PS_PRIORWORK_EXPER, PS_GP_PYENT,
 PS_GP_PYENT_DTL, PS_GP_PYENT_SOVR, PS_GP_PIN_NM_VW,
 PS_GPHK_IR56_QTR, PS_PERS_NID, PS_JOB, PS_COUNTRY_TBL

See Also

"Managing Inland Revenue Reports for Hong Kong"

GPHKIRR1 - IR56B - Employer's Return of Remuneration and Pensions

Note. When generating the electronic file, a listing should also be generated to identify the employees that have been included in the electronic file. The listing consists of basic information like sheet number, employee name, IC number, and total amount.

Tax Year

The IR56B report must be generated annually for all active employees at the end of the tax year for tax declaration. Select the tax year that you are reporting.

Note. The Hong Kong tax period is 1 April to 31 March.

Reprint Yes/No

Select this check box to generate an IR56B that was printed earlier. If you do not select it, only records with a *not issued* status are printed.

Selected Employees List for IR56

EmplID

If you don't select an employee ID, the process checks for new hires or rehires by determining whether the effective date in the JOB table is between the periods that you entered.

New hires are identified by the action *HIR* in the Action field, while the value *REH* in the Action field identifies a rehire.

IR56B Report Type

Hardcopy Report/Control List

Identify whether the generated report is hard-copy output or a control list (simple listing) that is required with IR56B as a supporting document.

Hong Kong IRD regulations state that either a hard copy or an electronic file must be submitted to the IRD. While both are not necessary, a hard-copy printout must be issued to the employee.

The electronic file output is generated using a PeopleSoft Application Engine and a file layout object.

The layout for both outputs is defined by the Hong Kong Inland Revenue Department.

Note. While an employee can hold multiple jobs, only one IR56 should be issued to each employee. When an IR56 is issued for the first time or a tax year, it is considered *Original*. Subsequent changes to the IR56B that has already been issued should be reported in a manual output that is considered *Replacement*.

Source Records

PS_GPHK_I56_RUNCTL, PS_GPHK_I56_EE_RC, PS_GPHK_IR56_TBL,
 PS_GPHK_OVS_CNCRN, PS_PERS_DATA_EFFDT, PS_NAMES,
 PS_GPHK_EE_NID_VW, PS_GPHK_SPS_NID_VW, PS_PERS_NID,
 PS_GPHK_EE_PP_VW, PS_GPHK_EE_SPS_VW, PS_GPHK_EESP_PP_VW,
 PS_GPHK_PT_ER_DTL, PS_JOB, PS_JOBCODE_TBL, PS_ADDRESSES,
 PS_STATE_NAMES_TBL, PS_GP_PYENT, PS_GP_PYENT_SOVR,
 PS_GP_PIN_NM_VW, PS_GPHK_IR56_QTR, PS_GPHK_IR56_DTL, PS_GP_PIN,
 PS_COUNTRY_TBL

See Also

“Managing Inland Revenue Reports for Hong Kong”

GPHKIRR2 - IR56M - Notification of Remuneration Paid to Persons Other Than an Employee

Note. You must run the data creation process before running this report.

Tax Year	The IR56B report must be generated annually for all active employees at the end of the tax year for tax declaration. Select the tax year that you are reporting. Note. The Hong Kong tax period is 1 April to 31 March.
Reprint Yes/No	Selecting this check box generates an IR56M that was printed earlier. If you do not select this check box, only records with a <i>not issued</i> status are printed.

Selected Employees List for IR56

EmplID	If you don't select an employee ID, the process checks for new hires or rehires by determining whether the effective date in the JOB table is between the periods that you entered. New hires are identified by the action <i>HIR</i> in the Action field, while the value <i>REH</i> in the Action field identifies a rehire.
---------------	---

Source Records

PS_GPHK_I56_RUNCTL, PS_GPHK_I56_EE_RC, PS_GPHK_IR56_TBL,
 PS_PERS_DATA_EFFDT, PS_NAMES, PS_GPHK_EE_NID_VW,
 PS_GPHK_SPS_NID_VW, PS_PERS_NID, PS_PERSONAL_PHONE,
 PS_GPHK_EE_SPS_VW, PS_GPHK_EESP_PP_VW, PS_GPHK_IR56M_ER,
 PS_GPHK_IR56_PR_VW, PS_JOBCODE_TBL, PS_ADDRESSES,
 PS_STATE_NAMES_TBL, PS_GP_PYENT, PS_GP_PYENT_SOVR,
 PS_GP_PIN_NM_VW, PS_GPHK_IR56_DTL, PS_COUNTRY_TBL

See Also

“Managing Inland Revenue Reports for Hong Kong”

GPHKIRR5 - IR56E - Notification by Employer of an Employee Commencing Work

Begin/End Date Enter the tax period for which the employee commenced work.

Selected Employees List for IR56

EmplID If you don't select an employee ID, the process checks for new hires or rehires by determining whether the effective date in the JOB table is between the begin and end dates that you enter.

New hires are identified by the action *HIR* in the Action field, while the value *REH* in the Action field identifies a rehire.

Source Records

PS_GPHK_I56_RUNCTL, PS_GPHK_I56_EE_RC, PS_GPHK_IR56_TBL,
 PS_GPHK_OVS_CNCRN, PS_PERSONAL_DATA, PS_NAMES,
 PS_GPHK_EE_NID_VW, PS_GPHK_SPS_NID_VW, PS_PERS_NID,
 PS_GPHK_EE_PP_VW, PS_GPHK_EE_SPS_VW, PS_GPHK_EESP_PP_VW,
 PS_GPHK_PT_ER_DTL, PS_GPHK_IR56_PR_VW, PS_JOBCODE_TBL,
 PS_GPHK_DEPART_DTL, PS_ADDRESSES, PS_STATE_NAMES_TBL,
 PS_GP_PYENT, PS_GP_PYENT_DTL, PS_GP_PYENT_SOVR, PS_GP_PIN_NM_VW,
 PS_GPHK_IR56_QTR, PS_GPHK_IR56_DTL, PS_GP_PIN, PS_COUNTRY_TBL

See Also

“Managing Inland Revenue Reports for Hong Kong”

GPHKPY01 - Hong Kong Payslip

A single SQR process (GPPHPY01.SQR) generates the printed payslips based on the run control parameters that you enter on the Print Payslip page. The process takes the results from the main PeopleSoft Global Payroll result tables and is based on the payslip template ID attached to each pay group.

Payslip Generation Details

You might need to regularly reprint pay advice, either for an individual or for a group of employees.

Pay Entity List, Pay Group List, Department List, Location List, and Payee List

You can print payslips for an entire calendar group ID or, for that calendar group ID, print payslips for individual payees or groups of payees by pay entity, pay group, department, or location. Whenever you select a grouping, the appropriate list page appears on which you can enter the groupings, such as pay entities or pay groups.

Internal Sort Order

Sort Key 1, 2, and 3

You can set up to three sort keys that control the sort sequence for printing the payslip. Options are **Department**, **Employee Name**, **Location**, **Not Applicable**, **Pay Entity**, or **Pay Group**. If you select **Not Applicable**, the process prints the payslips by employee ID. Enter the elements and the order by which you want the system to sort the payslip. Sort key 1 is sorted first, followed by 2 and 3.

Source Records

PS_STRINGS_LNG_TBL, PS_GPHK_SS_PSLP_VW, PS_GP_PYE_SEG_STAT, PS_DEPT_TBL, PS_GPHK_PSLP, PS_GPHK_PSLP_SECT, PS_GPHK_PSLP_ED, PS_GP_RSLT_ERN_DED, PS_GPHK_PSLP_ABS, PS_GP_PYE_PRC_STAT, PS_GP_CALENDAR, PS_GP_NET_DIST_DTL, PS_GP_PAYMENT, PS_GPHK_PSLP_MSG, PS_LOCATION_TBL, PS_GP_PYENT, PS_FREQUENCY_TBL, PS_GPHK_PSLP_DEPT, PS_GPHK_PSLP_LOCTN, PS_ADDRESSES, PS_GPHK_PAYEE_TBL, PS_GPHK_PYGRP_PSLP, PS_GP_RSLT_ACUM, PS_GPHK_PSLP_ACUM, PS_GPHK_RNCTL_PSLP, PS_GPHK_PSLP_DP_RC, PS_GPHK_PSLP_LC_RC, PS_GPHK_PSLP_PE_RC, PS_GPHK_PSLP_PG_RC, PS_GPHK_PSLP_PY_RC, PS_COUNTRY_TBL, PS_STATE_NAMES_TBL, PS_GP_CAL_RUN_DTL, PS_GPHK_MPF_RSLT

See Also

“Setting up Payslips for Hong Kong”

PeopleSoft ePay PeopleBook, “Managing Pay Information for Global Payroll,” Setting Up and Viewing the Employee Payslip for Hong Kong

Viewing Delivered Elements for Hong Kong

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

See Also

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

Customer Connection, Library, Documentation, “Delivered Supporting Elements for PeopleSoft Global Payroll for Hong Kong”

Index

A

absence

- annual leave, calculating 6-5, 6-6, 6-7
- earnings, calculating 4-11
- eighty percent of daily wages 4-12
- entitlements, calculating on termination 6-8, 6-9, 6-10
- entitlements, delivered 6-3
- forfeiture, understanding 6-5
- leave without pay, calculating 4-12, 6-14
- maternity leave, calculating 6-13
- other leave, calculating 6-15
- payslip details, setting up 10-7
- primary elements, delivered 6-2
- rules, defining 6-1
- sick leave, calculating 6-12
- takes, delivered 6-4

Absence Details page 10-7

accumulators

- overview 3-3
- payslips, setting up 10-3
- report elements, associating with 8-5

Accumulators page 10-3

age eligibility rules

- MPF, understanding 7-7

ANN LIEU *See* annual leave, in lieu, calculating

annual leave

- absence forfeiture, understanding 6-5
- accrual, understanding 6-5
- calculating 6-5
- general employees, calculating 6-6
- in lieu, calculating 4-11
- statutory employees, calculating 6-7
- unused, calculating 6-8

B

balance accumulator rule 7-1, 7-17

balance group id

- user keys 3-3

Bank Details for Pay Entity page 9-3

banking

- electronic fund transfers, managing 9-5
- HSBC file, creating 9-6
- manual cheques, processing 9-10
- process flow, overview 9-2
- processing, setting up 9-1
- recipient payment report files, creating 9-8

- separate cheques, processing 9-10
- source banks, linking to pay entities 9-3
- understanding 9-1

BASHLY *See* basic hourly

basic hourly

- calculating 4-3

basic salary

- calculating 4-2

BASSAL *See* basic salary

blackrain

- allowance, calculating 4-5

C

cash advance

- calculating 4-11
- cash advance recovery, calculating 5-2

cash advance recovery

- calculating 5-2

CASHADV *See* cash advance

CASHADVR *See* cash advance recovery

casual employee

- MPF contributions, defining 7-6, 7-10
- MPF, defined 7-2

CD-ROM

- ordering ii

cheques

- manual, processing 9-10
- separate, processing 9-10

COMCHST *See* community chest

commission

- MPF reports, setting up 7-20, 7-21

community chest

- calculating 5-3

contribution day

- MPF, defined 7-3

contribution holiday

- MPF, defined 7-3
- rule, understanding 7-6

contribution period

- MPF, defined 7-3

corrective retroactivity

- working with 3-1

country set up

- accumulators 3-3
- payment keys 3-3
- proration rules 3-4
- retro processing 3-1
- segmentation 3-2
- triggers 3-2
- user keys 3-3

D

deductions

- cash advance recovery, calculating 5-2
- community chest, calculating 5-3
- defining, overview 5-1
- elements, delivered list 5-7
- employee MPF permitted period mandatory 5-6
- employee MPF permitted period voluntary, calculating 5-6
- employee MPF regular mandatory, calculating 5-6
- employee MPF regular voluntary, calculating 5-6
- employer MPF permitted period mandatory, calculating 5-5
- employer MPF permitted period voluntary, calculating 5-5
- employer MPF regular mandatory, calculating 5-4
- employer MPF regular voluntary, calculating 5-5
- Mandatory Provident Fund, list 7-1, 7-4
- outstanding deduction recovery, calculating 6-11
- payslips, setting up 10-5
- scheduling, controlling 5-7

delivered elements

- abbreviations 2-5
- functional area codes 2-4
- maintenance 2-1, 2-2
- naming conventions 2-3
- ownership 2-1
- suffixes 2-4
- type codes 2-5
- understanding 2-1

departure details

- Inland Revenue, setting up 8-6
- Departure Details page 8-6
- DY WAGE 80 *See* eighty percent of daily wages, calculating

E

earnings

- absence, calculating 4-11
- amount, calculating 4-14
- annual leave in lieu, calculating 4-11
- basic hourly, calculating 4-3
- basic salary, calculating 4-2
- blackrain, calculating 4-5
- cash advance, calculating 4-11
- defining, overview 4-1
- education allowance, calculating 4-8
- eighty percent of wages, calculating 4-12

- elements, delivered list 4-21
- gratuity, calculating 4-8
- housing allowance, calculating 4-7
- leave without pay, calculating 4-12
- long service, calculating 4-13
- Mandatory Provident Fund, calculating 4-15
- maximum frequency amount 4-18
- maximum goal amount, controlling 4-19
- meal allowance, calculating 4-5
- meal reimbursement, calculating 4-6
- mobile allowance, calculating 4-7
- overtime, calculating 4-3
- pager allowance, calculating 4-7
- payslips, setting up 10-5
- rent reimbursement, calculating 4-8
- rolling average, calculating 4-16
- scheduling 4-20
- severance, calculating 4-13
- shift allowance, calculating 4-4
- subsetting, controlling 4-20
- termination, calculating 4-11
- thirteenth month pay, calculating 4-9
- typhoon, calculating 4-5

Earnings and Deductions page 10-5

EDALLOW 4-8. *See also* education allowance

education allowance

calculating 4-8

EEMPFMN1 *See* deductions, employee MPF

regular mandatory, calculating

EEMPFMN2 *See* deductions, employer MPF

permitted period mandatory, calculating

EEMPFFVOL1 *See* deductions, employee MPF

regular voluntary, calculating

EEMPFFVOL2 *See* deductions, employee MPF

permitted period voluntary, calculating

EFT 9-5. *See also* banking, electronic fund

transfers, managing

eighty percent of daily wages

calculating 4-12

electronic file

IR56B, generating 8-22

electronic fund transfer

banking, managing 9-5

HSBC file, creating 9-6

tables, contributing data 9-5

Electronic Funds Transfer page 9-6

elements

abbreviations 2-5

creating 2-1

deductions, delivered list 5-7

delivered, understanding 2-1

earnings, delivered list 4-21

functional area codes 2-4

maintenance of 2-1

naming conventions 2-3

ownership of 2-1, 2-2

suffixes 2-4

type codes 2-5

Employee Housing Quarters page 8-8
 employee reporting period
 MPF, defined 7-3
 employer reporting period
 MPF, defined 7-3
 ERMPFMN1 *See* deductions, employer MPF
 regular mandatory, calculating
 ERMPFMN2 *See* deductions, employer MPF
 permitted period mandatory, calculating
 ERMPFVOL1 *See* deductions, employer MPF
 regular voluntary, calculating
 ERMPFVOL2 *See* deductions, employer MPF
 permitted period voluntary, calculating
 exemption rules
 Mandatory Provident Fund, accommodating
 7-1, 7-6

F

forfeiture
 absence, understanding 6-5

G

general employees
 annual leave, calculating 6-6, 6-8
 leave without pay, calculating 6-14
 maternity leave, calculating 6-13
 sick leave, calculating 6-12
 goal amount
 maximum earnings, controlling 4-19
 GRA 4-8. *See also* gratuity
 gratuity
 calculating 4-8

H

housing allowance
 calculating 4-7
 salary grades, understanding 4-7
 housing quarters
 defined 8-3
 details, maintaining 8-19
 employee, setting up 8-8
 HSBC 9-2. *See also* banking, processing, setting
 up
 defined 9-2
 file, defined 9-2
 HSING *See* housing allowance

I

Inland Revenue
 electronic file, generating 8-22
 report data, creating 8-12

report data, reviewing and maintaining 8-17
 reports, managing 8-1
 reports, setting up 8-3

IR56

 electronic file, generating 8-22
 report data, generating 8-13
 report data, reviewing and maintaining 8-17
 IR56 Creation Controls page 8-12
 IR56 Creation page 8-13
 IR56 Electronic File Creation page 8-22
 IR56 Job / Quarters Details page 8-19
 IR56 Monetary Details page 8-20
 IR56 Personal Details page 8-18

L

leave accrual
 understanding 6-5
 leave without pay
 calculating 4-12, 6-14
 daily rate deduction, calculating 5-3
 long service leave
 earnings, calculating 4-13
 termination, calculating 6-10
 LWOP *See* annual leave, in lieu, calculating;
 leave without pay, calculating

M

Mandatory Provident Fund *See also* deductions,
 employer MPF permitted period voluntary,
 calculating. *See also* deductions, employer MPF
 regular voluntary, calculating. *See also* deductions,
 employer MPF permitted period mandatory,
 calculating. *See also* deductions, employee MPF
 permitted period mandatory; deductions, employer
 MPF regular mandatory, calculating
 age eligibility rules, understanding 7-7
 balance accumulator rule, understanding 7-1,
 7-17
 casual employee contributions, defining 7-6,
 7-10
 casual employee, defined 7-2
 commission details, setting up 7-20, 7-21
 contribution day, defined 7-3
 contribution holiday rule, understanding 7-6
 contribution holiday, defined 7-3
 contribution period, defined 7-3
 contributions, administering 7-1
 deductions, calculating 5-4, 7-1, 7-4
 defined 7-3
 earnings, calculating 4-15
 employee reporting period, defined 7-3
 employees regular, mandatory 7-15, 7-16
 employees regular, voluntary 7-15, 7-17
 employer reporting period, defined 7-3

- employers regular, mandatory 7-15
- employers regular, voluntary 7-15, 7-16
- excluding employees 7-6, 7-10
- exemption rules, accommodating 7-1, 7-6
- limits, accommodating 7-1, 7-6
- maximum limits, applying 7-6, 7-11
- minimum limits, applying 7-6, 7-11
- permitted period contributions, calculating 7-1, 7-13
- permitted period MPF deduction, defined 7-3
- permitted period termination rules 7-9
- permitted period, defined 7-3
- permitted period, employee mandatory 7-14
- permitted period, employee voluntary 7-14
- permitted period, employer mandatory 7-13
- permitted period, employer voluntary 7-14
- proration 3-4
- proration, understanding 7-1, 7-18
- recipient details, setting up 7-20, 7-21
- recipient membership numbers, defining 7-20, 7-23
- regular contributions, calculating 7-1, 7-15
- report details, setting up 7-1, 7-20
- system outputs 7-2
- understanding 7-1
- user inputs 7-2
- manual cheques
 - processing 9-10
- maternity leave
 - calculating 6-13
- maximum frequency amount
 - earnings, controlling 4-18
- maximum goal amount
 - earnings, controlling 4-19
- MEAL *See* meal allowance
- meal allowance
 - calculating 4-5
- meal reimbursement
 - calculating 4-6
 - maximum limits 4-6
- MEALREIM *See* meal reimbursement
- messages
 - payslip, creating 10-8, 10-9
- MOBILE *See* mobile allowance
- mobile allowance
 - calculating 4-7
- monetary details
 - IR56, maintaining 8-20

N

- naming convention
 - abbreviations, elements 2-5
 - elements 2-3
 - functional area codes 2-4
 - suffixes 2-4
 - supporting elements 2-3

- type codes 2-5

O

- OT1.5 *See* overtime
- OTFIX *See* overtime
- other leave
 - calculating 6-15
- outstanding deduction recovery 6-11. *See also*
 - cash advance recovery
 - termination, calculating 6-11
- overseas concern
 - defined 8-3
 - setting up 8-11
- Overseas Concern Details page 8-11
- overtime
 - calculating 4-3

P

- pager allowance
 - calculating 4-7
- pay entities
 - source banks, linking 9-3
- pay entity
 - user keys 3-3
- pay groups
 - payslip templates, attaching 10-7, 10-8
- Payee Payslip Overrides page 10-10
- payment keys
 - overview 3-3
- payments
 - retro, processing 3-1
- Payslip Messages page 10-9
- Payslip Template Details page 10-8
- payslips
 - absence details, setting up 10-7
 - accumulators, setting up 10-3
 - deductions, setting up 10-5
 - delivery options, overriding 10-10
 - earnings, setting up 10-5
 - messages, creating 10-8, 10-9
 - overview 10-1
 - printing 10-11
 - setting up 10-1
 - templates, attaching to pay groups 10-7, 10-8
 - templates, creating 10-1
 - viewing 10-12
- PeopleBooks
 - CD-ROM, ordering ii
 - printed, ordering ii
- permitted period
 - employee, mandatory 7-14
 - employee, voluntary 7-14
 - employer, mandatory 7-13
 - employer, voluntary 7-14

- MPF contributions, calculating 7-1, 7-13
- MPF deduction, defined 7-3
- MPF termination rules, understanding 7-9
- MPF, defined 7-3
- personal details
 - IR56, maintaining 8-18
- PIN_TYPE 2-5. *See also* elements, type codes; type codes, elements
- Principal Employer of PT EE page 8-7
- principal employers
 - defined 8-3
 - part time employees, setting up 8-7
- printing
 - payslips 10-11
- proration
 - eighteenth birthday 3-4
 - MPF 3-4
 - MPF, understanding 7-1, 7-18
 - overview 3-4
 - relevant income 3-4
 - rules, list 3-4
 - thirteenth month pay 3-4
 - thirteenth month pay, understanding 4-9

R

- recipient
 - electronic fund transfers, managing 9-5
 - payment report files, creating 9-8, 9-9
 - processing, setting up 9-1
 - processing, understanding 9-1
- Recipient Details page 7-20, 7-21
- Recipient Membership Number page 7-20, 7-23
- Recipient Payment File page 9-9
- recipients
 - MPF membership numbers, defining 7-20, 7-23
 - MPF reports, setting up 7-20, 7-21
- regular contributions
 - employees, mandatory 7-15, 7-16
 - employees, voluntary 7-15, 7-17
 - employers, mandatory 7-15
 - employers, voluntary 7-15, 7-16
 - MPF, calculating 7-1, 7-15
- relevant income *See* Mandatory Provident Fund, earnings, calculating
- rent reimbursement
 - calculating 4-8
- RENTREIM 4-8. *See also* rent reimbursement
- Report Element Setup page 8-5
- reports 11-1
 - using the Process Scheduler 8-1
- retro
 - corrective 3-1
 - default method 3-1
 - on conflict method 3-1
 - payment keys 3-3

- payments, processing 3-1
- set up 3-1

S

- scheduling
 - deductions, controlling 5-7
 - earnings, controlling 4-20
- segmentation
 - list 3-2
- Self Employed Data page 8-11
- self-employment
 - setting up 8-11
- separate cheques
 - processing 9-10
- SEV/LSP *See* earnings, severance, calculating
- severance
 - earnings, calculating 4-13
 - termination, calculating 6-10
- shift allowance
 - calculating 4-4
- SHNT1.3 *See* shift allowance
- SHNTFIX *See* shift allowance
- sick leave
 - calculating 6-12
- source banks
 - pay entities, linking 9-3
- starting sheet numbers
 - IR56B and IR56M, setting up 8-12
- statutory employees
 - annual leave, calculating 6-7, 6-8
 - leave without pay, calculating 6-14
 - maternity leave, calculating 6-13
 - sick leave, calculating 6-12
- subsetting
 - earnings, enabling 4-20
- supporting elements
 - naming conventions 2-3

T

- templates
 - payslips, creating 10-1, 10-3
- TER 13TH PAY *See* thirteenth month pay
- termination
 - absence entitlements, calculating 6-8
 - annual leave in lieu, calculating 4-11
 - earnings, calculating 4-11
 - long service leave, calculating 6-10
 - long service, calculating 4-13
 - MPF, permitted period 7-9
 - outstanding deduction recovery, calculating 6-11
 - severance, calculating 4-13, 6-10
 - thirteenth month pay, calculating 4-13, 6-9
 - unused annual leave, calculating 6-8

- thirteenth month pay
 - calculating 4-9
 - proration 3-4
 - proration, understanding 4-9
 - termination, calculating 4-13, 6-9
- triggers
 - list 3-2
- type codes
 - elements 2-5

- typhoon
 - allowance, calculating 4-5

U

- user keys
 - overview 3-3