PeopleSoft.

PeopleSoft 8.8
Global Payroll for Hong Kong
PeopleBook

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About This PeopleBook

PeopleBooks provide you with the information that you need to implement and use PeopleSoft applications.

This preface discusses:

• PeopleSoft application prerequisites.

• PeopleSoft application fundamentals.

• Related documentation.

• Typographical elements and visual cues.

• Comments and suggestions.

• Common elements in PeopleBooks.

Note. PeopleBooks document only page elements that require additional explanation. If a page element is not documented with the process or task in which it is used, then either it requires no additional explanation or it is documented with common elements for the section, chapter, PeopleBook, or product line. Elements that are common to all PeopleSoft applications are defined in this preface.

PeopleSoft Application Prerequisites

To benefit fully from the information that is covered in these books, you should have a basic understanding of how to use PeopleSoft applications.

See *Using PeopleSoft Applications.*

You might also want to complete at least one PeopleSoft introductory training course.

You should be familiar with navigating the system and adding, updating, and deleting information by 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.

These books do not review navigation and other basics. They present the information that you need to use the system and implement your PeopleSoft applications most effectively.

PeopleSoft Application Fundamentals

Each application PeopleBook provides implementation and processing information for your PeopleSoft database. However, additional, essential information describing the setup and design of your system appears in a companion volume of documentation called the application fundamentals PeopleBook. Each PeopleSoft product line has its own version of this documentation.

The application fundamentals PeopleBook consists of important topics that apply to many or all PeopleSoft applications across a product line. Whether you are implementing a single application, some combination of applications within the product line, or the entire product line, 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.

Related Documentation

This section discusses how to:

- Obtain documentation updates.

- Order printed documentation.

Obtaining Documentation Updates

You can find updates and additional documentation for this release, as well as previous releases, on the PeopleSoft Customer Connection Website. Through the Documentation section of PeopleSoft 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 that is delivered on your PeopleBooks CD-ROM.

Important! Before you upgrade, you must check PeopleSoft Customer Connection for updates to the upgrade instructions. PeopleSoft continually posts updates as the upgrade process is refined.

See Also

PeopleSoft Customer Connection Website, http://www.peoplesoft.com/corp/en/login.asp

Ordering Printed Documentation

You can order printed, bound volumes of the complete PeopleSoft documentation that is delivered on your PeopleBooks CD-ROM. PeopleSoft makes printed documentation available for each major release shortly after the software is shipped. Customers and partners can order printed PeopleSoft documentation by using any of these methods:

- Web

- Telephone

- Email

Web

From the Documentation section of the PeopleSoft Customer Connection Website, access the PeopleSoft Press Website under the Ordering PeopleBooks topic. The PeopleSoft Press Website is a joint venture between PeopleSoft and Consolidated Publications Incorporated (CPI), the book print vendor. Use a credit card, money order, cashier's check, or purchase order to place your order.

Telephone

Contact CPI at 800 888 3559.

Email

Send email to CPI at psoftpress@cc.larwood.com.

See Also

PeopleSoft Customer Connection Website, http://www.peoplesoft.com/corp/en/login.asp

Typographical Conventions and Visual Cues

This section discusses:

• Typographical conventions.

• Visual cues.

Typographical Conventions

The following table contains the typographical conventions that are used in PeopleBooks:

Typographical Convention or Visual Cue	Description
Bold	Indicates PeopleCode function names, method names, language constructs, and PeopleCode reserved words that must be included literally in the function call.
Italics	Indicates field values, emphasis, and PeopleSoft or other book-length publication titles. In PeopleCode syntax, italic items are placeholders for arguments that your program must supply. We also use italics when we refer to words as words or letters as letters, as in the following: Enter the number 0, not the letter *O*.
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.
Monospace font	Indicates a PeopleCode program or other code example.
(quotation marks)	Indicate chapter titles in cross-references and words that are used differently from their intended meanings.

Typographical Convention or Visual Cue	Description
. . . (ellipses)	Indicate that the preceding item or series can be repeated any number of times in PeopleCode syntax.
{ } (curly braces)	Indicate a choice between two options in PeopleCode syntax. Options are separated by a pipe (|).
[ ] (square brackets)	Indicate optional items in PeopleCode syntax.
& (ampersand)	When placed before a parameter in PeopleCode syntax, an ampersand indicates that the parameter is an already instantiated object. Ampersands also precede all PeopleCode variables.
(ISO)	Information that applies to a specific country, to the U.S. federal government, or to the education and government market, is preceded by a three-letter code in parentheses. The code for the U.S. federal government is USF; the code for education and government is E&G, and the country codes from the International Standards Organization are used for specific countries. Here is an example: (DEU) If you're administering German employees, German law requires you to indicate special nationality and citizenship information for German workers using nationality codes established by the German DEUEV Directive.
Cross-references	PeopleBooks provide cross-references either below the heading See Also or on a separate line preceded by the word *See.* Cross-references lead to other documentation that is pertinent to the immediately preceding documentation.

Visual Cues

PeopleBooks contain the following visual cues.

Notes

Notes indicate information that you should pay particular attention to as you work with the PeopleSoft system.

Note. Example of a note.

A note that is preceded by *Important!* is crucial and includes information that concerns what you must do for the system to function properly.

Important! Example of an important note.

Warnings

Warnings indicate crucial configuration considerations. Pay close attention to warning messages.

Warning! Example of a warning.

Comments and Suggestions

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

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

Or send email comments to doc@peoplesoft.com.

While we cannot guarantee to answer every email message, we will pay careful attention to your comments and suggestions.

Common Elements in These PeopleBooks

As of Date	The last date for which a report or process includes data.
Business Unit	An ID 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.
Description	Enter up to 30 characters of text.
Effective Date	The date on which a table row becomes effective; the date that an action begins. For example, 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.
Once, Always, and **Don't Run**	Select Once to run the request the next time the batch process runs. After the batch process runs, the process frequency is automatically set to Don't Run.
	Select Always to run the request every time the batch process runs.
	Select Don't Run to ignore the request when the batch process runs.

Report Manager	Click to access 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).
Process Monitor	Click to access the Process List page, where you can view the status of submitted process requests.
Run	Click to access the Process Scheduler request page, where you can specify the location where a process or job runs and the process output format.
Request ID	An ID that represents a set of selection criteria for a report or process.
User ID	An ID that represents the person who generates a transaction.
SetID	An ID that represents a set of control table information, or TableSets. TableSets enable you to share control table information and processing options among business units. The goal is to minimize redundant data and system maintenance tasks. When you assign a setID to a record group in a business unit, you indicate that all of the tables in the record group are shared between that business unit and any other business unit that also assigns that setID to that record group. For example, you can define a group of common job codes that are shared between several business units. Each business unit that shares the job codes is assigned the same setID for that record group.
Short Description	Enter up to 15 characters of text.

See Also

Using PeopleSoft Applications

PeopleSoft Process Scheduler

PeopleSoft Global Payroll for Hong Kong Preface

This preface discusses:

• PeopleSoft Application Fundamentals.

• PeopleBook structure.

• Common elements used in this PeopleBook.

Note. This PeopleBook documents only page elements that require additional explanation. If a page element is not documented with the process or task in which it is used, then either it requires no additional explanation or it is documented with common elements for the section, chapter, PeopleBook, or application.

PeopleSoft Application Fundamentals

The *PeopleSoft Global Payroll for Hong Kong PeopleBook* provides you with implementation and processing information for your PeopleSoft Global Payroll for Hong Kong system. Additionally, essential information describing the setup and design of your system appears in a companion volume of documentation called *PeopleSoft Application Fundamentals for HRMS PeopleBook*. Each PeopleSoft application has its own version of this documentation.

PeopleSoft Application Fundamentals for HRMS PeopleBook consists of important topics that apply to many or all PeopleSoft applications across the PeopleSoft HRMS application. No matter which PeopleSoft HRMS applications you are implementing, 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.

See Also

PeopleSoft Application Fundamentals for HRMS PeopleBook

PeopleBook Structure

PeopleSoft PeopleBooks follow a common structure. By understanding this structure, you can use this PeopleBook more efficiently.

Chapters	Description
Preface	This is the chapter you're reading now. It explains: • How to use the Application Fundamentals book. • How PeopleBooks are structured. • Common elements that are used in the PeopleBook. For example, if a data field is used on multiple pages, it might be defined only once in this chapter rather than repeatedly throughout the book.
Getting Started With…	This chapter discusses application implementation guidelines. It explains: • The business processes documented within the book. • Integrations between the application and other applications. • A high-level guide to how our documentation maps to the overall implementation process; it doesn't offer step-by-step guidance on how to perform an actual implementation.
Understanding…	This is an introductory chapter that broadly explains the application and the functionality within the application.
Setup and Implementation	This can be one or more chapters. These chapters contain documentation to assist you in setting up and implementing the application. For example, if functionality X is part of a application, this chapter would be devoted to explaining how to set up functionality X, not necessarily how to use functionality X. You would look to the corresponding business process chapter to learn how to use the functionality. **Note.** There may be times when a small amount of business process information is included in a setup chapter if the amount of business process documentation was insufficient to create a separate section in the book.

Chapters	Description
Business Process	This can be one or more chapters. These chapters contain documentation that addresses specific business processes with each chapter generally devoted to a specific functional area. For example, if functionality X is part of a application, this chapter would be devoted to explain how the functionality works, not necessarily how to set up functionality X. You would look to the corresponding setup and implementation chapter to learn how to set up the functionality. **Note.** There may be times when a small amount of setup and implementation information is included in a business process chapter if the amount of setup and implementation documentation was insufficient to create a separate chapter in the book.
Appendixes	If the book requires it, one or more appendixes might be included in the book. Appendixes contain information considered supplemental to the primary documentation.
Reports Appendix	This appendix contains an abbreviated list of all of the application's reports. The detailed documentation on the use of these reports is usually included in the related business process chapter.

CHAPTER 1

Getting Started with PeopleSoft Global Payroll for Hong Kong

This section provides an overview of PeopleSoft Global Payroll for Hong Kong and discusses PeopleSoft Payroll for Hong Kong implementation tasks.

PeopleSoft Global Payroll for Hong Kong Business Processes

The following list is of the PeopleSoft Global Payroll for Hong Kong business processes:

- Inland Revenue reporting.
- Mandatory Provident Fund.
- Printing and viewing payslips.
- Payroll reporting.
- Absence and termination.
- Banking and recipient processing.

We cover these business processes in the business process chapters in this PeopleBook.

PeopleSoft Global Payroll for Hong Kong Implementation

The PeopleSoft Global Payroll for Hong Kong table-loading implementation includes setting up the following:

- Global HRMS tables, common to multiple PeopleSoft HRMS applications.
- PeopleSoft Human Resources tables.
- PeopleSoft Global Payroll core application tables.
- PeopleSoft Global Payroll for Hong Kong country extension tables.

In the planning phase of your implementation, take advantage of all PeopleSoft sources of information, including the installation documentation, table-loading sequences, data models, and business process maps. A complete list of these resources is in the Preface, with information on where to find the most up-to-date version of each.

Note. The order in which you set up tables required to implement PeopleSoft Global Payroll for Hong Kong may vary; each individual application isn't necessarily set up in sequence. For example, you may set up PeopleSoft Human Resources tables, then tables for the PeopleSoft Global Payroll core application, then several tables specific to the country extension, followed by additional PeopleSoft Global Payroll core tables. In addition, the order in which you set up tables may also depend on the features you want to use and whether you're implementing one or multiple PeopleSoft Global Payroll country extensions. The information provided in this chapter offers a high-level guide of how our documentation maps to the overall implementation process; it doesn't offer step-by-step guidance on how to perform an actual implementation.

See Also

PeopleSoft HRMS Preface

Setting Up PeopleSoft HRMS Global Tables

PeopleSoft Global Payroll for Hong Kong requires the setup of global HRMS tables, common to multiple HRMS applications. The information that you define on these tables lays the foundation for the PeopleSoft Global Payroll for Hong Kong setup.

Step	Reference
1. Set up PeopleSoft HRMS global tables.	*PeopleSoft 8.8 Application Fundamentals for HRMS PeopleBook*, "Getting Started With PeopleSoft HRMS"

Setting Up PeopleSoft Human Resources Tables

PeopleSoft Global Payroll for Hong Kong requires the setup of tables in various PeopleSoft Human Resources business processes. The following table lists Human Resources setup steps important to the PeopleSoft Global Payroll for Hong Kong implementation, not all required steps.

Step	Reference
1. Set up PeopleSoft Human Resources tables	*PeopleSoft 8.8 Application Fundamentals for HRMS PeopleBook*, "Getting Started With PeopleSoft HRMS"

Setting Up PeopleSoft Global Payroll Core Application Tables

PeopleSoft Global Payroll for Hong Kong requires the setup of numerous tables in the PeopleSoft Global Payroll core application.

Step	Reference
1. Set up PeopleSoft Global Payroll core application tables.	*PeopleSoft 8.8 Global Payroll PeopleBook*, "Getting Started With PeopleSoft Global Payroll"

Setting Up PeopleSoft Global Payroll for Hong Kong Tables

Follow these steps to define information on your PeopleSoft Global Payroll for Hong Kong tables.

Step	Reference
1. Link accumulators with report elements.	Chapter 4, "Setting Up Inland Revenue Reports for Hong Kong," Linking Accumulators To Report Elements, page 21
2. Set up employee departure details.	Chapter 4, "Setting Up Inland Revenue Reports for Hong Kong," Setting Up Employee Departure Details, page 23
3. Set up principal employers for part time employees.	Chapter 4, "Setting Up Inland Revenue Reports for Hong Kong," Setting Up Principal Employers for Part-Time Employees, page 25
4. Set up employee housing quarters.	Chapter 4, "Setting Up Inland Revenue Reports for Hong Kong," Setting Up Employee Housing Quarters Details, page 25
5. Set up self employment data.	Chapter 4, "Setting Up Inland Revenue Reports for Hong Kong," Setting Up Self-Employment Data, page 28
6. Set up overseas concern details.	Chapter 4, "Setting Up Inland Revenue Reports for Hong Kong," Setting Up Overseas Concern Details, page 29
7. Set up IR56B and IR56M starting sheet numbers.	Chapter 4, "Setting Up Inland Revenue Reports for Hong Kong," Setting Up IR56B and IR56M Starting Sheet Numbers, page 29
8. Set up tax reference numbers.	Chapter 4, "Setting Up Inland Revenue Reports for Hong Kong," Setting Up Tax Reference Number Details, page 30
9. Set up exchange rate details.	Chapter 4, "Setting Up Inland Revenue Reports for Hong Kong," Setting Up Exchange Rate Details, page 31
10. Create payslip messages.	Chapter 5, "Setting Up Payslips for Hong Kong," Creating Payslip Messages, page 40
11. Create payslip templates.	Chapter 5, "Setting Up Payslips for Hong Kong," Creating Payslip Templates, page 33
12. Link payslip templates to paygroups.	Chapter 5, "Setting Up Payslips for Hong Kong," Attaching Payslip Templates to Pay Groups, page 39
13. Link source banks to pay entities.	Chapter 9, "Running Banking and Recipient Processes for Hong Kong," Linking Source Banks To Pay Entities, page 97
14. Set up electronic fund transfers to recipients.	Chapter 9, "Running Banking and Recipient Processes for Hong Kong," Managing Electronic Fund Transfers to Recipients, page 102

Understanding Global Payroll for Hong Kong

This section provides an overview of your Global Payroll country extension, and discusses:

• PeopleSoft Global Payroll for Hong Kong business processes.

• PeopleSoft Global Payroll for Hong Kong integrations.

• Delivered elements for Hong Kong.

• The naming convention of delivered elements.

PeopleSoft Global Payroll for Hong Kong

PeopleSoft Global Payroll for Hong Kong is a "country extension" of the PeopleSoft core Global Payroll application. It provides you with the payroll rules, elements, and absence processes needed to run a Hong Kong payroll.

PeopleSoft Global Payroll for Hong Kong Business Processes

PeopleSoft Global Payroll for Singapore supports the following business processes:

• Inland Revenue Reporting

This feature satisfies the requirements of the Hong Kong Inland Revenue Department (IRD). Features include the ability 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).

PeopleSoft provides you with the ability to create a flat file that complies with Hong Kong Inland Revenue Department requirements for the submission of electronic files. An Application Engine process creates the output using a file layout object that has the same structure as that of the electronic file expected by the IRD of Hong Kong. Before you generate, review, and print your Inland Revenue forms and reports, you can 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. 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.

• Mandatory Provident Fund

This feature 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. The system accommodates MPF exemption rules and limits by enabling you to define casual employees for MPF contributions, exclude specific employees from MPF calculations and apply maximum and minimum limits to MPF contributions.

MPF reports such as the Remittance Statement and New/Terminated Employees Report enable you to manage your contributions. You can also set up recipient MPF commission and scheme details for your MPF reports.

- Payslips

  The design of the payslip feature enables you to create and control payslips that display the data that you want, where you want it and in the format that you want. You can override templates at lower levels, so you do not have to create multiple templates to cover every payslip scenario that you may have.

- Payroll Reporting

  In addition to the reports delivered with PeopleSoft Global Payroll, the Hong Kong country extension comes with a set of reports to support your business requirements. Reports included in the country extension are:

  - Payroll Register

  - Reconciliation Report

  - Pay Component Register

  - Error Message Report

- Absence and Termination

  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. We also deliver rules 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. You can modify many of these rules to reflect absence and termination policies that are specific to your organisation 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.

- Banking and Recipient Processing

  This feature 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. PeopleSoft Global Payroll for Hong Kong generates electronic file outputs to credit employee salaries and reports this data to the recipient. The banking process of PeopleSoft Global Payroll brings together payroll data, pay entity source bank data, and payee or recipient bank data. The EFT file creation process extracts data compiled by the banking process according to the content you want in the EFT file that you are creating, merges it with data provided by the Hong Kong country extension and creates the file for transmission.

See Also

PeopleSoft Global Payroll for Hong Kong Integrations

PeopleSoft Global Payroll for Hong Kong integrates with the following PeopleSoft applications:
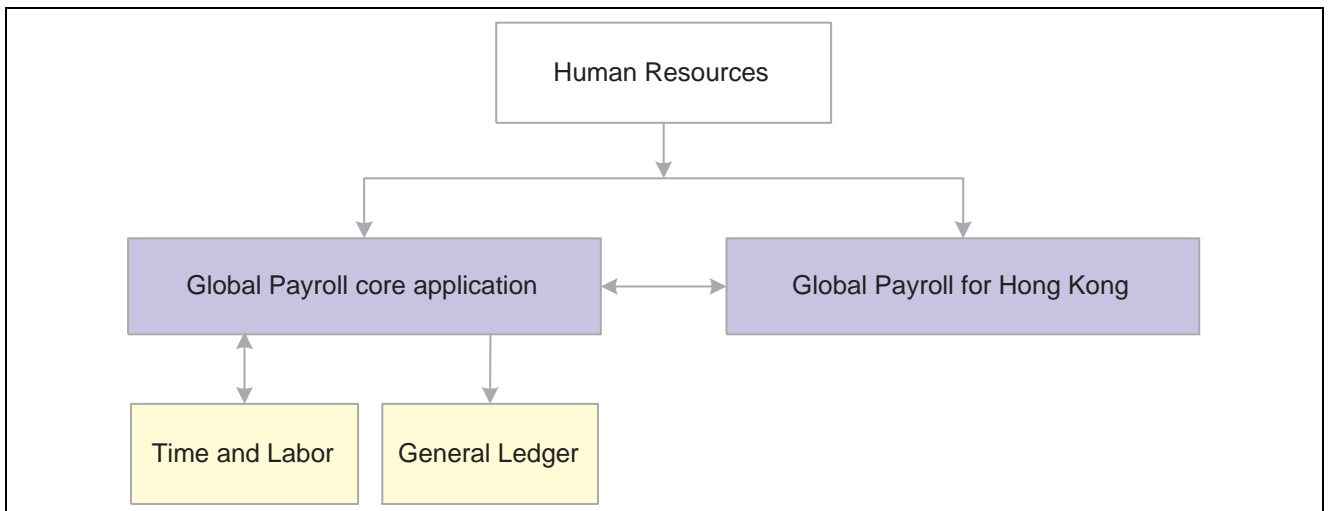
PeopleSoft Global Payroll for Hong Kong integration flow with other PeopleSoft applications.

We cover any integration considerations in the implementation chapters in of the PeopleSoft Global Payroll for Hong Kong PeopleBook.

Supplemental information about third-party application integration is located on the PeopleSoft Customer Connection Website.

A summary of suggested integration tasks for PeopleSoft Global Payroll for Hong Kong appears with the list of implementation steps earlier in this PeopleBook.

See Also

PeopleSoft Global Payroll PeopleBook

Understanding Delivered Elements

PeopleSoft Global Payroll defines each business process for Hong Kong in terms of delivered elements and rules. Some of these elements and rules are specifically designed to meet legislative requirements, while others support common or "customary" payroll practices.

Creating Delivered Elements

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

The core application has the following characteristics:

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

- It provides a payroll processing framework—a flexible way to define and execute payroll and absence processing flows, such as calendars, run types, pay periods, and process lists.

Country extensions have the following characteristics:

- They are built using the core application.

- They consist of statutory and customary objects (country-specific payroll rules, elements, payroll processes, reports, pages, and self-service applications).

Element Ownership and Maintenance

The delivered elements and rules of your Global Payroll country extension can be classified according to whether they are owned and maintained by the customer or by PeopleSoft. Some elements and rules are maintained exclusively by PeopleSoft and cannot be modified, while others can be configured to meet requirements unique to each organisation.

Understanding Element Ownership in PeopleSoft Global Payroll

There are 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 (non-statutory) rules or statutory elements that customers may want to define according to a different interpretation of the rules. Although PeopleSoft may

occasionally update elements defined as *PS Delivered/Not Maintained,* you are not required to apply these updates.

Customer Maintained   Elements created and maintained by your organisation. 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 listed in the previous section, only PS Delivered/Maintained and PS Delivered/Not Maintained are used to define Hong Kong elements. 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 needs that are specific to your organisation.

In the following table of elements supplied with PeopleSoft Global Payroll for Hong Kong, the 'Ownership' of all elements is PS Delivered/Not Maintained with exceptions shown in column 2.

Note. These element types have no exceptions so are not shown in the table: Absence entitlements, Accumulators, Arrays, Absence takes, Brackets, Durations, Dates, Element groups, Earnings, Generation controls, Proration rules, Processes, Sections, Writable arrays.

Element Type	Exceptions
Deductions	MPF employee and employer—(regular and permitted—mandatory deductions).
Formulas	MPF formulas related to: • Base for employee and employer mandatory calculations. • Post processing for employee and employer mandatory calculations. • Pre processing for employee and employer mandatory calculations. • Resolution of employee and employer mandatory calculations.
Manage Historical Data Rules	Historical rule for employee MPF mandatory calculations.
Variables	MPF — Total voluntary contribution for permitted period.

See Also

PeopleSoft Global Payroll PeopleBook

Naming Elements

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

Supporting Elements

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

• FFF (or FF): Functional Area Code (see Functional Area Codes for more information).

• TT: Type of Supporting Element (see List Element Type Codes (PIN_TYPE) for more information).

• NAME (or NAME NAME): An indication of what the element does or is for. (The number of NAME components may vary).

For example, in the MPF variable MPF VR START DATE, MPF stands for Mandatory Provident Fund, VR stands for variable and START DATE stands for start date. The element's thirty character (maximum) description (DESCR) provides a fuller description of what the element does or is for.

Primary Elements

Primary elements, such as earnings, deductions, absence take, and absence entitlement elements often do not contain functional area codes or element type codes in their names. This is because primary elements have names, based on Hong Kong terms, that identify their function and element type without the use of additional codes. For example, the name of the earning element 13MTHPAY clearly identifies this element as an earning, and more specifically, as a thirteenth month (13MTH) payment (PAY).

Additional Clues to the Use of Hong Kong Elements

Many Hong Kong elements contain abbreviations that provide clues (beyond those provided by the functional area codes or element type codes) to their use in the system. For example, consider the following duration element: TER DR DY IN SERV. The functional area code TER indicates that this element is used for termination elements, and the element type code DR identifies it as a duration element. The abbreviations DY, IN and SERV provide additional clues about how the element measures periods of time. The duration is in days (DY) in (IN) service (SERV). As you become more familiar with the payroll rules created for Hong Kong, these abbreviations will help you to further identify and understand the role played by each element.

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

Abbreviation	English
AC	Accumulator
ADV	Advance
ALLOW	Allowance
AMT	Amount
ANNIV	Anniversary

Abbreviation	English
BAL	Balance
BAS	Basic
CAL	Calendar
CNTR	Contract
COMCHST	Community Chest
COMP	Compassion
CUR	Current
DED	Deductions
DY	Days
ED	Education
EE / EMP	Employee
ELIG	Eligibility
ENT	Entitlement
ER	Employer
ERN	Earnings
EXT	Extract
FCAST	Forecast
GENL	General
HOL	Holiday
HLY	Hourly
INCM	Income
LSP	Long service payment
LWOP	Leave without pay
MARR	Marriage
MAT	Maternity
MAX	Maximum
MIN	Minimum
MN	Mandatory
MSG	Message
MTD	Month to date
MTH	Month
PERM	Permitted

Abbreviation	English
PRD	Period
PREV	Previous
PRIM	Primary
REG	Regular
REVLNT	Relevant
ROLLAVG	Rolling average
RSLV	Resolve
SAL	Salary
STAT	Statutory
SVC / SERV	Service
TOT	Total
TX	Tax
VOL	Voluntary
YR	Year
YTD	Year to date

Component Names (Suffixes)

In PeopleSoft Global Payroll for Hong Kong, suffixes are used to name the components of earnings and deduction elements. For example, when you create an earning 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, let's say you define the earnings element named EARN1 with the following calculation rule:

EARN1 = Rate x Unit

The system automatically creates two additional elements for the components in the calculation rule: a rate element called EARN1_RATE and a unit element called EARN1_UNIT. In PeopleSoft Global Payroll for Hong Kong, all suffixes fall into one of the following types:

• Separator.

• Earnings and Deductions and Absence Entitlement component suffixes.

• Earnings and Deductions and Absence Entitlement accumulator suffixes.

• Deduction arrears component suffixes.

• Deduction arrears accumulator suffixes.

• Recipient Suffixes.

Note. To view the suffixes used for Hong Kong, navigate to Set Up HRMS, Product Related, Global Payroll, System Settings, Element Suffixes.

Functional Area Codes

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

Functional Area Code	Description
ABS	Absence
ALV	Annual leave
CM	Areas common to multiple functional areas
DED	Deductions
ERN	Earnings
IRR	Inland Revenue Reporting
MLV	Maternity Leave
MPF	Mandatory Provident Fund
NPL	No pay leave
OLV	Other leave
PSLP	Payslips
SLV	Sick leave
TER	Terminations

See Also

PeopleSoft 8.8 Global Payroll PeopleBook, "Defining General Element Information"

Element Type Codes (PIN_TYPE)

Many element types, particularly supporting elements, are identified by the type code in their name. For example, the FM in MPF FM POST EEMN1 identifies the element as a formula.

You can see all the element types in the search page when you navigate to Set Up HRMS, Product Related, Global Payroll, System Settings, 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.

See Also

PeopleSoft 8.8 Global Payroll PeopleBook, "Defining General Element Information"

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. Instructions for running the query are provided in the *PeopleSoft Global Payroll PeopleBook.*

See Also

PeopleSoft Global Payroll PeopleBook

CHAPTER 3

Setting up PeopleSoft Global Payroll for Hong Kong

This section discusses how to:

• Process retrospective payments.

• Enter additional information for other features.

• Define trigger and segmentation events.

• Identify proration rules.

Processing Retroactive Payments

The default Retro Method and the On Conflict Retro Method for Hong Kong are both forwarding. The PeopleSoft Global Payroll core application retro processing meets all the requirements for processing retroactive payments in Hong Kong.

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 (April 1 to March 31) are forwarded to the current year. For example, if in May an employee was paid a backdated 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 8.8 Global Payroll PeopleBook, "Defining Retroactive Processing"

Entering Additional Information for Other Features

The following additional pages are used specifically for set up required for PeopleSoft Global Payroll Hong Kong. They are documented in full in their respective sections as shown in the following list.

• IR56 Report Data HKG; Setting Up Inland Revenue Reports for Hong Kong.

- Tax Reference Number Dtls HKG; Setting Up Inland Revenue Reports for Hong Kong.

- IR56 Exchange Rate Defn HKG; Setting Up Inland Revenue Reports for Hong Kong.

- Define IR56B/M Controls HKG; Setting Up Inland Revenue Reports for Hong Kong.

- Overseas Concern Details HKG; Setting Up Inland Revenue Reports for Hong Kong.

- Source Bank Accounts HKG; Setting Up Banking and Recipient Processing.

- Deduction Recipients HKG; Setting Up Banking and Recipient Processing.

- Link to Pay Group HKG; Setting Up Payslips for Singapore.

- Templates HKG; Setting Up Payslips for Hong Kong.

- Messages HKG ; Setting Up Payslips for Hong Kong.

Defining Triggers and Segmentation Events for Hong Kong

These tables list triggers and segmentation events for Hong Kong.

Triggers

The following is a list of triggers for Hong Kong.

Record (Table) Name	Type	Trigger Event ID
ADDRESSES	Iterative	N/A
COMPENSATION	Iterative	N/A
COMPENSATION	Retro	COMPENSATI
CONTRACT_DATA	Iterative	N/A
EMPLOYMENT	Iterative	N/A
GPAU_EE_TAX_DTL	Iterative	N/A
GPAU_GARN_DTLS	Iterative	N/A
GPAU_LSL_HISTRY	Iterative	N/A
GP_ABSEVT_SGPAU	Iterative	N/A

Record (Table) Name	Type	Trigger Event ID
GP_ABS_EVENT	Iterative	N/A
GP_ABS_EVENT	Retro	GPABSEVENT
GP_ABS_OVRD	Iterative	N/A
GP_ABS_OVRD	Retro	GPABSOVRD
GP_PI_MNL_DATA	Iterative	N/A
GP_PI_MNL_DATA	Retro	GPPIMNLDAT
GP_PI_MNL_SOVR	Iterative	N/A
GP_PI_MNL_SOVR	Retro	GPPIMNLSOV
GP_PYE_OVRD	Iterative	N/A
GP_PYE_OVRD	Retro	GPPYEOVRD
GP_PYE_OVR_SOVR	Iterative	N/A
GP_PYE_OVR_SOVR	Retro	GPPYEOVRSO
GP_PYE_SECT_DTL	Iterative	N/A
GP_PYE_SECT_DTL	Retro	GPPYESECTD
GP_RTO_TRGR	Iterative	N/A
GP_RTO_TRG_CTRY	Iterative	N/A
GP_SEG_TRGR	Iterative	N/A
JOB	Iterative	N/A
JOB	Retro	JOB

Record (Table) Name	Type	Trigger Event ID
JOB	Segmentation	N/A
JOB_JR	Iterative	N/A
PERSON	Iterative	N/A
PERS_DATA_EFFDT	Iterative	N/A
SCH_ASSIGN	Iterative	N/A
SCH_ASSIGN	Retro	SCHASSIGN
SCH_MNG_SCH_TBL	Iterative	N/A
TL_PAYABLE_TIME	Iterative	N/A
WKF_CNT_TYPE	Iterative	N/A

See Also

PeopleSoft 8.8 Global Payroll PeopleBook, "Setting Up Triggers"

Segmentation Events

The following is a list of segmentation events for Hong Kong.

Name	Description	Segment Type
COMPRATE	Comp rate segmentation	Element
GRADE	Grade segmentation	Element
JOB	Job segmentation	Period

See Also

PeopleSoft 8.8 Global Payroll PeopleBook, "Defining Segmentation"

Identifying Proration Rules

We have added 5 proration rules to the 15 supplied for All countries to meet Hong Kong's payroll processing requirements. The following table lists the rules and indicates the numerator and denominator the rule uses.

Name	Description	Numerator	Denominator
OE PO 13MTH	Proration for 13th mth pay	Formula OE FM 13MTH PAY	Duration OE DR DAYS IN YR
MPF PO 18TH BTHDAY	18th bthday proration	Duration MPF DR BIRTHDAY	Duration GP CAL DAYS PERIOD
MPF PO REVLNT INCM	Proration for revelent income	Duration MPF DR START DATE	Duration GP CAL DAYS PERIOD

See Also

PeopleSoft 8.8 Global Payroll PeopleBook, "Defining Calculation Elements," Defining Proration Rules

CHAPTER 4

Setting Up Inland Revenue Reports for Hong Kong

This section provides an overview of the setup required for Hong Kong Inland Revenue (IR56) reports and discusses how to:

- Link 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.
- Set up tax reference number details.
- Set up exchange rate details.

Understanding 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, tax reference numbers and employer details are required for specific Inland Revenue reports. You can also associate multiple payroll accumulators with report elements, set up exchange rates and allocate starting sheet numbers.

Linking Accumulators To Report Elements

You can select the payroll accumulators to link to specific IR56 report elements. 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).

Page Used to Link Accumulators with Report Elements

Page Name	Object Name	Navigation	Usage
Report Element Setup	GPHK_IR56REPT_TBL	Set Up HRMS, Product Related, Global Payroll, Reports, IR56 Report Data HKG	Associate payroll accumulators with report elements. You can link accumulators to the report element.

Associating Payroll Accumulators with Report Elements

Access the Report Element Setup page.

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 8.8 Global Payroll PeopleBook, "Setting Up Accumulators"

Setting Up Employee Departure Details

You can capture the departure details of employees leaving Hong Kong. This information is required when an overseas employee is terminated.

Page Used to Set Up Employee Departure Details

Page Name	Object Name	Navigation	Usage
Departure Details	GPHK_DPRT_DTLS_HKG	Global Payroll, Payee Data, Specify Departure Details HKG	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.

Creating Employee Departure Details

Access the Departure Details page.

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 This information is required only for the IR56G report.	Identify why the employee is leaving Hong Kong: *Move to Another Country* *Expatriate - Returning Home* *Expatriate - Move* *Other*
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

Setting Up Principal Employers for Part-Time Employees

You can enter the name of the employee's principal employer, which is an organisation or agency to which a part-time employee actually belongs. The employee might be working for an organisation but actually employed by another (principal) organisation. 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.

Page Used to Set Up Principal Employers for Part-Time Employees

Page Name	Object Name	Navigation	Usage
Principal Employer of "PT (part time)" "EE (employee)"	GPHK_PT_ER_HKG	Global Payroll, Payee Data, Define PT EE Main Employer HKG	Capture the name of the principal employer for part time employees. Identifies employees who are working for one organisation but are actually employed by another.

See Also

Appendix A, "Appendix: PeopleSoft Global Payroll for Hong Kong Reports," page 149

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Creating Inland Revenue Report Data, page 113

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Reviewing and Maintaining IR56 Report Data, page 117

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Generating the IR56B Electronic File, page 124

Setting Up Employee Housing 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.

Page Used to Set Up Employee Housing Quarters Details

Page Name	Object Name	Navigation	Usage
Employee Housing Quarters	GPHK_EMPL_QTRS	Global Payroll, Payee Data, Specify Housing Quarters HKG	Capture housing quarter information. To edit the address details click the Edit Address link to access the Edit Address page.
Edit Address	EO_ADDR_HKG_SEC	Global Payroll, Payee Data, Specify Housing Quarters HKG	Enter or update the address details for the housing quarter. You can enter the area code, district, and address 1 – 3. You access this page by clicking the Edit Address link on the Employee Housing Quarters page.

Creating Employee Housing Quarters Details

Access the Employee Housing Quarters page.

Employee Housing Quarters page

Employee Residence Quarters Details

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, Copy Home Address, Edit Address	Click the Copy Home Address button to populate the Address field from Personal Data. This is the address where the quarters are located. To change the default address details, click the Edit Address link to access the Edit Address page.
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 A, "Appendix: PeopleSoft Global Payroll for Hong Kong Reports," page 149

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Creating Inland Revenue Report Data, page 113

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Reviewing and Maintaining IR56 Report Data, page 117

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Generating the IR56B Electronic File, page 124

Setting Up Self-Employment Data

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, you can enter their employer (trading) name and the business registration number.

Page Used to Set Up Self-Employment Data

Page Name	Object Name	Navigation	Usage
Self Employed Data	GPHK_IR56_ER_HKG	Global Payroll, Payee Data, Define Self Employed Data HKG	Capture self-employment (employer) details including their employer (trading) name and the business registration number. This information is crucial for the IR56M report.

See Also

Appendix A, "Appendix: PeopleSoft Global Payroll for Hong Kong Reports," page 149

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Creating Inland Revenue Report Data, page 113

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Reviewing and Maintaining IR56 Report Data, page 117

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Generating the IR56B Electronic File, page 124

Setting Up Overseas Concern Details

You can 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 organisation that made the payment. You can enter the amount paid by the overseas concern on the IR56 Monetary Details page.

Page Used to Set Up Overseas Concern Details

Page Name	Object Name	Navigation	Usage
Overseas Concern Details	GPHK_OVSEAS_CNCRN	Set Up HRMS, Product Related, Global Payroll, Reports, Overseas Concern Details HKG	Capture overseas concern details including their name and address. If the employee received any amount from an overseas concern, you must report the amount and the organisation that made the payment.

See Also

Appendix A, "Appendix: PeopleSoft Global Payroll for Hong Kong Reports," page 149

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Creating Inland Revenue Report Data, page 113

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Reviewing and Maintaining IR56 Report Data, page 117

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Generating the IR56B Electronic File, page 124

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Maintaining IR56 Monetary Details, page 121

Setting Up IR56B and IR56M Starting Sheet Numbers

You can 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.

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, the system creates a row 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.

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.*

Page Used to Set Up IR56B and IR56M Starting Sheet Numbers

Page Name	Object Name	Navigation	Usage
Define IR56B/M Controls HKG	GPHK_IR56_CONTROL	Global Payroll, Year-End Processing, Define IR56B/M Controls HKG	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.

See Also

Appendix A, "Appendix: PeopleSoft Global Payroll for Hong Kong Reports," page 149

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Creating Inland Revenue Report Data, page 113

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Reviewing and Maintaining IR56 Report Data, page 117

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Generating the IR56B Electronic File, page 124

Setting Up Tax Reference Number Details

IR56 reports run by tax reference number, which has a major impact on the way the system creates and stores IR56 data. For every employee attached to the pay entity (sharing the tax reference number), the system combines amounts for each year to date element by currency code and stores them in the IR56 result tables. After the process is completed, you can use the IR56 Monetary Details page to enter adjustments to reflect the amount that should be reported on the IR56 documents.

The system captures the contact name, employer number and designation by tax reference number and retrieves the information from the GPHK_TAXREF_TBL

Page Used to Set Up Tax Reference Number Details

Page Name	Object Name	Navigation	Usage
Tax Reference Number Details	GPHK_TAXREF_TBL	Set Up HRMS, Product Related, Global Payroll, Reports, Tax Reference Number Dtls HKG	Maintain tax reference number details required for IR56 reporting. You can enter a new tax reference number, create a description, select a signatory, and link multiple pay entities to the tax reference number. A primary indicator check box also enables you to select the main pay entity for the tax reference number.

See Also

Appendix A, "Appendix: PeopleSoft Global Payroll for Hong Kong Reports," page 149

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Creating Inland Revenue Report Data, page 113

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Reviewing and Maintaining IR56 Report Data, page 117

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Generating the IR56B Electronic File, page 124

Setting Up Exchange Rate Details

Every year the Inland Revenue Department releases a date that you should use as a reference point for all currency conversion for IR56 reporting. If your organisation pays its employees in a currency other than the local currency (HKD), you can maintain the conversion rate and the date used by the IR56 process. The IR56 Exchange Rate Definition page enables you to maintain currency details for a given tax year. The system uses these details for currency conversion when generating IR56 details.

Page Used to Set Up Exchange Rate Details

Page Name	Object Name	Navigation	Usage
IR56 Exchange Rate Definition	GPHK_IR56_EXCH_TBL	Set Up HRMS, Product Related, Global Payroll, Reports, IR56 Exchange Rate Defn HKG	Maintain currency details for a given tax year. The details are used for currency conversion when generating IR56 details. For a specific tax year you can enter a rate type and the date from which the rate will apply.

See Also

Appendix A, "Appendix: PeopleSoft Global Payroll for Hong Kong Reports," page 149

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Creating Inland Revenue Report Data, page 113

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Reviewing and Maintaining IR56 Report Data, page 117

Chapter 11, "Processing Inland Revenue Reports for Hong Kong," Generating the IR56B Electronic File, page 124

CHAPTER 5

Setting Up Payslips for Hong Kong

This document provides an overview of payslips for Hong Kong and discusses how to:

• Create payslip templates.

• Attach payslip templates to pay groups.

• Create payslip messages.

Understanding Payslips for Hong Kong

The design of the payslip feature enables you to create and control payslips so that they display the data that you want and in the format that you want. You can override templates at lower levels, so you do not have to create multiple templates to cover every payslip scenario that you may 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 discusses how to set up payslip:

• Accumulators.

• Earnings and deductions.

• 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

Page Name	Object Name	Navigation	Usage
Accumulators	GPHK_PSLP	Set Up HRMS, Product Related, Global Payroll, Payslips, Templates HKG, Accumulators	Set up delivery and print exclusion options, column headings (labels), and column contents (rows of accumulators).
Earnings and Deductions	GPHK_PSLP1	Set Up HRMS, Product Related, Global Payroll, Payslips, Templates HKG, Earnings and Deductions	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.
Absence Details	GPHK_PSLP2	Set Up HRMS, Product Related, Global Payroll, Payslips, Templates HKG, Absence Details	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 page.

Accumulators— Accumulators 1 to 3 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).
	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.
Exclude Printing, Department List, and **Location List**	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.
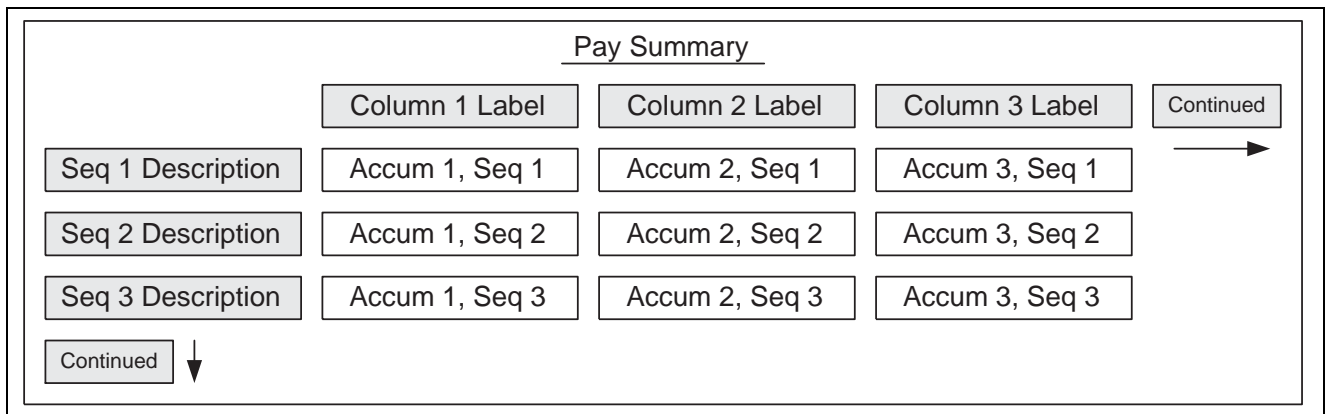
Columns and rows on the payslip in the Pay Summary region

See Also

PeopleSoft 8.8 Global Payroll PeopleBook, "Setting Up Accumulators"

Setting Up Payslip Earnings and Deductions

Access the Earnings and Deductions page.
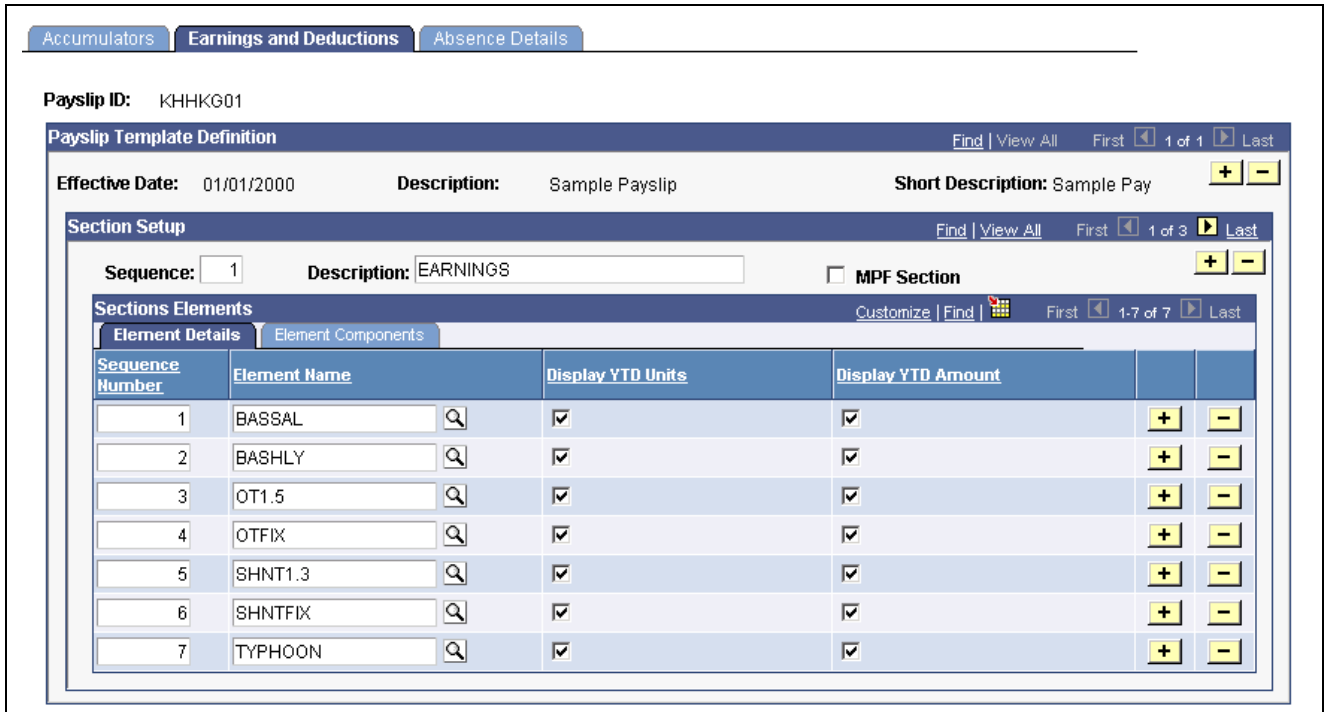
Earnings and Deductions page: Element Details tab

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 *Earnings*.
	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   Select these check boxes to have the YTD units and amounts for each element
Display YTD Amount   appear in the payment details region under the heading *Year to Date Values*.

Element Components Tab

Description Type and   You can create a custom description of each element. Select the
Description   following values for each element:

                                Custom: A field becomes available that enables you to change the custom,
                                default name of the element. For example, *Basic Salary 1*.

                                Description: The default element description appears. For
                                example, *Basic Salary*.

                                Element Name: The default system element name appears.
                                For example, *BASSAL*.

Print Base, Percentage,   These check boxes represent the components of the calculation rule for the
Rate, and **Unit**   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

Chapter 10, "Printing and Viewing Payslips," Overriding Payslip Delivery Options, page 109

Chapter 10, "Printing and Viewing Payslips," Printing Payslips, page 109

Appendix A, "Appendix: PeopleSoft Global Payroll for Hong Kong Reports," page 149

Chapter 6, "Defining Earnings for Hong Kong," page 43
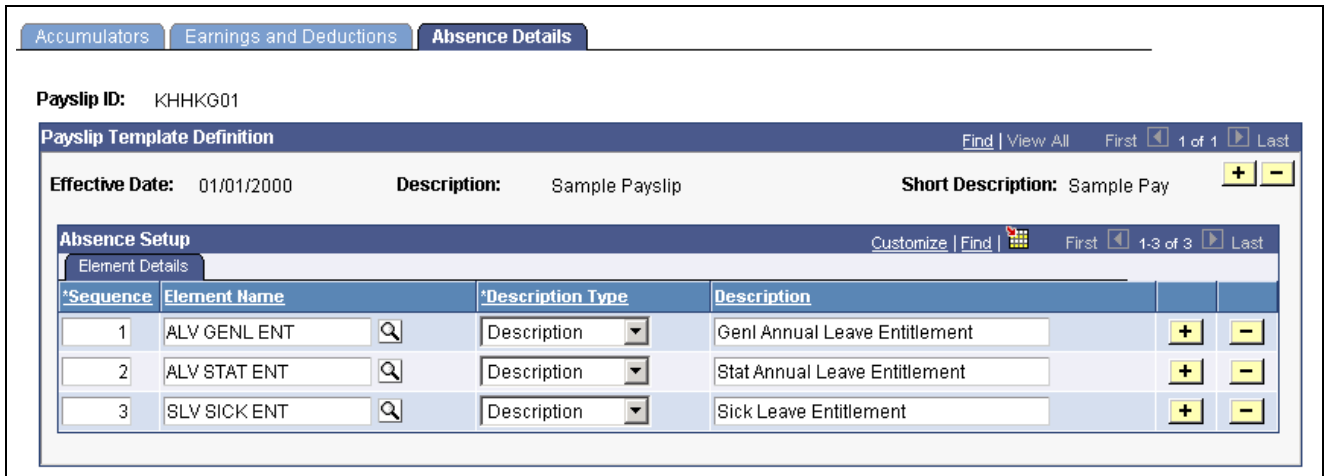
Chapter 7, "Defining Deductions for Hong Kong," page 65

Chapter 8, "Administering Mandatory Provident Fund Contributions for Hong Kong," page 73

PeopleSoft 8.8 Global Payroll PeopleBook, "Defining Earnings and Deduction Elements"

Setting Up Payslip Absence Details

Access the Absence Details page.

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

Chapter 10, "Printing and Viewing Payslips," Overriding Payslip Delivery Options, page 109

Chapter 10, "Printing and Viewing Payslips," Printing Payslips, page 109

Appendix A, "Appendix: PeopleSoft Global Payroll for Hong Kong Reports," page 149

Chapter 13, "Defining Absence Rules for Hong Kong," page 133

PeopleSoft 8.8 Global Payroll PeopleBook, "Defining Absence Elements"

Attaching Payslip Templates to Pay Groups

This section discusses how to attach payslip IDs to pay groups.

Page Used to Attach Payslip Templates to Pay Groups

Page Name	Object Name	Navigation	Usage
Payslip Template Details	GPHK_PYGRP_PSLP	Set Up HRMS, Product Related, Global Payroll, Payslips, Link to Pay Group HKG	Attach the payslip template to pay groups.

Attaching Payslip IDs to Pay Groups

Access the Payslip Template Details page.

Payslip Template Details page

Payslip ID	After you create the payslip, attach the template to pay groups.
	Note. You can only attach one template to a pay group at one time.

See Also

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 discusses how to set up payslip messages.

Page Used to Create Payslip Messages

Page Name	Object Name	Navigation	Usage
Payslip Messages	GPHK_PSLP_EXT	Set Up HRMS, Product Related, Global Payroll, Payslips, Messages HKG	Create payslip messages and control who receives the messages.

Setting Up Payslip Messages

Access the Payslip Messages page.

Payslip Messages page

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 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). 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. If you select this value, the Payee Message link becomes available for selection.
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.

See Also

CHAPTER 6

Defining Earnings for Hong Kong

This section provides an overview of earnings for Hong Kong and discusses 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.

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

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 × Rate, Unit × Rate × 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					COMPRATE
BASHLY Basic hourly	Payee Level	HOURLY RT (SE)			
Overtime					
OT1.5 Overtime 1.5×	Payee Level	HOURLY RT (SE)		150	
OTFIX Overtime fix	Payee Level	200 (N)			
Shifts					
SHNT1.3 Shift 1.3×	Payee Level	HOURLY RT (SE)		130 (N)	
SHNTFIX Shift fix	Payee Level	200 (N)			

Name and Description	Unit	Rate	Base	Percent	Amount
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
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	

Name and Description	Unit	Rate	Base	Percent	Amount
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)	
LWOP2 Leave without pay for hourly rates	Payee Level	HOURLY RT			
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)	

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).

The system uses pay group proration 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 February 20 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 March 18 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 × 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 × Rate × 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 Unit × 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 month's 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 month's overtime must be paid in the current period, then the 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 discusses how to calculate:

• SHNTFIX

• SHNT1.3

Calculating SHNTFIX

The SHNTFIX calculation rule is Unit × Rate:

• Unit: Payee level (shift hours).

• Rate: Numeric (HKD) 100 (per shift).

Calculating SHNT1.3

The SHNT1.3 calculation rule is Unit × Rate × 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 discusses how to calculate:

• TYPHOON

• BLCKRAIN

Calculating TYPHOON

The TYPHOON calculation rule is Unit × Rate × Percent:

• Unit: Payee level (typhoon hours).

• Rate: System element HOURLY RT (system variable).

• Percent: 200.

Calculating BLCKRAIN

The BLCKRAIN calculation rule is Unit × Rate × 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 (HKD)	Accumulator (HKD)	< or > (HKD)	Resolve (HKD)
1	40	40	< 100	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 deannualises 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 discusses 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. Multiple instances are not allowed.

Calculating Education Allowance

Your organisation 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 discusses 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. The system also uses 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 organisation 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 Base × 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:

Proration = (Duration in days between (Period End Date + 1) and Hire Date) / (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: December 31 2000.

• Cut off day: November 1 2000.

• Proration rule: (Service period in year) / (Calendar days in year) × basic salary.

Example 1: Receiving the Full Factor

An employee is hired on February 2 1999. Their basic salary as of December 31 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 November 1 2000. Their basic salary as of December 31 2000 is (HKD) 20000. The employee's 13th month pay is zero

Example 3: Proration Rule Applied

An employee is hired on January 10 2000. Their basic salary as of December 31 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

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 Base × 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 CASHADVR deduction with formula DED FM CASHADVR (that calculates 20 percent of the goal amount) enables you to pay back the cash advance.

See Also

Calculating Absence and Termination Earnings

This section discusses how to calculate:

• Annual leave instead of annual leave entitlement.

• Eighty percent of wages.

• Leave without pay (LWOP and LWOP2)).

• 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 Unit × 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

Chapter 13, "Defining Absence Rules for Hong Kong," Calculating Annual Leave, page 137

Chapter 13, "Defining Absence Rules for Hong Kong," Calculating Unused Annual Leave, page 140

Calculating 80 Percent of Daily Wages

The DY WAGE 80 earnings element is 80 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 Unit × Rate × percent:

• Unit: Payee level.

• Rate: Formula (CM FM DAILY WAGE).

• Percent: 80.

Note. 80 percent of an employee's daily wage is covered for valid maternity leave for statutory employees and 100 percent coverage for general employees.

See Also

Calculating Leave Without Pay (LWOP)

The total LWOP (Units × Daily Rate) is subtracted from an employee's basic salary if the employee takes leave without pay.

The calculation rule is Unit × Rate:

- Unit: Payee level.

- Rate: Daily RT.

- Percent: 80.

Note. The LWOP earnings element is used for salary based employees. The LWOP2 earnings element is used by weekly employees as it uses an hourly rate.

See Also

Calculating Leave Without Pay (LWOP2)

The LWOP2 earnings element is used for leave without pay for hourly rates (for weekly employees— as it uses an hourly rate).

- Unit: Payee level

- Rate: HOURLY RATE

Note. To be able to use the LWOP2 earnings and absence take correctly, you have to clear the eligibility for positive input check box. If you do not do this, LWOP and LWOP2 will both be processed for an employee. An employee can only receive one or the other, depending on their eligibility.

See Also

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

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 Base × Percent here:

• Base: Formula TER FM 13TH PAY.

• Percent: 100.

The prorated 13th month payment calculation is:

(Duration between service date and termination date) / 365 × (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:

(Duration between January 1 2000 and termination date) / 365 × (Basic)

Factor 365 is used even in a leap year.

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.

See Also

Calculating Amount Earnings

This section discusses 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

Chapter 6, "Defining Earnings for Hong Kong," Calculating Meal Allowance, page 49

Chapter 6, "Defining Earnings for Hong Kong," Calculating Mobile Phone and Pager Allowance, page 50

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

Chapter 6, "Defining Earnings for Hong Kong," Calculating Housing Allowance, page 51

Chapter 6, "Defining Earnings for Hong Kong," Calculating Gratuity, page 52

Chapter 6, "Defining Earnings for Hong Kong," Calculating Absence and Termination Earnings, page 55

Chapter 6, "Defining Earnings for Hong Kong," Calculating Severance and Long Service Payments, page 56

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:

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

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 discusses 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

Earnings Name	Description
MEAL	Meal allowance
HSING	Housing allowance
GRAT	Gratuity
13MTHPAY	13th month pay

See Also

PeopleSoft 8.8 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 8.8 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 8.8 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:

((Accumulator, current period) − (Accumulator, previous period)) / (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) = (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. CASHADVR 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.

CASHADVR 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 CASHADVR 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

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

PeopleSoft 8.8 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

CHAPTER 7

Defining Deductions for Hong Kong

This section discusses how to:

- Calculate cash advance recovery.
- Calculate community chest.
- Calculate leave without pay (LWOP) and daily rate reduction.
- Calculate Mandatory Provident Fund (MFP) deductions.
- Schedule deductions using generation control.
- Understand delivered deduction 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

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 Unit × Rate, Unit × Rate × Percent, Base × 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)					
CASHADVR 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)	
ERMPFMN2 MPF Employer Mandatory 2 (Permitted Period)			MPF FM ERMN2	5 (N)	
ERMPFVOL1 MPF Employer Voluntary 1 (Regular)			MPF FM ERVOL1 BASE	5 (N)	
ERMPFVOL2 MPF Employer Voluntary 2 (Permitted Period)			MPF FM ERVOL2 BASE	5 (N)	
EEMPFMN1 MPF Employee Mandatory 1 (Regular)			MPF FM EEMN1 BASE	5 (N)	

Name and Description	Unit	Rate	Base	Percent	Amount
EEMPFMN2 MPF Employee Mandatory 2 (Permitted Period)			MPF FM EEMN2 BASE	5 (N)	
EEMPFVOL1 MPF Employer Voluntary 1 (Regular)			Payee Level	100 (N)	
EEMPFVOL2 MPF Employee Voluntary 2 (Permitted Period)			Payee Level	100 (N)	

Calculating Cash Advance Recovery

Employees can be paid 50 percent of their basic salary cash advances (CASHADV), which they must pay back using CASHADVR 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 Base × Percent:

• Base: Accumulator OE AC CASHADV.

• Percent: 20.

Using Generation Control in the Cash Advance Recovery Calculation

The generation control CM GC RSLV CSHADVR 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 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 if the goal amount balance has been reached.

Example

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

(50 percent) × 20000 = 10000 (Cash Advance) = (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).

See Also

Chapter 6, "Defining Earnings for Hong Kong," Calculating Cash Advance, page 54

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:

(Amount) = (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:

(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 (3/30) x 10000
─────────────────────────────
Net: (HKD) 9000

April Monthly Salary Calculation

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

Chapter 6, "Defining Earnings for Hong Kong," Calculating Leave Without Pay (LWOP), page 56

Chapter 6, "Defining Earnings for Hong Kong," Calculating Leave Without Pay (LWOP2), page 56

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.

Chapter 8, "Administering Mandatory Provident Fund Contributions for Hong Kong," page 73

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 Base × Percent :

• Base: MPF FM ERMN2.

• Percent: 5.

See Also

Chapter 8, "Administering Mandatory Provident Fund Contributions for Hong Kong," page 73

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 Base × Percent:

• Base: MPF FM ERVOL1 BASE.

• Percent: 5.

See Also

Chapter 8, "Administering Mandatory Provident Fund Contributions for Hong Kong," page 73

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 Base × Percent:

• Base: MPF FM ERVOL2 BASE.

• Percent: 5.

See Also

Chapter 8, "Administering Mandatory Provident Fund Contributions for Hong Kong," page 73

Calculating Employee MPF Regular Mandatory 1 - EEMPFMN1

The EEMPFMN1 deduction is used for employee MPF mandatory contributions.

The EEMPFMN1 calculation rule is Base × Percent:

• Base: MPF FM EEMN1 BASE.

• Percent: 5.

See Also

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 Base × Percent:

• Base: MPF FM EEMN2 BASE.

• Percent: 5.

See Also

Calculating Employee MPF Regular Voluntary 1 - EEMPFVOL1

The EEMPFVOL1 deduction is used for employer MPF voluntary contributions.

The calculation rule is Base × Percent:

• Base: MPF FM EEVOL1.

• Percent: 100.

See Also

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 Base × Percent:

• Base: MPF FM EEVOL1.

• Percent: 100.

See Also

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

CHAPTER 8

Administering Mandatory Provident Fund Contributions for Hong Kong

This section 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.
- Set up additional MPF report details.
- Submit the Remittance Statement

Understanding the Administration of Mandatory Provident Fund Contributions

PeopleSoft supports the administrative and reporting requirements of 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.
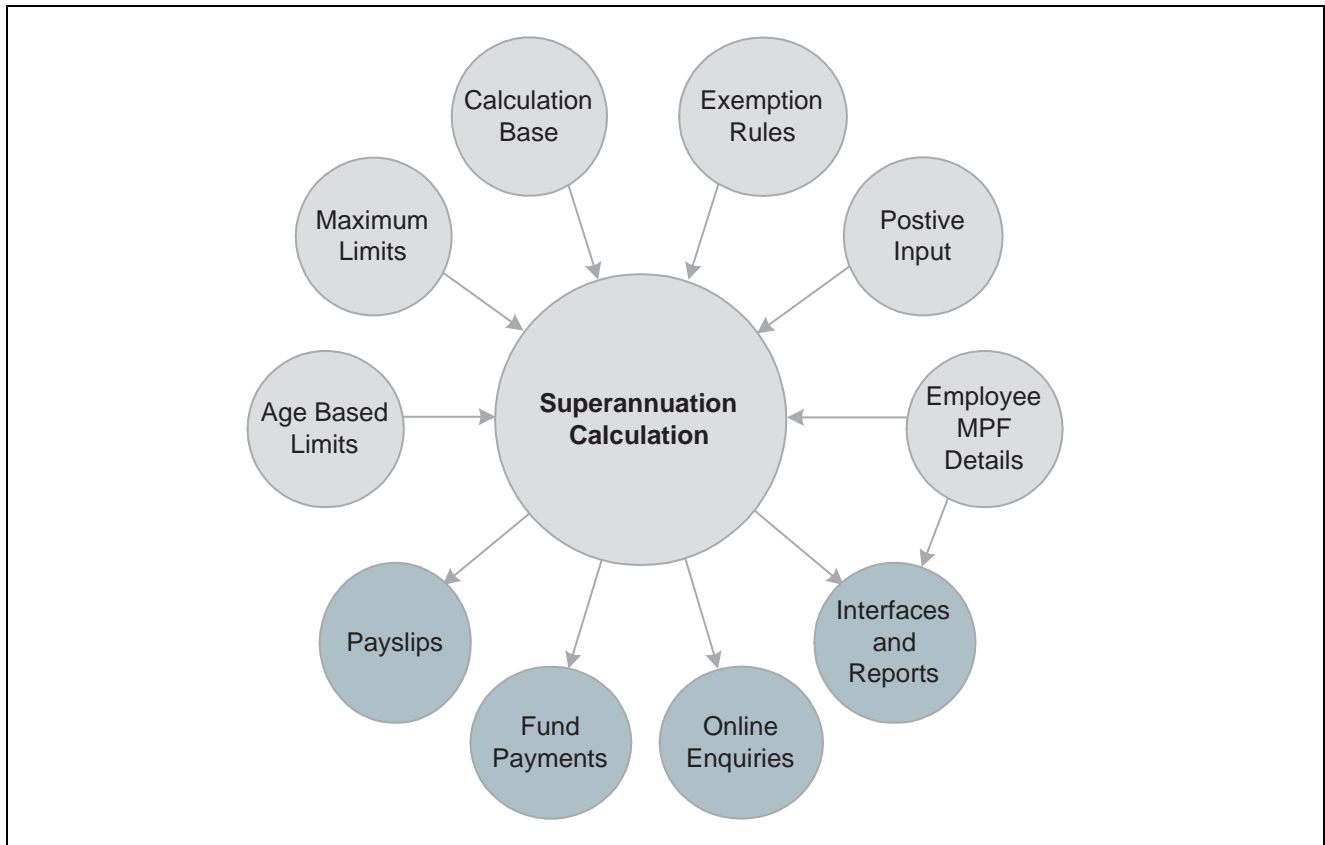
User inputs and system outputs for Mandatory Provident Fund deductions

See Also

Appendix A, "Appendix: PeopleSoft Global Payroll for Hong Kong Reports," page 149

Chapter 6, "Defining Earnings for Hong Kong," Calculating Earnings Included in MPF Calculations, page 59

Chapter 7, "Defining Deductions for Hong Kong," Calculating Mandatory Provident Fund Deductions, page 69

Common Elements Used in This Chapter

Casual Employee (as defined by MPF Ordinance)
An employee engaged in the construction or catering industry, who is employed on a daily 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 start 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.

Deduction	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)
ERMPFVOL1 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)
ERMPFVOL2 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)
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)

Deduction	Description
EEMPFVOL1 Employee Regular Voluntary MPF Contribution	Used for employee MPF voluntary contributions. Entered at the deduction assignment level. Base = Payee Level Percent = 100 (Customary)
EEMPFVOL2 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

Accommodating MPF Exemption Rules and Limits

This section provides an overview of accommodating MPF exemption rules and limits and discusses 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 (HKD) 5000 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 (HKD) 5000 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

A 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. However, any employee hired as of February 1 2003, falls under another rule. The rule states that if the holiday end date does not fall on the first day of a pay period then the employee's MPF contribution will be waived until the next full pay period. For example, suppose a monthly paid employee is hired on February 1, 2003, and the holiday end period starts on April 3, 2003. As the April period starts on the 1st the employee will not have to contribute MPF until the next pay period (March 1, 2003).

See Also

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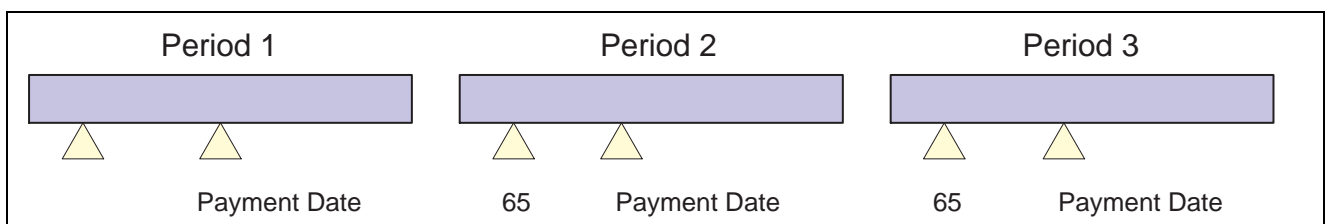
An employee turns 65 before their payment date which is within the pay period begin and end date

Employees Turning 65 Before the Period 2 Payment Date

A pay period spans January 1 2000 − January 29 2000. If the employee's 65th birthday falls on February 2 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:
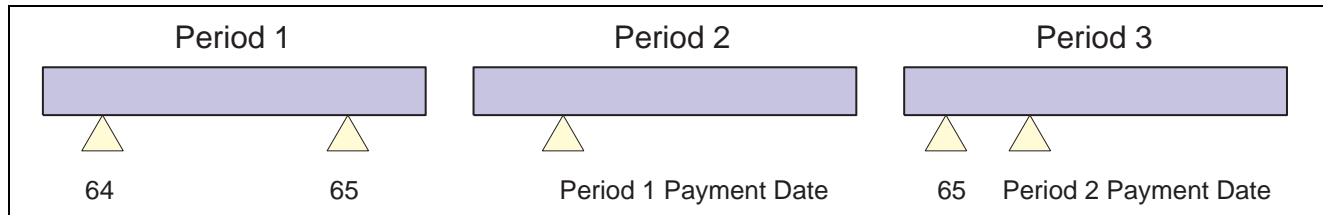
An employee turns 65 before the period 2 payment date

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:
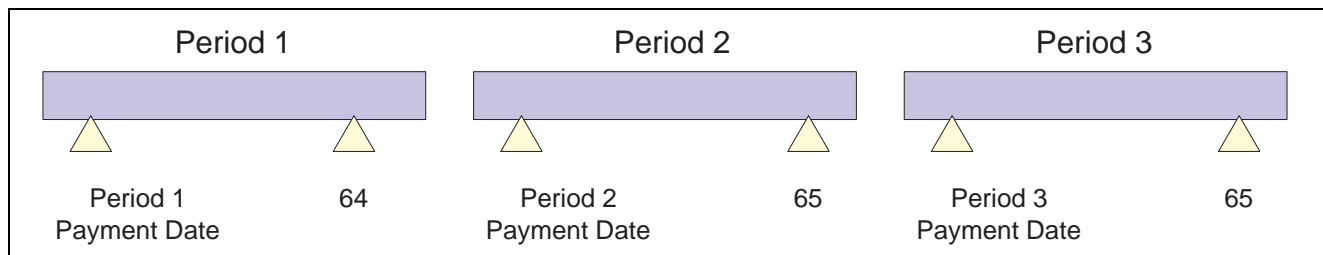
An employee's birthday falling after payment date

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

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 April 10 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 April 20 2001. However, if their salary for April is payable under his employment contract on April 30 (following their normal pay cycle) the contribution period would end on April 30, and the mandatory contributions would be due on May 10.

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

See Also

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

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.

See Also

Applying Maximum and Minimum Limits to MPF Contributions

Mandatory contributions are subject to maximum and minimum levels. For example, employees earning less than (HKD) 5000 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 (HKD) 5000 in relevant income in the month. Employer mandatory contributions have no minimum levels. For employees earning more than (HKD) 20,000 per month, mandatory contributions for employer and employee are capped at (HKD) 1000 (5 percent of (HKD) 20,000).

Note. MPF calculations for pay periods other then 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:

Pay Period	Min Level of Relevant Income	Max Level of Relevant Income
Daily	160	650
Weekly	1120	4550
Biweekly	2240	9100
Fortnightly	2240	9100
Monthly	5000	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 (HKD) 1000 instead of (HKD) 19,000 in the Thirteenth
Month pay run because MPF is capped at (HKD) 20,000.

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 October 29 2001 to November 4 2001 would be:

(HKD) 919 (3 x 129 + 4 x 133)

Note. You can use (HKD) 160 and (HKD) 650 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 April 11 and his or
her monthly salary is (HKD) 18,000, and the employee's contribution holiday ends on May 10. For the
purposes of calculating their mandatory contributions for the month ending May 31:

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

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

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

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

See Also

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

Calculating Employer Mandatory Permitted Period MPF Contributions

The ERMPFMN2 contribution is calculated at 5 percent 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

Appendix A, "Appendix: PeopleSoft Global Payroll for Hong Kong Reports," page 149

Chapter 6, "Defining Earnings for Hong Kong," Calculating Earnings Included in MPF Calculations, page 59

Chapter 7, "Defining Deductions for Hong Kong," Calculating Mandatory Provident Fund Deductions, page 69

Chapter 8, "Administering Mandatory Provident Fund Contributions for Hong Kong," Calculating Regular MPF Contributions, page 87

Chapter 8, "Administering Mandatory Provident Fund Contributions for Hong Kong," Accommodating MPF Exemption Rules and Limits, page 77

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

Appendix A, "Appendix: PeopleSoft Global Payroll for Hong Kong Reports," page 149

Chapter 6, "Defining Earnings for Hong Kong," Calculating Earnings Included in MPF Calculations, page 59

Chapter 7, "Defining Deductions for Hong Kong," Calculating Mandatory Provident Fund Deductions, page 69

Chapter 8, "Administering Mandatory Provident Fund Contributions for Hong Kong," Calculating Regular MPF Contributions, page 87

Chapter 8, "Administering Mandatory Provident Fund Contributions for Hong Kong," Accommodating MPF Exemption Rules and Limits, page 77

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

Calculating Regular MPF Contributions

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

- Employers regular mandatory MPF contributions.
- Employees regular mandatory MPF contributions.
- Employer regular voluntary MPF contributions.
- Employees regular voluntary MPF contributions.

See Also

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 needs only to be calculated for employees between 18 and 65 and contribution only needs to be calculated on the first (HKD) 20,000 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, 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 (HKD) 20,000 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

Appendix A, "Appendix: PeopleSoft Global Payroll for Hong Kong Reports," page 149

Chapter 6, "Defining Earnings for Hong Kong," Calculating Earnings Included in MPF Calculations, page 59

Chapter 7, "Defining Deductions for Hong Kong," Calculating Mandatory Provident Fund Deductions, page 69

Chapter 8, "Administering Mandatory Provident Fund Contributions for Hong Kong," Accommodating MPF Exemption Rules and Limits, page 77

Chapter 8, "Administering Mandatory Provident Fund Contributions for Hong Kong," Calculating Permitted Period MPF Contributions, page 85

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

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, 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

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

PeopleSoft 8.8 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 8.8 Global Payroll PeopleBook, "Defining Calculation Elements," Defining Proration Rules

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

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 October 15 2001 − November 11 2001, the relevant income is (HKD) 10,000 and the employee's birthday falls on the 16th, then contribution is prorated as follows:

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

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

31st day of employment: March 3 2001

18th birthday: May 16 2001

Relevant income (May 16 - 31 2001): (HKD) 10,000 X 16/31 = (HKD) 5,161.29

Max relevant income level: (HKD) 20,000

Min relevant income level: (HKD) 4,000

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

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

See Also

PeopleSoft 8.8 Global Payroll PeopleBook, "Defining Calculation Elements," Defining Proration Rules

Setting up Additional MPF Recipient Details

The administrative body to which MPF deductions are paid is treated in the system the same way as any other deduction recipient although for reporting pupuposes some additional MPF-specific detail is stored at recipient level

See Running Banking and Recipient Processes, Entering Additional Deduction Recipient Data

See Also

Submitting the Remittance Statement

The GPHKMPF1 Remittance Statement enables you to report on mandatory and voluntary MPF contributions that were deducted for the contribution period for the MPF provider. The Statement is used to inform the trustee of the amount of MPF contributions paid for relevant employees.

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 Statement 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 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 Statement 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 Statement is sorted by recipient name (MPF provider), because while in most organisations there is only one provider, it is possible for an organisation 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 within 10 days of termination.

CHAPTER 9

Running Banking and Recipient Processes for Hong Kong

This section provides an overview of banking and recipient processing for Hong Kong and discusses how to:

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

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.

- Decide whether to take the commission out of the recipient payment—(As recipients may pay a commission to the pay entity.)

- 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 A, "Appendix: PeopleSoft Global Payroll for Hong Kong Reports," page 149

PeopleSoft 8.8 Global Payroll PeopleBook, "Defining Banking Instructions"

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. Runs the payroll process using PeopleSoft Global Payroll.

   This provides the payment data for the banking process.

2. Runs 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 organisation pays its payees.

3. 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 8.8 Global Payroll PeopleBook, "Defining Banking Instructions"

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 organisation 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.

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 discusses how to set up pay entity source banks.

Page Used to Link Source Banks To Pay Entities

Page Name	Object Name	Navigation	Usage
Bank Details for Pay Entity	GPHK_PYENT_BNK	Set Up HRMS, Product Related, Global Payroll, Framework, organisational, Pay Entity Bank Details HKG	Link a source bank to a pay entity and define the source bank's customer number that identifies the EFT formats used by that organisation.

Setting Up Pay Entity Source Banks

Access the Bank Details for Pay Entity page.

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:

        • Locates (for net payments) source bank IDs and pay entities for the calendar group ID.

        • Locates (for recipient payments) source bank IDs and pay entities for the debit date.

        • Locates (for both net and recipient payments) 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 8.8 Global Payroll PeopleBook, "Defining Banking Instructions"

Setting up Additional Recipient Details

This section discusses setting up additional MPF report details and how to:

• Set up recipient commission and MPF scheme details.

• Link employees to recipients by membership number.

Pages Used to Set up Additional Recipient Details

Page Name	Object Name	Navigation	Usage
Recipient Details	GPHK_RECIPIENT_EXT	Set Up HRMS, Product Related, Global Payroll, Banking, Deduction Recipients HKG	Enter additional recipient information including that required for the MPF 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, Payee Data, Net Pay / Recipient Elections, Add Recipient Mbrship Nbr HKG	Link employees to recipients using the employee's membership number.

Setting up Recipient Commission and MPF Scheme Details

Access the Recipient Details page.

Recipient Details 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.

Schedule File Layout	Select the appropriate file layout from those you have created in Application Designer for the electronic files you submit to your recipients
Registration Number	This is the MPF reference number and it appears on the MPF Remittance Statement.

Commission & Scheme Details

You can define the commission calculation method for one or more pay entities and associate each recipient with a file layout name.

Commission Tab

Pay Entity

Enter the pay entity that is going to receive any commission payable by the recipient. If the commission is to be deducted from the payment due to the recipient, the debit to this pay entities source bank will be reduced by the commission amount.

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 which the recipient has supplied to 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 a decimal (2 percent as 0.02).

Scheme Tab

The fields in this page are for MBF reporting

Participation Number, Contact ID, and **Contact Phone**	Just as recipients identify each employer with a group number, they also identify their employees, as a group, with a unique number that is also known as the participation number.

See Also

PeopleSoft 8.8 Global Payroll PeopleBook, "Defining Banking Instructions"

Linking Employees to Recipients by Membership Number

Access the Recipient Membership Number page.

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

PeopleSoft 8.8 Global Payroll PeopleBook, "Defining Banking Instructions"

Managing Electronic Fund Transfers to Recipients

This section provides an overview of the EFT HSBC file and discusses 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.
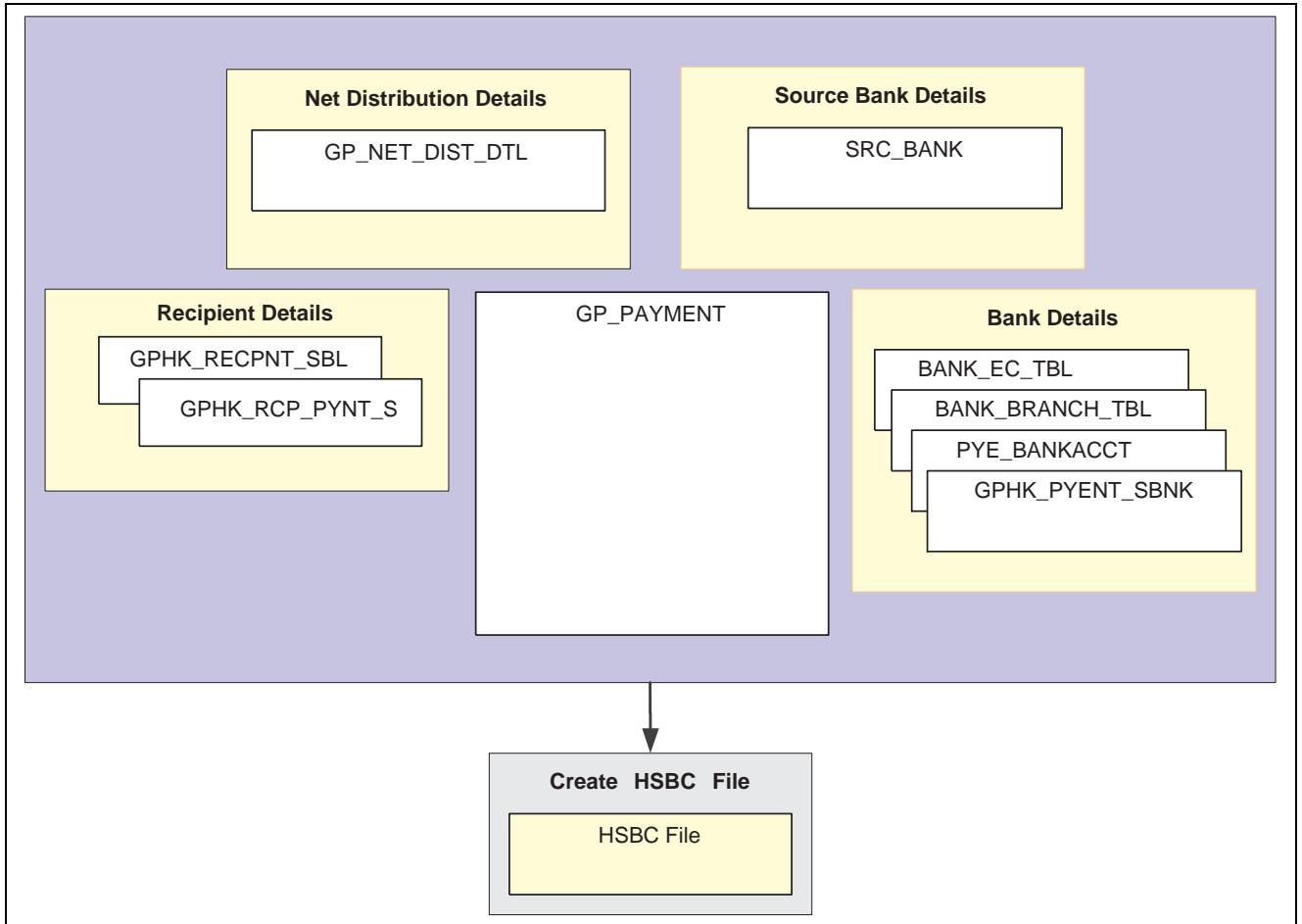
Tables contributing data to the HSBC file

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, Payment Processing, Create EFT Payment File HKG	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 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

PeopleSoft 8.8 Global Payroll PeopleBook, "Defining Banking Instructions"

Generating Recipient Payment Report Files

It is common for organisations to transmit a file to a recipient so that they can update their records. For example an organisation 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.

Note. The Application Engine program GPHK_RCPFILE is written to process only the GPHK_RCPNT_FILE recipient schedule file. You can make minor changes to that file, for example field order, but if you make major file layout changes you will need to create additional Application Engine programs to process them.

Page Used to Generate Recipient Payment Report Files

Page Name	Object Name	Navigation	Usage
Recipient Payment File	GPHK_RCP_RUNCTL	Global Payroll, Payment Processing, Create Recipient File HKG	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 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:

Detail: 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 March 31 2000 and the recipient payment file is generated for
February 28 2000, the results are not the same. You should use the same run time parameters.

See Also

PeopleSoft 8.8 Global Payroll PeopleBook, "Defining Banking Instructions"

Processing Manual and Separate Cheques

organisations 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 discusses 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, 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 process 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.

Warning! 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.

CHAPTER 10

Printing and Viewing Payslips

This section discusses how to:

• Print payslips

• Override delivery options

• View payslips online

Printing Payslips

You print payslips by running the GPHKPY01 SQR (Global Payroll, Payslips, Create/Print Payslips HKG).

The template that you defined controls the layout of the printed payslip.

You print payslips by calendar group ID. You can restrict the payslips printed from the pay run associated with the calendar group ID

You can print payslips for:

• An entire calendar group ID.

• Individual payees for the selected calendar group ID.

• Groups of payees in the selected calendar group ID by pay entity, pay group, department, or location.

You can set up to three sort keys from the following options: Department, Employee Name, Location, Not Applicable, Pay Entity or Pay Group. If you select Not Applicable the program print the payslips by employee ID.

See Also

Chapter 5, "Setting Up Payslips for Hong Kong," page 33

PeopleSoft 8.8 ePay PeopleBook, "Managing Pay Information for PeopleSoft Global Payroll," Setting Up and Viewing the Employee Payslip for Hong Kong

Overriding Payslip Delivery Options

The default delivery option for all payslips in the internal or external address that you selected when you defined your payslip template. You can set an effective-dated override of that delivery option at payee level Global Payroll, Payee Data, Create Overrides, Payslip Delivery Option HKG.

Viewing Payslips Online

You can view an online version of the payslip. What you see online is based upon the layout defined in your payslip template, just as what you see on the printed payslip is based on the payslip template. This self-service transaction is part of the PeopleSoft ePay application.

See Also

PeopleSoft 8.8 ePay PeopleBook, "Managing Pay Information for PeopleSoft Global Payroll," Setting Up and Viewing the Employee Payslip for Hong Kong

CHAPTER 11

Processing Inland Revenue Reports for Hong Kong

This section provides an overview of processing Hong Kong Inland Revenue (IR56) reports and discusses how to:

• Create Inland Revenue report data.

• Review and maintain IR56 report data.

• Generate the IR56B electronic file.

• Run Inland Revenue reports.

Understanding Hong Kong Inland Revenue Reporting

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 creation of the data for these Inland Revenue reports. This includes all of the pages that enable 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 and the running of each report.

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:

1. Set up report data using the following pages:

   • Report Element Setup

   • Departure Details

   • Principal Employer of PT EE

   • Employee Housing Quarters

- Self Employed Data

- Overseas Concern Details

- Define IR56B/M Controls HKG

- Tax Reference Number Details

- IR56 Exchange Rate Definition

2. Generate IR56 report data using the IR56 Creation page.

3. Review and maintain IR56 report data using the following pages:

- IR56 Personal Details

- IR56 Job / Quarters Details

- IR56 Monetary Details

4. Generate IR56 reports using the Print pages for each of the reports (IR56B, IR56M, IR56E, IR56F and IR56G).

5. Generate the IR56B Electronic File using the IR56 Electronic File Creation page.

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

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 discusses how to generate IR56 report data.

Note. The IR56 creation program maintains the creation date. During the printing of IR56 documents, if the system identifies a document as a replacement, the system retrieves the date when it created the earlier version and uses that as the submission date.

Page Used to Create Inland Revenue Report Data

Page Name	Object Name	Navigation	Usage
IR56 Creation	GPHK_IR56_CREATE	Global Payroll, Year-End Processing, Create IR56 Data HKG	Run the process that captures information required for generating IR56 data and reports. After the process is initiated, the system identifies eligible employees and retrieves the information required for reporting.

Generating IR56 Report Data

Access the IR56 Creation page.

IR56 Creation page.

Tax Reference Number   Select the Tax Reference Number representing the pay entity (or entities) for which the IR56 must be generated. IR56 reports all run by tax reference

number, which has a major impact on the way the system creates and stores IR56 data. For every employee attached to the pay entity (sharing the tax reference number), the system combines amounts for each year to date element by currency code and stores them in the IR56 result tables. After the process is completed, you can use the IR56 Monetary Details page to enter adjustments to reflect the amount that should be reported on the IR56 documents.

Tax Year

Enter the period for which the report must be reported. Hong Kong has set the tax period to be April 1 to March 31. 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

Report Type	Processing
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 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 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

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 values:

• 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 discusses how to maintain IR56:

• Personal details.

• Job and residence quarter details.

• Monetary details.

Pages Used to Review and Maintain IR56 Report Data

Page Name	Object Name	Navigation	Usage
IR56 Personal Details	GPHK_IR56_INQ1	Global Payroll, Authority Correspondence, Review/Update IR56 Data HKG, IR56 Personal Details	View the IR56 details generated for the employee and review an employee's personal information including their identification details, spouse details and address history.
IR56 Job/Quarters Details	GPHK_IR56_INQ2	Global Payroll, Authority Correspondence, Review/Update IR56 Data HKG, 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 including country departure and employee residence quarters details. The employee residence quarters details default from the details you set up on the Employee Housing Quarters page. The country departure details default from the details you set up on the Departure Details page.
IR56 Monetary Details	GPHK_IR56_INQ3	Global Payroll, Authority Correspondence, Review/Update IR56 Data HKG, 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.

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 Workforce Administration menu in PeopleSoft Human Resources provides a Dependent Details component to maintain spouse details.

Name	Displays the employee's full name details. The Name history page in Workforce Administration 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 Workforce Administration - 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.
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 necessary to store the Identity Card numbers of the employee's dependants.
	The details are retrieved from the National ID table able (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.

Address History

Edit Address	To change any of the default address details, click this link to access the Edit Address page.

See Also

Maintaining IR56 Monetary Details

Access the IR56 Monetary Details page.

IR56 Monetary Details page

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 / Amount / Currency** | The first instance of the Amount field displays the amount calculated by the data creation process in (HKD) and it initially appears identically in two other locations in the group box. The first field remains the same, regardless of any adjustments (element additions or subtractions) you make. Instead of modifying this generated amount, you enter additional adjustment rows which enable you to add or subtract any additional amounts (in any currency) not calculated during the initial data creation process. You can enter amounts to add or negate a value generated by the process for an accumulator associated |

with a report element. For example, if you have to subtract (USD) 300 from the initial amount because the employee has been temporarily employed by a different pay entity, enter – (minus) 300 in the Adjustment Amount field and select *USD* as the Currency in the new row. The amount in the Amount field at the bottom of the Total Amount group box automatically adjusts by subtracting the equivalent of (HKD) 300 and displaying the new total. Similary, if you want to add (USD) 300, enter 300 in the Adjustment Amount field.

The IR56 creation process supports multiple currency processing which impacts the way year to date values are processed and stored in the IR56 result table. In addition to entering manual adjustments, you can enter the currency code in which you are paying the amount. The process calculates the value in local (HKD) currency and displays the amount reported on the IR56 reports.

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 organisation 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 -ve amount for Unknown:	Enter the amount paid by the overseas concern to the employee. If the amount is unknown, enter any negative amount (– 400).

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

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. During the process,
personal information, spouse details, and identifications details are also retrieved and
the file layout object GPHK_IR56B is populated.

This section discusses how to create the IR56B electronic file.

Page Used to Generate the IR56B Electronic File

Page Name	Object Name	Navigation	Usage
IR56 Electronic File Creation	GPHK_IR56_EFILE	Global Payroll, Year-End Processing, Create IR56B Elec File HKG	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

Run Control ID: GN3   Report Manager   Process Monitor   Run

*Tax Reference Number: (A)1234567   🔍   Hong Kong Business Institute

*Tax Year: ☐ Test Run

Creation Date: 11/12/2002   📅

IR56 Electronic File Creation page

Tax Reference Number	IR56 reports run by tax reference number, which has a major impact on the way the system creates and stores IR56 data. For every employee attached to the pay entity (sharing the tax reference number), the system combines amounts for each year to date element by currency code and stores them in the IR56 result tables. After the process is completed, you can use the IR56 Monetary Details page to enter adjustments to reflect the amount that should be reported on the IR56 documents.
Tax Year	Displays the period for which the report must be created. Hong Kong has set the tax period to be April 1 to March 31.
	Note. Although the tax year is not required for the IR56G and IR56F reports, you must still enter it.
Test Run	Select this check box to create (but not send) the electronic file, 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

Running Inland Revenue Reports

There are several statutory reports that you must generate to comply with Hong Kong
legislative payroll requirements.

- The *IR56B* is an annual report generated for tax declaration purposes. A summary of the earnings /
  deductions for each employee is reported in a predetermined format. The information is also generated
  in a predetermined electronic file format and submitted electronically.

- The *IR56M* is a report of candidates, other than employees, who received remuneration at a
  period in time (for a given tax year) are about to cease employment in a given period of time.
  You must run the data creation process before running this report.

- The *IR56G* is a report on employees who are about to depart from Hong Kong. All tax
  liabilities are to be settled before the employee's departure.

- The *IR56F* is a report of employees who are about to cease employment in a given period of time. 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.

- The *IR56E* is a report that lists employees who have joined the organisation in a given period of time.
  It must be sent within three months from the date of commencement of employment.

Note. As companies are split into multiple pay entities, the reports display the company name and not the pay
entity name. For example, the company name could be Brentworth Holdings and incorporate the following
pay entities—Brentworth Holdings Aeronauticals Ltd, Brentworth Holdings Catering Ltd and Brentworth
Holdings Aviation Services. The IR56 report displays Brentworth Holdings as the reporting name.

Pages used to Print Inland Revenue Reports

Page Name	Object Name	Navigation	Usage
IR56B Report	GPHK_IR56B_RUNCTL	Global Payroll, Year-End Processing, IR56B Report HKG	Generate the IR56B (GPHK0001) — Employer's Return of Remuneration and Pensions report.
IR56M Report	GPHK_IR5M_RUNCTL	Global Payroll, Year-End Processing, IR56M Report HKG	Generate the IR56M (GPHK0002) — Notification of remuneration paid to persons other than an employee report.
IR56E Report	GPHK_IR56E_RUNCTL	Global Payroll, Authority Correspondence, IR56E Report HKG	Generate the IR56G (GPHK0003) — Notification by Employer of an Employee about to Depart Hong Kong report.
IR56F Report	GPHK_IR56FG_RUNCTL	Global Payroll, Authority Correspondence, IR56F Report HKG	Generate the IR56F (GPHK0004) — Notification by Employer of an Employee about to cease employment report.
IR56G Report	GPHK_IR56FG_RUNCTL	Global Payroll, Authority Correspondence, IR56G Report HKG	Generate the IR56E (GPHK0005) — Notification by Employer of an Employee commencing work report.

CHAPTER 12

Reporting Payroll Data for Hong Kong

This section provides an overview of payroll reports for Hong Kong and discusses the following reports and process:

• Setting up payroll report definitions.

• Payroll Register.

• Payroll Reconciliation.

• Pay Components.

• Payroll Messages.

Understanding Payroll Reports for Hong Kong

The payroll reports for Hong Kong are reports based on the core PeopleSoft Global Payroll reports. They each report additional data or present data in a different way to meet Hong Kong reporting requirements.

See Also

Setting Up Payroll Report Definitions

When you run the payroll register, reconciliation and pay components reports, you have the option to report earnings and deductions together or just accumulators or both. However, you might not want to always include all earnings and deductions or all accumulators.

You can, therefore set up report definitions that control what is included or excluded. When you run the report, you can select the report definition that will give you the results you want.

Page Used to Set Up Payroll Report IDs

Page Name	Object Name	Navigation	Usage
Payroll "Rept (report)" "Defns (definitions)"	GPHK_PAY_REPT_DEFN	Set Up HRMS, Product Related, Global Payroll, Reports, Payroll Reports Definition HKG	Use this page to enter earnings and deductions elements that are to be excluded, and the accumulator elements that are to be included from all of the Hong Kong payroll reports. Two templates (tables) , one for the exclusion of earnings/deductions, and the other for the inclusion of accumulators are provided. For ease of data entry, the page contains two grids, one for each of these templates. For each of the templates, a Report ID enables you to create different templates to hold the different combinations of earnings/deductions exclusion lists and accumulators inclusions lists, if necessary.

For example, you can create a Payroll Report ID that only contains earnings/deductions to be excluded and another Payroll Report ID that contains both the earnings/deductions to be excluded and the accumulators to be included. Then when you run the payroll reports, you nominate the appropriate Payroll Report ID on the run control. |

Running Payroll Reports for Hong Kong

In the "Pages Used" table following, the usage column details the differences and provides information on the run control.

Pages Used to Run Payroll Reports for Hong Kong

Page Name	Object Name	Navigation	Usage
Payroll Register	GPHK_RC_PY11	Global Payroll, Absence and Payroll Processing, Payroll Reports, Results Register HKG	Create the report for a whole calendar group, or a specific pay entity in which case you set from and to dates. For pay entity you can specify a summary report only. The sort options are Department, Location and Payee. You can report earnings and deductions or accumulators or both (called "Sections"). And you can specify a payee population of all (payees), or selected pay groups or selected payees.
Reconciliation Report	GPHK_RC_PY12	Global Payroll, Absence and Payroll Processing, Payroll Reports, Reconciliation HKG	Create the report for a whole calendar group, or a specific pay entity in which case you set from and to dates. For pay entity you can specify a summary report only. You can include YTD values. The sort options are department and location. You can also specify whether you want to report earnings only, deductions only or both earnings and deductions (called "Sections"). And you can specify a payee population of all (payees) or pay groups.
Pay Component	GPHK_RC_PY13	Global Payroll, Absence and Payroll Processing, Payroll Reports, Pay Components HKG	Create the report for a whole calendar group, or a specific pay entity in which case you set from and to dates. For pay entity you can specify a summary report only. The sort options are department and location. You can also specify whether you want to report earnings only, deductions only or both earnings and deductions (called "Sections"). And you can specify the element population of all (elements in the section) or selected elements.

Page Name	Object Name	Navigation	Usage
Payroll Messages	GPHK_RC_PY14	Global Payroll, Absence and Payroll Processing, Payroll Reports, Messages HKG	List, by payee, any error or warning messages that has occurred during the pay run. You only need to specify a language and calendar group for this report.

See Also

Appendix A, "Appendix: PeopleSoft Global Payroll for Hong Kong Reports," page 149

CHAPTER 13

Defining Absence Rules for Hong Kong

This section provides overviews of absence rules for Hong Kong and discusses:

• Delivered absence primary elements.

• Calculating annual leave.

• Calculating absence entitlements on termination.

• Calculating sick leave.

• Calculating maternity leave.

• Calculating leave without pay (LWOP).

• Calculating other leave.

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 modify many of these rules to reflect absence and termination policies that are specific to your organisation 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 8.8 Global Payroll PeopleBook, "Absence Entry and Processing"

PeopleSoft 8.8 Global Payroll PeopleBook, "Defining Absence Elements"

PeopleSoft 8.8 Global Payroll PeopleBook, "Working With Absences"

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 organisation 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 discuss each element in detail.

This section discusses:

• Absence entitlements elements.

• Absence take elements.

Absence Entitlements Elements

The following table lists the Absence Entitlement elements for Hong Kong.

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	

Name	Description and Used By
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 8.8 Global Payroll PeopleBook, "Absence Entry and Processing"

PeopleSoft 8.8 Global Payroll PeopleBook, "Defining Absence Elements"

PeopleSoft 8.8 Global Payroll PeopleBook, "Working With Absences"

Absence Take Elements

The following table lists the Absence Take elements for Hong Kong.

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	

Name	Description and Take Uses
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 8.8 Global Payroll PeopleBook, "Absence Entry and Processing"

PeopleSoft 8.8 Global Payroll PeopleBook, "Defining Absence Elements"

PeopleSoft 8.8 Global Payroll PeopleBook, "Working With Absences"

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 and discusses how to calculate:

• Absence forfeiture.

• Leave accrual.

• Annual leave for general employees.

• Annual leave for statutory employees.

See Also

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 April 15 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:

$(14 / 30 \times 12 / 12)$ last years entitlement plus $(16 / 30 \times 13 / 12)$ 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 deannualised 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 and returned.

2. The current year's annual leave entitlement variable CM VR CUR ENT stores the current deannualised annual leave entitlement.

    The previous year's annual leave entitlement variable CM VR PRV ENT stores the previous deannualised 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 7 days in the first year, 8 days in the second, and 9 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 deannualised annual leave entitlement.

   The previous year's annual leave entitlement variable CM VR PRV ENT stores the previous deannualised 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 discusses 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

Chapter 6, "Defining Earnings for Hong Kong," Calculating Absence and Termination Earnings, page 55

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 Unit × Rate:

• Unit: Formula TER FM ALV BAL (unused annual leave balance in days).

• Rate: Formula CM FM DAILY RATE (average daily rate).

  (Average Daily Rate) = (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.

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

Chapter 6, "Defining Earnings for Hong Kong," Calculating Annual Leave Instead of Annual Leave Entitlement, page 55

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 organisations 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 Base × 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 × C.

3. If the employee is hired before the previous year's cut-off date and is terminated in the current year, 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 × 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

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:

   LSP = (Average Earnings × 2/3) × (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

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 organisation 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 CASHADVR 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 CASHADVR 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

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 discusses 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.

• Employees cannot take a half-day of maternity leave.

This section discusses 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.

Note. The LWOP2 earnings element is used for leave without pay for hourly rates (for weekly employees— as it uses an hourly rate).

• 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

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 Unit × 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

This section discusses how to calculate other leave.

Note. Examination leave and study leave are considered LWOP.

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 setup, 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.

Appendix: PeopleSoft Global Payroll for Hong Kong Reports

The tables in this appendix list the PeopleSoft Global Payroll for Hong Kong reports sorted alphanumerically by report ID. There is additional information about some report run control pages within the chapter for particular features.

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.

PeopleSoft Global Payroll for Hong Kong Reports: A to Z

This section provides detailed information on individual reports.

Payroll and Absence Reports

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, Absence and Payroll Processing, Payroll Reports, Results Register HKG	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, Absence and Payroll Processing, Payroll Reports, Reconciliation HKG	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, Absence and Payroll Processing, Payroll Reports, Pay Components HKG	GPHK_RC_PY13

Report ID and Report Name	Description	Navigation	Run Control Page
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, Absence and Payroll Processing, Payroll Reports, Messages HKG	GPHK_RC_PY14

Mandatory Provident Fund Reports

Report ID and Report Name	Description	Navigation	Run Control Page
GPHKEE01 New/Terminated	Enables you to report on new and terminated employees. The report is not specific to MPF and has the general purpose of reporting new and terminated employees. Depending on the report type you select, the program will generate either a new or terminated employee report.	Global Payroll, Authority Correspondence, New – Terminated Rpt HKG	GPHK_EE01_RC
GPHKMPF1 MPF 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, Authority Correspondence, MPF Remittance Statement HKG	GPHK_MPF1_RC

Recipient Payment Reports

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, Payment Processing, Net Payment Report HKG	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, Payment Processing, Recipient Payment Report HKG	GPHK_RCP_RUNCTL

Inland Revenue - Legislative Reports

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, Year-End Processing, IR56B Report HKG	GPHK_IR56B_RUNCTL
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, Year-End Processing, IR56M Report HKG	GPHK_IR5M_RUNCTL
GPHKIRR5 - IR56E Notification by Employer of an Employee Commencing Work	Lists employees who joined the organisation during a period. It must be sent within three months of the date on which employment commenced.	Global Payroll, Authority Correspondence, IR56E Report HKG	GPHK_IR56E_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, Authority Correspondence, IR56F Report HKG	GPHK_IR56FG_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, Authority Correspondence, IR56G Report HKG	GPHK_IR56FG_RUNCTL

Additional Report

Report ID and Report Name	Description	Navigation	Run Control Page
GPHKPSO1 Hong Kong Payslip	Lists payee details of period earnings, taxes and other deductions, leave balances, and payment distributions.	Global Payroll, Payslips, Create/Print Payslips HKG	GPHK_RUNCTL_PSLP

Glossary of PeopleSoft Terms

absence entitlement	This element defines rules for granting paid time off for valid absences, such as sick time, vacation, and maternity leave. An absence entitlement element defines the entitlement amount, frequency, and entitlement period.
absence take	This element defines the conditions that must be met before a payee is entitled to take paid time off.
account	You use an account code to record and summarize financial transactions as expenditures, revenues, assets, or liabilities balances. The use of this delivered PeopleSoft ChartField is typically defined when you implement PeopleSoft General Ledger.
accounting class	In PeopleSoft Enterprise Performance Management, the accounting class defines how a resource is treated for generally accepted accounting practices. The Inventory class indicates whether a resource becomes part of a balance sheet account, such as inventory or fixed assets, while the Non-inventory class indicates that the resource is treated as an expense of the period during which it occurs.
accounting date	The accounting date indicates when a transaction is recognized, as opposed to the date the transaction actually occurred. The accounting date and transaction date can be the same. The accounting date determines the period in the general ledger to which the transaction is to be posted. You can only select an accounting date that falls within an open period in the ledger to which you are posting. The accounting date for an item is normally the invoice date.
accounting entry	A set of related debits and credits. An accounting entry is made up of multiple accounting lines. In most PeopleSoft applications, accounting entries are always balanced (debits equal credits). Accounting entries are created to record accruals, payments, payment cancellations, manual closures, project activities in the general ledger, and so forth, depending on the application.
accounting split	The accounting split method indicates how expenses are allocated or divided among one or more sets of accounting ChartFields.
accumulator	You use an accumulator to store cumulative values of defined items as they are processed. You can accumulate a single value over time or multiple values over time. For example, an accumulator could consist of all voluntary deductions, or all company deductions, enabling you to accumulate amounts. It allows total flexibility for time periods and values accumulated.
action reason	The reason an employee's job or employment information is updated. The action reason is entered in two parts: a personnel action, such as a promotion, termination, or change from one pay group to anotherand a reason for that action. Action reasons are used by PeopleSoft Human Resources, PeopleSoft Benefits Administration, PeopleSoft Stock Administration, and the COBRA Administration feature of the Base Benefits business process.
activity	In PeopleSoft Enterprise Learning Management, an instance of a catalog item delivery methodit may also be called a class. The activity defines such things as meeting times and locations, instructors, reserved equipment and materials, and detailed costs that are associated with the offering, enrollment limits and deadlines, and waitlisting capacities.
allocation rule	In PeopleSoft Enterprise Incentive Management, an expression within compensation plans that enables the system to assign transactions to nodes and participants. During transaction allocation, the allocation engine traverses the compensation structure

	from the current node to the root node, checking each node for plans that contain allocation rules.
alternate account	A feature in PeopleSoft General Ledger that enables you to create a statutory chart of accounts and enter statutory account transactions at the detail transaction level, as required for recording and reporting by some national governments.
application agent	An application agent is an online agent that is loaded into memory with a PeopleSoft page. It detects when a business rule has been triggered and determines the appropriate action.
asset class	An asset group used for reporting purposes. It can be used in conjunction with the asset category to refine asset classification.
attachment	In PeopleSoft Enterprise Learning Management, nonsystem-defined electronic material that supplements a learning resource, such as an equipment items user handbook or the site map of a large facility.
background process	In PeopleSoft, background processes are executed through process-specific COBOL programs and run outside the Windows environment.
benchmark job	In PeopleSoft Workforce Analytics, a benchmark job is a job code for which there is corresponding salary survey data from published, third-party sources.
branch	A tree node that rolls up to nodes above it in the hierarchy, as defined in PeopleSoft Tree Manager.
budgetary account only	An account used by the system only and not by users; this type of account does not accept transactions. You can only budget with this account. Formerly called system-maintained account.
budget check	In commitment control, the processing of source transactions against control budget ledgers, to see if they pass, fail, or pass with a warning.
budget control	In commitment control, budget control ensures that commitments and expenditures don't exceed budgets. It enables you to track transactions against corresponding budgets and terminate a document's cycle if the defined budget conditions are not met. For example, you can prevent a purchase order from being dispatched to a vendor if there are insufficient funds in the related budget to support it.
budget period	The interval of time (such as 12 months or 4 quarters) into which a period is divided for budgetary and reporting purposes. The ChartField allows maximum flexibility to define operational accounting time periods without restriction to only one calendar.
business event	In PeopleSoft Sales Incentive Management, an original business transaction or activity that may justify the creation of a PeopleSoft Enterprise Incentive Management event (a sale, for example).
catalog item	In PeopleSoft Enterprise Learning Management, a specific topic that a learner can study and have tracked. For example, Introduction to Microsoft Word. A catalog item contains general information about the topic and includes a course code, description, categorization, keywords, and delivery methods.
category	In PeopleSoft Enterprise Learning Management, a way to classify catalog items so that users can easily browse and search relevant entries in the learning catalog. Categories can be hierarchical.
ChartField	A field that stores a chart of accounts, resources, and so on, depending on the PeopleSoft application. ChartField values represent individual account numbers, department codes, and so forth.
ChartField balancing	You can require specific ChartFields to match up (balance) on the debit and the credit side of a transaction.

ChartField combination edit	The process of editing journal lines for valid ChartField combinations based on user-defined rules.
ChartKey	One or more fields that uniquely identify each row in a table. Some tables contain only one field as the key, while others require a combination.
child	In PeopleSoft Tree Manager trees, a child is a node or detail on a tree linked to another, higher-level node (referred to as the parent). Child nodes can be rolled up into the parent. A node can be a child and a parent at the same time depending on its location within the tree.
Class ChartField	A ChartField value that identifies a unique appropriation budget key when you combine it with a fund, department ID, and program code, as well as a budget period. Formerly called *sub-classification.*
clone	In PeopleCode, to make a unique copy. In contrast, to *copy* may mean making a new reference to an object, so if the underlying object is changed, both the copy and the original change.
collection	To make a set of documents available for searching in Verity, you must first create at least one collection. A collection is set of directories and files that allow search application users to use the Verity search engine to quickly find and display source documents that match search criteria. A collection is a set of statistics and pointers to the source documents, stored in a proprietary format on a file server. Because a collection can only store information for a single location, PeopleSoft maintains a set of collections (one per language code) for each search index object.
compensation object	In PeopleSoft Enterprise Incentive Management, a node within a compensation structure. Compensation objects are the building blocks that make up a compensation structure's hierarchical representation.
compensation structure	In PeopleSoft Enterprise Incentive Management, a hierarchical relationship of compensation objects that represents the compensation-related relationship between the objects.
configuration parameter catalog	Used to configure an external system with PeopleSoft. For example, a configuration parameter catalog might set up configuration and communication parameters for an external server.
configuration plan	In PeopleSoft Enterprise Incentive Management, configuration plans hold allocation information for common variables (not incentive rules) and are attached to a node without a participant. Configuration plans are not processed by transactions.
content reference	Content references are pointers to content registered in the portal registry. These are typically either URLs or iScripts. Content references fall into three categories: target content, templates, and template pagelets.
context	In PeopleSoft Enterprise Incentive Management, a mechanism that is used to determine the scope of a processing run. PeopleSoft Enterprise Incentive Management uses three types of context: plan, period, and run-level.
corporate account	Equivalent to the Account ChartField. Distinguishes between the chart of accounts typically used to record and report financial information for management, stockholders, and the general public, as opposed to a chart of statutory (alternate) accounts required by a regulatory authority for recording and reporting financial information.
cost profile	A combination of a receipt cost method, a cost flow, and a deplete cost method. A profile is associated with a cost book and determines how items in that book are valued, as well as how the material movement of the item is valued for the book.
cost row	A cost transaction and amount for a set of ChartFields.

data acquisition	In PeopleSoft Enterprise Incentive Management, the process during which raw business transactions are acquired from external source systems and fed into the operational data store (ODS).
data elements	Data elements, at their simplest level, define a subset of data and the rules by which to group them. For Workforce Analytics, data elements are rules that tell the system what measures to retrieve about your workforce groups.
data row	Contains the entries for each field in a table. To identify each data row uniquely, PeopleSoft applications use a key consisting of one or more fields in the table.
data validation	In PeopleSoft Enterprise Incentive Management, a process of validating and cleansing the feed data to resolve conflicts and make the data processable.
DAT file	This text file, used with the Verity search engine, contains all of the information from documents that are searchable but not returned in the results list.
delivery method	In PeopleSoft Enterprise Learning Management, identifies a learning activitys delivery method type. An activity can have one or more delivery methods.
delivery method type	In PeopleSoft Enterprise Learning Management, specifies a method that your organization uses to deliver learning activities, for example, scheduled or self-paced learning.
distribution	The process of assigning values to ChartFields. A distribution is a string of ChartField values assigned to items, payments, and budget amounts.
double byte character	If youre working with Japanese or other Asian employees, you can enter the employee's name using double-byte characters. The standard double byte character set name format in PeopleSoft applications is: [last name] space [first name].
dynamic tree	A tree that takes its detail valuesdynamic detailsdirectly from a table in the database, rather than from a range of values entered by the user.
edit table	A table in the database that has its own record definition, such as the Department table. As fields are entered into a PeopleSoft application, they can be validated against an edit table to ensure data integrity throughout the system.
effective date	A method of dating information in PeopleSoft applications. You can predate information to add historical data to your system, or postdate information in order to enter it before it actually goes into effect. By using effective dates, you don't delete values; you enter a new value with a current effective date.
EIM job	Abbreviation for *Enterprise Incentive Management job.* In PeopleSoft Enterprise Incentive Management, a collection of job steps that corresponds to the steps in an organizations compensation-related business process. An EIM job can be stopped to allow manual changes or corrections to be applied between steps, and then resumed from where it left off, continuing with the next step. A run can also be restarted or rolled back.
EIM ledger	Abbreviation for *Enterprise Incentive Management ledger.* In PeopleSoft Enterprise Incentive Management, an object to handle incremental result gathering within the scope of a participant. The ledger captures a result set with all of the appropriate traces to the data origin and to the processing steps of which it is a result.
equipment	In PeopleSoft Enterprise Learning Management, resource items that can be assigned to a training facility, to a specific training room, or directly to an activity session. Equipment items are generally items that are used (sometimes for a fee) and returned after the activity is complete.

event	Events are predefined points either in the application processor flow or in the program flow. As each point is encountered, the event activates each component, triggering any PeopleCode program associated with that component and that event. Examples of events are FieldChange, SavePreChange, and OnRouteSubscription. In PeopleSoft Human Resources, *event* also refers to incidents that affect benefits eligibility.
event propagation process	In PeopleSoft Sales Incentive Management, a process that determines, through logic, the propagation of an original PeopleSoft Enterprise Incentive Management event and creates a derivative (duplicate) of the original event to be processed by other objects. Sales Incentive Management uses this mechanism to implement splits, roll-ups, and so on. Event propagation determines who receives the credit.
external system	In PeopleSoft, any system that is not directly compiled with PeopleTools servers.
fact	In PeopleSoft applications, facts are numeric data values from fields from a source database as well as an analytic application. A fact can be anything you want to measure your business by, for example, revenue, actual, budget data, or sales numbers. A fact is stored on a fact table.
filter	In PeopleSoft applications, a filter creates a subset of information. Filters are used in templates to limit your information from a pick list of attribute values.
generic process type	In PeopleSoft Process Scheduler, process types are identified by a generic process type. For example, the generic process type SQR includes all SQR process types, such as SQR process and SQR report.
group	Any set of records associated under a single name or variable in order to run calculations in PeopleSoft business processes. In PeopleSoft Time and Labor, for example, employees are placed in groups for time reporting purposes.
homepage	Users can personalize the homepage, or the page that first appears when they access the portal.
incentive object	In PeopleSoft Enterprise Incentive Management, the incentive-related objects that define and support the PeopleSoft Enterprise Incentive Management calculation process and results, such as plan templates, plans, results data, user interaction objects, and so on.
incentive rule	In PeopleSoft Sales Incentive Management, the commands that act on transactions and turn them into compensation. A rule is one part in the process of turning a transaction into compensation.
key	One or more fields that uniquely identify each row in a table. Some tables contain only one field as the key, while others require a combination.
learner group	In PeopleSoft Enterprise Learning Management, a group of learners within the same learning environment that share the same attributes, such as department or job code.
learning activity	See *activity*.
learning history	In PeopleSoft Enterprise Learning Management, a self-service repository for all of a learner's completed learning activities.
learning plan	In PeopleSoft Enterprise Learning Management, a self-service repository for all of a learner's planned and in-progress learning activities.
ledger mapping	You use ledger mapping to relate expense data from general ledger accounts to resource objects. Multiple ledger line items can be mapped to one or more resource IDs. You can also use ledger mapping to map dollar amounts (referred to as *rates*) to business units. You can map the amounts in two different ways: an actual amount that represents actual costs of the accounting period, or a budgeted amount that can be used to calculate the capacity rates as well as budgeted model results. In PeopleSoft Enterprise Warehouse, you can map general ledger accounts to the EW Ledger table.

level	A section of a tree that organizes groups of nodes.
library section	In PeopleSoft Enterprise Incentive Management, a section that is defined in a plan (or template) and that is available for other plans to share. Changes to a library section are reflected in all plans that use it.
linked section	In PeopleSoft Enterprise Incentive Management, a section that is defined in a plan template but appears in a plan. Changes to linked sections propagate to plans using that section.
linked variable	In PeopleSoft Enterprise Incentive Management, a variable that is defined and maintained in a plan template and that also appears in a plan. Changes to linked variables propagate to plans using that variable.
load	The feature that initiates a process to automatically load information into a PeopleSoft applicationfor example, populating the PeopleSoft Benefits database with plan-level election information.
local functionality	In PeopleSoft HRMS, the set of information that is available for a specific country. You can access this information when you click the appropriate country flag in the global window, or when you access it by a local country menu.
location	Locations enable you to indicate the different types of addressesfor a company, for example, one address to receive bills, another for shipping, a third for postal deliveries, and a separate street address. Each address has a different location number. The primary locationindicated by a *1*is the address you use most often and may be different from the main address.
market template	In PeopleSoft Enterprise Incentive Management, additional functionality that is specific to a given market or industry and is built on top of a product category.
material	In PeopleSoft Enterprise Learning Management, a resource item that can be assigned to the sessions of an activity. Material items are generally consumed during the duration of an activity and not returned, and they may have an associated cost.
message definition	An object definition specified in PeopleSoft Application Designer that contains message information for PeopleSoft Application Messaging.
meta-SQL	Meta-SQL constructs expand into platform-specific SQL substrings. They are used in functions that pass SQL strings, such as in SQL objects, the SQLExec function, and PeopleSoft Application Engine programs.
metastring	Metastrings are special expressions included in SQL string literals. The metastrings, prefixed with a percent (%) symbol, are included directly in the string literals. They expand at run time into an appropriate substring for the current database platform.
multibook	Processes in PeopleSoft applications that can create both application entries and general ledgers denominated in more than one currency.
multicurrency	The ability to process transactions in a currency other than the business unit's base currency.
objective	In PeopleSoft Enterprise Learning Management, an individual's learning goal. An example of a learning goal is a competency gap.
override	In PeopleSoft Enterprise Incentive Management, the ability to make a change to a plan that applies to only one plan context.
pagelet	Each block of content on the homepage is called a pagelet. These pagelets display summary information within a small rectangular area on the page. The pagelet provide users with a snapshot of their most relevant PeopleSoft and non-PeopleSoft content.

parent node	A tree node linked to lower-level nodes or details that roll up into it. A node can be a parent and a child at the same time, depending on its location within the tree.
participant	In PeopleSoft Enterprise Incentive Management, participants are recipients of the incentive compensation calculation process.
participant object	Each participant object may be related to one or more compensation objects.
	See also *participant object.*
payout	In PeopleSoft Enterprise Incentive Management, the resulting incentive plan computation that is provided to payroll.
PeopleCode	PeopleCode is a proprietary language, executed by the PeopleSoft application processor. PeopleCode generates results based upon existing data or user actions. By using business interlink objects, external services are available to all PeopleSoft applications wherever PeopleCode can be executed.
PeopleCode event	An action that a user takes upon an object, usually a record field, that is referenced within a PeopleSoft page.
PeopleSoft Internet Architecture	The fundamental architecture on which PeopleSoft 8 applications are constructed, consisting of an RDBMS, an application server, a Web server, and a browser.
performance measurement	In PeopleSoft Enterprise Incentive Management, a variable used to store data (similar to an aggregator, but without a predefined formula) within the scope of an incentive plan. Performance measures are associated with a plan calendar, territory, and participant. Performance measurements are used for quota calculation and reporting.
period context	In PeopleSoft Enterprise Incentive Management, because a participant typically uses the same compensation plan for multiple periods, the period context associates a plan context with a specific calendar period and fiscal year. The period context references the associated plan context, thus forming a chain. Each plan context has a corresponding set of period contexts.
per seat cost	In PeopleSoft Enterprise Learning Management, the cost per learner, based on the total activity costs divided by either minimum attendees or maximum attendees. Organizations use this cost to price PeopleSoft Enterprise Learning Management activities.
plan	In PeopleSoft Sales Incentive Management, a collection of allocation rules, variables, steps, sections, and incentive rules that instruct the PeopleSoft Enterprise Incentive Management engine in how to process transactions.
plan context	In PeopleSoft Enterprise Incentive Management, correlates a participant with the compensation plan and node to which the participant is assigned, enabling the PeopleSoft Enterprise Incentive Management system to find anything that is associated with the node and that is required to perform compensation processing. Each participant, node, and plan combination represents a unique plan contextif three participants are on a compensation structure, each has a different plan context. Configuration plans are identified by plan contexts and are associated with the participants that refer to them.
plan section	In PeopleSoft Enterprise Incentive Management, a segment of a plan that handles a specific type of event processing.
plan template	In PeopleSoft Enterprise Incentive Management, the base from which a plan is created. A plan template contains common sections and variables that are inherited by all plans that are created from the template. A template may contain steps and sections that are not visible in the plan definition.
portal registry	In PeopleSoft applications, the portal registry is a tree-like structure in which content references are organized, classified, and registered. It is a central repository that

	defines both the structure and content of a portal through a hierarchical, tree-like structure of folders useful for organizing and securing content references.
private view	A user-defined view that is available only to the user who created it.
process	See *Batch Processes*.
process definition	Process definitions define each run request.
process instance	A unique number that identifies each process request. This value is automatically incremented and assigned to each requested process when the process is submitted to run.
process job	You can link process definitions into a job request and process each request serially or in parallel. You can also initiate subsequent processes based on the return code from each prior request.
process request	A single run request, such as an SQR, a COBOL program, or a Crystal report that you run through PeopleSoft Process Scheduler.
process run control	A PeopleTools variable used to retain PeopleSoft Process Scheduler values needed at runtime for all requests that reference a run control ID. Do not confuse these with application run controls, which may be defined with the same run control ID, but only contain information specific to a given application process request.
product category	In PeopleSoft Enterprise Incentive Management, indicates an application in the Enterprise Incentive Management suite of products. Each transaction in the PeopleSoft Enterprise Incentive Management system is associated with a product category.
publishing	In PeopleSoft Enterprise Incentive Management, a stage in processing that makes incentive-related results available to participants.
record definition	A logical grouping of data elements.
record field	A field within a record definition.
record group	A set of logically and functionally related control tables and views. Record groups help enable TableSet sharing, which eliminates redundant data entry. Record groups ensure that TableSet sharing is applied consistently across all related tables and views.
record input VAT flag	Abbreviation for *record input value-added tax flag.* Within PeopleSoft Purchasing, Payables, and General Ledger, this flag indicates that you are recording input VAT on the transaction. This flag, in conjunction with the record output VAT flag, is used to determine the accounting entries created for a transaction and to determine how a transaction is reported on the VAT return. For all cases within Purchasing and Payables where VAT information is tracked on a transaction, this flag is set to Yes. This flag is not used in PeopleSoft Order Management, Billing, or Receivables, where it is assumed that you are always recording only output VAT, or in PeopleSoft Expenses, where it is assumed that you are always recording only input VAT.
record output VAT flag	Abbreviation for *record output value-added tax flag.* See *record input VAT flag.*
reference data	In PeopleSoft Sales Incentive Management, system objects that represent the sales organization, such as territories, participants, products, customers, channels, and so on.
reference object	In PeopleSoft Enterprise Incentive Management, this dimension-type object further defines the business. Reference objects can have their own hierarchy (for example, product tree, customer tree, industry tree, and geography tree).
reference transaction	In commitment control, a reference transaction is a source transaction that is referenced by a higher-level (and usually later) source transaction, in order to

automatically reverse all or part of the referenced transaction's budget-checked amount. This avoids duplicate postings during the sequential entry of the transaction at different commitment levels. For example, the amount of an encumbrance transaction (such as a purchase order) will, when checked and recorded against a budget, cause the system to concurrently reference and relieve all or part of the amount of a corresponding pre-encumbrance transaction, such as a purchase requisition.

relationship object   In PeopleSoft Enterprise Incentive Management, these objects further define a compensation structure to resolve transactions by establishing associations between compensation objects and business objects.

results management process   In PeopleSoft Sales Incentive Management, the process during which compensation administrators may review processing results, manually change transactions, process draws, update and review payouts, process approvals, and accumulate and push payments to the EIM ledger.

role user   A PeopleSoft Workflow user. A person's role user ID serves much the same purpose as a user ID does in other parts of the system. PeopleSoft Workflow uses role user IDs to determine how to route worklist items to users (through an email address, for example) and to track the roles that users play in the workflow. Role users do not need PeopleSoft user IDs.

role   Describes how people fit into PeopleSoft Workflow. A role is a class of users who perform the same type of work, such as clerks or managers. Your business rules typically specify what user role needs to do an activity.

roll up   In a tree, to roll up is to total sums based on the information hierarchy.

routing   Connects activities in PeopleSoft Workflow. Routings specify where the information goes and what form it takes—email message, electronic form, or worklist entry.

run control   A run control is a type of online page that is used to begin a process, such as the batch processing of a payroll run. Run control pages generally start a program that manipulates data.

run control ID   A unique ID to associate each user with his or her own run control table entries.

run-level context   In PeopleSoft Enterprise Incentive Management, associates a particular run (and batch ID) with a period context and plan context. Every plan context that participates in a run has a separate run-level context. Because a run cannot span periods, only one run-level context is associated with each plan context.

search query   You use this set of objects to pass a query string and operators to the search engine. The search index returns a set of matching results with keys to the source documents.

section   In PeopleSoft Enterprise Incentive Management, a collection of incentive rules that operate on transactions of a specific type. Sections enable plans to be segmented to process logical events in different sections.

security event   In commitment control, security events trigger security authorization checking, such as budget entries, transfers, and adjustments; exception overrides and notifications; and inquiries.

self-service application   Self-service refers to PeopleSoft applications that are accessed by end users with a browser.

session   In PeopleSoft Enterprise Learning Management, a single meeting day of an activity (that is, the period of time between start and finish times within a day). The session stores the specific date, location, meeting time, and instructor. Sessions are used for scheduled training.

session template   In PeopleSoft Enterprise Learning Management, enables you to set up common activity characteristics that may be reused while scheduling a PeopleSoft Enterprise

Learning Management activitycharacteristics such as days of the week, start and end times, facility and room assignments, instructors, and equipment. A session pattern template can be attached to an activity that is being scheduled. Attaching a template to an activity causes all of the default template information to populate the activity session pattern.

setup relationship   In PeopleSoft Enterprise Incentive Management, a relationship object type that associates a configuration plan with any structure node.

sibling   A tree node at the same level as another node, where both roll up into the same parent. A node can be a sibling, parent, and child all at the same time, depending on its location in the tree.

single signon   With single signon, users can, after being authenticated by a PeopleSoft application server, access a second PeopleSoft application server without entering a user ID or password.

source transaction   In commitment control, any transaction generated in a PeopleSoft or third-party application that is integrated with commitment control and which can be checked against commitment control budgets. For example, a pre-encumbrance, encumbrance, expenditure, recognized revenue, or collected revenue transaction.

SpeedChart   A user-defined shorthand key that designates several ChartKeys to be used for voucher entry. Percentages can optionally be related to each ChartKey in a SpeedChart definition.

SpeedType   A code representing a combination of ChartField values. SpeedTypes simplify the entry of ChartFields commonly used together.

SQR   See *Structured Query Report (SQR)*.

statutory account   Account required by a regulatory authority for recording and reporting financial results. In PeopleSoft, this is equivalent to the Alternate Account (ALTACCT) ChartField.

step   In PeopleSoft Sales Incentive Management, a collection of sections in a plan. Each step corresponds to a step in the job run.

Structured Query Report (SQR)   A type of printed or displayed report generated from data extracted from a PeopleSoft SQL-based relational database. PeopleSoft applications provide a variety of standard SQRs that summarize table information and data. You can use these reports as is, customize them, or create your own.

Summary ChartField   You use summary ChartFields to create summary ledgers that roll up detail amounts based on specific detail values or on selected tree nodes. When detail values are summarized using tree nodes, summary ChartFields must be used in the summary ledger data record to accommodate the maximum length of a node name (20 characters).

summary ledger   An accounting feature used primarily in allocations, inquiries, and PS/nVision reporting to store combined account balances from detail ledgers. Summary ledgers increase speed and efficiency of reporting by eliminating the need to summarize detail ledger balances each time a report is requested. Instead, detail balances are summarized in a background process according to user-specified criteria and stored on summary ledgers. The summary ledgers are then accessed directly for reporting.

summary tree   A tree used to roll up accounts for each type of report in summary ledgers. Summary trees enable you to define trees on trees. In a summary tree, the detail values are really nodes on a detail tree or another summary tree (known as the *basis* tree). A summary tree structure specifies the details on which the summary trees are to be built.

table	The underlying PeopleSoft data format, in which data is stored by columns (fields) and rows (records, or instances).
TableSet sharing	Specifies control table data for each business unit so that redundancy is eliminated.
target currency	The value of the entry currency or currencies converted to a single currency for budget viewing and inquiry purposes.
template	A template is HTML code associated with a Web page. It defines the layout of the page and also where to get HTML for each part of the page. In PeopleSoft, you use templates to build a page by combining HTML from a number of sources. For a PeopleSoft portal, all templates must be registered in the portal registry, and each content reference must be assigned a template.
territory	In PeopleSoft Sales Incentive Management, hierarchical relationships of business objects, including regions, products, customers, industries, and participants.
TimeSpan	A relative period, such as year-to-date or current period, that can be used in various PeopleSoft General Ledger functions and reports when a rolling time frame, rather than a specific date, is required. TimeSpans can also be used with flexible formulas in PeopleSoft Projects.
transaction allocation	In PeopleSoft Enterprise Incentive Management, the process of identifying the owner of a transaction. When a raw transaction from a batch is allocated to a plan context, the transaction is duplicated in the PeopleSoft Enterprise Incentive Management transaction tables.
transaction loading process	In PeopleSoft Enterprise Incentive Management, the process during which transactions are loaded into Sales Incentive Management. During loading, the source currency is converted to the business unit currency while retaining the source currency code. At the completion of this stage, the transaction is in the first state.
transaction state	In PeopleSoft Enterprise Incentive Management, a value assigned by an incentive rule to a transaction. Transaction states enable sections to process only transactions that are at a specific stage in system processing. After being successfully processed, transactions may be promoted to the next transaction state and picked up by a different section for further processing.
transaction type	In PeopleSoft Enterprise Incentive Management, a way to categorize transactions to identify specific transaction types (for example, shipment, order, opportunity, and so on). Plan sections process only one type of transaction type. Transaction types can be defined based on a company's specific processes model.
Translate table	A system edit table that stores codes and translate values for the miscellaneous fields in the database that do not warrant individual edit tables of their own.
tree	The graphical hierarchy in PeopleSoft systems that displays the relationship between all accounting units (for example, corporate divisions, projects, reporting groups, account numbers) and determines roll-up hierarchies.
unclaimed transaction	In PeopleSoft Enterprise Incentive Management, a transaction that is not claimed by a node or participant after the allocation process has completed, usually due to missing or incomplete data. Unclaimed transactions may be manually assigned to the appropriate node or participant by a compensation administrator.
uniform resource locator (URL)	In PeopleSoft, the term URL refers to the entire query string. The following is an example of a URL: http://serverx/InternetClient /InternetClientServlet?ICType=Script&ICScriptProgramName=WEBLIB_BEN_ 401k.PAGES.FieldFormula.iScript_Home401k
universal navigation header	Every PeopleSoft portal includes the universal navigation header, intended to appear at the top of every page as long as the user is signed on to the portal. In addition to

	providing access to the standard navigation buttons (like Home, Favorites, and signoff) the universal navigation header can also display a welcome message for each user.
URL	See *uniform resource locator (URL)*.
user interaction object	In PeopleSoft Sales Incentive Management, used to define the reporting components and reports that a participant can access in his or her context. All Sales Incentive Management user interface objects and reports are registered as user interaction objects. User interaction objects can be linked to a compensation structure node through a compensation relationship object (individually or as groups).
variable	In PeopleSoft Sales Incentive Management, the intermediate results of calculations. Variables hold the calculation results and are then inputs to other calculations. Variables can be plan variables that persist beyond the run of an engine or local variables that exist only during the processing of a section.
warehouse	A PeopleSoft data warehouse that consists of predefined ETL maps, data warehouse tools, and DataMart definitions.
worksheet	A way of presenting data through a PeopleSoft Business Analysis Modeler interface that enables users to do in-depth analysis using pivoting tables, charts, notes, and history information.
workflow	The background process that creates a list of administrative actions based on selection criteria and specifies the procedure associated with each action.
worklist	The automated to-do list that PeopleSoft Workflow creates. From the worklist, you can directly access the pages you need to perform the next action, and then return to the worklist for another item.
zero-rated VAT	Abbreviation for *zero-rated value-added tax*. A VAT transaction with a VAT code that has a tax percent of zero. Used to track taxable VAT activity where no actual VAT amount is charged.

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