

PeopleSoft®

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PeopleSoft 8.8  
Global Payroll for Mexico PeopleBook

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PeopleSoft 8.8  
Global Payroll for Mexico 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.

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**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.

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## 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.

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## 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.

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## 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.

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**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.

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### 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](mailto:psoftpress@cc.larwood.com).

## See Also

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

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# 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
<b>Bold</b>	Indicates PeopleCode function names, method names, language constructs, and PeopleCode reserved words that must be included literally in the function call.
<i>Italics</i>	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 <i>0</i> , not the letter <i>O</i> .
KEY+KEY	Indicates a key combination action. For example, a plus sign (+) between keys means that you must hold down the first key while you press the second key. For ALT+W, hold down the ALT key while you press W.
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)	<p>When placed before a parameter in PeopleCode syntax, an ampersand indicates that the parameter is an already instantiated object.</p> <p>Ampersands also precede all PeopleCode variables.</p>
(ISO)	<p>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.</p> <p>The code for the U.S. federal government is USF; the code for education and government is E&amp;G, and the country codes from the International Standards Organization are used for specific countries. Here is an example:</p> <p>(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.</p>
Cross-references	PeopleBooks provide cross-references either below the heading See Also or on a separate line preceded by the word <i>See</i> . 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.

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**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.

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**Important!** Example of an important note.

---

## Warnings

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

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**Warning!** Example of a warning.

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## 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](mailto:doc@peoplesoft.com).

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

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## Common Elements in These PeopleBooks

<b>As of Date</b>	The last date for which a report or process includes data.
<b>Business Unit</b>	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.
<b>Description</b>	Enter up to 30 characters of text.
<b>Effective Date</b>	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.
<b>Once, Always, and Don't Run</b>	Select <b>Once</b> to run the request the next time the batch process runs. After the batch process runs, the process frequency is automatically set to <b>Don't Run</b> . Select <b>Always</b> to run the request every time the batch process runs. Select <b>Don't Run</b> to ignore the request when the batch process runs.

<b>Report Manager</b>	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).
<b>Process Monitor</b>	Click to access the Process List page, where you can view the status of submitted process requests.
<b>Run</b>	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.
<b>Request ID</b>	An ID that represents a set of selection criteria for a report or process.
<b>User ID</b>	An ID that represents the person who generates a transaction.
<b>SetID</b>	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.
<b>Short Description</b>	Enter up to 15 characters of text.

### **See Also**

*Using PeopleSoft Applications*

*PeopleSoft Process Scheduler*

# PeopleSoft Global Payroll for Mexico Preface

This preface discusses:

- PeopleSoft application fundamentals.
- PeopleBook structure.

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**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 product line.

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## PeopleSoft Application Fundamentals

The *PeopleSoft Global Payroll for Mexico PeopleBook* provides you with implementation and processing information for your PeopleSoft Global Payroll for Mexico 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 product line 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 product line. No matter which PeopleSoft HRMS products 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*

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## 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: <ul style="list-style-type: none"><li>• How to use the Application Fundamentals book.</li><li>• How PeopleBooks are structured.</li></ul>

Chapters	Description
Getting Started With...	<p>This chapter discusses product implementation guidelines. It explains:</p> <ul style="list-style-type: none"> <li>• The business processes documented within the book.</li> <li>• Integrations between the product and other products.</li> <li>• 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.</li> </ul>
Understanding...	<p>This is an introductory chapter that broadly explains the product and the functionality within the product.</p>
Setup and Implementation	<p>This can be one or more chapters. These chapters contain documentation to assist you in setting up and implementing the product. For example, if functionality X is part of a product, 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.</p> <p><b>Note.</b> 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.</p>
Business Process	<p>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 product, 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.</p> <p><b>Note.</b> 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.</p>

<b>Chapters</b>	<b>Description</b>
Appendixes	(optional) 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	(optional) This appendix contains an abbreviated list of all of the product'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 Mexico

This chapter provides an overview of PeopleSoft Global Payroll for Mexico business processes and discusses PeopleSoft Global Payroll for Mexico implementation tasks.

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### PeopleSoft Global Payroll for Mexico Business Processes

The following are the business processes for PeopleSoft Global Payroll for Mexico:

- Earnings.
- Christmas bonus.
- Average salary.
- Profit sharing (PTU).
- Overtime.
- Deductions.
- Social Security.
- Federal and state taxes.
- Annual adjustment.
- Subsidy factor.
- Absences.
- Vacations.
- Termination pay.
- Garnishments.
- Results adjustments and reversals.
- Net-to-gross payments.
- Payslips.
- Banking.

We summarize these business processes in “Understanding PeopleSoft Global Payroll for Mexico” and also discuss them in detail in the business process chapters in this PeopleBook.

**See Also**

*Chapter 2, Understanding PeopleSoft Global Payroll for Mexico*

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## PeopleSoft Global Payroll for Mexico Implementation

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

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

In the planning phase of your implementation, take advantage of all PeopleSoft sources of information, including the installation guides and table-loading sequences.

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**Important!** The order in which you set up tables required to implement PeopleSoft Global Payroll for Mexico 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.

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### Setting Up PeopleSoft HRMS Fundamental Tables

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

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

### Setting Up PeopleSoft Human Resources Tables

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

Step	Reference
1. Define personnel action reasons such as employee hire, transfer, and termination information to report to IMSS and INFONAVIT on the Action/Reason Table.	<i>PeopleSoft 8.8 Human Resources PeopleBook: Administer Workforce</i> , “Setting Up the Administer Workforce Business Process”
2. Define company information such as RFC and INFONAVIT ID, Accreditable Subsidy and all Legal Representative data for your company on the Company Table.	<i>PeopleSoft 8.8 Application Fundamentals for HRMS PeopleBook</i> , “Setting Up Organization Foundation Tables”
3. Define a location profile for your company, such as FONACOT ID number, the closest FONACOT office, and tax information on the Location Table.	<i>PeopleSoft 8.8 Application Fundamentals for HRMS PeopleBook</i> , “Setting Up Organization Foundation Tables”
4. Enter information about your company, such as the IMSS guide number, IMSS zone, and IMSS sector, required for social security and tax purposes on the Establishment Table.	<i>PeopleSoft 8.8 Application Fundamentals for HRMS PeopleBook</i> , “Setting Up Organization Foundation Tables”
5. Set up your group definitions to run reports.	<i>PeopleSoft 8.8 Application Fundamentals for HRMS PeopleBook</i> , “Setting Up Groups”
6. Enter the union information for your company such as the union code on the Job Data Table.	<i>PeopleSoft 8.8 Human Resources PeopleBook: Manage Labor Relations</i> , “Setting Up Labor Relations Data,” Setting Up Union Data

## Setting Up PeopleSoft Global Payroll Core Application Tables

PeopleSoft Global Payroll for Mexico requires the setup of various tables in the PeopleSoft Global Payroll core application.

Step	Reference
1. Set up PeopleSoft Global Payroll core application tables.	<i>PeopleSoft 8.8 Global Payroll PeopleBook</i> , “Getting Started With PeopleSoft Global Payroll”

## Setting Up PeopleSoft Global Payroll for Mexico Tables

The steps discussed in this section suggest an order in which you define information on your PeopleSoft Global Payroll for Mexico tables.

Step	Reference
1. (optional) Define utilities in PeopleSoft Global Payroll for Mexico, including element mapping and component variables. This setup is optional and is designed to help technical people manipulate PIN numbers during development.	<a href="#">Chapter 3, “Defining Country Data for Mexico,” page 23</a>
2. Set up and review various core elements, such as retro, accumulators, segmentation, triggers, rounding rules, rate codes, and suffixes, as they apply to Mexico.	<ul style="list-style-type: none"> <li>• <a href="#">Chapter 3, “Defining Country Data for Mexico,” page 23</a></li> <li>• <a href="#">Chapter 2, “Understanding PeopleSoft Global Payroll for Mexico,” page 5</a></li> </ul>

Step	Reference
3. Set up general data for PeopleSoft Global Payroll for Mexico, including minimum wages, general parameters, Xmas, Vac, Premium and SDI Factor, annual adjustments, absence parameters, variable SDI, and PTU.	<ul style="list-style-type: none"> <li>• <a href="#">Chapter 3, “Defining Country Data for Mexico,” page 23</a></li> <li>• <a href="#">Chapter 4, “Defining Earnings in Mexico,” page 43</a></li> <li>• <a href="#">Chapter 4, “Defining Earnings in Mexico,” page 43</a></li> <li>• <a href="#">Chapter 6, “Defining Taxation for Mexico,” page 57</a></li> <li>• <a href="#">Chapter 7, “Defining Absences Rules for Mexico,” page 63</a></li> </ul>
4. Review earnings delivered with your country extension. If necessary, configure the delivered earnings to meet your needs or create new earnings.	<a href="#">Chapter 4, “Defining Earnings in Mexico,” page 43</a>
5. Review deductions delivered with your country extension. If necessary, configure the delivered deductions to meet your needs or create new deductions.	<a href="#">Chapter 12, “Understanding Deductions in Mexico,” page 109</a>
6. Define provisions for vacation, vacation premium and Christmas bonuses.	<a href="#">Chapter 12, “Understanding Deductions in Mexico,” page 109</a>
7. Define social security contributions.	<a href="#">Chapter 5, “Defining Social Security Contributions for Mexico,” page 51</a>
8. Set up information for federal taxes, state taxes, and local taxes, if applicable.	<a href="#">Chapter 6, “Defining Taxation for Mexico,” page 57</a>
9. Set up absence processing, including vacations.	<a href="#">Chapter 7, “Defining Absences Rules for Mexico,” page 63</a>
10. Set up terminations. Review the termination earnings and deductions delivered with your country extension and, if necessary, configure them to meet your needs or create new ones. Define termination versions and termination actions and reasons. Define earnings and deduction SOVR’s (termination versions 01–10).	<a href="#">Chapter 9, “Setting Up Terminations in Mexico,” page 71</a>
11. Define payslips and payroll reports format.	<a href="#">Chapter 10, “Creating Payslips in Mexico,” page 81</a>
12. Set up overtime parameters and payments.	<a href="#">Chapter 8, “Setting Up Overtime Payments for Mexico,” page 67</a>
13. Set up loans, including company loans, Faltante de Caja, INFONAVIT loans, and FONACOT loans.	<a href="#">Chapter 13, “Tracking Loans for Mexico,” page 117</a>
14. Set up garnishments.	<a href="#">Chapter 19, “Understanding Garnishments in Mexico,” page 183</a>
15. Calculate net-to-gross payments.	<a href="#">Chapter 20, “Calculating Net-To-Gross Payments for Mexico,” page 187</a>
16. Enter Payees without Adjustment for the Annual Tax Adjustment year of process.	<a href="#">Chapter 15, “Managing Taxation for Mexico,” page 139</a>
17. Enter Other Employer Data for the Annual Tax Adjustment year of process.	<a href="#">Chapter 15, “Managing Taxation for Mexico,” page 139</a>

## CHAPTER 2

# Understanding PeopleSoft Global Payroll for Mexico

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

- PeopleSoft Global Payroll for Mexico business processes.
- PeopleSoft Global Payroll for Mexico integrations.
- Delivered elements for Mexico.
- Element naming conventions in Mexico.
- Viewing delivered elements for Mexico.

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## PeopleSoft Global Payroll for Mexico

PeopleSoft Global Payroll for Mexico is a “country extension” of the core Global Payroll application. It provides you with the payroll rules, elements, and absence processes needed to run a Mexican payroll.

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## PeopleSoft Global Payroll for Mexico Business Processes

PeopleSoft Global Payroll for Mexico supports the following business processes:

- Earnings.

PeopleSoft Global Payroll for Mexico provides the ability to define and process different types of earnings, including base salary, bonuses, commissions, overtime, profit sharing (PTU), food coupons, vacation premiums, savings funds, and seniority pay. You can also determine the taxable and non-taxable portion of each earning and deduction, such as for overtime, vacation premium, Sunday premium, savings fund, and Christmas bonus.

- Christmas bonus.

You can calculate the Christmas bonus (*Aguinaldo*) given to employees. Bonus amounts are based on the length of service and salary and are prorated according to worked days during the year.

- Average salary.

PeopleSoft Global Payroll for Mexico calculates the average salary based on previous balances or periods. The result of this can be used as a base calculation for earnings and deductions.

- Profit sharing (PTU).

You can calculate amounts due to employees as a result of profit sharing. Profit sharing payments consist of two parts: the employee's salary and the worked days. You can define the profit sharing (PTU) parameters, such as the amount to share, maximum salary, and number of days for temporary employees to be considered into the process. You can generate four different reports for the PTU, including Profit Sharing Project, Eligible Employees, Non-Eligible Employees, and Unpaid Employees.

- Overtime.

You can define the maximum number of double hours per day, the maximum number of occurrences by week, or the maximum number of double hours per week. You can create an annual overtime calendar. You can also record daily and weekly overtime hours for employees, including overtime hours, days off worked hours, and holiday hours. You can generate two overtime reports: one with detail and one without detail.

- Deductions.

PeopleSoft Global Payroll for Mexico provides the ability to define and process many different types of deductions for Mexico including before tax, after tax, and non-taxable deductions. Examples of deductions include union fees, parking dues, absences, personal loans, and deductions based on seniority. You can also set up and track provisions, which are accrued expenses, for vacations, vacation premiums, Christmas bonuses, and IMSS quotas.

- Social security.

PeopleSoft Global Payroll for Mexico provides the ability to calculate and process different aspects of social security, including IMSS (social security), SAR (retirement), and INFONAVIT (housing). You can calculate IMSS quotas for employers and employees and the fixed, variable, and hourly integrated daily salary (SDI). You can generate several social security reports and interfaces, including the SUA Payee Load interface, SUA Transactions interface, IMSS Hire notification, IMSS Termination notification, IMSS Salary Modification notification, Variability report, Work Risk Disabilities report, and the Base Over Cap report. You can also generate a Cash Salary Credit report that lists all the employees who receive a cash salary credit and send it to IMSS every month (required by law).

- Federal and state taxes.

You can define and process federal and state taxes. Examples of federal taxes you can process include the Monthly tax (113, 114, and 115), Annual tax (177, 178, and 116), Termination taxes (112), and other special tax calculation methods, such as RISR 86 and Multiple Months earnings (91). You can also define which earnings and deductions are eligible for the state tax base according to each state's laws, including those for the most complex state taxes, such as Ciudad Juarez (Chihuahua), Hidalgo, Guerrero, and Chihuahua.

- Annual adjustment.

PeopleSoft Global Payroll for Mexico provides the ability to process year-end calculation of taxes and determine if the company withheld the correct amount of taxes during the monthly process. Excess withholding can be used to offset withholding for December and the following months. On the other hand, the difference can be discounted in a single deduction or multiple, depending on the provided parameters.

- Subsidy factor.

You can calculate the subsidy proportion of taxes that will apply to employees in the following calendar year. You can set up subsidy factor parameters for your company, calculate the subsidy factor, and generate a Subsidy Factor report. Additionally, there's a separate process that calculates the subsidy factor, which the user enters in the Company table. Payroll then generates federal taxes based on this subsidy factor.

- Absences.

You can track and define different types of absences including maternity leave, general illness, work risk, work related illness, and in transit work risk. You can create rules for other types of absences, such as for paid-permitted and unpaid-permitted, overlapping absences (such as illness during vacation), subsidy rules, and mass absences. You can also generate an absence report and a Risk Factor report, which lists the employees that were on disability due to work related illnesses or accidents during the year.

- Vacations.

PeopleSoft Global Payroll for Mexico enables you to record and track vacations. You can generate vacation entitlements, create mass vacation takes, handle negative entitlement balances, track accrued vacation premiums for financial reporting, process vacation pay, and generate a vacation report with or without employee detail.

- Termination pay.

You can calculate the final check amount for terminated employees. The system enables you to define different termination versions and which earnings/deductions are considered in each version. You can also define which termination versions are linked with each Job/Action reason. PeopleSoft Global Payroll for Mexico provides two sample letters for the termination and layoff process.

- Garnishments.

PeopleSoft Global Payroll for Mexico enables you to define and process garnishments. This includes defining the recipient information and handling the most complex requirements, such as multiple garnishments by an employee with different rules and priorities. PeopleSoft Global Payroll for Mexico provides the five most common types of garnishment rules, including fixed amount, net pay percentage, total earnings minus tax percentage, total earnings percentage, and specific earnings minus corresponding tax percentage.

- Results adjustments and reversals.

PeopleSoft Global Payroll for Mexico enables you to identify an employee whose check is going to be reversed for a particular calendar and adjust or reverse a check already paid to the employee.

- Gross up earnings.

You can calculate the final check amount for terminated employees. The system enables you to define different termination versions and which earnings/deductions are considered in each version. You can also define which termination versions are linked to each Job Action/Reason. PeopleSoft Global Payroll for Mexico provides two sample letters for the termination and layoff process.

- Payslips.

You can generate payslips using PeopleSoft Global Payroll for Mexico. You can specify the printing order, which earnings and deductions should be printed, and a range of employees to generate their payslips. Sometimes, it's easier to define the earnings and deductions that you want excluded on the payslip, rather than define all the earnings and deductions you want included. If this is the case, you can define your earnings and deductions this way. PeopleSoft Global Payroll for Mexico gives you the choice to set up payslips in the way that works best for your business processes.

- Banking.

You can define source bank and payee bank information. You can run the banking process and specify payment instructions to the bank. The system generates flat files for the top six Mexican banks: Banamex, BBVA Bancomer, Bancrecer, Banorte, Bital, and ScotiaBank.

**See Also**

[Chapter 11, “Tracking Earnings in Mexico,” page 85](#)

[Chapter 12, “Understanding Deductions in Mexico,” page 109](#)

[Chapter 14, “Updating Social Security Contributions in Mexico,” page 125](#)

[Chapter 15, “Managing Taxation for Mexico,” page 139](#)

[Chapter 16, “Updating Absences in Mexico,” page 155](#)

[Chapter 17, “Tracking Overtime in Mexico,” page 171](#)

[Chapter 18, “Processing Terminations in Mexico,” page 179](#)

[Chapter 19, “Understanding Garnishments in Mexico,” page 183](#)

[Chapter 21, “Understanding Results Adjustments and Reversals,” page 193](#)

[Chapter 10, “Creating Payslips in Mexico,” page 81](#)

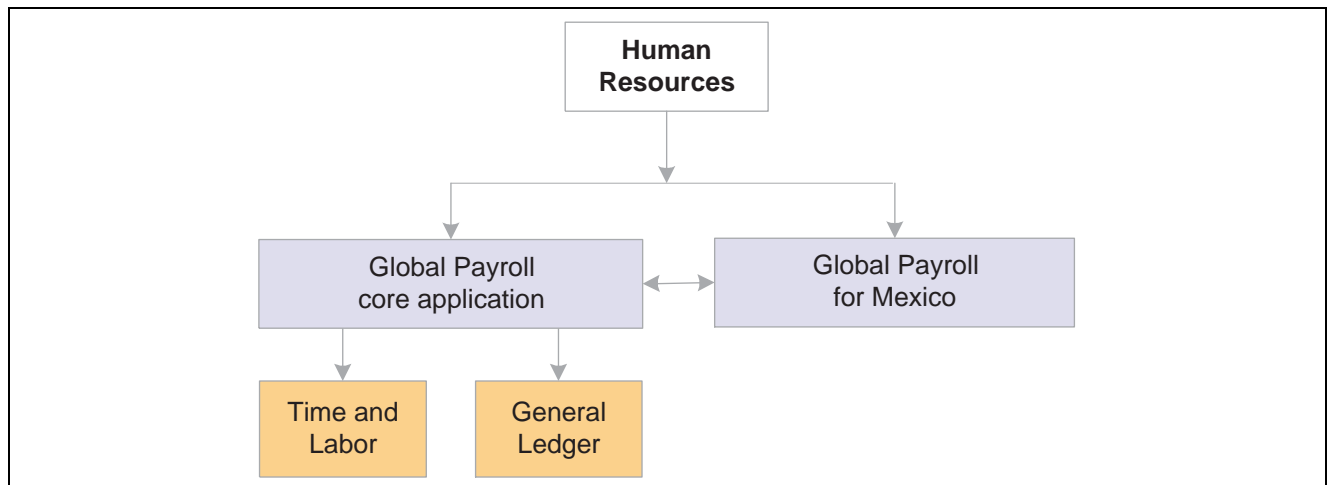
[Chapter 22, “Processing Banking for Mexico,” page 197](#)

[Chapter 20, “Calculating Net-To-Gross Payments for Mexico,” page 187](#)

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## PeopleSoft Global Payroll for Mexico Integrations

PeopleSoft Global Payroll for Mexico integrates with the following PeopleSoft applications:



PeopleSoft Global Payroll for Mexico integration

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

## See Also

[Chapter 1, “Getting Started With PeopleSoft Global Payroll for Mexico,” PeopleSoft Global Payroll for Mexico Implementation, page 2](#)

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Working With Interfaces”

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## Understanding Delivered Elements for Mexico

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

This section discusses:

- Creating delivered elements.
- Understanding element ownership and maintenance.

## Creating Delivered Elements

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

The core application:

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

Country extensions:

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

## Understanding Element Ownership and Maintenance

This section describes PeopleSoft’s approach to element ownership and what this means for the maintenance of Mexican payroll rules. This information helps clarify which parts of the system you might be required to maintain, what you can modify, and what parts of the system you cannot change.

### Element Ownership in PeopleSoft Global Payroll

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

- PS Delivered/Maintained** Elements delivered and maintained on an ongoing basis by PeopleSoft.
- PS Delivered/Not Maintained** Elements 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 might want to define according to a different interpretation of the rules. Although PeopleSoft might occasionally update elements defined as PS Delivered/Not Maintained, you are not required to apply these updates.
- Customer Maintained** Elements created and maintained by your organization. PeopleSoft does not deliver rules defined as Customer Maintained.
- PS Delivered/Customer Modified** Elements that were originally PS Delivered/Maintained 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.

### Element Ownership in PeopleSoft Global Payroll for Mexico

Of the five ownership categories described here, only these two are used to define Mexican elements:

- PS Delivered/Maintained.
- PS Delivered/Not Maintained.

Although PeopleSoft Global Payroll for Mexico 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 delivered elements to meet your own unique requirements.

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

Element Type	Ownership	Exceptions
Earnings	PS Delivered/Not Maintained	Social security subsidies, Cash Salary Credit, Overtime and Profit-sharing earnings.
Deduction	PS Delivered/Not Maintained	Federal taxes (ISR), State taxes, and social security deductions.

Element Type	Ownership	Exceptions
Variable	PS Delivered/Not Maintained	Variables used in social security or tax calculations (federal and state). Variables used in Component Interfaces (mainly in pay group parameters).
Bracket	PS Delivered/Not Maintained	None.
Accumulator	PS Delivered/Not Maintained	<p>In the tax and social security areas, PeopleSoft Global Payroll for Mexico delivers four accumulators that are important for payroll and tax calculation.</p> <ul style="list-style-type: none"> <li>• TOTAL DEDUCCIONES (the only member is TOTAL DEDUCCION N, that contains all the deductions that will affect the net payment).</li> <li>• TOTAL PERCEPCIONES (the only member is TOTAL PERCEPCION N, that contains all the earnings that will add to the net payment).</li> <li>• TOTAL PERC EXENT (the only member is TOTAL PERC EXENT N, that contains all the earnings that will add to the non-taxable base).</li> <li>• TOTAL PERC GRAVAD (the only member is TOTAL PERC GRAVA N, that contains all the earnings that will add to the taxable base).</li> </ul>
Element Group	PS Delivered/Not Maintained	Delivered as sample data.
Process List	PS Delivered/Not Maintained	Delivered as sample data.
Section	PS Delivered/Not Maintained	Delivered as sample data.
Formula	PS Delivered/Not Maintained (varies by functional area)	All the formulas used in social security, federal tax, state tax, and Annual Tax Adjustment are defined as PS Delivered/Maintained. Otherwise, formulas are defined as PS Delivered/Not Maintained.

Element Type	Ownership	Exceptions
Array	PS Delivered/Maintained	None.
Writable Array	PS Delivered/Maintained	None.
Historical Rule	PS Delivered/Not Maintained	Delivered as sample data.
Generation Control	PS Delivered/Not Maintained	Delivered as sample data.
Count	PS Delivered/Not Maintained	Federal taxes and social security elements.
Duration	PS Delivered/Not Maintained	Federal taxes and social security elements.
Date	PS Delivered/Not Maintained	Federal taxes and social security elements.
Proration	PS Delivered/Not Maintained	Federal taxes and social security elements.
Rounding rule	PS Delivered/Not Maintained	Federal taxes and social security elements.

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## Understanding Element Naming Conventions in Mexico

Understanding the naming convention developed for PeopleSoft-delivered elements can help you determine the element type, the functional area it serves, and how it is used. Depending on whether the element is a primary element, a supporting element, or a component of an element, one of the following naming conventions applies.

This section discusses:

- Naming conventions.
- Functional area codes.
- Element type codes (PIN\_TYPE).

### Naming Conventions

This section discusses the naming conventions for:

- Primary elements.
- Supporting elements.

- Component names (suffixes).

We also discuss additional information about abbreviations used with Mexican elements.

## Primary Elements

Primary elements (such as earnings, deductions, absence take, and absence entitlement elements) do not contain functional area codes or element type codes in their names. Primary elements have names, based on Spanish terms, that identify their functions and element types without the use of additional codes. For example, the name of the earnings element SDO POR HORA clearly identifies this element as earnings (SDO [*Sueldo*]), and more specifically, as an hourly salary element (*por hora*).

## Supporting Elements

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

- FF: Functional area code.

See [Chapter 2, “Understanding PeopleSoft Global Payroll for Mexico,” Functional Area Codes, page 18.](#)

- TT: Type of supporting element.

See [Chapter 2, “Understanding PeopleSoft Global Payroll for Mexico,” Element Type Codes \(PIN\\_TYPE\), page 19.](#)

- NAME: Based on a term in Spanish and provides a further means of identifying the element.

For example, in the variable IE VR ESTADO GC:

- IE represents the functional area (state taxes [*Impuestos Estatales*]).
- VR represents the element type.
- ESTADO GC provides a further means of naming the element (variable identifying the state [*estado*] used in generation control [GC]).

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

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## Component Names (Suffixes)

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

For example, suppose that you define the earnings element named EARN1 with the following calculation rule:

$$\text{EARN1} = \text{Rate} \times \text{Unit}$$

The system automatically creates two additional elements for the components in the calculation rule:

- Rate element: EARN1\_RATE.

- Unit element: EARN1\_UNIT.

The system creates suffixes to name the components of the element (\_RATE and \_UNIT).

In PeopleSoft Global Payroll for Mexico, all components and accumulators have:

- Country: MEX
- Separator: \_

In PeopleSoft Global Payroll, all suffixes fall into one of the following types:

- Separator.
- Earnings or deductions component suffixes.
- Earnings or deductions accumulator suffixes.
- Deduction arrears component suffixes.
- Deduction arrears accumulator suffixes.
- Deduction recipient suffixes.
- Absence entitlement component suffixes.
- Absence entitlement accumulator suffixes.

To view all of the suffixes defined for Mexico, use the Element Suffixes page in PeopleSoft Global Payroll (core application).

### Additional Information about Abbreviations Used in Mexican Elements

Many Mexican elements contain abbreviations that provide additional information about their use in the system (beyond that provided by functional area codes or element type codes). For example, PeopleSoft Global Payroll for Mexico delivers the duration element GN DR AÑOS SERV. While the functional area code GN indicates that this element is used across various functional areas (it has general [GN] relevance) and the element type code DR identifies it as a duration element, the abbreviation AÑOS SERV (Service Years [*Años de Servicio*]) provides additional information about how the element measures time. As you become more familiar with the payroll rules created for Mexico, these abbreviations can help you further identify and understand the role played by each element.

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

Abbreviation	Spanish	English
#	<i>Numero</i>	Number
%	<i>Porcentaje</i>	Percentage
ACT	<i>Actual</i>	Current
ACUM	<i>Acumulado</i>	Balances

<b>Abbreviation</b>	<b>Spanish</b>	<b>English</b>
AGUI or AGUIN	<i>Aguinaldo</i>	Christmas bonus
AHOR or AHORR	<i>Ahorro</i>	Savings
ALIM	<i>Alimenticia</i>	Alimony
ANT or ANTIG	<i>Antigüedad</i>	Seniority
ANU	<i>Anual</i>	Annual
ANV or ANIV	<i>Aniversario</i>	Anniversary
ASIG	<i>Asignar</i>	Assign
ASIST	<i>Asistencia</i>	Assistance
CAL	<i>Calendario</i>	Calendar
CALC	<i>Calculo</i>	Calculation process
CIA	<i>Compañía</i>	Company
COMP	<i>Compensar</i>	Compensate
CRE or CRED	<i>Credito</i>	Credit
CUO	<i>Cuota</i>	Quote or fee
DED	<i>Deducción</i>	Deduction
DES	<i>Descuento, Descanso o Despensa</i>	Discount, food, or rest
DESP	<i>Despensa</i>	Food
DEV	<i>Devolucion</i>	Return
DIF	<i>Diferencia</i>	Difference

<b>Abbreviation</b>	<b>Spanish</b>	<b>English</b>
DOB or DOBL	<i>Dobles</i>	Doubles
DOM or DOMIN	<i>Domingo</i>	Sunday
EFE	<i>Efectivo</i>	Cash
ESP	<i>Especial</i>	Special
EX	<i>Exento or Extra</i>	Nontaxable or over
EXC or EXCE	<i>Excedente</i>	In excess
EXE or EXENT	<i>Exento</i>	Nontaxable
FACT	<i>Factor</i>	Factor
FED	<i>Federal</i>	Federal
FES or FEST	<i>Festivo</i>	Holiday
FIC or FICT	<i>Ficto</i>	Fictitious
FIJ	<i>Fijo</i>	Fix
FRE or FREC	<i>Frecuencia</i>	Frequency
GR, GRAV, GRAVA, or GRAVAD	<i>Gravable</i>	Taxable
HOR	<i>Hora</i>	Hours
IMP	<i>Impuesto o Importe</i>	Tax or amount
INC or INCAP	<i>Incapacidad</i>	Disability
ING	<i>Ingresos</i>	Earnings
LIM	<i>Limite</i>	Limit or boundary

<b>Abbreviation</b>	<b>Spanish</b>	<b>English</b>
LIQ or LIQUIDAC	<i>Liquidacion</i>	Layoff
MIN	<i>Minimo</i>	Minimum
NEG	<i>Negativo</i>	Negative
PER	<i>Periodo</i>	Period
PERC	<i>Percepciones</i>	Earnings
PMA	<i>Prima</i>	Premium
PRES	<i>Prestamo</i>	Loan
PRM or PROM	<i>Promedio</i>	Average
PRO	<i>Producidas</i>	Produced
PROP	<i>Proporcion o Proporcional</i>	Proportion or proportional
PROV	<i>Provision</i>	Provision
PRY	<i>Proyectado</i>	Projected
RET	<i>Retenido</i>	Withheld
RETRO	<i>Retroactivo</i>	Retroactive
RNG	<i>Rango</i>	Rank
RSGO	<i>Riesgo</i>	Risk
SAL	<i>Salario</i>	Salary
SDO	<i>Sueldo</i>	Salary
SEGM	<i>Segmento</i>	Segment

<b>Abbreviation</b>	<b>Spanish</b>	<b>English</b>
SUB	<i>Subsidio</i>	Subsidy
SUP	<i>Superior</i>	Top limit
TOP	<i>Tope</i>	Cap
TOT	<i>Total</i>	Total
TRA or TRAB	<i>Trabajado</i>	Worked
TRI or TRIP	<i>Triple</i>	Triple
ULT	<i>Ultimo</i>	Last
UNI or UNID	<i>Unidades</i>	Units
VAC or VACAC	<i>Vacaciones</i>	Vacations
VAL	<i>Vales</i>	Coupons
VAR or VARIAB	<i>Variable</i>	Variable
X	<i>Por</i>	Per

## Functional Area Codes

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

<b>Functional Area</b>	<b>Description (Spanish and English)</b>
AA	<i>Ajuste anual de ISR</i> (annual adjustment)
AG	<i>Aguinaldo</i> (Christmas bonus)
AU	<i>Ausentismo</i> (absences)
DE	<i>Deducciones</i> (deductions)

Functional Area	Description (Spanish and English)
FD	<i>Impuestos Federales</i> (federal taxes)
GN	<i>General - Independiente de area funcional</i> (general use independent of functional area)
IE	<i>Impuestos Estatales</i> (state taxes)
IM	<i>IMSS</i> (Social Security)
LF	<i>Liquidaciones y Finiquitos</i> (terminations)
PA	<i>Pension Alimenticia</i> (garnishments)
PE	<i>Percepciones</i> (earnings)
PI	<i>Piramidación</i> (gross-up earnings)
PR	<i>Prestamos</i> (loans)
PV	<i>Provisiones</i> (provisions)
RE	<i>Reversiones</i> (reversals)
RU	<i>Reparto de utilidades</i> (profit sharing)
SP	<i>Salario Promedio</i> (average salary)
TE	<i>Tiempo extra</i> (overtime)
VA	<i>Vacations</i> (vacations)

## Element Type Codes (PIN\_TYPE)

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

Element Type	Description
AE	Absence entitlement
AT	Absence take
AC	Accumulator
AR	Array
AA	Auto assigned
BR	Bracket
CT	Count
DT	Date
DD	Deduction
DR	Duration
ER	Earnings
EG	Element group
EM	Error message
FC	Fictitious calculation
FM	Formula
GC	Generation control
HC	Historical rule
PP	Previous period rule
PR	Process

Element Type	Description
PO	Proration rule
RC	Rate code
RR	Rounding rule
SE	Section
SY	System element
VR	Variable
WA	Writable array

---

## Viewing Delivered Elements for Mexico

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

### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Delivered Elements and System Data”



## CHAPTER 3

# Defining Country Data for Mexico

This chapter discusses how to:

- Set up utilities in PeopleSoft Global Payroll for Mexico.
- Set up PeopleSoft Global Payroll for Mexico data.
- Use PeopleSoft Global Payroll core functionality in Mexico.
- Understand enterprise integration points (EIPs) used in PeopleSoft Global Payroll for Mexico.
- View delivered sections and process lists for Mexico.

---

## Setting Up Utilities in PeopleSoft Global Payroll for Mexico

This section discusses the utilities you need to set up in PeopleSoft Global Payroll for Mexico and describes how to define:

- Element mapping
- Component variables

---

**Note.** This setup is optional and is designed to help technical people manipulate PIN numbers during development.

---

## Pages Used to Define Utilities in Global Payroll for Mexico

Page Name	Object Name	Navigation	Usage
Element Mapping	GPMX_ELEM_MAP	Set Up HRMS, Product Related, Global Payroll, Elements, Map Elems to Comp/Rcd MEX, Element Mapping	Set up the mapping to the fields and variables of an element which are used during development in the components interface objects.
Component Variables	GPMX_COMP_VARS	Set Up HRMS, Product Related, Global Payroll, Elements, Define Variable Attributes MEX, Component Variables	Define the variables for components to be used on the Element Mapping page to define the variable type.

## Defining Element Mapping

Access the Element Mapping page.

Element Mapping

**Country:** MEX Mexico

**Key Name:** GPMX\_PARM\_PYGRP      **Key Type:** Component

Elements Overrides      Customize | Find | View All      First      1-8 of 9      Last

	Type	*Map Value	Entry Type	Name		
1	Other	7TH_DAY_PAY	VR2	PE VR SEPTIMO DIA	+	-
2	Other	ADJ_FACTOR	VR2	FD VR AJU FAC ISR	+	-
3	Other	CONVENIO	VR2	AU VR CONVENIO	+	-
4	Other	CRE_SAL	VR2	FD VR NOM CRED EF	+	-
5	Other	IMSS_CIA_PAY	VR2	GN VR CUO PAG X PA	+	-
6	Other	SALDO_NEGATIVO	VR2	VA VR SALDO NEG	+	-
7	Other	TAX_CRED	VR2	FD VR APL CRE SAL	+	-
8	Other	VACBONUS	VR2	VA VR PMA VAC ANIV	+	-

Element Mapping page

**Type**      The key type that your mapping applies to appears here. Valid values are *Other* and *Field*.

---

**Note.** The Type field is populated depending on the key type you selected (either Record or Component) and can't be modified.

---

**Map Value**      Select the field or value to which you want to map. If you selected Record as the key type, you can select the record fields. If you selected Component as the key type, then you can select the variables defined for the component.

**Entry Type**      Select the element type on which you want to transform your field or variable. Valid values are *Accumulator*, *Bracket- Numeric*, *Count*, *Deduction*, *Earnings*, *Formula – Numeric*, *Rate Code*, *Rate Code – Amount*, *Variable – Numeric*, *Variable – Pointer*, and *Variable – Dec+Char+Date+Ptr*. Valid values depend on the Map Value Type. For example, if you select a Character map value, then you can select only character values.

---

**Note.** Although you can see *System Element – Numeric* as a value, you will not be able to select it. The entry type cannot be a system element or a constant.

---

**Name**      Select the name of the element.

The element map plays a critical role when packaging and moving elements and data to other databases.

PIN numbers are used in PeopleCode, component interfaces, and reports to refer to global elements. The PIN number is a consecutive number so it can change between databases or releases; therefore, there is a need to create a utility during development so that the PIN number is not hard-coded. Using the utility also ensures consistency between the PIN number changes.

### PeopleCode Function Example:

When you need to use a PIN number in the PeopleCode, use this function to obtain the corresponding PIN number:

```
Declare Function Get_Pin_Num PeopleCode GPMX_DERIVED_EM.PIN_NUM FieldFormula;

&Record_Name = "GPMX_LOAN";

&Date_Pin_Num = Get_Pin_Num("R", &Record_Name, "DATE");
```

There are two ways to map an element:

- By record
- By component

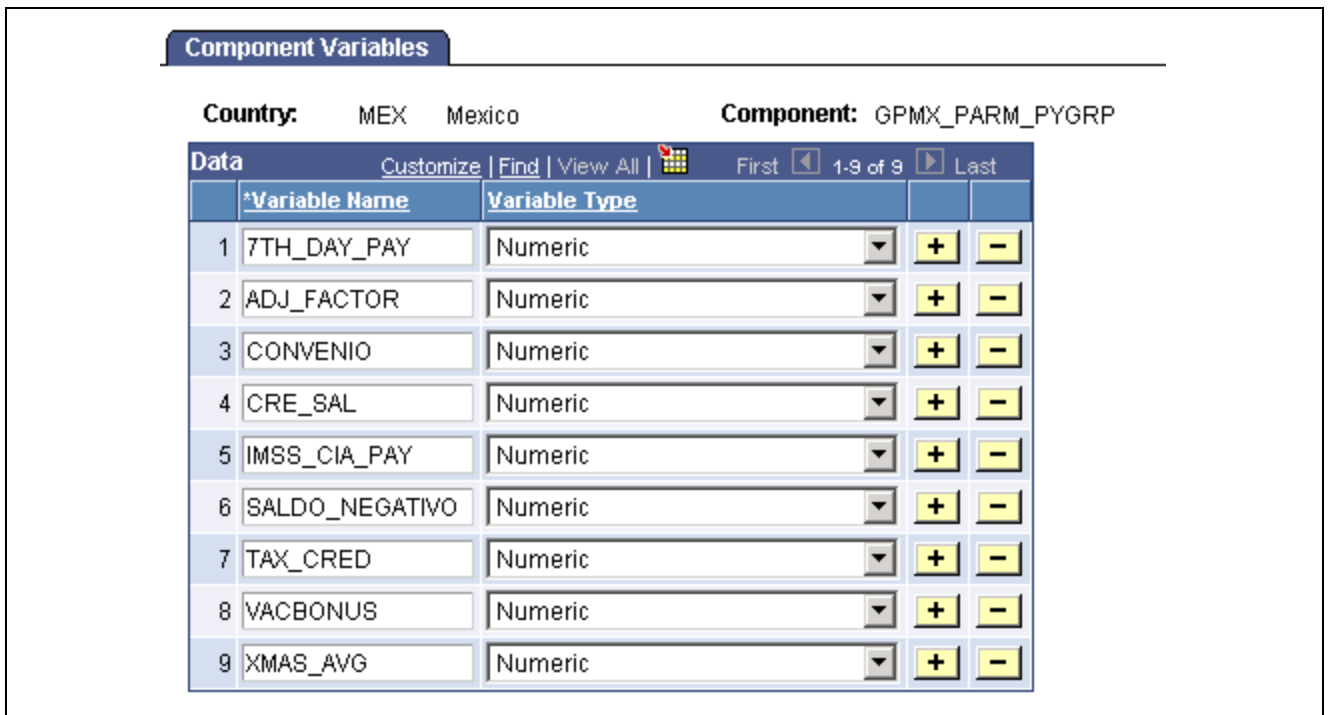
Select Record when you need to map a record field into a core Global Payroll element.

Select Component when the mapping doesn't depend on a record field; instead, it depends on some behavior on the page, for example, the record is used in more than one place and must map to different core Global Payroll elements.

If you select to map an element by component, you may want to define your component variables before you define your element mapping. You'll do this on the Component Variables page.

## Defining Component Variables

Access the Component Variables page.



Component Variables page

If you choose to map your elements by Component, you may want to define your component variables before you map your elements.

- Variable Name** Enter the name of the variable. This can be any name you want to use during PeopleCode development.
- Variable Type** Select the variable type. Valid values are *Character*, *Date*, and *Numeric*.

---

**Note.** Once you’ve defined your component variables, you can map your elements on the Element Mapping page.

---

**See Also**

[Chapter 3, “Defining Country Data for Mexico,” Defining Element Mapping, page 23](#)

---

## Setting Up PeopleSoft Global Payroll for Mexico Data

This section discusses the general setup pages and parameters you need to set up in PeopleSoft Global Payroll for Mexico and describes how to define:

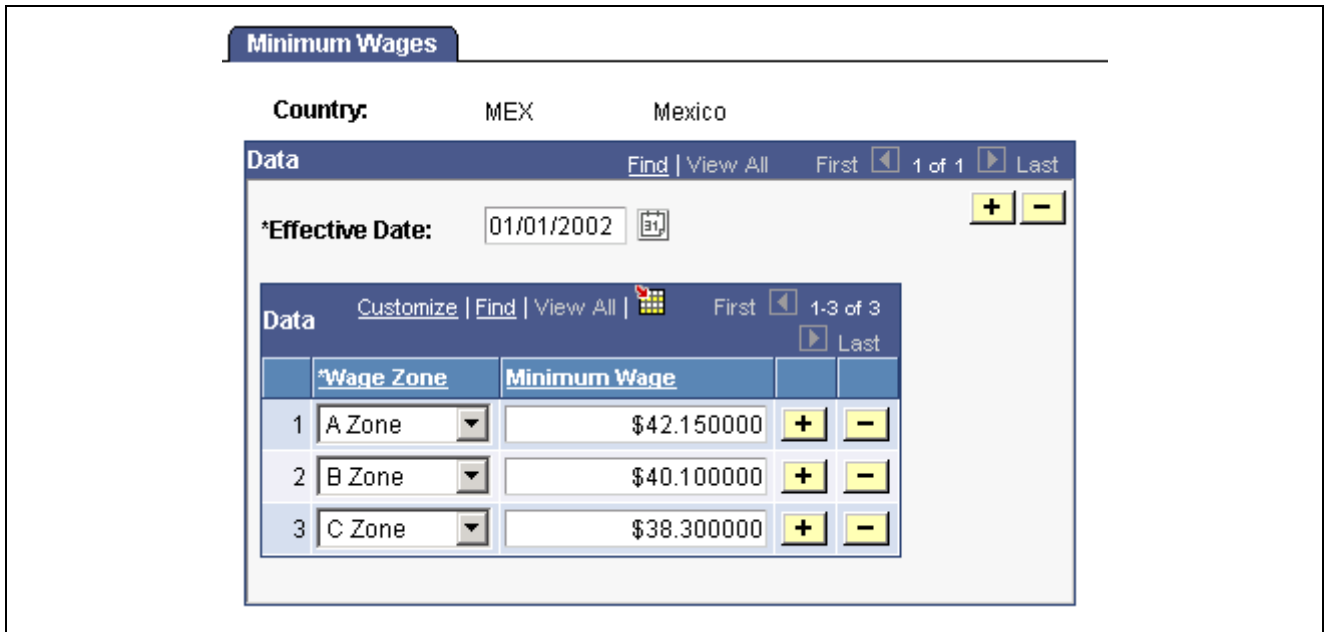
- Minimum wages
- General parameters
- Element lists

### Pages Used to Define Country Setup for Mexico

Page Name	Object Name	Navigation	Usage
Minimum Wages	GPMX_MIN_WAGE	Set Up HRMS, Product Related, Global Payroll, Additional Rates and Ceilings, Minimum Wages MEX, Minimum Wages	Define minimum wages for each wage zone. You can update this page as minimum wage rates change.
General Parameters	GPMX_TAX_PARM	Set Up HRMS, Product Related, Global Payroll, Framework, Organizational, Pay Groups MEX, General Parameters	Define general parameters for federal taxes and IMSS quotas.
Element List	GPMX_PAYSLIP_FORMA	Set Up HRMS, Product Related, Global Payroll, Reports, Element Lists MEX, Element List	Enter the earnings and deductions that are eligible to print on a payslip. Element lists are used in the payroll results register and in termination/layoff letters, as well as the payslip generation process.

### Defining the Minimum Wage

Access the Minimum Wages page.



Minimum Wages page

**Wage Zone**

Enter the wage zone. Valid values are *A Zone*, *B Zone*, and *C Zone*.

**Minimum Wage**

Enter the minimum wage for the wage zone.

The minimum wage in Mexico is determined as a daily amount, not an hourly amount. For example, in A Zone, the minimum wage for the year 2002 is \$42.15 (per day). Minimum wages are used in determining several earnings caps such as vacation premium caps and Sunday premiums. For example, the law states that the non-taxable base for a Sunday premium will be equal to one daily minimum wage rate.

---

**Note.** Because minimum wage amounts usually change from year to year, you can update this table by adding a new effective-dated row.

---

**See Also**

[Chapter 4, “Defining Earnings in Mexico,” Calculating Earnings Based on the Minimum Wage, page 43](#)

**Defining General Parameters**

Access the General Parameters page.

General Parameters page

## Tax Parameters

These fields apply to Federal tax processing.

### Day Factor

If you select the Apply Adjustment Factor check box, enter the day factor. Valid values are 30 or 30.4, in most cases. The value you select corresponds to the monthly taxable base.

### Apply Adjustment Factor?

Select if your company adjusts the payroll for federal taxes. For example, federal taxes in Mexico are due monthly, but let's say that your company has a semimonthly payroll. So, you will divide the number of days so that it's adjusted for the monthly federal taxes.

---

**Note.** Day Factor and Apply Adjustment Factor are only used to calculate federal taxes.

---

### Salary Credit only in Adj Prd (adjustment period)

Select if you're going to give a subsidy or salary credit to an employee only in an adjustment period (usually the last period of each month).

### Pay Cash Salary Credit

Select to indicate that the Cash Salary Credit will be paid on a separate payslip (if a separate payroll is run). If you select this check box, the Cash Salary Credit will not appear in an employee's regular payslip.

### Pay Xmas Bonus with Avg. Salary

In Mexico, it's common for employees to receive their Christmas bonus with the daily rate. However, some employees may receive commission or other additional pay. In these cases, the Christmas bonus can be paid by the sum of the daily salary, which results in the average salary. If this situation applies for a pay group, select this check box.

### Tax Method

Select the method used for calculating the month to month tax deduction. The tax methods you can choose from are:

Article 86, Article 91, Article 112, and Article 113. If you choose to calculate with the Article 113 tax method, you can further specify details in this field. Valid values for the Article 113 tax method are *Adjustment During the Month*, *Adjustment at end of the Month*, *Annual Projection Method*, *Semi-monthly Projected* and *Without Adjustment*.

Examples of each Article section are:

Article 86 – Select this method only for the following types of earnings and deductions: vacation premium, profit-sharing, and Christmas bonus.

Article 91 – Select this method for earnings and deductions that are calculated on a pay period other than monthly. One example is a quarterly bonus. This type of earning is paid once a quarter but is calculated based on the quarterly salary × percentage. This means that an employee receives in one month an earning that really corresponds to three months. It would be unfair to withhold tax using Article 113, because these rates are defined only for monthly payments.

Article 112 – Select this method for earnings and deductions that are part of a termination/layoff process such as three months of severance, 20 days per year, and the seniority premium.

Article 113– Select this method for regular earnings such as salary, overtime, Sunday premium, bonus, and commissions.

## IMSS Quotas

These fields apply to social security setup.

- |                                     |   |
|-------------------------------------|---|
| <b>Base Days for Variable SDI</b>   | Select the method you'll use for calculating the variable portion of SDI. For example, let's use overtime as a type of variable SDI. Since you won't know how much overtime will be reported ahead of time, you will calculate this variable amount at the end of the month, after the actual overtime hours have been reported. The type of base days you'll use to calculate variable SDI is defined here. Valid values are <i>60 Days</i> , <i>Bimonth Days</i> , <i>Hourly Payee</i> , and <i>Paid Days</i> . |
| <b>IMSS Quotas Base Salary</b>      | Helps to determine if you should pay IMSS quotas for workers with minimum wages by comparing the Minimum Wage to the SDI or Daily Salary. Valid values are <i>SDI</i> and <i>Salary</i> .   |
| <b>IMSS Quotas Paid by Employer</b> | Some companies always pay the employees' IMSS quotas. If you select this check box, it helps determine whether your company should subtract the IMSS quotas from the employee's earnings or not.  |

---

**Note.** You'll select the IMSS Quotas Paid by Employer check box if the employee quotas will not be deducted from the net pay of the employee. You'll also define which salary type the system will compare to the minimum wage (either the Daily Salary or the SDI) in the IMSS Quotas Base Salary field. Although the law states that employers do not need to withhold IMSS quotas for employees with minimum wages, some companies compare the SDI versus the minimum wage instead of the Daily Rate versus the minimum wage to decide if they're going to withhold IMSS quotas for employees with minimum wage. In PeopleSoft Global Payroll for Mexico, you have the choice of how you want to define your IMSS quotas for employees earning minimum wage.

---

## General Parm

### Salary Calculation Type

Valid values are *Calendar Days*, *Frequency Days*, and *Hourly*. If you select *Calendar Days*, then the salary based will be calculated based on the days of the calendar. If you select *Frequency Days*, the salary paid will be calculated according to the days being processed in the period. If you select *Hourly*, the pay will be calculated for the hours entered at the payee level.

### Pay Seventh Day

Select if workers should be paid for the seventh day in a week. This field is commonly used for union purposes. If you select this check box, it will trigger an earning to separate regular earnings from the seventh day earnings.

The following is a list of PeopleSoft-delivered variables that are populated into the core application as override variables:

Field	Entry Type	Core PeopleSoft Global Payroll Element
GPMX_ADJ_FACTOR	Variable	FD VR AJU FAC ISR
GPMX_DAY_FACTOR	Variable	FD VR FAC MEN ISR
GPMX_TAX_METHOD	Variable	FD VR SEL TIP ISR
GPMX_TAX_CRED	Variable	FD VR APL CRE SAL
GPMX_IMS_ER_PAID	Variable	GN VR CUO PAG X PA
GPMX_BASE_DAYS	Variable	IM VR DIAS VARIAB
GPMX_BAS_SAL_IMS	Variable	IM VR BASE SAL IMS
GPMX_PYGRP_CALC	Variable	GN VR TIPO CALC

Field	Entry Type	Core PeopleSoft Global Payroll Element
GPMX_7TH_DAY_PAY	Variable	PE VR SEPTIMO DIA
GPMX_CRE_SAL	Variable	FD VR NOM CRED EF
GPMX_XMAS_AVG	Variable	AG VR PROMEDIO

**Note.** All of these parameters are mapped to the corresponding variable. If you want to override the value to any of these variables at any level (for example, pay group, pay calendar, payee), you can do so. For example, the tax method for a pay group could be defined originally as *Adjustment During the Month*, but you can override this value at the payee level to be *Without Adjustment*.

**See Also**

[Chapter 4, “Defining Earnings in Mexico,” page 43](#)

[Chapter 15, “Managing Taxation for Mexico,” page 139](#)

[Chapter 5, “Defining Social Security Contributions for Mexico,” page 51](#)

## Defining Element Lists

Access the Element List page.

Element List page

**Note.** The Element List page is used in the payroll results register and in termination/layoff letters, as well as payslip generation.

## Earnings and Deductions Eligible Print

<b>Total Earnings</b>	Select the element that corresponds to total earnings.
<b>Total Deductions</b>	Select the element that corresponds to total deductions.
<b>Net Pay</b>	Select the element that corresponds to net pay.
<b>Include/Exclude</b>	You can either choose to enter the earnings or deductions you want included on the payslip or you can choose to enter the earnings and deductions you want to exclude, depending on what is the easiest way for you to define your payslips. For example, if you have defined 20 types of earnings and you only want to include 5 of them, the easiest way is to include those 5 earnings, instead of excluding the other 15 earnings. In another case, if you want to exclude only 3 earnings from the payslip, you can select Exclude and then enter the 3 earnings that you want to exclude, instead of including the other 17 earnings.

## Earnings

<b>SeqNum</b> (sequence number)	Enter the sequence number for the earnings.
<b>Earnings</b>	Select the individual earnings elements that will be included (or excluded) in the payslip.

## Deductions

<b>SeqNum</b> (sequence number)	Enter the sequence number for the deduction.
<b>Deduction</b>	Select the individual deduction elements that will be included (or excluded) in the payslip.

---

## Using PeopleSoft Global Payroll Core Functionality in Mexico

This section discusses how to:

- Define retroactivity
- Use accumulators
- Use segmentation
- Use triggers
- Use rounding rules
- Use rate codes

---

**Note.** For information on suffixes used in PeopleSoft Global Payroll for Mexico, see “Understanding PeopleSoft Global Payroll for Mexico.”

---

## Defining Retroactivity in Mexico

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

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

- Corrective
- Forwarding

---

**Note.** In Mexico, all retro is handled with the forwarding method. This includes both the Default retro method and the On Conflict retro method.

---

With the forwarding method, payments are calculated in the respective periods, but balance accumulators for the period are not updated. Only the segment accumulators are updated. Deltas are created for each earning, deduction, and segment accumulator used in the process list. These deltas, which are identified on the Retro Process Override page, are forwarded to the current period.

The system generates a retro trigger every time you enter a change on the following data.

### Changes in the Employee's Data

Changes in employee data include compensation rate-related changes:

- Status.
- Compensation frequency.
- Standard hours.
- Pay system flag.
- Action for retroactive hire.
- Action for retroactive termination.

### Changes in Other Data

Changes in other data include absence take-related changes:

- Positive input.
- Overtime.
- Pay group.

Earnings and deductions are recalculated and a difference results.

---

**Note.** Not all earnings or deductions will have an adjustment for retro. Some of the earnings and deductions are forwarded to one earning or deduction, which then appears as a single adjustment in the current period.

---

### Making Retro SDI Changes in Mexico

In PeopleSoft Global Payroll for Mexico, the system can also generate retro triggers for all employees for changes in the SDI, such as changes in minimum wage, SDI, or seniority anniversary. You'll do this on the SDI Triggers page, which is discussed with Social Security.

**See Also**

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Setting Up Triggers,” Segmentation Triggers

Chapter 14, “Updating Social Security Contributions in Mexico,” Creating Triggers for SDI, page 129

**Using Accumulators in Mexico**

In Mexico, the following types of accumulators are used:

- Annual accumulators to calculate the annual adjustment for taxes and PTU (profit-sharing).
- Monthly accumulators to calculate taxes and social security quotas.
- Weekly accumulators to calculate overtime.

---

**Note.** It’s very important that for every earning and deduction you define, you should carefully determine if it needs to have its own Month to Date and Year to Date accumulators. Avoid creating unnecessary accumulators, since this may affect performance.

Most of the accumulators need to have the company defined as User Key 1.

---

**See Also**

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Setting Up Accumulators”

**Using Segmentation in Mexico**

In PeopleSoft Global Payroll, if there is a change to employee details within a pay period that might affect calculation, such as a pay rate increase, the calculation creates two slices. One slice uses the details before the change and the other slice uses the details after the change.

PeopleSoft Global Payroll provides two types of segmentation: period segmentation or full segmentation and element segmentation or slice. Period segmentation occurs when more than one gross-to-net calculation is required. Element segmentation occurs when there is a change in the rate that affects the calculation of one or more elements. In other words, element segmentation occurs when you want to calculate a select set of earnings or deductions multiple times, but not the entire gross to net calculation.

In PeopleSoft Global Payroll for Mexico, changes in pay group or pay entity produces a period segmentation.

PeopleSoft Global Payroll for Mexico delivers some segmentation; however, you can alter these depending on your business needs.

**Creating Earnings and Segmentation**

Whenever a salary earning is created, you must enter it on the list of elements that will be sliced by the element segmentation established before.

To enter the salary earnings on the list:

1. Go to the Segmentation Event Definition page in the core application.
2. Select the COMPRATE event.
3. Find the elements for Mexico, under Country = MEX.

4. Add the new salary earnings.

### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Segmentation,” Understanding Segmentation

## Using Triggers in Mexico

Triggers are used to detect online changes to data that should result in some type of system action. Examples of common data changes that might use triggers include a new employee hire or a change in pay rate.

PeopleSoft Global Payroll provides three types of triggers:

- Iterative – tells the system to process an employee for the current period.
- Segmentation – tells the system to segment a period or element.
- Retro – tells the system to perform retro processing.

---

**Note.** You must first set up an iterative trigger to tell the system when an event occurs, it should perform the desired action. After that, you can use a trigger to process an employee, perform segmentation, or perform retro processing.

---

PeopleSoft Global Payroll for Mexico delivers some triggers; however, you can alter these depending on your business needs.

### Delivered Iterative Triggers

The following is a list of iterative trigger setups that are delivered with PeopleSoft Global Payroll for Mexico.

Changes to:	Trigger
Employee’s employment record	EMPLOYMENT
Employee’s job record	JOB
Employee’s compensation record	COMPENSATION
Employee’s personal data record	PERSONAL_DATA
Employee’s contract data record	CONTRACT_DATA
Employee’s positive input records	GP_PI_MNL_DATA
Employee’s positive input supporting element override record	GP_PI_MNL_SOVR

Changes to:	Trigger
Employee's payee override record (earnings and deductions assignments)	GP_PYE_OVRD
Employee's payee element assignment supporting element override record	GP_PYE_OVR_SOVR
Employee's payee section detail record	GP_PYE_SECT_DTL
Retro trigger record	GP_RTO_TRGR
Retro trigger country record	GP_RTO_TRG_CTRY
Segmentation trigger record	GP_SEG_TRGR
Employee's personal data effective date record	PERS_DATA_EFFDT
Employee's schedule calendar assignment record	SCH_ASSIGN
Employee's workday overrides record	SCH_MNG_SCH_TBL
Employee's workforce contract type record	WKF_CNT_TYPE
Employee's absence records	GP_ABS_EVENT, GP_ABS_OVRD, etc.

## See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, "Setting Up Triggers"

## Using Rounding Rules in Mexico

In PeopleSoft Global Payroll, you can apply rounding to any component of an earning or deduction, the resolved amount of an earning or deduction, or within a formula. Rounding is applied to each of the components first before the resolved amount is rounded. Rounding is applied after proration rules have been applied.

PeopleSoft Global Payroll for Mexico delivers the following rounding rules:

- Round to Nearest 2 decimals for all accumulators, earnings and deductions.
- Round Up to Nearest 2 decimals for social security contributions, in order to guarantee that employees won't be fined because of rounding issues.
- Round to Nearest 0 decimals, to apply to *Vales de Despensa* (pantry vouchers). \$1.00 vouchers are usually the lowest denomination.

## See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Calculation Elements,”  
Defining Rounding Rule Elements

## Using Rate Codes in Mexico

PeopleSoft Global Payroll for Mexico supports the following different types of salaries:

- Monthly
- Semimonthly
- Biweekly
- Weekly
- Daily
- Hourly

PeopleSoft Global Payroll for Mexico delivers the following rate codes to support the list of salaries:

Rate Code	Description
KYB	Biweekly Flat Amount
KYB34	Biweekly Flat Amount 30.4
KYM	Monthly Flat Amount
KYS34	Semimonthly Flat Amount 30.4
KYS	Semimonthly Flat Amount 30
KYW	Weekly Flat Amount 30
KYW34	Weekly Flat Amount 30.4
KYD	Daily Flat Amount
KYD34	Daily Flat Amount 30.4
KYHORA	Hourly

## Understanding Enterprise Integration Points

Enterprise integration points, or EIPs, are interfaces between the different PeopleSoft products such as PeopleSoft Financials and PeopleSoft Human Resources. They allow publication and transfer of database contents from one database to another.

PeopleSoft Global Payroll for Mexico uses two EIPs based on Application Messaging technology. The application messages received within PeopleSoft Global Payroll for Mexico are triggered in response to saved field changes in the JOB record in PeopleSoft Human Resources. The following table lists the application messages received by PeopleSoft Global Payroll for Mexico:

Message Name	Channel	Message Subscription PeopleCode	Record	Page(s)	Explanation
WORKFORCE_SYNC	PERSON_DATA	SDI Hire Termination Job	JOB	JOB_DATA1	Hire and Termination process: When the JOB.ACTION is HIR, REH, TER, LOF, or COM, a row is added to GPMX_SDI_WA.
WORKFORCE_SYNC	PERSON_DATA	Termination version Job	JOB	JOB_DATA1	Termination process: When the JOB.ACTION is TER, LOF, or COM, a row is added to PS_GP_PYE_SOVR.

PeopleSoft Global Payroll for Mexico also has some Component Interfaces. The following lists these components:

Object Name	Description	Component
GPMX_EMPL_NA	Payees without adjustment	GP_PAYEE_SOVR
GPMX_LN_PYE_OVRD	Earning/Deduction Assignment	GP_PAYEE_OVRD
GPMX_PAYGRP_SOVR	Update Paygroup Override	GP_PYGRP

Object Name	Description	Component
GPMX_PI	Positive Input	GP_PI_MNL_ERNDED
GPMX_SAL_LEVDED	Salary Levels Report – Deduction	GP_DEDUCTION
GPMX_SAL_LEVERN	Salary Levels Report – Earning	GP_EARNING

**Note.** To research the technical details of any Enterprise Integration Point (EIP) used by PeopleSoft applications, refer to the online EIP Catalog database that can be found under Open Integration Framework in the Documentation section of the Customer Connection website.

## Viewing Delivered Elements

PeopleSoft Global Payroll for Mexico delivers the following sections and process lists.

### Delivered Sections for Mexico

The following table lists the delivered sections for Mexico:

Section	Description
VACACIONES AUS	Generate Vacations Entitlement
VACACIONES NOM	Vacations Payroll Process
AJUSTE ANUAL 77	Annual Tax Art. 77
AJUSTE ANUAL 1991	Annual Tax 1991Method
SEGURO SOCIAL	Social Security
INICIALIZACION NOM	Payroll Initialization
PERCEPCIONES	Earnings
TIEMPO EXTRA	Overtime
PROMEDIO	Average Salary
LIQ Y FINIQUITOS	Termination Pay

Section	Description
DEDUCCIONES	Deductions
PRESTAMOS	Loans
IMPUESTOS EST	State Taxes
IMPUESTOS FED	Federal Taxes
PROVISIONES	Provisions
DESPUES IMPUESTOS	To be Calculated after taxes
AJUSTE REDONDEO	Net Pay Adjustment
AGUINALDO SEC	Christmas Bonus
INICIALIZACION AUS	Absences Initialization
AUSENTISMO AUS	Absences Generations
AUSENTISMO NOM	Absences Payroll Process
PIRAMIDADO SEC	Gross-up Earnings
SDI VARIABLE	Variable SDI
PTU SEC	PTU
FORMATO 37	Execute Write Array Form 37
SUELDO FRE/CAL/HOR	Salary Frequency and Cal Days
SDI FIJO	Fixed SDI
SALDO VACACIONES	Termination Balance Days
GRABA SDI	Saves WA SDI

Section	Description
RETRO	Retro section
SALDOS AJUSTE ISR	Pay and discount ISR Adjustment

## Delivered Process Lists for Mexico

The following table lists the delivered process lists for Mexico:

Process List	Description
CALC AGUINALDO	Christmas bonus process
AUSENTISMOS	Absences Process
NOMINA	Payroll Process
NOMINA ESPECIAL	Special Payroll Process
CALC PTU	PTU Process
CALC SDI VARIAB	Variable SDI Process
CALC SDI FIJO	Fixed SDI
AJUSTE ANUAL	Annual tax adjustment process

---

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

---

### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Delivered Elements and System Data”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Earnings and Deduction Elements”



## CHAPTER 4

# Defining Earnings in Mexico

This chapter discusses how to:

- Calculate earnings based on the minimum wage.
- Define the SDI factor for Christmas bonuses and vacation premiums.
- Define the adjustment factor and maximum days for PTU (profit sharing).
- Set up frequently used supporting element overrides (SOVRs).

---

**Note.** The different earning types in Mexico are discussed in “Tracking Earnings in Mexico,” Viewing Delivered Earnings Elements.

---

### See Also

[Chapter 11, “Tracking Earnings in Mexico,” page 85](#)

---

## Calculating Earnings Based on the Minimum Wage

Some earnings are calculated in relation to the minimum wage. For example, the Sunday premium and savings fund earnings are tax exempt up to an amount equal to the minimum wage. Any amount over the minimum wage is taxed. To define the minimum wage used in these calculations, use the Minimum Wages page.

### See Also

[Chapter 3, “Defining Country Data for Mexico,” Defining the Minimum Wage, page 26](#)

---

## Defining the SDI Factor for Christmas Bonuses and Vacation Premiums

Christmas bonuses and vacation premiums can be calculated based on either the daily salary or the average salary. To set up the calculation of the Christmas bonus and vacation premium, define an SDI factor on the Xmas, Vac, Premium, SDI Factor page. The SDI factor represents the amount over the daily salary or average salary that the employee makes because of the vacation premium and the Christmas bonus.

This section provides an overview of the SDI factor calculation and discusses how to:

- Define Christmas bonus days, vacation days, and vacation premium percent.

- Define other vacation and Christmas bonus parameters.

## Understanding the SDI Factor Calculation

PeopleSoft Global Payroll for Mexico calculates the SDI factor automatically based on parameters that you enter on the Xmas, Vac, Premium, SDI Factor page. The parameters are as follows:

- Number of Christmas bonus days.
- Number of vacation premium days.
- Vacation premium percent.

Based on the Christmas bonus days, the vacation premium days, and the vacation premium percent, the system determines the SDI factor, and uses it to:

1. Calculate IMSS quotas.
2. Define the base used to calculate vacation premiums and Christmas bonus amounts.

### Example: Calculating the SDI Factor

For example, if the Christmas bonus is 30 days, and the number of vacation days is 10, with a premium of 25 percent, the system calculates the SDI Factor as follows:

1. Determine the portion of the SDI factor due to the Christmas bonus by dividing the number of Christmas days by 365 (days in year). The result is the percentage over the daily or average salary that must be paid to the employee due to the Christmas bonus.

---

**Note.** In this example, divide 30 by 365 ( $30 / 365 = 0.0821915$ ).

---

2. Determine the vacation premium portion of the SDI factor by dividing the number of vacation days by 365 (days per year), and multiplying the result by the premium percent. The result is the percentage over the daily or average salary that must be paid to the employee due to the vacation premium.

---

**Note.** In this example, divide 10 by 365 and multiply the result by 25 percent ( $10 / 365 \times 0.25 = 0.0069$ ).

---

3. Add the results of steps 1 and 2. In this example, the sum of steps 1 and 2 is 0.08904. Therefore, the pay rate due to the addition of the vacation premium and the Christmas bonus is 1.08904 times the daily rate.

### See Also

[Chapter 5, “Defining Social Security Contributions for Mexico,” page 51](#)

## Page Used to Define the SDI Factor for Christmas Bonuses and Vacation Premiums

Page Name	Object Name	Navigation	Usage
Xmas, Vac, Premium, SDI Factor (Christmas, vacation, premium SDI factor)	GPMX_SDI_FACTOR	Set Up HRMS, Product Related, Global Payroll, Framework, Organizational, Pay Groups MEX, Xmas, Vac, Premium, SDI Factor	Define the number of Christmas bonus days, vacation days, vacation premium percent, and SDI factor by employee (based on employee seniority).

## Defining Christmas Bonus Days, Vacation Days, and Vacation Premium Percent

Access the Xmas, Vac, Premium, SDI Factor page.

The screenshot shows the configuration page for 'Xmas, Vac, Premium, SDI Factor'. The 'Pay Group' is 'KY MENSUAL Grupo de Pago Mensual'. The page title is 'Christmas Bonus, Vacation, Vacation Premium%, SDI Factor'. The effective date is '01/01/2001'. Below this is a table with the following data:

Seniority	Vacation Days	Vacation Premium %	Christmas Days	SDI Factor
1	6.000000	25.000000	15.000000	1.045205
2	6.000000	25.000000	15.000000	1.045205
3	10.000000	25.000000	15.000000	1.047945
4	12.000000	25.000000	15.000000	1.049315

Xmas, Vac, Premium, SDI Factor page

- Seniority** This field enables you to define changes, based on seniority levels, in the parameters used to calculate the SDI factor (vacation days, vacation premium percent, and Christmas days).
- Vacation Days** Enter the vacation days corresponding to the seniority level.
- Vacation Premium % (vacation premium percent)** Enter the vacation premium percent corresponding to the seniority level.
- Christmas Days** Enter the number of Christmas bonus days corresponding to the seniority level.
- SDI Factor** This field is populated automatically based on the values that you entered in the Vacation Days, Vacation Premium %, and Christmas Days fields.

## Defining Other Vacation and Christmas Bonus Parameters

On the Absences page, define the vacation premium type. The vacation premium type determines whether the vacation premium is paid out all at once on the anniversary of the employee’s hire date or from pay period to pay period, depending on the number of vacation days that the employee has taken.

### See Also

[Chapter 7, “Defining Absences Rules for Mexico,” page 63](#)

## Defining the Adjustment Factor and Maximum Days for PTU

Defining and running the PTU process comprises the following tasks:

1. Define the adjustment factor and maximum days for PTU (profit sharing).
2. Define PTU parameters.
3. Identify PTU elements and payees.
4. Run the PTU process.

**Note.** Defining the adjustment factor and maximum days is discussed here. All other tasks for PTU are discussed in “Tracking Earnings in Mexico,” Viewing Delivered Earnings Elements.

### See Also

[Chapter 11, “Tracking Earnings in Mexico,” Defining and Running the PTU Process, page 86](#)

## Page Used to Define the Adjustment Factor and Maximum Days

Page Name	Object Name	Navigation	Usage
PTU	GPMX_PTU_GP_PYGRP	Set Up HRMS, Product Related, Global Payroll, Framework, Organizational, Pay Groups MEX, PTU	Set the adjustment factor and maximum days for profit sharing at the pay group level.

## Defining the Adjustment Factor and Maximum Days

Access the PTU page.

General Parameters | Annual Adjustment | Xmas, Vac, Premium, SDI Factor | **PTU** | Absences | Variable SDI

Pay Group: KY MENSUAL Grupo de Pago Mensual

PTU Definition Customize | Find | View All First 1 of 1 Last

	*Effective Date	Daily Adjust Factor	Max Days		
1	01/01/2001	1.014000	365.000000	+	-

PTU page

This page enables you to:

- Standardize the number of profit sharing days across all pay groups in your company, regardless of the calendar used for each group. For example, suppose that you have a monthly pay group based on a 360-day-per-year calendar (in which all months are defined as having 30 days), and a weekly pay group based on a 365-day calendar (using actual calendar days). To bring the number of profit sharing days for the monthly pay group up to 365, enter a daily adjustment factor on the PTU page for the monthly pay group. Multiply this the amount by 360 to bring the number of days up to 365. In this example, the amount is  $365 / 360 (= 1.0138888)$ .
- Define the maximum number of days that can be used in the profit sharing calculation.

**Daily Adjust Factor** (daily adjustment factor)

Enter the multiplication factor needed to adjust the number of PTU days for the specified pay group. For example, if your pay group is based on a 360-day-per-year calendar, and you want to adjust the calendar to 365 days, enter 1.013888 ( $365 / 360$ ).

**Max Days** (maximum days)

Enter the maximum number of days that can be included in the profit sharing calculation. For example, you might decide to pay an employee's vacation balance at the moment of termination. At this point, the employee might have more than 365 PTU days. In this case, if the earnings that you use to pay the vacation balance are part of the profit sharing process, you can reduce the PTU days to 365 (or any other amount).

---

## Setting Up Frequently Used Supporting Element Overrides

PeopleSoft Global Payroll for Mexico enables you to easily define the most frequently used Supporting Element Overrides (SOVRs) for earnings and deductions on the Earnings /Deductions SOVR's page. This includes the following:

- Supporting elements used to specify a tax method.
- Supporting elements used to select earnings and deductions for inclusion in the minimum wage Salary Level report (report GPMX AA01).
- Supporting elements used to associate earnings and deductions with a termination version.

Before you can run a payroll, a Salary Level report, or a termination process, you must:

- Enter basic information on the Earnings/Deductions SOVR's page about which earnings and deductions to include in each tax method and each row of the Salary Levels report.
- Specify which earnings and deductions to include in each termination version.

This section explains how to define the supporting elements used in these processes.

### See Also

[Chapter 18, "Processing Terminations in Mexico," page 179](#)

[Chapter 15, "Managing Taxation for Mexico," page 139](#)

[Appendix A, "PeopleSoft Global Payroll for Mexico Reports," page 203](#)

## Page Used to Set Up Frequently Used SOVRs

Page Name	Object Name	Navigation	Usage
Earnings/Deductions SOVR's	GPMX_ERNDED_SOVR	Set Up HRMS, Product Related, Global Payroll, Elements, Payroll Elements, Earn/Ded SOVRs MEX, Earnings/Deductions SOVR's	Set up SOVRs at the earnings and deduction level for variables used in key calculations.

## Entering Overrides

Access the Earnings/Deductions SOVR's page.

The screenshot shows the 'Earnings/Deductions SOVR's' page. At the top, there are tabs for 'Tax Method / Salary Levels' and 'Term Vers 01 - 05' / 'Term Vers 06 - 10'. Below the tabs is a table with the following columns: 'Entry Type', 'Element Name', 'Begin Date', 'End Date', 'Tax Method', and 'Salary Level Group'. The table contains 12 rows of data, each representing an earnings element. The 'Entry Type' for all rows is 'Earnings'. The 'Begin Date' for all rows is '01/01/2001'. The 'End Date' column is empty for all rows. The 'Tax Method' and 'Salary Level Group' columns contain dropdown menus with various options like 'Article 113', 'Other Income', 'PTU', 'Christmas Bonus', etc. At the bottom right of each row, there are '+' and '-' buttons.

Earnings/Deductions SOVR's page

### Tax Method/Salary Levels Tab

#### Entry Type

For a Salary Level report: Define the type of element to include in the report. You can include only earnings or deductions.

For tax method selection: Define the type of element to which you want to apply a tax method using the Tax Method field. You can include only earnings or deductions.

#### Element Name

For a Salary Level report: Enter the name of the earnings or deductions element to include in the Minimum Wage Salary Levels GPMX-AA01 report.

For tax method selection: Enter the name of the earnings or deductions to which you want to apply a tax method using the Tax Method field.

#### Begin Date

Enter the begin date of the Supporting Element Override (SOVR).

<b>End Date</b>	Enter the end date of the Supporting Element Override (SOVR).
<b>Tax Method</b>	Define the tax method to apply to each earnings and deduction identified in the Entry Type and Element Name fields.
<b>Salary Level Group</b>	For a Salary Level report, specify the salary level group in which you want to include the earnings or deductions identified in the Element Name field.

### Term Vers 01-05 and Term Vers 06-10 Tabs

<b>Term Vers 01-10</b> (termination versions 1-10)	This field is used to associate earnings and deductions with termination versions. For each earnings or deduction that you identify in the Entry Type and Element Name fields, specify the termination versions (the grouping of termination actions and reasons) for which the earnings and deductions can be paid. Select up to 10 different termination versions for each earnings and deduction.
---	--

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**Note.** To associate a termination version with an earnings or deduction, the termination version must already be defined on the Termination Version and Termination Action Reason pages, and the earnings or deduction must be linked to one of the delivered variables LF VR VER FINIQ 01 through LF VR VER FINIQ 10 on the Supporting Elements Override page. (LF VR VER FINIQ 01 through LF VR VER FINIQ 10 are delivered variables representing termination versions.)

---

### Understanding Element Overrides

The information that you enter on the Earnings/Deductions SOVR's page is inserted as a supporting element override for the following variables at the earnings and deduction level:

Type of Override	Variable
Tax Method	FD VR METODO ISR
Salary Level Group	AA VR NIVEL SAL
Termination Versions	Variables LF VR VER FINIQ 01 through LF VR VER FINIQ 10

### See Also

[Chapter 18, "Processing Terminations in Mexico," page 179](#)

[Chapter 15, "Managing Taxation for Mexico," page 139](#)

[Appendix A, "PeopleSoft Global Payroll for Mexico Reports," page 203](#)

[Chapter 9, "Setting Up Terminations in Mexico," page 71](#)



## CHAPTER 5

# Defining Social Security Contributions for Mexico

This chapter describes how to:

- Define contribution rates for social security.
- Define payback rates for INFONAVIT loans.
- Define variable SDI.

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**Note.** An overview of social security processing in Mexico is described in “Updating Social Security Contributions in Mexico.”

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### See Also

Chapter 14, “Updating Social Security Contributions in Mexico,” page 125

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## Defining Contribution Rates for Social Security

This section provides an overview of contribution rates for social security and describes how to define contribution rates.

### Understanding Contribution Rates for Social Security

PeopleSoft initially delivers the rates and ceiling days that the system uses to calculate employee and employer contributions to each branch of social security. You must maintain this data when the government issues changes.

To calculate contributions to a branch of social security, the system:

1. Compares the employee’s daily SDI amount to the (Minimum Wage × Ceiling Days).
2. Multiplies the minimum amount by the contribution rate.

---

**Note.** PeopleSoft Global Payroll for Mexico calculates the SDI factor automatically based on parameters you enter on the Xmas, Vac, Premium, SDI Factor page. Once the system has calculated the SDI factor, it uses the SDI factor to calculate IMSS quotas. The Xmas, Vac, Premium, SDI Factor page is discussed in “Defining Earnings in Mexico.”

---

### Example: Calculating the Employer Contribution to RETIRO

Suppose an employee’s daily SDI amount is \$100, the minimum wage is \$42.15, the employer contribution is \$0.02, and the day ceiling is \$25. The system calculates the employer RETIRO contribution as follows:

- Compares SDI (100) to the Minimum Wage × Ceiling Days (42.15 × 25 = 1053.75) and determines that 100 is the smaller amount.
- $100 \times .02 = 2.00$

Now, if the employee’s SDI amount is 1200, then the Minimum Wage × Ceiling Days (42.15 × 25 = 1053.75) is less. The RETIRO contribution is  $1053.75 \times .02 = 21.08$

**See Also**

Chapter 3, “Defining Country Data for Mexico,” Defining General Parameters, page 27

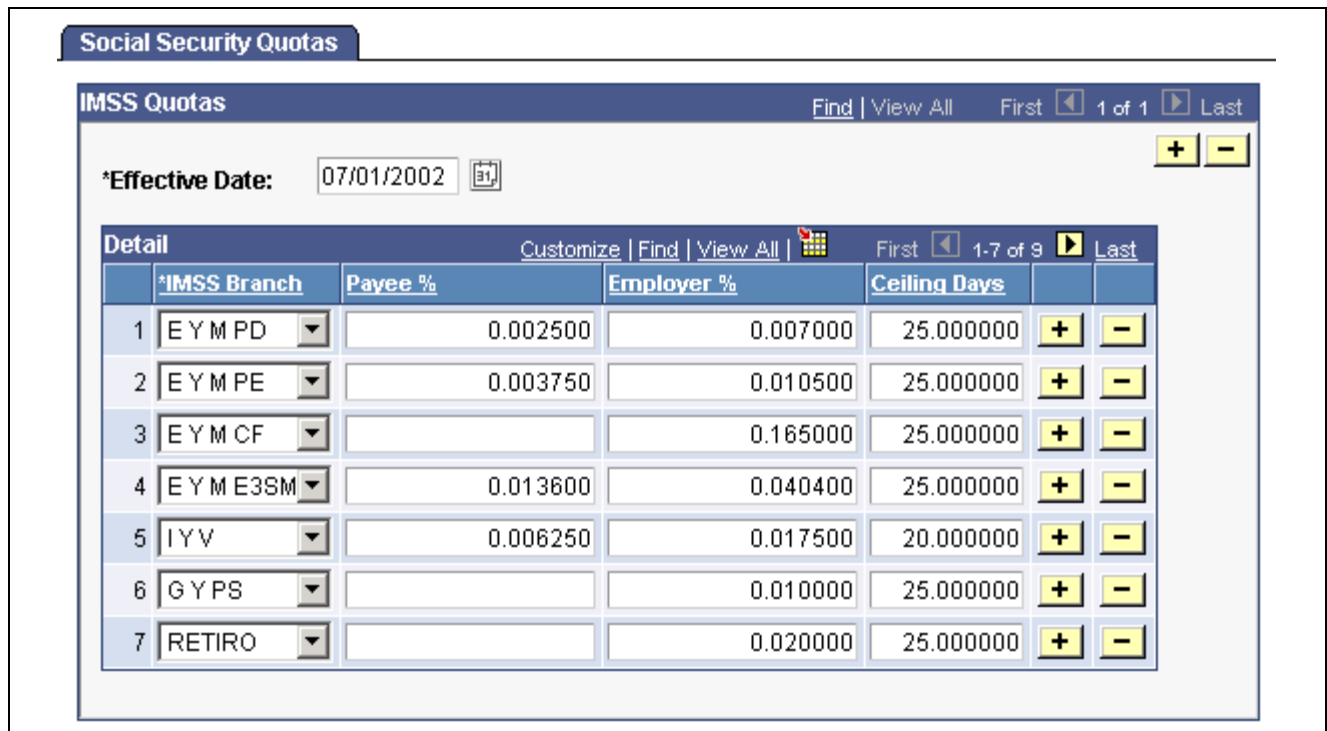
Chapter 4, “Defining Earnings in Mexico,” Defining the SDI Factor for Christmas Bonuses and Vacation Premiums, page 43

**Page Used to Define Contribution Rates for Social Security**

Page Name	Object Name	Navigation	Usage
Social Security Quotas	GPMX_IMS_QUOTA	Set Up HRMS, Product Related, Global Payroll, Social Security/Insurance, Quotas MEX, Social Security Quotas	Define payee and employer contribution rates to social security for each IMSS branch.

**Defining Social Security Quotas**

Access the Social Security Quotas page.



Social Security Quotas page

**IMSS Branch**

Select the IMSS branch for which you want to define contribution rates.

<b>Payee %</b>	Specify the percentage of SDI that the payee contributes.
<b>Employer %</b>	Specify the percentage of the employee's SDI that the employer contributes.
<b>Ceiling Days</b>	Enter the number of days that the system should use to calculate the SDI ceiling for the branch.

---

## Defining Payback Rates for INFONAVIT Loans

This section provides an overview of INFONAVIT loans and describes how to define payback rates.

### Understanding INFONAVIT Loans

When employees get a home loan from INFONAVIT, they must pay back a fixed percentage of their pay. This percentage is based on the employee's SDI salary as of the first day of the first month. Every two months, the repayment base is updated to reflect any changes to the employee's SDI.

The bracket element, PR BR INF TASAS, contains the repayment rates for home loans issued by INFONAVIT before January 30, 1998. When the payroll process calculates the pay for an employee with an INFONAVIT loan, it retrieves the correct repayment rate from the bracket, based on the payee's SDI wages, and deducts the calculated amount from the employee's pay. PeopleSoft initially delivers the repayment rates in this table.

The INFONAVIT Loans % page provides a convenient way to view and update the repayment rates stored in the bracket element. You can also view and update the same information by accessing the bracket through the Bracket component.

### Page Used to Define Payback Rates for INFONAVIT Loans

Page Name	Object Name	Navigation	Usage
INFONAVIT Loans %	GPMX_INF_BR	Set Up HRMS, Product Related, Global Payroll, Loans, INFONAVIT Loans Percent MEX, INFONAVIT Loans %	Define the contributions of loan repayment based on SDI. The most common contributions are 20%, 25%, and 30%. This is the amount that an employer can withdraw from an employee's SDI.

### Defining Payback Rates

Access the INFONAVIT Loans % page.

**INFONAVIT Loans %**

Element Name: PR BR INF TASAS      INFONAVIT Percentages      Owner: PS Mnt

Definition Find | View All    First ◀ 1 of 1 ▶ Last

\*Effective Date: 01/01/2002 \*Status: Active +

	PR VR # SAL MIN	PR VR INF 20%	PR VR INF 25%	PR VR INF 30%		
1	1.000000	15.700000	19.600000	24.600000	+	-
2	2.510000	16.800000	21.000000	26.000000	+	-
3	3.510000	17.200000	21.500000	26.500000	+	-
4	4.510000	17.700000	22.100000	27.100000	+	-
5	5.510000	17.800000	22.300000	27.300000	+	-
6	6.510000	20.000000	25.000000	30.000000	+	-

INFONAVIT Loans % page

**PR VR # SAL MIN**

A factor that represents how much an employee’s SDI (at the beginning of each two-month period) exceeds the minimum wage for the employee’s wage range. This factor determines which repayment rate applies.

For example, if a payee’s SDI is 200 and the minimum wage for the employee’s wage zone is 42.15, the system calculates a factor of  $200 / 42.15 = 4.74$ . According to the sample page, if the factor is from 4.51 to 5.50, the rates in row 4 apply.

Minimum wage amounts are defined on the Minimum Wages page.

**PR VR INF 20%, PR VR INF 25%, PR VR INF 30%**

The percentage of the payee’s SDI wages that will be deducted each pay period to repay the loan.

For example, assume that an INFONAVIT loan was originally issued with a repayment base of 20% of SDI and that the payee earns three times the minimum wage. According to the sample page, the rates on row 2 apply. In this case, the employee is responsible for paying an amount equal to 16.8% of his SDI wages.

**See Also**

Chapter 3, “Defining Country Data for Mexico,” Defining the Minimum Wage, page 26

## Defining Variable SDI

This section provides an overview of the variable SDI process and describes how to define variable SDI.

## Understanding the Variable SDI Process

With tax reforms effective December 20, 2001, the Variable SDI process is now run bimonthly instead of monthly. In order to accommodate this legislative change, you'll do the following:

1. Indicate the method for calculating the variable SDI on the Base Days for Variable SDI field on the General Parameters page. Choices are 60 Days, Bimonth Days, Hourly Payee, or Paid Days.
2. Define variable SDI parameters for a pay group on the Variable SDI page.
3. Run the Variable SDI process on the Variable SDI Report page. The variability process runs similar to the fixed process, but it's necessary to create a bimonthly calendar and execute the CALC SDI VARIAB process list.

### See Also

[Chapter 3, "Defining Country Data for Mexico," Defining General Parameters, page 27](#)

[Chapter 14, "Updating Social Security Contributions in Mexico," Running the SDI Batch Processes, page 132](#)

[Chapter 14, "Updating Social Security Contributions in Mexico," Running Social Security Reports, page 133](#)

## Page Used to Define Variable SDI

Page Name	Object Name	Navigation	Usage
Variable SDI	GPMX_VAR_SDI_PARM	Set Up HRMS, Product Related, Global Payroll, Framework, Organizational, Pay Groups MEX, Variable SDI	Select the earnings, accumulators, and formulas used in the Variable SDI process for a pay group.

## Defining Variable SDI

Access the Variable SDI page.

The screenshot displays the 'Variable SDI' configuration page. At the top, there are navigation tabs: General Parameters, Annual Adjustment, Xmas, Vac, Premium, SDI Factor, PTU, Absences, and Variable SDI. Below the tabs, the 'Pay Group' is identified as GD1PG1 (Paygroup1). The main section is titled 'Variable SDI' and includes an 'Effective Date' field set to 11/26/2002. Below this is a 'Detail' table with columns for Earnings, Accumulator Name, and Element Name. The table contains one entry: 1 COMISIONES, BASE SAL PROM, and SP FM SAL PROM. There are search icons and navigation buttons (+, -) for the table entries.

Variable SDI page

<b>Earnings</b>	Select the earnings that will be used in the Variable SDI process.
<b>Accumulator Name</b>	Select the accumulators that correspond to the earnings for the Variable SDI process.
<b>Element Name</b>	Select one of the three formulas (integration methods) available: IM FM 100% VAR, IM FM TOP VAL IMSS, or IM FM PREMIO INT.

## CHAPTER 6

# Defining Taxation for Mexico

This chapter discusses how to:

- Define federal taxes.
- Define annual tax adjustments.
- Define state taxes.

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**Note.** An overview of federal, state, and local taxes is described in “Managing Taxation for Mexico.”

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### **See Also**

[Chapter 15, “Managing Taxation for Mexico,” page 139](#)

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## Defining Federal Taxes

Begin defining federal taxes on the General Parameters page, where you define the tax method for adjusting federal taxes.

Once you’ve defined federal taxes, you can process federal tax contributions during regular payroll runs and generate a Federal Taxes report at the end of the year.

### **See Also**

[Chapter 3, “Defining Country Data for Mexico,” Defining General Parameters, page 27](#)

[Chapter 15, “Managing Taxation for Mexico,” Processing Federal Taxes, page 141](#)

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## Defining Annual Tax Adjustments

You’ll begin by defining annual adjustments parameters on the Annual Adjustments page.

Once you’ve defined annual adjustment parameters, you can update annual tax adjustments by entering tax data from other employers and specify employees who are exempt from the process.

### **See Also**

[Chapter 15, “Managing Taxation for Mexico,” Updating Annual Tax Adjustments, page 143](#)

## Page Used to Define Annual Tax Adjustments

Page Name	Object Name	Navigation	Usage
Annual Adjustment	GPMX_PARM_PAYGRP	Set Up HRMS, Product Related, Global Payroll, Framework, Organizational, Pay Groups MEX, Annual Adjustment	Define the parameters to calculate the annual adjustment for each pay group in your company.

## Defining Annual Adjustments

Access the Annual Adjustment page.

Annual Adjustment page

### Deduction Type

Define how the system will handle the annual tax adjustment in case you have a debit at the end of the year. Valid values are *# of Periods*, *Bracket* and *Single Deduction*.

If you select *# of Periods*, the system will use the data in the bracket AA BR RNG DES PER in order to determine in how many pay periods the debit will be discounted. For example, if there is a \$5000.00 debit, based on the data of the bracket, the system will withhold \$1000.00 during five periods.

If you select *Bracket*, the system will use the data in the bracket AA BR RNG DES SAL in order to determine the amount that needs to be withheld each pay period. The range will depend on the employee’s daily rate. For example, if there is a \$3000.00 debit, and an employee has a \$300.00 daily rate, based on the data of the bracket, the system will withhold \$100.00 each pay period until it reaches the \$3000.00 amount.

If you select *Single Deduction*, the system will withhold the complete debit amount in a single pay period. If the net pay is not enough to cover the amount of the deduction, the system will consider the remaining amount as an arrear and it will be deducted in future pay periods.

### Calculation Type

Some companies calculate the annual tax adjustment with the method that existed in the year 1991. In this field, you’ll specify which method to use when calculating the annual tax adjustment. Valid values are *Both – Current & 1991*,

*Current Method*, and *Method 1991*. Once you've selected the *Both – Current & 1991* method, the system then selects the method with the smaller tax.

### **Payment Type**

If you have a tax credit at the end of the year, select one of the options to define how you will receive the credit. Valid values are *Payments vs ISR* and *Single Payment*. Either you'll select to get a payment or you'll have a credit applied to next year's ISR (federal taxes).

If you select *Payments vs ISR*, it means that you'll get a credit on the regular tax versus the difference until this credit is covered.

For example, let's say that an employee has \$2400 worth of taxes deducted for the year (\$100 each semimonthly payroll). In the annual tax adjustment process, the system calculates that the real annual tax should be \$2100. This means that there's a credit of \$300 due to the employee. If we calculate the next regular payroll, the system would ordinarily withhold \$100 (the regular tax for the employee's regular earnings). However, the system won't withhold any amount during 3 payroll periods (to make up for the difference between \$2100 and \$2400). In other words, the system will cover the regular tax deduction with the credit that the employee has until it is covered.

### **Return Credit**

Enter the date when the salary credit annual difference will be paid to the employee.

### **See Also**

[Chapter 15, "Managing Taxation for Mexico," Updating Annual Tax Adjustments, page 143](#)

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## **Defining State Taxes**

To define state taxes, you need to define earnings and deductions by state, state tax rates, and state tax rates by company.

Once you've defined state taxes, you can process state tax contributions during regular payroll runs and generate the State Taxes by Location report every month.

### **See Also**

[Chapter 15, "Managing Taxation for Mexico," Processing State Taxes, page 142](#)

## Pages Used to Define State Taxes

Page Name	Object Name	Navigation	Usage
St. Taxes Earn/Ded	GPMX_STATE_TAXES	Set Up HRMS, Product Related, Global Payroll, Taxes, Earn/Ded by State MEX, St. Taxes Earn/Ded	Define which earnings and deductions will be part of a state's tax base.
State Taxes Rates	GPMX_STATETAX	Set Up HRMS, Product Related, Global Payroll, Taxes, State Rates MEX, State Taxes Rates	Look up state tax rates for each state in Mexico. This table is PeopleSoft-delivered.
Spec. State Taxes	GPMX_SPST_TAXES	Set Up HRMS, Product Related, Global Payroll, Taxes, State Rates by Company MEX, Spec. State Taxes	Define state and local taxes at the company level. This only applies to companies operating in Chihuahua and/or Ciudad Juarez.

## Defining Earnings and Deductions by State

Access the St. Taxes Earn/Ded (state taxes earnings/deductions) page.

**St. Taxes Earn/Ded**

State: DF Distrito Federal

State Taxes Find | View All First 1 of 1 Last

\*Effective Date: 01/01/2001

Element Type	Element Name	Description		
Deduction	INCAP ENF TR	Work Related Illness	+	-
Earnings	COMISIONES	Commissions	+	-
Deduction	INCAP MATERN	Maternity Leave	+	-
Deduction	INCAP RIESGO	Work Risk Leave	+	-
Deduction	INCAP ENFERM	General Sickness	+	-
Deduction	FALTAS	Unpaid Absence	+	-
Earnings	BONO	Bonus	+	-
Earnings	SUELDO POR H	Hourly Salary	+	-

St. Taxes Earn/Ded page

**Element Type** Select the element type. Valid values are *Deduction* and *Earnings*.

**Element Name** Select the element name that corresponds to the entry type.

---

**Note.** This data is loaded into the payroll process on the IE AR ST TAX CNCPT array.

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## Viewing State Tax Rates

Access the State Taxes Rates page.

State Taxes Rates

**Element Name:** IE BR PCT ESTATAL
Tax Percentage by State
**Owner:** PS Mnt

Definition
Find | View All
First ◀ 1 of 1 ▶ Last

**\*Effective Date:** 01/01/2001

**\*Status:** Active

Data
Customize | Find | View All
First ◀ 1-7 of 18 ▶ Last

	IE VR ESTADO LOC	IE BR PCT ESTATAL		
1	BCB	0.012500	<input type="button" value="⊕"/>	<input type="button" value="⊖"/>
2	BCS	0.040000	<input type="button" value="⊕"/>	<input type="button" value="⊖"/>
3	CAMP	0.020000	<input type="button" value="⊕"/>	<input type="button" value="⊖"/>
4	CHPS	0.020000	<input type="button" value="⊕"/>	<input type="button" value="⊖"/>
5	DF	0.020000	<input type="button" value="⊕"/>	<input type="button" value="⊖"/>
6	DGO	0.020000	<input type="button" value="⊕"/>	<input type="button" value="⊖"/>
7	EMEX	0.020000	<input type="button" value="⊕"/>	<input type="button" value="⊖"/>

State Taxes Rates page

**IE VR ESTADO LOC**

Look up the state code. This is the lookup value of a bracket.

**IE BR PCT ESTATAL**

Look up the state tax rate. This is the return value of a bracket. Once you lookup a state code, the system returns the corresponding state tax rate.

---

**Note.** This page is only a tool provided by PeopleSoft to enter a bracket in a better way. The information entered on this page is loaded into the IE BR PCT ESTATAL bracket element during the payroll process.

---

## Defining State Tax Rates by Company

Access the Spec. State Taxes page.

The screenshot shows the 'Spec. State Taxes' page for company 'KYF Compañía Financiera'. It features a 'Definition' section with an 'Effective Date' of 01/01/2001. Below this is a 'Data' table with two rows:

	*State / County	Special Tax %		
1	Ciudad Juarez	0.025	+	-
2	Chihuahua	0.020	+	-

Spec. State Taxes page

Chihuahua is the only state in Mexico that taxes a company’s earnings based on the number of employees it has, so the state tax rates vary for each company.

In the system, it’s difficult to determine the number of employees in a company before the payroll process, so you must determine the number of employees in your company and then the corresponding tax rates for your company individually.

Additionally, you’ll also define local tax rates for Ciudad Juarez on this page. The local tax rate varies depending on the amount of minimum wages of the entire payroll earnings in a month. This information can also be difficult to determine prior to running a payroll. Therefore, you can load this data into the payroll process through the IE AR ES CIA array.

**State/County**                      Select *Chihuahua*, *Ciudad Juarez* or *Hidalgo*.

**Special Tax %**                      Enter the state tax rate for your company.

# CHAPTER 7

## Defining Absences Rules for Mexico

This chapter discusses how to:

- Set up absences
- Set up vacations

---

**Note.** An overview of absences is described in “Updating Absences in Mexico.”

---

### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Working With Absences”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Absence Elements”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Absence Entry and Processing”

Chapter 16, “Updating Absences in Mexico,” page 155

---

## Setting Up Absences

This section discusses how to define absence parameters for pay groups.

### Page Used to Set Up Absences

Page Name	Object Name	Navigation	Usage
Absences	GPMX_ABS_PYGRP	Set Up HRMS, Product Related, Global Payroll, Framework, Organizational, Pay Groups MEX, Absences	Define the absence parameters for a pay group.

### Defining Absence Parameters for Pay Groups

Access the Absences page.

Absences page

**Subsidy Base**

Enter the subsidy base for disabilities. Valid values are *Daily Salary*, *SDI*, *SDI Complement*, and *Without Subsidy*. Your company can subsidize the difference between what IMSS pays an employee and what his regular earnings are. The three most common methods are SDI, SDI Complement, and daily salary.

For SDI, your company pays 100 percent of the SDI for the first three days of the disability and 40 percent of SDI from the fourth day on. This 40 percent will be capped up to the SDI.

For SDI Complement, the 40 percent will be capped up to the difference between the 60 percent of SDI and the 100 percent of the daily rate.

For the daily salary method, your company pays 100 percent of the daily salary for the first three days. From the fourth day on, the company pays the difference between the daily salary and what IMSS pays (usually 60 percent of SDI) capped up to the daily rate.

**Days without Subsidy**

Enter the number of days without a disability subsidy. Because the IMSS does not pay for the first three days of a disability, some companies pay for those days to cover the difference.

**Factor**

Select the factor for the General Absences. Valid values are *6th & 7th Day Factor*, *7th Day Factor*, *Other*, and *Without Factor*. For example, if an employee works Monday through Friday and is absent only one day, the employee receives a discount for the sixth and seventh days. Enter the amount of the factor in the field next to the Factor field. The absence is deducted using this factor. For example, if you select *Without Factor*, the amount equals \$100. If you select *6th & 7th Day Factor*, the amount equals \$140. If you select *7th Day Factor*, the amount equals \$116.67.

<b>IMSS Agreement</b>	Select if your company has an agreement with IMSS to calculate disability subsidies. If you have an agreement with IMSS, your company pays the employee directly, and IMSS pays the subsidy to the company instead of the employee. This parameter will cause the earning SUB ENF CONV to appear instead of the other two subsidy earnings (SUB ENF 40% and SUB ENF 100%). This subsidy will be the same as paying the employee his regular salary earnings.
<b>Vacation Parameters</b>	
<b>Negative Balance Option</b>	Select to allow employees to carry a negative absence balance.
<b>Vacation Premium Type</b>	Define the calculation method for the vacation premium. Values are:  <i>Anniversary:</i> Employee is paid the entire vacation premium on the employment anniversary.  <i>Annual:</i> Employee is paid the entire vacation premium on a specified date that you define.  <i>Proportional:</i> Employee is paid the vacation premium on an as-used basis. For example, if an employee used three days of vacation in one month, out of a total of ten days vacation for the year, the employee receives 3/10 of the vacation premium in that month's pay.
<b>Vacation Premium Month</b>	If you select <i>Annual</i> as the Vacation Premium Type, enter the month that the vacation premium will be paid. Values are 01–12, depending on the number of the month.
<b>Vacation Premium Day</b>	If you select <i>Annual</i> as the Vacation Premium Type, enter the day that the vacation premium will be paid. Values are 01–31, depending on the day of the month.
<b>Annual Application Options</b>	If you select <i>Annual</i> as the Vacation Premium Type, the Annual Application Options field appears. Valid values are <i>Vacation Premium</i> and <i>Vacation Days and Premium</i> . In PeopleSoft Global Payroll for Mexico, there are two different earnings codes, one for Vacation Take Days and another for Vacation Premium. If you select only the Vacation Premium, the earnings code for the Vacation Premium appears on that pay period. If you select both Vacation Take Days and Vacation Premium, then two earnings codes will be generated—one for the Vacation Take Days and one for the Vacation Premium.
<b>Discount Vacation Takes</b>	If you select <i>Annual</i> as the Vacation Premium Type, the Discount Vacation Takes field appears. Select if you want the vacation takes that occurred during the annual period to be discounted from either the vacation premium or the vacation days payment.

---

## Setting Up Vacations

This section describes how to:

- Handle negative vacation balances.
- Define vacation premiums.

## Handling Negative Vacation Balances

You can enable negative vacation balances for your employees by selecting the Negative Balance Option check box on the Absences page.

- If you do not enable negative balances, the system generates an error message and does not process the vacation take if the vacation take goes over the accumulated balance.
- If you enable negative balances, you can set a limit to the negative balance by either a fixed amount or a percentage of the next absence entitlement to be generated. For example, if an employee's next vacation entitlement is 12 days, and you set the limit for negative balances to 50 percent, then the system takes a limit of 6 days.

## Defining Vacation Premiums

Employees in Mexico receive a vacation premium, which is at least 25 percent of their salary. Vacation premiums are paid in one of three ways:

- Anniversary: Employees receive their entire vacation premium on their employment anniversaries, regardless of whether they already took the vacation.
- Proportional (spread all along the vacation takes): Employees receive their vacation premiums as they take vacation throughout the year. This way, employees do not receive vacation premium pay in advance, but receive it as they use it.
- Annual: Employees receive their entire vacation premium for the year on a specified date.

The difference between the Anniversary method and the Annual method is that if you select Anniversary, the employee is paid on their employment anniversary. If you select Annual, the employee is paid on a specific date that you define.

---

**Note.** You can override the payment date at the payee level. If an employee is terminated before the vacation premium date, you can calculate the proportional days and pay the employee at the time of termination.

---

Define the payment option for vacation premiums on the Absences page.

# CHAPTER 8

## Setting Up Overtime Payments for Mexico

This chapter discusses how to set up overtime.

---

**Note.** After setting up overtime parameters, you can record daily and weekly overtime and run the Overtime Report. These are discussed in “Tracking Overtime in Mexico”.

---

### See Also

Chapter 17, “Tracking Overtime in Mexico,” page 171

---

## Defining Overtime

This section discusses how to:

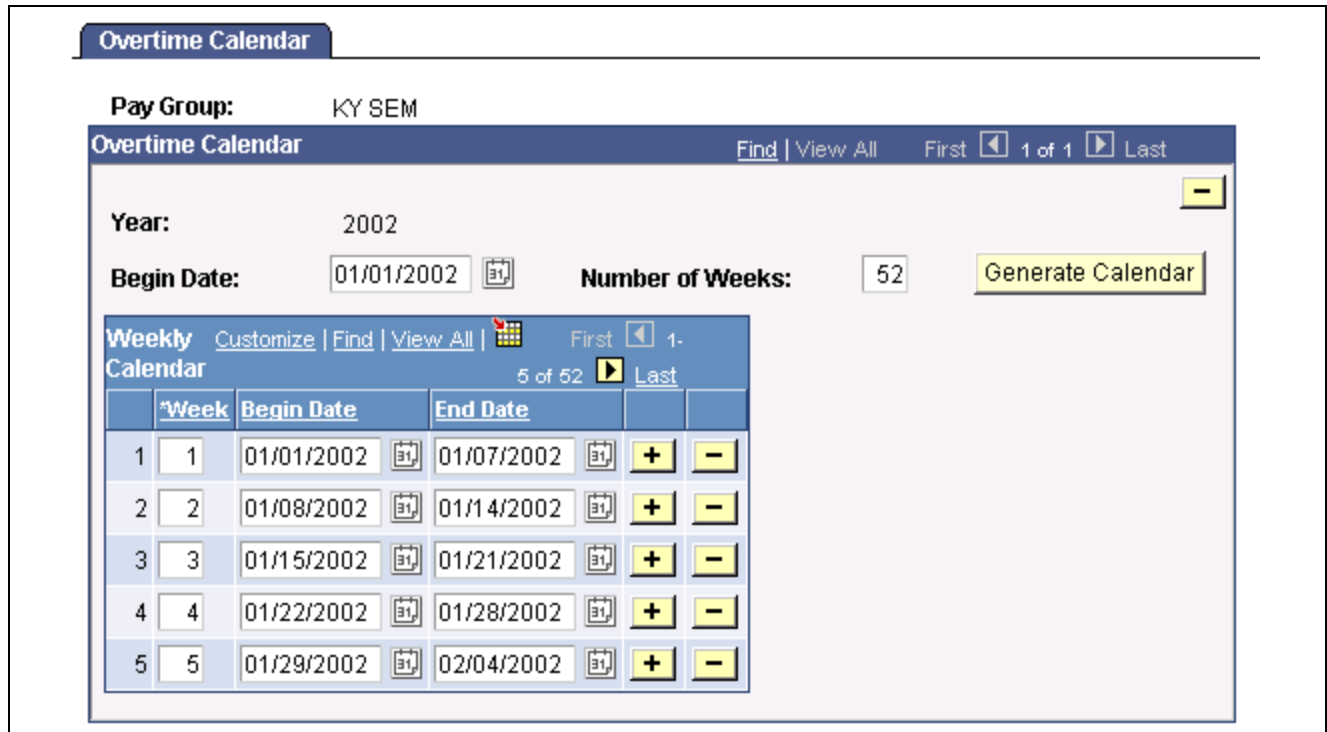
- Define the overtime calendar.
- Define overtime parameters.

### Pages Used to Define Overtime

Page Name	Object Name	Navigation	Usage
Overtime Calendar	GPMX_OVR_CAL	Set Up HRMS, Product Related, Global Payroll, Framework, Organizational, Pay Group OVT Calendars MEX, Overtime Calendar	Define the weekly overtime calendar for a pay group. This is a tool to create an automatic calendar.
Overtime Parameters	GPMX_OVR_PARAMS	Set Up HRMS, Product Related, Global Payroll, Framework, Organizational, Pay Group OVT Parameters MEX, Overtime Parameters	Define the overtime parameters for a pay group.

### Defining the Overtime Calendar

Access the Overtime Calendar page.



Overtime Calendar page

## Overtime Calendar

**Year** Enter the year for the overtime calendar that you want to create.

**Begin Date** Enter the begin date for the overtime calendar.

**Number of Weeks** Specify the number of weeks that you are going to create the overtime calendar for.

---

**Note.** In Mexico, overtime is defined by a weekly period. The frequency of a payroll is not considered a factor in determining overtime calendars.

---

**Generate Calendar** Select the Generate Calendar button to create an overtime calendar. Once you've selected Generate Calendar, the overtime calendar information is automatically created.

## Weekly Calendar

**Week** The week number for the overtime calendar appears.

**Begin Date/End Date** The begin and end dates for the week appear.

## Defining Overtime Parameters

Access the Overtime Parameters page.

**Overtime Parameters**

Pay Group: KY SEM Grupo de Pago Semanal

Overtime Parameters Find | View All First 1 of 1 Last

\*Begin Date: 01/01/2002 End Date: 12/31/2002

**Double Overtime**

Maximum Times per Week: 3 Maximum Hours per Day: 3

Maximum Hours per Week: 9

\*In Excess Hrs. per Day: Triple

Overtime Parameters page

## Overtime Parameters

**Begin Date/End Date** Enter the begin and end dates for the overtime parameters.

### Double Overtime

**Maximum Times per Week** Specify the maximum number of days in a week that the overtime is going to be paid as double. For any amount above this parameter, overtime will be paid as triple.

**Maximum Hours per Day** Specify the maximum number of hours in a day that will be paid as double. For any amount above this parameter, overtime will be paid as triple.

**Maximum Hours per Week** Specify the maximum hours in a week that the overtime will be paid double. For any number of hours per week above this, overtime will be paid as triple. This parameter should always be 9 since it's legally defined.

**In Excess Hrs. per Day** (in excess hours per day) Define how the system should calculate overtime hours that fall between three hours a day and three days a week and the first nine hours. Valid values are *Double* and *Triple*.

---

**Note.** These four parameters are taken into consideration when you enter overtime data in order to split the double and triple overtime. Depending on the value in the In Excess Hrs. per Day field, the system may override the value for the TE VR FACTEX variable at the pay group level. This variable is used during payroll calculation in order to determine whether the In Excess Hours are going to be paid at a double or triple rate for overtime.

---



## CHAPTER 9

# Setting Up Terminations in Mexico

This section provides an overview of termination setup for Mexico and discusses how to:

- Define termination versions and action/reasons.
- Create your own termination earnings and deductions.

### See Also

[Chapter 18, “Processing Terminations in Mexico,” page 179](#)

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## Understanding Terminations

The process used to trigger termination payments in PeopleSoft Global Payroll for Mexico is based on the concept of a termination version. A termination version is a collection of actions and reasons that can trigger specific termination earnings and deductions. In PeopleSoft Global Payroll for Mexico, both payees and termination earnings and deductions are associated with termination versions. When you define a termination earning or deduction, you link it to a termination version. At the same time, when you terminate a payee, the payee is automatically linked to the termination version representing the termination action and the reason for his termination. In this way, the system can identify and process only those earnings and deductions associated with the same termination version.

### Elements Used in the Termination Process

The following table lists the elements used in the process that triggers termination pay.

Element	Description
LF VR VER FINIQ EE	Delivered variable that contains the termination version (representing the termination action and reason) for a terminated payee. <b>Note.</b> Termination versions are defined on the Termination Version and Termination Action Reason pages.
LF VR MOTIVO BAJA	Delivered variable that contains the termination reason.

Element	Description
WORKFORCE_SYNC	Application message that enables the delivered PeopleSoft Global Payroll variables LF VR VER FINIQ EE and LF VR MOTIVO BAJA to be inserted in the supporting element override table at the payee level (thus associating a terminated payee with the termination version that applies to the payee's termination). The subscription PeopleCode that inserts these variables is TERMINATION VERSION JOB.
LF GC VER FINIQ	Generation control element that determines whether earnings or deductions should be paid in response to a payee's termination. This element is based on the generation control formula LF FM VER FINIQ GC.
LF VR VER FINIQ 01, LF VR VER FINIQ 02, LF VR VER FINIQ 03, LF VR VER FINIQ 04, LF VR VER FINIQ 05, LF VR VER FINIQ 06, LF VR VER FINIQ 07, LF VR VER FINIQ 08, LF VR VER FINIQ 09, LF VR VER FINIQ 10	These 10 delivered variables represent different termination versions and are linked to different earnings and deductions to identify which earnings or deductions should be paid for each combination of termination actions and reasons.

These elements are used to trigger termination pay, as outlined in the following steps:

1. When a payee is terminated or laid off and the appropriate action/reason codes are entered on the Job Data pages in PeopleSoft Human Resources, the system uses the application message WORKFORCE\_SYNC to insert the PeopleSoft Global Payroll variables LF VR VER FINIQ EE (containing the termination version) and LF VR MOTIVO BAJA (containing the termination reason) as supporting element overrides at the payee level (Global Payroll, Payee Data, Create Overrides, Supporting Elements). In other words, the application message links the payee to the termination version (the action and reason combination) that applies to the payee's specific termination.

---

**Note.** The only actions capable of triggering the application message used to insert the variables LF VR VER FINIQ EE and LF VR MOTIVO BAJA in the supporting element override table at the payee level are TER (termination), LOF (layoff), and COM (completion).

---

2.  Just as each terminated payee is linked to a termination version, each termination earning or deduction is linked to a termination version (using the variables LF VR VER FINIQ 01 through LF VR VER FINIQ 10) on the Supporting Elements Override page of the Earning/Deduction Definition component.
3. When a payee is terminated or laid off, PeopleSoft Global Payroll for Mexico uses the generation control element LF GC VER FINIQ (in combination with the formula LF FM VER FINIQ GC) to include in the employee's final payment only those earnings and deductions that are part of the termination version associated with the payee in Step 1. This is done by means of the following comparison:
  - When you run a payroll, the generation control element (which is linked to each delivered termination earnings or deduction on the Calculation page of the Earning/Deduction Definition component) checks the payee's termination version, as represented by the variables LF VR VER FINIQ EE (containing the termination version) and LF VR MOTIVO BAJA (containing the termination reason).

- At the same time, the generation control element checks the termination versions associated with each delivered termination earnings and deduction element on the Supporting Elements Override page of the Earning/Deduction Definition component. If the payee's termination version (represented by the variables LF VR VER FINIQ EE and LF VR MOTIVO BAJA) equals the termination version (represented by the variables LF VR VER FINIQ 01 through LF VR VER FINIQ 10) associated with an earnings or deduction on the Supporting Elements Override page, the earnings or deduction can be processed.

### See Also

[Chapter 4, “Defining Earnings in Mexico,” Setting Up Frequently Used Supporting Element Overrides, page 47](#)

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Earnings and Deduction Elements”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Setting Up Overrides”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Calculation Elements,”  
Defining Generation Control Elements

---

## Defining Termination Versions and Action/Reasons

This section presents an overview of termination versions, and discusses how to define the termination versions used to process termination pay.

PeopleSoft Global Payroll for Mexico groups the qualifying actions and reasons for making termination payments into termination versions. Different termination action and reason combinations trigger different sets of special termination earnings. To define termination versions and then trigger the payments associated with a termination version, you must do the following:

1. Define your termination versions on the Termination Version page.
2. Define the associated actions/reasons that will trigger payment on the Termination Action Reason page.

Termination versions are the combinations of actions/reasons that cause a group of termination elements to be processed.

3. On the Job Data pages in PeopleSoft Human Resources, specify *Termination*, *Completion*, or *Layoff* as the action and enter a corresponding reason.

When you specify *Termination*, *Completion*, or *Layoff* as the action in combination with a qualifying reason, termination pay will be processed for the terminated or laid off employees—as long as the termination or layoff action/reason combination is recognized, by generation control, as valid for triggering termination payments.

4. Generate a termination letter using the Termination/Layoff Letter page.

---

**Note.** The Termination/Layoff Letter page is documented in “Processing Terminations in Mexico”.

---

### See Also

[Appendix A, “PeopleSoft Global Payroll for Mexico Reports,” page 203](#)

## Pages Used to Define Termination Versions and Action/Reasons

Page Name	Object Name	Navigation	Usage
Termination Version	GPMX_TERM_VERSION	Set Up HRMS, Product Related, Global Payroll, Terminations, Versions MEX, Termination Version	Define termination versions.
Termination Action/Reasons	GPMX_TERM_ACTN_RSN	Set Up HRMS, Product Related, Global Payroll, Terminations, Actions/Reasons MEX, Termination Action/Reasons	Define qualifying actions and reasons for triggering termination pay.

### See Also

Chapter 3, “Defining Country Data for Mexico,” page 23

## Defining Termination Versions

Access the Termination Version page.

Termination Version page

### Termination Version

Name and describe the termination version. This version name enables you to group all of the qualifying actions and reasons for making a set of termination payments.

## Specifying Actions and Reasons

Access the Termination Action/Reasons page.

Termination Action/Reasons							
Definition				Customize   Find   View All   First 1-5 of 5 Last			
	*Action		*Reason		*Termination Version	*Termination/Layoff	
1	TER	Termination	DIS	Dishonesty	KY RENU NC	Layoff	+ -
2	TER	Termination	MUT	Mutual Consent	KY RENU NC	Termination	+ -
3	TER	Termination	RED	Staff Reduction	KY LIQUID	Layoff	+ -
4	TER	Termination	TMP	End Temporary Employment	KY RENU NC	Termination	+ -
5	TER	Termination	VSP	Voluntary Separation Program	KY RENU NC	Termination	+ -

Termination Action/Reasons page

**Action** Specify the action corresponding to a termination version that triggers termination pay in combination with a specific reason.

**Reason** Specify the reason corresponding to a termination version that triggers termination pay in combination with the specified action.

**Termination Version** Indicate the termination version for which the action and reason combination that you specified trigger termination pay.

---

**Note.** Termination versions are assigned at the action and reason level. When an employee is terminated, an application message inserts the version as a supporting element override at the payee level. This is explained in detail under Triggering Termination Payments in “Processing Terminations in Mexico”.

---

**Termination/Layoff** Specify whether the reason for your employees’ departure is *Layoff* or *Termination*.

---

**Note.** This information is inserted as a supporting element override (variable) at the payee level and is used in formulas that trigger and process termination payments. For example, the seniority premium is always paid for layoffs, but it is paid for a termination only if the employee has 15 or more years of seniority.

---

## Creating Your Own Termination Earnings and Deductions

This section discusses how to create new termination earnings and deductions.

Before reading the following section, review the information under “Understanding Terminations” in this chapter.

### Understanding How to Create Your Own Termination Earnings and Deductions

PeopleSoft delivers a number of sample termination earnings and deductions. You can modify these elements to fit your needs, or create entirely new termination elements using the delivered elements as your guide.

If you create new termination earnings and deductions, you must associate them with the delivered termination versions to which they correspond by following these steps:

---

**Note.** The sample termination earnings and deductions are documented in the chapter “Processing Terminations in Mexico”.

---

1. To specify the earnings and deductions that should be paid or deducted as part of each termination version, you have two options:
  - a. Using the Supporting Elements Override page of the Earning/Deduction Definition component in the core application, associate any of the 10 delivered variables (LF VR VER FINIQ 01 through LF VR VER FINIQ 10) with each new earnings or deduction element. These variables represent up to 10 different termination versions.
  - b. Using the Earnings/Deductions SOVRs page in PeopleSoft Global Payroll for Mexico, define which earnings and deductions should be paid or deducted as part of each termination version. This page enables you to insert a supporting element override (SOVR) at the earnings or deduction level.
2. To specify the override values of the variables (LF VR VER FINIQ 01–10) you associated with the new earnings and deduction elements, use either the Values tab on the Supporting Elements Override page (on this tab, specify which termination versions defined on the Termination Versions page will be represented by the variables LF VR VER FINIQ 01–10), or the Earnings/Deductions SOVRs page in PeopleSoft Global Payroll for Mexico.
3. To pay the new earnings or deduction only when a payee is terminated and only as part of its corresponding termination version, assign the generation control element LF GC VER FINIQ to the earnings or deductions on the Calculation page of the Earning/Deduction Definition component (using the Generation Control field).

To create more than 10 termination versions, complete the following steps using the delivered termination elements as your model:

1. Define a new termination version on the Termination Version and Termination Action/Reasons page (VER11, for example).
2. Create additional variables using the Variable component for each termination version in excess of 10 (LF VR VER FINIQ 11, for example).
3. Using the Supporting Elements Override page of the Earning/Deduction component in the core application, add the new variable to all of the earnings and deductions that you want to make part of this version (remember to set the value of this variable to VER11 to represent the new termination version).
4. Modify the LF GC VER FINIQ generation control formula to include this new variable as part of the comparison process that determines whether the variable LF VR VER FINIQ EE, inserted as a supporting element override at the payee level, equals the new variable that you created. This comparison is discussed under “Understanding Terminations” in this chapter.

The following is a generation control formula before and after the modification:

*Before Modification:*

```
If LF VR VER FINIQ EE <> “ And LF VR VER FINIQ EE In (LF VR VER FINIQ 01 LF VR VER
FINIQ 02 LF VR VER FINIQ 03 LF VR VER FINIQ 04 LF VR VER FINIQ 05 LF VR VER FINIQ 06
LF VR VER FINIQ 07 LF VR VER FINIQ 08 LF VR VER FINIQ 09 LF VR VER FINIQ 10) Then
```

```
1 >> LF FM VER FINIQ GC
```

```
Else
```

```
0 >> LF FM VER FINIQ GC
```

```
Endif
```

*After Modification:*

```
If LF VR VER FINIQ EE <> “ And LF VR VER FINIQ EE In (LF VR VER FINIQ 01 LF  
VR VER FINIQ 02 LF VR VER FINIQ 03 LF VR VER FINIQ 04 LF VR VER FINIQ 05  
LF VR VER FINIQ 06 LF VR VER FINIQ 07 LF VR VER FINIQ 08 LF VR VER FINIQ  
09 LF VR VER FINIQ 10 LF VR VER FINIQ 11) Then
```

```
1 >> LF FM VER FINIQ GC
```

```
Else
```

```
0 >> LF FM VER FINIQ GC
```

```
Endif
```

### **See Also**

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Earnings and Deduction Elements”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Setting Up Overrides”

## Pages Used to Create New Termination Earnings and Deductions

Page Name	Object Name	Navigation	Usage
Supporting Elements Override	GP_ELM_DFN_SOVR	<ul style="list-style-type: none"> <li>Set Up HRMS, Product Related, Global Payroll, Elements, Payroll Elements, Earnings, Supporting Elements Override</li> <li>Set Up HRMS, Product Related, Global Payroll, Elements, Payroll Elements, Deductions, Supporting Elements Override</li> </ul>	Associate earnings and deductions with termination versions.
Earnings/Deductions SOVRs	GPMX_ERNDED_SOVR	Set Up HRMS, Product Related, Global Payroll, Elements, Payroll Elements, Earn/Deds SOVRs MEX, Earnings/Deductions SOVRs	Define which earnings and deductions should be paid or deducted for each termination version.
Calculation	GP_ERN_DED_CALC	<ul style="list-style-type: none"> <li>Set Up HRMS, Product Related, Global Payroll, Elements, Payroll Elements, Earnings, Calculation</li> <li>Set Up HRMS, Product Related, Global Payroll, Elements, Payroll Elements, Deductions, Calculation</li> </ul>	Associate a generation control element with an earnings or deduction element.
Definition (Formula)	GP_FORMULA1	Set Up HRMS, Product Related, Global Payroll, Elements, Supporting Elements, Formulas, Definition	Define a generation control formula.
Definition (Variable)	GP_VARIABLE	Set Up HRMS, Product Related, Global Payroll, Elements, Supporting Elements, Variables, Definition	Define a new variable to represent a termination version.

### Associating Earnings and Deductions with Termination Versions

Access the Supporting Elements Override page.

See *PeopleSoft 8.8 Global Payroll PeopleBook*, “Setting Up Overrides”.

### Defining Earnings and Deductions to Pay or Deduct as Part of a Termination Version

Access the Earnings/Deductions SOVRs page.

See [Chapter 4, “Defining Earnings in Mexico,” Setting Up Frequently Used Supporting Element Overrides, page 47.](#)

## **Linking Generation Control Formulas to Earnings and Deductions**

Access the Calculation page.

See *PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Earnings and Deduction Elements”.

## **Defining Generation Control Formulas**

Access the Definition page for formulas.

See *PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Calculation Elements”.

## **Defining Variables to Represent Termination Versions**

Access the Definition page for variables.

See *PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Calculation Elements”.



## CHAPTER 10

# Creating Payslips in Mexico

This chapter provides an overview of payslips and discusses how to:

- Define payslip Sort ID's.
- Run the payslip report.

---

## Understanding the Payslip Definition Process

In Mexico, companies have to provide a standard payslip, that contains information such as the number of worked days and wages. The payslip is delivered to employees depending on the payment frequency (Weekly, Biweekly, Semimonthly, or Monthly).

In PeopleSoft Global Payroll for Mexico, you can define the criteria to print out your payslips, so that it displays exactly the information you require. You can prioritize the sort criteria and select the earnings and deductions you want included in the payslip.

To define payslips:

1. Complete the Group Criteria Definition page in PeopleSoft Human Resources.
2. Create the Group ID on the Group Criteria page in PeopleSoft Human Resources.  
You must have defined a Group ID before you can generate a payslip. Every time you run the payslip process, the Group ID is refreshed.
3. Define the sort criteria for your payslip on the Sort ID page.
4. Select the earnings and deductions you want included on the payslip on the Element List page.
5. Generate the payslip on the Payslip Report page.

---

**Note.** The Element List page can be used for payslips, as well as for the Payroll Results Register and the termination/layoff letters. The Element List page is discussed in “Defining Country Data for Mexico”.

---

### See Also

[Chapter 3, “Defining Country Data for Mexico,” page 23](#)

## Defining Payslip Sort IDs

This section discusses how to define sort ID's for payslips.

### Page Used to Define Sort ID's

Page Name	Object Name	Navigation	Usage
Sort ID	GPMX_SORTID	Set Up HRMS, Product Related, Global Payroll, Payslips, Sort IDs MEX, Sort ID	Define the printing order selection for the payslip. The Sort ID is used in the payslip generation process.

### Defining the Sort ID

Access the Sort ID page.

Sort ID page

**Sort By** Define what you want the payslip to sort by first. Values include *Company, Department, Employee ID, Employee Name, Employee Type, Locality, Pay Group, Pay Entity, and Supervisor Code*. Once you've defined your sort criteria, this is the order in which the payslip will print information.

**Then By** Select what the next sort criteria will be. You can define sorting of up to five criteria. Valid values are the same for all Sort fields.

**Desc (descending)** Select if you want the sort order to be in descending order. The default is in ascending order, so if you want to print in descending order, you must specify this by selecting the Desc check box.

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## Running the Payslip Report

This section discusses how to run the payslip report.

### Page Used to Run the Payslip Report

Page Name	Object Name	Navigation	Usage
Payslip Run Control	GPMX_RC_PAYSLIP	Global Payroll, Payslips, Create/Print Payslips MEX, Payslip Run Control	Generates the payslip. Note that you must first define the Group ID to generate the payslip. All groups selected in the Group ID field will automatically be created during the payroll run.

#### See Also

[Appendix A, “PeopleSoft Global Payroll for Mexico Reports,” page 203](#)



# CHAPTER 11

## Tracking Earnings in Mexico

This chapter provides an overview of the different earnings types found in Mexico and describes how to:

- Define and run the PTU process.
- Set up the coupons interface.
- Use batch positive input.
- Create new earnings elements.
- Run earnings reports.
- View delivered earnings elements.

### See Also

[Chapter 4, “Defining Earnings in Mexico,” page 43](#)

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## Understanding Earnings in Mexico

The different types of earnings in Mexico include base salary, bonuses, commissions, overtime, profit sharing (PTU), food coupons, vacation premiums, savings funds, and seniority pay. You can define earnings using the Earnings component in PeopleSoft Global Payroll.

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**Note.** These earnings types are discussed in detail in the “Viewing Delivered Earnings Elements” section of this chapter.

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### See Also

[Chapter 11, “Tracking Earnings in Mexico,” Viewing Delivered Earnings Elements, page 98](#)

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Earnings and Deduction Elements”

## Prerequisites

Before you can track the different earnings types as discussed in this chapter, you must set up certain parameters for each earning type. This includes the following steps:

- Define the SDI factor for Christmas bonuses and vacation premiums.
- Define the adjustment factor and maximum days for PTU (profit sharing).
- Set up frequently used supporting element overrides (SOVRs).

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**Note.** All of these steps are discussed in “Defining Earnings in Mexico”.

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### **See Also**

Chapter 4, “Defining Earnings in Mexico,” page 43

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## **Defining and Running the PTU Process**

As part of the pay group and company setup in Mexico, you must enter PTU (profit sharing) data.

Defining and running the PTU process comprises of the following tasks:

1. Define the adjustment factor and maximum days.
2. Define PTU parameters.
3. Identify PTU elements and payees.
4. Run the PTU process.

---

**Note.** All of these tasks, except defining the adjustment factor and maximum days, are discussed in this chapter. After running the PTU process, you can generate four different PTU reports.

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### **See Also**

Chapter 4, “Defining Earnings in Mexico,” Defining the Adjustment Factor and Maximum Days for PTU, page 46

Chapter 11, “Tracking Earnings in Mexico,” Running Earnings Reports, page 97

## Pages Used to Define PTU

Page Name	Object Name	Navigation	Usage
PTU Setup	GPMX_PTU_COMPANY1	Global Payroll, Absence and Payroll Processing, Prepare Payroll, Define PTU – Profit Share MEX, PTU Setup	Define the basic parameters of the profit sharing process at the company level
PTU Elements/Payees	GPMX_PTU_COMPANY2	Global Payroll, Absence and Payroll Processing, Prepare Payroll, Define PTU – Profit Share MEX, PTU Elements/Payees	Identify the earnings and deductions used for profit sharing, assign profit sharing elements to accumulators, and exclude ineligible employees from the profit sharing process.
PTU Process	GPMX_RC_PTU001	Global Payroll, Absence and Payroll Processing, Prepare Payroll, Calculate PTU – Profit Share MEX, PTU Process	Start the PTU calculation process. The PTU process generates two instances of positive input: one for the element PTU IMP SAL, and the other for the element PTU IMP DIAS.

## Defining PTU Parameters

Access the PTU Setup page.

PTU Setup page

**Year** Enter the year for which you are processing your profit sharing earnings.

**Apply Proportional Worked Days**

Select this check box if the ceiling salary used to calculate PTU earnings should be adjusted to reflect the number of days that an employee actually works. For example, if the ceiling salary is 240,000, and an employee works 250 days during the year, the ceiling salary for that employee is reduced proportionally—that is, it is set to 164,383.56  $((240,000 / 365) \times 250)$ .

**Amount**

Enter the amount to be shared.

**Ceiling Salary**

Enter the maximum amount of an employee's salary that can be used to calculate the employee's portion of PTU earnings. To determine the amount, calculate the salary of the union employee with the highest wages, add 20 percent to this amount, and enter the total in the Ceiling Salary field. If an employee who is eligible for profit sharing makes more than the amount that you enter here, profit sharing is capped at this amount. If the employee makes less, profit sharing for that employee is capped.

**Temp Payee? (temporary payee) and Days**

Select Temp Payee to include all temporary employees in your profit sharing plan.

To limit the temporary employees who can participate in the plan, select Temp Payee and enter the number of days that temporary employees must work at your company to participate in profit sharing. For example, if you select Temp Payee and enter 60 in the Days field, only temporary employees who work 60 days or more are included in the PTU plan.

**Day Factor**

Displays the *PTU Total for all Employees / Worked Days Total for all Employees*. This figure is calculated automatically when you run the PTU Application Engine process.

**Salary Factor**

Displays the *PTU Total for all Employees/Salary Sum Total for all Employees*. This figure is calculated automatically when you run the PTU Application Engine process.

## Identifying PTU Elements and Payees

Access the PTU Elements/Payees page.

The screenshot displays the 'PTU Elements/Payees' configuration page. At the top, the company is identified as 'KYF Compañía Financiera'. The 'PTU Definition' section shows an effective date of 01/01/2002. The main table, 'PTU Elements', contains four rows of configuration data. The first two columns are 'Element Name' and 'Accumulator Sign', and the third is 'Acum Type'. The elements are: 1. DIA FESTIVO\_IMANU (Add, Amount), 2. DIA FESTIVO\_UNANU (Add, Units), 3. SUELDO\_IMANU (Add, Amount), and 4. SUELDO\_UNANU (Add, Units). Below this is a 'Non Eligible Payees' table with one entry: Employee ID KY0003, Record # 0, Name Velázquez Villegas, Esther.

PTU Elements/Payees page

## PTU Elements

**Element Name** Select the earnings and deduction accumulators to include in the PTU process.

**Accumulator Sign** Select one of the following accumulator signs:

*Add:* Adds the earnings and deduction accumulators specified in the Element Name field to the PTU base.

*Subtract:* Subtracts the earnings and deduction accumulators specified in the Element Name field from the PTU base.

**Acum Type** (accumulator type) For each element that you specify in the Element Name field, indicate whether to accumulate *Amount* or *Units*.

---

**Important!** When you define an earnings element that you know must be included in the PTU process, create year-to-date accumulators storing both amounts and units for that element. (You can set up an accumulator for units only if the element includes a unit component in its definition.) Otherwise, you will not have the flexibility to accumulate both units and amounts.

---

## Non Eligible Employees

Enter the employee ID (EmpID) and employee record number (Empl Rcd #) of employees who do not qualify for inclusion in the profit sharing process.

## Running the PTU Process

Access the PTU Process page.

**PTU Process**

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

**PTU Process**

**\*Date:**    **Clear Data**

**\*Company:**

**\*Year:**

**Calendar ID's**

**\*Active Payees:**

**\*Inactive Payees:**

PTU Process page

The PTU process generates two instances of positive input: one for the element PTU IMP SAL, and the other for the element PTU IMP DIAS.

## PTU Process

Enter the date, company, and year for which you want to run the process.

## Calendar ID's

### Active Payees

Since the Electronic File Transfer for active payees will be as usual, select the calendar ID of the active payees to process.

### Inactive Payees

Since the most common way to pay inactive payees is on an individual basis, select the calendar ID of the inactive payees to process.

---

## Setting Up the Coupons Interface

If you provide your employees with restaurant, food, or gas coupons, use the Coupons Interface page to send flat files to the coupon provider with information about your company and the coupon elements (earnings) that you have defined.

---

**Note.** After you've sent the flat file to the coupon provider, you can also generate a printed report of coupons.

---

This section describes how to define the coupons interface.

## Page Used to Set Up the Coupons Interface

Page Name	Object Name	Navigation	Usage
Coupons Interface	GPMX_COUPONS_INT	Global Payroll, Absence and Payroll Processing, Create Coupons Interface MEX, Coupons Interface	Send data in flat file format to coupons providers.

## Defining the Coupons Interface

Access the Coupons Interface page.

Coupons Interface page

### Coupons Interface Parameters

- Provider** Select the coupon provider. Valid values are *Accor* and *SODEXHO*.
- Coupon Type** Specify the type of coupon for which you are generating the data file. Valid values are *Restaurant*, *Food*, and *Gas*.
- Calendar Group ID** Enter the calendar group ID for which you want to generate the flat file.
- Company** Enter your company name.
- Customer ID** Specify your customer ID. This field appears only if the coupon provider is *Accor*. (*Accor* should provide this ID.)
- Branch ID** Enter the Branch ID of the coupon provider. This field appears only if the coupon provider is *SODEXHO*. (*SODEXHO* should provide this ID.)

**File Name** Displays a default file name and the mandatory file type for Accor or SODEXHO (depending on the provider that you select). You can use any file name. The file type is, however, set by the coupon provider.

## Earnings

**Element Name** Enter the earnings that contain the amount of the restaurant, food, and gas coupons. You can enter multiple earnings.

---

## Using Batch Positive Input

You can use batch positive input to reduce time-consuming data entry in PeopleSoft Global Payroll for Mexico. For example, you could enter and trigger bonuses for all of your employees using batch positive input, or you could trigger mass deductions. For example, suppose that an employer has an agreement with a cell phone company to provide half the employee population with a 50 percent discount rate on calls. Instead of entering each of the monthly cell phone invoices (deductions) for each employee, the cell phone company could generate a flat file with a layout that loads this invoice information using a batch process.

This section describes how to load the batch positive input.

### Page Used for Batch Positive Input

Page Name	Object Name	Navigation	Usage
Batch Positive Input	GPMX_PI_BATCH	Global Payroll, Absence and Payroll Processing, Prepare Payroll, Manage Pos Input via Batch MEX, Batch Positive Input	Create batch positive input.

### Loading Batch Positive Input

Access the Batch Positive Input page.

Batch Positive Input page

- Clear Data** If you clear this check box, previously loaded data is deleted. If you select this check box, the batch process loads new data into the Positive Input tables for payroll purposes.
- Pay Group** Enter the pay group for which you want to load batch positive input.
- Calendar ID** Select the calendar ID for the pay group that you identified in the Pay Group field.
- Batch Code** Enter the batch code ID that identifies all of the transactions contained in the flat file. This field enables you to delete information loaded by mistake, because it serves as the identifier of that information.
- Input Directory** Specify the location of the flat file containing the batch positive input (flat file directory).
- Output Directory** If the batch process finds errors, it generates a log file containing the errors. Use this field to specify where the system should place the error log (error log directory).

**Flat File Layout for Batch Positive Input**

When you create flat files for the batch positive input process, reproduce the following file definition:

Field	Initial Position	Length
EMPID	1	11
EMPL_RCD	12	3

Field	Initial Position	Length
PIN_NM	15	18
GP_UNIT	33	20
GP_AMT	53	20
GP_RATE	73	20
GP_PCT	93	11
PC_BASE	104	20
DEPTID	124	10
JOBCODE	134	6

Here's an example:

Field	Example
EMPID	GY0045
EMPL_RCD	0
PIN_NM	COMISIONES
GP_UNIT	12.58
GP_AMT	11.36
GP_RATE	10
GP_PCT	1.3
GP_BASE	25.36

Field	Example
DEPTID	KY000
JOBCODE	KY001

---

**Note.** This flat file definition applies to both earnings and deductions that you load using batch positive input.

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### See Also

[Chapter 12, “Understanding Deductions in Mexico,” page 109](#)

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Working With Positive Input”

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## Creating New Earnings Elements

This section contains information that enables you to effectively integrate new earnings elements into PeopleSoft Global Payroll for Mexico. This information helps ensure that any new element that you create fits into the existing logic and organization of PeopleSoft Global Payroll for Mexico and is included in the correct calculations of such things as taxes, Social Security, and so on.

### Adding Elements to Accumulators

To ensure that the new earnings elements that you create are used correctly in other calculations, you must know to which accumulators they should contribute, because the value of the accumulated earnings is critical to these other processes. The accumulator elements to which you will add your own elements are the same ones that PeopleSoft Global Payroll for Mexico has created for the delivered earnings elements.

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**Important!** You can add new earnings elements only to accumulators for which the ownership category is PS Delivered/Not Maintained. These accumulators are members of other, PeopleSoft maintained, accumulators on which PeopleSoft Global Payroll for Mexico bases all of its formulas and calculations.

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**Note.** If you must define earnings that are partially nontaxable, create the following three earnings elements: One for the total amount of the earnings, one for the taxable portion of the earnings, and another for the nontaxable portion of the earnings. Make the earnings representing the total amount a member of the accumulator TOTAL PERCEPCION N, the earnings representing the taxable portion a member of the accumulator TOTAL PERC GRAVA, and the earnings representing the nontaxable portion a member of the accumulator TOTAL PERC EXENT N. You must also define, on the Earnings/Deductions SOVR’s page, the tax method that is used to calculate the earnings representing the taxable portion.

---

Accumulator	Description
BASE ISR	Taxable base
GRAVADO ANUAL	Yearly taxable
GRAVADO ANUAL N	Yearly taxable not maintained
GRAVADO MENSUAL	Monthly taxable
GRAVADO MENSUAL N	Monthly taxable not maintained
ISR RETENIDO	Total ISR withheld
NETO	Net pay
TOTAL DEDUCCIONES	Total deductions
TOTAL DEDUCCION N	Total deductions not maintained
TOTAL PERC EXENT	Nontaxable total earnings
TOTAL PERC EXENT N	Nontaxable total earnings not maintained
TOTAL PERC GRAVAD	Taxable total earnings
TOTAL PERC GRAVA N	Taxable total earnings not maintained
TOTAL PERCEPCIONES	Gross pay
TOTAL PERCEPCION N	Gross pay not maintained

### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Setting Up Accumulators”

Chapter 4, “Defining Earnings in Mexico,” Setting Up Frequently Used Supporting Element Overrides, page 47

## Running Earnings Reports

This section describes how to run earnings reports and highlights the Payroll Results Register report.

### Pages Used to Run Earnings Reports

Page Name	Object Name	Navigation	Usage
Balances Report	GPMX_RC_ACCUM	Global Payroll, Absence and Payroll Processing, Payroll Reports, Balances MEX, Balances Report	Provides a monthly summary of all the accumulator members of the earnings total accumulator and the deductions total accumulator.
Christmas Bonus	GPMX_RC_XMAS01	Global Payroll, Absence and Payroll Processing, Payroll Reports, ANN – Christmas Bonus MEX, Christmas Bonus	Details the Christmas bonus amounts and taxes.
Coupons Interface	GPMX_COUPONS_INT	Global Payroll, Absence and Payroll Processing, Create Coupons Interface MEX, Coupons Interface	Creates a flat file and a printed report of coupons. The flat file is transferred to the provider, which could be either Accor or SODEXHO.
Payroll Results Register	GPMX_RC_PAYRSL	Global Payroll, Absence and Payroll Processing, Payroll Reports, Results Register MEX, Payroll Results Register	Summarizes the payroll results.
PTU – Eligible Payees	GPMX_PTU	Global Payroll, Absence and Payroll Processing, Payroll Reports, ANN – PTU – Profit-Sharing MEX, PTU – Eligible Payees	Lists all payees who are eligible for profit-sharing.
PTU – Non-Eligible Payees	GPMX_PTU	Global Payroll, Absence and Payroll Processing, Payroll Reports, ANN – PTU – Profit-Sharing MEX, PTU – Non-Eligible Payees	Lists all payees who are not eligible for profit-sharing.
PTU – Project	GPMX_PTU	Global Payroll, Absence and Payroll Processing, Payroll Reports, ANN – PTU – Profit-Sharing MEX, PTU – Project	Lists all the details of profit-sharing at the employee level.
PTU – Unpaid Payees	GPMX_PTU	Global Payroll, Absence and Payroll Processing, Payroll Reports, ANN – PTU – Profit-Sharing MEX, PTU – Unpaid Payees	Lists all payees who have profit-sharing but have not been paid yet.

### See Also

[Appendix A, “PeopleSoft Global Payroll for Mexico Reports,” page 203](#)

## Running the Payroll Results Register Report

The Payroll Results Register report contains all payroll information, such as earnings, deductions, and gross and net results for each selected employee. Payroll information to be printed depends on the Format ID. The employee information to be printed depends on the Calendar Group ID, pay groups, and employee parameters that are selected.

Before you run the Payroll Results Register report, you'll need to enter the earnings and deductions that are eligible to print on a payslip on the Format ID page.

### See Also

[Chapter 3, “Defining Country Data for Mexico,” Defining Element Lists, page 31](#)

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## Viewing Delivered Earnings Elements

This section contains information about the following delivered elements and rules created by PeopleSoft to handle earnings:

- Earnings (by earnings type).
- Earnings process lists and sections.

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**Note.** The earnings elements for Mexico are defined as PeopleSoft Delivered/Not Maintained. Therefore, you can modify these elements to fit your needs, and when necessary, create your own earnings using the delivered elements as your guide.

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### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Earnings and Deduction Elements”

## Earnings (By Earnings Type)

This section contains information about earnings (by earnings type).

### Produced Units (*Destajos*)

Earnings of the produced units type (*destajos*) depend on the number of units produced. To trigger this type of earnings, you must enter—using positive input or the Earning/Deduction Assignment page—the number of units in the unit component of the element C UNI IMP and C UNI U\*R. This unit value is used in the calculation of the following earnings, the first of which (UNI PRO IMP) returns a fixed amount based on the number of produced units, and the second of which (UNI PRODUC) calculates an amount based on the number of units and the rate per unit.

Earnings	Description
UNI PRO IMP	<p>This earnings element is used to calculate flat amounts based on units produced and is assigned a value by the formula PE FM U PRO I F.</p> <p>To calculate these earnings, the PE FM U PRO I F executes the bracket element PE BR TARIFA X UNI, which returns the correct amount depending on the number of units (the number of units is the search key in the bracket and the amount is the lookup value). For example, this earnings element could be used to calculate the correct flat amount for an employee who earns 100 for selling 500 units, 600 for selling 2000 units, 700 for selling 3000 units, and so forth.</p> <p><b>Note.</b> The units used in the search key of the bracket PE BR TARIFA X UNI must be entered through positive input or on the Earning/Deduction Assignment page for the element C UNI IMP.</p>
UNI PRO U*R	<p>This earnings element is used to calculate amounts based on both units produced and rates per unit and is assigned a value by the formula PE FM U PRO T X U.</p> <p>To calculate this earnings element, the formula PE FM U PRO T X U executes the bracket element PE BR TARIFA X UNI, which contains all of the data needed to calculate an amount based on the number of units and the rate per unit (the number of units is the search key in the bracket and the lookup value is the rate per unit). For example, this earnings element could be used to calculate the correct amount for an employee who earns 0.05 per unit for selling 1000 units, 0.10 for selling 2000 units, 0.15 for selling 3000 units, and so forth.</p> <p><b>Note.</b> The units used in the search key of the bracket PE BR TARIFA X UNI must be entered through positive input or on the Earning/Deduction Assignment page for the element C UNI U*R.</p>

### Seniority-Based Earnings

Seniority-based earnings are contingent upon the number of years of service (or seniority) at the time of processing (the period end date). Depending on the seniority level, various components of these earnings—for example, percentages, calculation bases, or amounts—could change.

PeopleSoft delivers the following seniority-based earnings for Mexico:

Earnings	Description
ANTIG %	<p>This earnings element has a calculation rule of Base <math>\times</math> Percent, in which the base is a flat amount, and the percent is returned by the formula PE FM PER B ANT %. To determine the correct percentage (at the time of calculation), the formula PE FM PER B ANT % executes the bracket GN BR BASADA, which returns the percent for each seniority range (the seniority range is the search key and the percent is the lookup value).</p> <p>For example, this element could be used to calculate seniority earnings for employees who receive 50 percent of a flat amount of 10,000 after one year of service, 75 percent of the same amount after three years of service, and so forth.</p>
ANTIG DIAS	<p>This earnings element has a calculation rule of Rate <math>\times</math> Unit, in which the rate is a daily rate (contained in the system element DAILY RT) and the unit (number of days to pay) is returned by the formula PE FM PER B ANT I. To determine the units to apply (at the time of calculation), the formula PE FM PER B ANT I executes the bracket GN BR BASADA ANTIG, which returns the number of days for each seniority range (seniority is the search key and the number of days to pay is the lookup value).</p> <p>For example, this element could be used to calculate seniority earnings for employees who receive three days at a daily rate of 600 after one year of service, seven days at this rate after three years of service, and so forth.</p> <p><b>Note.</b> The system element DAILY RT is calculated on the Job Compensation pages based on the pay components that you enter.</p>
ANTIG IMP P	<p>This earnings element has a calculation rule of Amount, in which the amount is returned by the formula PE FM PER B ANT I. To determine the correct amount to use (at the time of calculation), the formula executes the bracket GN BR BASADA ANTIG, which contains the amounts that apply to each seniority range.</p> <p>For example, you could use this earnings element to calculate the correct amount for employees who receive 1000 after one year of service, 2000 after three years of service, and so forth.</p>

## Bonus and Commissions

Earnings	Description
BONO	<p>This earnings element has a calculation rule of Rate <math>\times</math> Unit, and the unit component must be entered by positive input. If no positive input exists for a payee, the earnings are not calculated.</p> <p><b>Note.</b> The rate component of this earnings element comes from the system element DAILY RT and is calculated on the Job Compensation pages based on the pay components you enter.</p>
COMISIONES	<p>This earnings element has a calculation rule of Amount, in which the amount is entered by positive input. If there is no positive input for a payee, the earnings are not calculated.</p>

## Sunday Premium

Sunday premiums are based on the number of Sundays that each payee worked. Mexican law requires that each worked Sunday be paid at 125 percent of base salary; the law also says that an amount up to the minimum wage is exempt from taxes for each Sunday worked.

To trigger the calculation of this premium, you must enter—by positive input—the number of worked Sundays in the unit component of the element PRIMA DOMIN (this earnings element has a calculation rule of Unit  $\times$  Rate  $\times$  Percent, with the rate coming from the system element DAILY RT, and the percent defined as 125 percent).

The element PRIMA DOMIN calculates the total Sunday premium without regard to taxes. However because there is a tax exempt and a taxable portion of the Sunday premium, two other earnings have been defined to resolve these: PRIMA DOM EX (tax exempt portion) and PRIMA DOM GR (taxable portion). To trigger the calculation of these last two earnings, enter only the units (Sundays worked) in the unit component of the element PRIMA DOMIN—the system automatically calculates the taxable and nontaxable amounts.

Earnings	Description
PRIMA DOMIN	<p>This element is used to calculate the total amount of the Sunday premium and has a calculation rule of Unit <math>\times</math> Rate <math>\times</math> Percent, with the rate coming from the system element DAILY RT and the percent defined as 125 percent.</p> <p><b>Note.</b> The system element DAILY RT is calculated on the Job Compensation pages based on the pay components that you enter.</p>

Earnings	Description
PRIMA DOM EX	This earnings element is resolved by the formula PE FM PRIMA D EX. Its function is to calculate the Sunday premium up to the minimum wage amount for each day that you enter.
PRIMA DOM GR	This earnings element is resolved by the formula PE FM PMA DOM GRAV. It calculates, for each Sunday worked, the Sunday premium in excess of the nontaxable minimum wage.

## Salary

PeopleSoft Global Payroll for Mexico provides three types of salary elements: SUELDO CAL, SUELDO FREC and SUELDO POR H. Each has its own calculation rule.

Earnings	Description
SUELDO CAL	<p>This earnings element is used to process the most common type of salary element, in which the salary is based on the number of days worked. It has a calculation rule of <math>\text{Unit} \times \text{Rate}</math>, in which the rate comes from the system element DAILY RT and the unit—representing the actual number of work days—is returned by the formula PE FM SDO DIAS CAL. This formula calculates the number of days based on the period begin and end dates and includes a proration factor that enables it to manage new hires and terminations who work less than a full period.</p> <p>For example, suppose that you have an employee in a monthly payroll with DAILY RT = 50. If the employee was hired on the third day of the month (January), SUELDO CAL is calculated as <math>50 \times (31 - 2) = 1450</math>.</p> <p><b>Note.</b> The system element DAILY RT is calculated on the Job Compensation pages based on the pay components that you enter.</p>

Earnings	Description
SUELDO FREC	<p>This earnings element has a calculation rule of Unit <math>\times</math> Rate, in which the rate comes from the system elements DAILY RT and the unit is returned by the formula GN FM SDO DIAS FRE. This formula calculates the number of days as follows:</p> <ul style="list-style-type: none"> <li>• Weekly = 7</li> <li>• Biweekly = 14</li> <li>• Semimonthly = 15</li> <li>• Monthly = 30</li> </ul> <p>The formula adjusts to situations in which an employee works less than a full period (terminations and new hires).</p> <p><b>Note.</b> The system element DAILY RT is calculated on the Job Compensation pages based on the pay components that you enter.</p>
SUELDO POR H	<p>This earnings element calculates the most common type of hourly salary element. It has a calculation rule of Unit <math>\times</math> Rate, in which the rate comes from the system element HOURLY RT and the units (hours) are entered by positive input in each payroll process. Therefore, the system calculates SUEL POR H only for payees who have positive input for these earnings.</p> <p><b>Note.</b> The system element DAILY RT is calculated on the Job Compensation pages based on the pay components that you enter.</p>

### Average Salary

The average salary is a calculation base for other earnings. For example, some companies pay overtime based on the average of the (Daily Rate) + (Bonuses) + (Special Compensation).

Earnings	Description
SALARIO PROM	This earnings element calculates the average salary based on the historical rule SP HR SAL PROM.

### Savings Fund

The savings fund is one of the most common benefits that companies in Mexico provide to their employees. It is typically calculated as a percentage of the salary base.

The basic benefit is calculated by the element FDO AHORRO. However, because there is a tax exempt and a taxable portion of the savings fund, PeopleSoft delivers two additional elements to resolve these based on the amount of the element FDO AHORRO: FDO AHOR EX, and FDO AHOR GR.

Earnings	Description
FDO AHORRO	<p>This earnings element has a calculation rule of Base <math>\times</math> Percent, in which the base is calculated by the formula PE FM FONDO A EMPL and the percent is defined (by way of example) as 13 percent. The formula PE FM FONDO A EMPL calculates the base as follows: ((Calendar Days) – Absences) <math>\times</math> (Daily Rate).</p> <p>For example, suppose that you have an employee with a daily rate of 300, and the employee is absent for two days in the month (January). In this case, FDO AHORRO is calculated as follows: <math>(31 - 2) \times 300 \times 13\% = 1,131</math>.</p> <p><b>Note.</b> The system element DAILY RT is calculated on the Job Compensation pages based on the pay components that you enter.</p>
FDO AHORR EX	<p>This element holds the nontaxable portion of the savings fund benefit. Its value is calculated by the formula PE FM TOPE FONDO, and is defined as <math>(13\%) \times (\text{Minimum Wage Zone Salary of Employee}) \times (\text{Worked Days})</math>.</p>
FDO AHORR GR	<p>This element holds the taxable portion of the savings fund benefit. Its value is calculated by the formula PE FM FONDO EMP GR. The taxable base is defined as the difference between FDO AHORRO and FDO AHORR EX. If the difference is negative, there is no taxable base.</p>

## Food Coupons

Food coupons are one of the most common benefits that companies in Mexico provide to their employees. Typically, the coupon is calculated as a percentage of the salary base.

The basic benefit is calculated by the element VALES DESP. However, because there is a tax exempt and a taxable portion of the food coupon, PeopleSoft delivers two additional elements to resolve these based on the amount of VALES DESP: VALES DES EX, and VALES DES GR.

Earnings	Description
VALES DESP	<p>This earnings element has a calculation rule of Base <math>\times</math> Percent, in which the base is calculated by the formula PE FM VALES DESP, and the percentage is defined (by way of example), as 10 percent. The formula PE FM VALES DESP calculates the base as follows: ((Calendar Days) – Absences) <math>\times</math> (Daily Rate).</p> <p>For example, suppose that you have an employee with a daily rate of 500, and that the employee is absent for four days in the month (January). In this case, VALES DESP is calculated as follows: <math>(31 - 4) \times 500 \times 10\% = 1,350</math>.</p> <p><b>Note.</b> The system element DAILY RT is calculated on the Job Compensation pages based on the pay components that you enter.</p>
VALES DES EX	<p>This element holds the nontaxable portion of the food coupon. Its value is calculated by the formula PE FM TOP VAL IMP.</p>
VALES DES GR	<p>This element holds the taxable portion of the food coupon. Its value is calculated by the formula PE FM VALES DESP G. The taxable base is the difference between VALES DESP and VALES DES EX. If the difference is negative, there is no taxable base.</p>

## Seventh Day

This element enables you to calculate seventh day (Sunday) earnings for employees who work six or fewer days in a week.

Earnings	Description
SEPTIMO DIA	<p>Using the proration element PE PO SEPT DIA SD O, SEPTIMO DIA resolves an employee's seventh day earnings based on the first day worked in the week. The calculation rule is as follows: ((Period Days / (Period Days – Rest Days [Sunday])) – 1) <math>\times</math> (Daily Salary). For example, if the work period is 14 days with 2 rest days, the calculation is as follows: <math>((14 / 12) - 1) \times (\text{Daily Salary}) = (1.17 - 1) \times (\text{Daily Salary}) = 0.17 \times (\text{Daily Salary})</math>.</p> <p><b>Note.</b> To pay seventh day earnings, set this up as part of your pay group parameters.</p>

## PTU

The basic profit sharing earnings are calculated by the element PTU. However, because there is a tax exempt and a taxable portion of these earnings, PeopleSoft delivers two additional elements to resolve these based on the amount of the element PTU: PTU EXENTO and PTU GRAVABLE.

**Note.** PTU amounts are calculated based on other earnings that an employee receives. To specify which earnings to include in the calculation of profit sharing, use the PTU Elements/Payees page.

Earnings	Description
PTU GRAVABLE	Taxable profit sharing
PTU EXENTO	Nontaxable profit sharing
PTU	Profit sharing

## Vacation Premiums and Christmas Bonuses

Vacation premiums and Christmas bonuses can be based on either the daily rate or the average salary. To set up vacation premiums and Christmas bonuses, use the Xmas, Vac, Premium, SDI Factor page.

Earnings	Description
AGUINALDO	Christmas bonus
AGUINALDO EX	Nontaxable Christmas bonus
AGUINALDO GR	Taxable Christmas bonus

## See Also

[Chapter 4, “Defining Earnings in Mexico,” Defining the SDI Factor for Christmas Bonuses and Vacation Premiums, page 43](#)

[Chapter 8, “Setting Up Overtime Payments for Mexico,” page 67](#)

[Chapter 20, “Calculating Net-To-Gross Payments for Mexico,” page 187](#)

## Earnings Process Lists and Sections

Delivered earnings for Mexico are processed and calculated in different process lists. Most basic earnings are calculated as part of the NOMINA process list and are included in the section called PERCEPCIONES. However, the PERCEPCIONES section recurs in other process lists, and there are numerous other earnings elements—Christmas bonus, termination pay, and so forth—that are processed elsewhere.

The following table displays the main process list and sections used to calculate earnings elements for Mexico.

Process List	Section
NOMINA	INICIALIZACION NOM
	SUELDO FRE/CAL/HOR
	TIEMPO EXTRA
	PERCEPCIONES
	PROMEDIO
	VACACIONES NOM
	AUSENTISMO NOM
	DEDUCCIONES
	PRESTAMOS
	IMPUESTOS EST
	IMPUESTOS FED
	SEGURO SOCIAL
	PENSIONES
	PIRAMIDADO SEC
	AJUSTE REDONDEO
	LIQ Y FINIQUITOS
	FORMATO

---

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

---

## **See Also**

Chapter 3, “Defining Country Data for Mexico,” page 23

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Delivered Elements and System Data”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Earnings and Deduction Elements”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Processing Elements,” Using Sections

## CHAPTER 12

# Understanding Deductions in Mexico

This chapter provides an overview of deductions and provisions in Mexico and discusses how to:

- Use batch positive input for deductions.
- Create new deduction elements.
- Run deduction and provision reports.
- View delivered deduction elements.
- View delivered provision elements.

---

## Understanding Deductions

In Mexico, there are different types of deductions:

- Before taxes – reduces the net salary and the taxable gross for federal retention. Examples are maternity leave, tardiness, and sick leave.
- After taxes – reduces the net salary. Examples are savings fund and union contributions.
- Subject to state tax – represents all deductions that are subtracted from the taxable base of the state tax. Examples are disabilities and absences.
- State taxes – each state has its own taxable base.

---

**Note.** You'll define all deductions for Mexico in the Deductions component in the core application.

---

### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Earnings and Deduction Elements”

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## Understanding Provisions

This section provides an overview of provisions and discusses how to:

- Define provisions
- Process provisions

A provision is an accrued expense for a company. Due to operating requirements when processing a payroll, it may be necessary to have provisions to reconcile costs or expenses in your company's accounting.

In Global Payroll for Mexico, you can generate three types of provisions:

- Vacation provisions
- Vacation premium provisions
- Christmas bonus provisions

The vacation premium and Christmas bonus are legal earnings that are assigned to an employee on a yearly basis, depending on his seniority. For every day that an employee works, he earns a fraction of these earnings. Even if an employee leaves the company before receiving his bonus, a proportional part of this earning will be paid in his termination pay.

Provisions are generated for two main reasons:

- To cover the earnings financially, so that when your company has to pay this earning, it is prepared to do so. From a general ledger perspective, each provision is a debt that your company is accruing, and sooner or later, it has to be paid. So, debt accounts are balanced with the use of provisions.
- To keep track of costs. Although the employee receives his earnings at the end of the year or on his anniversary date, the cost is generated every day that the employee works. Costs can be controlled and distributed accordingly to the real cost generation.

## Defining Provisions

While PeopleSoft Global Payroll for Mexico delivers deductions for the vacation provision, vacation premium provision, and the Christmas bonus provision, you can also create your own deductions for other provisions.

To define a provision:

1. Define the deduction for the provision on the Deductions component.
2. The payroll process will calculate the proportional amounts of the provision for the period corresponding to the actual days worked.

### See Also

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

## Processing Provisions

PeopleSoft Global Payroll for Mexico delivers deductions that are used to calculate provisions for vacation, vacation premium, and Christmas bonus. All of these provisions are defined as non-taxable for ISR and are not subject to state taxes. These earnings do not affect any other earning, deduction, or accumulator.

The system calculates the proportion of the provision for each pay period in terms of Actual Worked Days for an employee. Every time a regular payroll process is run, the system determines the corresponding quantities of provisions for vacation, vacation premium, and Christmas bonus according to the procedures detailed below.

### Christmas Bonus Provision

To determine the corresponding amount of the Christmas bonus provision, the following formula is used:

(Days of Christmas bonus according to seniority/365 days × Days worked in the period) × (Salary type chosen for this calculation, for example, daily salary or average salary)

Here's an example:

- Days of Christmas bonus = 25
- Worked days in a period = 15
- Daily salary = 100.00

The formula calculates the corresponding amount of the Christmas bonus provision as:

$$(25/365 \times 15) \times 100.00 = 102.74$$

---

**Note.** An employee's salary can be taken from either his daily salary rate or any average salary. You can choose which salary type you want to use in calculating the Christmas bonus provision. PeopleSoft Global Payroll for Mexico delivers the provision calculation using the daily salary. Seniority has to be calculated to the date of the Christmas bonus payment, not to the processing date, nor the period begin or end date. Otherwise, the provision will not be accurate. The provision has to reflect the payment that the employee is going to receive as a Christmas bonus in December. By law, this date is December 20.

---

The Christmas bonus provision will not be included in the NET accumulator (TOTAL NETO), since this deduction won't be deducted from the employee.

### Vacation Provision

To determine the corresponding amount of the vacation provision, the following formula is used:

(Number of days according to the vacation table/365 days × Days worked in the period) × (Salary type chosen for this calculation, for example, daily salary or average salary)

Here's an example:

- Vacation days = 25
- Days worked in a period = 15
- Daily salary = 100.00

The formula calculates the corresponding amount of the vacation provision as:

$$(25/365 \times 15) \times 100.00 = 102.74$$

---

**Note.** An employee's salary can be taken from either his daily salary rate or any average salary. You can choose which salary type you want to use in calculating the vacation provision. PeopleSoft Global Payroll for Mexico delivers the provision calculation using the daily salary. Seniority has to be calculated to the date of the next anniversary, not to the processing date, nor the period begin or end date. Otherwise, the provision will not be accurate. The provision has to reflect the payment that the employee is going to receive as vacation on the date that the employee earns the entitlement.

---

The vacation provision will not be included in the NET accumulator (TOTAL NETO), since this deduction won't be deducted from the employee.

## Vacation Premium Provision

To determine the corresponding amount of the vacation premium provision, the following formula is used:

$(\text{Number of days according to the vacation table}/365 \text{ days} \times \text{Days worked in a period}) \times (\text{Percentage of vacation premium}) \times (\text{Salary type chosen for this calculation, for example, daily salary or average salary})$

Here's an example:

- Days of vacation = 20
- Days worked in a period = 15
- Daily salary = 100.00
- Vacation premium percent = 25%

The formula calculates the corresponding amount of the vacation premium provision as:

$$((20/365 \times 15) \times (25\%)) \times 100.00 = 20.55$$

---

**Note.** An employee's salary can be taken from either his daily salary rate or any average salary. You can choose which salary type you want to use in calculating the vacation premium provision. PeopleSoft Global Payroll for Mexico delivers the provision calculation using the daily salary. Seniority has to be calculated to the date of the next anniversary, not to the processing date, nor the period begin or end date. Otherwise, the provision will not be accurate. The provision has to reflect the payment that the employee is going to receive as vacation on the date that the employee earns the entitlement.

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The vacation premium provision will not be included in the NET accumulator (TOTAL NETO), since this deduction won't be deducted from the employee.

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**Note.** You can generate a provisions report in PeopleSoft Global Payroll for Mexico.

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### See Also

[Chapter 12, "Understanding Deductions in Mexico," Viewing Delivered Provision Elements, page 116](#)

[Appendix A, "PeopleSoft Global Payroll for Mexico Reports," page 203](#)

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## Using Batch Positive Input

You can use batch positive input to reduce time consuming data entry in PeopleSoft Global Payroll for Mexico. For example, you could trigger mass deductions. Let's say that an employer has an agreement with a cell phone company to provide half the employee population with a 50 percent discount rate on calls. Instead of entering each of the monthly cell phone invoices (deductions) for each employee, the cell phone company could generate a flat file with a layout that loads this invoice information using a batch process.

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**Note.** Setting up the flat file for batch positive input is discussed in "Tracking Earnings in Mexico."

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## Creating New Deduction Elements

This section contains information that will enable you to effectively integrate new deduction elements into the delivered Global Payroll for Mexico application. This information will help ensure that any new element you create fits into the existing logic and organization of Global Payroll for Mexico and is included in the correct calculations for taxes, social security, and so forth.

### Adding Element to Accumulators

To ensure that new deduction elements you create are used correctly in other calculations, you need to know which accumulators they should contribute to, since the value of the accumulated deductions is critical to these other processes. The accumulator elements to which you will be adding your elements are the same ones that Global Payroll for Mexico has created for the delivered deduction elements. These are listed and described below:

- Any deduction that you want to contribute to the Net Pay should be included in the TOTAL DEDUCCION N accumulator.
- Any deduction that you want to subtract the taxable base for federal tax purposes should be included in the BASE ISR accumulator. Also, each of these deductions should have a supporting element override for the variable FD VR METODO ISR with the corresponding value depending on which tax method you want to affect (112, 113, 86, or 91).

#### See Also

[Chapter 3, “Defining Country Data for Mexico,” Defining General Parameters, page 27](#)

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Setting Up Overrides,” Overrides for Supporting Elements

## Running Deduction and Provision Reports

This section discusses how to run deduction and provision reports.

### Pages Used to Run Deduction and Provision Reports

Page Name	Object Name	Navigation	Usage
Balances Report	GPMX_RC_ACCUM	Global Payroll, Absence and Payroll Processing, Payroll Reports, Balances MEX, Balances Report	Provides a monthly summary of all the accumulator members of the earnings total accumulator and the deductions total accumulator.
Provisions Report	GPMX_RC_PROV	Global Payroll, Absence and Payroll Processing, Payroll Reports, Provisions MEX, Provisions Report	Summarizes all provisions, including vacation, vacation premium, and Christmas bonus. This report has two options: with or without detail.

**See Also**

Appendix A, “PeopleSoft Global Payroll for Mexico Reports,” page 203

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## Viewing Delivered Deduction Elements

This section contains information about the delivered elements and rules created by PeopleSoft to handle deductions.

**Note.** The deduction elements for Mexico are defined as PeopleSoft Delivered/Not Maintained. This means that you can modify these elements to fit your needs, and when necessary, create your own earnings using the delivered elements as your guide.

### General Deductions

The following table lists the general deductions for Mexico:

Deductions	Description
AYU DEFUNC	Death Allowance
SEGURO MEDIC	Medical Insurance
SEGURO VIDA	Life insurance
COMEDOR	Cafeteria Deduction
FDO AHOR EMP	Savings Fund Employee Cntb
FDO AHOR EMT	Savings Fund Empl Cntb Capped
FDO AHOR CIA	Savings Fund Employer Cntb
FDO AHOR C T	Savings Fund Err Cntb Capped
VALES COMIDA	Food Coupons Deduction
PROV PMA VAC	Vacation Premium Provision
PROV VACAC	Vacation Provision

<b>Deductions</b>	<b>Description</b>
PROV AGUIN	Christmas Bonus Provision
ANTIG PORCEN	Seniority Based Ded-Percent
AJUST REDOND	Seniority Based Ded-Amount
CUOTA SINDIC	Union Dues
ANTIG IMPORT	Seniority Based Ded-Amount
PRESTAMO CIA	Company Loans
FALTANTE CAJ	Cashier Difference
CRED INFONAV	INFONAVIT Loan
PENSION ALIM	Garnishment
PRES FONACOT	FONACOT Loans

## Deductions Process Lists and Sections

In PeopleSoft Global Payroll for Mexico, deductions are processed and calculated within different process lists. Most deductions are calculated as part of the NOMINA process list, and are included in the section called DEDUCCIONES. However, the DEDUCCIONES section recurs in other process lists and there are numerous other deduction elements, such as termination pay, that are processed elsewhere.

The following table displays the main process list and sections used to calculate deduction elements for Mexico.

<b>Process List</b>	<b>Section</b>
NOMINA	DEDUCCIONES
	PRESTAMOS
	IMPUESTOS EST
	IMPUESTOS FED
	SEGURO SOCIAL

Process List	Section
	DESPUES IMPUESTOS
	AUSENTISMO NOM

**Note.** A complete list of delivered process lists and sections used to calculate deductions and other elements can be found in “Defining Country Data for Mexico”.

### See Also

[Chapter 3, “Defining Country Data for Mexico,” page 23](#)

*PeopleSoft 8.8 Global Payroll PeopleBook, “Defining Processing Elements”*

## Viewing Delivered Provision Elements

This section contains information about the delivered elements and rules created by PeopleSoft to handle provisions.

### Provision Deductions

The following table lists the provision deductions for Mexico:

Deduction	Description
PROV PMA VAC	Vacation premium provision
PROV AGUIN	Christmas bonus provision
PROV VACAC	Vacation provision

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

### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook, “Delivered Elements and System Data”*

*PeopleSoft 8.8 Global Payroll PeopleBook, “Defining Earnings and Deduction Elements”*

## CHAPTER 13

# Tracking Loans for Mexico

This chapter provides an overview of loans in Mexico and discusses how to:

- Define loans.
- Create deduction assignments for loan schedules.
- Calculate loan payments.
- Run loan reports.
- View delivered loan elements.

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## Understanding Loans in Mexico

In Mexico, there are different types of loans:

- Company loans.
- *Faltante de Caja* loans.
- INFONAVIT loans.
- FONACOT loans.

A company loan is given to an employee by the company.

A *Faltante de Caja* loan (cashier loan) occurs in the retail sector. When the cash register balance does not match between the existing cash and the cash reported, the cashier must replace the missing amount. This can be done with a loan.

INFONAVIT loans are given for purchasing housing.

FONACOT loans are given for purchasing appliances, such as refrigerators.

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## Defining Loans in Mexico

This section discusses how to define loans.

To define loans in Mexico:

1. Set up the details of a loan and a loan repayment schedule on the Loan Assignment page.
2. Process the payroll.

3. Generate two types of loan reports: Loans by Calendar and Loans by Payee.

**See Also**

Appendix A, “PeopleSoft Global Payroll for Mexico Reports,” page 203

**Page Used to Define Loans in Mexico**

Page Name	Object Name	Navigation	Usage
Loan Assignment	GPMX_LOAN	Global Payroll, Payee Data, Loans, Request Loans MEX, Loan Assignment	Define loan information and a repayment schedule for an employee.

**Defining Loan Assignments**

Access the Loan Assignment page.

The screenshot displays the 'Loan Assignment' page for employee Hernández Peña, Lourdes (ID: KY0002, Empl Rcd#: 0). The 'Loan Definition' section includes:
 

- Element Name: PRESTAMO CIA
- Loan Type: PAGOS
- \*Loan Number: 08887745
- \*Date: 11/01/2002
- \*Total Amount: 150000.000000
- Payment Type: Amount

 The 'Loan Schedule Setup' section includes:
 

- Periods: [ ] Or Amount: 1500.00000
- Begin Date: 12/01/2002
- Frequency: Monthly
- Create Schedule button

 The 'Loan Schedule' table at the bottom has the following structure:
 

Finalized Run	*Begin Date	End Date	Payment Amount
1	[ ]	[ ]	[ ]

Loan Assignment page

**Loan Definition**

**Element Name**

Select the element name that corresponds to the loan.

**Loan Type**

Displays the loan type. The system considers only deductions with a category of “PR” (loans), which are defined in the Category field on the Deduction Name page. Four types of loans have been defined in Customer Fields on the Deduction Name page:

INFONAVIT – for INFONAVIT loans

PAGOS – for company loans

FONACOT – for FONACOT loans

FALT.CAJA – for cashier loans

<b>Loan Number</b>	Enter the loan number.
<b>Date</b>	Enter the date on which the loan was given.
<b>Total Amount</b>	Enter the total amount of the loan.
<b>Payment Type</b>	Select the payment type: <i>Amount</i> , <i>Percentage</i> or <i>x Minimum</i> . The Payment Type field applies only to INFONAVIT loans and refers to the type of loan that was originally granted. If an <i>Amount</i> loan was granted, then a flat amount will be discounted each period from the employee's payslip. If a <i>Percentage</i> loan was granted, you must enter the percentage that is to be discounted in the Infonavit % field. If a <i>x Minimum</i> loan was granted, you must enter the number of minimum wages that is to be discounted on the x Min Wages field.

---

**Note.** Depending on the value you select in the Payment Type field, different fields appear in the Loan Schedule group box.

---

## Loan Schedule Setup

<b>Periods</b>	If the loan will be repaid over a period of time, you'll specify the number of periods here. If you don't know the fixed amount of a loan payment, but you know the number of periods required to discount the total amount, then you can generate your loan schedule based on the number of periods. In other words, you will define either the Periods field or the Amount field, but not both.
<b>Amount</b>	If the loan is a fixed amount (for a one-time repayment), enter the amount here. If you don't know the total number of periods required to discount the total amount, but you know the discount to take off each period, then you can generate your loan schedule based on the number of periods to determine the payment amount each period.
<b>Begin Date</b>	Enter the date on which the loan repayment begins. The begin date must be after the loan date.
<b>Frequency</b>	Specify the frequency of the loan repayment. Valid values are <i>Biweekly</i> , <i>Monthly</i> , <i>Semimonthly</i> , and <i>Weekly</i> .
<b>Create Schedule</b>	If you selected a Company Loan (PAGOS) or a FONACOT Loan (PRES FONACOT), select the Create Schedule push-button. When you select Create Schedule, the loan schedule is automatically created.

---

**Note.** Be sure to define the same frequency and begin date as in the periods you defined on the Periods page or the Automatic Period Creation page in the core application.

---

## Loan Schedule

<b>Finalized Run</b>	This field will indicate if the payroll process for that row has been finalized.
<b>Begin Date/End Date</b>	Enter the begin and end dates for the period of time on which the payment amount is valid.

<b>Payment Amount</b>	If you selected <i>Amount</i> in the Payment Type field, the Payment Amount field appears. Enter the flat amount that is to be deducted from an employee's payslip.
<b>x Min Wages</b> (times minimum wages)	If you selected <i>X Minimum</i> in the Payment Type field, the x Min Wages field appears. Enter the number of minimum wages that will be the payment for each period.
<b>Infonavit %</b> (percentage)	If you selected <i>Percentage</i> in the Payment Type field, the Infonavit % field appears. Enter the percentage that is to be deducted from an employee's payslip. Typically, this is 20%, 25%, or 30%. If the loan was granted before January 30, 1998, the system looks up the value on the INFONAVIT Loans Percentage page and retrieves the corresponding discount. Otherwise, it will discount the percentage entered. For example, let's say that an employee has a loan granted on January 1, 1997 with a 20% discount, an SDI of 100, and a minimum daily salary of \$42.15. The number of times the minimum wage that the employee's salary is will be calculated as $100/42.15 = 2.3724792$ . When the system is processing the loan data, it looks up the value entered on the INFONAVIT Loans Percentage page and sees that the number of times the minimum wage of 2.37 for a loan at 20% has a discount of 15.70%.

---

## Creating Deduction Assignments for Loan Schedules

After you define a loan schedule, the system creates a deduction assignment for each loan schedule. This is performed by the component interface. The process inserts a deduction assignment with some supporting element overrides like the following:

Field	Variable
Loan Number	PR VR NUM PRESTAMO
Total Amount	PR VR MONTO TOTAL
Date	PR VR FECHA
Payment Amount	PR VR PAGO
Infonavit % (only for INFONAVIT loans)	PR VR % INFONAVIT
Times Minimum Wage	PR VR # SAL MIN

All of these variables are used by the process to keep track of each loan balance separately. These variables are also used to calculate the deduction for each loan.

---

**Note.** Remember to define the variables listed in the table above when entering your loans outside of Loan Assignments.

---

The following outlines what you need to define in the deduction assignment for each loan type. You define deductions assignments on the Earnings/Deduction Assignment page in the core application.

### **Company Loans**

The loan number, total amount, loan date, and payment amount must be defined in the Deduction Assignment.

### **Faltante de Caja Loans**

The loan number, loan date, and total amount must be defined in the Deduction Assignment. The legal ceiling is calculated to determine the monthly payment. The legal ceiling is based on the monthly salary wage zone.

### **INFONAVIT Loans**

The loan number, loan date, total amount, and either percentage, payment amount, or number of minimum wages must be defined in the Deduction Assignment.

There are three different types of INFONAVIT loans:

To calculate By Percentage loans:

1. Determine the initial SDI for the employee (bimonthly).
2. Calculate the payment based on the number of minimum wage zone salaries and the loan percentage.
3. Return the minimum between the payment and balance amount.

To calculate By Amount loans, find the minimum between the loan payment and the balance amount.

To calculate By x Minimum Wages loans, find the minimum between the Minimum Wage x Minimum Wage number and the balance amount.

### **FONACOT Loans**

The loan number, loan date, total amount, and payment must be defined in the Deduction Assignment.

You'll prorate the payment between the monthly days in the period and multiply this factor by the worked days.

### **See Also**

*PeopleSoft 8.8 Global Payroll PeopleBook*, "Using Calendars," Creating Periods

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## **Calculating Loan Payments**

There are several formulas to calculate loan payments.

Elements	Description
Topes Cajeras	The maximum discount per pay period
Salario Mensual	Monthly salary
Monthly Wage Zone	Monthly minimum salary for the zone
Loan amount	Total loan amount
Legal ceiling	(Monthly salary – one monthly employee’s wage zone) × 30 %

### Company Loans

If an employee has more than one company loan, you must define a copy of the earning, formulas and accumulators for the company loan. Define the following parameters in the system:

Number	Loan Amount	Monthly Payment	Cash Balance
Payment number	Loan Balance	If the loan balance is less than what you defined, then the monthly payment is equal to the loan balance; else the monthly payment is defined by you.	Loan amount – Monthly payment

When an employee has one company loan, a loan payment amount is determined and deducted from the employee’s pay regularly as agreed upon by the company and the employee.

When there is more than one company loan, payment numbers are assigned to each loan and each loan has a separate cash balance.

### Faltante de Caja Loans

You’ll define the following parameters in the system:

Number	Faltante de Caja	Legal Ceiling	Operator	Cash Balance	Monthly Payment
Payment number	Cash balance + new <i>Faltante de Caja</i>	(Monthly salary – Monthly wage zone) × 30 %	<i>Faltante de Caja</i> < or > legal ceiling	<i>Faltante de Caja</i> – Monthly payment	If <i>Faltante de Caja</i> < legal ceiling, then monthly payment = <i>Faltante de Caja</i> ; else, if legal ceiling > 0, then monthly payment = legal ceiling; else = 0.

### INFONAVIT Loans

Employees can make INFONAVIT loan payments in several ways:

- Fixed amount – a monthly fixed amount will be deducted from the employee’s pay.
- Percentage – depending on the original loan agreement, 20%, 25%, or 30% of an employee’s pay will be deducted.
- Number of times the minimum wages – the number of times the minimum wage that is to be deducted from an employee’s pay is defined.

You’ll define your loan payment option on the Loan Assignment page.

### FONACOT Loans

You must set the frequency for FONACOT loans as monthly. The payment is calculated as follows:

$$\text{Payment} = (\text{Monthly payment} / 30) \times (\text{Days in the period} - \text{Absences})$$

The days in the period are taken depending on the period frequency, for example, monthly (30 days), semimonthly (15 days), biweekly (14 days), and weekly (7 days).

---

## Running Loans Reports

This section discusses how to run loans reports.

## Pages Used to Run Loans Reports

Page Name	Object Name	Navigation	Usage
Loans by Calendar	GPMX_RC_LOANS_CAL	Global Payroll, Absence and Payroll Processing, Payroll Reports, Loans by Calendar MEX, Loans by Calendar	Lists all loans by Calendar Group ID.
Loans Payee	GPMX_RC_LOANS_PYE	Global Payroll, Payee Data, Loans, Loans Report MEX, Loans Payee	Lists all loans by payee.

### See Also

Appendix A, “PeopleSoft Global Payroll for Mexico Reports,” page 203

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## Viewing Delivered Loan Elements

PeopleSoft Global Payroll for Mexico delivers the following deductions to calculate loans.

Deduction	Description
PRESTAMO CIA	Company loans
FALTANTE CAJ	Cashier loans
PRES FONACOT	FONACOT loans
CRED INFONAV	INFONAVIT loans

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

### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook, “Delivered Elements and System Data”*

## CHAPTER 14

# Updating Social Security Contributions in Mexico

This chapter provides an overview of social security contributions in Mexico and discusses how to:

- View and update SDI wage data for payees.
- Create triggers for SDI.
- Generate IMSS notices.
- Run the SDI batch processes.
- Run social security reports.
- View delivered social security elements.

### See Also

[Chapter 5, “Defining Social Security Contributions for Mexico,” page 51](#)

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## Understanding Social Security Processing

SDI (*Salario Diario Integrado*) represents the base salary that is used for social security calculations, including contributions to social security and INFONAVIT loan paybacks. It consists of:

- Fixed SDI, which is the employee’s daily rate plus *Aguinaldo* (Christmas bonus), vacation premium, food coupons, or any other benefits the employee always receives.
- Variable SDI, which comprises benefits that vary from one pay period to another, such as Sunday premium, triple overtime, and commissions.

The process for defining and updating social security in Mexico consists of the following steps:

1. (Optional) Update the social security contribution table and the repayment of INFONAVIT loans table.

PeopleSoft Global Payroll for Mexico delivers rules that compute fixed and variable SDI for payees and calculate deductions for social security and repayment of INFONAVIT loans. The calculations are based, in part, on tables that contain rates and ceilings. We deliver the data for these tables initially—it’s up to you to keep the tables current.

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**Note.** You can update the social security contribution table on the Social Security Quotas page. You can define the repayment of INFONAVIT loans on the INFONAVIT Loans % page. Both pages are discussed in “Defining Social Security Contributions in Mexico.”

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2. View and update SDI wage data for payees on the Payee SDI Data page.

3. Identify when the system should create triggers for various events that affect SDI calculations and specify when to generate IMSS notices for employees. You can create SDI triggers on the SDI Triggers page.
4. Define Variable SDI for a pay group on the Variable SDI page.

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**Note.** Before you can run the Variable SDI process, you must define Variable SDI for a pay group by selecting the earnings, accumulators, and formulas used in the Variable SDI process. The Variable SDI page is discussed in “Defining Social Security Contributions in Mexico”.

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5. Run SDI processes to calculate new SDI amounts when certain events or changes occur, such as salary changes, employee anniversaries, or at the end of two months, if variable earnings are paid. The two processes are:
  - Fixed SDI process (SDI FIJO).
  - Variable SDI process (SDI VARIABLE).

## Social Security Reports

PeopleSoft Global Payroll for Mexico generates several reports for social security. It also provides the two interfaces that are required for paying social security contributions through the *Sistema Unico de Autodeterminacion* (SUA). SUA is the software that the Social Security Institute provides to calculate all employer and employee quotas.

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**Note.** In Mexico, “social security quota” is used to refer to social security contributions. In this document, we use the term “social security quota”, but it means the same thing as social security contribution.

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## See Also

[Appendix A, “PeopleSoft Global Payroll for Mexico Reports,” page 203](#)

[Chapter 5, “Defining Social Security Contributions for Mexico,” Defining Contribution Rates for Social Security, page 51](#)

[Chapter 5, “Defining Social Security Contributions for Mexico,” Defining Payback Rates for INFONAVIT Loans, page 53](#)

[Chapter 5, “Defining Social Security Contributions for Mexico,” Defining Variable SDI, page 54](#)

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## Viewing and Updating SDI Wage Data for Payees

This section discusses how to view and update a payee’s SDI wage data.

The system automatically creates a new row of SDI payee data for a payee when:

- A payee is hired, terminated, or has a salary change.
- You run the Fixed or Variable SDI process and the system detects a change to SDI.

The SUA interfaces generate two flat files (one with employee data and one with transactions). The SUA system loads these files through a batch process and generates the employee and employer quotas every two months.

Then the employer calculates the corresponding quotas that need to be paid bimonthly and the quotas that are reported every other two months. This is done with the SUA software. Once the quotas are calculated, the employer has to pay the corresponding amount to the bank.

You can view events that have caused changes to an employee’s SDI data. You can also override a payee’s Fixed SDI amount.

## Page Used to View and Update SDI Wage Data

Page Name	Object Name	Navigation	Usage
Payee SDI Data	GPMX_SDI_DATA	Global Payroll, Payee Data, Social Security/Insurance, Maintain SDI Data MEX, Payee SDI Data	View a payee’s SDI data and override the Fixed SDI amount.

## Viewing and Updating a Payee’s SDI Wage Data

Access the Payee SDI Data page.

Payee SDI Data

---

Peña Martínez,Jorge ID: KY0001 Empl Rcd#: 0

Detail Find | View All First 1 of 1 Last

\*Effective Date: 03/01/2002 Sequence number: 1

IMSS / SAR

<b>Minimum Wage A Zone:</b> 42.15	<b>Minimum Wage Empl. Zone:</b> 42.15
<b>Ceiling Days Matern &amp; Illness:</b> 25.00	<b>Ceiling Days Disab &amp; Life:</b> 18.00
<b>Max Ceiling Matern &amp; Illness:</b> 1053.75	<b>Max Ceiling Disab &amp; Life:</b> 758.70
<b>Fixed SDI:</b> <input type="text" value="4197.26"/>	<b>SDI Factor:</b> 1.049315
<b>Variable SDI:</b> <input type="text" value="1179.25"/>	<b>Total SDI:</b> 5376.51
<b>Difference SMG and Daily Rate:</b> <input type="text" value="0.00"/>	

Action / Reason

\*Action:  VAR MX - Variable SDI

**IMSS Notice:** Salary Change **SUA Reason:** Salary Change

Payee SDI Data page

### IMSS/SAR

**Minimum Wage A zone** The daily minimum wage for wage zone A, as defined on the Minimum Wages page.

<b>Minimum Wage Employee Zone</b>	The daily minimum wage for the employee's zone. (The employee's wage zone is determined by the establishment that is associated with the employee's location.)
<b>Ceiling Days Matern \&amp; Illness</b>	The ceiling days that apply to social security contributions for maternity and illness. This number comes from the EYMPD row on the Social Security Quotas page.
<b>Ceiling Days Disab \&amp; Life</b>	The ceiling days that apply to social security contributions for disability and life. This number comes from the IYV row on the Social Security Quotas page.
<b>Max Ceiling Matern \&amp; Illness</b>	The maximum contribution base that the payee can have for maternity and illness. The system calculates this amount by multiplying the minimum wage for Zone A by the ceiling days for maternity and illness.
<b>Max Ceiling Disab \&amp; Life</b>	The maximum contribution base that the payee can have for disability and life. The system calculates this amount by multiplying the minimum wage for the employee's zone by the ceiling days for disability and life.
<b>Fixed SDI</b>	The fixed SDI amount that is calculated by the SDI FIJO process. This amount is reported to Social Security when a payee is hired or the payee's salary changes. You can override the amount, if necessary.
<b>SDI Factor</b>	The SDI factor that is defined for the employee's pay group on the Xmas, Vac, Premium, SDI Factor page. The system uses the SDI factor to calculate Fixed SDI.
<b>Variable SDI</b>	The variable SDI amount that is calculated by the SDI VARIABLE process. Variable SDI is added to the Fixed SDI in the SDI Total.
<b>Total SDI</b>	The total of the fixed and variable SDI amounts. This amount is reported to the IMSS, when there's a change.
<b>Difference SMG and Daily Rate</b>	The difference between the minimum wage for Zone A and the employee's daily rate.

### Action/Reason

The information in this group box is populated automatically based on changes made in PeopleSoft Human Resources.

<b>Action</b>	The action and reason code that defines the action. (This information comes from PeopleSoft Human Resources.)
<b>IMSS Notice</b>	Indicates the type of IMSS notice that will be generated.  (You associate IMSS Notices with Action/Reason codes in the Mexico section of the Action Reason Table in PeopleSoft Human Resources.)
<b>SUA Reason</b>	Indicates the type of transaction that will be reported to IMSS.  (You associate SUA Reason with Action/Reason codes in the Mexico section of the Action Reason Table in PeopleSoft Human Resources.)

**See Also**

Chapter 4, “Defining Earnings in Mexico,” Defining the SDI Factor for Christmas Bonuses and Vacation Premiums, page 43

*PeopleSoft 8.8 Human Resources PeopleBook: Administer Workforce*, “Setting Up the Administer Workforce Business Process,” Defining Duty Types and Reasons for Personnel Actions

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## Creating Triggers for SDI

This section discusses how to create SDI triggers.

When certain changes that affect the calculation of a payee’s fixed or variable SDI wages occur—such as a change to the minimum wage, or an employment anniversary—a trigger must be generated so that the system recognizes the change and retrieves the correct wage data when it calculates an employee’s pay.

For example, say that the pay period runs from February 1 to 15. On February 7, a payee’s anniversary date, benefits for the Christmas bonus and vacation premium increase. You use the SDI Triggers page to create a trigger for all payees who have anniversaries between February 1 to 15.

When you run the regular payroll, the system creates two slices for each Social Security deduction (for February 1-6 and February 7-15). Later, when you run the Fixed SDI process, the system detects the trigger and recalculates the payee’s SDI. The system inserts a record in the Payee SDI Data and a printed, electronic, or EDI notification can be sent to IMSS.

---

**Note.** Remember that SDI is the base rate for social security purposes. Element segmentation will not occur until you run the Fixed SDI process. For example, the system calculates the IMSS quotas in two sections: one for February 1-5 with the corresponding SDI and another for February 7-15 with the new SDI.

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**See Also**

Appendix A, “PeopleSoft Global Payroll for Mexico Reports,” page 203

## Page Used to Create Triggers for SDI

Page Name	Object Name	Navigation	Usage
SDI Triggers	GPMX_RC_TRI001	Global Payroll, Absence and Payroll Processing, Prepare Payroll, Create SDI Triggers MEX, SDI Triggers	Specify when a change to the minimum wage, employees’ anniversaries, or a change to SDI should create triggers for payroll processing.

## Creating SDI Triggers

Access the SDI Triggers page.

**SDI Triggers**

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

**\*Pay Group:**

**Minimum Wage Change**

**Create**      **Date:**

**Anniversary**

**Create**

**SDI Variable Change**

**Create**

SDI Triggers page

## Minimum Wage Change

**Create**

Select if you want to create a trigger for each payee who is affected by a change to the minimum wage.

---

**Note.** Because the ceiling for SDI is based on the minimum wage, most employees are affected by a change to the minimum wage—not just those who earn the minimum wage. Therefore, a change in the minimum wage can create a new SDI.

---

**Date**

Enter the date of the minimum wage change.

## Anniversary

**Create**

Select to create a trigger for each payee who had an anniversary during the period of time you specify.

**Begin Date/End Date**

Enter the begin date and end date of the period during which an employee's anniversary must fall in order for a trigger to be generated.

## SDI Change

**Create**

Select if you want to create a trigger for each employee who is affected by a change to the SDI calculations.

**Month**

Enter the month that the SDI change takes effect.

**Year**

Enter the year that the SDI change takes effect.

## Generating IMSS Notices

This section discusses when to generate IMSS notices.

When a payee is hired, has a salary change, or is terminated, you must report the event to IMSS. You use the IMSS Notice Control page to record these events for a specific payee and to indicate how to report the change. The following options are available:

- Printed notice
- Magnetic device
- Electronic transmission

The run control page that you use to generate the notices depends on the selected reporting method. When you generate the notices, the system clears the check boxes from the IMSS Notice Control page.

### Page Used to Generate IMSS Notices

Page Name	Object Name	Navigation	Usage
IMSS Notices Control	GPMX_IMS_CONTR	Global Payroll, Social Security/Insurance, Review IMSS Notices MEX, IMSS Notices Control	Record events that generate a notice to IMSS for a payee and select the method of notification.

### Specifying When to Generate IMSS Notices

Access the IMSS Notices Control page.

IMSS Notices Control page

Select the type and form of notice you would like to generate for the payee.

#### See Also

[Appendix A, “PeopleSoft Global Payroll for Mexico Reports,” page 203](#)

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## Running the SDI Batch Processes

This section provides an overview of the SDI batch processes and discusses how to modify:

- Fixed SDI process
- Variable SDI process

### Understanding the SDI Batch Process

When you run the payroll process, the system produces two writable arrays related to social security:

- IM\_WA\_DATOS\_SDI, which contains information for both fixed and variable SDI amounts.
- IM\_WA\_REP\_VARIAB, which is used to generate the Variable SDI report.

After you run the payroll process, you can launch two additional social security processes from the Payroll/Absence Run Control page. These processes calculate new SDI amounts, which are the basis for all the Social Security earnings and deductions, such as employee and employer contributions and loan paybacks. The two processes are:

- Fixed SDI process (SDI FIJO).

Run this process if your organization offers benefits—in addition to the Christmas bonus and vacation premium—that contribute to fixed SDI. You can run this as often as needed to generate data for IMSS notifications.

Also run the Fixed SDI process every time there is a salary increase (individual or mass), a minimum wage change, or you calculate Fixed SDI in order to detect a SDI change caused by a payee's anniversary.

- Variable SDI process (SDI VARIABLE).

Run this process bimonthly to calculate variable SDI figures for the previous two months. The system will add the variable earnings for the last two months and divide them by the number of paid days for the two previous months minus unpaid absences. The Variable SDI process is run in January, March, May, July, September, and November. The calculations are used in the Variable SDI report.

Use separate calendars for the Fixed SDI and the Variable SDI processes.

You can modify the process lists for the SDI processes, as needed.

### Modifying the Fixed SDI Process

If your organization offers benefits (in addition to the Christmas bonus and vacation premium) that contribute to fixed SDI, run the Fixed SDI process to calculate fixed FDI. (The Payroll process takes into account the Christmas bonus and vacation premium when it calculates fixed SDI.)

PeopleSoft delivers a predefined process list for calculating fixed SDI. You must take the following steps before you use this process list.

To modify the Fixed SDI process for your organization:

1. Add the earnings elements for the additional benefits as members of the accumulator, BASE SDI FIJO.
2. Add the same earnings elements to the CALCULO SDI FIJO section of the CALCULO SDI FIJO process list.

The Fixed SDI process populates a writable array named IM\_WA\_DATOS\_SDI. You can view data from this through the Payee SDI Data page.

## Modifying the Variable SDI Process

PeopleSoft also delivers a process list (CALC SDI VARIAB) for calculating variable SDI. If you need to add earnings that contribute to the variable SDI amount, follow the procedure below.

To include an earnings in the Variable SDI process:

1. Select the earning that is a member of the SDI bimonthly accumulator.  
This is very important. If the bimonthly accumulator does not exist for the earning, you must create a new one. Select the earning and the corresponding accumulator on the Variable SDI page.
2. Select one of the three formulas (integration methods): IM FM 100% VAR, IM FM TOP VAL IMSS, or IM FM PREMIO INT on the Variable SDI page.

All earnings belong to one of the three formulas (integration methods). Below are some examples:

Earning	Formula
BONO	IM FM 100% VAR
VALES DESPENSA	IM FM TOP VAL IMSS
COMISIONES	IM FM 100% VAR
PREMIO DE ASIST	IM FM PREMIO INT

**Note.** Do not add the earnings elements to the SDI VARIABLE section.

The order in which you run the SDI FIJO and SDI VARIABLE processes is very important because the fixed process (SDI FIJO) depends on the variable process (SDI VARIABLE). For example, the date for the SDI FIJO corresponds to a hiring or salary increase date for the employee and the SDI VARIABLE as defined by law is the first day of each two months based on the earnings of the previous two months.

### See Also

[Chapter 5, “Defining Social Security Contributions for Mexico,” Defining Variable SDI, page 54](#)

## Running Social Security Reports

This section describes the social security reports that you can run in PeopleSoft Global Payroll for Mexico and discusses the Work Risk Related Incidents report in detail.

## Pages Used to Run Social Security Reports

Page Name	Object Name	Navigation	Usage
Variable SDI Report	GPMX_RC_VARIABI	Global Payroll, Social Security/Insurance, Variable SDI Report MEX, Variable SDI Report	Lists the earnings that are the base for the subsidy factor.
Risk Factor Report	GPMX_RC_ABSENCE	Global Payroll, Social Security/Insurance, ANN-Risk Factor Report MEX, Risk Factor Report	Lists all employees with work-related disabilities in a specified year.
IMSS Printed Notices – Hire	GPMX_RC_IMSS_PRN	Global Payroll, Social Security/Insurance, Create IMSS Report Notices MEX, IMSS Printed Notices	Provides hiring details for selected employees. This report is submitted to IMSS in printed format.
IMSS Magnetic Media Notices - Hire	GPMX_RC_IMSS_MMD	Global Payroll, Social Security/Insurance, Create IMSS Mag. Notices MEX, IMSS Mag Media Notices	Provides hiring details for selected employees. This report is submitted to IMSS in magnetic media format.
IMSS EDI Notices – Hire	GPMX_RC_IMSS EDI	Global Payroll, Social Security/Insurance, Create IMSS EDI Notices MEX, IMSS EDI Notices	Provides hiring details for selected employees. This report is submitted to IMSS in EDI format.
IMSS Printed Notices – Termination	GPMX_RC_IMSS_PRN	Global Payroll, Social Security/Insurance, Create IMSS Report Notices MEX, IMSS Printed Notices	Provides termination details for selected employees. This report is submitted to IMSS in printed format.
IMSS Magnetic Media Notices - Termination	GPMX_RC_IMSS_MMD	Global Payroll, Social Security/Insurance, Create IMSS Mag. Notices MEX, IMSS Mag Media Notices	Provides termination details for selected employees. This report is submitted to IMSS in magnetic media format.
IMSS EDI Notices – Termination	GPMX_RC_IMSS EDI	Global Payroll, Social Security/Insurance, Create IMSS EDI Notices MEX, IMSS EDI Notices	Provides termination details for selected employees. This report is submitted to IMSS in EDI format.
IMSS Printed Notices – Salary Change	GPMX_RC_IMSS_PRN	Global Payroll, Social Security/Insurance, Create IMSS Report Notices MEX, IMSS Printed Notices	Provides salary change details for selected employees. This report is submitted to IMSS in printed format.
IMSS Magnetic Media Notices – Salary Change	GPMX_RC_IMSS_MMD	Global Payroll, Social Security/Insurance, Create IMSS Mag. Notices MEX, IMSS Mag Media Notices	Provides salary change details for selected employees. This report is submitted to IMSS in magnetic media format.
IMSS EDI Notices – Salary Change	GPMX_RC_IMSS EDI	Global Payroll, Social Security/Insurance, Create IMSS EDI Notices MEX, IMSS EDI Notices	Provides salary change details for selected employees. This report is submitted to IMSS in EDI format.

Page Name	Object Name	Navigation	Usage
IMSS Base Over Cap	GPMX_RC_CAP_BSE	Global Payroll, Social Security/Insurance, IMSS Base Over Cap Report MEX, IMSS Base Over Cap	Lists the employees who have a surplus over the cap on 3, 18, and 25 minimum wages.
SUA- Load Employees	GPMX_RC_SUA001	Global Payroll, Social Security/Insurance, Create SUA – Payee File MEX, SUA Load Employees	Generates the SUA employees interface and a printed report.
SUA – Employees Transactions	GPMX_RC_SUA002	Global Payroll, Social Security/Insurance, Create SUA – Transact File MEX, SUA Employees Transactions	Generates the SUA employees transaction interface and a printed report.

### See Also

[Appendix A, “PeopleSoft Global Payroll for Mexico Reports,” page 203](#)

## Creating the Work Risk Related Incidents Report

The Work Risk Related Incidents report lists all employees who had a disability from a work risk during the year. It takes the information that is entered in the Absence Event Input Detail page, within the Absence Event component. In particular, the Work Risk Related Incidents report takes the following information: Illness Type, Illness Document Number, Permanent Illness Percentage, and Death Indicator. All other necessary information is retrieved from the Absence Event page.

The Work Risk Related Incidents report creates an ASCII output file for the IMSS software, so that it can be loaded up as a batch file. The output file contains the following data (in this order):

- An automatically generated serial number.
- Company name.
- Company address.
- Period (year).
- Establishment ID.
- Social security number.
- Employee name.
- Illness, whether it’s a relapse or reappraisal.
- Illness begin date.
- Risk type.
- Subsidized days.
- Percentage of permanent illness (only for work accidents and work illnesses).
- Death indicator (in case of death, a “D” will display.)
- Illness end date.

## Viewing Delivered Social Security Elements

This section contains information about the rules PeopleSoft Global Payroll for Mexico created to process social security.

### Social Security Deductions

The following table lists the social security deductions for Mexico:

Deductions	Description
EYM CF PAT	Illness & Mat Fixed Quota Employer
EYM E3S EMP	Illness & Mat Excess 3SMG Employee
EYM E3S PAT	Illness & Mat Excess 3SMG Employer
EYM PD EMP	Illness & Mat Cash Benefits Employee
EYM PD PAT	Illness & Mat Cash Benefits Employer
EYM PE EMP	Illness & Mat Benefits in Kind Employee
EYM PE PAT	Illness & Mat Benefits in Kind Employer
RT PATRON	Work Risk
IYV EMP	Disability and Life Employee
IYV PAT	Disability and Life Employer
GYPS PAT	Child Care & Social Pre Employer
CYV PAT	Unemployment & Old Age Employer
CYV EMP	Unemployment & Old Age Employee
CUOTA IMSS E	IMSS Quotas Paid by Employee
CUOTA IMSS P	IMSS Quotas Paid by Employer

Deductions	Description
CUO IMSS CYV	IMSS Quot Unemploy & Old Age
CUO IMSS EYM	IMSS Quot Illn & Mat Dis & Life
SAR	Retirement (SAR)
INFONAVIT	INFONAVIT

## Social Security Process Lists

The following table lists the social security process lists for Mexico:

Process List	Description
CALC SDI FIJO	Fixed SDI
CALC SDI VARIAB	Variable SDI Process

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

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### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Delivered Elements and System Data”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Earnings and Deduction Elements”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Processing Elements”



# CHAPTER 15

## Managing Taxation for Mexico

This chapter provides an overview of taxes in Mexico and discusses how to:

- Update annual tax adjustments.
- Calculate the subsidy factor.
- Run tax reports.
- View delivered tax elements.

### See Also

[Chapter 6, “Defining Taxation for Mexico,” page 57](#)

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## Understanding Tax Processing

As an employer, you are legally required to maintain and report a variety of tax data about your employees. PeopleSoft delivers much of the set up information needed to calculate taxes in the system. This section provides an overview of tax methods and describes how you can process:

- Federal taxes
- Annual tax adjustments
- State taxes

## Understanding Tax Methods

With PeopleSoft Global Payroll for Mexico, you can define the method for calculating employees’ taxes on the General Parameters page.

The tax methods are:

- ISR Art. 113.
  - Annual projection method.
  - Semimonthly projected method.
  - Without adjustment.
  - Adjustment during the month.
  - Adjustment at end of the month.
- Article 112 LISR (Severance pay method).

- Article 86 RISR (Vacation Premium, Profit Sharing, and Christmas Bonus method).
- Article 91 RISR (Multiple months payment method).

Below is detailed description of some of the tax methods.

### **Annual Projection Method**

This method projects the taxable base of the pay period as well as projecting the annual taxable base that will accrue for the employee in the annual form. This projection is calculated using annual tables. Once the annual tax is determined, a factor is calculated that divides the taxable base of the period by the annual projected taxable base. To determine the tax of the pay period, the projected annual tax is multiplied by the factor and this is equal to the period tax.

### **Semimonthly Projected ISR**

For employees who are on a semimonthly projected ISR payroll, the system projects their salaries for the next period, taking into account that the projection will be made in every pay period and subtracting the tax retained in the previous periods.

The semimonthly projected tax method applies to all types of employees (hourly and salaried) and only employees with a semimonthly pay frequency.

### **Without Adjustment**

Depending on the pay frequency, the system will divide the taxable base by the number of worked days and the result will be multiplied by the Day Factor (defined on the General Parameters page). The result will be the monthly taxable base. Then, the system will calculate the taxes to this monthly taxable base. Immediately after calculating the taxes (Articles 113, 114, and 115), the system divides the resulting tax amounts by the Day Factor and multiply the result by the number of worked days. This result gives us the proportional taxes that correspond to the pay period taxable base.

### **Adjustment During the Month**

This method works the same way that the Without Adjustment method works, but takes into consideration all the accumulated taxable earnings for the month. For example, if your company is running a weekly payroll, and you are currently running payroll for the third week of the month, the system will consider the taxable earnings from the two previously paid periods of the month as well as the current pay period. The same consideration is applied to worked days.

### **Adjustment at the End of the Month**

This method is exactly the same as the Without Adjustment method for all the pay periods that are not the final one in a single month. This method is also similar to the Adjustment During the Month method for the pay period that is the final one in a single month.

### **Article 112 LISR (Severance Pay Method)**

The system calculates the tax of one month salary for the employee using the method from Article 113. Once calculated, this tax will be divided by the monthly salary in order to determine a Tax Factor. Then, the severance pay taxable base will be multiplied by this factor in order to determine the Article 112 LISR tax amount.

### **Article 86 RISR (Vacation Premium, Profit Sharing, and Christmas Bonus Method)**

The Article 86 RISR method is calculated in the following way:

1. The taxable base for this method will be divided by 365 and multiplied by 30.4 in order to determine a monthly taxable base.
2. The result of this calculation will be added to the 'regular' taxable base of the pay period (the one used for the Article 113 tax method). Then, the system will calculate the tax to this new taxable base based on the Article 113 method.
3. The system calculates the tax of one month salary for the employee using the Article 113 method.
4. The system calculates the difference between the tax from Step 2 and Step 3.
5. The result of Step 4 will be divided by the result of Step 1. This results in the Tax Factor.
6. The taxable base for Article 86 RISR will be multiplied by the Tax Factor calculated in Step 5 in order to determine the tax.

### **Article 91 RISR (Multiple Months Payment Method)**

The Article 91 RISR method is calculated in the following way:

1. The taxable base for this method will be divided by the number of days that corresponds to the earnings. For example, a quarterly bonus payment will be divided by the number of calendar days in the quarter. The result will be multiplied by 30.4 in order to determine a monthly taxable base.
2. The result of the previous step will be added to the 'regular' taxable base of the pay period (the one used for the Article 113 tax method). Then the system will calculate the tax to this new taxable base based on the Article 113 method.
3. The system calculates the tax of one monthly salary of the employee using the Article 113 method.
4. The system calculates the difference between the tax in Step 2 and Step 3.
5. The result from Step 4 will be divided by the result of Step 1. This will result in the Tax Factor.
6. The taxable base for Article 91 RISR will be multiplied by the Tax Factor calculated in Step 5 in order to determine the tax.

### **See Also**

[Chapter 3, "Defining Country Data for Mexico," Defining General Parameters, page 27](#)

## **Processing Federal Taxes**

PeopleSoft Global Payroll for Mexico provides a complete solution for federal tax processing.

To process federal taxes:

1. Define general tax parameters on the General Parameters page.
2. Process tax contributions during regular payroll runs.
3. Run the Federal Taxes report at the end of the tax year.

### **See Also**

[Chapter 3, "Defining Country Data for Mexico," Defining General Parameters, page 27](#)

[Chapter 6, "Defining Taxation for Mexico," Defining Federal Taxes, page 57](#)

[Chapter 15, "Managing Taxation for Mexico," Running Tax Reports, page 148](#)

## Processing Annual Tax Adjustments

During a calendar year, there may be times when too much or too little tax is paid because of varying incomes or other circumstances. The annual income tax adjustment process corrects this problem.

You can identify employees who don't qualify for an annual tax adjustment. This includes employees who have:

- Terminated and were rehired and the company decides not to adjust taxes.
- Notified you in writing that they plan to present their tax adjustment themselves (self-presentation). This could be based on several reasons such as when an employee has earned more than the government-allowed income limit and must self-present their tax adjustment data.

To process tax annual adjustments:

1. Define annual adjustment parameters on the Annual Adjustments page.
2. Define an annual period and create the calendar for the pay groups that you will run on the Calendar Definition page in the core application.
3. Enter tax data from Form 37 on the Other Employer page.  
Form 37 details tax data for employees you hire mid-year who worked for another company earlier in the same tax year. The system processes this information during the annual tax adjustment and that's why it's important to have this information entered prior to the annual adjustment process.
4. Identify payees who don't qualify for an annual tax adjustment on the Payees Without Adjustment page.
5. Run the Form 37 report for employees who are going to present their own annual adjustment tax data.  
You can also run this report at other times of the year. For example, you may also want to provide this information to terminating employees.
6. Run the Annual Adjustment Tax process (PL AJUSTE ANNUAL) at the end of the year.
7. Run the Annual Tax Adjustment Results process (GPMXAA02) through the Annual Adjustment report to view annual tax adjustment results.
8. (optional) Run the *Subsidio Acreditable* process (GPMXAA04) through the Annual Adjustment report to display tax subsidy data and have the details of how the system calculated the *Subsidio Acreditable* for all those employees that had multiple employers during the year.
9. Run the Minimum Wage Salary Level process (GPMXAA01) through the Annual Adjustment report to present to the government as an addendum to the annual tax adjustment process.

### See Also

[Chapter 6, "Defining Taxation for Mexico," Defining Annual Tax Adjustments, page 57](#)

[Chapter 15, "Managing Taxation for Mexico," Running Tax Reports, page 148](#)

*PeopleSoft 8.8 Global Payroll PeopleBook, "Using Calendars"*

## Processing State Taxes

Only employers pay state taxes in Mexico. Each state defines which earning and deduction types are part of its taxable income and the applicable rates.

To process state taxes:

1. Define which earnings and deductions are eligible for state taxes on the State Taxes Earn/Ded page.
2. View and verify state tax rates on the State Taxes Rates page.
3. (optional) Define state and local tax rates at the company level for Chihuahua and Ciudad Juarez on the Spec. State Taxes page.
4. Process tax contributions during regular payroll runs.
5. Run the State Taxes by Location report every month after the last payroll process of that month.

---

**Note.** The State Taxes Earn/Ded page, the State Taxes Rates page, and the Spec. Taxes Rates page are described in “Defining Taxation for Mexico”.

---

### See Also

[Appendix A, “PeopleSoft Global Payroll for Mexico Reports,” page 203](#)

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Payroll Processing”

[Chapter 6, “Defining Taxation for Mexico,” Defining State Taxes, page 59](#)

[Chapter 15, “Managing Taxation for Mexico,” Running Tax Reports, page 148](#)

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## Updating Annual Tax Adjustments

This section discusses how to update annual tax adjustments.

### See Also

[Chapter 6, “Defining Taxation for Mexico,” Defining Annual Adjustments, page 58](#)

## Pages Used to Update Annual Adjustments

Page Name	Object Name	Navigation	Usage
Other Employer	GPMX_OTH_ER_TBL	Global Payroll, Payee Data, Taxes, Define Prior Employer Data MEX, Other Employer	Enter all Form 37 information about a new employee who you hired in the middle of the year.
Payees without Adjustment	GPMX_EE_NO_ADJ	Global Payroll, Payee Data, Taxes, Specify No Year-End Adj MEX, Payees without Adjustment	Identify all payees who are not eligible for an annual tax adjustment.

## Entering Earnings and Tax Data From Other Employers

Access the Other Employer page.

**Other Employer**

Bernal Cruz,Ricardo ID: GY0004      Empl Rcd#: 0

**Company RFC:** APH-991001-AP3      **Employer:**

**Year:** 2001      **Start Date:** 10/01/2002      **End Date:** 10/31/2002

Earnings/Deductions      Customize | Find | View All      First 1 of 1 Last

#	*Earning/Deduction Code	Amount		
1	Subsidy	<input type="text"/>	+	-

Other Employer page

- Employer**                              Enter the name of the previous employer.
- Earning/Deduction Code**        Select the type of earning or deduction that appears on the Form 37.
- Amount**                              Enter the amount of the specific earning or deduction.

## Defining Payees Without Adjustment

Access the Payees w/o (without) Adjustment page.

**Payees w/o Adjustment**

**Year:** 2002

Employees Without Annual Adjustment      Customize | Find | View All      First 1 of 1 Last

#	*EmpID	Empl Rcd#	Name	Adjustment Type
1	GY0004		Bernal Cruz,Ricardo	Terminated & Rehired

Payees w/o Adjustment page

- Adjustment Type**                      Define the adjustment type for the payee. Valid values are *Self Presentation* and *Terminated & Rehired*.

## Calculating the Subsidy Factor

Every year, companies in Mexico need to calculate their subsidy factor based on the earnings and deductions of a single year. This subsidy factor is used to determine the acreditable and non-acreditable portions of taxes that are going to be calculated during the federal tax calculation process.

Due to recent tax laws, all employees will have their subsidy calculated using the following formula:

$$\text{Subsidy Proportion} = \text{Total taxable base} / \text{Total earnings in the last year.}$$

Here is an example of the subsidy factor calculation, using an employee's data for the year 2001. The amounts shown are in Mexican pesos.

Earnings	Taxable Base	Non Taxable Base	Total Earnings
Salary	152,000.00		152,000.00
Vacation Premium	8720.00	1018.00	9738.00
Christmas Bonus	9700.00	2115.00	11,815.00
Overtime	21,510.00	3820.00	25,330.00
Other Earnings	8540.00	35,660.00	44,200.00
TOTAL	200,470.00	42,613.00	243,083.00

Subsidy Proportion = Total Taxable Base 2001 / Total Earnings in 2001

Subsidy Proportion = 200,470.00 / 243,083.00 = .82

You will use this subsidy proportion to calculate the non-acreditable subsidy and acreditable subsidy for all employees in the company.

For example:

$1 - .82 = .18 \times 2 = .36$

.36 = Non-acreditable subsidy

The subsidy proportion (.82) is subtracted from 1 (which is 100 percent of the subsidy proportion) and then multiplied by 2 (formula provided by law) to find the non-acreditable subsidy.

$1 - .36 = .64$

.64 = Acreditable subsidy

The non-acreditable subsidy (.36) is subtracted from 1 (which is 100 percent of the subsidy proportion) to find the acreditable subsidy (.64) that will be accredited to an employee's taxes.

## Pages Used to Define Subsidy Factor Calculations

Page Name	Object Name	Navigation	Usage
Subsidy Factor Parm	GPMX_SUB_FACTOR	Global Payroll, Taxes, ANN – Subsidy Factor Calculation MEX, Subsidy Factor Parm	Set up subsidy factor calculation parameters for your company.
Calculate	GPMX_SUB_CALC	Global Payroll, Taxes, ANN – Subsidy Factor Calculation MEX, Calculate	Calculate the subsidy factor and store results.

## Defining Subsidy Factor Parameters

Access the Subsidy Factor Parameters page.

**Subsidy Factor Params** **Calculate**

**Company:** KYF      Compañía Financiera

**Year:** 2002

**Earnings and Deductions Detail**

**Total Earnings:** TOTAL PERCEPCIONES

Gross Pay

**Total Taxable:** TOTAL DEDUCCIONES

Deductions Total

Earnings		Description			
1	VALES DESP	Food Coupons		+	-
2	SUELDO	Salary		+	-

Earnings		Description	
1	SUB RIESGO	Work Risk Subsidy	

Subsidy Factor Parameters page

### Earnings and Deductions Detail

**Total Earnings**      Select the accumulator that tracks the total earnings used in the calculation of the subsidy factor.

**Total Taxable**      Select the accumulator that tracks the total annual taxable base used in the calculation of the subsidy factor.

**Earnings**      Include the earnings and deductions that will be included in the calculation of the total earnings or total taxable base.

### Calculating the Subsidy Factor

Access the Calculate page.

Subsidy Factor Params		Calculate
<b>Company:</b>	KYF	Compañía Financiera
<b>Year:</b>	2002	
<input type="button" value="Calculate"/>		
<b>Accumulators</b>		
<b>Total Earnings Amount:</b>		<b>Taxable Amount:</b>
<b>Other Payments Amount:</b>	<input type="text" value="200.00"/>	
<b>Process</b>		
<b>Proportion:</b>	=	_____ =
<b>Non Acreditable Subsidy:</b>	=	
<b>Acreditable Subsidy:</b>	=	

Calculate page

### Calculate

When you click the Calculate button, the system will calculate the subsidy proportion, the non-acreditable subsidy, and the acreditable subsidy that appear on this page.

### Total Earnings Amount

The amount that relates to the total earnings accumulator entered on the Subsidy Factor Parameters page appears.

### Taxable Amount

The amount that relates to the total taxable base accumulator entered on the Subsidy Factor Parameters page appears.

### Other Payments Amount

Enter the amount for off-cycle payments, if applicable. Examples of other payments are food coupons or transportation that is provided to employees. This amount is included in the taxable base that is calculated for the acreditable subsidy.

### Proportion

The system calculates the subsidy proportion based on the amounts you enter.

### Non Acreditable Subsidy

The system calculates the non-acreditable subsidy based on the amounts you enter.

### Acreditable Subsidy

The system calculates the acreditable subsidy based on the amounts you enter.

---

**Note.** You can also create a Subsidy Factor report. This report is discussed later in this chapter.

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### See Also

Chapter 15, “Managing Taxation for Mexico,” Running Tax Reports, page 148

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## Running Tax Reports

This section discusses reports for:

- Federal taxes
- State taxes

## Pages Used to Run Tax Reports

Page Name	Object Name	Navigation	Usage
Minimum Wage Salary Levels	GPMX_RC_SUBSACRED	Global Payroll, Taxes, ANN – Tax Adj Report MEX, Annual Adjustment	Displays a list of the minimum wage salary levels in your company to present to the government.
Annual Tax Adjustment Results	GPMX_RC_SUBSACRED	Global Payroll, Taxes, ANN – Tax Adj Report MEX, Annual Adjustment	Displays the annual tax adjustment results.
Form 37	GPMX_RC_FORMAT37	Global Payroll, Taxes, Form 37 Report MEX, Form 37	Form 37 has two purposes. Either it provides information about employees who are going to present their own annual adjustment tax data or it provides tax information to employees who terminate. If you want to run a report on employees who want to present their own annual adjustment tax data, select the Only Payees without Adjustment field.
Accreditable Subsidy	GPMX_RC_SUBSACRED	Global Payroll, Taxes, ANN – Tax Adj Report MEX, Annual Adjustment	Displays tax subsidy data.
Federal Taxes Summary	GPMX_RC_FEDTAX	Global Payroll, Taxes, Federal Taxes Report MEX, Federal Taxes Summary	An end of the year tax report that details the federal taxes paid by your company and your employees.
Subsidy Factor	GPMX_RC_SUBS_FACT	Global Payroll, Taxes, ANN – Subsidy Factor Rpt MEX, Subsidy Factor Report	Store acreditable subsidy parameters and run the SQR report that lists the earnings that are the base for the subsidy factor.
Cash Salary Credit	GPMX_RC_CRE_SAL	Global Payroll, Taxes, Salary Credit Report MEX, Cash Salary Credit	List all employees who get paid a cash salary credit in a monthly report.
State Taxes by Location	GPMX_RC_ST_TAXES	Global Payroll, Taxes, State Taxes by Loc Report MEX, State Taxes by Location	Provides a monthly report on state taxes paid by your company. Specify state information in the State To and State From fields when you only want information about specific states.

### See Also

[Appendix A, “PeopleSoft Global Payroll for Mexico Reports,” page 203](#)

## Running the Cash Salary Credit Report

Access the Cash Salary Credit page.

Cash Salary Credit

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

Group Box

\*Company: KYF   Compañía Financiera \*Year: 2002

Establishment ID:   \*Month: 01

Only Cash Credit Payees

*Paid Days:	Earnings <input type="text"/> KOPTOBAL <input type="button" value="Q"/>	*Tax:	Earnings <input type="text"/> KOPTOBAL <input type="button" value="Q"/>
*Paid Salary:	Earnings <input type="text"/> KOPREM1 <input type="button" value="Q"/>	*Subsidy:	Earnings <input type="text"/> KOAMNET2 <input type="button" value="Q"/>
*IMSS Quotas:	Earnings <input type="text"/> KOAMGROSS <input type="button" value="Q"/>	*Salary Credit:	Earnings <input type="text"/> KOPREM2 <input type="button" value="Q"/>
*Net Paid:	Earnings <input type="text"/> KOAMGROSS <input type="button" value="Q"/>	*Net Tax:	Earnings <input type="text"/> KOMEALLALL <input type="button" value="Q"/>
*Taxable:	Earnings <input type="text"/> KOPREM2 <input type="button" value="Q"/>	*Cash Sal Cre:	Accumulatr <input type="text"/> KOOVERTM_YTDU <input type="button" value="Q"/>

Cash Salary Credit page

Starting in January 1, 2002, legislative changes require that employers must generate a report to IMSS that lists all employees who get paid a cash salary credit. This report contains all the paid earnings and deductions to the employee during the month.

Before you can generate the report, you need to indicate that the cash salary credit will be paid with a special payslip (processed on a separate payroll run). You'll do this on the General Parameters page.

**Only Cash Credit Payees** Select this check box if you only want a list of employees with cash salary credits.

**Paid Days to Cash Sal Cre (cash salary credit)** Select the element type and element that applies to each parameter. Values are *Accumulatr* (accumulator), *Deduction*, or *Earnings*. These earnings, deductions, and accumulators are listed in the Cash Salary Credit report.

### See Also

[Chapter 3, "Defining Country Data for Mexico," Defining General Parameters, page 27](#)

## Viewing Delivered Tax Elements

PeopleSoft Global Payroll for Mexico delivers the following elements to calculate federal and state taxes.

## Federal Tax Earnings

The following table lists the federal tax earnings for Mexico:

Earning	Description
CRE SAL EFEC	Salary Credit Paid in Excess Cash

## Federal Tax Deductions

The following table lists the federal tax deductions for Mexico:

Deduction	Description
RISR NETO 86	Net RISR Art 86
RISR NETO 91	Net RISR Art 91
ISR NETO 112	Net ISR Art 112
ISR ART 113	ISR Art 113
ISR NETO 113	Net ISR Art 113
SUB ACRED	Acreditable Subsidy Art 114
SUB NO ACRED	Non Acreditable Subsidy 114
CRED ART 115	Salary Credit Art 115
EXCE CRE SAL	Salary Credit Paid in Excess Cash

## Annual Adjustments Deductions

The following table lists the annual adjustments deductions for Mexico:

Deduction	Description
ISR ANUAL	ISR Annual
ISR MET 1991	ISR Method 1991

Deduction	Description
ISR ART 177	ISR Art 177
SUB ART 178	ISR Subsidy Art. 178
CRED ART 116	Annual Salary Credit Art. 116
ISR A CARGO	Annual Tax Debit
ISR A FAVOR	Annual Tax Credit
SUB ISR 1991	ISR Subsidy Method 1991

## Annual Adjustment Process List

The following table lists the annual adjustment process list for Mexico:

Process List	Description
PL AJUSTE ANUAL	Annual Adjustment Process List

## State Tax Deductions

The following table lists the state tax deductions for Mexico:

Deduction	Description
IMPUESTO EST	Payroll State Taxes
AYU UNIV CHI	University Aid (CHI)
AYU EMPR CHI	Managerial Aid (CHI)
FOM EDUC BCN	Education Promotion (BCN)
FOM EDUC GRO	Education Promotion (GRO)
FOM ECOL GRO	Ecology Promotion (GRO)
FOM TURI GRO	Tourism Promotion (GRO)

Deduction	Description
CONS CAR HGO	Highways Construction (HGO)
AYU INF CDJU	Infrastructure Aid (CDJU)
OBRA PUB SON	Public Works Agreement (SON)
SOST UNI SON	Unison Fund (SON)

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

---

### **See Also**

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Delivered Elements and System Data”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Earnings and Deduction Elements”



## CHAPTER 16

# Updating Absences in Mexico

This chapter provides an overview of absences in Mexico and discusses how to:

- Update absences.
- Run absence and vacation reports.
- View delivered absence elements.
- View delivered vacation elements.

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## Understanding Absences in Mexico

PeopleSoft Global Payroll for Mexico delivers predefined rules for processing absences due to vacation, illness, maternity, work accidents, and other reasons. PeopleSoft designed these rules in accordance with Mexican statutory requirements. You can modify many of these rules to reflect absence policies that are specific to your organization.

An absence is any event for which an employee fails to comply with scheduled work time. Absences must be recorded in the system so that appropriate discounts are deducted from an employee's salary. Absences are also recorded to keep track of an employee's absence history. In Mexico, absences are also tracked for specific calculations such as profit sharing and social security contributions.

In PeopleSoft Global Payroll, there are two types of absence elements: absence entitlements and absence takes.

An absence entitlement is the amount of paid time off that a payee is entitled to take for each category of absence. For example, payees may be entitled to receive 20 vacation days per year.

An absence take is the amount of time off that a payee takes.

This section discusses:

- Prerequisites
- Absence takes
- Absence types
- Absence processing
- Vacation processing.

## Prerequisites

This chapter supplements the absence documentation provided in *PeopleSoft Global Payroll PeopleBook*. Before you begin reading about Mexican absence functionality, we recommend that you read the absence sections of *PeopleSoft Global Payroll PeopleBook* to develop a basic understanding of the concepts behind absence processing in PeopleSoft Global Payroll.

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**Note.** In PeopleSoft Global Payroll for Mexico, before you can update absences, you must define absence parameters on the Absences page.

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### See Also

[Chapter 7, “Defining Absences Rules for Mexico,” page 63](#)

## Absence Takes

In PeopleSoft Global Payroll for Mexico, there are three categories for absence takes:

- Disabilities
- Vacations
- Other

### Disabilities

Disabilities are treated differently from other absences because the payment and administration of disabilities are performed by IMSS. Disabilities include:

- Maternity
- Maternity leave
- General sickness
- Work related illness
- Work risk leave
- In transit work risk leave

### Vacations

Vacations include vacations take.

### Other

Other absences include:

- General absences
- Tardiness - hours
- Paid permitted absences
- Unpaid permitted absences

## Absence Types

PeopleSoft Global Payroll for Mexico delivers the following absence types, each having their own absence reasons:

Absence Type	Description	Absence Take Associated
ABS	Unpaid Absence	General absence
ENF	Sickness	General sickness
MAT	Maternity	Maternity leave
OPA	Other paid absences	Paid permitted absence
RET	Tardiness	Tardiness - hours
RSG	Work accident	Work risk leave
ENT	Work related illness	Work related illness
RST	Accident on the way to work	In transit work risk leave
VAC	Vacations	Vacations take

The following sections describe each delivered absence take in detail.

### Maternity Leave

This absence take generates a deduction called INCAP MATERN. This element contains the number of days in the Units component. All the days of the absence take are considered as units of a deduction. In other words, the Day Formula adds only 1 to the deduction units for each day of this disability.

This absence take also generates an earning called SUB MATERN. It is generated in the same way that the deduction is generated in terms of the generated units. The only condition here is that this element will be generated when the daily rate of the employee is greater than the SDI (capped up to 25 times minimum wages) and the rate will be only the difference between these two rates. If your company has an agreement with the social security agency (defined on the General Parameters page), this earning is paid with the daily rate.

If the employee's absence is for eight days or more, the employer is exempt from paying quotas for that pay period frequency (monthly, semimonthly, and so on.)

## General Sickness

This absence take is one of the two most complex. It generates a deduction called INCAP ENFERM. This element contains the number of days in the Units component. All the days of the absence take are considered as units of deduction. In other words, the Day Formula adds only 1 to the deduction units for each day of this disability.

This absence take can generate three earnings: SUB ENF 100%, SUB ENF 40%, and SUB ENF CONV. Select only one earning when defining General Sickness.

The system generates SUB ENF 100% for the very first absence event but only for the first three days. If there's another absence event in the following seven days after the end date of the original take, then the system considers this absence take as linked and won't pay the first three days again with the earning SUB ENF 100%.

The system generates SUB ENF 40% beginning on the fourth day until the end of the absence take. Once again, if the system links two absence events and has already paid the first three days at 100%, then it will pay all the days at 40%.

The system generates SUB ENF CONV if the IMSS Agreement parameter is selected on the Absences page. Selecting this parameter ensures that the other two earnings (SUB ENF 40% and SUB ENF 100%) won't appear in the pay process. In other words, the SUB ENF CONV earning substitutes the other two.

## Work Related Disabilities

There are three types of work related leaves:

- Work related illness leave.
- Work risk leave.
- In transit work risk leave.

Work related illness can occur if an employee becomes ill as a result of work conditions, such as inhaling toxics in the workplace. Work risk can occur if an employee works in a risky work environment, for example, if he cuts a finger on a machine. In transit work risk can occur if an employee gets hurt on the way to and from work, for example, if he gets in an automobile accident on the way to work.

---

**Note.** For all work related disability types, you can create a report that lists all the workers that were on disability due to work related illnesses or accidents during the year that considers only these three absence takes. The Risk Factor report contains information such as disability type (accident or illness), disability begin and end dates, percentage of permanent illness, and subsidized days for each employee that is on disability due to work related accidents or illnesses.

---

## Work Related Illness Leave

The work related illness leave is very similar to the General Illness absence type, except that it generates a different deduction. The deduction for the work related illness leave is INCAP ENF TR.

## Work Risk Leave

This absence take generates a deduction called INCAP RIESGO. This element contains the number of days in the Units component. All the days of the absence take are considered to be units of deduction. In other words, the Day Formula adds only 1 to the deduction units for each day of this disability.

This absence take also generates an earning called SUB RIESGO. It is generated in the same way that the deduction is generated, in terms of the generated units. The only condition here is that this element will be generated when the daily rate of the employee is greater than the SDI (capped up to 25 times minimum wages) and the rate will be only the difference between these two rates. If your company has an agreement with the social security agency (defined on the General Parameters page), this earning is paid with the daily rate.

PeopleSoft Global Payroll for Mexico delivers an earning for Work Illness Leave called INCAP\_ENF\_TR and an absence take called INC\_ENF\_TR.

### **In Transit Work Risk Leave**

This absence take is almost the same as the absence take in Work Risk Leave. The only difference is that this disability is caused by an accident or event on the way to work. It generates a deduction called INCAP TRAYEC. This element contains the number of days in the Units component. All the days of the absence take are considered to be units of deduction. In other words, the Day Formula adds only 1 to the deduction units for each day of this disability.

This absence take also generates an earning called SUB RIESGO. It is generated in the same way that the deduction is generated, in terms of the generated units. The only condition here is that this element will be generated when the daily rate of the employee is greater than the SDI (capped up to 25 times minimum wages) and the rate will be only the difference between these two rates. If your company has an agreement with the social security agency (defined on the General Parameters page), this earnings is paid with the daily rate.

### **Vacations Take**

This absence take generates an earning called VAC DISFRUT. This element contains the number of days in the Units component. The system won't consider the Day Off and Holidays as Vacation Days. This means that if the Absence Take duration contains Non Worked or Holidays, the system will reduce them from the duration of the take.

It will also generate an earning called PMA VAC PROP when the Proportional parameter is selected on the Absences page. This parameter means that for each day of vacation take, the employee will receive a day of vacation premium.

This absence take also generates an absence entitlement. This is only generated on the employee's anniversary with the company. This entitlement serves as the limit to accept or not accept a vacation take. For example, if you have a new hire who requests a vacation in the month following his hire, it will be rejected because he does not have any vacation entitlements accrued. On the other hand, if you have an employee with two years of seniority, his request will be accepted because he already has two entitlement occurrences of vacation: one for the first year and the other for the second year. The vacation entitlement is called VAC ANIV. The negative balance for this absence take could be accepted if the Negative Balance Option parameter is selected on the Absences page.

### **General Absences**

This absence take generates a deduction called FALTAS. This element contains the number of days in the Units component. All the days of the absence take are considered to be units of deduction. In other words, the Day Formula adds only 1 to the deduction units for each day of this leave.

The generated deduction is calculated using the percentage from the Factor parameter, (defined on the Absences page). This means that the units will be multiplied by this factor.

## Tardiness – Hours

This absence take generates a deduction called RETARDO. This element contains the number of hours in the Units component. All the hours of the absence take are considered to be units of deduction. In other words, the Day Formula adds only 1 to the deduction units for each hour of this disability.

## Paid Permitted Absence

This absence take generates a deduction called PERMI C/GOCE. This element contains the number of days in the Units component. All the days of the absence take are considered to be units of deduction. In other words, the Day Formula adds only 1 to the deduction units for each day of this leave. This deduction is informational only, because this is a paid permission so, it won't deduct from the net pay.

## Unpaid Permitted Absence

This absence take generates a deduction called PERMI S/GOCE. This element contains the number of days in the Units component. All the days of the absence take are considered to be units of deduction. In other words, the Day Formula adds only 1 to the deduction units for each day of this leave. The only difference between this deduction and the PERMI C/GOCE deduction is that this one is going to be reduced from the net pay of the employee. This is a permission but without payment.

---

**Note.** The General Parameters page is documented in “Defining Country Data for Mexico”. The Absences page is documented in “Defining Absence Rules for Mexico”.

---

## See Also

[Chapter 3, “Defining Country Data for Mexico,” Defining General Parameters, page 27](#)

[Chapter 3, “Defining Country Data for Mexico,” page 23](#)

## Absence Processing

To prepare PeopleSoft Global Payroll for Mexico for absence processing:

1. Define absence parameters for a pay group on the Absences page.
2. Define absence details for an employee in the Absence Entry component.

This includes entering the absence event and running the forecast process for an absence. Additionally, you can view the Absence Forecast results and Accumulator results.

3. Define mass absence event entries, such as holidays, on the Mass Absence Event Entry page.
4. Modify the delivered absence take and absence entitlement elements, and create new absence elements.

A list of the absence take and absence entitlement elements delivered with PeopleSoft Global Payroll for Mexico appears later in this chapter. PeopleSoft delivers sample values for many of these elements. You might want to replace some of the values with data that is specific to your company.

5. Assign absence elements to payees and process lists.

As with all primary elements, you must assign absence entitlement and absence take elements to payees and include the elements in the process lists that you use when you run the absence process. PeopleSoft delivers predefined sections and process lists for absence processing. You can use these, modify them, or create your own.

6. Generate an absence report for selected employees.
7. At the end of the year, generate the Risk Factor report.

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**Note.** The Absences page is documented in “Defining Absence Rules for Mexico”.

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### See Also

[Chapter 7, “Defining Absences Rules for Mexico,” page 63](#)

## Vacation Processing

While it’s ideal that employees record their vacation takes before taking their vacations, this is not often the case. Usually, vacation takes are recorded after the events occur or after payroll has been processed or finalized.

If an employee records a vacation take after the payroll for that pay period has been finalized, there must be a retroactive (retro) calculation for that employee to reflect those days of vacation on the payslip. In this case, a retro trigger should be recorded.

If a vacation take occurs partially in a processed payroll period and partially in the future, the part of it that belongs to the processed period should be calculated with a retro event. The part of the vacation take that occurs in a current open or future payroll period is handled as follows:

For each pay period, the system will apply the number of days of that vacation take that belongs to the pay period begin and end date.

If you use the Annual method, the vacation premium will be paid when the vacation premium payment date is between the period begin date and the period end date.

### Processing Vacation Premiums Using the Annual Method

If you select the Annual method for calculating vacation premiums, the following processing rules apply:

When the processing year is the same as the service date and payment date, the vacation is calculated as follows:

- Worked Days = Duration between the service date and the payment vacation premium date.
- Vacation Premium Days = Worked days/365 × Vacation days.
- Vacation Premium = Vacation premium days × Vacation premium percentage.

---

## Updating Absences

This section discusses how to:

- Define absence entries.
- View forecast results.
- View forecast messages.
- Define a mass absence event entry.

## Pages Used to Update Absences

Page Name	Object Name	Navigation	Usage
Absence Entry	GPMX_ABSENCE_ENTRY	Global Payroll, Payee Data, Maintain Absences, Absence Event MEX, Absence Entry	Define absence event details for an employee and run the Absence Forecast process. Use the forecast process to evaluate the impact of an absence event.
Absence Forecast Results	GP_ABS_EVT_FCS_SEC	Click the Forecast Details link on the Absence Entry page.	Review the results of the forecast process for a specific absence event and any take elements that are mapped to it.
Forecast Messages	GP_ABS_FCST_MSG	Global Payroll, Payee Data, Maintain Absences, Absence Event MEX, Forecast Messages	Review the messages that are generated during the forecast process.
Mass Abs Event Entry (mass absence event entry)	GPMX_RC_MASSABS	Global Payroll, Absence and Payroll Processing, Prepare Payroll, Create Mass Absence Rqst MEX, Mass Abs Event Entry	Define the details for a mass absence event entry.

## Defining Absence Entries

Access the Absence Entry page.

The screenshot displays the 'Absence Entry' page for employee Hernández Peña, Lourdes (ID: KY0002, Empl Rcd#: 0). The page is titled 'Absence Detail' and shows the following information:

- Element Name:** FALTA (General Absence)
- Absence Reason:** 003 (Leave without Pay)
- Type:** UnpAbsence
- \*Process Action:** Normal
- Forecast Value:**  Manager Approved,  Voided Indicator
- Absence Duration:**
  - \*Begin Date: 11/26/2002
  - End Date: 11/28/2002
  - Original Begin Date: 11/26/2002
  - Duration (Hours): 3.00 Days
  - Partial Hours: [ ]
  - Or Half Day:
  - Or All Days:
- User Defined Fields:** [ ]
- Comments:** [Link]

Absence Entry page

<b>Forecast</b>	Click this button to run the Forecast process when entering absences. You'll get a message indicating the results of the Forecast process. If necessary, correct the errors and rerun the process.
<b>Absence Detail</b>	
<b>Element Name</b>	Select the absence take element that corresponds to the employee's absence.
<b>Forecast Details</b>	Click this link to access the Absence Forecast Results page.
<b>Absence Reason</b>	Select the code that corresponds to the absence reason. The Absence Reason field is optional and further describes the absence take.
<b>Type</b>	Displays the absence type that corresponds to the absence take element. When you define an absence take element, you assign an absence type that describes the category of the absence.
<b>Process Action</b>	<p>Select the process action. For a new absence event, the default is <i>Normal</i>. Select <i>Void</i> to void an absence that has already gone through the absence take process. The event is not processed in subsequent runs. Instead, the Process Action is reset to <i>Normal</i> and the Voided Indicator check box is automatically selected during the absence take process.</p> <p>During retroactive processing, the system calculates a new version of the results without the voided event. Positive input is not generated from the voided event, and the results for earnings or deductions have deltas.</p>
<b>Forecast Value</b>	Appears after running the Forecast process. Forecast Value is the alphanumeric value resolved by the forecasting element. You associate a forecasting formula with a take element on the Take - Forecasting page in the core application. For example, your forecast element might return a value of <i>Eligible</i> or <i>Not Eligible</i> .
<b>Manager Approved</b>	Select to have the absence processed when you run the absence take process. This check box is selected if you defined the absence take element as not requiring manager approval on the Absence Take - Calculation page in the core application.
<b>Voided Indicator</b>	This check box is automatically selected if you voided the event and ran the Take process. This check box can also be selected if you use the automatic priority processing feature and have assigned a priority number to your absence take elements. If you save absence entries with overlapping dates, the system voids the event with the lower priority and creates a new event for the days that do not overlap.
<b>Absence Duration</b>	
<b>Begin Date and End Date</b>	Enter the begin and end dates for the absence.
<b>Original Begin Date</b>	Enter this date if your absence take rules allow you to link this absence to a previous absence that was taken for the same reason. If this absence is related to another absence, enter the begin date of the original absence.
<b>Duration (Hours)</b>	Enter the number of days for the absence.

<b>Partial Hours</b>	For absences of less than a full day, use these two fields to enter the number of hours that the employee was absent. Complete the top field if the employee was absent for less than a full day on the first day of the absence or absent the same number of hours each day. Complete the bottom field if the employee was absent less than a full day on the last day of the absence. For single-day absences, enter partial hours in the top or bottom field.
<b>Or Half Day</b>	Select a check box if the employee was absent exactly half a day. Select the top check box if the employee worked half a day on the first day or every day of an absence. Select the bottom check box if the employee worked half a day on the last day of the absence.
<b>Or All Days</b>	Select if you entered partial hours or selected the Or Half Day check box for the begin date and your selections apply to all days of the absence. This field notifies the system which condition existed.

## User Defined Fields

Enter data and comments on additional fields pertaining to your business processes.

---

**Note.** If you select a work-related disability absence type, the fields for Folio, Permanent Illness Percentage, Death Indicator and Illness Type appear. You will enter additional information related to a work-related disability in these fields.

---

<b>Folio</b>	This field applies only for the disabilities absence events and refers to the Certificate number. This is a required field for all the disabilities.
<b>Permanent Illness Percentage</b>	Enter the percentage of permanent illness for the employee. Valid values are 0–100 percent. This field is only available if you selected a work-related illness absence type.
<b>Death Indicator</b>	If death occurred as a result of the work related disability, enter <i>Y</i> (Yes). Otherwise, enter <i>N</i> (No).
<b>Illness Type</b>	Indicate the illness type. Values include <i>Reappraisal Illness</i> and <i>Relapse Illness</i> . Select <i>Relapse Illness</i> if an employee has a relapse of the same illness. Select <i>Reappraisal Illness</i> if the illness reoccurs but a different diagnosis is concluded from the original illness. For example, if an employee originally gets a cold, but after ten days, the illness is reappraised as a flu, you would select <i>Reappraisal Illness</i> .

The Absence Entry page in PeopleSoft Global Payroll for Mexico is similar to the Absence Event Entry page in the core application. The main differences are that the Absence Entry page in PeopleSoft Global Payroll for Mexico:

- Includes validations for Mexican absence rules.
- Uses an end date calculation based on the begin date plus the duration days, according to the absence take setup.

If you entered data in the Absence Definition group box, you can generate a report listing the employees who had work risk related disabilities.



## Defining Forecast Messages

Access the Forecast Messages page.

Calculation Status	Message Text	Message Set Number	Number	Details
1				<a href="#">Details</a>

Forecast Messages page

**Note.** The Forecast Messages page in PeopleSoft Global Payroll for Mexico is the same as the Forecast Messages page in the core application.

## Defining a Mass Absence Event Entry

Access the Mass Abs Event Entry page.

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

**Mass Absence Event Entry**

\*Absence Take: VAC DISFRUTE   \*Absence Reason: 004 Food Poisoning

Clear Data

\*Begin Date: 01/02/2002   \*End Date: 02/02/2002

\*Group ID: KY ALL   Mexico Employees

Comment: Branch Holiday

Mass Abs Event Entry page

- Absence Take**                      Select the absence take element for the mass absence event.
- Absence Reason**                Select the absence reason for the mass absence event. Typical absence reasons include *Regular*, *Forced*, *Scheduled*, and *Other*.
- Clear Data**                         Select to clear the data after you process a mass absence event entry.
- Group ID**                            Select the group ID to which the mass absence event applies.

## Running Absence and Vacation Reports

The following section discusses reports for absences and vacations.

### Pages Used to Run Absence and Vacation Reports

Page Name	Object Name	Navigation	Usage
Absences Report	GPMX_RC_WRKRISK	Global Payroll, Absence and Payroll Processing, Absence Reports, History MEX, Absences Report	Produces report that details absences for selected employees.
Vacations Report	GPMX_RC_VACATN	Global Payroll, Absence and Payroll Processing, Absence Reports, Vacations MEX, Vacations Report	Produces report that details vacation entitlements and balances for selected employees.

## Viewing Delivered Absences Elements for Mexico

This section contains information about the following rules that PeopleSoft Global Payroll for Mexico delivers to process absences:

- Absence earnings
- Absence deductions
- Absence takes
- Absence process lists

### Absence Earnings

The following table lists the absence earnings for Mexico:

Earning	Description
SUB ENFER 40%	General sickness subsidy 40%
SUB ENFER 100%	General sickness subsidy 100%
SUB ENFER CONV	General sickness subsidy agreement
SUB MATERN	Maternity leave subsidy

<b>Earning</b>	<b>Description</b>
SUB RIESGO	Work risk subsidy
INCAP ENF TR	Work related illness leave

## Absence Deductions

The following table lists the absence deductions for Mexico:

<b>Deduction</b>	<b>Description</b>
FALTAS	Unpaid Absence
INCAP ENFERM	General Sickness
INCAP TRAYEC	In Transit Work Risk Leave
INCAP MATERN	Maternity Leave
INCAP RIESGO	Work Risk Leave
RETARDO	Tardiness - Hours
PERMI C/GOCE	Paid Time Off
PERMI S/GOCE	Unpaid Time Off

## Absence Takes

The following table lists the absence takes for Mexico:

<b>Absence Take</b>	<b>Description</b>
INC MATERN	Maternity Leave
INC RIESGO TR	Work Risk Leave
INC TRAYECTO	In Transit Work Risk Leave
INC ENF GENERA	General Sickness

Absence Take	Description
FALTA	General Absences
RETARDO EN HORAS	Tardiness - Hours
PERM CON GOCE	Paid permitted absence
PERM SIN GOCE	Unpaid permitted absence
INC ENF TR	Work related illness leave

## Absence Process Lists

The following table lists the absence process lists for Mexico:

Process List	Description
AUSENTISMOS	Absence process

---

## Viewing Delivered Vacation Elements for Mexico

This section contains information about the following rules that PeopleSoft Global Payroll for Mexico delivers to process vacations:

- Vacation earnings and deductions.
- Vacation entitlements.
- Vacation process lists.

## Vacation Earnings and Deductions

The following table lists the vacation earnings and deductions for Mexico:

Earning/Deduction	Description
VAC DISFRUT	Vacations
PMA VAC ANIV	Vacation Premium in Anniversary
PMA VAC PROP	Vacation Premium Proportional

Earning/Deduction	Description
PMA VAC ANU	Annual vacation premium
PRIMA VAC	Vacation Premium
PRIMA VAC EX	Taxable Vacation Premium
PRIMA VAC GR	Non Taxable Vacation Premium

## Vacation Entitlements

The following table lists the vacation entitlements for Mexico:

Process List	Description
VAC ANIV	Vacations Anniversary

## Vacation Process Lists

The following table lists the vacation process lists for Mexico:

Process List	Description
AUSENTISMOS	Absence Process

---

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

---

### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Delivered Elements and System Data”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Absence Elements”

# CHAPTER 17

## Tracking Overtime in Mexico

This chapter provides an overview of overtime and discusses how to:

- Enter daily and weekly overtime.
- Integrate overtime pay to the Variable SDI base.
- Tax overtime.
- Run the overtime report.
- View delivered overtime elements.

---

**Note.** Before you can enter overtime, you must define the overtime calendar and overtime parameters for a pay group.

---

### See Also

[Chapter 8, “Setting Up Overtime Payments for Mexico,” page 67](#)

---

## Understanding Overtime

In Mexico, employees are paid overtime for:

- Regular overtime
- Holidays worked
- Days off worked

To define overtime:

1. Define the overtime calendar for your pay group on the Overtime Calendar page.
2. Define the overtime parameters for your pay group on the Overtime Parameters page.

This includes information such as the maximum overtime that is going to be paid double. For example, let’s say that the maximum number of double hours of overtime per week is 9. If an employee works 12 hours of overtime in one week, then the first 9 hours will be calculated at a double rate, and the remaining 3 hours will be calculated at a triple rate.

3. Record overtime hours worked for employees either daily on the Daily Overtime page or weekly on the Weekly Overtime page.

When capturing the total number of overtime hours for a day, the system automatically splits the hours into double and triple rates, as defined by the maximum limits on double and triple hours, taking into consideration all the weekly and daily overtime parameters.

The system captures the total number of overtime hours for a week in the same way as for a day, but splits the hours for the week, instead of for the day. For example, if an employee works 12 hours of overtime in one week, then the first 9 hours will be calculated at a double rate, and the remaining 3 hours will be calculated at a triple rate. Only the weekly parameters are considered on the Weekly Overtime page.

4. Generate a report that details overtime for an employee on the Overtime Report page.

You can specify to generate the report daily (with detail) or weekly (without detail).

---

**Note.** The Overtime Calendar page and the Overtime Parameters page are discussed in “Setting Up Overtime Payments for Mexico”.

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### See Also

[Appendix A, “PeopleSoft Global Payroll for Mexico Reports,” page 203](#)

[Chapter 8, “Setting Up Overtime Payments for Mexico,” page 67](#)

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## Entering Overtime

This section discusses how to enter daily and weekly overtime.

### Pages Used to Enter Overtime

Page Name	Object Name	Navigation	Usage
Daily Overtime	GPMX_OVR_DAILY	Global Payroll, Absence and Payroll Processing, Prepare Payroll, Enter Overtime MEX, Daily Overtime	Enter daily overtime for an employee.
Weekly Overtime	GPMX_OVR_WEEKLY	Global Payroll, Absence and Payroll Processing, Prepare Payroll, Enter Overtime MEX, Weekly Overtime	Enter weekly overtime for an employee.

### Entering Daily Overtime

Access the Daily Overtime page.

**Daily Overtime**
Weekly Overtime

**Pay Group:** KY QUINC      **Week:** 1      **Begin Date:** 01/01/2002      **End Date:** 01/07/2002  
**Year:** 2002      **Calendar ID:** GYIMVAR GYIMVARS01      01/15/2002

**Daily Overtime**
Find | View All      First ◀ 1 of 2 ▶ Last

**\*EmpID:** KY0006      Castillo Rojas,Ramón      **Empl Rcd#:** 0

**Double Hours:** 9.00      750.00      **Holiday Hours:** 8.00      666.67      **Exc Hrs:** 10.00      1250.00  
**Triple Hours:**      **Day Off Hours:**

Data									
	*Date	Overtime Hours	Holiday Hours	Day Off Hours	*Hourly Rate	Business Unit	*Job Code	*Department	
1	01/01/2002		8.00		41.666667		730000	43000	
2	01/02/2002	5.00			41.666667		730000	43000	
3	01/03/2002	8.00			41.666667		730000	43000	
4	01/04/2002	6.00			41.666667		730000	43000	

Daily Overtime page

## Daily Overtime

**Double Hours, Holiday Hours, Exc. Hrs. Triple Hours, Day Off Hours**

Based on the information that you enter in the Data group box, the system automatically calculates the rates for Double Hours, Holiday Hours, Exc. Hours, Triple Hours, and Day Off Hours.

## Data

**Date**

Enter the date when the overtime occurred.

**Overtime Hours**

Enter the number of overtime hours the employee worked.

**Holiday Hours**

Enter the number of overtime hours the employee worked on a holiday.

**Day Off Hours**

Enter the number of overtime hours the employee worked on a scheduled day off.

**Hourly Rate**

Enter the hourly rate for the overtime.

Some companies prefer to record overtime on a daily basis and other companies prefer to record on a weekly basis. Depending on what your business process is, you can record overtime for your employees on either the Daily Overtime page or the Weekly Overtime page.

---

**Note.** If you are entering overtime on a daily basis, the system splits the double and triple overtime hours, based on the values you defined on the Overtime Parameters page. If you are entering overtime on a weekly basis, the system splits the triple overtime hours. Based on the values you defined on the Overtime Parameters page, you must enter the double overtime manually.

---

## Entering Weekly Overtime

Access the Weekly Overtime page.

Daily Overtime
Weekly Overtime

**Pay Group:** KY QUINC      **Week:** 1      **Begin Date:** 01/01/2002      **End Date:** 01/07/2002  
**Year:** 2002      **Calendar ID:** GYIMVAR GYIMVARS01 01/15/2002

Weekly Overtime
Find | View All    First ◀ 1 of 2 ▶ Last

**\*EmpID:**   Castillo Rojas,Ramón      **Empl Rcd#:**

**Hourly Rate:**

	Amount:		Amount:
<b>Double Hours Total:</b>	<input type="text" value="9.00"/>	<input type="text" value="750.00"/>	<b>Holiday Hours Total:</b>
<b>Triple Hours Total:</b>	<input type="text"/>	<input type="text"/>	<b>Day Off Hours Total:</b>
<b>In Excess Hours Total:</b>	<input type="text" value="10.00"/>	<input type="text" value="1250.00"/>	<input type="text"/>

Weekly Overtime page

### Hourly Rate

Enter the hourly rate for the overtime. You'll use an hourly rate to calculate overtime. The formula for calculating overtime is the number of overtime hours worked x the hourly rate x 2 or 3 depending on the overtime parameters you've defined on the Overtime Parameters page.

### Double Hours Total

Enter the total of overtime hours per week that are calculated at a double rate. Once you've entered the Double Hours Total, the system automatically calculates the overtime amount by multiplying the number of hours x the hourly rate for an employee x 2. The result displays in the corresponding Amount field.

### Triple Hours Total

Enter the total of overtime hours per week that are calculated at a triple rate. Once you've entered the Triple Hours Total, the system automatically calculates the overtime amount by multiplying the number of hours x the hourly rate for an employee x 3. The result displays in the corresponding Amount field.

### Holiday Hours Total

Enter the total amount of holiday hours worked per week. The Holiday Hours Total field functions in the same way as the Double Hours Total field. When you enter a holiday, the system checks the parameters defined in the Holiday Schedule to see if the date corresponds to a holiday.

---

**Note.** You can find the Holiday Schedule field on the Pay Group Name page in the core application.

---

### Day Off Hours Total

Enter the total amount of hours worked on a scheduled day off per week. The Day Off Hours Total field functions in the same way as the Double Hours Total field. Similar to the Holiday Hours Total field, the system checks if

the entered Day Off effectively corresponds to the parameters of the Day Off that were previously defined in the work schedule for each employee.

**In Excess Hours Total**

Enter the total in excess hours worked per week. Excessive hours are those that are above the first 3 hours a day and on the first three days with overtime in a week, and are beyond the first 9 hours in a week. You can decide if these excess hours will be paid a double or triple rate on the Overtime Parameters page.

---

## Integrating Overtime Pay to the Variable SDI Base

For social security base purposes, overtime is divided into three categories:

- Non-integrating overtime – the total of overtime hours per week that are calculated as double. This overtime has a limit of no more than 3 hours a day and 3 times a week according to the parameters defined on the Overtime Parameters page.
- Integrating overtime up to nine hours in a week – these hours are paid as double and will integrate 100% to the Variable SDI base.
- Integrating overtime beyond nine hours a week – these hours are paid as triple and will integrate 100% to the Variable SDI base.

The system calculates overtime in the following way:

1. Determine all the number of hours that fall in each of these categories.
2. Calculate the amount per hour according to the daily salary.
3. Multiply the rate per hour that results for the hours in each category.

---

## Taxing Overtime

Part of overtime pay is taxable and part of it is non-taxable. This depends on the type of worker:

- Minimum salary workers.
- Above minimum salary workers.

For minimum salary workers, all double hours below three hours daily and up to three times a week is non-taxable. The remainder of overtime is taxed at 100%.

For above minimum salary workers, 50% of the overtime is non-taxable. This means that while 50% is not greater than 5 times the minimum wage for each overtime week, everything above this limit should be taxable.

### Example of Non-Taxable Overtime for Minimum Salary Workers

Hourly rate = \$5.26

Overtime hours worked in one week (9 hours double and 6 hours triple) = 15 hours

Double overtime hours earned = 9 hours x 5.26 = 47.34 x 2 (double) = \$94.68

Triple overtime hours earned = 6 hours x 5.26 = 31.56 x 3 (triple) = \$94.68 (100% taxable)

Non-taxable overtime = \$94.68

Taxable overtime = \$94.68

### Examples of Taxable and Non-Taxable Overtime for Above Minimum Salary Workers

Example 1:

Minimum wage = \$42.15

5 x minimum wage = \$210.75

Overtime in Week 1 = \$150.00

Taxable overtime = \$75.00

Non-taxable overtime = \$75.00

---

**Note.** The non-taxable portion of overtime is \$75.00, because \$75.00 is not greater than 5 x Minimum Wage (which would be \$210.75).

---

Example 2:

Minimum wage = \$42.15

5 x minimum wage = \$210.75

Overtime in Week 1 = \$550.00

Taxable overtime = \$3339.25

Non-taxable overtime = \$210.75

The non-taxable portion of overtime is \$210.75, because \$275.00 (50% of the overtime) is greater than 5 x Minimum Wage (\$210.75). Therefore, the non-taxable portion of the overtime is capped at 5 x Minimum Wage.

---

## Running the Overtime Report

This section discusses how to run the Overtime report.

## Page Used to Run the Overtime Report

Page Name	Object Name	Navigation	Usage
Overtime Report	GPMX_RC_OVR001	Global Payroll, Absence and Payroll Processing, Payroll Reports, Overtime MEX, Overtime Report	Provides overtime details for employees. With this report, you have two options: <ul style="list-style-type: none"> <li>• From week to week with daily details.</li> <li>• From week to week without daily detail.</li> </ul>

### See Also

[Appendix A, “PeopleSoft Global Payroll for Mexico Reports,” page 203](#)

---

## Viewing Delivered Overtime Elements

PeopleSoft Global Payroll for Mexico delivers the following earnings to calculate overtime.

Earning	Description
T EX DOB SEM	Double Paid Overtime Weekly
DES TRAB SEM	Worked Day Off Weekly
FES TRAB SEM	Worked Holiday Weekly
T EX TRI SEM	Triple Overtime Weekly
T EXTRA DT	Double-Triple Overtime Weekly
T EX EXE SEM	Non taxable Overtime Weekly
T EXTRA DOBL	Double Paid Overtime
T EXTRA TRIP	Overtime Paid Triple
T EXTRA EXEN	Non taxed Overtime
DESCAN TRAB	Worked Day Off

Earning	Description
FESTIVO TRAB	Worked Holiday
T EXTRA	Overtime
TOT TMPO EXT	Overtime Total
T EXTRA GRAV	Taxable Overtime

---

**Note.** All the earnings named SEM are elements you should use. These earnings are intended to serve as a bridge between the input pages for overtime and the positive input they generate. For example, if you enter 3 double overtime hours, it will be stored in the T EX DOB SEM earning as positive input, and later, it will be processed in the T EXTRA DOBL earning and other earnings (taxable and non-taxable).

TE FM EXENTO is a PeopleSoft-delivered formula. It calculates the taxable and non-taxable portion for all the overtime earnings (double, holiday, days off worked). This calculation is executed separately every week.

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

---

### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Delivered Elements and System Data”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Earnings and Deduction Elements”

## CHAPTER 18

# Processing Terminations in Mexico

This chapter provides an overview of terminations and discusses how to:

- Run the Termination/Layoff Letters report.
- View delivered termination elements.

### See Also

Chapter 9, “Setting Up Terminations in Mexico,” page 71

---

## Making Termination Payments

In Mexico, when you terminate an employee, you might need to make the following payments:

- Regular earnings and deductions that are due for the termination period.
- Compensation for unused paid vacation days and the vacation premium.

The system multiplies the Daily Rt (system element) by the proportional worked days in the year times the number of vacation days, as of the termination day or anniversary date.

If the payee’s seniority anniversary occurs during the termination pay period, the system calculates the corresponding days in an array using the new seniority years.

To calculate the vacation premium, the system multiplies this result by the premium percentage.

- Compensation for the Christmas bonus.

The system prorates worked days in the year to calculate the corresponding Christmas bonus pay.

- Severance pay or other compensation due to special termination earnings, according to the termination version selected for the payee.
- Amount owed for all unpaid loans, independent of each other.

This amount is automatically deducted from the last payslip.

---

**Note.** Termination payments are calculated in the payroll and not as a separate process.

---

### See Also

Chapter 13, “Tracking Loans for Mexico,” page 117

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## Prerequisites

Because it is common for some payments to be made only upon termination and some standard earnings might not be processed as part of termination pay, you must define exactly which earnings should be paid in response to a termination.

Before termination earnings or deductions can be processed, you must:

- Define your termination versions—that is, the set of reasons for termination, layoff, or completion of contract that are considered sufficient to trigger a set of termination payments and deductions.
- Define the earnings and deductions to process upon termination (or layoff and completion) by associating each element with one or more termination versions.
- Use the delivered generation control element LF GC VER FINIQ to trigger the processing of each termination earning and deduction only when the action and reason for an employee’s termination match the termination version associated with the earning or deduction.
- Identify the terminated employees and enter the appropriate action/reason for termination on the Job Data pages in PeopleSoft Human Resources.

---

**Note.** Each of these prerequisites is described in detail in the section “Setting Up Terminations in Mexico.”

---

### See Also

[Chapter 9, “Setting Up Terminations in Mexico,” page 71](#)

---

## Running the Termination/Layoff Letters Report

This section discusses how to run the Termination/Layoff Letters report.

### Page Used to Run the Termination/Layoff Letters Report

Page Name	Object Name	Navigation	Usage
Termination/Layoff Letters	GPMX_RC_TERMREP	Global Payroll, Termination Processing, Create Term/Layoff Letters MEX, Termination/Layoff Letters	Generates either a termination letter or a layoff letter, depending on the option you select.

### See Also

[Appendix A, “PeopleSoft Global Payroll for Mexico Reports,” page 203](#)

## Viewing Delivered Termination Elements

This section contains information about the following elements that PeopleSoft Global Payroll for Mexico delivers to process termination payments:

- Termination earnings.
- Termination process lists and sections.

### Termination Earnings

PeopleSoft delivers the following earnings as models of elements that you can create to process termination pay.

**Note.** The delivered termination earnings for Mexico are defined as PeopleSoft Delivered/Not Maintained. This enables you to modify them to fit your needs. You can also create entirely new termination elements using the delivered elements as your guide.

Earnings	Description
20DIAS X AÑO	20 days per year severance
3 MESES	3 months salary severance
PRIMA ANTIG	Seniority premium severance
LIQUIDAC EX	Nontaxable severance
LIQUIDAC GR	Taxable severance
LIQUIDACION	Severance total
AGUINALDO	Christmas bonus
VAC PROP ACT	Actual year proportional vacations (Corresponding portion based January 1 of the year and the termination date divided by 365.)
VAC PROP ANI	Anniversary proportional vacations (Corresponding portion based on the most recent anniversary date and the termination date divided by 365.)
SALDO VACAC	Unpaid vacations balance

Earnings	Description
PMA VAC PACT	Current year proportional vacation premium (Corresponding portion based on January 1 of the year and the termination date divided by 365.)
PMA VAC PANV	Anniversary proportional vacation premium (Corresponding portion based on the most recent anniversary date and the termination date divided by 365.)
SALDO PMAVAC	Unpaid vacation premium balance

## Termination Process Lists and Sections

The preceding list of termination earnings can be found in the sections LIQ Y FINIQUITOS and SALDO VACACIONES.

The process list containing termination elements for Mexico is NOMINA.

---

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

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### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Delivered Elements and System Data”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Earnings and Deduction Elements”

## CHAPTER 19

# Understanding Garnishments in Mexico

This chapter provides an overview of garnishment types and discusses how to:

- Trigger garnishments.
- Create your own garnishment elements.
- View delivered garnishment elements.

---

## Understanding Garnishment Types

Garnishments are typically defined in one of the following ways:

- As a percent of total of gross earnings.
- As a fixed quantity.
- As a percentage of net pay.
- As the total amount or percentage of a fixed set of earnings or deductions.
- As a percentage of the employee's compensation.

PeopleSoft Global Payroll for Mexico delivers five sample garnishment elements. You can modify these elements to fit your needs, or use them as models for creating your own garnishments.

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**Note.** These garnishment types apply to all kinds of payroll processes: regular payroll, special payrolls, Christmas bonuses, termination pay, and so forth.

---

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## Triggering Garnishments

PeopleSoft Global Payroll for Mexico delivers the deduction element PENSION ALIM to calculate garnishments. To trigger this garnishment, you must assign the garnishment to a payee using the Earning/Deduction Assignment page, because the definition of the garnishment element is *By Payee* in the garnishment element group KY DED GRALES.

### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining the Organizational Structure,” Defining Element Groups

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Setting Up Overrides,” Assigning and Disabling Earnings and Deduction Elements for Payees

---

## Creating Your Own Garnishment Elements

If you need to create your own garnishment element, use the delivered garnishment PENSION ALIM as your model. To create a new garnishment:

1. Create a deduction defined as  $\text{Base} \times \text{Percentage}$  on the Deduction Calculation page in the core application.
2. To calculate the base, first create an accumulator (for example, the delivered accumulator PERCEP PENSION ALI) containing all of the earnings on which the garnishment is based minus all pretax deductions (for example, the delivered accumulator DED PENSION AI).
3. This accumulator is the base for the garnishment tax, so you should then create a formula to apply tax formulas to this base (for example, the delivered formula PA FM IMPPERC).  
  
The garnishment base is then the earnings accumulator (PERCEP PENSION ALI) minus the taxes generated by this accumulator (PA FM IMPPERC), minus the accumulator that contains the deductions after taxes (for example, the delivered accumulator DED PENSION DI).
4. Assign this deduction to a recipient using the Deduction Recipients page in the core application.

### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Earnings and Deduction Elements,”  
Defining the Calculation Rules

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Earnings and Deduction Elements,”  
Selecting the Deduction Recipient

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Setting Up Overrides,” Assigning and  
Disabling Earnings and Deduction Elements for Payees

---

## Viewing Delivered Garnishment Elements

This section contains information about the following rules that PeopleSoft Global Payroll for Mexico delivers to process garnishments:

- Garnishment deductions.
- Garnishment process lists and sections.

---

**Note.** The delivered garnishments for Mexico are defined as PeopleSoft Delivered/Not Maintained. Therefore, you can modify the elements to fit your needs. You can also create new garnishment elements using the delivered elements as your guide.

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## Garnishment Deductions

PeopleSoft Global Payroll for Mexico delivers the following five garnishment elements:

Deduction	Description
PENSION ALIM	This element is used to calculate a garnishment (deduction) defined as a percentage of a base (Percent × Base). The base is returned by the formula PA FM BASE PENSION, and the percentage is contained in the variable PA VR %PENSION.
	The formula PA FM BASE PENSION returns the value of the garnishable base. It is calculated by subtracting the formula PA FM IMPPERC and the accumulator DED PENSION DI from the accumulator element PERC PENSION ALI (PA FM BASE PENSION = PERCEP PENSION ALI – PA FM IMPPERC – DED PENSION DI).
	<p>PERCEP PENSION ALI: Accumulator storing garnishable earnings minus pretax deductions. (Pretax deductions are contained in the accumulator DED PENSION AI.)</p> <p>PA FM IMPPERC: Formula that calculates the garnishment tax (a tax on the garnishment base stored in the accumulator PERC PENSION ALI).</p> <p>DED PENSION DI: Accumulator containing after-tax deductions.</p>
	<b>Note.</b> In the delivered garnishment element PENSION ALIM, the percentage is a variable that can be changed as required, or it can be overridden at the payee level.
	<b>Note.</b> You must select the elements that form the base of this garnishment by adding them to the accumulator PERC PENSION ALIM. In addition, add the taxable part of these elements to the accumulator BASE IMP PEN ALIM, which is used in the formula PA FM IMPPERC.
	<b>Note.</b> To trigger this garnishment, you must define the garnishment (deduction) recipients. To define deduction recipients, define a recipient ID on the Deduction Recipients page in Set Up HRMS, Product Related, Global Payroll, Banking, Deduction Recipients. Then, assign the recipient ID to individual payees on the Add Deduction Recipients page in Global Payroll, Payee Data, Net Pay Recipient Elections, Add Deduction Recipients.
PENSION C FI	This element is used to calculate a garnishment with a calculation rule of Amount. The amount is assigned at the payee level.

Deduction	Description
PENSION NETO	This element is used to calculate a garnishment defined as a percentage of net pay—that is, a garnishment with a calculation rule of Base × Percent, in which the base is the net pay accumulator NETO. The percentage is contained in the variable PA VR % PENSION 2.
PENSION T – I	This element is used to calculate a garnishment defined as a percentage of Total Earnings – Taxes (that is, a garnishment with a calculation rule of Base × Percent). The base is calculated by the formula PA FM PENSION T-I (Total Earnings minus ISR Taxes minus IMSS Taxes, or TOTAL PERCEPCIONES – ISR RETENIDO – CUOTAS CYV – CUOTAS EYM). The percentage is contained in the variable PA VR % PENSION 3.
PENSION TOT	This element is used to calculate a garnishment defined as a percentage of total earnings—that is, a garnishment with a calculation rule of Base × Percent, in which the base is the total earnings accumulator TOTAL PERCEPCIONES. The percentage is contained in the variable PA VR % PENSION 4.

## Garnishment Process Lists and Sections

The section containing garnishments for Mexico is PENSIONES. This section is encountered in the following process lists.

Process List	Description
NOMINA	Main process list for payroll elements
NOMINA ESPECIAL	Special payroll process list

---

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

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### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Delivered Elements and System Data”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Earnings and Deduction Elements”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Processing Elements,” Using Sections

## CHAPTER 20

# Calculating Net-To-Gross Payments for Mexico

This chapter provides an overview of net-to-gross processing and discusses how to:

- Process net-to-gross calculations.
- View delivered net-to-gross elements.

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## Understanding Net-to-Gross Processing

*Gross-ups* are required when you want to pay a payee a specific net amount. Starting from the net amount, the system determines the gross amount to process so that after tax deductions have been made, the required net amount remains.

This section provides overviews of:

- Net-to-gross earnings elements.
- How to determine whether a net-to-gross calculation is required.
- Actual net pay and target net pay.
- Upper and lower limits.
- How to calculate the PIRAMIDADO earning.

## Understanding Net-To-Gross Earnings Elements

As part of this feature, PeopleSoft Global Payroll for Mexico provides two earnings elements: PIRAMIDADO and EXC PIRAMID. PIRAMIDADO is used for paying the net amount. The PIRAMIDADO earning contributes to the PIRAMIDADOS accumulator, which is the element used in formulas to arrive at the required net.

You enter the PIRAMIDADO earnings amount using positive input or with the Earning/Deduction Assignment page. The system calculates the amount by which it must gross-up earnings to have the required net after deducting taxes. It then assigns that amount, discounting the PIRAMIDADOS accumulator, to the EXC PIRAMID earning. The two earnings make up the gross pay. The PIRAMIDADO earnings element is assigned to the DESPUES IMPUESTOS section of the NOMINA process list before the gross-to-net sub-process begins. This is where the EXC PIRAMID earnings element is calculated.

To summarize:

- $\text{PIRAMIDADO} + \text{EXC PIRAMID} = \text{Gross Pay}$
- $\text{PIRAMIDADO} = \text{Net Pay}$

- EXC PIRAMID = Additional amount needed to reach net pay

## Determining Whether a Net-to-Gross Calculation is Required

When PIRAMIDADO earnings are resolved, these earnings add to the gross-up accumulator PIRAMIDADOS, which contains the resolved value of the PIRAMIDADO earnings element after taxes and other deductions. In another section of the process list—PIRAMIDADO SEC—a conditional formula determines that grossing-up is required if the gross-up accumulator has a value.

## Understanding Actual Net Pay and Target Net Pay

To determine when the gross-up process is complete, the system compares the actual net pay amount (the net pay element defined in the process list) to the target net amount. The target net is the sum of the net pay element before processing the PIRAMIDADOS section and the PIRAMIDADOS accumulator (NET + PIRAMIDADOS).

In each iteration of the gross-up, the process produces a new net based on the new gross amount.

When the actual and target net are the same, the process of calculating the gross pay is complete.

## Understanding the Upper and Lower Limits

PeopleSoft Global Payroll for Mexico calculates what we refer to as *upper* and *lower* limits as part of the gross-up process. These limits are the values between which PIRAMIDADOS + EXC PIRAMID falls. In each iteration of the gross-up, the earning EXC PIRAMID takes a value between the Lower Limit – PIRAMIDADO and the Upper Limit – PIRAMIDADO.

For example:

Suppose that you want to pay a PIRAMIDADO amount of 1,000.00.

The first time that limits are calculated, the upper and lower limits are:

- Upper Limit:  $1,000 \times 1.6 = 1,600.00$ .
- Lower Limit: 1,000.

Therefore, in the first iteration, the EXC PIRAMID values are between 0 and 1,600.

In each iteration, the gross amount varies, depending on the PIRAMIDADO and EXC PIRAMID values.

## Calculating the PIRAMIDADO Earning

After the system determines that a gross-up is required, it starts the calculation by treating the PIRAMIDADOS accumulator as if it is the *lower* value that PIRAMIDADOS + EXC PIRAMID can take, and the 160 percent PIRAMIDADOS accumulator as the *upper* value that PIRAMIDADOS + EXC PIRAMID can take.

The system processes the limits that are being changed to ensure that they enclose the target value for the EXC PIRAMID earnings element. It validates the upper amount, deducting taxes, to get a new net amount—the upper net—and verifies that the target net is between the lower net and upper net. The same validation is made if the lower limit is the one that is changing.

If the validation returns a value of *false*, the system is searching in the wrong range, and the lower and upper limit values must be redefined.

EXC PIRAMID takes its value during each iteration of the formula:

$$((\text{Lower Limit}) + (\text{Upper Limit})) / 2 - \text{PIRAMIDADOS}$$

Because of the tax deduction, the actual net doesn't match the target net. Using the difference between actual and target net in a formula, the system calculates a new upper or lower limit, deducts the taxes from it, and arrives at a new actual net, which it compares to the target net. The iterations—or loops—continue, with the actual net coming closer to the target net with each loop, until the actual and target net are the same.

---

## Understanding the Net-to-Gross Process Sequence

This section takes you step-by-step through the net-to-gross process and provides an example.

1. You enter the bonus amount by positive input as the earnings PIRAMIDADO.
2. The PIRAMIDADO earnings are resolved in the DESPUES IMPUESTOS section and added to the accumulator PIRAMIDADOS.
3. The PIRAMIDADO SEC subprocess section in the NOMINA process list contains the conditional formula PI FM EJECUTAR. If the formula finds that the PIRAMIDADOS accumulator is not zero and, therefore, a gross-up must be done on this accumulator, it invokes the PIRAMIDADO subprocess section.
4. The formula PI FM LIM INICIAL, the first element in the PIRAMIDADO SEC section, sets the variable PI VR NETO PIRAMID to the value of the current net plus the PIRAMIDADOS accumulator. This value remains constant during subsequent processing. The formula PI FM LIM INICIAL also sets the values of the upper and lower limits (upper and lower values for the PIRAMIDADOS + EXC PIRAMID).
5. The earnings element EXC PIRAMID is the second element of the PIRAMIDADOS SEC section. With this element, the PIRAMIDADOS SEC section initiates the gross-to-net subprocess governed by the conditional formula PI FM CONTINUAR.
6. The conditional formula PI FM CONTINUAR in the PIRAMIDADO SEC section compares the constant value of PI VR NETO PIRAMID (set in Step 4) with the value of the new net (which has the new calculated taxes subtracted from it).
7. If the formula PI FM CONTINUAR returns FALSE (0), meaning that there is no difference between PI VR NETO PIRAMIDADO and the new calculated net, the process stops. The formula returns TRUE (1) if it runs and determines new upper or lower limit values depending on positive or negative differences. The value of PI VR EXC PIRAMIDADO is the amount by which the net is increased to produce the taxable gross.
8. The tax deductions are calculated in the IMPUESTOS FED section to produce a new actual net.
9. The conditional formula PI FM EXC PIRAM in the IMPUESTOS FED section compares the constant value of PI VR NETO PIRAMIDADO (set in Step 4) with the value of the upper and the lower limits. This determines whether the target net is still between the limits. If the target net is not between these limits, the formula recalculates the limits.
10. The tax deductions are calculated in the IMPUESTOS FED section to produce a new actual net.
11. The loop process of calculating a new gross, deducting taxes to produce a new net balance, and comparing the balance to the constant PI VR NETO PIRAMIDADO continues until the actual net is closer to the target net ( $-1 \leq x \leq 1$ ).

- When the looping stops, the formula PI FM CONTINUAR checks to see that there is no difference between PI VR NETO PIRAMIDADO and the new net. If there is no difference, the formula resolves to FALSE, indicating that the system has calculated the correct gross-up figure. The system goes through the loop a maximum of fifteen times. If it fails to calculate the gross amount correctly within that limit, you must remove the PIRAMIDADO earning amount, calculate the gross manually, and pay it using the earnings element of your choice.

### **Example: Calculating the PIRAMIDADO Earnings and Gross Pay**

The following example is based on a positive input entry of 500 to the PIRAMIDADO earnings. The value of the PIRAMIDADOS accumulator becomes 500.

The PIRAMIDADO SEC section is run because the PIRAMIDADOS accumulator is greater than zero.

Suppose that the net result before the PIRAMIDADO earning resolves to 5,000.00, so the new target net is 5,500.00 (net before PIRAMIDADO + 500.00 [PIRAMIDADO]).

New upper and lower limits must be set:

- Lower Limit: PIRAMIDADOS = \$500.
- Upper Limit: 160 percent PIRAMIDADOS =  $500 \times 1.6 = 800$ .

The following two earnings are used to calculate the new net:

- PIRAMIDADO, which is entered through positive input or earnings and deduction assignment.
- EXC PIRAMID, which is used to find the target net.

To ensure that you reach the target net, PIRAMIDADO should be between 500 and 800. Therefore, EXC PIRAMID has a value between 0 and 300.

---

## **Viewing Delivered Net-to-Gross Elements**

This section contains information about the following rules that PeopleSoft Global Payroll for Mexico delivers to calculate gross-to-net payments:

- Gross-to-net earnings.
- Net-to-gross process lists and sections.

### **Gross-to-Net Earnings**

PeopleSoft delivers the following gross-to-net earnings.

Earning	Description
PIRAMIDADO	This element is used to pay the net amount through positive input.
EXC PIRAMID	This element contains the amount by which the system must gross-up pay to have the required net after deducting taxes.

## Net-to-Gross Process Lists and Sections

The NOMINA process list contains the following net-to-gross sections.

Section	Description
DESPUES IMPUESTOS	This section includes the earnings element PIRAMIDADO.
PIRAMIDADO SEC	This is a Payroll Process Only section of the subprocess type. As a subprocess section, it allows iterative processing to occur within it (that is, recursive calling of the IMPUESTOS FEDERALES section can take place).
IMPUESTOS FEDERALES	This section calculates the tax on the gross pay (the sum of previous gross plus PIRAMIDADO and EXC PIRAMID earnings).

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

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### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Delivered Elements and System Data”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Earnings and Deduction Elements”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Defining Processing Elements,” Using Sections



## CHAPTER 21

# Understanding Results Adjustments and Reversals

This chapter discusses how to:

- Define results adjustments.
- Define results reversals.

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## Defining Results Adjustments

This section provides an overview of results adjustments and discusses how to process them.

In PeopleSoft Global Payroll, you can adjust an employee's results with the retro feature. With result adjustment, you can make changes to an employee's pay after finalization. For example, if a special deduction has to be applied to an employee's results right before calculation, you can do so by adding this deduction in the Positive Input page in the core application.

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**Note.** There is no special setup required for results adjustments. It is done through regular retro processing.

---

## Processing Results Adjustments

There are two types of adjustments:

- Positive adjustment – when additional pay needs to be made to the employee.
- Negative adjustment – when an employee's pay needs to be deducted.

Both positive and negative adjustments are handled with retro triggers that are defined in the core application. If it's a payroll adjustment, you can make the adjustment through positive input. If it's an absence adjustment, you can make the adjustment through the Absence Entry page.

### See Also

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Working With Positive Input”

*PeopleSoft 8.8 Global Payroll PeopleBook*, “Absence Entry and Processing”

## Defining Results Reversals

This section provides an overview of results reversals and discusses how to define and process them.

When an employee terminates and never shows up for work again, you can use the results reversal feature in PeopleSoft Global Payroll for Mexico. In this case, you can select those employees whose results need to be reversed. This way, the system can identify the reversed employees during the termination process and won't process those employees. The results that were previously generated are cancelled.

You'll use results reversal to identify the employees whose results need to be reversed.

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**Note.** Results reversal is only used for employees who never show up for work. Any other type of reversal is handled with the retro feature in PeopleSoft Global Payroll.

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## Defining and Processing Results Reversals

To define and process a results reversal for an employee:

1. Select the employee whose results need to be reversed on the Results Reversal page.
2. During the termination process, the system identifies the reversed employees and does not process them any further. This is done with a formula that avoids the calculation of the regular payroll or termination process. The formula RE FM VALIDA REVER is PeopleSoft-delivered but not maintained.

### See Also

[Chapter 18, "Processing Terminations in Mexico," page 179](#)

[Chapter 3, "Defining Country Data for Mexico," Defining Retroactivity in Mexico, page 33](#)

*PeopleSoft 8.8 Global Payroll PeopleBook, "Defining Retroactive Processing"*

## Page Used to Define Results Adjustments

Page Name	Object Name	Navigation	Usage
Results Reversal	GPMX_REVERSAL	Global Payroll, Payee Data, Adjust Balances, Reverse Results MEX, Results Reversal	Select the employees whose results need to be reversed.

## Defining Results Reversal

Access the Results Reversal page.

**Results Reversal**

---

**Pay Group:** GY PRESTAM Prestamos  
**Calendar ID:** GY SEG GY LHFM01

**Data** Find | View All    First ◀ 1 of 1 ▶ Last

*EmpIID:	Name:	+ -
<input style="width: 100px;" type="text" value="GY0001"/> <input style="width: 20px; height: 20px; border: 1px solid #ccc;" type="button" value="🔍"/>	Bernal MACIAS, Karina	

Results Reversal page

**EmpIID** (employee ID)

Select the ID of the employee whose check needs to be reversed.

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**Note.** The results reversals are specific for a pay group and Calendar ID.

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## CHAPTER 22

# Processing Banking for Mexico

This chapter provides an overview of banking and discusses how to:

- Define the banking process.
- Run the banking report.

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## Understanding the Banking Process in Mexico

The banking feature in PeopleSoft Global Payroll is optional. If you decide to use the banking feature, start by defining pages in the core application and continue with processing in PeopleSoft Global Payroll for Mexico. Before running the banking process for Mexico, you must set up basic banking information in the core application, such as:

- Defining bank addresses.
- Defining EFT formats.
- Identifying source banks and inking source banks to pay entities.
- Defining recipients.
- Defining deposit schedules.

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**Note.** The information below only discusses the banking process for PeopleSoft Global Payroll for Mexico, which occurs after you've set up the banking information in the core application.

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After running a payroll, funds are sent to the bank, along with instructions for payment. The bank needs to know who is going to be paid, how much they are to be paid, and which bank the wages are paid to. This information is extracted from the core application and stored in the Mexican payroll files, based on a list of payees corresponding to those in the last payroll run. A file is created with a line for each payee, containing a name, bank account number and amount of money. This file is sent to the bank that then distributes the funds.

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**Note.** PeopleSoft Global Payroll for Mexico supports six major Mexican banks: Banamex, Bancomer, Bancrecer, Banorte, Bital, and Scotiabank.

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## Defining the Banking Process in Mexico

This section describes the banking process and discusses the pages used to define banking in Mexico.

## Processing Banking

To process banking in PeopleSoft Global Payroll for Mexico:

1. Launch the banking process on the Payment Preparation page. The banking process includes launching PS\_JOB which groups two different application engines: the core PeopleSoft Global Payroll application and the PeopleSoft Global Payroll for Mexico application. The GP\_PAYMENT and GPMX\_PAYMENT output tables are populated.
2. Launch the process to build the EFT file and generate the banking report on the Payment File Generation page.

An SQR, called GPMXBA01, is run. An EFT file is generated, containing the details of each payment from the payroll run. The EFT file is sent to the bank so that the funds can be transferred to payees' bank accounts. This SQR also generates a report with payment details for validation purposes. You can review and store the payment details.

---

**Note.** Each bank in Mexico has a different flat file format. Global Payroll for Mexico has the flexibility to generate these different formats for six of the top banks in Mexico.

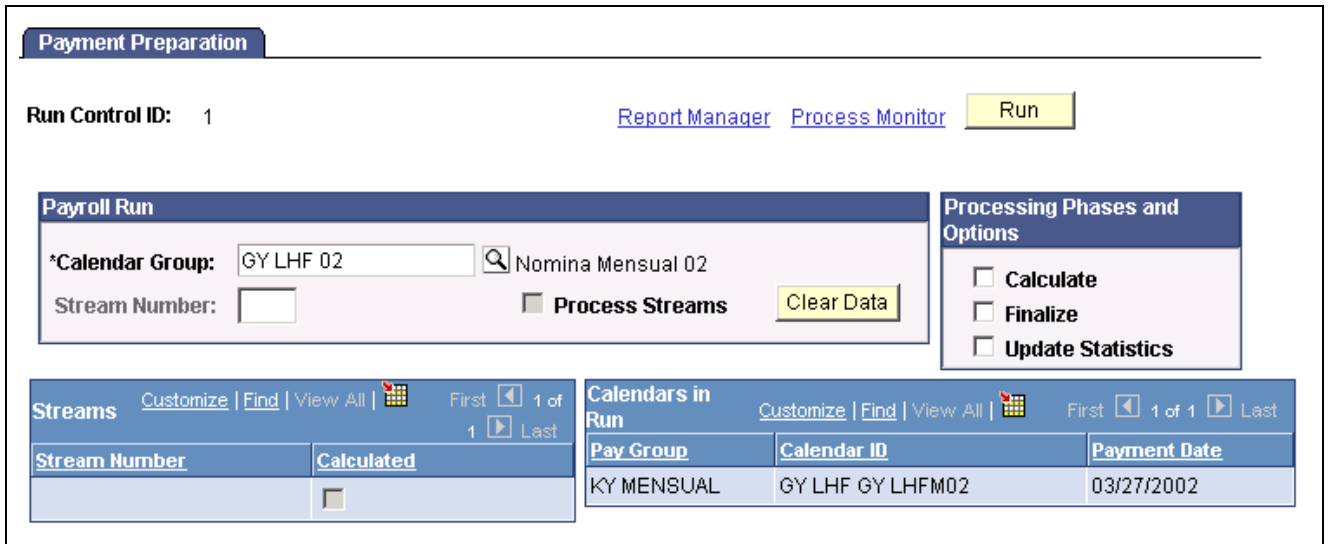
---

## Pages Used to Define Banking in Mexico

Page Name	Object Name	Navigation	Usage
Payment Preparation	GPMX_BANK_POPULATE	Global Payroll, Payment Processing, Run Banking Process MEX, Payment Preparation	Launch the processes that populate the GP_PAYMENT and GPMX_PAYMENT records.
Payment File Generation	GPMX_BANK_EFT	Global Payroll, Payment Processing, Create EFT Payment File MEX, Payment File Generation	Launch the process of building the flat output file (EFT) and generate a report.

## Defining the Payment Preparation

Access the Payment Preparation page.



Payment Preparation page

**Note.** The fields on the Payment Preparation page in PeopleSoft Global Payroll for Mexico are the same as the Banking Run Control page in the core application, except that there is an additional button (Clear Data) on the Payment Preparation page. For more information about the Payment Preparation page, refer to the “Understanding Banking” chapter in *PeopleSoft Global Payroll PeopleBook*.

**Clear Data**

Select when you want to recalculate the Mexican banking process. If you select  Clear Data, you can clear the `GPMX_PAYMENT` output table and fill it again if there are any changes to the calculation.

## Defining the Payment File Generation

Access the Payment File Generation page.

Payment File Generation

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

Banking

**\*Calendar Group ID:**

**\*Pay Entity:**

**\*Bank Format:** Banamex ▼

**File Name:**

**Bank Cust ID:**

**Reference Number A:**

Version

**DOS**

**Windows**

Payment File Generation page

**Calendar Group ID** Select the Calendar Group ID for which you want to generate a payment file.

**Pay Entity** Select the pay entity for which you want to generate a payment file.

**Bank Format** Select the bank. Valid values are *Banamex*, *Bancomer*, *Bancrecer*, *Banorte*, *Bital*, and *Scotiabank*. Depending on which bank you select, additional fields may appear on this page. Each bank may require different information about the bank file transfer. The following table lists the additional fields that appear depending on the bank format you select.

**Version and Format** For the Banamex bank format, you can build two versions of an EFT file: DOS or Windows. If you select the Windows version, you will also select the format: Pagomático or Third Party.

Bank Format	Additional Fields that Appear
Banamex	File Name, Bank Cust ID, Reference Number A, Version, Format
Bancomer	File Name, Secondary Reference
Bancrecer	File Name, Reference Number, Reference Number A
Banorte	File Name

Bank Format	Additional Fields that Appear
Bital	File Name
Scotiabank	File Name, Reference Number A, Reference Number C

**Note.** Once the GP\_PAYMENT table and the GPMX\_PAYMENT table are populated, you can launch an SQR that generates the flat file for banking along with a printed report of payment details.

### See Also

Appendix A, “PeopleSoft Global Payroll for Mexico Reports,” page 203

## Running the Banking Report

This section discusses how to run the banking report.

### Page Used to Run the Banking Report

Page Name	Object Name	Navigation	Usage
Banking Report	GPMX_BANK_EFT	Global Payroll, Payment Processing, Create EFT Payment File MEX, Payment File Generation	Creates an electronic flat file to be transferred to the bank and a printed report.

### See Also

Appendix A, “PeopleSoft Global Payroll for Mexico Reports,” page 203



## APPENDIX A

# PeopleSoft Global Payroll for Mexico Reports

This appendix discusses PeopleSoft Global Payroll for Mexico reports and shows you how to view summary tables of all reports.

**Note.** For samples of these reports, see the PDF files published on CD-ROM with your documentation. For more information about running these reports, refer to the appropriate chapter in this PeopleBook.

### See Also

*PeopleSoft PeopleTools PeopleBook: Process Scheduler*

## PeopleSoft Global Payroll for Mexico Reports: A to Z

This table lists the PeopleSoft Global Payroll for Mexico reports, sorted alphanumerically by report ID.

Report ID and Report Name	Description	Navigation	Run Control Page
GPMXAA01 Minimum Wage Salary Levels	Displays a list of the minimum wage salary levels in your company to present to the government.	Global Payroll, Taxes, ANN – Tax Adj Report MEX, Annual Adjustment	GPMX_RC_SUBSACRED
GPMXAA02 Annual Tax Adjustment Results	Displays the annual tax adjustment results.	Global Payroll, Taxes, ANN – Tax Adj Report MEX, Annual Adjustment	GPMX_RC_SUBSACRED
GPMXAA03 Form 37	Form 37 has two purposes. Either it provides information about employees who are going to present their own annual adjustment tax data or it provides tax information to employees who terminate.	Global Payroll, Taxes, Form 37 Report MEX, Form 37	GPMX_RC_FORMAT37
GPMXAA04 Accreditable Subsidy	Displays tax subsidy data.	Global Payroll, Taxes, ANN – Tax Adj Report MEX, Annual Adjustment	GPMX_RC_SUBSACRED
GPMXAG01 Christmas Bonus	Details the Christmas bonus amounts and taxes.	Global Payroll, Absence and Payroll Processing, Payroll Reports, ANN – Christmas Bonus MEX, Christmas Bonus	GPMX_RC_XMAS01

Report ID and Report Name	Description	Navigation	Run Control Page
GPMXBA01 Payment File Generation	Creates an electronic flat file to be transferred to the bank and a printed report.	Global Payroll, Payment Processing, Create EFT Payment File MEX, Payment File Generation	GPMX_BANK_EFT
GPMXIE01 State Taxes by Location	Provides a monthly report on state taxes paid by your company.	Global Payroll, Taxes, State Taxes by Loc Report MEX, State Taxes by Location	GPMX_RC_ST_TAXES
GPMXIF01 Federal Taxes Summary	An end of the tax year report that details the federal taxes paid by your company and your employees.	Global Payroll, Taxes, Federal Taxes Report MEX, Federal Taxes Summary	GPMX_RC_FEDTAX
GPMXIF02 Subsidy Factor Report	Lists the earnings that are the base for the subsidy factor.	Global Payroll, Taxes, ANN – Subsidy Factor Rpt MEX, Subsidy Factor Report	GPMX_RC_SUBS_FACT
GPMXIM01 Variable SDI Report	Lists the variable SDI earnings for the previous month by pay group.	Global Payroll, Social Security/Insurance, Variable SDI Report MEX, Variable SDI Report	GPMX_RC_VARIABI
GPMXIM02 IMSS Printed Notices – Hire	Provides hiring details for selected employees. This report is submitted to IMSS in printed format.	Global Payroll, Social Security/Insurance, Create IMSS Report Notices MEX, IMSS Printed Notices	GPMX_RC_IMSS_PRN
GPMXIM03 IMSS Magnetic Media Notices - Hire	Provides hiring details for selected employees. This report is submitted to IMSS in magnetic media format.	Global Payroll, Social Security/Insurance, Create IMSS Mag. Notices MEX, IMSS Mag. Media Notices	GPMX_RC_IMSS_MMD
GPMXIM04 IMSS EDI Notices – Hire	Provides hiring details for selected employees. This report is submitted to IMSS in EDI format.	Global Payroll, Social Security/Insurance, Create IMSS EDI Notices MEX, IMSS EDI Notices	GPMX_RC_IMSS EDI
GPMXIM05 IMSS Printed Notices – Termination	Provides termination details for selected employees. This report is submitted to IMSS in printed format.	Global Payroll, Social Security/Insurance, Create IMSS Report Notices MEX, IMSS Printed Notices	GPMX_RC_IMSS_PRN
GPMXIM06 IMSS Magnetic Media Notices - Termination	Provides termination details for selected employees. This report is submitted to IMSS in magnetic media format.	Global Payroll, Social Security/Insurance, Create IMSS Mag. Notices MEX, IMSS Mag. Media Notices	GPMX_RC_IMSS_MMD
GPMXIM07 IMSS EDI Notices – Termination	Provides termination details for selected employees. This report is submitted to IMSS in EDI format.	Global Payroll, Social Security/Insurance, Create IMSS EDI Notices MEX, IMSS EDI Notices	GPMX_RC_IMSS EDI
GPMXIM08 IMSS Printed Notices – Salary Change	Provides salary change details for selected employees. This report is submitted to IMSS in printed format.	Global Payroll, Social Security/Insurance, Create IMSS Report Notices MEX, IMSS Printed Notices	GPMX_RC_IMSS_PRN

Report ID and Report Name	Description	Navigation	Run Control Page
GPMXIM09 IMSS Magnetic Media Notices – Salary Change	Provides salary change details for selected employees. This report is submitted to IMSS in magnetic media format.	Global Payroll, Social Security/Insurance, Create IMSS Mag. Notices MEX, IMSS Mag. Media Notices	GPMX_RC_IMSS_MMD
GPMXIM10 IMSS EDI Notices – Salary Change	Provides salary change details for selected employees. This report is submitted to IMSS in EDI format.	Global Payroll, Social Security/Insurance, Create IMSS EDI Notices MEX, IMSS EDI Notices	GPMX_RC_IMSS EDI
GPMXIM11 Absences Report	Details absences for selected employees.	Global Payroll, Absence and Payroll Processing, Absence Reports, History MEX, Absences Report	GPMX_RC_WRKRISK
GPMXIM12 IMSS Base Over Cap	Lists the employees who have a surplus over the cap on 3, 18, and 25 minimum wages.	Global Payroll, Social Security/Insurance, IMSS Base Over Cap Report MEX, IMSS Base Over Cap	GPMX_RC_CAP_BSE
GPMXIM13 SUA- Load Employees	Generates the SUA employees interface and a printed report.	Global Payroll, Social Security/Insurance, Create SUA – Payee File MEX, SUA - Load Employees	GPMX_RC_SUA001
GPMXIM14 SUA – Employee Transactions	Generates the SUA employees transaction interface and a printed report.	Global Payroll, Social Security/Insurance, Create SUA – Transact File MEX, SUA- Employee Transactions	GPMX_RC_SUA002
GPMXIM15 Cash Salary Credit	Lists all workers with Cash Salary Credit in a given month.	Global Payroll, Taxes, Salary Credit Report, Cash Salary Credit	GPMX_RC_CRE_SAL
GPMXIM16 Risk Factor Report	Lists all workers with work risk disability in a given year.	Global Payroll, Social Security/Insurance, ANN – Risk Factor Report MEX, Risk Factor Report	GPMX_RC_ABSENCE
GPMXLF01 Termination/Layoff Letters	Generates either a termination letter or a layoff letter, depending on the option you select.	Global Payroll, Termination Processing, Create Term/Layoff Letters MEX, Termination/Layoff Letters	GPMX_RC_TERMREP
GPMXPE01 Payroll Results Register	Summarizes the payroll results.	Global Payroll, Absence and Payroll Processing, Payroll Reports, Results Register MEX, Payroll Results Register	GPMX_RC_PAYRSL
GPMXPE02 Balances Report	Provides a monthly summary of all the accumulator members of the earnings total accumulator and the deductions total accumulator.	Global Payroll, Absence and Payroll Processing, Payroll Reports, Balances MEX, Balances Report	GPMX_RC_ACCUM

Report ID and Report Name	Description	Navigation	Run Control Page
GPMXPR01 Loans by Calendar	Lists all loans by calendar group ID.	Global Payroll, Absence and Payroll Processing, Payroll Reports, Loans by Calendar MEX, Loans by Calendar	GPMX_RC_LOANS_CAL
GPMXPR02 Loans Payee	Lists all loans by payee.	Global Payroll, Payee Data, Loans, Loans Report MEX, Loans Payee	GPMX_RC_LOANS_PYE
GPMXPS01 Payslip	Generates the payslip.	Global Payroll, Payslips, Create/Print Payslips MEX, Payslip Run Control	GPMX_RC_PAYSLIP
GPMXPV01 Provisions Report	Summarizes all provisions, including vacation, vacation premium, and Christmas bonus.  This report has two running options: with or without detail.	Global Payroll, Absence and Payroll Processing, Payroll Reports, Provisions MEX, Provisions Report	GPMX_RC_PROV
GPMXRU01 PTU – Eligible Payees	Lists all payees who are eligible for profit-sharing.	Global Payroll, Absence and Payroll Processing, Payroll Reports, ANN – PTU Profit Share MEX, PTU Reports	GPMX_PTU
GPMXRU02 PTU – Non-Eligible Payees	Lists all payees who are not eligible for profit-sharing.	Global Payroll, Absence and Payroll Processing, Payroll Reports, ANN – PTU Profit Share MEX, PTU Reports	GPMX_PTU
GPMXRU03 PTU – Unpaid Payees	Lists all payees who have profit-sharing but have not been paid yet.	Global Payroll, Absence and Payroll Processing, Payroll Reports, ANN – PTU Profit Share MEX, PTU Reports	GPMX_PTU
GPMXRU04 PTU - Project	Lists all the details of profit-sharing at employee level.	Global Payroll, Absence and Payroll Processing, Payroll Reports, ANN – PTU Profit Share MEX, PTU Reports	GPMX_PTU
GPMXTE01 Overtime Report	Provides overtime details for employees. With this report, you have two options: <ul style="list-style-type: none"> <li>From week to week with daily details.</li> <li>From week to week without detail.</li> </ul>	Global Payroll, Absence and Payroll Processing, Payroll Reports, Overtime MEX, Overtime Report	GPMX_RC_OVR001
GPMXVA01 Vacations Report	Details vacation entitlements and balances for selected employees.	Global Payroll, Absence and Payroll Processing, Absence Reports, Vacations MEX, Vacations Report	GPMX_RC_VACATN
GPMXVL01 Coupons Interface	Creates a flat file and a printed report of coupons. The flat file is transferred to the provider, which could be either Accor or SODEXHO.	Global Payroll, Absence and Payroll Processing, Absence Reports, Create Coupons Interface MEX, Coupons Interface	GPMX_COUPONS_INT

# Glossary of PeopleSoft Terms

<b>absence entitlement</b>	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.
<b>absence take</b>	This element defines the conditions that must be met before a payee is entitled to take paid time off.
<b>account</b>	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.
<b>accounting class</b>	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.
<b>accounting date</b>	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.
<b>accounting entry</b>	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.
<b>accounting split</b>	The accounting split method indicates how expenses are allocated or divided among one or more sets of accounting ChartFields.
<b>accumulator</b>	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.
<b>action reason</b>	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 another and 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.
<b>activity</b>	In PeopleSoft Enterprise Learning Management, an instance of a catalog item delivery method it 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.
<b>allocation rule</b>	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.
<b>alternate account</b>	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.
<b>application agent</b>	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.
<b>asset class</b>	An asset group used for reporting purposes. It can be used in conjunction with the asset category to refine asset classification.
<b>attachment</b>	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.
<b>background process</b>	In PeopleSoft, background processes are executed through process-specific COBOL programs and run outside the Windows environment.
<b>benchmark job</b>	In PeopleSoft Workforce Analytics, a benchmark job is a job code for which there is corresponding salary survey data from published, third-party sources.
<b>branch</b>	A tree node that rolls up to nodes above it in the hierarchy, as defined in PeopleSoft Tree Manager.
<b>budgetary account only</b>	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.
<b>budget check</b>	In commitment control, the processing of source transactions against control budget ledgers, to see if they pass, fail, or pass with a warning.
<b>budget control</b>	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.
<b>budget period</b>	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.
<b>business event</b>	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).
<b>catalog item</b>	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.
<b>category</b>	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.
<b>ChartField</b>	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.
<b>ChartField balancing</b>	You can require specific ChartFields to match up (balance) on the debit and the credit side of a transaction.

<b>ChartField combination edit</b>	The process of editing journal lines for valid ChartField combinations based on user-defined rules.
<b>ChartKey</b>	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.
<b>child</b>	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.
<b>Class ChartField</b>	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 <i>sub-classification</i> .
<b>clone</b>	In PeopleCode, to make a unique copy. In contrast, to <i>copy</i> may mean making a new reference to an object, so if the underlying object is changed, both the copy and the original change.
<b>collection</b>	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.
<b>compensation object</b>	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.
<b>compensation structure</b>	In PeopleSoft Enterprise Incentive Management, a hierarchical relationship of compensation objects that represents the compensation-related relationship between the objects.
<b>configuration parameter catalog</b>	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.
<b>configuration plan</b>	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.
<b>content reference</b>	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.
<b>context</b>	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.
<b>corporate account</b>	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.
<b>cost profile</b>	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.
<b>cost row</b>	A cost transaction and amount for a set of ChartFields.

<b>data acquisition</b>	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).
<b>data elements</b>	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.
<b>data row</b>	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.
<b>data validation</b>	In PeopleSoft Enterprise Incentive Management, a process of validating and cleansing the feed data to resolve conflicts and make the data processable.
<b>DAT file</b>	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.
<b>delivery method</b>	In PeopleSoft Enterprise Learning Management, identifies a learning activity's delivery method type. An activity can have one or more delivery methods.
<b>delivery method type</b>	In PeopleSoft Enterprise Learning Management, specifies a method that your organization uses to deliver learning activities, for example, scheduled or self-paced learning.
<b>distribution</b>	The process of assigning values to ChartFields. A distribution is a string of ChartField values assigned to items, payments, and budget amounts.
<b>double byte character</b>	If you're 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].
<b>dynamic tree</b>	A tree that takes its detail values dynamically directly from a table in the database, rather than from a range of values entered by the user.
<b>edit table</b>	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.
<b>effective date</b>	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.
<b>EIM job</b>	Abbreviation for <i>Enterprise Incentive Management job</i> . In PeopleSoft Enterprise Incentive Management, a collection of job steps that corresponds to the steps in an organization's 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.
<b>EIM ledger</b>	Abbreviation for <i>Enterprise Incentive Management ledger</i> . 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.
<b>equipment</b>	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.

<b>event</b>	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, <i>event</i> also refers to incidents that affect benefits eligibility.
<b>event propagation process</b>	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.
<b>external system</b>	In PeopleSoft, any system that is not directly compiled with PeopleTools servers.
<b>fact</b>	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.
<b>filter</b>	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.
<b>generic process type</b>	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.
<b>group</b>	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.
<b>homepage</b>	Users can personalize the homepage, or the page that first appears when they access the portal.
<b>incentive object</b>	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.
<b>incentive rule</b>	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.
<b>key</b>	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.
<b>learner group</b>	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.
<b>learning activity</b>	See <i>activity</i> .
<b>learning history</b>	In PeopleSoft Enterprise Learning Management, a self-service repository for all of a learner's completed learning activities.
<b>learning plan</b>	In PeopleSoft Enterprise Learning Management, a self-service repository for all of a learner's planned and in-progress learning activities.
<b>ledger mapping</b>	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 <i>rates</i> ) 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.

<b>level</b>	A section of a tree that organizes groups of nodes.
<b>library section</b>	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.
<b>linked section</b>	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.
<b>linked variable</b>	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.
<b>load</b>	The feature that initiates a process to automatically load information into a PeopleSoft application for example, populating the PeopleSoft Benefits database with plan-level election information.
<b>local functionality</b>	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.
<b>location</b>	Locations enable you to indicate the different types of addresses for 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 location indicated by a <i>1</i> is the address you use most often and may be different from the main address.
<b>market template</b>	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.
<b>material</b>	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.
<b>message definition</b>	An object definition specified in PeopleSoft Application Designer that contains message information for PeopleSoft Application Messaging.
<b>meta-SQL</b>	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.
<b>metastring</b>	Metastings are special expressions included in SQL string literals. The metastings, 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.
<b>multibook</b>	Processes in PeopleSoft applications that can create both application entries and general ledgers denominated in more than one currency.
<b>multicurrency</b>	The ability to process transactions in a currency other than the business unit's base currency.
<b>objective</b>	In PeopleSoft Enterprise Learning Management, an individual's learning goal. An example of a learning goal is a competency gap.
<b>override</b>	In PeopleSoft Enterprise Incentive Management, the ability to make a change to a plan that applies to only one plan context.
<b>pagelet</b>	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.

<b>parent node</b>	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.
<b>participant</b>	In PeopleSoft Enterprise Incentive Management, participants are recipients of the incentive compensation calculation process.
<b>participant object</b>	Each participant object may be related to one or more compensation objects.  See also <i>participant object</i> .
<b>payout</b>	In PeopleSoft Enterprise Incentive Management, the resulting incentive plan computation that is provided to payroll.
<b>PeopleCode</b>	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.
<b>PeopleCode event</b>	An action that a user takes upon an object, usually a record field, that is referenced within a PeopleSoft page.
<b>PeopleSoft Internet Architecture</b>	The fundamental architecture on which PeopleSoft 8 applications are constructed, consisting of an RDBMS, an application server, a Web server, and a browser.
<b>performance measurement</b>	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.
<b>period context</b>	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.
<b>per seat cost</b>	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.
<b>plan</b>	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.
<b>plan context</b>	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 context. If 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.
<b>plan section</b>	In PeopleSoft Enterprise Incentive Management, a segment of a plan that handles a specific type of event processing.
<b>plan template</b>	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.
<b>portal registry</b>	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.
<b>private view</b>	A user-defined view that is available only to the user who created it.
<b>process</b>	See <i>Batch Processes</i> .
<b>process definition</b>	Process definitions define each run request.
<b>process instance</b>	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.
<b>process job</b>	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.
<b>process request</b>	A single run request, such as an SQR, a COBOL program, or a Crystal report that you run through PeopleSoft Process Scheduler.
<b>process run control</b>	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.
<b>product category</b>	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.
<b>publishing</b>	In PeopleSoft Enterprise Incentive Management, a stage in processing that makes incentive-related results available to participants.
<b>record definition</b>	A logical grouping of data elements.
<b>record field</b>	A field within a record definition.
<b>record group</b>	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.
<b>record input VAT flag</b>	Abbreviation for <i>record input value-added tax flag</i> . 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.
<b>record output VAT flag</b>	Abbreviation for <i>record output value-added tax flag</i> . See <i>record input VAT flag</i> .
<b>reference data</b>	In PeopleSoft Sales Incentive Management, system objects that represent the sales organization, such as territories, participants, products, customers, channels, and so on.
<b>reference object</b>	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).
<b>reference transaction</b>	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.
<b>relationship object</b>	In PeopleSoft Enterprise Incentive Management, these objects further define a compensation structure to resolve transactions by establishing associations between compensation objects and business objects.
<b>results management process</b>	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.
<b>role user</b>	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.
<b>role</b>	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.
<b>roll up</b>	In a tree, to roll up is to total sums based on the information hierarchy.
<b>routing</b>	Connects activities in PeopleSoft Workflow. Routings specify where the information goes and what form it takes: email message, electronic form, or worklist entry.
<b>run control</b>	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.
<b>run control ID</b>	A unique ID to associate each user with his or her own run control table entries.
<b>run-level context</b>	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.
<b>search query</b>	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.
<b>section</b>	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.
<b>security event</b>	In commitment control, security events trigger security authorization checking, such as budget entries, transfers, and adjustments; exception overrides and notifications; and inquiries.
<b>self-service application</b>	Self-service refers to PeopleSoft applications that are accessed by end users with a browser.
<b>session</b>	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.
<b>session template</b>	In PeopleSoft Enterprise Learning Management, enables you to set up common activity characteristics that may be reused while scheduling a PeopleSoft Enterprise

Learning Management activity characteristics 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.

<b>setup relationship</b>	In PeopleSoft Enterprise Incentive Management, a relationship object type that associates a configuration plan with any structure node.
<b>sibling</b>	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.
<b>single signon</b>	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.
<b>source transaction</b>	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.
<b>SpeedChart</b>	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.
<b>SpeedType</b>	A code representing a combination of ChartField values. SpeedTypes simplify the entry of ChartFields commonly used together.
<b>SQR</b>	See <i>Structured Query Report (SQR)</i> .
<b>statutory account</b>	Account required by a regulatory authority for recording and reporting financial results. In PeopleSoft, this is equivalent to the Alternate Account (ALTACCT) ChartField.
<b>step</b>	In PeopleSoft Sales Incentive Management, a collection of sections in a plan. Each step corresponds to a step in the job run.
<b>Structured Query Report (SQR)</b>	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.
<b>Summary ChartField</b>	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).
<b>summary ledger</b>	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.
<b>summary tree</b>	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 <i>basis</i> tree). A summary tree structure specifies the details on which the summary trees are to be built.

<b>table</b>	The underlying PeopleSoft data format, in which data is stored by columns (fields) and rows (records, or instances).
<b>TableSet sharing</b>	Specifies control table data for each business unit so that redundancy is eliminated.
<b>target currency</b>	The value of the entry currency or currencies converted to a single currency for budget viewing and inquiry purposes.
<b>template</b>	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.
<b>territory</b>	In PeopleSoft Sales Incentive Management, hierarchical relationships of business objects, including regions, products, customers, industries, and participants.
<b>TimeSpan</b>	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.
<b>transaction allocation</b>	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.
<b>transaction loading process</b>	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.
<b>transaction state</b>	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.
<b>transaction type</b>	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.
<b>Translate table</b>	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.
<b>tree</b>	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.
<b>unclaimed transaction</b>	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.
<b>uniform resource locator (URL)</b>	In PeopleSoft, the term URL refers to the entire query string. The following is an example of a URL: <code>http://serverx/InternetClient/InternetClientServlet?ICType=Script&amp;ICScriptProgramName=WEBLIB_BEN_401k.PAGES.FieldFormula.iScript_Home401k</code>
<b>universal navigation header</b>	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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