ORACLE
PeopleSoft

PeopleSoft HCM 9.2: PeopleSoft Global Payroll for Spain

April 2022

ORACLE

Contents

Contents

Preface

Understanding the PeopleSoft Online Help and PeopleBooks

The PeopleSoft Online Help is a website that enables you to view all help content for PeopleSoft applications and PeopleTools. The help provides standard navigation and full-text searching, as well as context-sensitive online help for PeopleSoft users.

Hosted PeopleSoft Online Help

You can access the hosted PeopleSoft Online Help on the Oracle Help Center. The hosted PeopleSoft Online Help is updated on a regular schedule, ensuring that you have access to the most current documentation. This reduces the need to view separate documentation posts for application maintenance on My Oracle Support. The hosted PeopleSoft Online Help is available in English only.

To configure the context-sensitive help for your PeopleSoft applications to use the Oracle Help Center, see Configuring Context-Sensitive Help Using the Hosted Online Help Website.

Locally Installed Help

If you're setting up an on-premise PeopleSoft environment, and your organization has firewall restrictions that prevent you from using the hosted PeopleSoft Online Help, you can install the online help locally. See Configuring Context-Sensitive Help Using a Locally Installed Online Help Website.

Downloadable PeopleBook PDF Files

You can access downloadable PDF versions of the help content in the traditional PeopleBook format on the Oracle Help Center. The content in the PeopleBook PDFs is the same as the content in the PeopleSoft Online Help, but it has a different structure and it does not include the interactive navigation features that are available in the online help.

Common Help Documentation

Common help documentation contains information that applies to multiple applications. The two main types of common help are:

- Application Fundamentals

- Using PeopleSoft Applications

Most product families provide a set of application fundamentals help topics that discuss essential information about the setup and design of your system. This information applies to many or all applications in the PeopleSoft product family. Whether you are implementing a single application, some combination of applications within the product family, or the entire product family, you should be familiar with the contents of the appropriate application fundamentals help. They provide the starting points for fundamental implementation tasks.

In addition, the *PeopleTools: Applications User's Guide* introduces you to the various elements of the PeopleSoft Pure Internet Architecture. It also explains how to use the navigational hierarchy, components, and pages to perform basic functions as you navigate through the system. While your application or implementation may differ, the topics in this user's guide provide general information about using PeopleSoft applications.

Field and Control Definitions

PeopleSoft documentation includes definitions for most fields and controls that appear on application pages. These definitions describe how to use a field or control, where populated values come from, the effects of selecting certain values, and so on. If a field or control is not defined, then it either requires no additional explanation or is documented in a common elements section earlier in the documentation. For example, the Date field rarely requires additional explanation and may not be defined in the documentation for some pages.

Typographical Conventions

The following table describes the typographical conventions that are used in the online help.

Typographical Convention	*Description*
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 the **W** key.
. . . (ellipses)	Indicate that the preceding item or series can be repeated any number of times in PeopleCode syntax.
{ } (curly braces)	Indicate a choice between two options in PeopleCode syntax. Options are separated by a pipe (|).
[ ] (square brackets)	Indicate optional items in PeopleCode syntax.
& (ampersand)	When placed before a parameter in PeopleCode syntax, an ampersand indicates that the parameter is an already instantiated object. Ampersands also precede all PeopleCode variables.
⇒	This continuation character has been inserted at the end of a line of code that has been wrapped at the page margin. The code should be viewed or entered as a single, continuous line of code without the continuation character.

ISO Country and Currency Codes

PeopleSoft Online Help topics use International Organization for Standardization (ISO) country and currency codes to identify country-specific information and monetary amounts.

ISO country codes may appear as country identifiers, and ISO currency codes may appear as currency identifiers in your PeopleSoft documentation. Reference to an ISO country code in your documentation does not imply that your application includes every ISO country code. The following example is a country-specific heading: "(FRA) Hiring an Employee."

The PeopleSoft Currency Code table (CURRENCY_CD_TBL) contains sample currency code data. The Currency Code table is based on ISO Standard 4217, "Codes for the representation of currencies," and also relies on ISO country codes in the Country table (COUNTRY_TBL). The navigation to the pages where you maintain currency code and country information depends on which PeopleSoft applications you are using. To access the pages for maintaining the Currency Code and Country tables, consult the online help for your applications for more information.

Region and Industry Identifiers

Information that applies only to a specific region or industry is preceded by a standard identifier in parentheses. This identifier typically appears at the beginning of a section heading, but it may also appear at the beginning of a note or other text.

Example of a region-specific heading: "(Latin America) Setting Up Depreciation"

Region Identifiers

Regions are identified by the region name. The following region identifiers may appear in the PeopleSoft Online Help:

- Asia Pacific

- Europe

- Latin America

- North America

Industry Identifiers

Industries are identified by the industry name or by an abbreviation for that industry. The following industry identifiers may appear in the PeopleSoft Online Help:

- USF (U.S. Federal)

- E&G (Education and Government)

Translations and Embedded Help

PeopleSoft 9.2 software applications include translated embedded help. With the 9.2 release, PeopleSoft aligns with the other Oracle applications by focusing our translation efforts on embedded help. We are not planning to translate our traditional online help and PeopleBooks documentation. Instead we offer very direct translated help at crucial spots within our application through our embedded help widgets. Additionally, we have a one-to-one mapping of application and help translations, meaning that the software and embedded help translation footprint is identical—something we were never able to accomplish in the past.

Using and Managing the PeopleSoft Online Help

Select About This Help in the left navigation panel on any page in the PeopleSoft Online Help to see information on the following topics:

- Using the PeopleSoft Online Help.

- Managing hosted Online Help.

- Managing locally installed PeopleSoft Online Help.

Related Links for PeopleSoft HCM

Oracle Help Center

PeopleSoft Online Help Home

PeopleSoft Information Portal

My Oracle Support

PeopleSoft Training from Oracle University

PeopleSoft Video Feature Overviews on YouTube

PeopleSoft Business Process Maps (Microsoft Visio format)

HCM Abbreviations

PeopleSoft Spotlight Series

Contact Us

Send your suggestions to psoft-infodev_us@oracle.com.

Please include the applications update image or PeopleTools release that you're using.

Follow Us

Icon	Link
	YouTube

Icon	Link
	Twitter@PeopleSoft_Info.
	PeopleSoft Blogs
	LinkedIn

Chapter 1

Getting Started with PeopleSoft Global Payroll for Spain

Global Payroll Documentation

This section discusses:

- Global Payroll application design.

- Global Payroll documentation structure.

- Documentation roadmap.

Global Payroll Application Design

Because the structure of the Global Payroll documentation is similar to the design of the application, the best way to understand the documentation is to review the design of the application itself.

Global Payroll comprises two complementary parts:

- A core payroll application that includes:

  - A payroll rules engine.

  - A payroll processing framework.

  - Processes and setup steps that apply to all countries.

- Country extensions that include:

  - Statutory and customary objects (payroll rules, payroll processes, reports, additional country-specific pages, and self-service applications).

  - Country-specific rules and elements.

Global Payroll Documentation Structure

Like the application, the documentation for Global Payroll consists of two parts: a core book and separate country extension books.

Core Documentation

Like the core portion of the application, which applies to all countries and enables you to develop rules and process a payroll regardless of location, the core book is country neutral. Thus, while it describes the

core set of tools that you can use to develop a payroll, it doesn't discuss the local country rules that have been set up for you. For information about how the PeopleSoft system has extended core capabilities to meet local requirements, refer to the country extension documentation.

Country Extension Documentation

Just as country extensions in the application address local needs, the country extensions in the documentation cover local functionality. This includes:

- Any core feature with local extensions.

- Country-specific rule setup.

- PeopleSoft-delivered rules and tables.

- Country-specific pages.

- Country-specific reports.

- PeopleSoft Human Resources (HR) Management Systems setup, such as bank definitions, that varies by country.

- Implementation information that varies by country.

Documentation Roadmap

The core and the country extension documentation complement each other; therefore, you should read both sets of documentation.

What to Read When

You can approach the documentation in the following way:

- If a process setup is shared between the core application and the country extension, read the core documentation first and then the country extension documentation.

  For example, banking is a feature that you first define in the core application and then often continue in the country extension because most country extensions have some type of banking functionality. You would first read the banking chapter in the core documentation and then the banking chapter in the country extension documentation.

- If a process is set up only in the core application, read the core documentation.

- If a process is set up only in the country extension, read the country extension documentation.

Documentation Audiences

We've identified the following audiences for the documentation:

- Technical

  Technical readers who are interested in the technical design of the product should begin by reading the "Introducing the Core Application Architecture" section of the core documentation, as well as the batch processing information that is mentioned in many of the other sections.

See "Understanding the Core Application Architecture" (PeopleSoft Global Payroll).

- Functional

  Functional readers who are interested in defining rules should begin by reading the country-specific functionality described in the country extension documentation. Functional readers can continue to learn about how to use the tools in the core application by reading the sections on defining payroll elements, such as earnings and deductions, in the core documentation.

- Managerial

  Managerial readers should begin by reading the introduction sections of both the core documentation and the country extension documentation to get a high-level overview of the Global Payroll product.

Note: To fully understand Global Payroll, technical or functional persons who are involved in the product implementation should read the core documentation and the applicable country extension documentation in their entirety.

PeopleSoft Global Payroll for Spain Overview

PeopleSoft Global Payroll for Spain delivers elements, rules, pages, processes, and reports that work with the Global Payroll core application to form a complete payroll package for Spain. You can define basic and nonbasic earnings, as well as extra period payments and overtime. You can define deductions, such as union fees and garnishments. With PeopleSoft Global Payroll for Spain, you can calculate employer and employee Social Security contributions and el Impuesto sobre la Renta de las Personas Físicas (IRPF) calculations. You can process loans and advances. You can track absence and vacation balances for employees. With PeopleSoft Global Payroll for Spain, you can calculate termination pay, generate payslips. and process banking for employees.

Related Links
Understanding PeopleSoft Global Payroll Core Functionality in Spain

PeopleSoft Global Payroll for Spain Business Processes

PeopleSoft Global Payroll for Spain provides these business processes:

- Basic and nonbasic earnings.

- Overtime.

- Loans and advances.

- Social Security contributions and benefits.

- Tax calculation.

- Pension plans.

- Special collectives.

- Absences.

- Extra periods.

- Termination pay.

- Other deductions.

- Payslips.

- Banking.

These business processes are discussed in the business process topics in this product documentation.

PeopleSoft Global Payroll for Spain Integrations

PeopleSoft Global Payroll for Spain integrates with these applications through the core Global Payroll application:

- PeopleSoft HR.

- PeopleSoft Time and Labor.

- PeopleSoft General Ledger.

Integration considerations are discussed in the PeopleSoft Global Payroll product documentation.

Related Links

"Understanding Payee Data" (PeopleSoft Global Payroll)
"Understanding How to Compensate Employees in Global Payroll for Time Reported Through Time and Labor" (PeopleSoft Global Payroll)
"Understanding the General Ledger Interface" (PeopleSoft Global Payroll)

PeopleSoft Global Payroll for Spain Implementation

PeopleSoft Setup Manager enables you to generate a list of setup tasks for your organization based on the features that you are implementing. The setup tasks include the components that you must set up, listed in the order in which you must enter data into the component tables, and links to the corresponding product documentation.

Other Sources of Information

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

Refer to the *PeopleSoft HCM 9.2 - Reorganization of Component Interface Permissions* (Doc ID 2342162.1) MOS posting for a list of system-delivered CIs and their usage, the mapping of CIs and associated permission lists, and the mapping of CI permission lists and user roles.

See the product documentation for *PeopleTools: Setup Manager* and *PeopleSoft Enterprise Components*.

Related Links

Application Fundamentals

Chapter 2

Understanding PeopleSoft Global Payroll for Spain

PeopleSoft Global Payroll for Spain

PeopleSoft Global Payroll for Spain 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 Spanish payroll.

PeopleSoft Global Payroll for Spain Business Processes

PeopleSoft Global Payroll for Spain supports these business processes:

- Basic and nonbasic earnings.

  PeopleSoft Global Payroll for Spain enables you to process basic and nonbasic earnings, such as base salary, seniority, complements (transportation, languages, nocturnal expenses, and festivities), and nonsalary earnings (pernocta and dietas). You can also create your own earning types and modify calculation rules for delivered earnings.

  See Basic Earnings.

  See Nonbasic Earnings.

- Extra periods.

  In PeopleSoft Global Payroll for Spain, you can define the details for the extra period payments as part of defining labor agreement information. You can define when extra periods are paid, the earnings that contribute towards the extra period payment, and the percentage of each contributing earning that is included in the payment.

  See Understanding Extra Periods.

- Other deductions.

  Other deductions, such as union fees and garnishments, are managed by PeopleSoft Global Payroll for Spain as part of the payroll process.

  See Setting Up Union Fees.

- Overtime.

  PeopleSoft Global Payroll for Spain enables you to pay overtime hours. Each organization can specify the annual, monthly, or weekly worked hours based on the maximum legal number of hours established by the Spanish government. Overtime (horas extra) occurs when an eligible payee works

more than the specified number of hours. In this case, the employer should pay a surcharge on the extra time worked.

See Understanding Overtime Processing for Spain.

- Loans and advances.

PeopleSoft Global Payroll for Spain enables you to process loans and advance payments that are made to employees through the payroll.

See Understanding Loans and Advances.

- Social Security contributions and benefits.

PeopleSoft Global Payroll for Spain calculates the employer and employee contributions and the employer reductions and generates data for the social security reports TC1 and TC2. It includes functionality to handle Social Security funding base calculations for employees with multiple jobs or who were employed as trainees and apprentices.

PeopleSoft Global Payroll for Spain also enables you to track the disability status of employees and transmit the data to Social Security using an electronic medical report file with an .FDI extension.

See Understanding Social Security Terms and Concepts.

See Understanding Social Security Benefits.

- El Impuesto sobre la Renta de las Personas Físicas IRPF calculation.

In Spain, the IRPF calculation varies according to the fiscal territory to which the employee reports. PeopleSoft Global Payroll for Spain delivers taxation rates for all the Spanish fiscal territories and the tax calculation process handles calculations for all these fiscal territories. PeopleSoft Global Payroll for Spain also provides you with a mechanism to produce the Model 111, Model 190, and Model 110 reports for all territories.

See Understanding Tax Calculation.

- Absences.

PeopleSoft Global Payroll for Spain delivers predefined rules for processing absences due to vacation, illness, maternity, work accidents, and other reasons. You can easily modify many of these rules to reflect absence policies that are specific to your organization or to labor agreements that may be in effect for your employees.

See Understanding Absence Rules.

- Termination pay.

With PeopleSoft Global Payroll for Spain, termination pay is calculated with the payroll and includes the regular salary, extra periods, unused vacation days, and unpaid overtime. The final payment also takes into account any outstanding loans and advances, severance payment, pre-advice days that are not fulfilled, and job litigation salaries.

See Understanding Terminations.

- Payslips.

PeopleSoft Global Payroll for Spain enables you to generate payslips that you can adapt to display exactly the information that you require. You also decide how you want to display retro calculations and extra period payments.

See Setting Up Payslips.

- Banking.

With PeopleSoft Global Payroll for Spain, you can define the banks that your organization uses to make payroll payments, as well as the personal banking information required to make these payments effective. This also includes IBAN information, if needed. You can distribute net pay between different banks and bank branches and different beneficiaries. PeopleSoft Global Payroll for Spain supports the CSB34 format for completing bank transfers, and includes reports that enable you to check stored bank information, as well as completed or pending transfers.

See Understanding Banking.

- Pension plans.

PeopleSoft Global Payroll for Spain provides functionality that supports both individual and collective pension plans. You can create pension plans, assign them to employees, and generate reports that include payroll results data for pension plans, such as the Model 345.

- Special collectives.

PeopleSoft Global Payroll for Spain provides functionality to manage the relationship between companies and the following special collective groups: displaced persons and expatriates, scholarship holders, preretired, and professionals. This includes functionality to manage payments, social security contributions, taxation, and reporting for each of the special collective types.

Delivered Elements for Spain

Global Payroll defines each business process for Spain 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 topic discusses:

- Delivered element creation.

- Element ownership and maintenance.

Delivered Element Creation

All of the elements that are delivered as part of the country extension were created by means of the core application, the same application that you use to create additional elements and (in many cases) to configure existing elements that are delivered as part of Global Payroll. Because the tools that you need to redefine or create new payroll elements are fully documented in the core application product documentation, this information does not appear here. Instead, this guide briefly reviews the relationship between the core application (which contains the tools that you need to define your own elements) and the

country extensions (which contain country-specific rules and elements that PeopleSoft Global Payroll for Spain defines).

The core application:

- Consists of a payroll rules engine.

    The payroll rules engine is a flexible tool that enables you to define the rules of a payroll system and to run payroll and absence calculations. 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. 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.

    The payroll processing framework provides 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).

Element Ownership and Maintenance

This topic describes the PeopleSoft approach to element ownership and what this means for the maintenance of Spanish 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 Global Payroll

Five types of element ownership are available in Global Payroll:

Term	Definition
PS Delivered/Maintained	Elements that Oracle delivers and maintains on an ongoing basis.
PS Delivered/Not Maintained	Elements that Oracle delivers that must be maintained by the customer. This type of element ownership consists primarily of either customary (nonstatutory) rules or statutory elements that customers might want to define according to a different interpretation of the rules. Although Oracle might occasionally update elements that are defined as PS Delivered/ Not Maintained, you are not required to apply these updates.

Term	Definition
Customer Maintained	Elements that the organization creates and maintains. Oracle does not deliver rules defined as Customer Maintained.
PS Delivered/Customer Modified	Elements that are originally PS Delivered/Maintained over which the customer decides 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 Spain

Of the five ownership types described previously, only these two are used to define Spanish elements:

• PS Delivered/Maintained.

• PS Delivered/Not Maintained.

Although PeopleSoft Global Payroll for Spain delivers some elements as PS Delivered/Maintained, the large majority of elements are designated PS Delivered/Not Maintained. This enables you to modify, update, and reconfigure delivered elements to meet your own unique requirements.

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

See Understanding PeopleSoft Global Payroll Core Functionality in Spain.

This table contains an element-by-element description of the PeopleSoft Global Payroll for Spain approach to element ownership and maintenance:

Element Type	Ownership	Exceptions
Earnings	PS Delivered/Not Maintained	Social security benefits.

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

Element Naming Conventions in Spain

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

This topic discusses:

- Naming conventions.

- Functional area codes.

- Element type codes (PIN_TYPE).

Naming Conventions

This topic discusses:

- Primary elements.

- Supporting elements.

- Additional clues to the use of Spanish elements.

- Component names (suffixes).

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 that identify their functions and element types without the use of additional codes. For example, the name of the earning element SALARIO BASE identifies this element as a base salary element.

Supporting Elements

For supporting elements (such as variables, formulas, dates, and durations), Oracle uses this naming convention: FFF TT NAME.

- FFF: Functional area code.

  See Functional Area Codes.

- TT: Type of supporting element.

  See Element Type Codes (PIN_TYPE).

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

For example, in the tax array TAX AR ING A EST:

- TAX represents the functional area (taxes).

- AR represents the element type (array).

- ING A EST (ingresos anuales estimados) represents a further means of identifying the element.

Note: This naming convention applies to these element types: accumulators, arrays, brackets, counts, dates, durations, formulas, rate codes, variables, historical rules, fictitious calculation rules, proration rules, rounding rules, writable arrays, and generation control conditions as well as sections and element groups.

Additional Clues to the Use of Spanish Elements

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

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

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

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

Component Names (Suffixes)

In PeopleSoft Global Payroll for Spain, suffixes are used to name the components of earnings and deduction elements. For example, when you create an earning, deduction, or absence element in 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 earning element named EARN1 with this calculation rule:

EARN1 = Rate × 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 Spain, all components and accumulators have:

- Country: ESP

- Separator: _

In Global Payroll, all suffixes fall into one of these types:

- Separator.

- Earnings or deductions component suffixes.

- Earnings or deductions accumulator suffixes.

- Deduction arrears component suffixes.

- Deduction arrears accumulator suffixes.

- Absence entitlement component suffixes.

- Absence entitlement accumulator suffixes.

To view all of the suffixes defined for Spain, use the Element Suffixes component (GP_SUFFIX) in Global Payroll .

See "Understanding Elements" (PeopleSoft Global Payroll).

Functional Area Codes

For some elements, you need to use a functional area in the naming convention. The three-digit functional area codes are used in naming conventions to identify the functional area where the element is being used.

This table contains the functional area codes used in the names of Spanish elements:

Functional Area	Description
AJB	Gross to net
AJN	Net to gross
ANT	Seniority
AUS	Absences
AYP	Loans and advances
CLI	Customer-oriented accumulators
FNQ	Termination
GEN	General (multiple areas)
RTR	Retroactivity
SIN	Unions

Functional Area	Description
SS	Social security
TAX	Taxes
XTR	Extra period
DEV	Devengos (earnings)
DD	Deduction
EXP	Expatriates
LIQ	Liquidation
PP	Pension plans

Element Type Codes (PIN_TYPE)

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

Element Type	Description
AE	Absence entitlement
AT	Absence take
AC	Accumulator
AR	Array
AA	Auto assigned
BR	Bracket
CT	Count
DT	Date
DD	Deduction

Element Type	Description
DR	Duration
ER	Earning
EG	Element group
EM	Error message
FC	Fictitious calculation
FM	Formula
GC	Generation control
HR	Historical rule
PR	Process
PO	Proration rule
RC	Rate code
RR	Rounding rule
SE	Section
SY	System element
VR	Variable
WA	Writable array

Archiving Data for PeopleSoft Global Payroll for Spain

PeopleSoft Global Payroll for Spain generates a large amount of result data. To keep the amount of saved data manageable, you should periodically archive it. PeopleSoft PeopleTools delivers an archiving tool called the Data Archive Manager. To aid you in archiving your result data using the Data Archive Manager, PeopleSoft Global Payroll for Spain delivers a predefined archive object (GPES_RSLT_ARCHIVE) and an archive template (GPESRSLT). The delivered archive template uses queries that select data by calendar group ID (CAL_RUN_ID field).

Note: Use extreme caution when making changes to delivered archive objects, queries, or templates. Any modifications can result in the loss of important data.

See "Archiving Global Payroll Data" (PeopleSoft Global Payroll).

Viewing Delivered Elements for Spain

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

Related Links

"Understanding How to View Delivered Elements" (PeopleSoft Global Payroll)

Chapter 3

Setting Up Country Data

Understanding PeopleSoft Global Payroll Core Functionality in Spain

This topic discusses:

- Retroactivity

- Payment keys

- Accumulators

- Segmentation

- Triggers

- Rounding rules

- Process lists

Retroactivity

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

In Global Payroll, two methods are available for calculating retro:

- Corrective

- Forwarding

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

Note: You can also set up retro with the forwarding method during your implementation if it fits your company's needs.

PeopleSoft Global Payroll for Spain and Retroactivity

PeopleSoft Global Payroll for Spain delivers the corrective method because this is the standard (statutory) way to manage retroactivity in Spain.

• The retro process (RETRO) uses the corrective method without variance.

• Retro overrides are used in PeopleSoft Global Payroll for Spain. They serve the following purposes:

  • To facilitate reporting retro calculations to Hacienda.

    The system forwards the tax information for the current period using the IRPF RTR element. This element receives the value from the IRPF AFW element that is forwarded into IRPF RTR in a retro calculation of a month in the same year. In this way, the current month has all of the information affecting taxes. Also, the current tax percentage can be applied to the delta coming from a retro calculation.

  • To manage retro across different tax years.

    For these cases of retro, the system forwards tax values to the current month but it forwards them to elements other than IRPF FWD because they need to be taxed in a different way. In addition, these tax values are reported separately during yearly reporting. Later, the monthly and year-end reports retrieve those values and print them accordingly.

    PeopleSoft Global Payroll also enables you to manage retro from previous years as if they were from the same fiscal year. To accomplish this, modify the value of the variable CLI VR RT A PR FLG (previous year retro flag) with a value that is not *Y*.

    Note: Define retro overrides on the Retro Process Overrides page.

• You can define your own retro event.

  See "Understanding Retroactive Methods" (PeopleSoft Global Payroll).

• You can define your own retro triggers according to your company needs.

• You can define your own pay entities according to your company needs, but the common setup in PeopleSoft Global Payroll for Spain is:

  • Calendar period: Starts in January.

  • Fiscal period: Starts in January.

  • Backward limits: Depends on how you set up PeopleSoft Global Payroll for Spain.

  • Forward limits: Two years.

Launching Retroactivity Across Different Tax Years

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

The system manages these retro deltas from a previous year based on the value of the variable CLI VR RT A PR FLG (Previous year retro flag). When the value of this variable is *Y,* the default value, the system processes retro deltas coming from a previous year separately from the income of the current year. It reports these retro deltas separately on the Model 111 and Model 190 reports. In addition, the system calculates the IRPF for those retro deltas by applying a fixed percentage (currently at 15 percent) instead of the valid IRPF percentage in the retro period.

If you set the value of CLI VR RT A PR FLG to anything but *Y,* the system processes retro deltas coming from a previous year together with the retro deltas of the current year. It does not manage them separately.

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

To split the retro details from different years, user will need to enter manual adjustments using the IRPF Tax Data Review ESP page.

Example of Calculating Retroactivity for a Different Tax Year

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

- Launch the calculation for the May 2006 pay period.

- Launch a retro calculation for November 2005.

- Report the tax calculation for the deltas from all the launched retros from November until April in the Model 111 of May 2006.

  In the case of the retro for November 2005 and December 2005, the IRPF for the delta is calculated with a 15 percent tax rate. Model 190 will reflect it accordingly.

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

Setup Issue	Requirement
Default retro method	Corrective
Retro process (retro method)	Corrective
Retro process - does it vary?	No
Calendar period starts on:	January 1
Fiscal period starts on:	January 1

Setup Issue	Requirement
Backward limits:	No limits
Forward limits:	Two years after employee termination

Running Corrections in PeopleSoft Global Payroll for Spain

The pure retro process calculates from a target calendar, which receives forwarded tax data regarding deltas and updates the balance accumulators of the recalculated month. You then report the delta from the retro processing for the target calendar through complementary reporting . Thus, if you have already reported social security contributions for a given month and need to recalculate, you use pure retro processing. For example, if a company signs a labor agreement in May but needs to increase salary starting from January 1, then the company must run pure retro processing from January in the May payroll (target calendar). The company then reports the deltas from the retro calculation in a complementary report within the May FAN file.

Corrections, on the other hand, are cases in which you need to rerun a finalized payroll but have not yet reported to social security for that month. Corrections enable you to report the delta on the regular monthly reporting rather than through complementary reporting. You are thus *correcting* a finalized payroll.

With PeopleSoft Global Payroll for Spain, you can run corrections by using a specific run type or by using Global Payroll core off-cycle functionality. The "Managing Off-Cycle Payments" topics explain both methods in detail.

Managing Reversals through Retroactivity

In some cases, retroactive processing may result in the reversal of payroll results. For example, let us assume that a payee was included in the payroll calculated for August. After you generate and submit all of the tax reports for the August payroll, you discover that the payee actually retired as of August 1st and should not have been included in the August payroll run. You can manage this type of situation through retro processing during the September payroll run. The system accomplishes this by creating a reversal segment for the September payroll run to reverse all of the payroll calculations for the retired payee for the month of August.

You can control whether the system reverses tax calculations in this type of situation using the CLI VR REV DD variable. When the value of this variable is *Y,* the system reverses all payroll calculations, including taxes. If the value of the CLI VR REV DD variable is *N,* the system does not reverse the taxes and other deductions that are specified in override sets 3 and 4 of the retro process definition (RETRO) for Spain as not to be reversed. The system instead forwards these deductions to the DD N REVRTDS deduction for the current payroll month.

Note: You can view which deductions are designated to be forwarded to the DD N REVRTDS deduction in override sets 3 and 4 on the Retro Process Overrides page.

Related Links

Understanding Social Security Benefits
Understanding Tax Calculation

"Understanding Retroactive Methods" (PeopleSoft Global Payroll)
Understanding Off-Cycle Processing

Payment Keys

In PeopleSoft Global Payroll for Spain, you can define payment keys. Options are Company, Contract Number, Department, and Establishment ID. When the payment keys of the current period don't match the payment keys in the retro period, the deltas are managed as a separate gross-to-net calculation in the current calendar period. When a retro is launched that affects more than one calendar period, the deltas that come from each one will be summed only when the payment keys match.

For example, company information is needed for tax reporting purposes. The Agencia Tributaria needs to know which company the employee is working and being paid from.

So when retro is launched, you may need to report the tax calculation of the deltas related to the prior company. Or you may need to report the tax calculation of the deltas related to the current company. Which calculation you report depends on which company is declaring the payment to the fiscal territory.

Because PeopleSoft Global Payroll for Spain uses the corrective retro, it does not forward deltas into the current period in most cases. However, regarding tax calculation, the income deltas are transferred to the current period. You should review this during implementation and set up according to your organizational requirements.

Related Links
"Understanding the Organizational Structure" (PeopleSoft Global Payroll)
"Understanding Retroactive Methods" (PeopleSoft Global Payroll)

Accumulators

In PeopleSoft Global Payroll for Spain, two types of accumulators exist:

- User-defined accumulators (balance accumulators):

  Accumulate different elements for any period of time for which you want to accumulate any number of elements.

- Auto-generated accumulators (payment accumulators):

  Accumulate a particular element during a defined period.

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

- Absences accumulators (AUS).

- Earnings and deductions (AJB, FNQ, and GEN).

- Social security (SS).

- Taxes (TAX, RETJ).

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

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

- Deductions (ATR).

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

Customer-Oriented Segment Accumulators

PeopleSoft Global Payroll for Spain also delivers a set of customer-oriented segment accumulators. When you define an earning or deduction element, you can assign the element to these accumulators. You need to decide which accumulators you need to update, based on the following questions:

- How does the element affect gross?

- Is the element taxable?

- Does the element contribute to social security?

Depending on your answer to these questions, you need to select the appropriate accumulator. The following tables provide details about the customer-oriented segment accumulators:

Compensation:

Accumulator Name	Description
CLI AC SAL BRUTO	Custom gross salary. Add elements that correspond to an employee's compensation.
CLI AC DEDUCCIONES	Custom deductions. Add elements that correspond to an employee's deductions to the gross salary.
CLI AC DEV ABSRBLE	Custom absorbable earnings. Add elements that are going to be absorbed by the net-to-gross process. **Note:** If an element contributes to the gross salary and is also absorbable, it needs to be added to both CLI AC SAL BRUTO and CLI AC DEV ABSRBLE.

Taxes:

Accumulator Name	Description
CLI AC ING DIN FJO	Custom fixed taxable base. Add elements that correspond to basic or regular fixed compensation that pay taxes.

Accumulator Name	Description
CLI AC ING VR1 S CLI AC ING VR2 S CLI AC ING VR3 S	Custom variable taxable base. Add elements that correspond to variable or nonregular variable compensation that pay taxes. Select the correct accumulator depending on the method that you want to use during estimation of variable compensation as part of the tax base estimation calculation.
CLI AC ING SPC REP	Employee taxable salary in kind. Add elements that correspond to employee in kind salary for which the taxable part will be paid by the employee.
CLI AC ING SPC NRE	Taxable in kind salary. Add elements that correspond to employee in kind salary for which the taxable part will be paid by the employer.
CLI AC ING SP N NC	In kind not contributive. Add elements that correspond to employee in kind salary for which the taxable part will be paid by the employer and does not contribute to social security.
CLI AC ING SP R NC	In kind employee not contributive. Add elements that correspond to employee in kind salary for which the taxable part will be paid by the employee and does not contribute to social security.
CLI AC RDTO IRREG	Custom nonregular income. Add elements that correspond to employee compensation that is accrued later than two years ago.
CLI AC RDTO IRR50	Custom nonregular income 50. Use this accumulator for irregular income that is affected by 50% reduction.
CLI AC RDTO IRR50D	Custom nonregular income 50D. Use this accumulator for irregular income that is affected by 50% reduction applying to fiscal territory Navarra.
CLI AC RDTO IRR70	Custom nonregular income 70. Use this accumulator for irregular income that is affected by 70% reduction.

Note: You can include an earning in just one of these tax accumulators.

Social Security:

Accumulator Name	Description
CLI AC BASE SS D	Social security daily base. Add elements that correspond to basic or regular fixed compensation that contribute to social security bases.
CLI AC BASE SS M	Social security monthly base. Add elements that correspond to compensation other than basic or regular fixed compensation that contribute to social security bases. **Note:** An element is added to either CLI AC BASE SS D or CLI AC BASE SS M, but not to both, for social security purposes.
CLI AC BS HR X E S	Social security structural overtime base. Add elements that correspond to structural overtime compensation that contributes to social security bases.
CLI AC BS HR X NES	Social security nonstructural overtime base. Add elements that correspond to nonstructural overtime compensation that contributes to social security bases.

Segmentation:

Accumulator Name	Description
CLI AC SEG AUS	Absences slicing. Add elements that correspond to absence segmentation.
CLI AC SEG COMP	Compensation slicing. Add elements that correspond to compensation segmentation.
CLI AC SEG CC	Common contingencies slicing. Add elements that correspond to common contingencies segmentation.
CLI AC SEG CP	Professional contingencies slicing. Add elements that correspond to professional contingencies segmentation.
CLI AC SEG TAX	Taxes slicing. Add elements that correspond to tax segmentation.

Other purposes:

Accumulator Name	*Description*
CLI AC SDIA INDM	Daily Salary for Severance Pay. You can use this accumulator, if you have set it up in the Labor Agreement component (HR_LABOR_AGRMNT), to calculate the severance payment.
CLI AC SDIA PREAV	Daily Salary for Preadvised Days. You can use this accumulator, if have set it up in the Labor Agreement component, to calculate the preadvised days earning/deduction.
CLI AC SDIA TRAM	Daily Salary for Job Litigation Salary. You can use this accumulator, if you have set it up in the Labor Agreement component, to calculate the litigation salary.

Related Links

Element Ownership and Maintenance

"Understanding Accumulators" (PeopleSoft Global Payroll)

Segmentation

In Global Payroll, you can segment elements based on different events or changes. Two types of segmentation exist:

• Period segmentation:

The system calculates each element more than once and keeps the results of these calculations separate.

• Element segmentation (also known as slice segmentation):

The system segments only the element selected. Only one gross-to-net result set exists.

PeopleSoft Global Payroll for Spain uses element segmentation in most cases. A slice can occur for many reasons:

• Changes in rate codes.

This can occur due to manual changes or automatic changes due to a salary plan, category, or multiple components change.

• Changes in an employee's annual salary (target compensation)

• Changes to risk code.

• Changes in the social security work center code (SSN).

This normally happens when an employee changes establishments.

PeopleSoft Global Payroll for Spain uses period segmentation for these changes:

- Changes in company (when an employee transfers to a different company).

- Changes in pay group.

- Changes in employees' payroll system.

  PeopleSoft Global Payroll for Spain uses the **Payroll System** field to determine employees' payroll system.

Note: PeopleSoft Global Payroll for Spain delivers segmentation setup and triggers as sample data. You must decide which changes should trigger segmentation for your company. View the delivered segmentation rules and triggers using pages in Global Payroll in your demo installation.

Retroactivity Segment Mismatching

When the system recalulates a segmented period for retro and the segmentation dates of the original calculation don't coincide with those of the recalculation, this is called a segment mismatch, and it affects how the system calculates retro deltas.

When segment dates match and payment keys are the same, the system recalculates the original segments to determine the new values for each segment. It then subtracts the old value from the new value for each pay element to determine the retro deltas. It writes the new results to the output tables.

When segment dates don't match, the system treats the old and new values as if they belong to separate segments. It creates reversal segments for each segment that existed in the prior calculation and creates new recalculated segments. A reversal segment has no results because it does not go through gross-to-net processing. The only results that they system writes to the output result tables are for deltas and balance accumulators. For calculating deltas, the system uses zero for the new values.

The new recalculated segments go through gross-to-net processing and generate new values. While processing recalculated segments, the system cannot use the Use Previously Calculated Value check box functionality to get deltas as it normally does during retro processing because the previously calculated values for every element are resolved to zero. In this case, the system retrieves the previous value through arrays.

See "Element Attributes Page" (PeopleSoft Global Payroll).

When reading previously calculated values, the system sums the results for all slices and segments previously calculated for the calendar group and stores those values in container elements (RTR AC xxxxx). Then when the system subtracts the previous values from the recalculated values to determine retro deltas, it uses the proportional part of the total previous value, prorated with respect to the current segment days. The proration rule being used is: Active days in the current slice ÷ Active days in the period

Active days in the period is normally defined as the days between the period begin date and period end date, but in the event that an employee changes pay groups in the month, the system uses the period until the effective date of the pay group change. For cases in which contributions are linked to vacations, the system applies the total previous value to the segment in which there is now a termination.

Active days in the period normally means days between Period begin date, and Period End date, but in case employee changes of pay group in the month, then we will consider the period till the effective date of the paygroup change. In case of contributions linked to Vacations we are applying the total previous value to the segment in which there is now the termination

---

Note: For banking purposes, PeopleSoft Global Payroll manages reversal segments by inserting rows in GP_PAYMENT for the reversal segments as negative amounts. Then, the new calculation inserts the new values. This means that you must select the "Combine Payment" functionality whenever you process reversals.

Whenever you need to generate retro deltas or read previously calculated values, you need to analyze whether you want to use container elements (RTR AC xxxxx). To use container elements you must:

1. Create the container element (RTR AC xxxxx).

2. Update the formula RTR FM MAPPING to map the source element—the element for which you want to retrieve previous values—to the target container element.

3. Update the formulas that make use of the Use Previously Calculated Value check box functionality to use the container element in the case of segmentation mismatching.

4. Update the accumulators that determine the behavior of the container elements in the case of element segmentation: RTR AC SEG TAX and RTR AC SEG SS.

   RTR AC SEG TAX (Tax Elements slicing) includes all container elements that should be sliced when the system processes segmentation trigger events that affect taxes.

   RTR AC SEG SS (SS Elements to slice) includes all container elements that should be sliced when the system processes segmentation trigger events that affect social security.

The following is an example of how the system calculates the retro delta for the element SS AC BS CCNRM126S:

SS AC BS CCNRM126S - ([SS AC BS CCNRM126S] * RTR VR FLAG + RTR AC BS CCNRM126 * RTR VR REV SS) >> SS VR TC MONTO

The individual components of this calculation are:

- SS AC BS CCNRM126S: The recalculated value.

- [SS AC BS CCNRM126S]: The previously calculated value. It gets the value only for normal retro (without reversal).

- RTR VR FLAG: The system gives this variable a value of 1 in cases of retro without reversal.

- RTR AC BS CCNRM 126: This is the container element that receives the previous value when segment mismatching occurs.

- RTR VR REV SS: The system gives this variable a value of 1 in cases of segment mismatch.

Element Segmentation Mismatching

Element segmentation mismatching is a situation in which retroactive processing results in element segmentation that differs from the segmentation of the previous calculation. This means that for a group of elements no previous value exists for the current executing dates (current calculation slices). The slices that exist for those elements are different than the ones originally calculated. For example, assume that as part of a retro calculation the system inserts a new segmentation trigger on the 20th day of the month (element segmentation affecting Social Security, such as RISK_CODE). The system recalculates elements such as the Common Contingencies base for two slices (1st - 19th and 20th - 31st), but the

original calculation was for just one slice (1st - 31st). This represents an instance of element segmentation mismatching.

When element segmentation mismatching occurs, it is necessary to perform a special calculation to obtain the previously calculated value of the affected elements. The system uses the same calculation that it uses to obtain the previously calculated value for retroactivity segment mismatching. The system detects when an element segmentation mismatch occurs and applies "Spanish" functionality to retrieve the previously calculated value using arrays. This enables Global Payroll for Spain to generate Social Security and Tax deltas correctly.

Note: The system also uses previously calculated values to process certain deductions such as loans and garnishments.

The formula RTR FM COMPR SEG checks for element segmentation mismatching associated with the following trigger events (trigger event IDs):

- Compensation (COMPRATE)

- Social Security calculation (RISK_CODE and CATEGORZN)

Note: Trigger event IDs are hard coded. Therefore, if you have defined your own element segmentation trigger events that affect compensation, Social Security, or taxes, you should update formula RTR FM COMPR SEG accordingly.

Forwarding Retro Deltas to Inactive Segments

PeopleSoft Global Payroll creates inactive segments to process retro deltas that are forwarded when the pay entity of the source month does not match the pay entity of the current month. This usually occurs whenever payment keys don't match. PeopleSoft Global Payroll also creates inactive segments when there are pending retro changes for inactive employees. The system requires a target calendar to which it can forward deltas (late terminations process through retro).

The system skips gross-to-net calculation during inactive segment processing. You need to ensure, however, that you manage the retro deltas that get forwarded using the setup variable CLI VR CAL DD SG I (Calc IRPF DD in Inac. Segment). This variable indicates to the system whether you want to process tax deductions during inactive segment calculation. Valid values are:

- *A* (anular): Select if you do not want the system to calculate retro tax deductions with negative net values.

- *C* (calcular): Select if you want the system to calculate retro tax deductions with negative net values.

Related Links
"Understanding Segmentation Setup" (PeopleSoft Global Payroll)

Triggers

In Global Payroll, 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 are the hiring of a new payee, a change in pay rate, or a change in job location.

Three types of triggers exist: iterative, segmentation, and retro triggers.

PeopleSoft Global Payroll for Spain delivers triggers as sample data. Review the delivered triggers and adjust existing triggers, or define your own triggers based on your company's needs.

Iterative Triggers

This table lists some iterative triggers that are delivered with PeopleSoft Global Payroll for Spain as sample data:

Record	Trigger Level	Fields With Triggers	Field Values
CNTRCT_DATA_ESP	Record	Not Applicable	Not Applicable
COMPENSATION	Field	COMPRATE COMP_FREQUENCY CURRENCY_CD FTE_INDICATOR	Not Applicable
GPES_MULT_EMP	Record	Not Applicable	Not Applicable
GPES_PAYEE_DATA	Field	Not Applicable	GPES_TAX_LOCATION
GPES_PP_CONTRIB	Record	Not Applicable	Not Applicable
GPES_PP_EMP	Record	Not Applicable	Not Applicable
GP_ABS_EVENT	Record	Not Applicable	Not Applicable
GP_ABS_OVRD	Record	Not Applicable	Not Applicable
GP_PI_MNL_DATA	Record	Not Applicable	Not Applicable
GP_PI_MNL_SOVR	Record	Not Applicable	Not Applicable
GP_PYE_OVRD	Record	Not Applicable	Not Applicable
GP_PYE_OVR_SOVR	Record	Not Applicable	Not Applicable

Record	Trigger Level	Fields With Triggers	Field Values
JOB	Field	ACTION	HIR -- Hire REH – Rehire TER – Termination
JOB	Field	COMPANY	Not Applicable
JOB	Field	EMPL_CTG	Not Applicable
JOB	Field	GP_PAYGROUP	Not Applicable
JOB	Field	PAY_SYSTEM_FLG	Not Applicable
JOB	Field	SOC_SEC_RISK_CODE	Not Applicable
JOB_JR	Field	SSN_EMPLOYER	Not Applicable
WKF_CNT_TYPE	Field	CONTRACT_TYPE	CONTRACT

Segmentation Triggers

This table lists some segmentation triggers that are delivered with PeopleSoft Global Payroll for Spain as sample data:

Record	Trigger Level	Fields With Trigger	Field Values	Trigger Event ID
CNTRCT_DATA_ESP	Field	EFF_STATUS	A - Active	RISK_CODE (element segmentation)
GPES_ABS_TRIGR1	Field	PIN_CODE	MATERNIDAD PARCIAL ESP PATERNIDAD PARCIAL ESP GUARDA LEGAL ESP	CATEGORZN (element segmentation)

Record	Trigger Level	Fields With Trigger	Field Values	Trigger Event ID
GPES_ABS_TRIGR2	Field	PIN_CODE	MATERNIDAD PARCIAL ESP PATERNIDAD PARCIAL ESP GUARDA LEGAL ESP	CATEGORZN (element segmentation)
GPES_PAYEE_DATA	Field	GPES_TAX_ LOCATION	Not Applicable	TAX_LOCTN (element segmentation)

Record	Trigger Level	Fields With Trigger	Field Values	Trigger Event ID
GP_PYE_OVRD	Field	PIN_NUM	RETJ ALIM RETJ CNYG RETJ JUDCL RETJ ALIM ND RETJ CNYG ND DIETA EXPTR PRNCTA EXPTR NOCTURNIDAD FESTIVIDAD INCENTIVOS TOXICIDAD PRTCPCN BEN BECA INVESTN (specific trigger event ID) PREJUBILACN (specific trigger event ID) DEV SS PREJ (specific trigger event ID) GASTOS BECA (specific trigger event ID) See "Segmentation Triggers with Earning and Deduction Assignments" (PeopleSoft Global Payroll).	COMPRATE (element segmentation)

Record	Trigger Level	Fields With Trigger	Field Values	Trigger Event ID
JOB	Field	ACTION	HIR - Hire REH - Rehire TER - Termination TWP - Termination with pay	HIRE/TERM (period segmentation)
JOB	Field	COMPANY	Not Applicable	COMPANY (period segmentation)
JOB	Field	COMPRATE	Not Applicable	COMPRATE (element segmentation)
JOB	Field	CONTRACT_NUM	Not Applicable	HIRE/TERM (period segmentation)
JOB	Field	EMPL_CTG	Not Applicable	CATEGORZN (element segmentation)
JOB	Field	FULL_PART_TIME	Not Applicable	F/P TIME (period segmentation)
JOB	Field	GP_PAYGROUP	Not Applicable	PAY GROUP (period segmentation)
JOB	Field	PAY_SYSTEM_FLG	Not Applicable	PAY SYSTEM (period segmentation)
JOB	Field	SOC_SEC_RISK_CODE	Not Applicable	RISK CODE (element segmentation)
JOB_JR	Field	SSN_EMPLOYER	Not Applicable	CATEGORZN (element segmentation)
WKF_CNT_TYPE	Field	CONTRACT_TYPE	Not Applicable	CATEGORZN (element segmentation)

Retroactivity Triggers

This table lists some retroactivity triggers that PeopleSoft Global Payroll for Spain delivers as sample data:

Record	*Trigger Level*	*Fields With Trigger*	*Field Values*	*Trigger Event ID*
CNTRCT_DATA_ESP	Record	Not Applicable	Not Applicable	CONTRACT
COMPENSATION	Field	COMPRATE COMP_FREQUENCY CURRENCY_CD FTE_INDICATOR	Not Applicable	COMPENSATION
GP_ABS_EVENT	Record	Not Applicable	Not Applicable	ABSENCES
GP_ABS_OVRD	Record	Not Applicable	Not Applicable	ABSENCES
GP_PI_MNL_DATA	Record	Not Applicable	Not Applicable	PI
GP_PI_MNL_SOVR	Record	Not Applicable	Not Applicable	PI
GP_PYE_OVRD	Record	Not Applicable	Not Applicable	OVERRIDE
GP_PYE_OVR_SOVR	Record	Not Applicable	Not Applicable	OVERRIDE
JOB	Field	ACTION	HIR – Hire REH – Rehire TER – Termination See Termination Payment Calculation.	JOB DATA
JOB	Field	COMPANY EMPL_CTG GP_PAYGROUP	Not Applicable	JOB DATA
JOB	Field	Not Applicable	Not Applicable	JOB DATA
JOB	Field	PAY_SYSTEM_FLG SOC_SEC_RISK_ CODE	Not Applicable	RETRO

Record	Trigger Level	Fields With Trigger	Field Values	Trigger Event ID
JOB_JR	Field	SSN_EMPLOYER	Not Applicable	JOB DATA

Segmentation Triggers with Earning and Deduction Assignments

In Global Payroll you can define segmentation triggers only for *effective-dated* records, with one exception: you can define segmentation triggers for the *begin and end dated* earning and deduction assignment record GP_PYE_OVRD. This exception enables you to assign an earning or deduction to a payee on the Element Assignment by Payee (GP_ED_PYE) or Payee Assignment by Element (GP_ED_ELEM) components, and to segment (and prorate) the element when the assignment *begin* date comes after the pay period begin date, the assignment *end* date comes before the period end date, or both.

PeopleSoft Global Payroll for Spain has set up the following earnings so that the system automatically segments and prorates them (using the proration factor defined on the earning definition pages) when the assignment period covers only a portion of the pay period:

Element Name	Type	Description
RETJ ALIM	Deduction	Children Support Garnishment
RETJ CNYG	Deduction	Spouse Support Garnishment
RETJ JUDCL	Deduction	Garnishment
RETJ ALIM ND	Deduction	Not Deduced Child Garnishment
RETJ CNYG ND	Deduction	Not Deduced Spouse Garnishment
DIETA EXPTR	Earning	Maintenance Expatriates
PRNCTA EXPTR	Earning	Overnight Stay Expatriates
NOCTURNIDAD	Earning	Nighttime Complement
FESTIVIDAD	Earning	Festivity Complement
INCENTIVOS	Earning	Incentives
TOXICIDAD	Earning	Toxicity/Hazardous Complement
PRTCPCN BEN	Earning	Profit Participations Complement

Element Name	Type	Description
BECA INVESTN	Earning	Scholarship Holder
PREJUBILACN	Earning	Preretired Income
DEV SS PREJ	Earning	Social Security Paid by Employee
GASTOS BECA	Earning	Scholarship Holder Expenses

If you want to set up additional earnings and deductions to trigger segmentation and proration when they are assigned to payees and the assignment period covers only a portion of the pay period, access the Trigger Definitions component (GP_TRGR_SETUP) and add these elements to the segmentation trigger definition for the GP_PYE_OVRD record.

In the case of deductions or nonbasic earnings, you also need to specify formula GEN FM SEGMNTCN as a post-process formula and specify the proration to use. PeopleSoft Global Payroll for Spain delivers GEN PO DIAS SLICE that you can use or modify, or you can create a new formula to fit your requirements.

Related Links
"Understanding Triggers" (PeopleSoft Global Payroll)

Rounding Rules

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

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

The following table describes the delivered rounding rules that PeopleSoft Global Payroll for Spain provides as guidelines:

Rounding Rule	Logic	Delivered System Uses
GEN RR REDONDEO	Rounds to 2 decimals. Rounds upward if the rounding adjustment number is greater than or equal to 5. Rounds downward if the rounding adjustment number is less than 5.	The system uses this rounding rule to round nonmonetary amounts.
GEN RR TRUNC 2DEC	Truncates to 2 decimals.	The system uses this rounding rule during tax percentage calculation.

Rounding Rule	Logic	Delivered System Uses
GEN RR LEGAL	Rounds to 2 decimals. Rounds upward if the rounding adjustment number is greater than or equal to 5. Rounds downward if the rounding adjustment number is less than 5.	The system uses this rounding rule to round monetary amounts. PeopleSoft Global Payroll for Spain uses it to round euros.
GEN RR TRUNC 0DEC	Truncates to 0 decimals.	The system uses this rounding rule during preparation of FAN file values.
GEN RR REDOND 4DEC	Rounds to 4 decimals. Rounds upward if the rounding adjustment number is greater than or equal to 5. Rounds downward if the rounding adjustment number is less than 5.	The system uses this rounding rule during vacation entitlement calculation.
GEN RR REDOND 0DEC	Rounds to 0 decimals. Rounds upward if the rounding adjustment number is greater than or equal to 5. Rounds downward if the rounding adjustment number is less than 5.	The system uses this rounding rule when calculating the IRPF percentage.
FNQ RR D VACACIONS	Truncates to 0 decimals.	The system uses this rounding rule when calculating vacation days for terminated employees.
SS RR BASES	Rounds to 2 decimals. Rounds upward if the rounding adjustment number is greater than or equal to 5. Rounds downward if the rounding adjustment number is less than 5.	The system uses this rounding rule when calculating social security bases.

Related Links

Understanding Tax Calculation

Understanding Social Security Benefits

"Understanding Calculation Elements" (PeopleSoft Global Payroll)

Process Lists

PeopleSoft Global Payroll for Spain delivers the following process lists:

Process List	Calculation Type
ABSENTISMO PR	Absence calculation
GEN PR CAL CORR	Payroll calculation

Process List	Calculation Type
GEN PR CALC NOM	Payroll calculation
XTR PR PAGA EXTRA	Extra period calculation

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

Setting Up Statutory Rates

To set up statutory rates, use the Statutory Rates ESP component (GPES_STATUTORY).

This topic provides an overview of statutory rates and discusses how to set up statutory rates.

Page Used to Set Up Statutory Rates

Page Name	Definition Name	Usage
Statutory Rates Page	GPES_STATUTORY	Enter the statutory rates for the minimum salary, interest rate for employee loans, and percentage of minimum salary that is exempt for tax and social security contributions.

Related Links
Severance Days Page

Understanding Statutory Rates

PeopleSoft Global Payroll for Spain delivers statutory rates for:

• Minimum employee salaries.

• Interest charged on employee loans.

• Percentage of travel expenses and the dietas earning that are exempt from tax and social security.

These rates are defined by the government. PeopleSoft Global Payroll for Spain delivers and maintains these rates as system data.
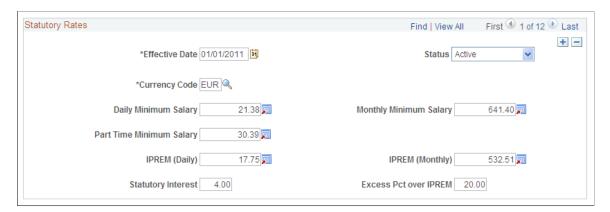
Statutory Rates Page

Use the Statutory Rates page (GPES_STATUTORY) to enter the statutory rates for the minimum salary, interest rate for employee loans, and percentage of minimum salary that is exempt for tax and social security contributions.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Addl Rates, Ceilings, Values** > **Statutory Rates ESP** > **Statutory Rates**

This example illustrates the fields and controls on the Statutory Rates page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Daily Minimum Salary	Enter the minimum daily wage established by law.
Monthly Minimum Salary	Enter the minimum monthly wage established by law.
IPREM (Daily) (Indice Publico de Renta de Efectos Múltiples)	Enter a value to use to calculate the daily wage that is exempt from taxes and social security contributions.
IPREM (Monthly) (Indice Publico de Renta de Efectos Múltiples)	Enter a value to use to calculate the monthly wage that is exempt from taxes and social security contributions.
Part Time Minimum Salary	Enter the daily minimum salary for part-time employees.
Statutory Interest	Enter the interest rate established by law. You can apply this interest rate or another rate to any employee loan. If you apply a lower rate, the difference is considered salary in kind.
Excess Pct. over IPREM (excess percentage over Indice Publico de Renta de Efectos Múltiples)	Enter the percent to use to calculate the exempted amount for the public transportation complement and for salary in-kind earnings.

Related Links
Public Transportation and Distance Complement

Viewing Delivered Elements

PeopleSoft Global Payroll for Spain provides some setup elements that you can customize to fit your business requirements. The following table lists these setup elements:

Element	Description
AJN VR TAX PCT EST	Estimated tax pct net-to-gross. Percentage (divided by 100 and added 1, for example, 30% ÷ 100 = .30 +1 = 1.30) used by the net-to-gross adjustment process to increase the net total salary by that percentage to get an estimated gross salary. Use element overrides to assign different percentages for payees.
AJN VR TOLERANCIA	Net to gross tolerance adjustment.
CLI FM ANTIG DESDE	Seniority date from. Use to set up your seniority calculation business requirements.
CLI FM APL FTE E&D	Apply FTE to earnings and deduction compensation.
CLI FM APL FTE FLX	Apply FTE to flexible compensation.
CLI FM APL FTE JOB	Apply FTE factor to Job compensation.
CLI FM APL LIM 2%	Application of tax ceiling 2%. Use to specify the rules to apply the limit of 2% to tax percentage.
CLI FM BRUTO REJ	Gross salary for garnishments. Use to compute the gross to be used as the starting point for garnishments.
CLI FM CALC ING A	Override annual income calculation. Use to set up your tax base estimation business requirements.
CLI FM EST OTROS	Other earnings. Use to code define requirements to add income to the taxable base.
CLI FM SBR FCT FTE	Override FTE factor.
CLI FM SBR FLX AJT	Adjust factor FTE override.
CLI VR ALTA DIRECC	Executives flag. Used during FAN processing to identify this collective.
CLI VR CAL DD SG I	Calculate IRPF deductions in inactive segment. Indicate that you want to process deductions when inactive segments produce a negative net.

Element	Description
CLI VR CAL TAX PCT	Recalculate tax percentage flag. Indicate whether you want to recalculate the tax percentage during inactive or correction calendars.
CLI VR CALCULA TAX	Tax calculation flag override. Use to force regularization of tax percentage even when nothing has changed. You can specify the regularization reason.
CLI VR CORRECCION	Payroll correction flag. Override to correct a calculated payroll during off-cycle processing.
CLI VR EST ASG SOB	Generate yes/no for estimation. Override at the element level how the system estimates taxable base using earnings and deduction assignment as a source.
CLI VR EST ASIGN	Estimation assign earning/deduction override. Specify whether you want to use earnings and deduction assignments as a source of income for estimating the taxable base.
CLI VR EST F AÑO	Use 31-dic if expected contract end date null. Tells the system to use end of the year as the end date of tax base estimation when the expected contract end date is null.
CLI VR EST FLX AJT	Estimation adjustment flag. Tells the system to perform flexible compensation estimation.
CLI VR EST FUTURO	Future estimation. Use to include future effective dates in Job when estimating the taxable base.
CLI VR FIJO SOB	Fixed income estimated annual override. Overrides the fixed portion of the taxable base.
CLI VR FNQ P PXTR	Pay extra period. in termination. Specify how to process extra periods when there is a termination in the month of payment for the extra period.
CLI VR IRPF SUBSID	IRPF percentage to apply to social security subsidy.
CLI VR M PRORRATEO	Months for the prorating. Indicate the number of months to prorate social security contributions when compensation is accrued in more than one month.
CLI VR MET CLC BRD	Calculation method of BRD. Specify whether the system combines bases from different contracts when calculating BRD.

Element	Description
CLI VR OPC CLC BRD	Calculation option BRD. Specify whether the system computes periods affected by certain absences when calculating BRD.
CLI VR PD VLR PXTR	Compensation paid to pay extra period.
CLI VR PRC DTO XTR	Extra period deduction process option. Specify how you want to deduct absences that affect extra periods paid in advance.
CLI VR RECAIDA AT	BRD calculation in AT relapse. Set the value to *N* to begin an absence with a value different than the original begin absence value in the case of an AT relapse.
CLI VR RECAIDA IT	BRD calculation in IT relapse. Set the value to *N* to begin an absence with a value different than the original begin absence value in the case of an IT relapse.
CLI VR RECAIDA MAT	BRD calculation in MAT relapse. Set the value to *N* to begin an absence with a value different than the original begin absence value in the case of a maternity or paternity relapse.
CLI VR RECAIDA RE	BRD calculation in RSK relapse. Set the value to *N* to begin an absence with a value different than the original begin absence value in the case of a risk during pregnancy or lactancy relapse.
CLI VR RED JORNADA	Reduced workday indicator. Override for regular part-time employees to indicate the number of worked hours per day.
CLI VR RT A PR FLG	Previous year retro flag. Specify whether the system manages retro from previous years separately.
CLI VR SPC SOB	In kind income estimated annual override. Overrides the in kind income portion of the taxable base.
GEN VR TIPO AJ SAL	Salary adjustment type. Override with values *NETO* or *BRUTO* to set up an EmplID as net-to-gross or gross-to-net.
CLI VR VRBLE SOB	Variable income estimated override. Overrides the variable portion of the taxable base.
SS VR CONTR 7D FLG	Contract less than 7 days flag.
SS VR TRATA MNSUAL	Daily employee. Use to override an employee's category (monthly or daily). The system treats employees as monthly if this variable has a value other than *NO*.

Element	*Description*
SS VR TRATA DIARIO	Monthly employee. This variable identifies a monthly employee that needs to be managed as a daily employee, meaning that he should contribute by the actual number of working days in the month.

Note: You can find more information about these setup elements in the context of their related business processes throughout this product documentation.

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

Related Links
"Understanding How to View Delivered Elements" (PeopleSoft Global Payroll)

Chapter 4

Understanding Basic Earnings

Basic Earnings

This topic discusses:

- Basic earnings in Spain.

- Processing considerations for basic earnings.

Basic Earnings in Spain

In PeopleSoft Global Payroll for Spain, earnings are classified in two ways: basic and nonbasic. Whether an earning is considered basic or nonbasic depends on its frequency and whether it's a fixed amount or a variable amount.

Basic earnings are:

- Paid every month.

- Included in the employee's annual income at the beginning of the year.

- A fixed amount each period (fixed earnings).

Basic earnings include:

- Base salary.

- Seniority.

- Prorated extra periods established by the labor agreement.

- Complements, such as languages, degrees, mejora voluntaria, complemento absorbible, and public transportation.

Any other delivered earning is considered a nonbasic earning in PeopleSoft Global Payroll for Spain.

Note: The basic earnings discussed here are only the ones that PeopleSoft Global Payroll for Spain delivers as sample data. They are the most common basic earnings required in Spain.

You can also create your own earnings and modify the calculation rules to fit your company's needs. To create your own earnings, use the Earnings component (GP_EARNING).

Related Links
"Understanding Earning and Deduction Elements" (PeopleSoft Global Payroll)
Nonbasic Earnings

Processing Considerations for Basic Earnings

Basic earnings have these processing considerations:

- Net to gross and gross to net adjustments.

- Seniority calculation.

- Extra period calculation.

- Termination.

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

Calculation Rule = Unit * Rate

All basic earnings must:

- Be defined with the calculation rule of Unit * Rate, where Unit is the formula GEN FM UNIDADES and Rate is a rate code.

- Be identified by the category BAS at the earning definition.

- Have their own rate code.

- Have the formula GEN FM RATE AN/DAN as a post process formula.

- Have as generation control XTR GC MEN O PXTRA.

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

The rate for basic earnings is always a rate code, which retrieves its values from the Job Data - Compensation page. Note that you can enter rate codes with whatever frequency you need. In the case of daily employees, normally you provide daily rates or annual rates. All rate codes are annualized or deannualized to days. So you can think of the unit as the actual number of days worked in a month and the rate as the theoretical amount that an employee is supposed to earn per day.

For employees who are paid based on real worked days and contribute to social security on a daily basis, if they work the entire month, the unit equals 30 for months with 30 days, 31 for months with 31 days, and 28 or 29 in February. The unit equals the number of days worked for employees who don't work the entire month.

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

See "Understanding Job Data" (PeopleSoft Human Resources Administer Workforce).

Generation Control = GEN GC MEN O PXTRA

The GEN GC MEN O PXTRA generation control determines whether an earning must be calculated at an extra period an extra period payroll is processed.

Related Links

Understanding Extra Periods

Base Salary

This topic discusses:

- Base salary in Spain.

- Adjustments to salary.

- Complemento Absorbible.

- Seniority.

Base Salary in Spain

Typically in Spain, an employee's base salary is defined by the labor agreement. However, with HR and PeopleSoft Global Payroll for Spain you can set up employee compensation in different ways to suit your company needs.

The base salary is a basic earning. It is typically calculated as Unit * Rate, where the rate code is established by the labor agreement or in other ways, depending on the setup of your company's compensation. The unit is calculated with the formula GEN FM UNIDADES. The calculated value depends on the type of employee (daily or monthly).

Note: PeopleSoft Global Payroll for Spain uses the GEN RC SAL BASE rate code to specify the base salary. This rate code is linked to the SALBSE rate code defined in HR.

Related Links

Compensation Definition

Adjustments to Salary

To calculate an employee's total salary, you may have to consider some adjustments to the basic compensation that are specified in the labor agreement, or that result from an employee's personal agreement.

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

Adjustments may include:

- Gross to net: Make this adjustment if the employee's gross salary defined by the labor agreement for his professional category is different from the gross salary in his personal agreement.

- Net to gross: Make this adjustment if you need to calculate an employee's annual gross salary from an agreed net amount.

Related Links
Gross and Net Guarantee Overview

Complemento Absorbible

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

The calculation rule for complemento absorbible is defined as Unit * Rate, where Unit is the number of days worked in a month and Rate is the rate code GEN RC COM ABS EST. The earning is identified in the Customer Fields area with a value equal to 9-COMPABS.

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

Related Links
"Defining Pay Entity Overrides" (PeopleSoft Global Payroll)

Seniority

Companies often calculate seniority by subtracting the seniority date from the payroll period end date. This is the PeopleSoft-delivered calculation method, but you can change it to fit your company's needs. If you want to change the calculation method, specify a custom duration or formula to calculate seniority years for a labor agreement on the Labor Agreement - Seniority page or modify the code of formula CLI FM ANTIG DESDE.

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

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

PeopleSoft Global Payroll for Spain delivers trienniums and cuatrenniums, but you can create a different seniority measurement by adding a new earning using one of the existing earnings as a template. If you define a new seniority measurement, add it on the Seniority Earnings page and identify those new seniority earnings with value *5–ANTIGDAD* in the **Custom Field5.**

The most common way to determine seniority is to associate an amount with a triennium or cuatrennium. For example, an employee could get 18 EUR per month for the first triennium and 21 EUR per month for the second triennium. So if an employee has six years of seniority, he would get 39 EUR per month in seniority earnings.

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

Here's an example:

Assume that you have a programmer who is at Salary Level 4, earning 700 EUR per month. The labor agreement defines seniority as a cuatrennium that is 4 percent of the base salary. The programmer has eight years of seniority, which is equal to two cuatrenniums. His seniority earnings per month is calculated as:
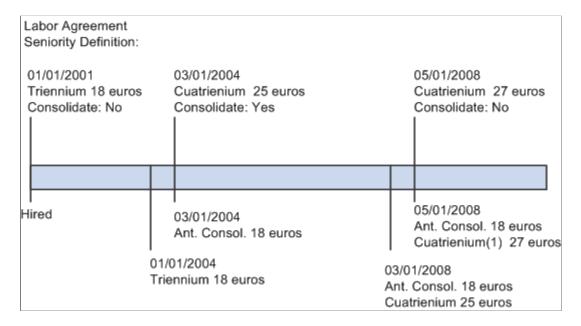
• Number of cuatrenniums x (Percentage x Base) = Seniority earnings.

• 2 (cuatrenniums) x (0.04 x 700 EUR) = 56 EUR per month.

Consolidated Seniority (Antigüedad consolidada)

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

Example

This example shows how consolidated seniority can affect an employee's seniority earnings:

Related Links
Seniority Page

Complements

This topic discusses:

- Complements in Spain.

- Language complement.

- Degrees or special skills complement.

- Mejora Voluntaria.

- Public transportation and distance complement.

- Extra periods.

Complements in Spain

Complements complete the final gross pay for each employee or group of employees. Complements understood as basic earnings are always calculated as Unit * Rate, where the worked days is in the Unit component of the calculation rule.

Three types of complement earnings exist:

- Personal conditions.

- Work completed.

- The company's situation and results.

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

In this topic, detailed information is provided about personal condition complements, which include language skills, degrees or special skills, mejora voluntaria, and transportation. Complements for work completed and company situation are discussed in other topics in this product documentation.

Related Links
Nonbasic Earnings

Language Complement

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

The calculation rule for the language complement element is defined as Unit * Rate, where Unit is the days worked in a month and Rate is a rate code.

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

The language complement is defined on the Earnings component (GP_EARNING). Accumulators for the language component are discussed in this topic.

See "Understanding Earning and Deduction Elements" (PeopleSoft Global Payroll).

See Earnings and Accumulators.

Degrees or Special Skills Complement

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

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

Mejora Voluntaria

Mejora voluntaria is the substitute for the complemento absorbible. It is a complement that you manually calculate to pay an employee the difference between the market price and the specific salary reflected in the labor agreement for his category if you have defined compensation at the labor agreement level.

Note: The calculation rule, page setup, and accumulators for the mejora voluntaria complement are the same as those for the language complement.

Public Transportation and Distance Complement

The public transportation and distance complement is paid to employees to compensate for the distance between their residence and the company location. From December 2013 (RDL 16/2913) the entire amount paid as Public Transportation and Distance Complement contributes to Social Security. However, prior to Decemeber 2013, the maximum social security exempted was 20 percent of IPREM (Indicador Público de Renta de Efectos Multiples). Depending on whether the employee contributes to social security on a monthly or daily basis, the IPREM amount was calculated either monthly or daily.

Indicador Público de Renta de Efectos Multiples is a monthly or daily value established annually

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

Note: There is an exception to daily employees and the transportation complement. Sometimes, the transportation complement is paid monthly, regardless of whether an employee contributes to Social Security on a monthly or daily basis. You can specify how the earning is calculated by assigning a daily or nondaily frequency on the Job Data - Compensation page. Frequencies other than daily generate monthly transportation complements. The TRANSPORTE earning is identified in the Custom Fields area with the value *1-TRNSPRTE*.

Related Links
Setting Up Statutory Rates
"Understanding Job Data" (PeopleSoft Human Resources Administer Workforce)

Extra Periods

In addition to 12 pay periods per year, employees are also eligible for two or more extra period payments, as defined by their labor agreements. Two extra period payments are the statutory minimum; however, a labor agreement may set a higher number. Extra periods are either paid as a lump sum or prorated over the year.

Note: Extra periods are discussed in detail in another topic in this product documentation.

Related Links

Understanding Extra Periods

Earnings Calculation

This topic discusses:

- Daily calculation.

- Earnings and accumulators.

Daily Calculation

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

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

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

Cases occur in which you might want to manage daily employees as though they were monthly employees. Although an employee is assigned to a daily social security work group, you might want to pay the employee's Social Security contribution on the basic 30-day month. In such a case, you must override the value of variable SS VR TRATA MNSUAL with a value other than *No* for the specific employee.

Conversely, you might want to manage monthly employees as though they were daily employees. In such a case, you must override the value of variable SS VR TRATA DIARIO with a value other than *No.* In addition, you must specify the range of dates for which this override is effective.

PeopleSoft Global Payroll for Spain also calculates earnings for part-time employees. Part-time employees for Spanish payroll are ones who are normally paid based on their hours worked and have their Social Security contribution calculation based on their hours worked. You identify whether an employee is part-time through the **Full/Part** field on the Job Information page of the Job Data component (JOB_DATA). You can also use the **FTE** field to identify the employee's full-time equivalent. You can then apply the FTE value to compensation rate codes to determine reduced proportionality.

PeopleSoft Global Payroll for Spain differentiates between two types of part-time employees:

- *Regular part-time employees:*

  These are employees who have a reduction in the working hours per day and whose contribution to social security is based on hours. An example is an employee working from Monday through Friday for four hours per day. These employees are always paid for 30 days if they are monthly or paid by the number of days in the month if they are daily.

- *Irregular part-time employees:*

  These are employees who have an irregular work schedule where they can work a different number of days each month. Examples include employees who work weekends or weekends and bank holidays only, employees who work just three days per week, and employees who work a different number of days and hours each week. PeopleSoft Global Payroll for Spain uses the work schedule definition assigned to the employee to calculate the actual worked and contributed days for irregular part-time employees.

For regular part-time employees, you must use the supporting element override functionality to specify through the CLI VR RED JORNADA variable the number of working hours per day for the employees. This step is required for regular part-time employees.

Here is an example of how the system calculates earnings for part-time employees. Assume that the monthly gross salary for a full-time employee working eight hours a day is 2000 EUR. For a part-time employee who is in the same professional category as the full-time employee, working six hours a day, the system automatically multiplies the rate by a factor of 6/8 to calculate a monthly gross salary of 1500 EUR for the part-time employee.

Earnings and Accumulators

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

- Basic earnings (GEN AC DEV BAS S):

  The sum of all basic earnings for an employee. Use this base to determine the amount of an extra period or as the base for calculating an hourly rate.

- Nonbasic earnings (TAX AC DIN VAR S):

  The sum of all nonbasic or variable earnings for an employee.

- Total earnings (GEN AC SAL BRUTO S):

  The sum of all elements considered as earnings for an employee.

- In kind earnings (TAX AC SPC):

  The sum of all in kind earnings for tax reasons.

- Salary taxable base (TAX AC BASE S):

  The sum of all the taxable salary earnings.

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

- In kind taxable base (TAX AC SPC): The sum of all the taxable in kind earnings.

- Employee's Social Security common contribution base (SS AC BSE D S and SS AC BSE M S): The sum of all the contribution earnings in common contributions.

When you create a new element, you should define the accumulators to which the element contributes.

This table lists the basic earnings and the accumulators to which each basic earnings type contributes:

Type of Basic Earning	Accumulators
Base Salary	Basic Earnings, Total Earnings, Taxable Base, Social Security Common Contribution Base
Seniority	Basic Earnings, Total Earnings, Taxable Base, Social Security Common Contribution Base
Mejora voluntaria	Basic Earnings, Total Earnings, Taxable Base, Social Security Common Contribution Base
Complemento absorbible	Basic Earnings, Total Earnings, Taxable Base, Social Security Common Contribution Base
Idioma	Basic Earnings, Total Earnings, Taxable Base, Social Security Common Contribution Base
Cualificacion	Basic Earnings, Total Earnings, Taxable Base, Social Security Common Contribution Base
Transport	Basic Earnings, Total Earnings, Taxable Base, Social Security Common Contribution Base (only the excess TRNSPRTE EX)
Prorated extra periods	Basic Earnings, Total Earnings, Taxable Base

PeopleSoft Global Payroll for Spain also provides accumulators that are PS Delivered/Not Maintained. These accumulators make defining new basic earnings easier.

Important! For maintenance reasons, do not update these accumulators. When creating your own accumulators, use these accumulators as models only; use the set of delivered parallel accumulators to customize accumulators.

This table lists the accumulators that are PS Delivered/Not Maintained:

Functional Area	Accumulator Name	Description
Compensation	CLI AC SAL BRUTO	Custom gross salary. Add elements here that correspond to the employee's compensation.
Compensation	CLI AC DEV ABSRBLE	Custom absorbable earnings. Add elements here that are going to be absorbed by the net-to-gross process. **Note:** An element that contributes to both gross salary and to absorbable earnings needs to be added to both the CLI AC SAL BRUTO and CLI AC DEV ABSRBLE accumulators.
Taxes	CLI AC ING DIN FJO	Custom-fixed taxable base. Depending on the nature of the earning, you need to include it in one of the following accumulators for tax purposes: • *Custom variable taxable base:* Add elements to the accumulators CLI AC ING VR1 S, CLI AC ING VR2 S, or CLI AC ING VR3 S that correspond to variable and nonregular variable compensation which involve the paying of taxes. Select one depending on the way you want the earning to be estimated during tax base estimation calculation. • *EE taxable in kind salary:* Add elements to the accumulator CLI AC ING SPC REP that correspond to employee in kind salary in which the employee pays the taxable part. • *Taxable in kind salary:* Add elements to the accumulator CLI AC ING SPC NRE that correspond to employee in kind salary in which the company pays the taxable part.
Social Security	CLI AC BASE SS D	Social Security daily base.

Compensation Definition

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

• The labor agreement.

In this case, you define a specific salary plan for the labor agreement. You can associate the salary grades of the salary plan with every category or subcategory of the labor agreement.

• Your company's own salary plan.

This may have salary steps and grades that are different from the ones in the labor agreement. If you have employees with guaranteed gross or guaranteed net pay, you need to set up the automatically calculated premium section that is part of multiple components of pay.

• Job code.

• Individual employee.

You can specify a different amount from what is stated in the labor agreement directly on the individual employee's job data.

• With a specific rule defined using the functionality of rate code defaulting rules.

Related Links

Understanding Extra Periods
PeopleSoft Human Resources Administer Compensation
"Tracking Workforce Contracts" (PeopleSoft Human Resources Administer Workforce)

Viewing Delivered Basic Earnings Elements

This topic discusses:

• Delivered basic earnings.

• Delivered process list for basic earnings.

Delivered Basic Earnings

This table lists the delivered basic earnings:

Basic Earning	Description
ANT CONSOLDA	Consolidated seniority
BECA INVESTN	Scholarship Holder
COMP ABSRBLE	Absorbable complement
CUALIFCN	Degrees or special skills complement
CUATRIENIOS	Seniority cuatrienniums

Basic Earning	Description
DEV SS EXPTR	Social Security Contributed by Expatriate
DEV SS PREJ	Social Security Paid by Employee
DEV SS PRJ I	Social Security Paid by Employee – Irregular
IDIOMAS	Languages complement
MEJORA VOLUN	Voluntary income
PREJBILACN I	Pre-retired Income - Irregular
PREJUBILACN	Pre-retired Income
PXTRA PRTDA	Prorated extra period
SALARIO BASE	Base salary
TRANSPORTE	Transportation complement
TRNSPRTE EX	Transportation taxable excess
TRIENIOS	Seniority trienniums

Delivered Process List for Basic Earnings

This table lists the process list for basic earnings:

Process List	Description
GEN PR CALC NOM	Regular payroll process. The standard sections of this process list that include the calculation of basic earnings are: • GEN SE DEV BAS NB (basic earnings that are *not* affected by gross) • GEN SE DEV BAS S (basic earnings that are affected by gross) • XTR SE DEVENGOS (extra periods) • EXP SE EXPATRIADO (expatriates)

Note: The system also calculates basic earnings that are part of the extra period processing.

Note: The PeopleSoft system delivers a query that you can run to view the names of all delivered elements that are designed for Spain. Instructions for running the query are provided in the PeopleSoft Global Payroll product documentation.

Related Links

"Understanding How to View Delivered Elements" (PeopleSoft Global Payroll)

Chapter 5

Working with Labor Agreements

Understanding Labor Agreements

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

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

Defining Labor Agreements

This topic discusses how to set up labor agreements using the Labor Agreement ESP component (GPES_LBR_AGREEMENT).

Pages Used to Define Labor Agreements

Page Name	Definition Name	Usage
Seniority Page	GPES_LBR_SENIORITY	Define the details for calculating seniority earnings for the labor agreement.
Sen Earnings by Measurement Page	GPES_SEN_EARNINGS	Assign an element name to a measurement for the labor agreement.
Extra Period Definition Page	GPES_LBR_XTRA_PD	Define the details for the extra period payments as stated in the labor agreement.
Extra Period Earnings Page	GPES_LBR_XTRA_ER	Define the earnings that are eligible for extra period payments.
Complementary Benefits Page	GPES_LBR_BNF	Define the periods and the percentages that employees receive for illness, accident-related, maternity, or risk-during-pregnancy benefits. The periods are established by the labor agreement.

Page Name	Definition Name	Usage
Labor Agreement ESP - Terminations Page	GPES_LBR_TERM	Define daily salary and severance pay settings that the payroll process uses for terminations of the labor agreement.

Understanding Labor Agreement Setup

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

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

Because of data relationships, defining your data in the following order is important:

1. Define the Social Security scheme on the Social Security Scheme Table component and then the labor agreement on the Labor Agreement component in HR.

   See "(ESP) Setting Up Spanish Workforce Tables" (PeopleSoft Human Resources Administer Workforce).

   See "Defining Labor Agreements" (PeopleSoft Human Resources Manage Labor Administration).

2. Define the labor agreement categories on the Labor Agreement Categories page in HR. Within the categories, specify the scheme ID and the social security work group, as well as FORCEM.

   See "Employee Labor Agreement Page" (PeopleSoft Human Resources Manage Labor Administration).

3. Define Global Payroll-specific information about the labor agreement, such as seniority calculation, definition of extra periods, and Social Security benefits on the Labor Agreement ESP component (GPES_LBR_AGREEMENT) in PeopleSoft Global Payroll for Spain.

Related Links
"Defining Labor Agreements" (PeopleSoft Human Resources Manage Labor Administration)
Understanding Social Security Benefits
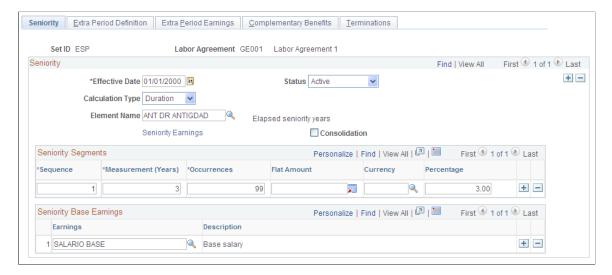
Seniority Page

Use the Seniority page (GPES_LBR_SENIORITY) to define the details for calculating seniority earnings for the labor agreement.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Framework** > **Organizational** > **Labor Agreement ESP** > **Seniority**

This example illustrates the fields and controls on the Seniority page. You can find definitions for the fields and controls later on this page.

Seniority

Field or Control	Description
Calculation Type	Select the calculation type that corresponds to seniority, either *Duration* or *Formula.* A calculation type is required for calculating employee seniority years.
Element Name	Enter the corresponding element for the seniority calculation. PeopleSoft Global Payroll for Spain delivers the ANT DR ANTIGDAD duration. To customize the way that the system counts seniority, implementers can use one of the following options: • Define a customer duration and specify that duration in the labor agreement definition. • Customize the element CLI FM ANTIG DESDE, which retrieves the From date used to calculate the seniority years in the standard duration ANT DR ANTIGDAD.
Seniority Earnings	Click to access the Seniority Earnings page. Use this page to assign seniority earnings to the seniority measurement for a labor agreement.

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

Seniority Segments

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

Field or Control	Description
Sequence	Indicate the order of the various segments.
Measurement (Years)	Enter the number of years in which you measure seniority. Typical values are *3* (for triennium) or *4* (for cuatrennium). PeopleSoft Global Payroll for Spain delivers measurements for trienniums and cuatrenniums, but you can also create your own measurements.
Occurrences	Define how many times the occurrence of the seniority will occur. For example, you could pay the first 3 trienniums as 5 percent and the next cuatrennium as a flat amount.
Flat Amount	Enter the flat amount of the seniority earnings in a segment. Some labor agreements define seniority earnings as flat amounts, rather than a percentage of some earnings.
Currency	Select the currency in which the seniority flat amount is entered.
Percentage	Enter the percentage of the base earnings in a segment. Some labor agreements define seniority earnings as a percentage of base earnings, rather than flat amounts.

Seniority Base Earnings

Field or Control	Description
Earnings	If the seniority is defined as a percentage, select the earnings elements used as the base to calculate seniority.

Example: Calculating Seniority Over Segments

Assume that a labor agreement establishes that employees will receive seniority earnings according to this schedule:

Number of Years	Seniority Earnings
1–3 (triennium)	6 EUR per month
3–6 (triennium)	6 EUR per month
6–9 (triennium)	9 EUR per month
9–13 (cuatrennium)	12 EUR per month Employees receive seniority earnings after 3 years with the company. During the next three years, employees receive 6 EUR monthly. In addition, for year 7 to year 9, employees receive 12 EUR monthly (6 EUR for the first triennium and 6 EUR for the second triennium.)

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

- Employees will receive 0 EUR per month from year 0 to year 3.

- Employees will receive 6 EUR per month from year 3 + 1 month to year 6.

- Employees will receive 12 EUR per month from year 6 + 1 month to year 9.

- Employees will receive 21 EUR per month from year 9 + 1 month to year 13.

- Employees will receive 33 EUR per month from year 13 + 1 month to year 17.

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

Sequence 1:

- Measurement = 3

- Occurrences = 2

- Flat Amount = 6 EUR

Sequence 2:

- Measurement = 3

- Occurrences = 1

- Flat Amount = 9 EUR

Sequence 3:

- Measurement = 4

- Occurrences = 99

Flat Amount = 12 EUR

Sen Earnings by Measurement Page

Use the Sen Earnings by Measurement (Seniority Earnings by Measurement) page (GPES_SEN_EARNINGS) to assign an element name to a measurement for the labor agreement.

Navigation:

Click the **Seniority Earnings** link on the Seniority page.

This example illustrates the fields and controls on the Seniority Earnings by Measurement page. You can find definitions for the fields and controls later on this page.

PeopleSoft Global Payroll for Spain delivers trienniums and cuatrenniums, but you can create a different seniority measurement by adding a new earning with the same characteristics as one of the existing seniority earnings. If you define a new earning for a new seniority measurement, add it on the Seniority Earnings page. Make sure that you define the new earning with the **Category** field set to *BAS* and the **Custom Field5** field set to *5–ANTIGDAD*. You must also add the new seniority earning to the correct accumulators. Use the definition of the delivered elements TRIENIOS and CUATRIENIOS as a basis, but update these accumulators in the following way:

- Include the following accumulators in the Rate component for the seniority earning:

  - TAX AC ANTIG VLR S

  - CLI AC DEV ABSRBLE

- Include the seniority earning in the following accumulators:

  - CLI AC BASE SS D

- CLI AC SAL BRUTO

- CLI AC ING DIN FJO

Field or Control	Description
Measurement (Years)	Enter the number of years in which you measure seniority. Typical values are *3* (for triennium) or *4* (for cuatrennium).
Earnings	Select the earnings element that corresponds to the **Measurement (Years)** field.
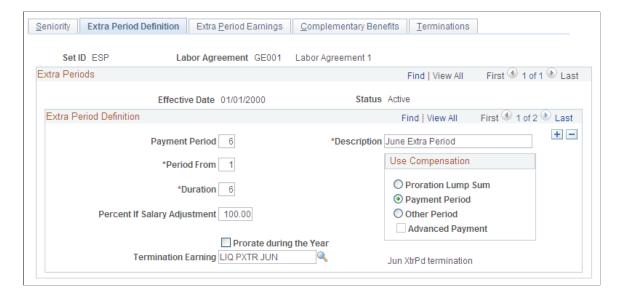
Extra Period Definition Page

Use the Extra Period Definition page (GPES_LBR_XTRA_PD) to define the details for the extra period payments as stated in the labor agreement.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Framework** > **Organizational** > **Labor Agreement ESP** > **Extra Period Definition**

This example illustrates the fields and controls on the Extra Period Definition page. You can find definitions for the fields and controls later on this page.

Extra Period Definition

Use this group box to define the conditions for extra period payments.

Field or Control	Description
Payment Period	Specify the month in which the extra period amount is paid. For example, if you enter *6,* the extra period amount will be paid in June.
Period From	Enter the month of the year when the extra period contribution time frame begins. For example, if you enter *1,* the contribution time frame begins in January. The **Period From** and **Duration** fields apply only to extra period payments that are not prorated. For extra period payments that are not prorated, a contribution time frame exists. The time frame is determined by a beginning period (defined in the **Period From** field) and a duration (defined in the **Duration** field).
Duration	Enter the number of months of the contribution period. For example, if you enter *6,* the contribution lasts 6 months.
Prorate during the Year	Select to pay the extra period earnings every month as part of the regular pay period, and not as a unique payment. The extra period earnings will be prorated as 1/12 of the extra period payment. **Note:** If you select this check box, the **Payment Period, Period From,** and **Duration** fields become display-only. Because the extra period payment is prorated over 12 months, the **Payment Period** field is automatically defined as *0,* the **Period From** field is automatically defined as *1,* and the **Duration** field is defined as *12.*
Percent If Salary Adjustment	This field specifies the overall extra period percentage. For example, if you enter 50 percent, the extra period payment is 50 percent of the normal extra period payment, irrespective of the earning percentages that you specify on the Extra Period Earnings page. This field is used for employees whose salary is adjusted to gross or net only. The employees' gross or net annual salary is defined in their personal agreement and this value is stored in the **Target Compensation Rate** field on the Job Data - Compensation page. See Gross and Net Guarantee Overview.

Field or Control	Description
Termination Earning	Select the earnings element that corresponds to the extra period termination payment specified by the labor agreement. When employees are terminated, they are paid for the portion of the extra period payment that they have been accumulating. An employee receives proportional compensation, depending on the number of days worked in the extra period time frame. If an extra period is paid before the end period of the contribution and an employee leaves before the end of the contribution time frame, the system calculates the amount that the employee was overpaid. In this case, the termination earnings are negative.

Use Compensation

If the extra period payment is not prorated, use these options to define how the payment is calculated:

Field or Control	Description
Proration Lump Sum	Select to base the extra period payment on employees' earnings during the contribution time frame. The earnings that contribute to extra period payments are defined on the Extra Period Earnings page. For example, if the extra period payment is for the January to June time frame, the system calculates the extra period payment by accumulating the specified extra period earnings for each month of this time frame.
Payment Period	Select to base the extra period payment on the employee's contributing earnings for the payment period. For example, if **Payment Period** is *6* (June), the extra period payment is calculated based on contributing earnings for June.
Other Period	Select to base the extra period payment on employee's contributing earnings from the payment period you designate.

Field or Control	*Description*
Advanced Payment	Select this check box if the extra period payment is paid to the employees before the contribution time frame end period. The system displays this check box if the payment period is before the end of the contribution time frame. If you don't select this check box, the extra period is paid in the next year. For example, if you define the contribution time frame as July to December and enter *1* (January) in the **Payment Period** field, the system needs to know whether the employee is paid in the January before the contribution time frame end period or in the January after the end of the time frame. If you deselect the **Advanced Payment** check box, the employee is paid in the January of the following year.

Related Links

Understanding Terminations
Gross and Net Guarantee Overview
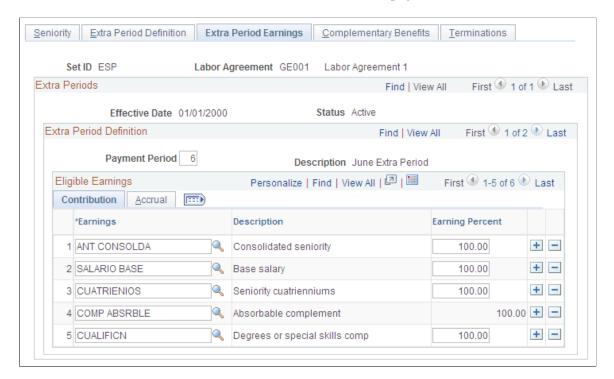
Extra Period Earnings Page

Use the Extra Period Earnings page (GPES_LBR_XTRA_ER) to define the earnings that are eligible for extra period payments.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Framework** > **Organizational** > **Labor Agreement ESP** > **Extra Period Earnings**

This example illustrates the fields and controls on the Contribution tab of the Extra Period Earnings page. You can find definitions for the fields and controls later on this page.

| Seniority | Extra Period Definition | Extra Period Earnings | Complementary Benefits | Terminations |

Set ID ESP   Labor Agreement GE001   Labor Agreement 1

Extra Periods   Find | View All   First ◀ 1 of 1 ▶ Last

Effective Date 01/01/2000   Status Active

Extra Period Definition   Find | View All   First ◀ 1 of 2 ▶ Last

Payment Period 6   Description June Extra Period

Eligible Earnings   Personalize | Find | View All | 🗗 | 🖼   First ◀ 1-5 of 6 ▶ Last

| Contribution | Accrual |

	*Earnings		Description	Earning Percent		
1	ANT CONSOLDA	🔍	Consolidated seniority	100.00	➕	➖
2	SALARIO BASE	🔍	Base salary	100.00	➕	➖
3	CUATRIENIOS	🔍	Seniority cuatrienniums	100.00	➕	➖
4	COMP ABSRBLE	🔍	Absorbable complement	100.00	➕	➖
5	CUALIFICN	🔍	Degrees or special skills comp	100.00	➕	➖

Extra Period Definition

Use this group box to define the earnings that contribute towards the extra period payments that you defined on the Extra Period Definition page. All extra periods can have the same earnings or you can vary the contributing earnings for each extra period.

Field or Control	Description
Payment Period	This is the month when the extra period is paid. The system populates this field from the Extra Period Definition page.

Eligible Earnings: Contribution Tab
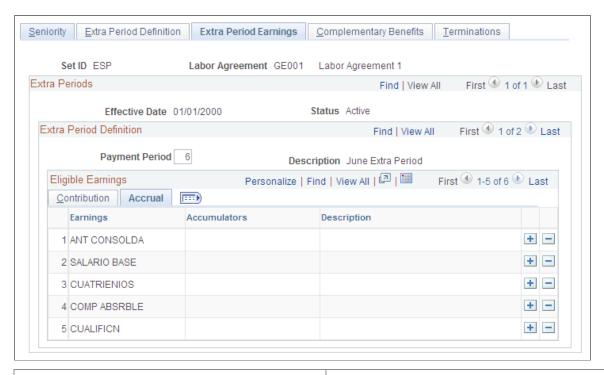
Field or Control	Description
Earnings	Select the earning elements that you want to make eligible for the extra period.

Field or Control	Description
Earning Percent	Enter the percentage of the earning that contributes to the extra period payment. For example, if you enter *100* in this field, the earning is paid in full in the extra period payment. If you enter *50,* 50 percent of the earning amount is used to calculate the extra period payment. If you select an earning that is identified as an absorbable complement (complemento absorbible), this field is populated from the **Percent If Salary Adjustment** field on the Extra Period Definition page.

Eligible Earnings: Accrual Tab

Access the Extra Period Earnings page: Accrual tab **(select the Accrual tab on the Extra Period Earnings page).**

This example illustrates the fields and controls on the Accrual tab of the Extra Period Earnings page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Accumulators	For extra periods during which the **Calculation Option** field is *Proration Lump Sum,* use this field to specify the accumulator that stores all the monthly contributions during the extra period time frame.

Complementary Benefits Page
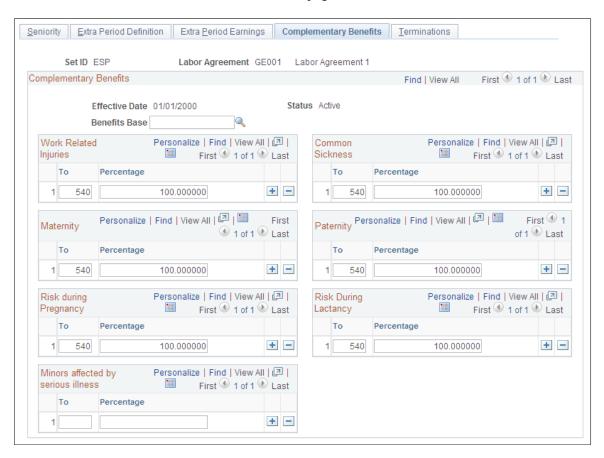
Use the Complementary Benefits page (GPES_LBR_BNF) to define the periods and the percentages that employees receive for illness, accident-related, maternity, or risk-during-pregnancy benefits.

The periods are established by the labor agreement.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Framework** > **Organizational** > **Labor Agreement ESP** > **Complementary Benefits**

This example illustrates the fields and controls on the Complementary Benefits page. You can find definitions for the fields and controls later on this page.

Complementary Benefits

Use the Complementary Benefits page to define the benefits employees receive if they have a work-related injury, common sickness, maternity leave, or risk during pregnancy leave. Employees receive two types of benefits: legal benefits paid by the social security authority (Subsidio IT, Subsidio AT, Subsidio RE, Subsidio MT, and *Subsidio CM*) and employer-paid complementary benefits (Prestación Complementaria IT, Prestación Complementaria AT, Prestación Complementaria RT, Prestación Complementaria MT, and *Prestación Complementaria CM)*. On this page, you define the basis for calculating benefits, and the percentage of the benefits base that an employee receives as benefits. The system automatically calculates the percentage that is paid by the employer and by Social Security.

Field or Control	Description
Benefits Base	Select the accumulator that the system uses as the basis for calculating employees' daily complementary benefits. If no accumulator is specified, the system uses the following accumulators converted to a daily value: • SS AC BSE CC NRM S (social security CC contribution base) in case of common sickness, maternity risk, or maternity. • SS AC BSE CP NRM S (social security CP contribution base) in case of work-related injuries. If you want to use gross salary as the basis, you could use the accumulator AJB AC DEV BAS S, which stores the total of all daily values for all basic earnings. Or you can define your own accumulator to use for this purpose.

Work Related Injuries

Use this group box to define the total statutory and complementary benefits received for work-related injuries. The difference between common sickness and work-related injuries is that for work-related injuries, the statutory benefit is 75 percent starting from day 1.

Field or Control	Description
To	Define the period for the benefit (usually the number of days up to a certain day). For example, if you enter *4* in the first row, then from days 1–4 (up to day 4) of absence, the employee receives a specified percentage. If you enter *5* in the second row, then for day 5, the employee receives another specified percentage. If you enter *10* in the third row, then from days 6–10, the employee receives another specified percentage.
Percentage	Define the percentage of the benefit base that an employee receives in benefits. For example, if you enter *100,* employees receive 100 percent of the benefit base during the specified period. **Note:** This percentage is a combination of statutory and complementary benefits. The statutory benefit is based on a percentage of common contingency or the professional contingency bases. The complementary benefit is a percentage of the base that you specified in the **Benefits Base** field.

Common Sickness

Use this group box to define the total statutory and complementary benefits received for common sicknesses or nonwork-related accidents.

For descriptions of the **To** and **Percentage** fields, see the discussion for the **Work Related Injuries** group box.

Maternity

Use this group box to define the total statutory and complementary benefits received for maternity leave.

For descriptions of the **To** and **Percentage** fields, see the discussion for the **Work Related Injuries** group box.

Paternity

Use this group box to define the total statutory and complementary benefits received for paternity leave.

For descriptions of the **To** and **Percentage** fields, see the discussion for the **Work Related Injuries** group box.

Risk during Pregnancy

Use this group box to define the total statutory and complementary benefits received for risk during pregnancy.

For descriptions of the **To** and **Percentage** fields, see the discussion for the **Work Related Injuries** group box.

Risk during Lactancy

Use this group box to define the total statutory and complementary benefits received for risk during lactancy.

For descriptions of the **To** and **Percentage** fields, see the discussion for the **Work Related Injuries** group box.

Minors Affected by Serious Illness

Use this group box to define the total statutory and complementary benefits received for absence due to minor care.

For descriptions of the **To** and **Percentage** fields, see the discussion for the **Work Related Injuries** group box.

Example: Complementary Benefits

When an employee cannot work due to a common sickness, nonwork-related accident, work-related accident, maternity leave, or risk during pregnancy he or she does not receive any compensation; however, the law requires that the employee receive social security benefits. Employees receive a percentage of the benefits base that depends on the number of days the employee is absent.

This table specifies the statutory percentage of the daily contribution base of the previous pay period that an employee should receive depending on the number of days the employee is absent from work due to a common sickness:

Days	Percentage of Social Security Contribution Base Received
1–3	0%
4–20	60%
21 up to 540 (the legal maximum)	75%

In addition to the statutory percentages, a company can choose to pay additional benefits, known as complementary benefits.

For example, assume that your company has a labor agreement with the following rules for IT benefits (for common sickness or nonwork-related accidents):

• From day 1 through day 10, employees receive 100 percent of the benefits contribution base.

• From day 11 through day 25, employees receive 90 percent of the benefits contribution base.

So the following breakdown of benefits received is:

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

Note: Statutory benefits are calculated as a percentage of the common contingency or the professional Social Security contingency bases. For complementary benefits, your organization can base the calculation on other amounts, using the **Benefits Base** field. For example, you could use employees' gross salary (as a daily rate) from the previous month as a basis for calculating benefits.

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

To field = *10,* **Percentage** field = *100.*

To field = *25,* **Percentage** field = *90.*

Related Links
Understanding Social Security Benefits

Setting Up Labor Agreement Overrides for Terminations

Use the Labor Agreement ESP - Terminations page to define daily salary and severance pay settings that the payroll process uses for terminations of labor agreements.

See Defining Labor Agreement Overrides for Terminations.

Chapter 6

Understanding Nonbasic Earnings

Nonbasic Earnings

In PeopleSoft Global Payroll for Spain, two types of earnings exist: basic earnings and nonbasic earnings. Nonbasic earnings are earnings that are paid infrequently, can be fixed or varied amounts, and can not be included in an employee's annual income. The list of nonbasic earnings includes complements, nonsalary earnings, and salary in kind. Examples are pay for holiday work, reimbursements for business travel expenses, and special interest rates for loans.

Related Links

Understanding Loans and Advances
"Understanding Earning and Deduction Elements" (PeopleSoft Global Payroll)

Complements

This topic discusses:

- Complement earnings.

- Work completed complements.

- Company situation complements.

Complement Earnings

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

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

Three types of complement earnings exist:

- Personal conditions.

- Work completed.

- Company's situation and results.

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

Note: Complements for personal conditions are considered basic earnings and are discussed in another topic in this product documentation.

Related Links

Complements

Work Completed Complements

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

Generally this type of compensation is a percentage of the salary base. Sometimes it can be calculated as a formula depending on the number of hours worked under those conditions. The elements used for this type of earning are variables.

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

Nighttime Complement

Work performed between the hours of 22:00 and 06:00 is considered nighttime work and must be compensated at a higher rate than normal.

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

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

Holiday Complement

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

Toxicity or Hazard Complement

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

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

The calculation rule for the hazard complement element is similar to the nighttime complement—either a Flat amount or the Base time Percentage formula applies.

Note: PeopleSoft Global Payroll for Spain delivers these work-completed complements (such as the nighttime, holiday, and toxicity or hazard complements) as sample data. Enter the value as positive input for every period. You can also modify the calculation rules to fit your company's needs.

Complementary Hours for Part-time Payees

A part-time payee can work hours in addition to the amount specified in a labor contract. The system considers these additional hours as complementary instead of overtime if they:

- Apply only to an unlimited part-time contract with distributed activity or nonconcentrated schedules. This excludes unlimited discontinuous part-time payees, part-time payees with limited contracts, and unlimited part-time payees with concentrated schedules.

- Are the result of an agreement between the company and payee as part of the contract.

- Do not exceed 15% of the scheduled hours specified in the contract.

Note: This percentage can be increased through a labor agreement but it can never be higher than 60%.

Company Situation Complements

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

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

Profit Participants Complement

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

Incentives Complement

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

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

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

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

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

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

Nonsalary Earnings

This topic discusses:

- Nonsalary earning calculation.

- Travel expense earnings.

- Dietas earnings.

Nonsalary Earning Calculation

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

Each earning has a statutory maximum daily amount exempt from tax and social security contributions, which varies by fiscal territory. Update these rates using the Fiscal Territories component.

See Understanding Tax Calculation.

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

You calculate these earnings by entering the number of days and the total amount of the complement in the amount through positive input.

As a result of the calculation, PeopleSoft Global Payroll for Spain provides three different elements for every nonsalary earning:

- One earning: Represents the total amount that the employee receives.

- One earning (the name includes the letters EX): Represents the amount that exceeds the maximum taxable exempted.

- One deduction (the name includes the letter EXX): Represents the amount that exceeds the maximum taxable exempted.

Related Links
Viewing Nonbasic Earning Delivered Elements
Setting Up Statutory Rates

Travel Expense Earnings

Travel expenses are compensations for trips, displacements, and general traveling expenses. PeopleSoft Global Payroll for Spain delivers a mileage earning and accounts for its tax and Social Security deductions in excess of the statutory rate.

DietasEarnings

Dietas is compensation that reimburses expenses resulting from business trips. They include these delivered earnings:

- DIETA EXPTR (expatriate traveling maintenance).

- DIETA INT (international traveling maintenance).

- DIETA LCL (domestic traveling maintenance).

- DIET VLO EXP (expatriate traveling maintenance for flight assistants)

- DIET VLO INT (international traveling maintenance for flight assistants).

- DIET VLO LCL (domestic traveling maintenance for flight assistants).

- PRNCTA EXP (expatriate overnight stay).

- PRNCTA INT (international overnight stay).

- PRNCTA LCL (domestic overnight stay).

Related Links

Public Transportation and Distance Complement

Reviewing and Updating System Information

Salary In Kind

Salary in kind are goods or services provided for the employee at a rate lower than the market price. PeopleSoft Global Payroll for Spain delivers a low interest loan benefit and life insurance as not passed on, and company car as passed on.

Although salary in kind is fully taxable, it may contribute fully or only partially to the Social Security base depending on its source. When a company provides salary in kind as part of normal labor agreement or contract agreement, the salary in kind contributes fully to the Social Security base. If, however, the company provides salary in kind voluntarily then a certain amount of it is exempt from contributing to the Social Security base.

To determine whether voluntary salary in kind is exempt, compare the sum of all the earnings considered as salary in kind to 20 percent of the IPREM (Indicador Público de Renta de Efectos Múltiples), which is a statutory rate published by the government each year. If the sum of all a payee's earnings does not exceed 20 percent of the professional minimum salary, not all of the salary in kind contributes to the Social Security bases. Any earnings in excess of 20 percent of the IPREM contribute fully to the Social Security base. When a payee receives more than one earning that is considered salary in kind, you must calculate the individual excess for each earning in proportion to its value.

The different types of salary in kind earnings include housing loans with an interest rate below the legal interest rate, cars, insurance contributions, and contributions to pension plans, for example.

The withholdings for salary in kind can be paid by the employer (withholdings in kind not passed on) or by the employee (withholdings in kind passed on). If it is passed on, the withholding is discounted in the payroll for the employee as a tax deduction (deduction in kind). If it is not passed on, the employer will pay the deduction to the tax institution.

Note: The tax percentage to be applied over the nonexempted amount will be the same as the IRPF tax percentage.

Related Links

Understanding Loans and Advances

Processing Nonbasic Earnings

Nonbasic earnings are contained in three sections:

- GEN SE DEV VARBL:

    Includes complements, such as nighttime complements, holiday complements, toxicity or hazard complements, overtime, profit participants complements, and incentive complements.

- GEN SE DEV OTROS:

    Includes dietas, overnight stay, mileage earnings and salary in kind.

- AYP SE DEDUCCIONES:

    Includes loans and advances.

All of these earnings are included in the payroll calculation (GEN PR CALC NOM) but not in the extra period calculation (XTR PR PAGA EXTRA) because they are not paid as part of an extra period processing.

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

Related Links

Viewing Delivered Basic Earnings Elements
Understanding Overtime Processing for Spain
"Understanding Earning and Deduction Elements" (PeopleSoft Global Payroll)

Viewing Nonbasic Earning Delivered Elements

This topic discusses:

- Delivered nonbasic earnings.

- Delivered deductions.

- Delivered accumulators for nonbasic earnings.

Delivered Nonbasic Earnings

This table lists the elements for nonbasic earnings:

Earning Element	Description
ACCIONES CIA	Company stocks: Value assigned through the Stock Options ESP component (Global Payroll & Absence Mgmt, Payee Data, Assign Earnings and Deductions, Stock Options ESP). See Understanding Stock Option Income.
COCHE CIA	Company car: Use this earning to enter the monetary value of a company car.
DEV ADELANTO	Salary advance: Contains the amount to be paid to the employee as advance payment, which the employee must pay back through later payrolls. Custom field 5 contains the label DEV ADLNTO. Processed only for the last segment in the period. No retro calculation.
DEV PRESTAMO	Loan: Value assigned through the Request Advances/Loans component (Global Payroll & Absence Mgmt, Payee Data, Loans, Request Advances/Loans ESP).
DIETA EXPTR	Expatriates traveling maintenance: Value assigned by positive input. Units must be specified for the number of days and the total amount.
DIETA INT	International traveling maintenance: Value assigned by positive input. Units must be specified for the number of days and the total amount.
DIETA LCL	Domestic traveling maintenance: Value assigned by positive input. Units must be specified for the number of days and the total amount.
DIET VLO EXP	Expatriates traveling maintenance for flight assistants: Value assigned by positive input. Units must be specified for the number of days and the total amount.
DIET VLO INT	International traveling maintenance for flight assistants: Value assigned by positive input. Units must be specified for the number of days and the total amount.
DIET VLO LCL	Domestic traveling maintenance for flight assistants: Value assigned by positive input. Units must be specified for the number of days and the total amount.
DIETAEX EXPT	Expatriate maintenance taxable excess: Customer field 5 contains the label DIETAEX EXP.
DIETAEX INT	International maintenance taxable excess: Customer field 5 contains the label DIETAEX INT.

Earning Element	Description
DIETAEX LCL	Domestic maintenance taxable excess: Customer field 5 contains the label DIETAEX LCL.
FESTIVIDAD	Holiday complement: Value assigned by positive input. This element is automatically segmented and prorated when assigned to a payee on the Element Assignment by Payee or Payee Assignment by Element pages and the assignment period covers only a portion of the pay period. See "Segmentation Triggers with Earning and Deduction Assignments" (PeopleSoft Global Payroll). See "Proration and Segmentation" (PeopleSoft Global Payroll).
GASTOS BECAS	Scholarship holder expenses earning related to scholarship holders.
HRS COMPL	Complementary hours: Value assigned by positive input. When assigning this earning, you can enter either Unit and Rate, or Unit and Amount. You must enter a Unit value for this earning to calculate correctly. Payroll processing and FAN file generation reflect complementary hours assignments, but complementary hours do not impact TC1 reports.
INCENTIVOS	Incentives complement: Value assigned by positive input. This element is automatically segmented and prorated when assigned to a payee on the Element Assignment by Payee or Payee Assignment by Element page and the assignment period covers only a portion of the pay period. See "Segmentation Triggers with Earning and Deduction Assignments" (PeopleSoft Global Payroll). See "Proration and Segmentation" (PeopleSoft Global Payroll).
KILOMETRAJE	Mileage: Value assigned by positive input. Units must be specified for the number of miles and the total amount.
KLMTRJEEX	Mileage taxable excess: Customer field 5 contains the label KLMTRJEEX.

Earning Element	Description
NOCTURNIDAD	Nighttime complement: Value assigned by positive input. This element is automatically segmented and prorated when assigned to a payee on the Element Assignment by Payee or Payee Assignment by Element page and the assignment period covers only a portion of the pay period. See "Segmentation Triggers with Earning and Deduction Assignments" (PeopleSoft Global Payroll). See "Proration and Segmentation" (PeopleSoft Global Payroll).
PRNCTA EXPTR	Expatriate overnight stay: Value assigned by positive input. Units must be specified for the number of days and the total amount.
PRNCTA INT	International overnight stay: Value assigned by positive input. Units must be specified for the number of days and the total amount.
PRNCTA LCL	Domestic overnight stay: Value assigned by positive input. Units must be specified for the number of days and the total amount.
PRNCTAEX EXP	Expatriate overnight stay excess: Customer field 5 contains the label PRNCTAEX EXP.
PRNCTAEX INT	International overnight stay taxable excess: Customer field 5 contains label PRNCTAEX INT.
PRNCTAEX LCL	Domestic overnight stay excess: Customer field 5 contains the label PRNCTAEX LCL.
PRSTMO EX	In Kind loan taxable excess: Customer field 5 contains the label PRSTMO EX.
PRTCPCN BEN	Profit participation compliment: Value assigned by positive input. This element is automatically segmented and prorated when it is assigned to a payee on the Element Assignment by Payee or Payee Assignment by Element page and the assignment period covers only a portion of the pay period. See "Segmentation Triggers with Earning and Deduction Assignments" (PeopleSoft Global Payroll). See "Proration and Segmentation" (PeopleSoft Global Payroll).

Earning Element	Description
RDTO IRREGUL	Irregular income.
RDTO IRR 50	Irregular income affected by 50% reduction. This earning corresponds to income accrued in more than five years.
RDTO IRR 50D	Irregular income affected by 50% reduction. This earning is used in the Navarra historical territory. It corresponds to income that has been derived from disability benefits.
RDTO IRR 70	Irregular income affected by 70% reduction. This earning is used in the Navarra historical territory. It corresponds to income that has been derived from death benefits.
SALARIO EXNT	Salary income due work abroad. Value assigned by positive input. This type of income is tax exempt up to a yearly ceiling. The system excludes the exempt amount from the monthly tax base and the yearly estimated tax base used during IRPF percentage calculation.
SEGURO VIDA	Life insurance. Value assigned by positive input or earning and deduction assignment.
TOXICIDAD	Toxicity or hazard complement: Value assigned by positive input. This element is automatically segmented and prorated when it is assigned to a payee on the Element Assignment by Payee or Payee Assignment by Element page and the assignment period covers only a portion of the pay period. See "Segmentation Triggers with Earning and Deduction Assignments" (PeopleSoft Global Payroll). See "Proration and Segmentation" (PeopleSoft Global Payroll).

Related Links

Viewing Delivered Tax Elements

Delivered Deductions

This table lists the deduction elements:

Deduction Element	Description
DIETAEXX EXP	Expatriate maintenance taxable excess: Value assigned by EX FM EXCESO CALC as an offset of DIETAEX EXP.

Deduction Element	Description
DIETAEXX INT	International maintenance taxable excess: Value assigned by EX FM EXCESO CALC as an offset of DIETAEX INT.
DIETAEXX LCL	Domestic maintenance taxable excess: Value assigned by EX FM EXCESO CALC as an offset of DIETAEX LCL.
DIETXX V EXP	Expatriate maintenance taxable excess for flight assistants: Value assigned by EX FM EXCESO CALC as an offset of DIETAEX EXP.
DIETXX V INT	International maintenance taxable excess for flight assistants: Value assigned by EX FM EXCESO CALC as an offset of DIETAEX INT.
DIETXX V LCL	Domestic maintenance taxable excess for flight assistants: Value assigned by EX FM EXCESO CALC as an offset of DIETAEX LCL.
KLMTRJEEXX	Mileage taxable excess: Value assigned by EX FM EXCESO CALC as an offset of KLMTRJEEX.
PRNCTAEXXINT	International overnight stay taxable excess: Value assigned by EX FM EXCESO CALC as an offset of PRNCTAEX INT.
PRNCTAEXXLCL	Domestic overnight stay taxable excess: Value assigned by EX FM EXCESO CALC as an offset of PRNCTAEX LCL.
PRNTAEXX EXP	Expatriate overnight stay taxable excess: Value assigned by EX FM EXCESO CALC as an offset of PRNCTAEX EXP.
PRSTMO EXX	In kind loan taxable excess: Value assigned by EX FM EXCESO CALC as an offset of PRSTMO EX.

Delivered Accumulators for Nonbasic Earnings

When you create a new nonbasic earning, you need to define the accumulators to which the earning contributes. This table lists the customary accumulators to which a new nonbasic earning might contribute:

Functional Category	Accumulator Name	Description
Compensation	CLI AC SAL BRUTO	Custom gross salary.

Functional Category	Accumulator Name	Description
Taxes	CLI AC ING VR1 S CLI AC ING VR2 S CLI AC ING VR3 S	Custom variable taxable base. Add elements here that correspond to variable compensation that pays taxes. Select the right accumulator based on the method that you want to use for an earning when calculating the estimated tax base.
Taxes	CLI AC RDTO IRREG CLI AC RDTO IRR50 CLI AC RDTO IRR50D CLI AC RDTO IRR70D	Custom nonregular income. Add elements here that correspond to employee compensation accrued later than two years ago. Select the correct accumulator depending on the reduction percentage that applies to the specific earning (40%, 50%, or 70%).
Taxes	CLI AC ING SPC REP	Employee taxable in kind salary. Add elements here that correspond to employee salary in kind for which the taxable part is going to be paid by the employee.
Taxes	CLI AC ING SPC NRE	Taxable in kind salary. Add elements here that correspond to the employee salary in kind for which the taxable part is going to be paid by the employer. **Note:** You will add the nonbasic earning to only one of these tax-related accumulators, not all of them.
Social security	CLI AC BASE SS M	Social security monthly base.
	CLI AC SPC EXNT SS	In kind salary with social security exemption. Add elements here that correspond to voluntary in kind salary that may be eligible for a Social Security exemption (20%IMPREM).

Note: The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Spain. Instructions for running the query are provided in the PeopleSoft Global Payroll product documentation.

Related Links

"Understanding How to View Delivered Elements" (PeopleSoft Global Payroll)

Modifying Delivered Nonbasic Earnings Accrual

There are certain delivered nonbasic earnings such as INCENTIVOS and PRTCPCN BEN that you can modify to accrue over more than one month to prevent the Social Security contributions for those earnings from surpassing the maximum ceiling during the payment month. This topic provides an overview of this modification process and discusses how to view compensation accrued over more than one month.

Pages Used to Modify Delivered Nonbasic Earnings Accrual

Page Name	Definition Name	Usage
"Earnings Name Page" (PeopleSoft Global Payroll)	GP_PIN	Name the element and define its basic parameters.
"Earnings - Calculation Page" (PeopleSoft Global Payroll)	GP_ERN_DED_CALC	Define calculation rules for an earning element.
"Earnings - Rounding/Prorations Page" (PeopleSoft Global Payroll)	GP_ERN_DED_RND	Specify rounding and proration options for the components of an earning element.
"Earnings - Accumulators Page" (PeopleSoft Global Payroll)	GP_ERN_DED_AC_ADDL	Indicate the accumulators (already defined in the system) to which the earning element contributes.
"Element Assignment by Payee Page" (PeopleSoft Global Payroll for India)	GP_ED_PYE	By payee, view and update earning and deduction assignments, or disable earning/deduction assignments.
"One Time (Positive Input) Page " (PeopleSoft Global Payroll for India)	GP_PI_MNL_ERNDED	Enter positive input for one payee. (You select the employee ID, pay group, and calendar to access this page.)
Comp. Accrued >1 Month ESP (compensation accrued over more than one month) Page	GPES_FUT_CNTRB	View compensation accrued over more than one month.

Earnings Modification

To modify nonbasic earnings to accrue over more than one month:

1. Add the post process formula SS FM BSE CNTB F on the Calculation page for the earning.

2. Remove the contribution base accumulator (SS AC BSE M S) on the Accumulator page for the earning.

3. On the Rounding/Proration page, add the proration rule GEN PO DIAS SLICE to the earning.

4. On the Earnings Name page, select the Payee check box in the Override Levels group box for the earning. This enables you to assign the earnings to payees using the Element Assignment by Payee (GP_ED_PYE) or One Time (Positive Input) (GP_PI_MNL_ERNDED) component.

5. Add a unique value in Field 5 on the Element Name - Custom Fields page. This helps to differentiate nonbasic earnings that accrue over more than one month.

The variable CLI VR M PRORRATEO determines the number of months used to distribute the Social Security contributions for the earning. You set the value for this variable when you assign the associated earning using the Element Assignment by Payee or One Time (Positive Input) components.

Earnings Behavior

The assigned earning behaves differently in the case of segmentation depending on which component you use to assign it. If you use the Element Assignment by Payee component, the system calculates the earning in every slice or segment with a prorated value. The system calculates Social Security contributions according to each of these values. If you use the One Time (Positive Input) component, the system calculates the earning only once and does not prorate the value. The system calculates Social Security contributions based on that calculated value.

Compensation Process Flow

Regardless of the component you use to assign the modified earning, the process flow for compensation accrued in more than one month is the same. The payee receives the total amount of the assigned earning in the payment month. The system calculates the monthly portion of the earning applicable to contribution base calculation by dividing the total amount by the number of months entered (the entered value of CLI VR M PRORRATEO). The pending base is the total amount minus the calculated monthly portion. In subsequent months, the system retrieves the data for the previous month. The pending base retrieved from the previous month becomes the new total amount. The system then subtracts the monthly portion from the new total amount to calculate a new pending base for the next month.

The payroll results for compensation accrued over more than one month depend on two factors: process month and payee situation.

- In the payment month, if the payee is sick, the pending base is the total amount minus the monthly base corresponding to contribution days (healthy days). The monthly contributing base corresponds to healthy days.

- In subsequent months:

  - If the payee does not contribution in the process month, the system stores a row equal to the previous one with one less number of months and with a total amount equal to the pending amount from the previous month.

  - If the payee is sick, the pending base is the total amount minus the monthly base corresponding to contribution days (healthy and sick days). The monthly contributing base corresponds to healthy days.

    When calculating the regulatory daily base (BRD), the system considers the Social Security base of the previous month or months in which the contributions of compensation accrued in more than one month as already included.

  - When element or period segmentation occurs, the system calculates the proportional part to contribute for each slice and segment. In addition, the system calculates the total pending base

minus the monthly corresponding base, but it stores only the data in the last slice of the last segment.

- In the case of a termination, the system uses the total pending amount at the time of termination to calculate the contribution base. The pending amount is equal to zero in subsequent months in the case of a rehire.

Comp. Accrued >1 Month ESP (compensation accrued over more than one month) Page

Use the Comp. Accrued >1 Month ESP (compensation accrued over more than one month) page (GPES_FUT_CNTRB) to view compensation accrued over more than one month.

Navigation:

Global Payroll & Absence Mgmt > **Payee Data** > **Social Security/Insurance** > **Comp. Accrued >1 Month ESP** > **Comp. Accrued >1 Month ESP**

This example illustrates the fields and controls on the Comp. Accrued >1 Month ESP (compensation accrued over more than one month) page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Year From and Year To	Enter the range of years over which you want to view compensation.
Month From and Month To	Enter the range of months over which you want to view compensation.
Search	Click to display compensation accrual information for the year and month range you specified.

Details of Payee (Contribution)

This group box displays detailed information about accrued compensation for the payee. You can modify the amounts in the **Amount to contribute** and **Pending to contribute** fields.

Chapter 7

Paying Overtime

Understanding Overtime Processing for Spain

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

Note: Not all organizations pay overtime for extra hours. When implementing the system, consider whether your organization manages overtime as extra hours.
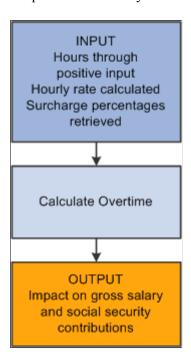
Two types of overtime exist, depending on ordinary or extraordinary circumstances:

Term	*Definition*
Structural overtime (horas extras estructurales)	Overtime that an organization requires to: • Prevent accidents and disasters. • Repair damages caused by extraordinary circumstances. This type of overtime is usually approved by labor unions.
Non-structural overtime (horas extras no estructurales)	Overtime not related to extraordinary circumstances.

Overtime in the Pay Process Flow

This diagram illustrates how the overtime functionality, from entering hours to overtime calculation, to output of gross salary and social security contributions, fits into the overall pay process flow of PeopleSoft Global Payroll for Spain.

Integrating with PeopleSoft Time and Labor

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

- Include time and labor data in the pay runs.

- Transmit cost data back to Time and Labor after a pay run.

- Share employee schedules.

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

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

1. If Time and Labor is used, the calculation of the different kinds of hours is performed outside the payroll process. In this case, the payroll triggers the different payments.

2. If Time and Labor is *not* used, enter the number of hours at the overtime rate.

When an organization uses Time and Labor, the number of hours per category come from positive input. Organizations that use another application to calculate the different categories of hours use the positive inputs to store their results. You can also store them manually as positive inputs. In this case, all hours and entitlements are calculated outside the payroll process. The payroll process calculates only the earnings that are attached to those hours and updates the correct accumulators.

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

Related Links
PeopleSoft Time and Labor

Time Administration Process

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

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

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

Related Links
"Understanding How to Compensate Employees in Global Payroll for Time Reported Through Time and Labor" (PeopleSoft Global Payroll)

Viewing Delivered Overtime Earnings

PeopleSoft Global Payroll for Spain delivers these overtime earnings:

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

Note: The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Spain. Instructions for running the query are provided in the PeopleSoft Global Payroll product documentation.

Related Links
"Understanding How to View Delivered Elements" (PeopleSoft Global Payroll)

Chapter 8
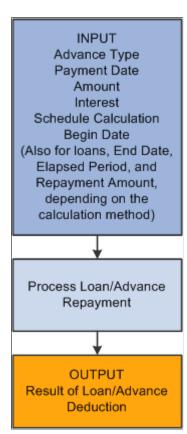
Working with Loans and Advances

Understanding Loans and Advances

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

Loan and Advance Repayments in the Pay Process Flow

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

Setting Up Loan and Advance Repayments

This topic discusses how to enter loans and advance repayments and view the payment schedules.

Pages Used to Set Up Loans and Advances

Page Name	Definition Name	Usage
Advance/Loan Page	GPES_ADV_LOAN	Record the details of a loan or advance payment made to an employee.
Payment Schedule Page	GPES_ADVLOAN_SCHED	View the status of an employee's loan or advance, as well as the repayments that he or she have made. The page displays the original amount of the loan and advance, the remaining amount to be repaid, and the loan amortization schedule.

Understanding Loan and Advance Repayments

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

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

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

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

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

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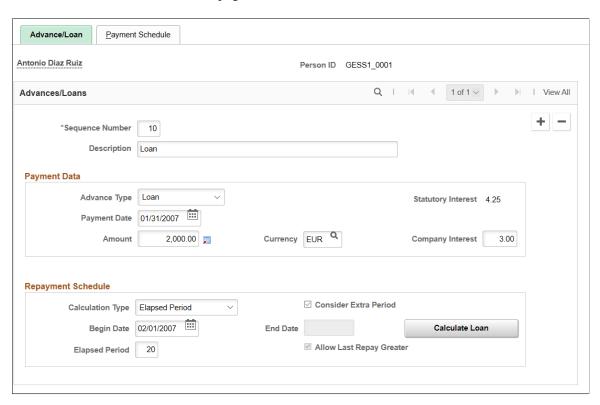
Advance/Loan Page

Use the Advance/Loan page (GPES_ADV_LOAN) to record the details of a loan or advance payment made to an employee.

Navigation:

Global Payroll & Absence Mgmt > **Payee Data** > **Loans** > **Request Advances/Loans ESP** > **Advance/Loan**

This example illustrates the fields and controls on the Advance/Loan page. You can find definitions for the fields and controls later on this page.

Advances/Loans

Field or Control	Description
Sequence number	Enter a sequence number for the advance/loan. (This number helps prevent duplicate key conditions; it does not control the processing sequence.)

Payment Data

Field or Control	Description
Advance Type	Select the advance type that the employee is going to receive: *Advance* or *Loan.*
Statutory Interest	This field appears for loans only. The system displays the statutory interest rate that you defined on the Statutory Rates page.
Payment Date	Enter the date when the loan or advance is to be paid to the employee. The system generates an earning amount for the corresponding payroll period. **Note:** If this field is left blank, the assumption is that the payment will be made in cash. The system does not generate the earning and pay it through payroll processing.
Amount	Enter the amount of the loan or advance.
Company Interest	This field appears for loans only. Enter the interest rate that applies to the loan from the employer.

Repayment Schedule

Field or Control	Description
Calculation Type	Select a calculation type to determine the payment schedule. Values are: *Elapsed Period:* Select if you want the system to calculate the end date and repayment amount for you, according to the number of periods that you specify in the **Elapsed Period** field. The **End Date** field becomes unavailable for edit. *End Date:* Select if you want to specify the end date of the loan repayments. The **Elapsed Period** field becomes unavailable for edit. *Flat Amount:* Select if you want to specify the flat amount that the employee is to repay each pay period. The system automatically calculates the number of repayment periods. The system displays the **Repayment** field instead of the **Elapsed Period** field. The **End Date** field becomes unavailable for edit. **Note:** If you select the advance type *Advance,* the system automatically sets the calculation type to *Elapsed Period.*
Consider Extra Period	Select if you want the calculation to include extra period payments.
Begin Date	Enter the date when the employee begins making the loan or advance repayments. For extra period advances, the begin date must fall within the extra period in which the repayment will be made.

Field or Control	Description
End Date	Enter the date when the loan or advance repayments are due to end. (You can enter a value in this field only when you select **End Date** as the calculation type.) **Note:** The system generates payments between the begin and end dates and calculates the necessary amount to be deducted.

Field or Control	*Description*
Elapsed Period	Enter the number of pay periods over which the employee is to repay the loan. You can enter a value in this field only when you select *Elapsed Period* as the calculation type. The system automatically calculates the end date for you. For example, if you enter the elapsed period as 13, the system calculates the end date as 13 pay periods after the begin date that you entered and the amount to repay. **Note:** If you select the advance type *Advance,* the system automatically sets **Elapsed Period** to *1.* This is because advances must be repaid in full in the next pay period.
Repayment	Enter the monthly loan repayment amount that the employee has requested to pay. This amount includes the principal amount of the loan and the interest payment. You can enter a value in this field only when you select *Flat Amount* as the calculation type.
Allow Last Repay Greater	Select to include any loan remainder less than the monthly repayment amount as part of the last scheduled payment. For example, if you assign a loan amount of 3500 EUR to a payee, with a **Repayment** value of 1000 EUR, the system would schedule three payments of 1000 EUR and one final payment of 500 EUR to repay the loan if the **Allow Last Repay Greater** check box were deselected. With the check box selected, the system would schedule two payments of 1000 EUR and one final payment of 1500 EUR. This field is available only if you select *Flat Amount* as the calculation type.
Calculate Loan	This button appears for loans only. Click this button to automatically calculate the loan. The system checks the employee's labor agreement and takes into account the number of extra pay periods to which the employee is entitled.

Payment Schedule Page
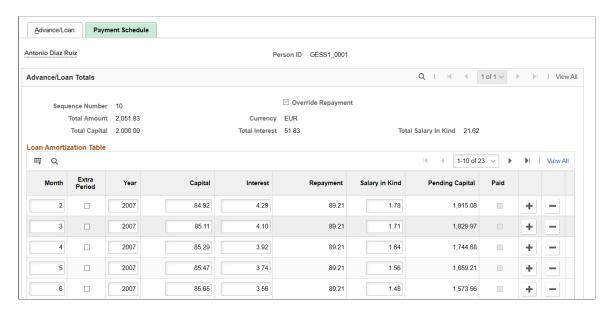
Use the Payment Schedule page (GPES_ADVLOAN_SCHED) to view the status of an employee's loan or advance, as well as the repayments that he or she have made.

The page displays the original amount of the loan and advance, the remaining amount to be repaid, and the loan amortization schedule.

Navigation:

Global Payroll & Absence Mgmt > **Payee Data** > **Loans** > **Request Advances/Loans ESP** > **Payment Schedule**

This example illustrates the fields and controls on the Payment Schedule page. You can find definitions for the fields and controls later on this page.

Advance/Loan Totals

Field or Control	Description
Sequence Number	Displays the sequence number that you entered on the Advance/Loan page.
Override Repayment	Select to make the fields in the **Loan Amortization Table** group box editable. This check box is available only for loans, not advances. <hr> **Note:** If you modify or delete existing repayment rows or add new repayment rows, you must manually calculate the corresponding values in the Interest and Salary In Kind columns that correspond to the amounts in the Capital columns. You must ensure that the sum of the amounts of the fields in the Capital column is equal to the value displayed in the Total Capital field. If it is not, you receive an error when you try to save the component. In addition, be aware that a change to an existing repayment row generates a retro trigger for the corresponding month.

Field or Control	Description
Total Amount	Displays the total amount of the loan or advance, including interest, that was made to the employee. If an employee has several loans, the system displays the details of each loan and the total loan amount, and automatically calculates the remaining loan amount to be repaid.
Total Capital	Displays the sum of the values of the fields in the **Capital** column of the **Loan Amortization Table** group grid.
Total Interest	Displays the sum of the values of the fields in the **Interest** column of the **Loan Amortization Table** group grid.
Total Salary in Kind	Displays the sum of the values of the fields in the **Salary in Kind** column of the **Loan Amortization Table** group grid.

Loan Amortization Table

Field or Control	Description
Month	Displays the month in which repayments must be made and wether they have been paid. If you selected 04/01/2004 as the begin date on the Advance/Loan page, for example, the system displays *4* as the first repayment. In other words, the first repayment is due in April, the fourth month of the year.
Extra Period	The system selects this check box automatically if a repayment is to be made in an extra pay period.
Year	The system automatically enters the year in which the repayment was paid.
Capital	Displays the capital amount of the loan repayment that the employee has to pay. This amount does not include the interest payment for the loan.
Interest	The system automatically calculates the interest payment that applies to the loan.
Repayment	The system automatically calculates the total loan or advance repayment for that month. This amount comprises the capital and the interest payments.

Field or Control	Description
Salary in Kind	The system automatically calculates the difference between the cost of the loan at the statutory interest rate, and the interest rate that you defined on the Advance/Loan page. This information is used for tax purposes.
Paid	The system selects this check box automatically when a loan or advance amount has been repaid.

Viewing Delivered Loan and Advance Elements

This topic discusses:

- Delivered loan and advance earnings.

- Delivered loan and advance deductions.

Delivered Loan and Advance Earnings

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

Earnings	Description
DEV ADELANTO	Salary advance. Contains the amount to be paid to the employee as advance payment, which the employee must pay back through later payrolls. Custom field 5 contains the label DEV ADLNTO. Only processed for the last segment in the period. No retro calculation.
DEV PRESTAMO	Loan. Used for loan payments. Custom field 5 contains the label DEV PRSTMO. Only processed for the last segment in the period. No retro calculation.
PRSTMO EX	In kind loan taxable excess. Shows the excess interest amount that results when the interest rate is lower than the statutory rate. Calculated by subtracting the loan interest amount from the statutory interest amount on a month-by-month basis.

Delivered Loan and Advance Deductions

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

Deduction	*Description*
DD ADELANTO	Advance deduction. Used for repayment of advances. Custom field 5 contains the label DD ADELANTO. Only processed for the last segment in the period. No retro calculation.
DD PRST CAP	Loan capital deduction. Used for repayment of the capital portion of a loan. Custom field 5 contains the label DD PRST CAP. Only processed for the last segment in the period. No retro calculation.
DD PRST INT	Loan interest deduction. Used for repayment of the interest portion of a loan. This deduction takes its value from the variable AYP VR IMPTOT INT previously calculated in AYP FM IMPORTE called from DDPRST CAP. Only processed for the last segment in the period. No retro calculation.
LIQ ADLNTO	Deduction for terminated employees. Settles the outstanding advance amount.
LIQ PRSTMO	Deduction for terminated employees. Settles the outstanding loan amount.
PRSTMO EXX	In kind loan taxable excess. Shows the excess interest amount that results when the interest rate is lower than the statutory rate. This deduction is linked to PRSTMO EX and offsets it.

Note: The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Spain. Instructions for running the query are provided in the PeopleSoft Global Payroll product documentation.

Related Links
"Understanding How to View Delivered Elements" (PeopleSoft Global Payroll)

Chapter 9

Setting Up Social Security Contributions
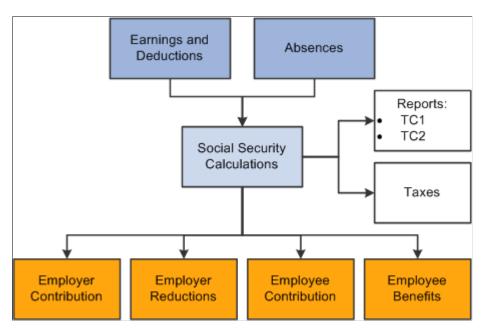
Understanding Social Security Terms and Concepts

This topic discusses:

- Social security in the pay process flow.

- Bases.

- Percentages and rates.

- General and special schemes.

- Work groups.

- Minimum and maximum funding bases.

- Upper and lower ceilings.

Social Security in the Pay Process Flow

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

Bases

PeopleSoft Global Payroll for Spain calculates social security contributions and deductions as a percentage of a *funding base,* except in the case of trainees and apprentices, whose contributions and deductions are based on fixed rates. For employees with multiple jobs, the calculation is based on reduced maximum and minimum bases that you define on the Multiple Employment page.

PeopleSoft Global Payroll for Spain delivers accumulators for these funding bases:

*   Common Contingencies Base: Used to calculate the common contingencies contribution.

*   Professional Contingencies Base: Used to calculate social security contributions for:

    *   Temporary Disability (Incapacidad Temporal (IT)) and Permanent Disability, Death, and Survival Benefits (Invalidez, Muerte, y Supervivencia, (IMS).

    *   Unemployment.

    *   Professional training.

    *   FOGASA (Fondo de Garantia Salarial.

*   Structural Overtime Base: Used to calculate social security contributions for structural overtime.

*   Non Structural Overtime Base: Used to calculate social security contributions for nonstructural overtime.

Note: PeopleSoft Global Payroll for Spain calculates the common contingencies and professional contingencies bases for trainees and apprentices for use in processing social security benefits. These bases are not required for calculating social security contributions.

Percentages and Rates

PeopleSoft Global Payroll for Spain calculates social security contributions and deductions either as *percentages* of a funding base or on the basis of fixed *rates,* depending on the social security contribution ID assigned to the employee. The social contribution ID defines:

*   Social security employee type.

*   Contribution type.

For employees with a social security employee type of *regular,* the contribution type is *percentage.* For this type of employee, PeopleSoft Global Payroll for Spain calculates contributions and deductions as a percentage of the common contingencies (CC) base, the professional contingencies (CP) base, or the structural and nonstructural overtime bases. For employees whose social security employee type is trainee, the contribution type is *rate,* which means that contributions and deductions are based on fixed rates. The exact rates or percentages are set by law and can vary from year to year.

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

General and Special Schemes

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

Grant holders (becarios) are integrated into the general scheme, but have special rules regarding social security calculation:

• They must be associated with the contribution group number 7.

• They must be assigned a contribution ID of *008*.

• They must have an Empl Class (employee class) of *Intern* on the Job Information page.

• The common contingencies base is the minimum base for the general scheme.

• The professional contingencies base is the minimum base for the general scheme.

Becarios do not need to be associated with an official contract type, for purposes of generating the FAN flat file.

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

Work Groups

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

Note: Define the values of the maximum and minimum bases and ceilings for the general scheme on the Scheme page.

Minimum and Maximum Funding Bases

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

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

Upper and Lower Ceilings

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

Note: Define the upper and lower ceilings for professional contingencies on the Scheme page.

Related Links

Base Calculation for Trainees

Viewing and Defining Social Security Ceilings, Rates, and Bases

"(ESP) Setting Up Spanish Workforce Tables" (PeopleSoft Human Resources Administer Workforce)

Understanding Contribution Calculation

This topic discusses:

- Social security calculation.

- Funding base calculation for regular employees.

- Funding base calculation for employees with multiple jobs.

- Base calculation for trainees and apprentices.

- Base calculation for part-time employees.

- Funding base normalization.

- How to retrieve calculation percentages and rates.

- Contribution calculation.

Social Security Calculation

PeopleSoft Global Payroll for Spain calculates social security contributions by multiplying a base by a percent (in the case of regular employees) or by retrieving a fixed rate (in the case of trainees and apprentices).

In PeopleSoft Global Payroll for Spain, the system:

- Calculates the social security funding base.

- Normalizes the funding base by comparing the calculated base with government-defined maximum and minimum values.

- Retrieves the percentage used to calculate the contributions of regular employees (or rates in the case of trainees and apprentices).

- Calculates contributions by multiplying a base by a percent (or by assigning a fixed rate in the case of trainees and apprentices).

Note: PeopleSoft Global Payroll for Spain also calculates contributions of the pending vacation balance for terminated employees. This is discussed later in this product documentation.

Related Links
Understanding Terminations

Funding Base Calculation for Regular Employees

This topic discusses how the system calculates the four funding bases that are required to calculate employees' social security contributions: common contingencies base, professional contingencies base, and bases for structural and nonstructural overtime.

Note: This topic discusses how the system handles regular employees. The calculations are different for trainees, apprentices, and employees with multiple jobs.

See Funding Base Calculation for Employees with Multiple Jobs.

See Base Calculation for Trainees.

Calculating the Common Contingencies Base

The Common Contingencies Base is the sum of various *subbases* that comprise earnings for:

- Nonsick days base plus extra period proration.

- Days when the employee is absent with these types of absence: IT absence, AT absence, maternity or paternity absence, or absence for risk during pregnancy.

  For monthly employees who contribute 30 days total regardless of how many days are in a month, the system calculates absences days as 30 nonsick days.

- Absence in which the employee contributes according to his earnings (cotiza por lo que gana).

- Absence in which the employee contributes according to the minimum base (cotiza por la base minima).

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

Calculating the Professional Contingencies Base

The calculation of the professional contingencies base is almost identical to that of the common contingencies base. Here are the key differences between the calculation for the common contingencies base and the professional contingencies base:

- The common contingencies calculation uses the maximum and minimum bases for the employee's work group (as defined on the Work Group page), whereas the professional contingencies calculation uses the upper and lower ceilings defined on the Social Security Scheme page.

- The structural and nonstructural overtime amount is added to the nonsick base for the professional contingencies base.

- Just as the common contingencies calculation uses a minimum hourly rate to calculate the funding base for part-time employees, the professional contingencies calculation uses its own minimum hourly rate.

Note: You can control how the system calculates the professional contingencies base (CP BRD) using the CLI VR CP BRD CLC (CP BRD Calculation) variable.
When the variable has a value of *1* (the default value), the system calculates the CP BRD as:(Professional Contingencies for the previous month – Overtime for the previous month) / Contribution Days + Overtime average for the last 12 months.
If you assign a value to the variable other than *1*, the system calculates CP BRD as: Daily Common Contingencies Base for the previous month + Overtime average for the last 12 months.

Calculating the Overtime Bases

Unlike the common and professional contingencies bases, the bases for structural and nonstructural overtime do not undergo normalization and do not require any special calculations. They are used only as a basis for determining the employer and employee contribution for overtime.

Related Links

Funding Base Normalization
"(ESP) Setting Up Spanish Workforce Tables" (PeopleSoft Human Resources Administer Workforce)

Funding Base Calculation for Employees with Multiple Jobs

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

To trigger the calculation of the base for multiple jobs:

- Specify the date (the effective date) on which the distribution of bases is to begin on the Multiple Employment page.

- Enter a percentage (supplied by Social Security) representing the proportion of the common contingencies base that applies to each job on the Multiple Employment page. The system applies these percentages to the common contingencies ceilings and bases used in the normalization process.

- Enter a percentage (supplied by Social Security) representing the proportion of the professional contingencies base that applies to each job on the Multiple Employment page. The system applies these percentages to the professional contingencies ceilings and bases used in the normalization process.

Related Links

Defining the Multiple Employment Funding Base

Base Calculation for Trainees

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

Calculating the Common Contingencies Base

To calculate the common contingencies base for trainees and apprentices, PeopleSoft Global Payroll for Spain calculates 75 percent of the base using:

* The lower ceiling for full-time employees whose contribution frequency is monthly or daily.

* The minimum hourly rate for part-time employees.

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

Calculating the Professional Contingencies Base

To calculate the professional contingencies base for trainees and apprentices, PeopleSoft Global Payroll for Spain calculates 75 percent of the base using either the lower ceiling (for full-time employees whose contribution frequency is monthly or daily) or the minimum hourly rate (in the case of part-time employees).

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

Triggering Calculations for Trainees and Apprentices

To trigger the correct calculation for trainees and apprentices, define the contribution rates to apply on the Contribution page and link the employee to the correct scheme and Social Security contribution ID on the Contract Status/Content page.

PeopleSoft Global Payroll for Spain includes two contribution IDs for training contracts: 005 and 009. Use contribution ID 009 for contracts signed or extended after June 18th 2010 so that the system calculates unemployment benefits for employees with these contracts.

PeopleSoft Global Payroll for Spain also includes a third contribution ID for grant holders (Becarios): 010. The grant holder customers are identified with the contract type: 000.

Related Links

Understanding PeopleSoft HR Data in Social Security Calculation
Understanding Social Security Benefits

Base Calculation for Part-Time Employees

The calculation of the Social Security base for part-time employees (regardless of whether they are regular or irregular part-time) differs from full-time employees. The reporting of contributions for these employees is done in hours.

When performing normalization, the system calculates the minimum base by multiplying the statutory minimum hourly rate by the actual number of hours worked. The maximum base for part-time employees is the same as the maximum base for full-time employees.

When calculating the part-time employee's professional contingencies, the system calculates the lower ceiling by multiplying the statutory minimum hourly rate by the number of hours worked. The upper ceiling for part-time employees is the same as the upper ceiling for full-time employees.

The system calculates hours differently for regular and irregular part-time employees. For regular part-time employees, the system multiplies the value of the variable CLI VR RED JORNADA by the number of scheduled working days, which the system extracts from the employees' assigned work schedules. For irregular part-time employees without an overridden value for CLI VR RED JORNADA, the system uses the employee's assigned work schedule to count the exact number of worked hours.

Related Links
Earnings Calculation

Funding Base Normalization

This topic discusses how PeopleSoft Global Payroll for Spain compares an employee's funding bases with the minimum and maximum amounts defined by the government to calculate both professional and common contingencies contributions for regular employees.

Note: This topic does not apply to trainees or apprentices, whose funding base is defined as a fixed rate.

The system calculates an employee's social security contribution in the following way:

1. Calculates all the subbases that contribute to the main funding base accumulator.

2. Sums all the subbases contributing to the social security funding accumulator.

3. To determine the *common contingencies* base, the system compares the sum calculated in step 2 to the maximum and minimum bases (amounts) defined for each work group on the Work Group page.

   To calculate the *professional contingencies* base, the system adds the amount obtained in step 2 to structural and nonstructural overtime and compares the result with the upper and lower ceilings defined on the Scheme page. If the amount is below the minimum base/lower ceiling, it sets the base used for calculating contributions equal to the minimum base/lower ceiling. If this amount is greater than the maximum base/upper ceiling, it sets the base used for calculating social security contributions equal to the maximum base/upper ceiling.

   For part-time employees, the system uses a set of reference bases and ceilings derived from the statutory minimum hourly rate.

Example

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

Assume that an employee has a calculated monthly base of 700 EUR, which is the sum of contributing earnings plus extra period proration amount. Assume also that the employee has no absences in the current month, and has social security contributions that are processed monthly.

If the maximum and minimum bases for our employee are 3166.20 EUR and 1016.40 EUR, respectively, then the amount of 700 EUR falls below the minimum base. So 799.80 EUR is defined as the funding base.

Reference Bases and Ceilings

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

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

Contribution Type	View, Update, or Define Base/Ceiling on:	Comments
Common contingencies (full-time employees)	Work Group Page	None
Common contingencies (part-time employees)	Work Group Page	When processing part-time employees, the system calculates the minimum base by multiplying the statutory minimum hourly rate by the real number of hours worked. The maximum base is the same as the maximum for full time employees.
Professional Contingencies (full-time employees)	Scheme Page	None
Profession Contingencies (part-time employees)	Scheme Page	When processing part-time employees, the system calculates the lower ceiling by multiplying the statutory minimum hourly rate by the number of hours worked. The upper ceiling is the same as for full-time employees.

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

Related Links
"(ESP) Setting Up Spanish Workforce Tables" (PeopleSoft Human Resources Administer Workforce)

Retrieving Calculation Percentages and Rates

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

PeopleSoft Global Payroll for Spain uses arrays to retrieve the correct percentage or rate. The exact rate or percentage used to calculate each contribution is set by law and can vary according to the scheme ID, contribution ID, and effective date.

See Setting Up Statutory Rates.

Percentages for IT and IMS Contributions

The system calculates Incapacidad Temporal (IT) and Invalidez, Muerte y Supervivencia (IMS) contributions as follows:

- IT contribution = professional contingencies base × IT percentage.

- IMS contribution = professional contingencies base × IMS percentage.

The system determines the appropriate IT and IMS percentage in one of three ways:

1. If there is an occupational code assigned to a payee, the system uses the percentages defined for that occupational code.

2. If there is no occupational code assigned to a payee, the system uses the percentages defined for the industrial activity declared for the Social Security Number (SSN) employer to which the payee belongs.

3. In certain cases such as sickness, maternity, or unpaid leave, the system uses the percentages associated with occupational code C: *Sickness and special relationships*.

You define IMS and IT percentages for occupation codes on the Social Security Occupation Cd (social security occupation code) page. You define IMS and IT percentages for industrial activities on the Industry Activity Table page.

See "Industry Activity Table Page" (PeopleSoft Human Resources Administer Workforce), "Social Security Occupation Cd Page" (PeopleSoft Human Resources Administer Workforce).

Contribution Calculation

The final step in the social security process is to determine the actual amount of the contributions either by multiplying the correct percentage by the appropriate funding base accumulator (in the case of regular employees) or by assigning a fixed amount (in the case of trainees and apprentices). The contribution includes these employee and employer contributions:

Entity	Contribution Details
Employee	Common contingencies, professional training, unemployment, structural overtime, nonstructural overtime.

Entity	*Contribution Details*
Employer	Common contingencies, professional training, unemployment, Fondo de Garantia Salarial (FOGASA), structural overtime, nonstructural overtime, Incapacidad Temporal (IT) and Invalidez, Muerte y Supervivencia (IMS).

Understanding PeopleSoft HR Data in Social Security Calculation

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

Page	*Navigation*	*Fields*	*Use*
Work Location	**Workforce Administration** > **Job Information** > **Job Data** > **Work Location**	SSN Employer	Associate the employee's with the employer's Social Security Number.
Job Information	**Workforce Administration** > **Job Information** > **Job Data** > **Job Information**	Contract Number	Each employee must be associated with a contract number. After the hiring process, you must go to the Contract Data page and enter the contract information there. On the Contract Data page, the contract number is associated with information used in the social security process, such as Contract begin date, regimen ID (scheme ID), and social security contribution ID.

Page	Navigation	Fields	Use
		Full/Part	Identifies whether the employee works full or part time. Depending on the value that you enter in this field, PeopleSoft Global Payroll for Spain uses the social security calculation method for either full- or part-time employees. **Note:** For regular part-time employees, you must define more information on the Supporting Element Overrides page in core Global Payroll. You must set the supporting element override for the number of hours worked per day into the CLI VR RED JORNADA variable.
		FTE (full time equivalent)	You can use this field to identify the employee's full time equivalent. You can then apply the FTE value to compensation rate codes to determine reduced proportionality. The system also uses the value of this field during reduction calculation to identify the work-time reduction that is affecting the employee and to determine how to reduce the reduction amount. **Note:** You can set up an employee to behave as part time. You can do this by overriding the variable SS VR TRATA PRCIAL with a value of *Y,* or by including the specific contract in the bracket SS BR TRATA PRCIAL.
		Industrial activity code	Defines the percentage that the system uses to calculate contributions for work-related accidents and occupational diseases. The system retrieves the industrial activity code from the SSN employer assigned to a payee.

Page	Navigation	Fields	Use
		Occupation code	If a payee's work activity doesn't match the general activity defined for the SSN employer to which he is assigned, you must assign a specific occupational code to the payee from the list provided by Social Security. This occupational code determines the percentage that the system uses to calculate contributions for work-related accidents and occupational disease.
		Regular/Temporary	For payees with contract durations less than 7 days, if this field has a value of *Temporary,* the system calculates a special contribution because these type of contracts are penalized by Social Security. **Note:** The contract type assigned to a payee has to be unmarked to keep the system from calculating the extra contribution.
		Empl Class (employee class)	For grant holders *(becarios),* you must select a value of *Intern* for this field. Grand Holders (becarios) you need to setup this field accordingly (=Intern)
Job Labor	**Workforce Administration** > **Job Information** > **Job Data** > **Job Labor**	Labor Agreement	Associate employees with a labor agreement.
		Employee Category	Each employee must be associated with a labor agreement and a category. These categories contain normal salary information and other information needed to process social security.

Page	Navigation	Fields	Use
Labor Agreement Categories	**Set Up HCM** > **Product Related** > **Workforce Administration** > **Labor Administration** > **Labor Agreement** >**Employee Labor Agreement**	Scheme ID	Associate each employee with a scheme ID. Although you define the social security calculation rule of each social security scheme on the ESP Social Security Scheme Table component, employees must be associated with a social security scheme by means of the Scheme ID field.
		Social Security Work Group	The social security work group code identifies the minimum and a maximum funding base, the minimum hourly rate as defined by the government, and whether the employee is daily or monthly.
			Note: You can manage daily employees as though they are monthly employees even if they are assigned to a daily work group. To do so, you must use the Supporting Element Overrides page in core Global Payroll to specify the variable SS VR TRATA MNSUAL with a value of *No*.
Contract Type Table	**Workforce Administration** > **Job Information** > **Contract Administration** > **Define Contract Types**	Reduction ID	Enter one of the reduction IDs that you defined on the Reduction and Reduction Data pages in PeopleSoft Global Payroll for Spain. In this way, the reduction ID is associated with a contract type.
Contract Status/Content	**Workforce Administration** > **Job Information** > **Contract Administration** > **Update Contracts**	Contract Begin Date	Define a contract begin date for each employee.

Page	Navigation	Fields	Use
		Contract End Date	If applicable, enter the contract end date for temporary contracts. If the duration of the contract is less than seven days, the payee has a value of Temporary in the Regular/Temporary field, and the contract is not designated as not affected by special contributions, the system performs a special contribution calculation for the employee because this kind of contract has a surcharge.
			Note: You can also specify that a contract belongs to the category of less than seven days by overriding the value of the variable SS VR CONTR 7D FLG through the Supporting Element Overrides page in core Global Payroll.
		Scheme ID	Associate each employee with a scheme ID. Although you define the social security calculation rule of each social security scheme on the ESP Social Security Scheme Table component, employees must be associated with a social security scheme by means of the Scheme ID field.
		Social Security Contribution	In PeopleSoft Global Payroll for Spain, different social security rates and percentages (sets) may exist within a social security scheme. Each of these sets is identified by a contribution ID. Although you define the different social security contribution IDs and their corresponding rates or percentages using the Contribution page in PeopleSoft Global Payroll for Spain, you must link each employee to a Social Security Contribution ID on the Contract Status/Content page.

Page	Navigation	Fields	Use
		Reduction ID	Use the Reduction ID field to assign reductions to individual employees. An employee also inherits reductions that are included in the contract type assigned to the employee.
Contract Type/Clauses	**Workforce Administration** > **Job Information** > **Contract Administration** > **Update Contracts** > **Contract Type/ Clauses**	Contract Type	Define a contract type for each employee.

Note: You can also override the variable CLI VR ALTA DIRECC using the Supporting Element Override page in core Global Payroll to identify the employee as belonging to the high executive collective. You can also override this variable from certain formulas using any other logic or field that you create during implementation. You need to identify these employees in the FAN file.

Related Links

Understanding Contribution Calculation

"Human Resources Administer Workforce Overview" (PeopleSoft Human Resources Administer Workforce)

"Understanding Job Data" (PeopleSoft Human Resources Administer Workforce)

"Understanding Additional Worker Data" (PeopleSoft Human Resources Administer Workforce)

Understanding Self-Insurance Collaboration Management

PeopleSoft Global Payroll for Spain provides functionality for managing data and reporting for self-insurance companies. Self-insurance companies are companies that are self-insured and voluntarily collaborate with Social Security in the management of benefits provided under the general scheme for temporary illness according to the terms of the collaboration. As defined by the General Law on Social Security (LGSS) Article 77, two types of self-insurance collaboration are available with Social Security:

- Collaboration for work-related injury or occupational disease (AT/EP).

- Collaboration for nonwork-related injury or common disease (non-AT/EP).

Self-insurance companies can collaborate in the management of social security benefits through one or both of these collaborations by assuming payment of the benefit directly to the affected employee on behalf of Social Security. Companies must pay these benefits with the same frequency that they pay salaries. In return, the self-insurance company gets deductions for its required social security contributions.

Collaboration for Work-Related Injury or Occupational Disease (AT/EP)

When a self-insurance company collaborates with Social Security for work-related injury or occupational disease (AT/EP):

- The collaboration affects all employees of the employer social security number (Employer SSN) that you define as having a self-insurance collaboration on the Self-Insurance Data page.

- The company gives healthcare coverage and pays for economic benefits for temporary disability derived from work-related injury or occupational disease (AT/EP).

- The company is not refunded by Social Security for sick pay expenses (SUBSIDIO AT earning).

- When calculating professional contingencies contributions for self-insurance companies, the system specifically considers the following contributions:

  - Work-Related Injuries or occupational disease (AT/EP).

  - Unemployment.

  - Professional training.

  - FOGASA (Fondo de Garantia Salarial).

  - Permanent disability, death, and survival benefits (IMS).

- The system computes an additional contribution quota, called Shared Services Contribution (Aportación a Servicios Comunes), which the self-insurance company must report.

  The system obtains this quota amount through the following formula expression:

  Shared Services Contribution = IMS Contribution × IT Self-Insurance Rate Where The IMS Contribution = the AT/EP contribution base × IMS rate IT Self-Insurance Rate = Amount derived from statutory table

---

Note: For this collaboration type, the system does not compute or report contributions for temporary disability (IT) rates when computing the professional contingencies contributions. However, PeopleSoft Global Payroll for Spain calculates and stores contributions for IT in the accumulator SS AC ER AUTO IT S for each employee. You can use this value for company reporting, such as reporting to general ledger to track how much money the company saves by being self-insured.

Collaboration for Common Disease or NonWork-Related Injury (non-AT/EP))

When a self-insurance company collaborates with Social Security for nonwork-related injury or common disease (non-AT/EP):

- The collaboration affects all employees of the employer social security number (Employer SSN) that you define as having a self-insurance collaboration on the Self-Insurance Data page.

- The company pays for economic benefits and can give healthcare for temporary disability derived from nonwork-related injury or common disease (non-AT/EP).

- The company is not refunded by Social Security for sick pay expenses (PAGO DELEGADO earning).

- The system calculates a reduction to be applied to the total common contingencies contribution to pay.

The system obtains this amount through the following formula expression:

Regular Situations Joint-Management Deduction = Base x IT Self-Insurance Rate Where Base = Field 111 (Non-AT/EP Contributions) + Field 115 (Employer Only Non-AT/EP Contributions) – Field 209 (Contribution Exempt Situations Deduction) IT Self-Insurance Rate = Amount derived from statutory table

This collaboration type affects the Total Employer Social Security Contributions calculation by reducing the final net to pay to Social Security through the Regular Situations Joint-Management deduction. This collaboration type also affects the RED system FAN File and the TC1 Report.

Related Links

Defining Self-Insurance Data
Managing TC Reporting
Viewing Delivered Benefit Calculation Elements
Terminating Employees in Self-Insurance Companies

Viewing and Defining Social Security Ceilings, Rates, and Bases

This topic discusses how to view and define social security ceilings, rates and bases.

To view social security contribution elements, use the Contribution Elements ESP component (GPES_SS_CONTRB). To define social security reduction and reduction data, use the Reductions ESP component (GPES_SS_BONIF). To view reduction elements, use the Reduction Elements ESP component (GPES_SS_BNF_DEF).

Pages Used to View and Define Social Security Data

Page Name	Definition Name	Usage
Contribution Elements ESP Page	GPES_SS_CNTB_BSE	Obtain information about key elements used in the social security process.
Reduction Page	GPES_SS_BNF	View and define the employer's social security reductions.
Reduction Data Page	GPES_SS_BNF_DTA	View and define the employer's social security reduction data.
Reduction Elements Page	GPES_SS_BNF_DEF	Obtain information about key accumulators used in the social security reduction process.

Page Name	Definition Name	Usage
"Absence Takes - Supporting Element Override Page" (PeopleSoft Absence Management)	GP_ELM_DFN_SOVR	Override the value of a bracket, date, duration, formula, or variable element that is used in the definition of the take element.
"Absence Takes - User Defined Result Fields Page" (PeopleSoft Absence Management)	GP_ABS_TAKE8	Select the user-defined fields that can be overwritten by a system element during processing.

Understanding Ceilings, Rates, and Other Calculation Values

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

1. View and define social security ceilings.

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

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

   Most common contingency bases are calculated in relation to a maximum and minimum funding base or are derived from a minimum hourly rate (in the case of part-time employees). To view or update the maximum base, the minimum base, or the hourly rate for the general scheme, use the Work Group page in HR. If you are defining values for a different scheme, enter the component in add mode and supply the required data.

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

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

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

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

5. View and maintain information related to contribution reductions.

   In some cases, employers may be granted a reduction in the amount of their social security contributions if they hire older employees or employees with qualifying disabilities. Reductions are assigned to employees in three ways:

   • Assigning a reduction to the payee's SSN via the Establishment page.

   • Assigning a reduction to a contract type via the Define Contract Types page.

- Assigning a reduction directly to the employee's contract data via the Contract Data ESP page.

  To set up and maintain the correct reduction percentage, as well as the duration of the reduction, use the Reduction and Reduction Data pages.

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

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

Related Links
"(ESP) Setting Up Spanish Workforce Tables" (PeopleSoft Human Resources Administer Workforce)
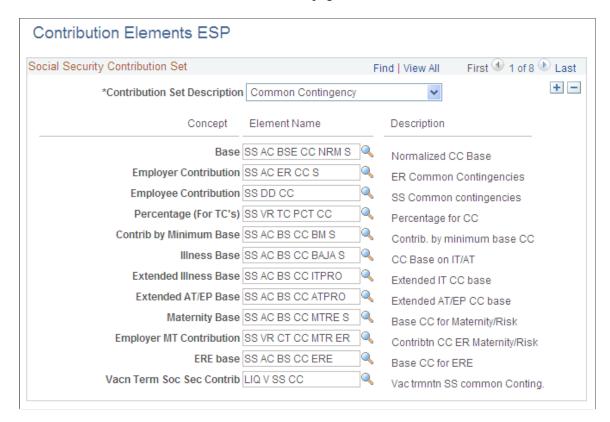
Contribution Elements ESP Page

Use the Contribution Elements ESP page (GPES_SS_CNTB_BSE) to obtain information about key elements used in the social security process.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Social Security / Insurance** > **Contribution Elements ESP**

This example illustrates the fields and controls on the Contribution Elements ESP page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Base	Displays the accumulator that stores the funding base used in the social security calculation.
Employer Contribution	The accumulator that stores the employer's contribution to social security.
Employee Contribution	The accumulator that stores the employee's contribution to social security.
Percentage (For TC's)	The variable that stores the total contribution percentages (employee plus employer percent) that must be recorded in the TC reports.
Contrib by Minimum Base (contribution by minimum base)	The accumulator that stores the contribution base corresponding to the period that contributes by minimum base.
Illness Base	The accumulator that stores the contribution base corresponding to sick days.
Extended Illness Base	The accumulator that stores the contribution base corresponding to the period affected by extended illness absence.
Extended AT/EP Base	The accumulator that stores the contribution base corresponding to the period affected by extended AT/EP absence.
Maternity Base	The accumulator that stores the employee's maternity base.
Employer MT Contribution (employer maternity contribution)	The variable that stores the employer's contribution for maternity or pregnancy risk benefits.
ERE Base	The accumulator that stores the contribution base corresponding to the period affected by ERE.
Vac. Trmntn. Soc. Sec. Contrib (vacation termination social security contribution)	The deduction that stores the contributions related to paid vacations for terminated employees.

Related Links
Understanding Contribution Calculation
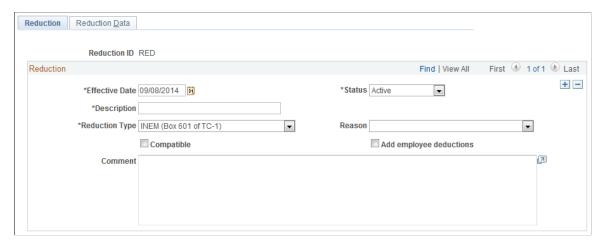
Reduction Page

Use the Reduction page (GPES_SS_BNF) to view and define the employer's social security reductions.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Social Security / Insurance** > **Define Reductions ESP** > **Reduction**

This example illustrates the fields and controls on the Reduction page. You can find definitions for the fields and controls later on this page.

Field or Control	*Description*
Reduction ID	The reduction ID identifies the specific reduction rule that applies to an employee. When accessing this page, select an ID and view (or modify) the existing data, or enter a new ID and define the reduction associated with that ID.
Compatible	Select to designate the reduction as compatible with any other reductions assigned to a payee (concurrent reductions). The system calculates and applies all compatible reductions for a payee. If you deselect the check box, the system considers the reduction incompatible. The system calculates all incompatible reductions assigned to a payee, but applies only the one that is most beneficial to the employer. If a payee has both compatible and incompatible reductions, the system applies all compatible reductions, but applies only the incompatible reduction that is most beneficial to the employer.

Field or Control	Description
Reduction Type	The reduction type identifies the categorization for a specific social security reduction to be applied to an employee. Possible values are: • *America's Cup Challenge:* Select if the social security reduction is due to the America's Cup Challenge. **Note:** You can also override the variable TAX VR COPAMER (America Cup Eligibility) to indicate that an employee is eligible for this tax reduction. • *Distance Training (CD11):* Select if the social security reduction is due to a distance training contract. • *INEM (Box 601 of TC-1) Catastrophe:* Select if social security reductions due to an official declaration of a catastrophe are met by INEM. • *INEM (Box 601 of TC-1):* Select if social security discounts are met by INEM. • *INEM 60 Years Old:* Select if social security reductions are met by INEM due to the partially retired employee being at least 60 years old with at least five years seniority. • *INEM 65 years Old:* Select if social security reductions are met by INEM due to the partially retired employee being at least 65 years old with at least 35 contributing years. • *Presence Training (CD10):* Select if the social security reduction is due to a presence training contract. • *RDL 5/2006:* Select if the reduction appears as part of law RD 5/2006.

Field or Control	Description
	Note: You can assign more than one reduction with this reduction type (code CD22) to a given employee. If you do, you are legally required to print the two reductions on two different lines in the FAN file. The system processes CD22 reductions with an effective date greater than or equal to the reference date (setup variable GEN VR REF CD22) according to this requirement and prints them separately in the FAN file.
	When you apply this type of reduction to employees with part-time contracts the system needs to calculate them by applying a percentage to the reduction amount equal to the work schedule increased by 30% up to a maximum of 100%.
	For women returning to work after maternity leave who are eligible for a reduction with special collective, 0016 (field 1269 of the DAT segment in the FAN) and request a work schedule reduction due to child care (GUARDA LEGAL), Social Security requires that the system take into account the original work schedule during the calculation of the amount corresponding to the reduction type with code CD22. To set this up, enter a supporting element override for the specified period for the formula SS FM FCT FTE to define the previous FTE.
	• *Research Staff:* Select if the reduction applies to research staff *(personal investigador).*
	• *SS (Box 209 of TC-1):* Select if social security reductions are met by the Social Security agency.
	• *SS Flat Amount:* Select if the reduction is a flat amount to be reported under the CD06 identifier.
	• *Temporary ERE:* Select if the reduction is related to a situation of temporary ERE.
	Note: The reduction types *INEM (Box 601 of TC-1) Catastrophe*, *INEM 60 Years Old* and *Research Staff* are currently inactive.
Reason	Enter the reason for the reduction. This field is available only if you select reduction type *INEM (Box 601 of TC-1).*
	Employers are entitled to a reduction if they hire unemployed people with unlimited contracts before December 31st, 2009. In this situation, in addition to entering a value in the **Reason** field, you need to enter the remaining unemployment benefit by overriding the variable SS VR UNEMP BNFT for the hiring month.
Group	Specify the collective to which the reduction applies. The system displays this field only if you select reduction type *RD 5/2006* or *SS (box 209 of TC-1)* or *SS Flat Amount.*

Field or Control	Description
Add employee deductions	Select this check box to identify a reduction that applies to both and employer and employee contributions. This only applies to reductions defined as percentage.

Related Links

Understanding Contribution Calculation
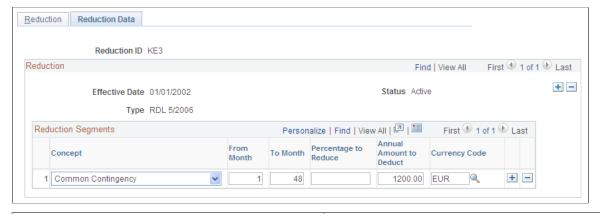
Reduction Data Page

Use the Reduction Data page (GPES_SS_BNF_DTA) to view and define the employer's social security reduction data.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Social Security / Insurance** > **Reductions ESP** > **Reduction Data**

This example illustrates the fields and controls on the Reduction Data page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Concept	Identify the type of contribution (common contingency, FOGASA, temporary disability, and so on) to which the reduction defined in the **Reduction Percentage , From Month,** and **To Month** fields applies (see the following description).

Field or Control	Description
From Month and **To Month**	Define a reduction with a limited duration. Use the **From Month** field to identify the first month of the reduction; use the **To Month** field to identify the last month of the reduction. The actual calendar month on which the reduction begins or ends is based on the contract begin date identified on the Contract Data page in PeopleSoft HR. For example, in the preceding example, the value of the **From Month** field is *1* and the value of the **To Month** field is *999.* This means that beginning with the month of the initial contract (for example, 1/1/1990), the reduction applies for 999 months. If the start date had been *4* and the **To Month** date had been *6,* the reduction would not begin until April (three months after the contract begin date) and would end after the month of June (five months after the month that the contract started). If you enter *1* in the **From Month** field and *999* in the **To Month** field, the system assumes that the duration of the contract is unlimited. **Note:** Do not use *0* as the **From Month** value. Instead use *1*.
Percentage to Reduce	View, modify, or define the percentage amount of the reduction that applies to the contribution type identified in the **Concept** field.
Annual Amount to Deduct	View, modify, or define the exact flat amount of the reduction that applies to the contribution type identified in the **Concept** field. For monthly employees, the system divides this annual rate by 360 and multiplies the resulting value by the contributed days on the payroll. For daily employees, the system divides the annual rate by the annual calendar days and then multiplies the resulting value by the contributed days on the payroll. For part-time employees, the system reduces the reduction amount based on the FTE value assigned to the employee. The FTE field value represents the reduction of the work schedule.

Reduction Elements Page

Use the Reduction Elements page (GPES_SS_BNF_DEF) to obtain information about key accumulators used in the social security reduction process.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Social Security / Insurance** > **Reduction Elements ESP**

This example illustrates the fields and controls on the Reduction Elements ESP page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Employer Contribution	The accumulator that stores the amount of the employer's contribution to social security for each contribution type, common contingency, permanent disability D & S, professional training, and FOGASA. To calculate the employer reductions, PeopleSoft Global Payroll for Spain applies the reduction percentages defined on the Reduction Data page to the amount in this accumulator.
Social Security Reduction	The accumulator that stores the employer reductions that are managed by social security for each contribution type (common contingency, permanent disability D & S, professional training, and FOGASA).
INEM Reduction	The accumulator that stores the employer reductions managed by INEM for each contribution type (common contingency, permanent disability D & S, professional training, and FOGASA).
Establishment Reduction	The accumulator that stores the employer reductions managed by INEM in case a catastrophe occurs to a company establishment.
60 Years Old Reduction	The accumulator that stores the employer reductions for employees older than 60.

Field or Control	Description
65 Years Old Reduction	The accumulator that stores the employer reductions for employees older than 65.
Research Stuff Reduction	The accumulator that stores the employer reductions for employees that are categorized as research staff *(personal investigador)*.
Temporary ERE Reduction	The accumulator that stores the employer reductions for employees affected by temporary ERE.

Extending Social Security Reductions

According to the INEM, "The suspension of the application of reductions implies the suspension of the calculation of the period of the reductions." This refers to periods of absence, such as maternity leave, in which the employee stops contributing to Social Security and the system likewise does not calculate reductions. In these cases, the period of absence should be excluded from the reduction period and therefore the end date of the reduction should be extended. PeopleSoft Global Payroll for Spain enables you to set up reduction extensions at the absence take level. To accomplish this you must:

1. Override the variable SS VR EXT F RED with a value of *S* at the absence take level so that the system extends the reduction duration when an absence event is defined:

   a. Access the Absence Takes - Supporting Element Overrides page **(Set Up HCM** > **Product Related** > **Global Payroll & Absence Mgmt** > **Elements** > **Absence Elements** > **Absence Takes** > **Supporting Element Overrides).**

   b. On the Elements/Dates tab, enter an element type of *Variable* and an element name of *SS VR EXT F RED*.

   c. Select the begin date as the effective date of this extension setup. Starting from this date, the absence take being updated will extend the reduction calculation. Be aware that if you select a date in the past, it might affect future retroactivity calculations because the system might produce results that are different than those previously calculated.

   d. On the Values tab, enter a character value of *S*.

2. Confirm that you are storing the value of the User Defined Character 1 result field:

   a. Access the Absence Takes - User Defined Result Fields page **(Set Up HCM** > **Product Related** > **Global Payroll & Absence Mgmt** > **Elements** > **Absence Elements** > **Absence Takes** > **User Defined Result Fields).**

   b. If the configuration type *User Defined Character 1* is not already listed in the **User Defined Result Fields** group box, add it.

Related Links

"Defining Absence Take Elements" (PeopleSoft Global Payroll)

Defining the Multiple Employment Funding Base

This topic provides an overview of multiple employment funding base and discusses how to enter multiple employment data.

Page Used to Define the Multiple Employment Funding Base

Page Name	Definition Name	Usage
Multiple Employment Data Page	GPES_MULT_EMP	Calculate the funding base of social security contributions for employees with multiple jobs.

Understanding the Multiple Employment Funding Base

In PeopleSoft Global Payroll for Spain, you can calculate the social security contribution funding base for employees with multiple jobs. You define multiple employment funding bases using the Multiple Employment Data page.

Example: Applying Distribution Percentages to the Standard Bases and Ceilings

In this example, assume that an employee has two jobs with these characteristics:

• Hours and Salary for Job 1:

  • Hours Worked: 5 hours per day.

  • Contribution Group: 2.

  • Base Salary: 1.202,02 EUR per month.

  • Additional Salary: 291,49 EUR per month.

  • Overtime: 345,58 EUR in current month.

  • Number of Extra Periods: 0.

• Hours and Salary for Job 2:

  • Hours Worked: 3 hours per day.

  • Contribution Group: 3.

  • Base Salary: 294,50 EUR per month.

  • Additional Salary: 24,04 EUR per month.

  • Number of Extra Periods: 0 (including base salary).

Assume that the social security calculation generates these maximum and minimum common contingency bases to use in the normalization process for Job 1:

Base	Standard Base Amount
Maximum Base	3166.20 EUR
Minimum Base	843.30 EUR

Assume also that the social security calculation generates these upper and lower professional contingencies ceilings to use in the normalization process:

Ceiling	Standard Ceiling Amount
Upper Professional Contingencies Ceiling	3166.20 EUR
Lower Professional Contingencies Ceiling	728.10 EUR

If the distribution percentage for the common contingency base for Job 1 (provided by Social Security) is 75 percent, the system recalculates maximum and minimum bases for common contingencies in the following way:

Base	Standard Base Amount	Recalculated Base
Maximum Common Contingencies Base	3166.20 EUR	$3166.20 \times 75\% = 2691.27$ EUR
Minimum Common Contingencies Base	843.30 EUR	$843.30 \times 75\% = 632.48$ EUR

And if the distribution percentage for the professional contingency base for Job 1 (provided by Social Security) is 75 percent, the system recalculates the upper and lower ceilings for professional contingencies in the following way:

Ceiling	Standard Ceiling Amount	Recalculated Ceiling
Maximum Professional Contingencies Ceiling	3166.20 EUR	$3166.20 \times 75\% = 2691.27$ EUR
Minimum Professional Contingencies Ceiling	728.10 EUR	$728.10 \times 75\% = 546.08$ EUR

Note: The maximum and minimum base percentages in these tables are defined on the Multiple Employment Data page.
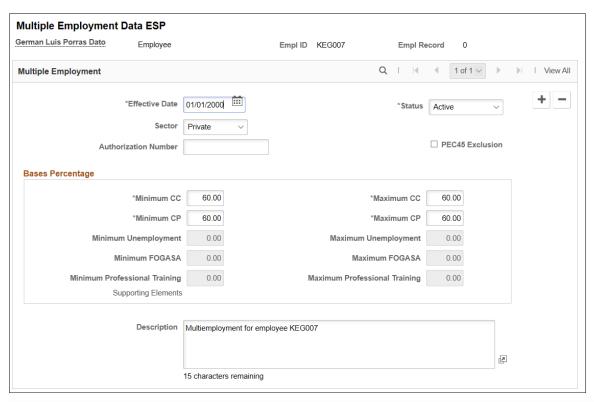
Multiple Employment Data Page

Use the Multiple Employment Data page (GPES_MULT_EMP) to calculate the funding base of social security contributions for employees with multiple jobs.

Navigation:

Global Payroll & Absence Mgmt > **Payee Data** > **Social Security/Insurance** > **Multiple Employment Data ESP** > **Multiple Employment Data**

This example illustrates the fields and controls on the Multiple Employment Data page. You can find definitions for the fields and controls later on this page.
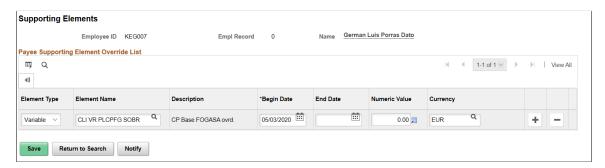
Field or Control	Description
Sector	Select *Public* or *Private.*
Authorization Number	Enter the employee's social security authorization number used for multiple employment. This information will be included in the TC2 report that is sent to Social Security.

Field or Control	Description
PEC45 Exclusion	Select the check box if the employee is working for multiple companies, with excluded contingencies in the other company. Employee with contributing peculiarity 45. Selecting this field will make the following fields and Supporting Elements link editable. • Minimum Unemployment • Maximum Unemployment • Minimum FOGASA • Maximum FOGASA • Minimum Professional Training • Maximum Professional Training By default, the value entered for CP general base will be displayed in these fields.
Minimum CC (minimum common contingencies base percent)	Enter the percentage to be applied to the minimum base used to calculate the funding base for common contingencies.
Maximum CC (minimum common contingencies base percent)	Enter the percentage to be applied to the maximum base used to calculate the funding base for common contingencies.
Minimum CP (minimum professional contingencies base percent)	Enter the percentage to be applied to the lower ceiling used in the calculation of the professional contingencies base.
Maximum CP (minimum professional contingencies base percent)	Enter the percentage to be applied to the upper ceiling used in the calculation of the professional contingencies base.
Minimum Unemployment	Enter the percentage to be applied to the lower ceiling used in the calculation of the Unemployment Social Security base.
Maximum Unemployment	Enter the percentage to be applied to upper ceiling used in the calculation of the Unemployment Social Security base.
Minimum FOGASA	Enter the percentage to be applied to lower ceiling used in the calculation of the FOGASA Social Security base.
Maximum FOGASA	Enter the percentage to be applied to upper ceiling used in the calculation of the FOGASA Social Security base.
Minimum Professional Training	Enter the percentage to be applied to upper ceiling used in the calculation of the Professional Training Social Security base.

Field or Control	Description
Maximum Professional Training	Enter the percentage to be applied to lower ceiling used in the calculation of the Professional Training Social Security base.

Click the Supporting Elements link to inform the daily Social Security bases in those scenarios not covered automatically by the standard processing.

This example illustrates the fields and controls on the Supporting Elements page.

Defining a Social Security Time Limit for FDI Data

To define a time limit for transferring medical note data to the Social Security agency, use the Social Security Data component (SSEC_DATA_ESP).

See "Social Security Data Page" (PeopleSoft Human Resources Administer Workforce).

Related Links
Generating the FDI Medical Report Text File

Defining Self-Insurance Data

To set up and maintain self-insurance data, use the Self-Insurance Data component (GPES_SLF_INS_DATA).

This topic discusses how to define self-insurance data.

Page Used to Define Self-Insurance Data

Page Name	Definition Name	Usage
Self-Insurance Data Page	GPES_SLF_INS_DATA	Set up and maintain self-insurance percentages and details for companies (at the employer social security number level) with voluntary self-insurance collaborations.

Related Links

Understanding Self-Insurance Collaboration Management
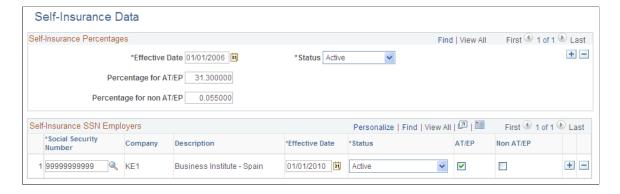
Self-Insurance Data Page

Use the Self-Insurance Data page (GPES_SLF_INS_DATA) to set up and maintain self-insurance percentages and details for companies (at the employer social security number level) with voluntary self-insurance collaborations.

Navigation:

Set Up HCM > **Product Related** > **Workforce Administration** > **Workforce Data ESP** > **Self-Insurance Data ESP**

This example illustrates the fields and controls on the Self-Insurance Data page. You can find definitions for the fields and controls later on this page.

Self-Insurance Percentages

Use this group box to define the reduction rate percentages for each self-insurance collaboration type. The system factors these percentages when calculating social security contributions for companies with self-insurance that collaborate with Social Security to provide the corresponding benefits or specific contributions.

Field or Control	Description
Effective Date	Enter the date that the self-insurance reduction rate percentages become valid.
Status	Select whether the self-insurance reduction rate percentages are *Active* or *Inactive*.

Field or Control	Description
Percentage for AT/EP	Contains the self-insurance percentage for the work-related injury or occupational disease (AT/EP) collaboration type as given annually by the Ministry of Labor and Social Affairs (MTAS). It is used during the shared services contribution calculation. Oracle delivers and maintains this value.

Field or Control	Description
Percentage for non AT/EP	Contains the self-insurance percentage for common disease or nonwork-related injury (non-AT/EP) collaboration type as given annually by MTAS. It is used during calculation of the regular situations joint-management reduction. Oracle delivers and maintains this value.

Self-Insurance SSN Employers

Use this group box to specify, by employer social security number, the companies with self-insurance and the collaboration types associated with these employer social security numbers.

Field or Control	Description
Social Security Number and **Company**	Select the employer social security number for the companies that have self-insurance and are collaborating with Social Security to directly provide AT/EP or non-AT/EP benefits to employees. The system prompts you to select from employer social security numbers for Spanish establishments as defined on the Establishment Address page.
Effective Date	Enter the date that the collaboration type for each selected company becomes valid. This is the authorization date.

Field or Control	Description
Status	Select whether the collaboration type for each selected company is *Active* or *Inactive.*
Check AT/EP	Select to indicate that the selected company has a self-insurance collaboration type for work-related injury or occupational disease.
Check non-AT/EP	Select to indicate that the selected company has a self-insurance collaboration type for common disease or nonwork-related injury.

Viewing Delivered Social Security Deductions

This topic discusses delivered social security deductions.

PeopleSoft Global Payroll for Spain defines employee contributions to social security as deductions with a calculation rule of Base * Percentage for regular employees. For trainees and apprentices, the deductions are defined as a flat amount. The deductions that are used to calculate employee contributions due to vacations not taken are defined as a flat amount.

See Understanding Contribution Calculation.

PeopleSoft Global Payroll for Spain delivers these deductions for social security contributions:

Deduction	Description
LIQ V SS CC	Vacation treatment for social security common contingency. Used for common contingencies contributions. **Note:** This deduction is used to calculate an employee's contributions due to vacations not taken at the time of termination
LIQ V SS DS	Vacation treatment for social security unemployment. Used for the unemployment contribution. **Note:** This deduction is used to calculate an employee's contributions due to vacations not taken at the time of termination

Deduction	Description
LIQ V SS FP	Vacation treatment for social security professional treatment. Used for the professional training contribution. **Note:** This deduction is used to calculate an employee's contributions due to vacations not taken at the time of termination
SS CT FWD	Social Security to be forwarded. Used during retro calculation to forward Social Security data to the current month. This value is used just during calculation of tax percentage.
SS DD CC	Employee deduction for common contingencies.
SS DD DSMPL	Employee deduction for unemployment.
SS DD FRM PR	Employee deduction for professional training.
SS DD HS X E	Employee deduction for structural overtime.
SS DD HS XNE	Employee deduction for nonstructural overtime.

Note: The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Spain. Instructions for running the query are provided in the PeopleSoft Global Payroll product documentation.

Related Links

"Understanding How to View Delivered Elements" (PeopleSoft Global Payroll)
Viewing Delivered Termination Elements

Chapter 10

Managing Social Security Calculation

Understanding Social Security Benefits

This topic discusses Spanish social security benefits and calculation of benefits.

Benefit Types

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

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

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

- Disability Benefits Due to Work Related Injuries (AT & EP) and Extended AT & EP (AT/EP PRORROGADA).

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

- Maternity/Paternity

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

- Risk During Pregnancy or Lactancy:

  These benefits are available to any active employee. Because the legal benefits are paid entirely by Social Security, the payment amounts are not calculated by PeopleSoft Global Payroll for Spain. However, the system does calculate the common contingencies (CC) and professional contingencies (CP) bases for the days that employees are absent for risk during pregnancy or lactancy. These bases are required to calculate complementary benefits that are paid by the employer.

- Minor Care (CUIDADO MENOR).

  This benefit is available to any active employee with the required contributing period that requests a work schedule reduction of at least 50% to take care of a child affected by serious sickness. The legal benefits are paid by Social Security for the currently worked period. The system does not calculate this benefit as an amount to be paid. Instead, it calculates it as a possible complementary benefit that may be paid by the employer. No Social Security contributions are calculated/reported for the non-worked period. You manage this benefit using the absence take CUIDADO MENOR. To be eligible

for this benefit, an employee needs to be identified as a regular part time employee for the affected period. Therefore the variable CLI VR RED JORNADA should be defined.

Legal and Complementary Benefits

Two types of benefits exist:

- Legal benefits known as Subsidio IT and Subsidio AT.

- Complementary benefits paid by the employer known as the Prestación Complementaria IT, Prestación Complementaria AT, Prestación Complementaria MT, Prestación Complementaria RE, and *Pretación Complementaria CM.*

Note: Employer complementary benefits are defined on the Complementary Benefit page. The system automatically calculates the portion of the benefits that is the legal benefits, Subsidio, and the portion that is paid by the employer, Prestación Complementaria.
For maternity/paternity, risk during pregnancy or lactancy, or minor care benefits, the system calculates the elements Subsidio MT, Subsidio RE, and Subsidio CM as part of the complementary benefits calculation.

See Complementary Benefits Page.

Bases(Base Reguladora Diaria)

In PeopleSoft Global Payroll for Spain, daily legal social security benefits are calculated as a percentage of a daily benefits base (Base Reguladora Diaria or BRD). The daily bases are derived from the CC and CP funding bases for social security for previous months and divided by the contributing days in that period. This table identifies the social security funding base from which the daily base for each benefit is derived:

Benefit	*Social Security Base Used for Benefit Calculation*
IT and Extended IT (subsidio IT)	Common contingencies corresponding to the previous month.
AT & EP and Extended AT & EP (subsidio AT)	Professional contingencies base corresponding to the previous month - overtime of that month + overtime average for the last 12 months.
Maternity/Paternity	Common contingencies corresponding to the previous month.
Risk during pregnancy or lactancy	Professional contingencies base corresponding to the previous month - overtime of that month + overtime average for the last 12 months.
Minor care	Professional contingencies base corresponding to the previous month - overtime of that month + overtime average for the last 12 months.

Note: You can override these BRD values.

See Overriding BRDs and Relapse Days for Absence Events.

The system calculates the BRD for part-time employees differently. Instead of using the social security base of the previous month it uses the average of the three or twelve months—depending on the absence—prior to the begin date of the absence.

Normally the system calculates the BRD by dividing the bases of the corresponding period of time by the contributing days in that period. In the case of absences for which the benefit is paid directly by Social Security (maternity, paternity, risk during pregnancy or lactancy, minor care, and extended IT and AT/EP), the requirement is to include calendar days when calculating those benefits for employees with an assigned schedule (irregular part-time employees).

Note: The variable CLI VR MET CLC BRD determines from which contracts and schedule types the system retrieves contribution data when calculating BRD. When CLI VR MET CLC BRD has its default value of 1, the system retrieves contribution data across all contracts and schedule types. If you change the value of CLI VR MET CLC BRD to any value other than 1, the system retrieves contribution data for only a payee's most recent contract or most recent schedule type change. If both a contract and schedule type change occur for a payee, the system uses the most recent of the changes when calculating the BRD. The variable CLI VR OPC CLC BRD determines if the system counts periods affected by certain absences when calculating BRD. For the default value, *A,* the system includes days and bases of unpaid personal leave in the BRD calculation. For any other values, the system does not include days and bases of unpaid personal leave in the BRD calculation.

With complementary benefits, employers can select from the following bases:

• Social security common contingencies base.

• Employees' gross daily salary.

• Any other user-defined daily accumulator.

You specify the base for complementary benefits on the Complementary Benefit page.

Percentages

The percentages used to calculate benefits are set both by the government (in the case of legally mandated benefits) and by employers (in the case of complementary benefits). The percentages used to calculate the IT benefit (Subsidio IT) vary depending on the number of days that the employee is on leave, while the amount of the AT and EP benefit (Subsidio AT) is currently set at 75 percent of the daily base (the Base Reguladora Diaria) for each day of leave. Both maternity/paternity and risk during pregnancy or lactancy are paid at 100 percent of the daily base (Base Reguladora Diaria). Minor care is paid at 100 percent of the reduced working time.

Rounding

The variable SS VR OPCALC SUBSD determines how the system rounds IT benefit amounts:

SS VR OPCALC SUBSD Value	Calculation Method
D **Note:** This is the default value.	BRD = Base Previous Month ÷ Contributed Days (Rounded to two decimal places) IT Subsidy = BRD × Percentage × Number of Days (Rounded to two decimal places)
P	BRD = Base Previous Month ÷ Contributed Days (Rounded to two decimal places) IT Subsidy Daily Price = BRD × Percentage (Rounded to two decimal places) IT Subsidy = IT Subsidy Daily Price × Number of Days
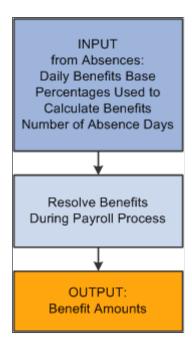
These two calculation methods can produce slightly different values, so choose the one that works best for your business process.

Pago Delegado

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

Social Security Benefits in the Pay Process Flow

This diagram illustrates how benefits processing, from the entering of absence data and resolving of benefits during the payroll process that yield the benefit amounts, fits into the overall pay process flow of PeopleSoft Global Payroll for Spain.

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

Related Links

Calculating Benefits
Understanding Social Security Terms and Concepts
Complementary Benefits Page

Understanding Social Security Absence Days Count

PeopleSoft Global Payroll for Spain counts absence days to report to Social Security in cases of sickness, industrial or professional accident, maternity/paternity, or risk during pregnancy or lactancy using the following counters:

Counter	Description
Sick Days Counter	Counts the number of Social Security base days.
Workdays Counter	Counts the number of paid workdays.

Counter	Description
Benefits Days Counter	Counts the number of compensation days for Social Security benefits.

The system uses these counters along with the AUS FM DIAS formula for the calculation of an employee's social security contribution base, social security compensation, social security benefits, and company complementary benefits.

Day Counts for Social Security Contribution Base

The system counts Social Security base days for Social Security absences in two segments: healthy days and sick days.

To count the number of healthy days, the system uses the Workdays Counter.

To count the number of sick days, the system uses the Sick Days Counter. The Sick Days Counter determines the sick days by calculating the difference between the days by frequency and the work days. Thus:

Sick Days Counter = Days by Frequency – Number of Workdays

The days by frequency are the days considered for contribution purposes depending on whether the count is for employees with a daily salary basis or a monthly salary basis. For employees with a daily salary basis, the system uses the actual number of calendar days in the month. For the employees with the monthly salary basis, the system uses 30 days regardless of the actual number of calendar days in the month.

Note: Note these two exceptions regarding the sick days count for employees with a monthly salary base because of the set 30 days. First, if an employee has a full month of absences in February or any month with 31 days, count 30 days of absence. Second, if an employee has one absence in a 31 day month, the system counts 30 healthy days and 0 sick days.

Day Counts for Social Security Benefits

When counting compensation days for Social Security benefits, the system uses the Benefits Days Counter. In this case, the counter considers natural sick days. It counts the exact number of calendar days, including holidays, vacation days, and weekends.

Note: The system does not adjust this counter to 30 days. It always uses the exact number of calendar days in the month. Thus, the benefits days for a whole month of sickness in February or a month with 31 days is equal to the exact number of calendar days.

Day Counts for Company Complementary Benefits

When calculating company complementary benefits, the system uses the Benefits Days Counter. To perform the calculation, the system:

*   Calculates the target gross to pay the employee based on the complementary benefits setup data at the labor agreement level.

- Makes an adjustment to avoid paying employee's a higher gross for months with sickness compared to a regular month without absences.

- Makes an adjustment for certain rules to ensure that employees with a monthly salary basis are paid for exactly 30 days when absent the entire month, regardless of the actual calendar days.

- Converts the complementary benefit for day 31 into a negative amount to absorb the Social Security benefit for that day when the employee is on a monthly salary basis.

Note: The system performs this conversion only if the final complementary benefit is greater than or equal to zero.

- Converts the complementary benefit for day 28 and 29 of February into a positive amount to adjust the Social Security benefit for those days when the employee is paid on a monthly salary basis.

Examples

If an employee with a monthly salary basis starts a common sickness (IT) absence on January 11:

- Days by frequency = 30 (just for being a monthly employee and active the whole month)

- Workdays Counter = 10 (exact number of workdays in that month)

- Sick Days Counter = Days by frequency – Worked days = 30 – 10 = 20

- Benefits Days Counter = Sick days = 21 (exact number of calendar days with sickness, from the 11th to the 31st)

If an employee with a daily salary basis starts a common sickness (IT) absence on January 11:

- Days by frequency = 31 (just for being a daily employee and active the whole month)

- Workdays Counter = 10 (exact number of worked days in that month)

- Sick Days Counter = Days by frequency – Worked days = natural sick days = January 11 to January 31 = 21

- Benefits Days Counter = Sick days = 21 (exact number of calendar days with sickness, from the 11th to the 31st)

If an employee with a monthly salary basis starts a common sickness (IT) absence on February 11:

- Days by frequency = 30 (just for being a monthly employee and active the whole month)

- Workdays Counter = 10 (exact number of worked days in that month)

- Sick Days Counter = Days by frequency – Worked days = 30 – 10 = 20

- Benefits Days Counter = 18 days (exact number of calendar days with sickness, from the 11th to the 28th)

- Complementary Benefits Days = natural sick days + 2 (The system extends complementary benefits 2 more days using the payment percentage assigned to day 28).

If an absence due to sickness starts on the last day of a month with 31 calendar days for an employee with a monthly salary basis:

- Workdays counter = 30 days (the exact working days as healthy days).

- Sick days counter = Days by frequency – Worked days = 30 – 30= 0

- Benefits days counter = 1 day (exact number of calendar days with sickness)

Note: If the absence day is a relapse day or is the last day of an absence that started in the previous month, the Social Security report shows 30 contributed days in the healthy segment (worked segment) but also shows another segment, called the DAT segment, to reflect the compensation (reduction related to Pago Delgado). The system cannot show more than 30 contributed days (sum of the healthy and sick segments) in the report. If such a case occurs, you cannot manage the discount in the FAN file. Your company instead needs to ask for reimbursement of that amount from Social Security. No direct way is available to discount that one day with Pago Delgado from Social Security.

If an absence due to sickness starts the last day of the month with 28 calendar days for an employee with a daily salary basis:

- The system calculates 27 days for the healthy days segment of the employee's Social Security contribution base and 3 days for the sick days segment.

- The system calculates the Social Security Benefit counter as 1 day.

Non Social Security Absences

For Non Social Security absences (strike, leave own matters unpaid or other unpaid absences) or unpaid absences, there will be neither Social Security benefits nor complementary benefits. These days will not be counted. Thus: Number of Workdays = Days by Frequency – Absence Days If there is non social security absences or unpaid absences, use Absence Type: NSS 'Non Social Security Absence' and the AUS FM DIAS NSS formula instead of AUS FM DIAS. For example, if an employee strike for one day in the month of January, system will compute 1 day of absence (strike) and 29 working days, so therefore it will pay just 29 days. Adjustment is done in the worked days.

Example

If an employee with a monthly salary go for a one day strike in the month of January:

Days by frequency = 30 (just for being a monthly employee and active the whole month)

Absence days counter= 1 (exact number of non-working days)

Workdays Counter = Days by frequency - absence days= 30-1= 29

Calculating Benefits

This topic provides an overview of benefits calculation and discusses how to:

- Calculate legal benefits.

- Calculate complementary benefits.

Understanding Benefits Calculation

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

- The legally mandated benefit (Subsidio).

  PeopleSoft Global Payroll for Spain calculates legal benefits by multiplying the employee's daily base (Base Reguladora Diaria) by the number of leave days, and then applying a percentage to this base. The percent applied varies according to the benefit being calculated and the number of days the employee is on leave.

- A complementary benefit (Prestación Complementaria) defined by the employer. The calculation for complementary benefits depends on the base that you selected on the Complementary Benefits page.

Calculating Legal Benefits

The legal benefit is calculated by earning elements with a calculation rule of *Unit* x *Rate* x *Percent.* The correct percent varies depending on the benefit type and day of the leave (see tables in this topic). The rate is the daily base for IT, AT, or maternity or risk during pregnancy that is taken from the previous period to the begin date of the absence. For new employees hired during the month, the system calculates a theoretical daily base that would apply if the employee had worked for the whole month. The unit is the number of days that the employee is on leave and must be entered on the Absence Event Entry page.

Note: For IT benefits, employees are eligible only when they have contributed to Social Security for at least 180 days in the past five years. The person who enters the absence event must validate that the employee is eligible for the benefit. If an employee is not eligible for the benefit, select the Lacking Period Indicator check box on the Additional Data page of the Absence Event ESP (GPES_ABS_EVENT) component so that the system does not pay the benefit.

IT Legal Benefit

For temporary disability leave (IT), the legally mandated benefit is defined as a percentage of the benefits base—with the percentage varying according to the number of days the employee is on leave. The current percentages (and the benefits base to which the percentages are applied) are shown in this table:

From Day in IT	To Day in IT	Percentage	Benefit Base
1	3	0	0
4	20	60	CC Base
21	540	75	CC Base

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

From Day in IT	To Day in IT	Who Pays?
1	3	No benefits paid
4	15	Company
16	540	Social Security

If the IT absence continues after 540 days it can be extended by Social Security. If that happens, enter an end date for the first IT event, and enter a new row for absence event IT PRORROGADA with an original begin date that is the same begin date as the original IT event. This benefit is paid directly by Social Security.

AT Legal Benefit

For employees on disability leave for work-related injury, the current legally mandated benefit is defined as 75 percent of the benefits base throughout the entire benefit period. The current percentage, as well as the benefits base to which the percentage is to be applied, are shown in this table:

From Day in AT	To Day in AT	Percentage	Benefit Base
1	540	75	CP Base

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

From Day in AT	To Day in AT	Who Pays?
1	540	Social Security

If the AT/EP absence continues after 540 days it can be extended by Social Security. If that happens, enter an end date for the first AT/EP event, and enter a new row for absence event AT/EP PRORROGADA with an original begin date that is the same begin date as the original AT/EP event. This benefit is paid directly by Social Security.

Maternity/Paternity Leave, Risk During Pregnancy or Lactancy, and Minor Care Legal Benefits

Maternity, pregnancy risk, and minor care benefits consist of 100 percent of the daily regulatory base: CC for maternity/paternity, and CP for risk during pregnancy or lactancy and minor care. Social Security is responsible for paying benefits beginning with the first day of leave. As a consequence, this benefit is not processed by PeopleSoft Global Payroll for Spain and these benefits never appear on the payslip. However, the system calculates legal benefits to calculate the complementary benefits for maternity and risk during pregnancy that are defined on the Complementary Benefits page.

This table summarizes the benefit amount and benefit period for maternity:

From Day in MATERNITY/ PATERNITY	To Day in MATERNITY/PATERNITY	Amount
1	Depends on number of children born.	100 % of daily common contingencies base.

This table summarizes the benefit amount and benefit period for pregnancy risk:

From Day in Risk During Pregnancy or Lactancy	To Day in Risk During Pregnancy or Lactancy	Amount
1	No limits	100 % of daily professional contingencies base.

This table summarizes the benefit amount and benefit period for minor care:

From Day in Risk During Pregnancy or Lactancy	To Day in Risk During Pregnancy or Lactancy	Amount
1	No limits	100 % of daily professional contingencies base for the non-worked period.

Part-time Maternity and Paternity

Maternity and paternity leave can be taken on a part-time basis in which an employee works part of the day and is absent for the other part. For part-time maternity and paternity, you enter MATERNIDAD PARCIAL or PATERNIDAD PARCIAL absence events. In addition, you need to enter the number of partial hours for the absence events. If an absence starts or ends in the middle of the month it will cause an element segmentation of the payroll calculation.

Special Maternity Leave Benefits
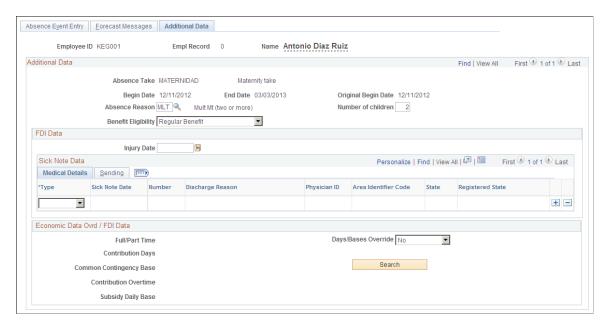
There are two special cases that affect maternity leave benefits:

• The birth, adoption, or foster care of two or more children simultaneously.

• A working mother does not comply with the minimal contribution period.

For multiple simultaneous births, adoptions or foster care, the payee is eligible for a special subsidy for each additional child after the first. The amount of the subsidy for each additional child is the same as it is for the first child (100% BRD) and is paid in one lump sum six weeks after the birth or adoption. To indicate that a payee is eligible for the multiple maternity subsidy, select MLT in the Absence Reason field and enter the number of children on the Additional Data page of the Absence Event ESP (GPES_ABS_EVENT) component.

For working mothers who do not comply with the minimal contribution period, the system pays a subsidy of either 100% IPREM (Indicador Público de Renta de Efectos Múltiples) or 100% BRD, whichever is smaller. The duration of this subsidy is 42 natural days from the birth. To indicate that a working mother should receive this subsidy, select the Lacking Period Indicator check box on the Additional Data page of the Absence Event ESP (GPES_ABS_EVENT) component.

This example illustrates the fields and controls on the Additional Data tab of the Absence Event Entry page. You can find definitions for the fields and controls later on this page.

Note: For both special maternity leave benefits, the corresponding absence take is still MATERNIDAD.

See Additional Data Page.

Calculating Complementary Benefits

To define complementary benefits (Prestaciónes Complementarias), set up the following items on the Complementary Benefits page:

- Funding Base used to calculate complementary benefits. This could be:

  - Social Security Common Contingencies or Professional Contingencies base. This is the default base.

  - Employee's gross daily salary.

  - Any other daily accumulator that you have defined.

- Absence period.

- Total percentage to be paid for each period.

The complementary benefit uses an earning element with a calculation rule of *Unit* x *Rate* x *Percent.* The correct percent is retrieved by a formula based on the benefit percentages defined on the Complementary Benefits page. The rate is the daily base for IT, AT, and maternity or risk during pregnancy, which is either

based on the previous period without absence (if the default base is used) or another base defined on the Complementary Benefits page. The unit is the number of days that the employee is on leave and must be entered on the Absence Event Entry page.

Then another earning (PRSTCN CMPIT, PRSTCN CMPAT, PRSTCN CMPMT, PRSTCN CMPRE, or PRSTCN CMPCM) gets the difference between the previous earning and the value corresponding to the Subsidio IT, Subsidio AT, Subsidio MT, or Subsidio RE.

Related Links

"Entering Maintaining and Approving Absence Events" (PeopleSoft Absence Management)
Understanding Absence Rules
Complementary Benefits Page

Triggering Benefits

PeopleSoft Global Payroll for Spain triggers social security benefits when you enter a qualifying absence on the Absence Event Entry page and the Lacking Period Indicator check box is deselected on the Additional Data page.

Related Links

"Entering Maintaining and Approving Absence Events" (PeopleSoft Absence Management)
Understanding Absence Rules

Reporting Contracts Fewer Than 7 Days

This topic provides an overview of management of contracts that are fewer than 7 days and discusses how to:

• Exclude interim contracts fewer than 7 days.

• Update relationship type for contracts fewer than 7 days.

• Review modifications to pages affected by contracts fewer than 7 days.

Understanding the Management of Contracts Fewer Than Seven Days

In accordance with the specifications of Additional Provision Six of Law 12/200, an employer's common contingencies quota for Social Security must increase by a fixed percentage, as determined by INSS, for employees whose contracts are temporary and have an effective duration of fewer than seven days. The increase to the common contingencies quota at the time of publication is currently 36 percent. The system stores the value of this percentage increase in the SS VR PCT 7D variable. Employers must include data reflecting this increased common contingencies quota when reporting to Social Security through the RED system FAN File and the TC1 Report.

To determine the effective duration of an employee's contract, the system uses the contract begin date and contract end date on the Contract Status/Content page of the Update Contracts component. When a

contract has a duration of fewer than 7 days, the system assigns a value to the SS VR CONTR 7D FLG variable to indicate this fact.

For employees with contracts fewer than seven days, select *Temporary* in the Regular/Temporary field on the Job Information page of the Job component. There are some contracts that are not affected by special extra contribution even if they last less than 7 days, for example, interim contracts 410/510 . Those contracts are identified in the bracket SS BR CNT <7D.

The RED system FAN File and TC1 Report reflect data related to employee contracts that have an effective duration of fewer than 7 days. The TC1 Report includes related key, base, percentage, and quota data under the Other Concepts key. The FAN File includes the additional quota in the line EDTCA11 under the Other Concepts key and updates the amount for line EDTT10 accordingly.

Updating Relationship Type for Contracts Fewer Than 7 Days

Contracts with a duration of less than 1 year have a minimum tax percentage equal to 2 %. Therefore, for contracts fewer than 7 days you must update the employee's tax data relationship type to ensure this minimum tax percentage.

To update an employee's relationship type for contracts with a duration of fewer than 7 days:

1. Select **Global Payroll & Absence Mgmt** > **Payee Data** > **Maintain Tax Data ESP** > **Maintain Tax Data.**

2. Enter a **Relationship Type** field value equal to *2 - Less 1 Year Relationship* in the **Payee Data** group box.

Viewing Delivered Benefit Calculation Elements

This table lists the earnings elements that are used to calculate an employee's total benefit amount.

Earning Name	*Element Function*
BNF DESMPL E	ERE Unemployment benefit. Calculates the unemployment benefit due to temporary ERE. See "Understanding ERE" (PeopleSoft Human Resources Administer Workforce).
PRST COMP AT	Complementary AT. Used as an intermediate calculation for complementary benefits for workplace injuries (AT).
PRST COMP CM	Complementary CM. Used as an intermediate calculation for complementary benefits for minor care (CUIDADO MENOR) absence.

Earning Name	Element Function
PRST CMP ERE	Complementary ERE. Used as an intermediate calculation for complementary benefits for temporary ERE. See "Understanding ERE" (PeopleSoft Human Resources Administer Workforce).
PRST COMP IT	Complementary IT. Used as an intermediate calculation for complementary benefits for temporary disability (IT).
PRST COMP MT	Complementary MT. Used as an intermediate calculation for complementary benefits for maternity leave.
PRST COMP RE	Complementary RE. Used as an intermediate calculation for complementary benefits for risk during pregnancy.
PRSTCN CMPAT	Calculates the complementary benefits for workplace injury (AT).
PRSTCN CMPCM	Calculates the complementary benefits for minor care (CUIDADO MENOR) absence.
PRSTCN CMPIT	Calculates the complementary benefits for temporary disability (IT).
PRSTCN CMPMT	Calculates the complementary benefits for maternity leave.
PRSTCN CMPRE	Calculates the complementary benefits for risk during pregnancy.
SUBSIDIO AT	Calculates the legally mandated benefit for AT & EP (Accidentes de Trabajo y Enfermedades Professionales).
SUBSIDIO CM	*Subsidio CM*
SUBSIDIO IT	Calculates the legally mandated benefit for IT (Incapacidad Temporal).
SUBSIDIO MT	Subsidio MT
SUBSIDIO RE	Subsidio RE

This table lists the earnings elements that are used to calculate an employee's benefit amount when the employee receives benefits from a self-insurance company:

Earning Name	Description
P DLG AT AUT	The amount that a self-insurance company (as determined by employer SSN) pays for AT benefits to an employee for work-related injury or occupational disease (AT/EP). The self-insurance employer is not reimbursed for these payments by Social Security. The calculated value is equal to the value of the SUBSIDIO AT earning.
P DLG AT NAU	The amount that an employer (that is not a self-insurance company) pays for AT benefits to an employee for work-related injury or occupational disease (AT/EP). The employer is later reimbursed for these payments by Social Security. The calculated value is equal to the value of the SUBSIDIO AT earning. The system reflects this value in the TC1 Report and FAN File.
P DLG IT AUT	The amount that a self-insurance company (as determined by employer SSN) pays for IT benefits to an employee for common disease or nonwork-related injury (non-AT/EP). The self-insurance employer is not reimbursed for these payments by Social Security.
P DLG IT NAU	The amount that an employer (that is not a self-insurance company) pays for IT benefits to an employee for common disease or nonwork-related injury (non-AT/EP). The employer is later reimbursed for these payments by Social Security. The system reflects this value in the TC1 Report and FAN File.

Note: When defining payslips and reports, be sure to account for these earnings where applicable.

Note: The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Spain. Instructions for running the query are provided in the PeopleSoft Global Payroll product documentation.

See "Understanding How to View Delivered Elements" (PeopleSoft Global Payroll).

Chapter 11

Social Security Reporting

Managing TC Reporting

This section gives you details of the social security TC reports.

Understanding TC Reporting

PeopleSoft Global Payroll for Spain delivers two TC reports for social security:

- TC1: The TC1 report provides a summary of the totals for all Social Security bases, contributions, benefits to refund, reductions, and discounts referred to for employees included in an employer Social Security number.

- TC2: The TC2 report provides a list of employees included in an employer Social Security number with their respective Social Security bases, contributions, benefits to refund, reductions, and discounts.

In summary, the TC2 report is a list of employees with their respective Social Security bases and contributions and the TC1 report is a summary of the TC2 report.

Two steps involved in generating these reports:

1. Data Preparation: To prepare data for the reports, the social security section SS SE PREPARAR TC runs the formula SS FM TC WA during payroll process. That sends data to the writable array SS TC WA during the regular payroll process. This writable array stores data in record GPES_SSTC_RSLT for use in the TC reporting process.

2. Reporting Process: To generate the reports, the reporting process reads the data in the writable array (see step 1).

See "Defining Writable Array Elements" (PeopleSoft Global Payroll)

Liquidation Types

PeopleSoft Global Payroll for Spain manages the following liquidation types during FAN reporting:

- L00: Regular liquidation. .

- L02: Complementary liquidation due to litigation salaries. The surcharge for this liquidation type depends on when the litigation salaries are processed with respect to the sentence date. The payroll process sets the surcharge at 20% or 0% and stores it in the Social Security result table.

- L03: Complementary liquidation due to retroactive calculation without surcharge.

- L04: Negative complementary liquidation due to retroactive calculation with surcharge. For L04 payments, the surcharge is not a flat value. Rather, the system determines the surcharge based on the

number of months the payment is delayed. The surcharge can be 3%, 5%, 10% or 20%. By default, the payroll process automatically calculates the L04 surcharge percentage. The system compares the month for which it is calculating L04 payments with the current month and determines the corresponding surcharge percentage.

Note: This type of liquidation results from Social Security benefits or reductions that were originally reported incorrectly.

- L09: Complementary liquidation due to retroactive calculation with surcharge. Global Payroll for Spain calculates the surcharge for this liquidation type (currently 20%) and stores it in the GPES_OOD_PYMT_SUR field of the Social Security result table.

- L13: Liquidation of contributions due to vacation paid at termination. The system calculates the surcharge associated with this liquidation type based on the main liquidation to which the L13 payment refers

The default liquidation type for FAN report retroactive payments is *L03* (Default value of the variable SS VR RTR L03/L09). The Liquidation Type Override ESP (GPES_PMTRTO_DEF) and Liquidation Type Ovr Setup ESP (GPES_PMTRTR_OVR) components enable you to override the liquidation type with enhanced flexibility.

You can use the Liquidation Type Override ESP (GPES_PMTRTO_DEF) component to indicate that a certain liquidation is being processed out of date. Legal requirement dictate that in this case a company cannot benefit from reductions and cannot request a refund for the money they paid as PAGO DELEGADO. Therefore, if you set up a specific run to be out of date through this component, payroll processing does not generate those lines in the TC result record. The system keeps calculating the company paid benefits (PAGO DELEGADO) and social security reductions. Accumulators for these benefits store values regardless of whether a payment is in period or out of period. In the case of retroactivity, previous values are required. If the system didn't calculate accumulators, the previous values would be 0, and the deltas would be wrong. The system also contains a set of accumulators that store values in cases of payment out of period, with the negative delta values for social security benefits. You should consider all of these accumulators when setting up General Ledger. For example, to store PAGO DELEGADO for IT, we have both SS AC PGO DLGDO PI and SS AC PD IT N PLZO, which stores values when the calculation is out of date.

Understanding FAN File Data Review

PeopleSoft Global Payroll for Spain enables you to view the social security contribution data that the FAN file contains to ensure that the collected data is correct. You can view the data for multiple employees within a specific company for a specified period and payment type through the Collective Report ESP component. Or you can view data for individual employees for a specific time period through the Individual Report ESP component. You can view data only through these components. If you need to modify data, you must recalculate the data by running the payroll process again.

Pages Used to Manage Social Security TC Reporting

Page Name	*Definition Name*	*Usage*
Liquidation Type Ovr Setup ESP Page	GPES_PMTRTO_DEF	Define payment overrides.

Page Name	Definition Name	Usage
Liquidation Type Override ESP Page	GPES_PMTRTR_OVR	Override liquidation types.
Collective Report ESP Page	GPES_SSTC_COL_DAT	View the social security contribution data that appears in the DAT (data) segment of the FAN file for multiple employees. You can view data for employees within the social security number of a specific company for a specified month or year and payment type.
Collective Report ESP - Details Page	GPES_SSTC_COL_EDL	View by element the data that appears in the EDL segment of the FAN file. This data includes the contribution, compensation, and deduction details for the selected employee and specific year.
Individual Report ESP Page	GPES_SSTC_IND_DAT	View the social security contribution data that appears in the DAT (data) segment of the FAN file for individual employees for a specific period.
Individual Report ESP - Details Page	GPES_SSTC_IND_EDL	View by element the data that appears in the EDL segment of the FAN file. This data includes the contribution, compensation, and deduction details for the selected employee and period.
Create FAN File ESP Page	GPES_RC_SS_TC2	Enter the data that is needed to create the FAN file that is submitted to the social security agency.
FAN Payment Surcharge Page	GPES_RC_SS_SURCHRG	View and update surcharges.
TC1 Report ESP Page	GPES_RC_SS1	Enter the data that is needed to process TCs.
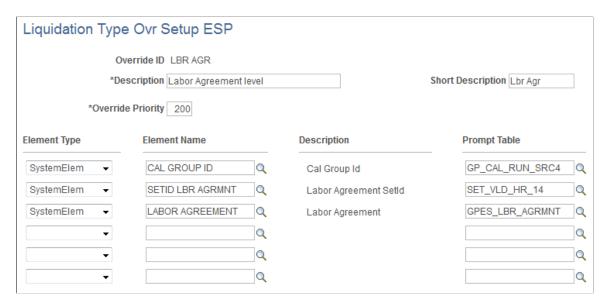
Liquidation Type Ovr Setup ESP Page

Use the Liquidation Type Ovr Setup ESP page (GPES_PMTRTO_DEF) to define FAN payment overrides.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Social Security/ Insurance** >**Setup Liquidation Override ESP** >**Liquidation Type Ovr Setup ESP**

This example illustrates the fields and controls on the Liquidation Type Ovr Setup ESP . You can find definitions for the fields and controls later on this page.

Use this page to define a set of parameters by which you can override liquidation types. By creating your own Override IDs, you can define any level of setup to specify the type of complementary reporting that you need to run.

Field or Control	Description
Override Priority	Enter a numeric value to indicates the priority of this override ID. Smaller values represent higher priority.
Element Type	Enter the type of element you want to add to the override ID. Values are: *Date, Formula, System Elem,* and *Variable.*
Element Name	Select the element you want to use when resolving overrides.
Description	Displays the description of the element you select in the **Element Name** field.
Prompt Table	Select the table from which you want to select values for the selected element name. For example if you select an element name of *COMPANY,* you would select a prompt table that contained a list of existing companies.

Liquidation Type Override ESP Page

Use the Liquidation Type Override ESP page (GPES_PMTRTR_OVR) to override liquidation types.

Navigation:

Global Payroll & Absence Mgmt > **Social Security/Insurance** > **Liquidation Type Override ESP** > **Liquidation Type Override ESP**

This example illustrates the fields and controls on the Liquidation Type Override ESP page. You can find definitions for the fields and controls later on this page.

Override Definition

Field or Control	Description
Override ID	Select the override ID that contains the data for which you want to override the liquidation type.
From Date and **To Date**	Enter the date range for the override data you want to select.
Payment Type	Select the liquidation type you want to assign to the override data. Values are: • *L00:* Regular liquidation. • *L02:* Complementary liquidation due to litigation salaries. • *L03:* Complementary liquidation due to retroactive calculation without surcharge. • *L04:* Complementary liquidation due to benefits or reductions that were originally reported incorrectly. • *L09:* Complementary liquidation due to retroactive calculation with surcharge. • *L90:* Complementary liquidation due to retroactive calculation with surcharge, due to base increase. • *L91:* Complementary liquidation due to retroactive calculation with surcharge, due to new slices being reported. • *L13:* Liquidation of vacations paid at termination
Override Payment	Select if you are overriding the liquidation type for the specific selection.

Field or Control	*Description*
Out of Date	Select to indicate that you are reporting the specified liquidation type out of date. When you select this check box, the system does not calculate reductions or company paid benefits (PAGO DELEGADO) in the FAN file.
Control Date	Enter the control date for L02 and L03 payments that is reported in the TCT segment of the FAN file. If you enter a value in the **Control Date** field and select the **Out of Date** check box, the system automatically calculates the overdue surcharge to apply in the FAN file. In this case, you do not need to select the **Overdue Payment** check box and enter surcharge information when creating the FAN file. **Note:** The **Control Date** field is available only if you select *L02* or *L03* in the **Payment Type** field.

After selecting values in the **Override Definition** group box fields, click **Refresh** to populate the **Override Data** group box with fields.

Override Data

The fields that appear in this group box are the ones that are defined for the Override ID you selected in the Override Definition group box. Use these fields to determine the subset of payees whose liquidation types will be overridden with the value you selected in the **Payment Type** field.

Collective Report ESP Page
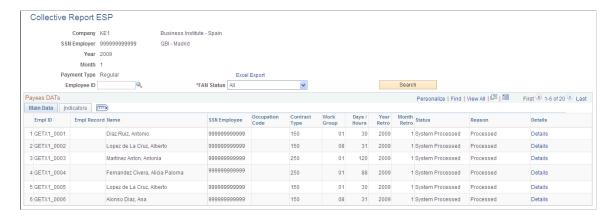
Use the Collective Report ESP page (GPES_SSTC_COL_DAT) to view the social security contribution data that appears in the DAT (data) segment of the FAN file for multiple employees.

You can view data for employees within the social security number of a specific company for a specified month or year and payment type.

Navigation:

Global Payroll & Absence Mgmt > **Social Security / Insurance** > **Collective Report ESP** > **Collective Report ESP**

This example illustrates the fields and controls on the Collective Report ESP page. You can find definitions for the fields and controls later on this page.

Collective Report ESP												

Company KE1   Business Institute - Spain
SSN Employer 999999999999   GBI - Madrid
Year 2009
Month 1
Payment Type Regular
Employee ID [   ] 🔍   *FAN Status [All   ▼]   Excel Export   [Search]

Payees DATs   Personalize | Find | View All | 🔳 | 🔲   First ◀ 1-6 of 20 ▶ Last

Main Data | Indicators | 🔳▶

	Empl ID	Empl Record	Name	SSN Employee	Occupation Code	Contract Type	Work Group	Days / Hours	Year Retro	Month Retro	Status	Reason	Details
1	GETX1_0001		Diaz Ruiz, Antonio	999999999999		150	01	30	2009	1	System Processed	Processed	Details
2	GETX1_0002		Lopez de La Cruz, Alberto	999999999999		150	08	31	2009	1	System Processed	Processed	Details
3	GETX1_0003		Martinez Anton, Antonia	999999999999		250	01	120	2009	1	System Processed	Processed	Details
4	GETX1_0004		Fernandez Civera, Alicia Paloma	999999999999		250	01	88	2009	1	System Processed	Processed	Details
5	GETX1_0005		Lopez de La Cruz, Alberto	999999999999		150	01	30	2009	1	System Processed	Processed	Details
6	GETX1_0006		Alonso Diaz, Ana	999999999999		150	08	31	2009	1	System Processed	Processed	Details

Search Criteria

Field or Control	Description
Empl ID	Enter the employee ID to narrow the search results to a specific employee. This field is available only for the Collective Report ESP page.
Search	Click to retrieve data for persons based on the search criteria. The system displays the data in the Detail of Payees (DAT Segment) grid.
Excel Export	Click to export the data in the Detail of Payees (DAT Segment) grid to an Excel spreadsheet.

Detail of Payees (DAT Segment) - Main Data

Use this grid to review the social security contribution data that appears in the DAT (data) segment of the FAN file for the employees that meet your search criteria. The Main Data tab displays the primary social security contribution information that is relevant to each of the employees. If multiple segments exist for the same employee, the system displays each segment on a different row.
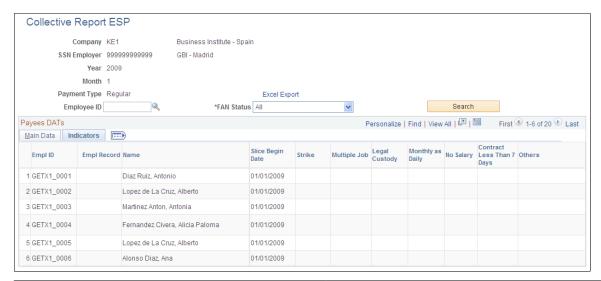
Field or Control	Description
Empl ID	Displays the ID of the person for which the data on a given row relates.
Name	The first and last name of the person.
SSN Employee	The social security number of the person.

Field or Control	Description
Occupation Code	The social security occupational code if the employee's industrial activity is different from the one assigned to the company to which he belongs.
Contract Type	The contract code for social security.
Social Security Work Group	The social security work group.
Days / Hours	The days or hours of social security contributions.
Year Retro	Identifies the year of the recalculated month in case of retro calculation run from the selected month.
Month Retro	Identifies the recalculated month in case of a retro calculation from the selected month. For example, if you run a retro calculation in May for January, the system calculates delta contributions for January through April and displays this information on this page when filtering data by May. This field identifies the month to which the contributions belong.
Details	Click to access the Collective Report ESP - Details page, where you can view details of social security contributions for the selected employee.

Detail of Payees (DAT Segment) - Indicators

Use the Indicators tab of this grid to view additional employee information that appears in special situations on the DAT segment of the FAN file.

This example illustrates the fields and controls on the Collective Report ESP page: Indicators tab. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Strike	Indicates whether the period has been affected by a strike.
Multiple Job	Indicates that the employee has multiple jobs.
Legal Custody	Indicates that an absence or work schedule reduction exists due to child care (maternity, paternity, or legal custody).
Monthly as Daily	Indicates that although the employee has a social security work group that is daily, the employee is contributing as a monthly employee.
No Salary	Indicates that the period is not a paid period.
Contract Less Than 7 Days	A letter *C* in this column indicates that a surcharge was added because the employee had a contract with a duration of fewer than 7 days. This indicator appears only if the contract was temporary (not regular) and did not have a contract type of 410 or 510 (interim).

Field or Control	Description
Others	Indicates other indicators that are not listed in the grid. Possible values are: • *I:* Deferred IT • *R:* Working reduction due to partial unemployment • *P:* Massive layoff, partial unemployment period • *T:* Massive layoff, unemployment period

Collective Report ESP - Details Page

Use the Collective Report ESP - Details page (GPES_SSTC_COL_EDL) to view by element the data that appears in the EDL segment of the FAN file.
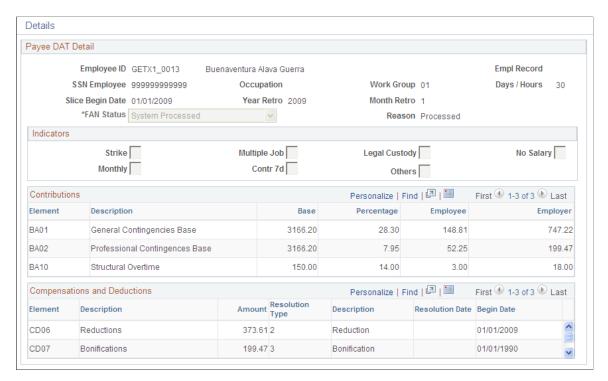
This data includes the contribution, compensation, and deduction details for the selected employee and specific year.

Navigation:

Global Payroll & Absence Mgmt > **Social Security / Insurance** > **Collective Report ESP.**

Click the **Details** link.

This example illustrates the fields and controls on the Collective Report ESP: Details page. You can find definitions for the fields and controls later on this page.

Contributions

Field or Control	Description
Element	Displays the element code that appears in the FAN file for the contribution.
Description	The description of the contribution element that appears in the FAN file.
Base	The monetary value of the contribution element.
Percentage	The total contribution percentage that applies to each amount value. This percentage includes both employee and employer contribution percentages.
Employee	The amount that the employee pays for social security contributions for the given element.
Employer	The amount that the employer pays for social security contributions for the given element. Note that contribution amounts for certain elements are the exclusive responsibility of the employer.

Compensations and Deductions

Field or Control	Description
Element	The element code that appears in the FAN file for the compensation or deduction.
Description	The description of the compensation or deduction element that appears in the FAN file.
Amount	The monetary value to subtract from the calculated contributions in order to obtain a net value to pay or appeal to social security.
Resolution Type	The resolution type refers to special situations that require an administrative resolution.
Resolution Date	The initial date for each detailed resolution type that appears in the FAN file.

Field or Control	Description
Begin Date	The initial date for each deduction element.

Individual Report ESP Page

Use the Individual Report ESP page (GPES_SSTC_IND_DAT) to view the social security contribution data that appears in the DAT (data) segment of the FAN file for an employee in a specific period.

Navigation:

Global Payroll and Absence Mgmt >**Social Security / Insurance** >**Individual Report ESP**

This example illustrates the fields and controls on the Individual Report ESP page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Year From and **Month From**	Select the month and year from which you want to display the information.
Year To and **Month To**	Select the month and year up to which you want to display the information.
Search	Click this button to view the social security distribution data in the specified period.

Payees DATs

Use this grid to review the social security contribution data that appears in the DAT (data) segment of the FAN file for an employee. The **Main Data** tab displays the primary social security contribution information relevant to the employee. If multiple segments exist for the same employee, system displays each segment on a different row.

This page is similar to the Collective Report ESP page; the only difference is that this page displays details of a selected employee for a selected period of time. See Collective Report ESP Page topic to know more details about the fields on this page.
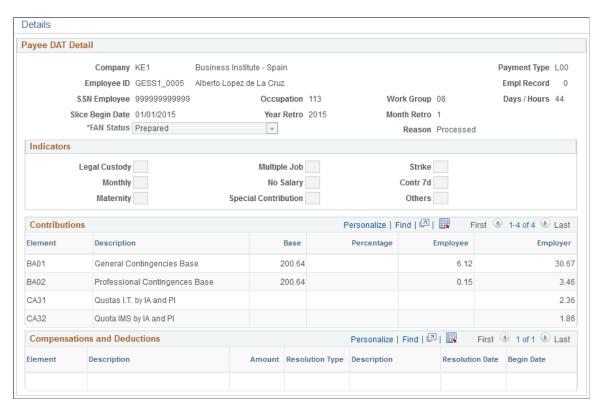
Individual Report ESP - Details Page

Use the Individual Report ESP - Details page (GPES_SSTC_IND_EDL) to view by element the data that appears in the DAT segment of the FAN file.

Navigation:

Global Payroll and Absence Mgmt >**Social Security / Insurance** >**Individual Report ESP**Click the **Details** link

This example illustrates the fields and controls on the Individual Report ESP - Details Page. You can find definitions for the fields and controls later on this page.

Note: This page is very similar to Collective Report ESP - Details page. To know more details about the fields on this page, see Collective Report ESP - Details Page topic.
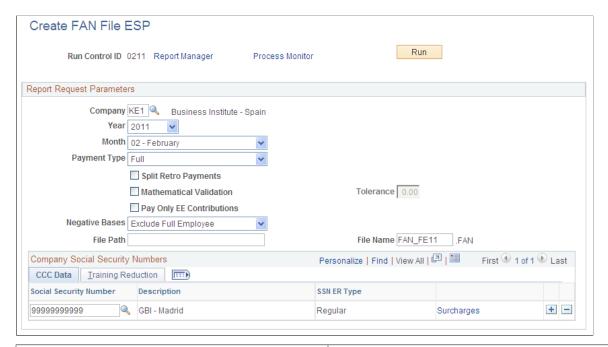
Create FAN File ESP Page

Use the Create FAN File ESP page (GPES_RC_SS_TC2) to enter the data that is needed to create the FAN file that is submitted to the social security agency.

Navigation:

Global Payroll & Absence Mgmt > **Social Security/Insurance** > **Create FAN File ESP** > **Create FAN File ESP**

This example illustrates the fields and controls on the Create FAN File ESP page. You can find definitions for the fields and controls later on this page.

Field or Control	*Description*
Company	Enter the company for which the FAN file is created.
Year/Month	Enter the date parameters for the FAN file.
Split Retro Payments	Select to split the FAN file for L03 liquidation month by month. **Note:** This is similar to what Social Security requires for L09.

Field or Control	Description
Payment Type	Select the payment type for the report that you want to generate for a specific month for the Employer Social Security numbers that are selected. Values are: *Full:* Includes everything that was calculated in the month: regular contributions, contributions due to vacations, litigation salaries, and retroactivity. If you select this value, the **Complementary FAN Surcharge %** field becomes available. *Litigation Salary:* Runs the report for deltas due to the litigation process. This is a legal process for resolving disputes between employers and terminated employees. Until this process is resolved, salary paid to the employee is identified as *tramitation salary* and employers must indicate in the TC1 report that the contributions are made during the tramitation period. *Regular and Vacations:* Includes the regular payroll and the contributions due for vacations that are paid at termination. *Retroactivity w/Surcharge:* Runs the report for the deltas detected in previous months due to retroactivity, and includes a surcharge. If you select this value, the **Complementary FAN Surcharge %** field becomes available and required. *Retroactivity wo/Surcharge:* Runs the report for the deltas detected in previous months due to retroactivity, but does not include a surcharge. *Vacations:* Include the contributions due for vacations that are paid at termination.
Mathematical Validation	Select if you want the system to perform mathematical validation and update the results based on the value you enter in the Validation Tolerance field. By default, the payroll process calculates and rounds to two decimal places for the contribution bases, employer contributions, and employee contributions for each employee. The FAN file generation process sums each base for all employees and sums each contribution for all employees separately. This calculation does not always match the result of multiplying the base by its contribution percentage and then rounding the final result to two decimal places. Mathematical validation enables you to check the FAN file records EDTCA01, EDTCA02, EDTCA11, EDTCA50, EDTCA57, EDTBA10 and EDTBA11 for total contribution aggregated amounts. If you select the Mathematical Validation check box and there is a delta between the sum of the employee/employer contributions and the result of multiplying the base by the contribution percentage is higher than the validation tolerance you specify, the system issues a warning message and overrides the aggregated contribution amount with the one calculated in FAN file.
Pay Only EE Contributions	Select to print only employee contributions in the FAN file.

Field or Control	Description
Validation Tolerance	Enter the amount that you want the system to consider as maximum tolerance for mathematical validation. This field accepts values greater than or equal to 0, but it represents an absolute value.
File Path	Enter the directory in which to store the FAN file.
File Name	Enter the file name to be sent to Social Security. The file name needs to comply with the legal requirements. The file naming requirements state that the file extension must be .FAN and the file name must have 8 characters. The system will check whether the file name follows the naming conventions, and show an error message if it's not named correctly.

Social Security Numbers to Process: CCC Data Tab

Field or Control	Description
Social Security Number	Enter a Employer Social Security number (Codigo Cuenta Cotizacion).
Surcharges	Click to access the FAN Payment Surcharges page for a Employer Social Security number.

Social Security Numbers to Process: Training Reduction Tab

Field or Control	Description
FT Reduction (Fundación Tripartita reduction)	Enter the reduction amount corresponding to the continuous training plan (Tripartite Foundation reduction). For companies that provide continuous training to their workers, you must enter reductions in Social Security training contributions for inclusion in the FAN file. Enter contributions separately for each Employer Social Security number Each reduction amount appears on line EDTCA80 in the FAN file.

Related Links

Understanding Self-Insurance Collaboration Management

FAN Payment Surcharge Page

Use the FAN Payment Surcharge page (GPES_RC_SS_SURCHRG) to view and update surcharges.

Navigation:

Click the Surcharges link on the Create FAN File page.

This example illustrates the fields and controls on the FAN Payment Surcharge page. You can find definitions for the fields and controls later on this page.

FAN Payment Surcharge								
Social Security Number 99999999999			GBI - Madrid					
FAN Payments					Personalize | Find | ⧉ | ▦		First ● 1 of 1 ● Last	
Year Retro	From Month	Thru Month	Payment Type	Control Date	Surcharge %	Surcharge % Override	Overdue Payment	
2011	02				0	0	☐	

This page displays data from the GPES_SSTC_RSLT record, grouping by Employer Social Security number (Codigo Cuenta Cotizacion)., payment type, control date and calculated surcharge percentage. This page displays one row for each unique combination of Employer Social Security number, payment type, control date and surcharge percentage and enables you to override the surcharge percentage.

Field or Control	Description
Social Security Number	Lists the Employer Social Security numbers to be included in the FAN file.
Description	Lists the descriptions of each Employer Social Security number.
Payment Type	Lists the payment types for each row. Values are: *Regular, Retroactivity wo/surcharge, Retroactivity w/Surcharge, Reduction Payback, Litigation Salary,* and *Vacations.* These values correspond to liquidation types.
Control Date	Lists the control dates entered through either the Manage Terminations ESP page or the Create FAN Pymt. Overrides ESP page.
Surcharge % (surcharge percentage)	Lists the surcharge percentage that the system calculated during payroll processing and is to be included in the FAN file. This field displays the value of the field GPES_SSTC_ RSLT.GPES_OOD_PYMT_SUR. Therefore, if you enter an override value and later rerun the FAN file process, this field will display the last used surcharge percentage.
Surcharge % Override (surcharge percentage override)	Enter a value here to override the surcharge percentage that the system calculated during payroll processing. The system uses this value during FAN file creation.

Field or Control	Description
Overdue Payment	Select to indicate that the payment is overdue. When you select this check box, the system excludes the CD lines in the FAN file that correspond to social security reductions and company paid benefits (PAGO DELEGADO). In addition, to facilitate the reconciliation with PeopleSoft General Ledger, the system identifies the excluded lines in the social security result record. The FAN generation process updates the field GPES_SSTC_EXCL_FAN in this record to 01 for excluded lines.
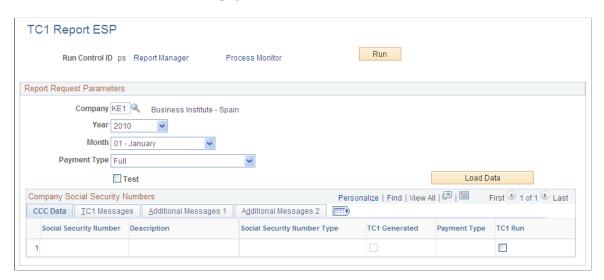
TC1 Report ESP Page

Use the TC1 Report ESP page (GPES_RC_SS1) to enter the data that is needed to process TCs.

Navigation:

Global Payroll & Absence Mgmt > **Social Security/Insurance** > **TC1 Report ESP** > **TC1 Report ESP**

This example illustrates the fields and controls on the TC1 Report ESP page. You can find definitions for the fields and controls later on this page.

Report Request Parameters

Field or Control	Description
Company	Enter the company for which the TC1 report is created.
Year/Month	Enter the date parameters for the TC1 report.

Field or Control	Description
Payment Type	Select the payment type.
	Note: This field is the same as the **Payment Type** field defined on the Create FAN File ESP page.
	See Create FAN File ESP Page.
Test	Select to run the report in test mode. When you select this check box, the report is printed and columns are completed with XXXX to show that it is a test.
Load Data	Click to retrieve the Social Security numbers for the selected company.

CCC Data Tab

The system populates this group box when you click the **Load Data** button.

Field or Control	Description
Company Social Security Number	Displays the employer's Social Security number that was assigned to the establishment on the Establishment Address page.
Social Security Number Type	Defines the contract type for the selected Social Security number and can be one of these values: *Regular, Trainee,* or *Apprentice.* The social security number type is assigned to the establishment on the Establishment Address page in PeopleSoft HR.
TC1 Generated	The system automatically selects this check box if you already ran the TC1 report for the Social Security number.
Payment Type	Displays the payment type for the social security number.
TC1 Run	Select this check box for each social security number that you want to include in the report for the specified month.

TC1 Messages Tab, Additional Messages 1 Tab, and Additional Messages 2 Tab

Access the TC1 Messages, Additional Messages 1, and Additional Messages 2 tabs.

Field or Control	Description
Report Date	Enter the reporting date of the TC1 report. The default value for this field is the last day of the month following the month and year you select in the Year/Month fields.
Line 1, Line 2, Line 3, Line 4, Line 5, and **Line 6**	Enter comments to include in the corresponding fields on the TC1 report.

Related Links

<u>Understanding Self-Insurance Collaboration Management</u>

Managing CRA Reporting

This section gives you an overview of CRA reporting and takes you through different processes/ steps involved in this reporting.

Understanding CRA Reporting

CRA (Conceptos Retribuidos Abonados) report is a mandatory legal report to be reported to Social Security through RED System, starting from December 2013 (effective date of the Real Decreto Ley 3/2014). It is a flat file containing the list of earnings received by an employee included in each payroll being calculated and follows the regulations set by Social Security. It needs to be sent to Social Security on monthly basis.

Re-sending the CRA file

Social Security allows you to send the file multiple times till the information is correctly reported. That is, you can report the information to be added, deleted or corrected with respect to the originally sent data. The CRA file contains a field (Indicador de Actuación) to indicate the type of action we are informing. Every time you run the CRA file for the first time for a month, system stores the reported values in a new record GPES_CRA_RPT. When we re-send the file for a specific month, it compares the recalculated values with the already reported values.

System fills the Indicador de Actuación field as per the following logic:

- In case of newly reported values, the field is left blank.

- In case of updated values, system prints the last calculated value and the Indicador de Actuación field has the value *M*.

- In case of removed values, system prints the zero as the value and the Indicador de Actuación field has the value *B*.

- In case of retro-calculations, system prints the delta values and the Indicador de Actuación field has the value *C*.

Reporting the retro deltas

In case of complementary liquidations, system prints the retro deltas for each retro month with the CRA code corresponding to the payroll element being recalculated and the specific value in the field Tipo de Actuación depending on the value of the delta.

- In case of positive retro deltas, system follows the logic below to print the values:

  - If there is a previous value that is already reported, system prints the retro deltas and the field Tipo de Actuación gets populated with value *C*.

  - If the previous value was zero, system prints the recalculated value (that is, the delta value) and the field Tipo de Actuación is left blank.

- In case of negative retro deltas, system follows the logic below to print the values:

  - If the recalculated value is less than or greater than zero, system prints the recalculated values and the field Tipo de Actuación gets populated with the value *M*.

  - If the recalculated value is zero, system prints zero and the field Tipo de Actuación gets populated with the value *B*.

By default, system prints retro deltas for each retro month using the CRA code corresponding to the payroll element being recalculated. However, you can change this default behavior to print the specific code corresponding to the Retro deltas (0008 or 0009). To do this, change the value of variable `&RTR_RPT_DETAIL` to *N* in the generation process of the CRA report. That is, in the PeopleCode `(ApplEng): GPES_SS_CRA.MAIN GBLdefault 1900-01-01.Step02.OnExecute`, look for the string `&RTR_RPT_DETAIL = "";` and replace it with `&RTR_RPT_DETAIL = "N";`.

Other Considerations

While reporting vacations paid at termination, system splits the amount corresponding to vacations not enjoyed and paid at termination, across the months they refer to.

Also, when the amount reported is very big (amount higher than 9.999.999,99), system splits the amount and the field Indicativo de Actuación is left blank for the first CRE segment. Then it is printed with the value 'C' for the remaining rows till it completes the total amount.

Generating the CRA Report

To set up and generate the CRA report, the following configurations are used:

1. Element Group SS EG CRA: This element group definition includes all standard elements to be considered in the CRA report such as earnings, variables and accumulators. You can create your own element group, or use the delivered element group SS EG CRA.

2. Application Definition CRA_RPT: This application definition holds all the required attributes, both at list set and element levels. While creating a list set, you need to use this application definition.

3. List Set KE_CRA_RPT: This sample list set defines the behavior and specific code in CRA report for all standard elements belonging to SS EG CRA element group according to Common Table T-84.

4. Use the Create CRA File ESP (GPES_RC_SS_CRA) component to define report parameters and generate the CRA report file.
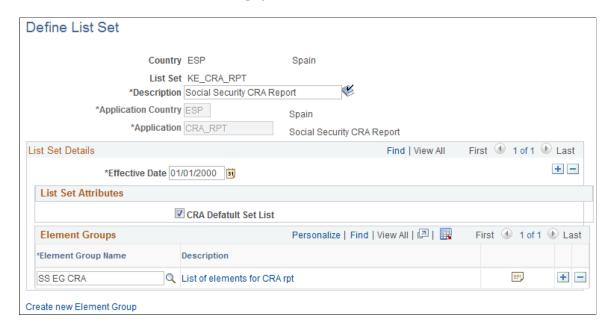
Pages Used to Manage CRA Reporting

Page Name	Definition Name	Usage
"Element Group Name Page" (PeopleSoft Global Payroll)	GP_PIN	Create your own element group that includes the elements to be considered for the CRA report.
"Define Application Page" (PeopleSoft Global Payroll)	GP_ELN_APP	View the details of the application definition *CRA_RPT* that is used for generating the CRA report. CRA_RPT is a system definition.
"Define List Set Page" (PeopleSoft Global Payroll)	GP_ELN_SET	Create your own list set for generating the CRA report. The sample list set we deliver is KE_CRA_RPT.
Create CRA File ESP Page	GPES_RC_SS_CRA	Generate the CRA file report.

List Set KE_CRA_RPT
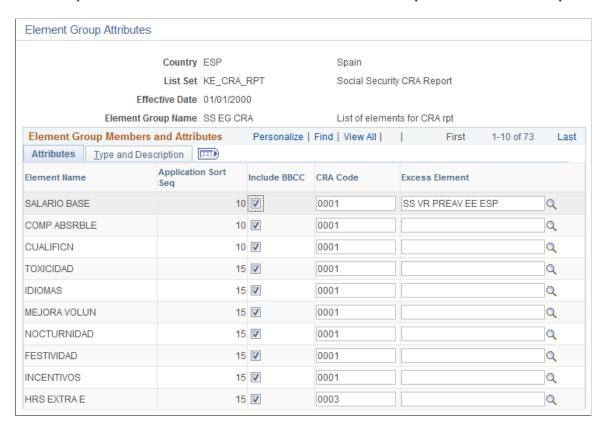
List sets enable you to create groups of elements and corresponding element attributes to associate with a specific application, such as a report. PeopleSoft delivers a sample list set for CRA reporting, associated to the Application definition CRA_RPT:

This example illustrates the fields and controls on the List Set for CRA report. You can find definitions for the fields and controls later on this page.

To indicate that the list set is the default one to be used for CRA reporting, the check box **CRA Default List Set** is selected. You can click the **Element Group Details** icon on the page to access the Element Group Attributes page. The configurations in this page indicate the behavior and specific code in CRA report for all standard elements belonging to element group *SS EG CRA* (according to Common Table T-84).

This example illustrates the fields and controls on the Element Group Attributes for CRA Report.

Element Group Attributes				
Country ESP		Spain		
List Set KE_CRA_RPT		Social Security CRA Report		
Effective Date 01/01/2000				
Element Group Name SS EG CRA		List of elements for CRA rpt		

Element Group Members and Attributes   Personalize | Find | View All | | First   1-10 of 73   Last

Attributes | Type and Description

Element Name	Application Sort Seq	Include BBCC	CRA Code	Excess Element
SALARIO BASE	10	✓	0001	SS VR PREAV EE ESP
COMP ABSRBLE	10	✓	0001	
CUALIFICN	10	✓	0001	
TOXICIDAD	15	✓	0001	
IDIOMAS	15	✓	0001	
MEJORA VOLUN	15	✓	0001	
NOCTURNIDAD	15	✓	0001	
FESTIVIDAD	15	✓	0001	
INCENTIVOS	15	✓	0001	
HRS EXTRA E	15	✓	0003	

For each element you need to indicate:

• Contribution behavior:

  • If the element contributes, select the **Include BBCC** check box.

  • If the element does not contribute, clear the **Include BBCC** check box.

• CRA code provided by Social Security (Common Table T-84).

• For concepts with exempt part from contributions and excess, you need to enter two rows:

  • One row for the excess, selecting the check box **Include BBCC**.

  • Second row with the concept, the excess and clear the **Include BBCC** check box. System reports the difference between the element and the excess, as excluded from contribution bases.
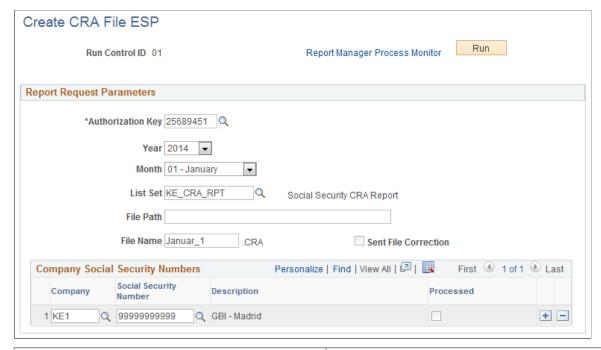
Create CRA File ESP Page

Use the Create CRA File ESP page (GPES_RC_SS_CRA) to generate the CRA file report.

Navigation:

Global Payroll & Absence Mgmt >**Social Security / Insurance** > **Create CRA File ESP** >**Create CRA File ESP**

This example illustrates the fields and controls on the Create CRA File ESP page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Authorization Key	Select the authorization key for sending the CRA file. You can create CRA file for multiples CCCs and companies, if all of them are managed through the same authorization key.
Year and **Month**	Select the year and month for which you want to generate the CRA report. It includes data for the selected month and the retro deltas generated from the current month. The values available for selection are the year/months for which there are calculated payrolls.
List Set	Select the list set that contains the information about the payroll elements to be reported. . **Note:** The sample list set we deliver is *KE_CRA_RPT*.
File Path	Enter the directory in which you want to store the CRA file.

Field or Control	Description
File Name	Enter the file name to be sent to Social Security. The file name needs to comply with the legal requirements. The file naming requirements state that the file extension must be .CRA and the file name must have 8 characters. The system checks whether the file name follows the naming conventions, and show an error message if it is not named correctly.
Sent File Correction	Select this check box if you want to re-send a file that was already communicated to Social Security. This ensures that the system compares the new data with the already reported data and prints the changed data. **Note:** When you re-generate a file that was never sent to Social Security, do not select this check box. Also, if you wan to replace the data on the record GPES_CRA_RPT after the file has already been sent to Social Security, you need to run the process again after clearing the **Sent File Correction** check box.

Company Social Security Numbers

Field or Control	Description
Company	Select the company managed using the selected authorization key for which you want to select a CCC to be reported.
Social Security Number and Description	Select the company Social Security Number (CCC) that you want to report.
Processed	This check box is automatically selected once you have run a CRA report for the selected CCC and period.

Managing Cret@ Reporting

This section gives you an overview of Cret@ reporting and takes you through different processes/ steps involved in this reporting.

Understanding Cret@ Reporting

As of January 2015, the Social Security launched a new system for companies to report and pay Social Security contributions called the Cret@: Sistema De Liquidación Directa

Cret@ system defines the way Social Security contributions are calculated and reported. With Cret@ reporting system, instead of companies calculating the contributions or reductions, Social Security directly calculates them based on the affiliation data (FGA: Fichero General de Afiliación) and the data

provided by the companies. Companies provide the data either by the AFI, FDI or XML files defined by Cret@.

Communication between Social Security and the companies in Cret@ system is bidirectional; that is, the companies send XML files to Social Security and Social Security in turn sends files back to the company. The new XML files that companies need to create and send to Social Security on a monthly basis are listed in the table below.

XML File Name	Description	Optional or not
Solicitud de Borrador	Request of a draft	Optional
Fichero de Bases	XML of Bases	
Solicitud de Empleados y tramos	Request Employees-Slices	Optional
Solicitud de Cálculos	Request Calculation details	Optional
Solicitud de Confirmación	Request Confirmation	

The two major steps involved in generating the XML reports are:

1. *Data Preparation*: To prepare data for reporting, the social security section SS SE PREP CRETA runs the formulas `SS FM CRT WA` and `SS FM CRT Q-WA` during payroll process. This sends data to the writable array `SS WA CRETA` during the regular payroll process and this writable array stores data in record `GPES_CRT_LQ_EE` for use in reporting process and validation process.

2. *Reporting*: To generate the reports, the reporting process reads the data in the writable arrays.
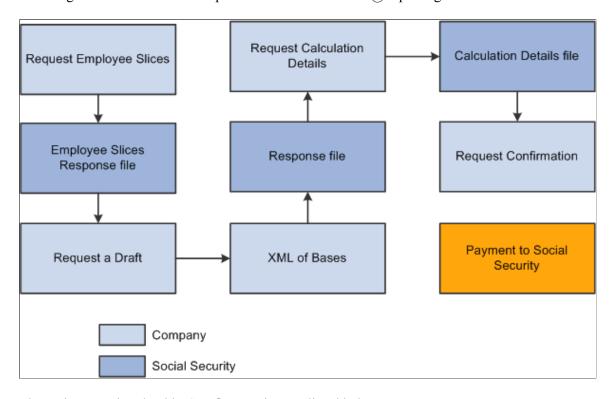
The response files that Social Security sends in response to the communication from companies are listed in the table below.

XML File Name	Description
Fichero de Trabajadores y Tramos	Employees Slices Response File
Fichero de Respuesta	Response File
Fichero de Cálculos	Calculation Details File

Important! To activate the Cret@ reporting in your system and thereby start storing results during payroll calculation to be included in the new reports, you need to update the setup variable *SS VR CRT FLAG=1*.

An Overview of the Business Process Flow

This diagram illustrates the main processes involved in Cret@ reporting.

The major steps involved in Cret@ reporting are listed below:

1. *Payroll Calculation*: Payroll is run and finalized to ensure employees get paid normally before end of the month.

2. *Checking Slices*: Prior to initiating 'Liquidation of Month', companies start validating the slices within Social Security. They send a 'Request of Employee-Slices' and then load the Employee-Slices response file in the system. This runs an automatic validation with respect to the slices calculated by the system. You can analyze the source of the slices (segmentation triggers) and also run clean-up process. You may also need to run the correction off cycle payroll.

3. *Initiating a Liquidation*: They can start the liquidation by sending 'Request of Draft XML' file or by sending the XML of bases.

4. *Reporting Social Security Bases*: You can generate and send XML of bases. You will be able to send as many files as needed to get all the employees calculated. You can track the status of the liquidation and all the details at any moment in the system

5. *Analyzing Response File*: You can load the Response file in the system and check the reported errors. This implies sending of XML of bases

6. *Checking Calculation Details*: You can request Calculation Details XML file to Social Security and load the Calculation Details response file in the system which in turn runs a verification process comparing Social Security results with the Company calculated results.

7. *Confirming a Liquidation*: You need to confirm the liquidation to get the invoice from Social Security (Request of Confirmation XML file).

Liquidation Types

Compared to FAN reporting, there are some changes to the liquidation types involved in Cret@ system:

- Complementary Liquidation with surcharge *L09* gets split into:

    - *L90*: Complementary liquidation with surcharge due to increase of bases.

    - *L91*: Complementary liquidation with surcharge due to new slices.

- Reduction Payback *L04* is not available in Cret@.

The default liquidation type for FAN report retroactive payments is *L03* (default value of variable SS VR RTR L03/L09). The Liquidation Type Override ESP (GPES_PMTRTO_DEF) and Create Liquidation Type Ovr Setup ESP (GPES_PMTRTR_OVR) components enable you to override the liquidation type with enhanced flexibility.

Segmentation Triggers and Trigger Cleanup Process

With Cret@ reporting system, Social Security insists that you split employee's Social Security data into as many slices as situations that affects employee's contribution. A slice is the part of a liquidation period in which situations affecting contributions remain the same. Changes in the following situations need a split in the period:

- Hires/Rehires/Terminations

- Change of Social Security work group

- Change of occupation code

- Change of inactivity type

- Change of labor category

- Change of contract type

- Change of part time coefficient

- Change of Job

- Change of family bond

- Change of special labor relationship

- Change of right loss

- Reductions (beginning, ending and changes of percentage/amount to reduce)

- Absences

The Review Triggers component shows all triggers: iterative, retro and segmentation triggers for all countries. However, the Review Segment Triggers ESP page allows you to manage the segmentation triggers that are considered during calculation and to allow users to easily update. This page lists only the segmentation triggers affecting Global Payroll for Spain.

The Trigger Cleanup process helps you ensure that the payroll takes all changes in the system into consideration. For example, you enter an absence event and it produces some segmentation triggers. Later on, you delete the absence event as it is not needed, but the system still stores the generated segmentation triggers that would have produced a segmentation in the payroll, which is not needed. The Trigger Cleanup process deletes these unwanted triggers.

Note: The Trigger Cleanup is an optional process, but it is highly recommended that you run this process monthly. The clean up process runs for the selected pay group / year / month, irrespective of the criteria you enter in the **Selection Criteria** group box.

Response File from Social Security

Social Security sends a Response file for all XML files sent by the company. However, we can load a Response file into the system only against an 'XML of bases' file sent by the company. None of the other response files can be loaded in the system.

The response file contains a lot of information in the XML of Bases that was originally sent by the company. Additionally, system loads the Error messages. In case of an error being reported, system updates the Liquidation Status to *With Errors*. The errors are categorized in two levels:

• Liquidation Level

• Payee level

Each Response file will override the previously loaded errors and includes status for:

• Liquidation being reported.

• All employees in that liquidation (even if the generated file did not include some of them). This is under the assumption that employees not included in the response file are considered correctly processed.

When we generate a new XML of bases, we update the status and the error list for:

• Liquidation being reported

• Just the employees being reported.

When the liquidation is correctly processed, you will receive the *Message R9529*. This updates the status at liquidation level to *Validated Without Errors*.

Verification Process

Data synchronization between the Social Security system and the company's system is very important in Cret@ Reporting. Otherwise, the social security contributions of the employee is not processed / calculated correctly. To detect possible discrepancies, there are two verification processes:

• A verification process to check if the Slices considered by Social Security (communicated in the Employees-Slices file that can be loaded into the system) match the slice dates calculated during the payroll process in the user's environment. The discrepancies between Social Security and Payroll system are mainly due to differences in the constructions of slices.

- A verification process to check if the Calculations performed by Social Security and included in the Calculation Details file (loaded into the system) match with the Social Security results calculated during the payroll process in the user's environment.

Note: The data stored during payroll process in the existing Cret@ record (*GPES_CRT_LQ_EE*) is the source of data in user's environment for the verification processes.

When loading an Employee Slices XML file or a Calculation details XML file, system automatically runs a specific verification process:

- If you load an Employee Slices file, system executes the verification process of slices.

- If you load a Calculation Details file, system executes the verification process of calculations.

Note: Calculation Details file contains information about the processed slices and therefore the system runs the verification process of the slices together with the verification process of the calculation. When we run the verification process of the calculation, system checks both Employee Slices and Calculation Details.
Additionally, you can run the verification processes from the Review Cret@ Liquidation ESP page. This option is available only when a file is loaded into the system.

Pages Used to Manage Cret@ Reporting

Page Name	*Definition Name*	*Usage*
Review Segment Triggers ESP Page	GPES_TRIGGER_SEG	Manage segmentation triggers that affect Global Payroll for Spain.
Print Cret@ Files ESP Page	GPES_RC_CRT	Create Cret@ files for the electronic transmission to the Social Security agency.
Review Cret@ Liquidations ESP Page	GPES_CRT_LQ_REVIEW	Monitor the liquidation status for a month.
Errors Page	GPES_CRT_LQ_ERR	Review the list of errors that have been loaded in the system
Liquidation Details Page	GPES_CRT_LQ_VR_REV	Review the contribution data at a liquidation level.
Cret@ Collective Data ESP Page	GPES_CRT_COL_DAT	View Cret@ results by Company, Employer Social Security Number, Month / Year, and Payment Type.
Bases Details Page	GPES_CRT_COL_EDL	View details of bases, hours and indicators of the employee for a slice.

Page Name	Definition Name	Usage
Social Security Calculation Details Page	GPES_CRT_COL_VRFY	View details about contribution data and slices.
Cret@ Individual Data ESP Page	GPES_CRT_IND_DAT	View the Cret@ results for an employee.
Manage Cret@ Files ESP Page	GPES_CRT_LQ_DOC	Review the XML files generated through the system for Cret@ reporting.

Review Segment Triggers ESP Page
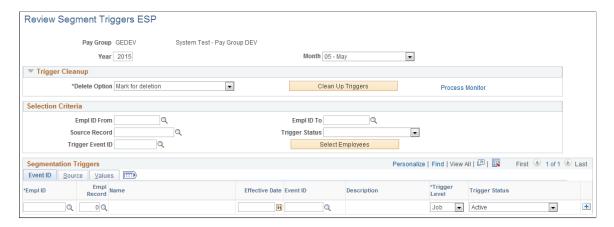
Use the Review Segment Triggers ESP page (GPES_TRIGGER_SEG) to manage segmentation triggers that affect Global Payroll for Spain. Using this page, you can run the clean up process to remove obsolete triggers. We recommend you to run this clean-up process (optional, but highly recommended) before payroll process every month in order to clean the obsolete triggers. The process checks the existing triggers and the information in the source records, and in case they do not match, you can see the list to decide if you want to delete those triggers or not.

Note: You should slice the social security calculation only in cases specified by Social Security. If you report contribution bases of an employee in a different way than what Social Security is expecting, they will not calculate contributions for that employee. That is, if you modify or delete data that results in segmentation, you need to update the segmentation trigger record accordingly.

Navigation:

Global Payroll & Absence Mgmt >**Absence and Payroll Processing** >**Prepare Payroll** >**Review Segment Triggers ESP**

This example illustrates the fields and controls on the Review Segment Triggers ESP page. You can find definitions for the fields and controls later on this page.

Trigger Cleanup

Use this group box to run a clean up process that deletes obsolete segmentation triggers. The process checks the existing triggers and the information in source records, and if they do not match, the process lists the triggers and allows you to delete them.

Field or Control	Description
Delete Option	The values available are: • *Mark for deletion*: Update the trigger status to 'D'. This does not delete the segmentation triggers, but the trigger will be ignored by the Payroll process. • *Delete marked for deletion*: Delete triggers with status 'D'. • *Clean Active*: Delete obsolete triggers. • *Delete cancelled*: Delete cancelled triggers (triggers with status 'C').
Clean Up Triggers	Click this button to initiate the clean up process.
Process Monitor	Click this link to access the Process Monitor page where you can monitor the progress of the clean up process.

Selection Criteria

Field or Control	Description
Empl ID From and **Empl ID To**	Select the range of employees for whom you want to search for triggers.
Source Record	Select the source of the trigger.
Trigger Status	Select the status of the trigger. Possible values are: *Active*. *Cancelled*, or *Marked for Deletion*.
Trigger Event ID	Select the trigger event to use. This determines the type of segmentation to use to process the segmentation events: *Period* or *Element*. In case of element segmentation, it also determines the elements to segment.
Select Employees	Click this button to display the employees based on the criteria you selected.

Segmentation Triggers - Event ID

Field or Control	Description
Effective Date	Displays the effective date of the segmentation trigger.
Event ID and **Description**	Identifies the type of segmentation processed and the elements sliced (in case of element segmentation).
Trigger Level	The possible values are: • *Payee*: System segments pay elements for all jobs belonging to the payee. • *Job*: System segments pay elements for the job identified by the employee record number.
Trigger Status	The possible values are: • *Active* • *Cancelled* • *Marked for Deletion*

Segmentation Triggers - Source

Field or Control	Description
Empl ID and **Name**	Identifies the payee affected by the change that generates the trigger.
Empl Record	Identifies the job affected by the segmentation event.
Effective Date	Decides how to segment a pay period. For example, an effective date of June 15 tells the system to divide the June pay period into two slices or segments, one with dates June 1 to June 15 and another with the dates June 16 to June 30.
Event ID	Identifies the trigger event id associated with the triggering condition. It tells the system what type of segmentation to apply and the elements to segment (in the case of element segmentation).

Field or Control	Description
Trigger Source	Identifies how the segmentation trigger is generated. The possible values are: • *Automatic* • *Manual*
Created	System date and time when a trigger is generated. If you change the data and the segmentation trigger is generated repeatedly, the timestamp allows you to identify the instances.
Source Record	Identifies the source record from which the segmentation trigger is generated.
Field Name	Identifies the field that generates the segmentation trigger in response to a data change.

Segmentation Triggers - Values

Field or Control	Description
Event ID	Displays the trigger event id associated with the record, field, or value changes as defined in the trigger setup.
Trigger Field Value and Element	Displays information about the event associated with the change.

Note: System does not modify or delete the triggers you have entered manually. System checks only the triggers automatically generated by the system .
In case of triggers affecting already finalized payroll, system does not delete them. Instead, it updates them to 'Cancelled'. Additionally, system will generate a Retro trigger to ensure that retro calculation is run based on the new situation.
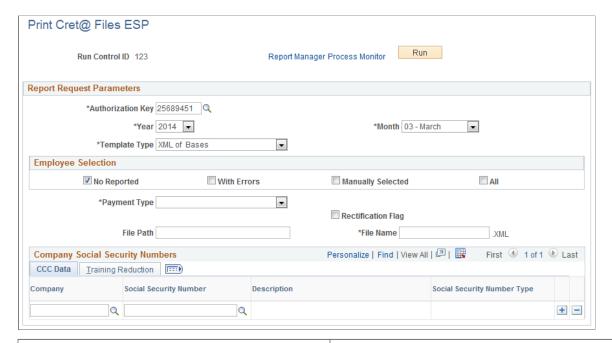
Print Cret@ Files ESP Page

Use the Print Cret@ Files ESP page (GPES_RC_CRT) to create Cret@ files for the electronic transmission to the Social Security agency.

Navigation:

Global Payroll & Absence Mgmt >Social Security/Insurance >Print Cret@ Files ESP

This example illustrates the fields and controls on the Print Cret@ Files ESP page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Authorization Key	Enter the authorization key for which the XML file is created. The same authorization can manage multiple companies in the same group.
Year and **Month**	Select the year and month for the XML file.

Field or Control	*Description*
Template Type	The values are: • *Request of Calculation Details*: You can send this file to Social Security after liquidation has started, to request information about the calculation being run at Social Security side. • *Request of Confirmation*: You can send this file to Social Security to communicate your agreement on the liquidation. • *Request of Employee Slices*: You can send this file to Social Security to request information about the employees to be reported, in relation with the slices to be reported. You can request for this file just before the liquidation is initiated, either by sending 'Request of a draft' or 'XML of Bases'. • *Request of a draft*: You can send this XML file to initiate a liquidation or to force a recalculation of a liquidation after it was open. For example, if you correct something in the affiliation side (FGA) through the AFI file, and you want Social Security to re-validate the information already sent, you can use this file. It contains just information about the Authorization key (to identify the sender company), CCC (Employer Social Security Number) and liquidation (month and liquidation type) that is being processed • *XML of Bases*: This file contains, in January, economical information (contribution bases) and other like hours or certain flags for all the employees. It also contains information for all the employees the first month sending Cret@ files. For any other month, it should contain just the information about the employees with changes with respect previous months Each month, you can decide if you want to include all employees, or just the ones with changes during the previous month. It can contain information for employees belonging to one or more CCC associated with the same authorization key.

Field or Control	Description
Payment Type	Select the payment type for the report that you want to generate for a specific month for the Employer Social Security numbers that are selected. The possible values are: • *Full*: Includes everything that was calculated in the month, like regular contributions, contributions due to vacations, litigation salaries, and retroactivity. • *Litigation Salary*: Runs the report for deltas due to the litigation process. This is a legal process for resolving disputes between employers and terminated employees. Until this process is resolved, salary paid to the employee is identified as tramitation salary. • *Regular*: Refers to L00 liquidation. • *Regular and Vacations*: Includes the regular payroll and the contributions due for vacations that are paid at termination. • *Retroactivity w/Surcharge*: Runs the report for the deltas detected in previous months due to retroactivity, and includes a surcharge. This includes both L90 and L91 complementary liquidations. **Note:** For the FAN file, the code used for this type of liquidation is L09. When you move to Cret@ reporting, you need to start using either L90 or L91 code. To verify, please check the default value of variable `SS VR RTR L03/L09` • *Retroactivity wo/Surcharge*: Runs the report for the deltas detected in previous months due to retroactivity, but does not include a surcharge. (L03) • *Vacations*: Includes the contributions due for vacations that are paid at termination.
Break Down of Employees	Select this check box if you want Social Security to provide the calculations at an employee-level in the response file. **Note:** This check box appears when you select *Request of Calculation Details* in the **Template Type** field.
Reuse Previous Month Bases	Select this check box if you want Social Security to load the bases reported for the previous month. This applies only to regular liquidation (L00). **Note:** This check box appears when you select *Request of a Draft* or *XML of Bases* in the **Template Type** field. This check box is not available for the month of January.

Field or Control	Description
Negative Bases	Using this field, you can define how to manage negative deltas in Cret@ reporting. The possible values are: • *Exclude Full Employee*: System removes the whole employee for the liquidation in which a negative value is encountered. • *Exclude Only Negative*: System removes only the negative base and prints any other delta existing for the employee and liquidation.
Rectification Flag	Select this check box to override an already confirmed liquidation.
File Path	Enter the directory in which to store the XML file. This is optional.
File Name	Enter the name of the file to be sent to Social Security. The file name needs to comply with the legal requirements. The file naming requirements state that the file extension must be *.XML* and the file name must have 8 characters. The system checks whether the file name follows the naming conventions, and shows an error message if it is not.

Employee Selection

This group box appears when you select *XML of Bases* in the **Template Type** field.

Field or Control	Description
No Reported	Select this check box if you want to generate a XML of bases file just for those employees who were not reported previously.
With Errors	Select this check box to select employees who were identified to be in Error after loading a response file from Social Security.
Manually Selected	Select this check box to manually select employees. System allows you to modify the status of reporting at employee level, thereby forcing his inclusion in the XML of bases. For more details, see Bases Details Page section.
All	Select this check box to get a XML of Bases file that contains all employees, regardless of the status of their communication.

Company Social Security Numbers - CCC Data

Field or Control	Description
Company and **Social Security Number**	Enter the Employer's Social Security number (Código Cuenta Cotización) for which you want to generate the XML file.
Description and **Social Security Number Type**	These fields display the description and type of the Social Security number selected.

Company Social Security Numbers - Training Reduction

Field or Control	Description
Continuous Training Reduction	Enter the reduction amount corresponding to the continuous training plan (Fundación Tripartita reduction). In case of companies that provide continuous training to their workers, you must enter reductions in Social Security training contributions for inclusion in the XML of Bases file. **Note:** Enter contributions separately for each Employer Social Security number.
Refresh	Click to load the value of available training reduction based on what has been calculated by the Tripartite foundation feature.

Review Cret@ Liquidations ESP Page

Use the Review Cret@ Liquidations ESP page (GPES_CRT_LQ_REVIEW) to monitor the status of the liquidation for a month.

This is the primary review page from where you can check the status of the all liquidations for a specific reporting month. In one shot, you can monitor all the CCC (Employer Social Security number) managed through the same authorization number. This page also gives a graphical representation of the status of liquidations for all the employees to be reported, and the status of the verifications processes that user can run to help during the liquidation business process.

Navigation:

Global Payroll & Absence Mgmt >**Social Security/Insurance** >**Review Cret@ Liquidations ESP**

This example illustrates the fields and controls on the Review Cret@ Liquidations ESP page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Authorization Key	Displays the authorization key selected while searching.
Year and **Month**	Displays the year and month of reporting.
Company	You can select a company to filter the data in this page.
SSN Employer	You can select a specific CCC to filter the data in this page.
Manage Creta Files	Click this link to access the Manage Cret@ Files ESP page, where you can review and manage all the files (generated or received) linked to this liquidation.

Social Security Liquidations

Field or Control	Description
Company	Displays the company to which this liquidation belongs to.
SSN Employer	Codigo Cuenta de Cotización or CCC to which this liquidation belongs to.

Field or Control	Description
Payment Type	Displays the type of liquidation. The possible values are: • *Regular*: Includes the regular payroll contributions. • *Litigation Salary*: This is a legal process for resolving disputes between employers and terminated employees. Until this process is resolved, salary paid to the employee is identified as Litigation salary. • *Retroactivity w/Surcharge base increase*: Refers to the retroactivity calculations that involve a delta in the Social Security bases. • *Retroactivity w/Surcharge new slices*: Refers to the retroactivity calculations that involve new slices to be reported that were not reported at the time. • *Retroactivity wo/Surcharge*: Retroactivity calculation that do not include a surcharge. (L03) • *Vacations*: Includes the contributions due for vacations that are paid at termination.
Year Retro and **Month Retro**	In case of complementary reporting, these fields identify the recalculated period.
Liquidation Status	Displays the status of the specific liquidation. Possible values are: • *Not Started*: First status. • *In Progress*: System automatically updates to this status, when we run an 'XML of bases' or a 'Request of a Draft'. • *With Errors*: System automatically updates to this status, when you load a response file that contains errors. • *Validated*: As soon as we load a response file with no errors or Error message R9529- Liquidacion procesada correctamente, system will update the status with this value. • *Partially confirmed*: As of now this status should be managed manually • *Confirmed*: System automatically updates to this status when you generate a Request of Confirmation XML file.

Field or Control	Description
Response	Displays if the response file loaded into the system contains errors. The link opens to a secondary page where you can view the errors at liquidation level and the list of errors at employee level.
Verification File	Displays the type of response file (either Employee Slices or Calculation Details) that has been loaded and processed. The possible values are: • *Not Loaded*: Neither Employee Slices file and Calculation Details file have been loaded. • *Employee Slices*: Employee Slices file is loaded. • *Calculation Details*: Calculation Details file is loaded.
Verification Status	Displays the status of the verification processes at liquidation level. The possible values are: • *Not Verified*: None of the response files are loaded; therefore, none of the processes are run. • *Matched*: There are no discrepancies in data between the file loaded into the system and what was in the system. • *Mismatch*: There are discrepancies between the file loaded into the system and what is in the system.
Liquidation Details	Displays a hyperlink that opens up the Liquidation Details page where you can review contribution data at a liquidation level.
Employee Details	Displays a hyperlink that opens up the Cret@ Collective Data ESP page.
Verification Process	Displays a hyperlink that allows you to execute the verification process. You can re-run the verification process at any time, without needing to load it again. **Note:** The link is available only when a file is loaded into the system.
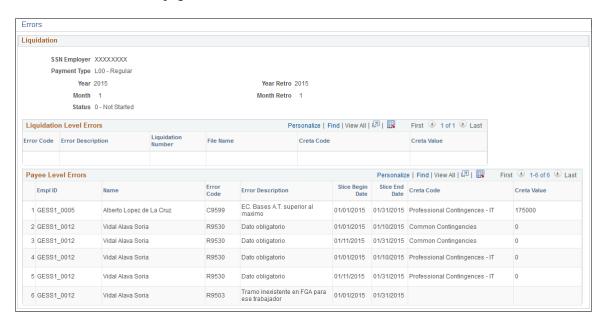
Errors Page

Use the Errors page (GPES_CRT_LQ_ERR) to review the list of errors that have been loaded in the system. The page displays the list of errors at both liquidation level and employee level.

Navigation:

Global Payroll & Absence Mgmt >**Social Security/Insurance** >**Review Cret@ Liquidations ESP**

Click the **Details** link under the **Response** field.

This example illustrates the fields and controls on the Errors page. You can find definitions for the fields and controls later on this page.

Errors							
Liquidation							
SSN Employer XXXXXXX							
Payment Type L00 - Regular							
Year 2015				Year Retro 2015			
Month 1				Month Retro 1			
Status 0 - Not Started							

Liquidation Level Errors   Personalize | Find | View All | 🔄 | 🏢   First ◀ 1 of 1 ▶ Last

Error Code	Error Description	Liquidation Number	File Name	Creta Code	Creta Value

Payee Level Errors   Personalize | Find | View All | 🔄 | 🏢   First ◀ 1-6 of 6 ▶ Last

	Empl ID	Name	Error Code	Error Description	Slice Begin Date	Slice End Date	Creta Code	Creta Value
1	GESS1_0005	Alberto Lopez de La Cruz	C9599	EC. Bases A.T. superior al maximo	01/01/2015	01/31/2015	Professional Contingences - IT	175000
2	GESS1_0012	Vidal Alava Soria	R9530	Dato obligatorio	01/01/2015	01/10/2015	Common Contingencies	0
3	GESS1_0012	Vidal Alava Soria	R9530	Dato obligatorio	01/11/2015	01/31/2015	Common Contingencies	0
4	GESS1_0012	Vidal Alava Soria	R9530	Dato obligatorio	01/01/2015	01/10/2015	Professional Contingences - IT	0
5	GESS1_0012	Vidal Alava Soria	R9530	Dato obligatorio	01/11/2015	01/31/2015	Professional Contingences - IT	0
6	GESS1_0012	Vidal Alava Soria	R9503	Tramo inexistente en FGA para ese trabajador	01/01/2015	01/31/2015		

Liquidation Level Errors

This group box lists the list of errors at liquidation level.

Field or Control	*Description*
Error Code and **Error Description**	Displays the code and description of the error reported.
Liquidation Number	Displays the liquidation against which the error is reported.
File Name	Displays the file name against which the error is reported.
Creta Code and **Creta Value**	Displays the Creta code and value.

Payee Level Errors

This group box lists the list of errors at employee level.

Field or Control	Description
Empl ID and **Name**	Displays the ID and name of the employee against whom the error is reported.
Error Code and **Error Description**	Displays the code and description of the error being reported.
Slice Begin Date and **Slice End Date**	Displays the begin and end date of the slice which reported the error.
Creta Code and **Creta Value**	Displays the Creta code and value.

Liquidation Details Page

Use the Liquidation Details page (GPES_CRT_LQ_VR_REV) to review the contribution data at a liquidation level.

Navigation:

Global Payroll & Absence Mgmt >Social Security/Insurance >Review Cret@ Liquidations ESP

Click the **Liquidation Details** link under the **Social Security Liquidations** group box on the Review Cret@ Liquidations ESP page.

This example illustrates the fields and controls on the Liquidation Details page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Creta Code and **Description**	Displays the Cret@ code and description.
Employee Contribution	Displays the employee contribution calculated based on the payroll results.
Employer Contribution	Displays the employer contribution calculated based on the payroll results.

Field or Control	Description
SS Employee Contribution	Displays the employee contribution calculated by Social Security from the Calculation Details response file loaded in the system.
SS Employer Contribution	Displays the employer contribution calculated by Social Security from the Calculation Details response file loaded in the system.
Difference	Displays the difference between the total contributions calculated by the payroll process and the Social Security.
Verification Status: *Not Verified* ⚠ *Matched* ✅ *Mismatch* ❌	Displays the status of the verification process of calculations at a liquidation level. Possible statuses are: • *Not Verified*: Calculation details are not loaded into the system. • *Matched*: There are no discrepancies in the calculations. • *Mismatch*: There are discrepancies in the calculations. System lists the discrepancies and you can click the **View All** check box to see all results.

Cret@ Collective Data ESP Page
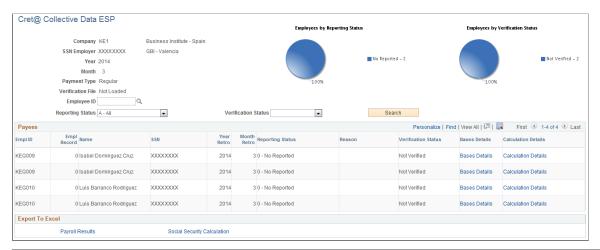
Use the Cret@ Collective Data ESP (GPES_CRT_COL_DAT) page to view Cret@ results by Company, Employer Social Security Number, Month / Year, and Payment Type.

The page displays the Cret@ results, but does not allow you to update, insert or delete data. Any change to the referred record needs to be done by re-running the payroll process.

Navigation:

• **Global Payroll and Absence Mgmt** >**Social Security / Insurance** >**Cret@ Collective Data ESP** >**Cret@ Collective Data ESP**

• **Global Payroll and Absence Mgmt** >**Social Security / Insurance** >**Review Cret@ Liquidation ESP**Click the **Employee Details** link.

This example illustrates the fields and controls on the Cret@ Collective Data ESP page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Employee ID	Use this filter field to check data for a specific employee.
Reporting Status	Use this filter to check data for specific status. Select the status of liquidation you want to review. The possible values are: • *0 - No Reported* • *1 - Reported* • *A - All* • *E - With Errors* • *M - Manually Selected* • *V - Validated* • *X - Excluded*
Verification Status	Use this field to filter the data by verification status..
Search	Click this button to search based on the selected filters.

Payees

Field or Control	Description
Empl ID, **Empl Record**, **Name** and **SSN**	Displays the employee id, record, name and social security number that helps to identify the employee.
Year Retro and **Month Retro**	Displays the year and month of recalculation.

Field or Control	Description
Reporting Status and **Verification Status**	Displays the status of reporting and the verification processes respectively.
Reason	In case of reporting status 'Excluded', this field displays the reason why the data was not included in the XML of bases.
Bases Details	Click this link to open the Bases Details page where you can view details of bases, hours and indicators of the employee for a slice. The Bases Details page also shows the errors contained in a response file, if any.
Calculation Details	Click this link to open the Social Security Calculation Details page where you can view details about contribution data and slices.

Export to Excel

Field or Control	Description
Payroll Results	Click this link to export the contribution data calculated by the system. This is the content of the record *GPES_CRT_LQ_EE*, filled during payroll calculation.
Social Security Calculation	Click this link to export the contribution data calculated by Social Security, that is the content of the Calculation Details file (record GPES_CRT_SS_DTL) loaded into the system.
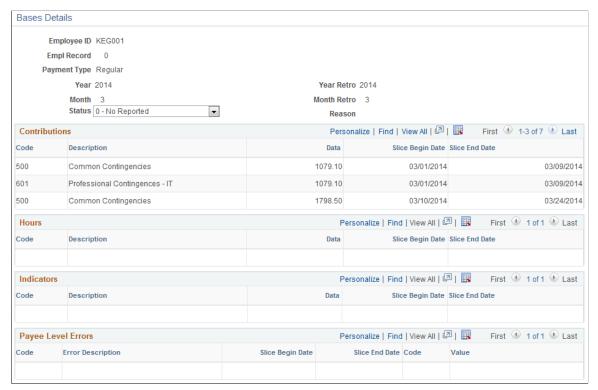
Bases Details Page

Use the Bases Details page (GPES_CRT_COL_EDL) to view details of bases, hours and indicators of the employee for a slice. The page also shows the errors contained in a response file, if any.

Navigation:

Global Payroll and Absence Mgmt >**Social Security / Insurance** >**Cret@ Collective Data ESP**

Click the **Bases Details** link.

This example illustrates the fields and controls on the Bases Details page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Status	Displays the status of reporting for the selected employee. You can modify the value based on your requirement. The possible values are: • *0 - No Reported* • *1 - Reported* • *A - All* • *E - With Errors* • *M - Manually Selected* • *V - Validated* • *X - Excluded* For example, changing status to *M* allows you to forcefully include the employee in the next XML of Bases.
Contributions	Displays the data type *C* and corresponds to calculated bases.
Hours	Displays the data type *H* and corresponds to the hours to be reported.

Field or Control	Description
Indicators	Displays the data type *I* and corresponds to the flags to be reported.
Payee Level Errors	Displays the errors found for an employee (if any), after a response file is loaded into the system.

Social Security Calculation Details Page
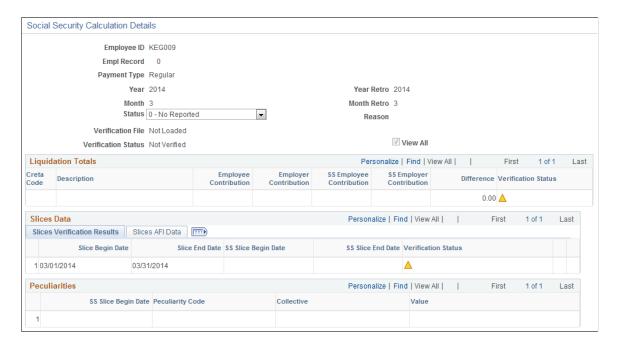
Use the Social Security Calculation Details page (GPES_CRT_COL_VRFY) to view details of contributions, slices and the affiliation peculiarities loaded into the system, either by using the Employee-Slices response file or the Calculation details response file.

Navigation:

Global Payroll and Absence Mgmt >Social Security / Insurance >Cret@ Collective Data ESP

Click the **Calculation Details** link.

This example illustrates the fields and controls on the Social Security Calculation Details page. You can find definitions for the fields and controls later on this page.

Liquidation Totals

This group box displays the liquidation totals for an employee. System calculates these values based on the data stored during payroll calculation for each employee; that is, the content of `GPES_CRT_LQ_EE` for data type 'Q'.

Field or Control	Description
Creta Code and **Description**	Displays the Cret@ code and description against which the liquidation totals are displayed.
Employee Contribution and **Employer Contribution**	Displays the Employee and Employer contribution calculated by the system via the Payroll process.
SS Employee Contribution and **SS Employer Contribution**	Displays the Employee and Employer contribution calculated by Social Security based on the Calculation Details response file loaded into the system.
Difference	Displays the difference between system data and social security data.
Verification Status: *Not Verified* *Matched* *Mismatch*	Displays the status of the verification process of calculations. Possible values are: • *Not Verified*: Calculation details file is not loaded into the system. • *Matched*: There are no discrepancies in the calculations. • *Mismatch*: There are discrepancies in the calculations. System lists the discrepancies and you can select the **View All** check box to see all results.

Slices Data

This group box displays the slices calculated by the system during the payroll process, along with the slices from Social Security (via Employee Slices file or Calculation Details file)

Field or Control	Description
Slice Begin Date and **Slice End Date**	Displays the period for which the slice is calculated by the payroll process.
SS Slice Begin Date and **SS Slice End Date**	Displays the period for which the slice is calculated by Social Security.

Field or Control	Description
Verification Status*Not* *Verified* *Matched* *Mismatch*	Displays the status of the verification process of calculations. Possible values are: • *Not Verified*: Response file is not loaded into the system. • *Matched*: There are no discrepancies in the slices. • *Mismatch*: There are discrepancies in the slices.

Note: The **Slices AFI Data** tab displays the affiliation data contained in the response file loaded into the system for each social security slice.

Peculiarities

This group box displays the affiliation peculiarities contained in the response file loaded into the system for each social security slice.

Field or Control	Description
SS Slice Begin Date	Identifies the slice begin date included in the Social Security XML file (either Employee-Slices XML file or Calculation Details XML file).
Peculiarity Code, **Collective**, and**Value**	Identifies the contribution peculiarities of the specific employee-slice, if any.
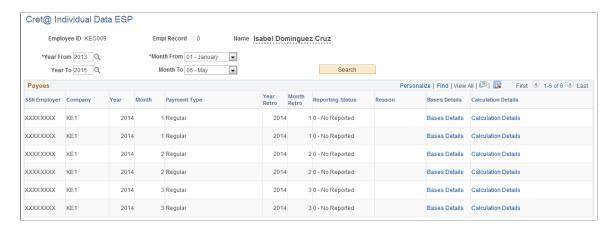
Cret@ Individual Data ESP Page

Use the Cret@ Individual Data ESP page to view the Cret@ results for an employee, for a selected period.

Navigation:

Global Payroll and Absence Mgmt >**Social Security / Insurance** >**Cret@ Individual Data ESP**

This example illustrates the fields and controls on the Cret@ Individual Data ESP page. You can find definitions for the fields and controls later on this page.

Cret@ Individual Data ESP											
Employee ID KEG009		Empl Record 0			Name Isabel Dominguez Cruz						
*Year From 2013		*Month From 01 - January									
Year To 2015		Month To 05 - May		Search							
Payees								Personalize | Find | View All |		First 1-6 of 6 Last
SSN Employer	Company	Year	Month	Payment Type		Year Retro	Month Retro	Reporting Status	Reason	Bases Details	Calculation Details
XXXXXXXX	KE1	2014	1	Regular		2014	1	0 - No Reported		Bases Details	Calculation Details
XXXXXXXX	KE1	2014	1	Regular		2014	1	0 - No Reported		Bases Details	Calculation Details
XXXXXXXX	KE1	2014	2	Regular		2014	2	0 - No Reported		Bases Details	Calculation Details
XXXXXXXX	KE1	2014	2	Regular		2014	2	0 - No Reported		Bases Details	Calculation Details
XXXXXXXX	KE1	2014	3	Regular		2014	3	0 - No Reported		Bases Details	Calculation Details
XXXXXXXX	KE1	2014	3	Regular		2014	3	0 - No Reported		Bases Details	Calculation Details

Note: The Cret@ Individual Data ESP page is very similar to the Cret@ Collective Data ESP page. The only difference is that you can use this page to search for an employee's Cret@ results for a selected period of time. To read more about the page, see topic Cret@ Collective Data ESP Page.

Manage Cret@ Files ESP Page

Use the Manage Cret@ Files ESP page (GPES_CRT_LQ_DOC) to:

•   Review the XML files generated through the system for Cret@ reporting.

•   Load the response files from Social Security into the system.

Navigation:

Global Payroll and Absence Mgmt >**Social Security / Insurance** >**Manage Cret@ Files ESP**

Field or Control	Description
Authorization Key	Select the authorization key.
Year and **Month**	Select the reporting month and year.

Field or Control	Description
Template Type	Select a template type if you want to attach a response file to categorize it, or if you want to filter. Possible values are: • *Calculation Details* • *Employee Slices* • *Request of Calculations* • *Request of Confirmation* • *Request of Slices* • *Request of a Draft* • *Response* • *XML of Bases*
Search	Click this button to search for the file based on the criteria selected.
Attach	Click this button to attach the file to the system. This option is available only for template types *Employee Slices*, *Response*, and *Calculation Details*.

Social Security Attachments

Field or Control	Description
File Name	Displays the name of the file attached.
Processed Date	Displays the processing date. In case of files generated by the system, this date corresponds to the date of last execution of the file. In case of external files attached to the system, this date is either the attachment date, or the date on which the data in the file has been loaded into the system.

Field or Control	*Description*
Template Type	Displays the type of file. The possible values are: • *Calculation Details*: The status can be **Attached** or **Loaded**. • *Employee Slices*: The status can be **Attached** or **Loaded**. • *Request of Calculations*: The status is always **Generated**. • *Request of Confirmation*: The status is always **Generated**. • *Request of Slices*: The status is always **Generated**. • *Request of a Draft*: The status is always **Generated**. • *Response*: The status can be **Attached** or **Loaded**. • *XML of Bases*: The status is always **Generated**. --- **Note:** If you are trying to attach a response file, the possible values are: *Response*, *Employee Slices*, and *Calculation Details*. Use the rest of the options while reviewing the XML files generated by the system. ---
Status	Displays the status of the file in the system. Possible values are: • *Generated*: Status of system-generated files. • *Attached*: Status when you have attached a file to the system. • *Loaded*: When you load information from a file into the system, this is the final status.
View	Click this link to view the XML file.
Load XML	Click this link to run a batch processing that loads the information contained in the file into the system. In case of loading Employee Slices XML or Calculation Details XML, system runs the verification process of slices or calculation automatically. --- **Note:** You can load an attached file only once. If you need to load it again, you need to delete the current file, attach it again, and then load it. ---

Managing FIE

This section gives you an overview of FIE (Fichero INSS empresas) and how the data in the file is loaded and displayed in the application.

As a Payroll Administrator, you can load the content of the FIE file into the application, review the data and verify if the data in the application is matching with the data from Social Security.

Understanding FIE

FIE is a flat file sent by Social Security to the employer organization to inform about the subsidies that are paid to employees. Companies can download information on the variations experienced by the Social Security benefits recognized to their workers, both subsidies and others that affect employment contracts or to business obligations with Social Security.

Starting from December 2019, FIE files are sent on a daily basis through SILTRA/Winsuite to the main authorized person in the company for SILTRA, with the changes affecting employees' subsides. The file contains the information for all the CCC (SSN Employer) managed by the Authorization key.

Pages Used to Manage FIE

Page Name	Definition Name	Usage
Define Flat File ESP Page	GPES_FLT_FILE_DEFN	To define the text file (FIE).
Load FIE File ESP Page	GPES_RC_FIE	To load the content of the file in the application.
Review FIE File ESP	GPES_FIE_REVIEW	To review the information present in the loaded FIE file.

Define Flat File ESP Page
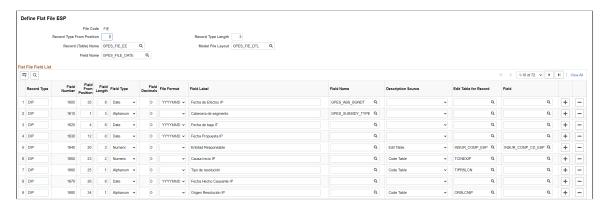
Use the Define Flat File ESP page (GPES_FLT_FILE_DEFN) to:

• Define the primary record that will be filled during the loading process and will contain one row per employee and record type.

• Define the secondary record that will contain whole information of the file, in the format of one row per employee/label in the input file.

• Define the positions in the file that will identify the type of the record.

Navigation:

Global Payroll & Absence Mgmt >**Social Security / Insurance** >**Define Flat File ESP**

This example illustrates the fields and controls on the Define Flat File ESP page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Record Type From Position and **Record Type Length**	Enter the position and length to identify the type of the record.
Record (Table) Name	Select the record table name. This is the primary record that will be filled during the loading process.
Field Name	Select the field in the primary record that will be mapped with that piece of information in the file. **Note:** Key field name used to delete previously loaded data. Before starting to load data for a new value, the data is deleted for such a new value from both the primary and secondary table
Model File Layout	Select the model file. This is the secondary record that will contain whole information of the file.

Flat File Field List

Field or Control	Description
Record Type, **Field Number**, **Field From position**, **Field Length**, **Field Decimals**	Enter the file details such as Record Type, Field Number, Field From Position, Field Length and Field Decimals.
Field Type	Select the field type. Available options are: • Alphabetic • Alphanumeric • Numeric • Date

Field or Control	Description
Field Format	Specify the format if you have selected 'Date' as the *Field Type*.
Field Label	Enter the label of the field.
Field Name	Select the field name.
Description Source	Select the description source from the list. Available options are: • Code Table • Edit Table • Translate Value
Edit Table for Record	Select the record if you have selected *Edit table* or *Code Table* in the 'Description Source' field.
Field	Select the field if you have selected *Edit table* or *Translate Value* in the 'Description Source' field.
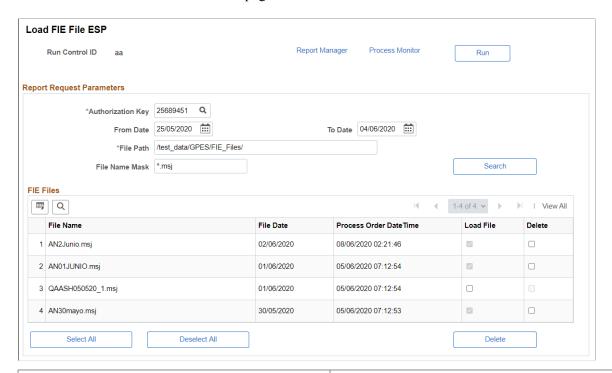
Load FIE File ESP Page

Use the Load FIE File ESP page (GPES_RC_FIE) to load the data from the FIE file. This page enables the user to load the content of multiple FIE files at once without the need to upload the files themselves. You can also delete the data previously loaded as part of clean-up process.

Navigation:

Global Payroll & Absence Mgmt >**Social Security / Insurance** > **Load FIE File ESP**

This example illustrates the fields and controls on the Load FIE File ESP page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Authorization Key, **File Name Mask**, **From Date** and **To Date**	Select Authorization Key, Date Range and File Name Mask.
File Path	Enter the path to the folder that contains FIE files. **Note:** Ensure to copy the received FIE files in a folder that is visible from the Process Schedule.
Search	When you click the Search button, the system will look for the files matching the File Name Mask placed in the specified path with modified date within the range of dates that has been entered. Then for those files the system verifies that authorization key match with the one in the filter and that file date falls also in the range on dates.
Load File	FIE Files section lists all the files, either loaded or pending to be loaded. For the files still not loaded into the system the *Load File* check box will be editable.
Delete	Select this check box if you want to delete the content of the tables in the application that contained the data from the specific file. Delete option can be used to clean-up data that is not useful anymore, or to be able to re-load a file.
Run	Use the Run button to load the content of the FIE files.

Validations

During the loading process, system performs the following validations:

- For those absences supported by the standard (DIT, DOP, ITD), system checks if there is an entry in the Absence Event ESP Component for the absence type with the same begin date.
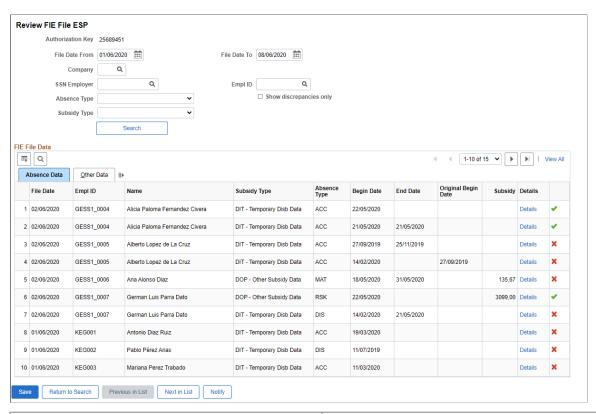
- In case of absence end date informed in the FIE file, the value is compared with the absence end date in the system.

You can view the result of this validation in the Review FIE File ESP page.

Review FIE File ESP

Use the Review FIE File ESP page (GPES_FIE_REVIEW) to view the content of the FIE files that are loaded into the system.
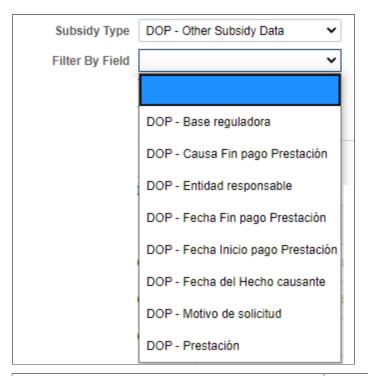
This example illustrates the fields and controls on the Review FIE File ESP page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
File Date From and **File Date To**	Enter the date range.
Company, **SSN Employer**, **Employee**, **Absence Type**, **Subsidy Type**	You can filter the data based on Company, SSN Employer, Employee, Absence Type, Subsidy Type or any data present in the file.

Field or Control	Description
Filter By Field	Select the field based on which you want to filter the data. **Note:** The displayed list depends on the Subsidy type being selected.

Filter By Field options
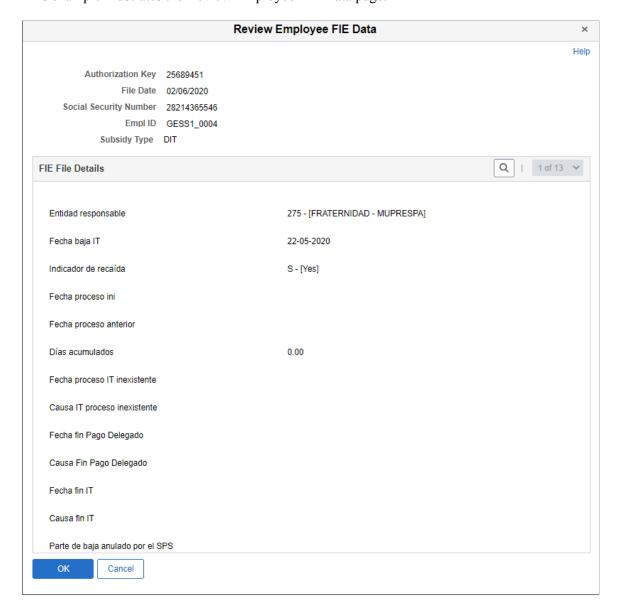
Field or Control	Description
Show discrepancies only	You can also view those rows corresponding to absences that are not matching with the ones in the system (*Absence Event ESP*). To list the rows that are not matching, select the *Show Discrepancies only* check box.

After filtering the data, the system displays the content of primary record (*GPES_FIE_EE*) in the FIE File Data section.

FIE File Data

Field or Control	*Description*
File Date, **Empl ID**, **Name**, **Subsidy Type**, **Absence Type**, **Begin Date** and **Subsidy**	The values in these fields are displayed based on the filters applied. **Note: Absence Type** identifies the type of the absence per the classification existing in PeopleSoft. **Field Begin Date** contains the Begin date of the absence corresponding to each subsidy as reported by Social Security.
Details	Use the Details link in each row to view the complete content of the corresponding FIE file record type. Click the link to open the *Review Employee FIE Data* page.

This example illustrates the Review Employee FIE Data page.

Chapter 12

Calculating Taxes

Understanding Tax Calculation

This topic discusses:

- Tax calculation.

- IRPF calculation overview.

- Normalization.

- IRPF in the pay process flow.

- IRPF tax reporting for nonresidents.

Tax Calculation

A person (Spanish or foreign) receiving money in Spain, or a Spanish person working abroad, being eligible to pay taxes in Spain, can be considered from taxes point of view as: -Resident--> Affected by IRPF "Impuesto sobre la renta de las personas físicas" -Non-resident (taxed or not taxed)--> Affected by IRNR "Impuesto sobre la renta de no residentes" -Tax exempt. This information is setup at employee level though the page "Transnational Mobility" under Maintain tax data ESP component

Payees in Spain (Spanish or foreign) and Spanish payees working abroad who are eligible to pay taxes in Spain fall into three main categories:

- Residents who are subject to Impuesto sobre la Renta de las Personas Físicas (IRPF).

- Nonresidents (taxed or not taxed) who are subject to Impuesto sobre la Renta de No Residentes (IRNR).

- Tax exempt payees.

You define the category for each payee on the Transnational Mobility page of the Maintain Tax Data ESP (GPES_PAYEE_DATA) component.

In the case of IRPF, the withholding amount originates from employee income and reductions and depends on which tax regulations are applicable to an employee. Spain does not have one single set of tax regulations for IRPF. General state tax regulations exist as well as four regions with specific tax calculations. Each tax location is known as a fiscal territory (Territorios Fiscales). An employee is associated with one fiscal territory depending on where the employee is living and working. PeopleSoft Global Payroll for Spain calculates the IRPF for all the fiscal territories:

- Hacienda Estatal (state territory).

- Hacienda Foral de Navarra.

- Hacienda Foral de Alava.

- Hacienda Foral de Guipuzcoa.

- Hacienda Foral de Vizcaya.

You assign each payee to one fiscal territory using the Maintain Tax Data page of the Maintain Tax Data ESP (GPES_PAYEE_DATA) component.

Note: The fiscal territories Hacienda Foral de Navarra, Hacienda Foral de Alava, Hacienda Foral de Guipuzcoa, and Hacienda Foral de Vizcaya are known as *historical* territories.

PeopleSoft Global Payroll for Spain provides the different calculation rules and setup data for each fiscal territory. It delivers setup data using tax brackets and calculation variables. You can view and update the tax brackets and other tax data that PeopleSoft Global Payroll for Spain delivers.

Related Links
Entering Payee Tax Data

IRPF Calculation Overview

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

1. Estimates the total annual income.

2. (State territory only) Estimates the social security contribution.

3. (State territory only) Calculates the available reductions.

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

4. (State territory only) Subtracts the social security contribution and the available reductions from the total annual income.

   Note: The annual income for historical territories is reduced if needed by spousal garnishments and reductions linked to irregular income, which are the starting point for getting the IRPF percentage.

   ---

5. Calculates the withholding percentage.

   The system generates the withholding percentage based on the previous steps. If needed, you can alter this percentage, but the system uses it only if it is higher than the one it calculated.

See Reviewing and Updating System Information.

Normalization

To prevent large differences between the estimated IRPF tax rate and the real tax contribution needed at the end of the year, a process calculates the withholding percentage multiple times during the year. This process is called normalization. The percentage withholding normalization process accounts for incomes earned and taxes and contributions paid, as well as income, tax, and contribution estimates for the remainder of the contract period or year.

PeopleSoft Global Payroll for Spain delivers a page where you can define the normalization schedule for IRPF calculation.

The Normalization Schedule ESP page is read by the regular payroll process list to determine when to run the normalization process. The exception to this is that the process is always run for new hires in the month that they are hired and for all employees who are compensated on a net to gross basis. You may need more than one schedule if you have different tax calculation dates for different pay entities.

Overriding IRPF Normalization

Even when the normalization schedule indicates that the system should normalize tax rates, it only does so if there have been changes to tax calculation data since the previous tax calculation. Additionally, when the system eventually normalizes tax rates, it does not apply tax rate limits according to Article 87.5. By overriding the variable CLI VR CALCULA TAX, you can force normalization and choose whether the system applies Article 87.5 tax rate limits.
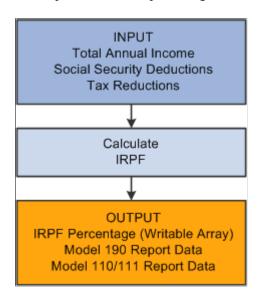
CLI VR CALCULA TAX can be overridden at the pay entity, pay group, payee, or calendar level. If you enter a value for CLI VR CALCULA TAX other than the default value of *0,* the system recalculates the tax rates for all payees affected by the override. For values *1* through *10* and *13,* the system applies tax rate limits according to Article 87.5. For values *11, 12, 14,* and *15,* the system does not apply the Article 87.5 tax rate limits.

Related Links
Reviewing and Updating System Information

IRPF in the Pay Process Flow

This diagram illustrates how the IRPF calculation process fits into the overall pay process flow of PeopleSoft Global Payroll for Spain from the input of income, deduction, tax, and social security data to the output of the IRPF percentage.

INPUT
Total Annual Income
Social Security Deductions
Tax Reductions

↓

Calculate
IRPF

↓

OUTPUT
IRPF Percentage (Writable Array)
Model 190 Report Data
Model 110/111 Report Data

IRNR for Nonresidents

PeopleSoft Global Payroll for Spain provides functionality for you to manage IRNR tax data that the payroll process generates for nonresident workers. This IRNR tax-reporting functionality enables you to create the Model 216 and Model 296 reports. You specify whether a payee is subject to IRNR and whether they are taxed or tax exempt on the Transnational Mobility page of Maintain Tax Data ESP (GPES_PAYEE_DATA) component.

Related Links

Entering Payee Tax Data
Managing Displaced People and Expatriates

Estimating the Total Annual Income

This topic provides an overview of estimated total annual income and discusses how to:

- Estimate fixed income.

- Estimate salary in kind income.

- Estimate variable income.

- Estimate recurring income from earnings assignments.

- Estimate tax adjustment.

- Estimate irregular income.

- Estimate taxes based on schedule.

- Define custom rules for tax base estimation.

- Set up tax base estimation variables.

- Override estimated tax base values.

Understanding Estimated Total Annual Income

PeopleSoft Global Payroll for Spain calculates IRPF taxes for the state and all of the fiscal territories as a percentage of an employee's taxable income. The percentage of an employee's income that applies to IRPF taxes is based on the employee's annual income, minus reductions due to personal situations, number of dependents, salary level, and disability. You run the process that calculates the tax percentage as part of regular payroll. Whenever information affects an employee's taxes, the employer must recalculate the tax percentage by running the normalization process. The law states that employers must normalize tax percentages for their employees at least once quarterly even if no information changes.

When calculating an employee's tax percentage, either for the first time of the year or through the normalization process, the system estimates the employee's annual income because the actual amount is not available until the end of the year.

The system calculates the estimation of annual income to use as the tax base for IRPF taxes. An employee's total annual income includes fixed income, variable income, and in kind income. This estimation is necessary because the only time you can calculate the true tax base is in the December payroll run when the year is complete. The rest of the year therefore requires an estimation of the tax base for the remaining months.

The system performs the same tax base estimate calculations for all fiscal territories, both state and historical.

PeopleSoft Global Payroll for Spain enables you to control the level of accuracy that you want to have for the tax base estimate defining how you want the system to estimate the annual taxable base during the calculation of IRPF taxes.

The system takes fixed income and benefits income amounts from the Compensation page of the Job Data component (JOB_DATA) and the annual benefits base rate from the Benefits Program Participation page. These values are considered the theoretical annual compensation, so the system uses these values as the starting point of the estimation.

To estimate the variable income Global Payroll Spain use as the base the variable income from last year.

Calculation of Estimated Tax Base

The estimated tax base consists of three parts:

*   The amount paid from the beginning of the year through the last month.

*   The amount for the current month.

*   The amount estimated for the remainder of the year.

Each part of the estimated tax base consists of three different members:

*   Fixed income

*   In kind income

*   Variable compensation

The system performs a separate calculation for each part and stores the results of the tax base calculation details. The system calculates the total estimated tax base using the following equation:

Total Base = Accumulated values year-to-date + current month values + year remainder estimation

Two additional factors that the system considers when estimating the tax base are flexible compensation and the compensation coming from earnings entered through the Earnings and Deduction Assignments menu components. You can set up the system to add these earnings to the corresponding member of the tax base: fixed income, in kind income, or variable compensation based on the nature of the compensation.

The system uses the TAX WA RSLT writable array to store the results of the tax percentage calculation, which includes the tax base and other information considered during the calculation. The system stores details in the GPES_TAX_RLST table for each of the different members of the tax base estimate as well as the total tax base value.

You can view the tax base calculation details through the IRPF Calculation Results ESP component.

Estimating Fixed Income

Employees with a net guarantee receive special treatment for tax percentage calculation. The system performs a normalization process each month, regardless of whether the normalization schedule is set up for the employee's pay entity and tax location, because the system needs to perform the net to gross process to calculate the fixed income part of the tax base. The system use the **Target Compensation Rate** field value on the Compensation page of the Job Data component as guarantee net and retrieves a gross amount after an iterative process.

For employees who are not net-paid, the system calculates the estimated fixed income using the annual rate. The annual rate comes from the employee's compensation rate and frequency or the target compensation rate, depending on the employee, on the Compensation page of the Job component. The system prorates this value for the remainder of the year or contract by:

1. Calculating an annual value for the compensation by multiplying the entered amount by the entered frequency.

2. Calculating a daily value by dividing the annual amount by the number of days in the year. When determining the number of days in the year, the system includes the number of days of extra periods for which the employee is eligible.

3. Calculating the value of the remaining portion of the year by multiplying the daily amount by the number of days in the remaining portion of the year. When determining the number of days in the remaining portion of the year, the system includes the number of days of the extra periods that are paid during that time period and for which the employee is eligible.

Note: The system does not perform an earning-by-earning estimation. This means that the system counts extra period days as regular days even though the extra period could conceivably pay a different gross amount. The system assumes that payments in regular and extra periods are similar.

The system considers the employee's current job records and accrued seniority earnings, the remaining days in the year, and the pending extra periods in the calculation of estimated fixed income. For seniority earnings, the system uses the effective date data from the Job records.

PeopleSoft Global Payroll for Spain enables you to include future job data events and future seniority events in the year as part of the calculation of estimated fixed income. Use the CLI VR EST FUTURO variable to control this functionality.

With the CLI VR EST FUTURO variable you can specify that the system consider job record data with future effective dates in the estimated fixed income. For example, perhaps an employee's compensation rate in May is 1000 euros but in August this value increases to 1500 euros. To consider job records with future effective dates (future information in the Job record), set the character value of the CLI VR EST FUTURO variable to Y.

With the CLI VR EST FUTURO variable you can also specify that the system calculate future accrued seniority earnings in the year as part of the calculation of estimated fixed income. The system computes the values for each seniority segment using the seniority compensation base elements as of each segment date. For example, if an employee is hired in August 2003 and receives a seniority amount every three years, then in August 2006 the employee is due the increase in seniority earnings. The system thus uses the current seniority earnings amount for January through August and uses the future seniority amount for August through December during the calculation of the seniority portion of the estimated fixed income.

To perform the initial set up of the CLI VR EST FUTURO variable, select Set Up HCM, Product Related, Global Payroll & Absence Mgmt, Elements, Supporting Elements, Variables. Access the CLI VR EST FUTURO variable and set it to the desired character value. The default value of this variable is N. The setting for this variable controls both the future job data and seniority events simultaneously. You can also control this setting by using the supporting element override functionality at the payee level.

Extra Periods and Tax Estimation

For pending extra periods, the system considers extra periods when estimating each member of the tax base through the calculation of pending days to be paid. The system uses a homogeneous distribution of salary along the different payments. The system does not perform an earning-by- earning estimation to determine which earning belongs to which extra period when the tax base using Job compensation data.

If a payee begins working part of the way through the accrual time frame for an extra period, the system prorates the number of pending days to be paid accordingly by dividing the number of days worked in the period by the extra period time frame. For example, let us assume that a payee is hired in November and that payee's labor agreement includes an extra period that is paid in December and accrued from July to December. In this case, the system counts one sixth (30 days ÷ 6 months) of the extra period when counting the number of days in the estimation period. Therefore, only 5 days would count for the December extra period for this payee.

Determining the End Date for Tax Estimation

The formula CLI FM F FIN EST determines the end date for tax estimation for employees based on the values of the **Contract End Date** and **Contract Expected End Date** fields on the Contract Status/ Content (CONTRACT1) page. If the **Contract Expected End Date** field has a value, the system uses that value as the end date for tax estimation. If the **Contract Expected End Date** field is blank, but the **Contract End Date** field has a value, the system uses that value as the end date for tax estimation. If both fields are blank, the system uses December 31 as the end date for tax estimation.

In the case where there is a contract end date defined, but no contract expected end date defined, you can override the contract end date by modifying the setup variable CLI VR EST F AÑO. If you change the value of this variable to *Y,* the system uses December 31 as the end date for tax estimation instead of the contract end date.

Related Links

Gross and Net Guarantee Overview

"Tracking Workforce Contracts" (PeopleSoft Human Resources Administer Workforce)

Estimating Salary In Kind Income

Although salary in kind is fully taxable, it may contribute fully or only partially to the Social Security base depending on its source. When a company provides salary in kind as part of normal labor agreement or contract agreement, the salary in kind contributes fully to the Social Security base. If, however, the company provides salary in kind voluntarily then a certain amount of it is exempt from contributing to the Social Security base.

To determine whether voluntary salary in kind is exempt, compare the sum of all the earnings considered as salary in kind to 20 percent of the IPREM (Indicador Público de Renta de Efectos Múltiples), which is a statutory rate published by the government each year. If the sum of all a payee's earnings does not exceed 20 percent of the professional minimum salary, not all of the salary in kind contributes to the

Social Security bases. Any earnings in excess of 20 percent of the IPREM contribute fully to the Social Security base. When a payee receives more than one earning that is considered salary in kind, you must calculate the individual excess for each earning in proportion to its value.

Examples of different earnings that are salary in kind include housing, loans with an interest rate below the legal interest rate, cars, insurance contributions, and pension plan contributions.

The withholdings associated with the salary in kind can be paid by the employer (withholdings in kind not passed on) or by the employee (withholdings in kind passed on). If a withholding is passed on, it will be discounted in the payroll for the employee as a tax deduction (deduction in kind) (IRPF SPCR). If a withholding is not passed on, the employer will pay the deduction to the tax institution. All the withholdings in kind must be shown in an element IRPF SPC (Ingresos a cuenta efectuados) or *In kind withholdings made.*

As a starting point in estimating salary in kind income, the system uses the value in the **Annual Benefits Base Rate** field on the Benefits Program participation page for estimation of in kind income because this benefits compensation is equal to in kind compensation. You can access this field through the **Benefits Program Participation** link on the Job Data component.

The system uses the same effective date data from the Job Data component when calculating the estimated in kind income.

Use the CLI VR EST FUTURO variable to indicate whether to include rows of data with future effective dates within the current year in the calculation. Set the character value of the variable to Y to include future data. If you set the variable to N, the system uses the as of date value to perform the estimation of the remaining part of the year. You can set the value for this variable at the element level by accessing it through the Variables component. Select Set up HCM, Product Related, Global Payroll. Elements, Supporting Elements, Variables. You can also set the character value of this variable through the supporting element overrides functionality.

Note: The estimation method that PeopleSoft Global Payroll for Spain uses takes a total annual amount as the base of the estimation. The system does not perform an earning-by-earning calculation

---

If you enter in kind income through another means, the system might include that in kind income as part of that other category. For example, if you enter the in kind income through the **Pay Components** group box on the Compensation page of the Job Data component, the system manages the salary in kind as part of fixed income.

Estimating Variable Income

PeopleSoft Global Payroll for Spain enables you to determine at the earning level which calculation method to use for estimating the variable compensation part of the tax base. For example, you might need to change how you estimate the variable compensation because the bonus is following a different schedule compared to last year or a bonus or commission is not being paid anymore this year when it was last year.

You can calculate the variable compensation part of the estimated tax base by using any of these three methods:

• Method 1 is based on last year's values and used for variable compensation that follows last year's schedule.

When you define an earning in PeopleSoft Global Payroll for Spain, you must update some accumulators to define whether the earning is paid and taxable and contributes to social security. When defining whether the variable earning is taxable, you must assign the CLI AC ING VR1 S accumulator to specific earnings to indicate this estimation method.

This method uses the array TAX AR ING VAR EST to retrieve values from record GPES_TAX2_RSLT, which stores every calculation result. This array adds that part of the variable compensation to each slice between the pay period end date of the previous year and the end date of that same year. For example, if you calculate the estimated variable income for March 2006, the array totals every variable income from April 1, 2005 to December 31, 2005.

- Method 2 is based on last year's values and is used for variable compensation that does not follow last year's schedule.

  When you define an earning in PeopleSoft Global Payroll for Spain, you must update some accumulators to define whether the earning is paid and taxable and contributes to social security. When defining whether the variable earning is taxable, you must assign the CLI AC ING VR2 S accumulator to specific earnings to indicate this estimation method.

  Use this calculation method when you expect differences in the earnings payment schedule but want to use the previous year's values in the estimation because you do not know the current year's values.

  This calculation method uses the previous year's total variable income, rather than a specific period, as the maximum variable compensation (base amount) value for the variable compensation part of the estimated tax base for the current year. Each month the calculation process subtracts the year-to-date variable compensation amount from this base amount to determine the tax base estimation for variable compensation. When the payee reaches the base amount limit, the calculation process does not perform the variable compensation estimation again for the rest of the year. For example, if last year a payee earned 10000 euros and by June of this year the payee has already earned 9000 euros, then the calculation process uses only the remaining 1000 euros as part of the tax base estimation for the variable compensation. When the payee reaches the 10000 euros limit, the system stops calculating the variable compensation estimation and uses the actual data.

- Method 3 is based on current year values and is used for variable compensation for which you know the current year values.

  When you define an earning in PeopleSoft Global Payroll for Spain, you must update some accumulators to define whether the earning is paid and taxable and contributes to social security. When defining whether the variable earning is taxable, you must assign the CLI AC ING VR3 S accumulator to specific earnings to indicate this estimation method.

  Use this calculation method when you know what is going to be paid this year for earnings of variable compensation. The calculation process estimates the variable compensation part of the tax base based on the information that is already in the system for current-year variable income as entered through payee earnings and deduction assignment. To be able to perform that estimation, you set the variable CLI VR EST ASIGN to *Y.*

The system makes no differentiation between fiscal territories when estimating the variable compensation. The system performs the three calculation methods, including the corresponding earnings based on their setup (which CLI VR ING VRx S the earnings contribute to) in each method. The system calculates the variable tax base as a sum of year-to-date value, plus the current month value, plus the estimated value for the remaining months in the year.

Estimating Recurring Income From Earnings Assignments

The above topics explains how the system calculates the estimated portion of each member of the annual tax base (fixed income, in kind income, and variable compensation). You saw that in the case of fixed income and in kind income the starting point of the estimation is the values in the Job Data component. But what happens with other compensation that you do not enter through the Job Data component, compensation that is recurring and that is reasonable to consider as part of the tax base estimation? This other compensation is the type that is entered through the payee earning and deduction assignment functionality. PeopleSoft Global Payroll for Spain enables you to decide whether to consider compensation coming from payee earning and deduction assignments when the system calculates the tax base.

Use the CLI VR EST ASIGN and CLI VR EST ASG SOB variables to control whether to include earnings entered through earnings and deduction assignments as part of the tax base estimation. These variables enable you to include recurring earnings that are not entered through the Job record.

You can override these variables in three ways:

• *Variable definition:* Modify the CLI VR EST ASIGN variable at the variable definition level.

   You can define the default value of this Global Payroll variable element during the implementation phase. If you set the default value of the variable to *N,* the system does not perform estimation for the values that you enter through earning and deduction assignments. If you set the variable value to *Y,* the system does perform analysis of earning and deduction assignments as part of the tax base estimation.

• *Earning definition:* Override the CLI VR EST ASG SOB variable at the earning definition level.

   You can override the default value of the CLI VR EST ASG SOB variable on the Supporting Element Overrides page of the earnings definition by setting it to *N,* provided that the default value of the variable at the variable definition level is set to *Y.* The system estimates the amounts coming from earning and deduction assignments but bypasses the earnings for which you have set the variable override value to *N.* Oracle recommends that if you are using earning and deduction assignments to override values coming from the Job record, you set the variable value of the earning to *N* at the earning level. Otherwise, the system might count the earning twice—once through the Job Data component and once through the earning and deduction assignment. This override level affects the specific earning for every employee.

• *Supporting element override:* Override the CLI VR EST ASG SOB variable value of a basic or recurring earning for a specific employee.

   You can do this by using the supporting element overrides functionality within the components of the Earnings and Deductions Assignments menu by changing the character value of the CLI VR EST ASG SOB variable to *N.* This override level affects that specific entry (earning and payee combination) only.

Earnings are categorized as either fixed, in kind, or variable income at the earning level. When you create earnings in PeopleSoft Global Payroll for Spain you must assign the earning to certain accumulators to define whether the earning is payable and taxable and whether it contributes to social security. Regarding taxes, you include the earning in a different accumulator depending on its categorization. For example, you include fixed income in the accumulator CLI AC ING DIN FJO. This categorization enables the calculation process for the tax base estimate to split earnings entered through earnings and deduction assignments into their appropriate categories for the estimation. The system determines which member of

the tax base (fixed, in kind, variable) the earning belongs to by checking which accumulators the earning is a member of in the earnings definition. The system then adds the earning to the corresponding member of the tax base.

When the take base estimation process reads the earning and deduction assignment and performs the corresponding calculation and frequency conversion, the system performs an earning-by-earning estimation. This means that the system determines the extra periods to which each earning belongs when it calculates the number of days in the year. When the tax base estimation process evaluates an earning, it takes into account whether the earning is included in pending extra periods. To calculate an annual amount, the system multiplies the earning amount by the specified frequency (element frequency or calendar period frequency). Then the system calculates the daily value by dividing the annual amount by the total number of days in the year. When calculating the number of days in the year for an earning, the system again takes into account the extra periods that include that earning. For example, let us assume that an employee who is paid monthly has two extra periods that both include earning A. The total number of days in the year for earning A would be then be 360 for the year, plus another 30 days for each extra period, for a total of 420 days. After the system calculates the daily value for an earning, it calculates the amount for the remaining part of the year by multiplying the daily amount by the remaining number of days. When calculating the remaining number of days, the system once again takes into account the extra periods pending payment.

Note: When the system calculates the number of days in an estimation period, it includes the number of days from extra periods that are paid in the estimation period. If a payee begins working part of the way through the accrual time frame for an extra period, however, the system does not pay the extra period 100%. Instead the system determines the number of worked days. It prorates the number of pending days to be paid by dividing the number of days worked in the period by the extra period time frame. For example, let us assume that a payee is hired in November and that payee's labor agreement includes an extra period that is paid in December and accrued from July to December. In this case, the system counts one sixth of the extra period when counting the number of days in the estimation period. Therefore, only 5 days would count for the December extra period for this payee.

Annualizing Income from Earnings Assignments

The system annualizes earning assignment income based on the value you select in the **Frequency Option** field on the Element Detail page for the assignment:

- *Use Calendar Period Frequency:* If you select this value, the system assumes that the entered amount for the earning is a monthly amount for the purposes of determining the annual conversion factor. In addition, the system takes into account any extra periods to which the earning applies. For example, if an earning gets paid in two extra periods, the annualization factor is 12 (regular monthly payments) + 2 (extra periods) for a total of 14.

- *Use Element Frequency:* If you select this value, the system determines the annualization factor based on the frequency specified at the earning level. If the frequency option for the earning is *Use Calendar Period Frequency,* the system calculates the annualization factor as explained above.

- *Use Specified Frequency:* If you select this value, the system determines the annualization factor based on the value you enter in the Frequency field on the Element Detail page.

Tax Estimation Adjustment

Normally, PeopleSoft Global Payroll for Spain estimates the tax base for a payee using that payee's job data and assigned earnings and deductions. You can adjust this tax estimation by including compensation

calculated during payroll processing. To enable the inclusion of earnings from payroll processing in tax base estimation, set the value of the variable CLI VR EST FLX AJT to *Y.*

Related Links
Adjusting Tax Estimation

Estimating Irregular Income

Irregular income occurs due to having a generation period over two years. Irregular income receives special tax treatment because the whole income is added to the annual fixed income, but at the same time 40, 50, or 70 percent of that amount is considered as a deduction as part of the tax calculation process (similar to the available deduction calculation process). Therefore, during tax percentage calculation, the system reduces the taxable base of irregular income by the corresponding percentage.

See Calculating Available Deductions.

Estimating Taxes Based on Schedule

Companies can enter compensation for part-time employees from a variety of sources such as the Job component, and earnings assignment. They can enter theoretical compensation and apply the full-time equivalent to determine compensation for part-time employees or they can enter compensation directly that is already reduced based on the schedule. PeopleSoft Global Payroll for Spain has two categories for part-time employees:

- *Regular part-time:* These employees have a daily or weekly recurring schedule. The system treats them as full-time employees, but with a reduced daily schedule. You identify them in the system by overriding the variable CLI VR RED JORNADA with the number of working hours per day.

- *Irregular part-time:* These employees do not have a recurring schedule. They are paid a different amount each month depending on how many days they work.

PeopleSoft Global Payroll Spain provides flexibility in setting up the system for both types of part-time employees.

Note: PeopleSoft Global Payroll for Spain takes into account every schedule assigned to an employee when calculating scheduled hours for the estimation period. This means that the system includes schedule assignment changes when calculating scheduled hours.

Part-Time Factor Calculation

The variable TAX VR FTE FCT determines the part-time factor that the system applies to the estimated tax base. PeopleSoft Global Payroll Spain performs a different calculation of the part-time factor depending on the type of employee. For regular part-time employees this factor is usually just the entered full-time equivalent (FTE), but for irregular part-time employees, the system performs a more complex calculation based on the number of hours defined at the employee work schedule level.

For irregular part-time employees the part-time factor is equal to the number of scheduled hours for the estimation period divided by the total number of theoretical hours for the estimation period. The system retrieves the number of scheduled hours from the schedule definition assigned to a payee. The system retrieves the number of theoretical hours from the labor agreement definition.

Note: To determine the total number of theoretical hours for the estimation period, the system prorates the labor agreement hours associated with the estimation period.

Part-Time Tax Estimation Formulas

There are several formulas you can use to manually affect the calculated tax estimation for part-time payees:

Formula	Description
CLI FM SBR FCT FTE	Overrides the part-time factor. By default, the system calculates FTE depending on the type of employee. For irregular part-time employees it calculates FTE as the number of scheduled hours divided by the number of theoretical hours for the estimation period. For full time and regular part time employees, the system uses the FTE entered in the Job component. You can modify the formula's code to manage calculation of FTE based on your specific requirements.
CLI FM SBR FLX AJT	Affects the calculated tax estimation through the tax estimation adjustment functionality.
CLI FM APL FTE JOB	Determines whether the system applies the FTE factor to the compensation that is entered in the Job component. You can modify the code to define the rules that apply the factor. The default value of the formula is *N,* which tells the system to assume that the compensation coming from the Job component already includes the FTE. **Note:** The standard solution for this formula assumes that the compensation from ANNUAL_RT in the JOB_DATA table was entered already reduced or already affected by the FTE.
CLI FM APL FTE E&D	Determines whether the system applies the FTE factor to compensation entered through earning and deduction assignment. The default value is *Y* (yes).
CLI FM APL FTE FXL	Use to apply the FTE factor to flexible compensation. Determines whether the system applies the FTE factor to flexible compensation. The default value is *Y* (yes).

Related Links
Adjusting Tax Estimation
Daily Calculation

Defining Custom Rules for Tax Base Estimation

PeopleSoft Global Payroll for Spain provides an alternative way to calculate the tax base by delivering two configurable formulas that your implementation team can use to set up custom requirements for estimating tax base. These configurable formulas are distinct from the delivered tax base estimation formulas so that modification and use of these configurable formulas does not affect the maintenance of the standard delivered formulas.

The configurable formulas are:

- *CLI FM CALC ING A:* Use this formula to write your own code for calculating the estimated tax base without using the delivered calculation method. The code that you enter in this formula overrides the whole tax base. You can use this formula to provide an override to the calculated tax base by assigning the value to the element through any mechanism that Global Payroll core provides to override supporting elements.

- *CLI FM EST OTROS:* Use this formula to include other earnings in the tax base calculation in addition to the ones entered through the Job Data component, through the components in the Earning and Deduction assignment menu, or through flexible compensation.

Custom Designated Estimation

Implementation teams can define the details of the CLI FM CALC ING A formula to override the delivered tax base estimation functionality by developing custom requirements for estimating tax base. PeopleSoft Global Payroll for Spain delivers this formula with no value. Implementers can add code to perform the tax base estimate calculation and retrieve a value. To override the calculated value for this formula, users can enter a value into this formula at the payee level as an override. The system then uses the override value rather than the calculated value.

Note: If the value of this formula is anything other than *0,* the system assumes that you are using this formula to calculate estimated tax base through your own method rather than the delivered method, or that you are overriding the estimated tax base with a specific value. The system therefore does not use the delivered method to calculate the estimated tax base.

Custom Other Earnings Estimation

Implementation teams can define the details of the CLI FM EST OTROS formula if they want to use the delivered tax base estimation rules but have other earnings from other sources (such as from brackets, formulas, or custom compensation records) that they want to include in the estimate besides the ones from the job record or earnings and deduction assignments. These additional earnings are added on top of the tax base members (fixed, in kind, and variable).

To use this functionality, implementers can code the delivered CLI FM EST OTROS formula so that the system includes compensation from other sources in the estimated tax base. The system adds the results of this formula to the standard members of the tax base without affecting the delivered standard rules for the calculation.

When coding this formula, implementers may need to update values of the following variables:

- *TAX VR EST AÑO BR:* Use this variable to add value from other compensation to the estimated fixed amount.

- *TAX VR EST AÑO VR:* Use this variable to add value from other compensation to the estimated variable amount.

- *TAX VR EST AÑO SP:* Use this variable to add value from other compensation to estimated in kind compensation amount.

These variables are added to each member of the tax base in the standard formulas. Implementers need to add their calculated amounts to those variables so that the customer design is integrated in the standard design. For example:

TAX VR EST AÑO BR + New Element1 = TAX VR EST AÑO BR
TAX VR EST AÑO VR + New Element2 = TAX VR EST AÑO VR
TAX VR EST AÑO SP + New Element3 = TAX VR EST AÑO SP
Where
New Element1 represents the amount calculated by CLI FM EST OTROS corresponding to fixed income.
New Element2 represents the amount calculated by CLI FM EST OTROS corresponding to variable income.
New Element3 represents the amount calculated by CLI FM EST OTROS corresponding to in kind income.

Setting Up Tax Base Estimation Variables

You can use the following variables to define how you want the system to calculate the tax base estimation:

- *CLI VR EST FUTURO:* At the variable definition level, use this variable to control when the system includes future information from the Job record (annual fixed income and annual in kind income) and future seniority increases in addition to current information.

- *CLI VR EST ASIGN:* At the variable definition level, use this variable to control whether the system includes future information for earnings that are entered through earning and deduction assignments as part of the tax base estimate calculation

- *CLI VR EST ASG SOB:* At the Supporting Element Overrides portion of the earning definition level, use this variable to control whether the system includes the earning in the tax base estimate calculation when the earning is entered through the Earnings and Deduction Assignments components. At the earnings and deduction assignment level, use this variable to control whether the system includes the earning in the tax base estimate of the specific employee.

These variable elements have a definition value as defined through the Variable component (Setup HCM, Product Related, Global Payroll & Absence Mgmt, Elements, Supporting Elements, Variable, Definition). This value is the default value for every employee. You can override the default value at these levels: pay entity, pay group, payee, calendar, element definition, and positive input (using Global Payroll core override functionality).

Overriding Estimated Tax Base Values

PeopleSoft Global Payroll for Spain enables you to override each member of the estimated tax base or the final estimated tax base. Use the following elements to override the value of specific parts of the calculated tax base estimate:

- *CLI FM CALC ING A:* Override the annual income calculation value.

- *CLI VR FIJO SOB:* Override the annual fixed income value.

- *CLI VR SPC SOB:* Override the annual salary in kind value.

- *CLI VR VRBLE SOB:* Override the annual variable income value.

The system uses the override values that you enter instead of the calculated values for the corresponding part of the tax base estimate. You perform these overrides using the supporting element override functionality.

Adjusting Tax Estimation

This topic discusses how to:

- Select labor agreements for tax estimation adjustment.

- Define tax estimation adjustment rules.

To adjust tax estimation, use the Tax Estimation Adjustment ESP (GPES_TAX_FLX) component.

Tax Estimation Adjustment ESP - Definition Page

Use the Tax Estimation Adjustment ESP - Definition page (GPES_TAX_FLX_LBR) to select labor agreements for tax estimation adjustment.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Taxes** > **Tax Estimation Adjustment ESP** > **Definition**

This example illustrates the fields and controls on the Tax Estimation Adjustment ESP - Definition page. You can find definitions for the fields and controls later on this page.

Labor Agreements

Select the labor agreements to which your tax estimation adjustment rules apply. You should link a labor agreement to only one estimation set ID.
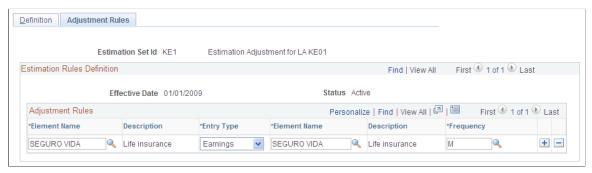
Adjustment Rules page

Use the Adjustment Rules page (GPES_TAX_FLX_ERN) to define tax estimation adjustment rules.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Taxes** > **Tax Estimation Adjustment ESP** > **Adjustment Rules**

This example illustrates the fields and controls on the Adjustment Rules page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Element Name	Enter the earning that you want the system to include in the tax estimation process, which is performed based on the resolved amount during payroll calculation. The system uses the accumulators to which the earning is assigned to determine whether the earning counts as fixed income, variable compensation, or in kind income.
Entry Type and **Element Name**	Select the type and name of the element that represents the value that the system uses to calculate tax estimation. Typically, you would select the automatically assigned rate component of the earning because it normally contains the daily value of the earning.

Field or Control	Description
Frequency	Select the frequency by which the system annualizes the value you enter in the second **Element Name** field. After determining the annual value, the system calculates a daily value by dividing the annual amount by the total number of days in the year. When determining the total number of days in the year, the system also considers the extra periods that the earning defined in the first **Element Name** field belongs to. Finally, the system calculates the estimation for the remaining par of the year by multiplying the daily calculated amount by the remaining number of days. When determining the remaining number of days, the system also considers the pending extra periods in the estimation period, but counts only the ones in which the earning is included. When the specified frequency type is daily, the system uses the value of the **Entry Type** element name as the daily amount and multiplies it by the remaining days of the estimation period (including extra period days). This bypasses the normal annualization and deannualization processes.

Calculating Tax Percentages

This topic discusses how to:

- Estimate the social security contribution.

- Calculate available deductions.

- Calculate the withholding percentage.

- Calculate garnishment taxation.

- Review taxable and nontaxable annual income sources.

Related Links
Estimating the Total Annual Income

Estimating the Social Security Contribution

When the taxable base has been calculated, the system subtracts the employee's annual social security contribution if the employee is associated with the state territory.

Note: For employees associated with one of the historical territories, the social security contribution is not used in the IRPF calculation.

The system estimates social security contributions as two segments: the actual social security contributions year-to-date and the estimated value for the rest of the year. The amount remaining after subtracting the annual social security contribution from the estimated tax base is the Rendimiento neto del

trabajo (RNT). To calculate RNT, the system uses the social security contribution accumulator (TAX AC SS CT A) for the actual year-to-date contribution and estimates future contributions. These calculations are made in the formula TAX FM CT SS EST. After the system deducts social security contributions, it applies a second reduction for irregular income to determine RNT.

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

Related Links

Understanding Social Security Benefits

Calculating Available Deductions

For employees associated with the state territory, the third step in the IRPF calculation is the calculation of deductions.

Note: This step does not apply to employees associated with any of the historical territories.

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

The ART18 reduction is based on income level, disability, geographical mobility, and worklife extension. The system compares both values to ranges in the system to determine the reduction amounts using the formula TAX FM RD ART 18.

The personal minimum reduction is based on age and disability. The system compares both values to values in the system to determine the reduction amounts using the formula TAX FM RD MN PERS.

The familiar minimum reduction is based on dependents, both children and adults. The system considers the total number of dependents, their ages, their degree of disability, and their level of dependency on the employee. The system calculates these deductions using the formula TAX FM RD MN FAML. The system uses the formula TAX FM FAM NUM to calculate the reduction when a payee has more than two descendants.

The system also calculates a reduction for spouse support garnishments using the array TAX AR RET JUDIC.

Calculating the Withholding Percentage

Once the system has calculated the taxable net base and the personal and familiar minimum reductions, it calculates the withholding percentage. The system employs different formulas, depending on the fiscal territory:

- For the state territory, the system uses the TAX FM CT IRPF EE formula to compare the taxable net base with the income ceilings defined on the Tax Ceiling page and generate the total contribution amount.

  The system calculates the contribution using two factors: Quota 1 and Quota 2. Quota 1 is the result of applying a bracket to the total taxable base. Quota 2 is the result of applying the bracket to the personal and familiar minimum reductions. The total contribution quota = Quota 1 − Quota 2.

For payees paying alimony for child support the system uses a special calculation for the total contribution quota.

See Calculating Garnishment Taxation.

After the system calculates the total contribution quota, it determines the withholding percentage using the formula TAX FM PCT IRPF EE. The system applies the active reductions to the contribution and divides that value by the total taxable income to determine the withholding percentage. There are certain limits on the final percentage in the absence of regularization. When you do run the regularization process, the system uses the formula TAX FM REGULARZN to comply with legal requirements.

- For historical territories, the system uses the formula TAX FM HT PCT EE to calculate the Withholding percentage. The formula compares the taxable net base with the Withholding Brackets for the historical territory. For disabled payees, the system adjusts the percentage by subtracting the Disability Bracket percentage from the Withholding Bracket percentage.

PeopleSoft Global Payroll for Spain delivers and maintains tax brackets. You can view and update tax brackets using the Withholding Segments page.

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

Calculating Garnishment Taxation

For the state territory, two garnishment types are available that affect tax calculations: child support and spousal support. For the historical territories, the only garnishment that affects tax calculation is the spouse support garnishment.

If a payee has a child support garnishment, the system estimates the annual value for this garnishment (or estimates the value for the remainder of the contract). Then, the system calculates separate contribution amounts for the garnishment and for the remainder of the taxable net base. Like the calculation used for standard state territory withholding, the calculation for payees with child support garnishments is Quota 1 − Quota 2. In the case of garnishment taxation, however, Quota 1 = Quota 1.1 + Quota 1.2 where Quota 1.1 is the result of a bracket applied to the garnishment amount and Quota 1.2 is the result of the bracket applied to the taxable net base.

For example, assume a taxable net base of 22.625,19 EUR and an estimated annual garnishment amount of 2.704,55 EUR. The bracket calculations would be applied to 2.704,55 EUR and 22.625,19 EUR separately generating two contribution amounts, TAX VR CT1 IRPF (Quota 1.1) and TAX VR CT2 IRPF (Quota 1.2). The system then combines these amounts into TAX VR CT IRPF (Quota 1), which is used to calculate the tax percentage.

In addition, when calculating Quota 2 by applying the brackets to the personal and familiar minimum reductions, the system adds a fixed statutory amount.

For the state territory, the system subtracts the spouse support garnishment annual estimation from TAX VR RNT as a special reduction.

See Estimating the Social Security Contribution.

For the historical territories, the system subtracts the spouse support garnishment from the annual income to calculate the taxable base.

Viewing IRPF Tax Calculation Results

This topic discusses how to review tax calculation results, IRPF tax data, the IRPF Comparison report, and employee withholding percentage overrides.

Page Used to View IRPF Tax Calculation Results

Page Name	Definition Name	Usage
IRPF Calculation Results ESP Page	GPES_TAX_RSLT	View the tax withholding percentage, the taxable income base, and the annual tax contribution for employees in the selected calendar group.
Tax Calculation Details Page	GPES_TAX_RSLT_DTLS GPES_TAX_RSLT_DTL2	Review IRPF calculation details.
IRPF Tax Review Page	GPES_TAX2_RSLT	Review online the monthly tax data that the payroll process calculates for IRPF tax reporting. You can also adjust the calculated income and withholding amounts. For contingent workers or persons of interest, you can insert new rows of data for each specific job and salary type that a person might have. You can enter IRPF tax data for any person who is not processed through payroll. The system uses this data when you generate IRPF tax reports.
IRPF Tax Data Review ESP - Accumulated Values Page	GPES_TX2_RSL_VW	Review online the accumulated tax data that the payroll process calculates for IRPF tax reporting. The system uses this data when you generate IRPF annual tax reports.
IRPF Comparison ESP Page	GPES_COMPARE_IRPF	Generate the IRPF Comparison report.
Override Tax Percentage ESP Page	GPES_TAX_RSLT_OVRD	Change an employee's tax withholding percentage.

Understanding Tax Calculation Results

When the system has calculated the taxable income base, the annual tax contribution, and the withholding percentage, you can view the results by pay group on the IRPF Calculation Results ESP component. Use

this component to view all information that the system uses to calculate the IRPF percentage, including personal data and financial data. Also use this component to review the earnings and deductions that make up a selected payee's base amount for IRPF tax withholding. You may also find this component useful for explaining IRPF percentage variations to employees.

Note: You can review IRPF data, including withholding percentages after you run the current payroll process. To have IRPF calculations reflect the payroll data computed for the current period, review the IRPF data after running the payroll process.

Understanding IRPF Tax Data Review

You can use the IRPF Tax Data Review ESP component to view the monthly IRPF tax data that the payroll process generates for employees and, if necessary, to manually adjust this data. You can also use this component to view accumulated tax data for the year. In the case of special collectives for whom the payroll process does not calculate IRPF tax data, such as professionals, you can use this component to enter the IRPF tax data for the person. The system stores the data that is viewable through this component in the GPES_TAX2_RSLT table. The report generation processes use this data for the Model 110, Model 111, and Model 190 reports.

PeopleSoft Global Payroll for Spain also provides the IRNR Tax Data Review ESP component for you to view tax data that the payroll process generates for nonresident workers. In addition, IRNR tax reporting functionality is available for creating the Model 216 and Model 296 reports.

Related Links
Managing Displaced People and Expatriates

Understanding the IRPF Comparison Report

This new SQR report helps you identify changes in IRPF percentages and determine whether these changes are justified or adjustments are needed.

For each payee and month covered by the report, the report lists the following information:

- Month to which the values pertain (1 = January, 2 = February, and so on).

- Information that affects the payee's tax calculation, such as disability, help needed, mobility reduction, family situation, type of working relationship, and number of dependents as of the end of the reported month.

- Amount of taxable earnings (the base amount) on which the IRPF percentage has been calculated.

- The IRPF percentage.

- Social security contribution.

- Legal reductions to the base amount.

- Irregular income.

- Taxes paid from January through the reported month.

- Accumulated taxable base from January through the reported month.

You can generate the report for all payees in selected companies, pay entities, or pay groups, or you can produce the report for specific tax locations or selected employees. You can also have the report include only those payees for whom the difference in the last IRPF percentage and the new IRPF percentage meets or exceeds a certain percentage.

Understanding Employee Withholding Percentage Overrides

The system automatically calculates employees' withholding percentage. However, employees can choose to increase their percentage using the Override Tax Percentage ESP page.

Note: If the override is lower than the calculated percentage, the system uses the higher amount. You cannot use the Override Tax Percentage ESP page to reduce the tax percentage.
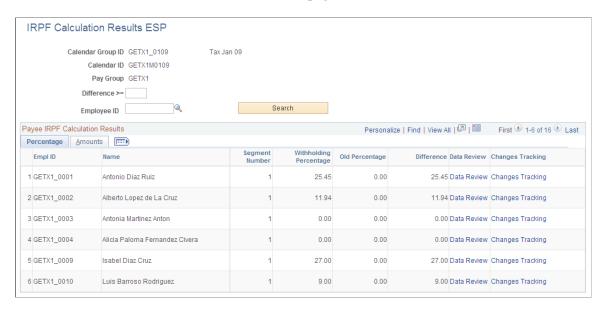
IRPF Calculation Results ESP Page

Use the IRPF Calculation Results ESP page (GPES_TAX_RSLT) to view the tax withholding percentage, the taxable income base, and the annual tax contribution for employees in the selected calendar group.

Navigation:

Global Payroll & Absence Mgmt > **Absence and Payroll Processing** > **Review Absence/Payroll Info** > **IRPF Calculation Results ESP** > **IRPF Calculation Results ESP**

This example illustrates the fields and controls on the IRPF Calculation Results ESP page. You can find definitions for the fields and controls later on this page.

Use the following fields to refine the list of employees that the page displays.

Field or Control	Description
Difference >=	Enter the minimum percentage by which a payee's current IRPF percentage and last IRPF percentage must differ for the payee to be included in the report.

Field or Control	Description
Employee ID	To review the results for a single payee, enter the employee ID here.

Payee IRPF Calculation Results

View the details of the IRPF calculation results.

Field or Control	Description
Employee ID and **Employee Name**	The ID and name of the payee.
Segment Number (segment number)	The segment to which the results apply.
Withholding Percentage	Lists the withholding percentage for the payee.
Old Percentage	The IRPF percentage that was applicable to the previous period.
Difference	The percentage difference between the current and previous IRPF withholding rates.
Taxable Base	The taxable base for the payee.
Tax Contribution	The tax contribution for the payee.
Social Security Contribution	The amount of social security contributions for the selected period.
Total Reductions	The total reductions for the selected period.
Calculation Type	The type of calculation performed on the corresponding data row. Values are: *Calculated:* Indicates the displayed withholding percentage was calculated by the system. *User Updated:* Indicates that the displayed withholding percentage was manually overridden.

Field or Control	*Description*
Data Review	Click to access the Tax Calculation Details page, where you can view a detailed listing of the input that the system used during the tax percentage calculation and output of the process.
Changes Tracking	Click to access the Tax Calculation Details page, where you can view a detailed listing of the current and prior values and the difference that make up an employee's taxable earnings and personal data that affects the results.

Reviewing Tax Calculation Details

Use the Tax Calculation Details page (GPES_TAX_RSLT_DTL2) to review IRPF calculation details.

Navigation:

Click the **Data Review** link on the IRPF Calculation Results ESP page (GPES_TAX_RSLT_DTL2).

This example illustrates the fields and controls on the Tax Calculation Details page (1 of 3). You can find definitions for the fields and controls later on this page.

Tax Calculation Details

Calendar Group ID	GETX1_0109	Tax Jan 09
Calendar ID	GETX1M0109	
Pay Group	GETX1	
Empl ID	GETX1_0001	Antonio Diaz Ruiz

Results Data

Net Base	66,416.09
Familiar Minimum Reductions	3,060.00
Personal Minimum Reductions	5,151.00
Deduction due art. 80bis LIRPF	0.00
Tax reduction due mortgage	0
Withholding Percentage	25.45
Tax Contribution	18,602.36

Personal Data

NIF/NIE	45342345F
Birthdate	1965-11-01
Ceuta/Melilla	No
Tax Disability Type	No Disabled
Family Situation	3.- Other situations
NIF Spouse	
Relationship Type	1.- General Relationship
Geographical Mobility	No
Work life Extension	No
Home Mortgage Reduction	No

This example illustrates the fields and controls on the Tax Calculation Details page (2 of 3). You can find definitions for the fields and controls later on this page.

Economical Data	
Taxable Base	73,093.75
Non Regular Income Reduction	160.00
Social Security Contributions	2415.66
Tax Reductions	2,652.00
Spouse Support Garnishment	1,450.00
Children Support Garnishment	1,450.00

Dependent Data	
Total Descendnts	2.00
Total Descendnts whole	0.00
Descendnts under 3 yrs	1.00
Descendnts under 3 yrs whole	0.00
Descendnts up 3 yrs	1.00
Descendnts up 3 yrs whole	0.00
Descendnts Disabl 33%-65%	0.00
Descendnts Disabl 33-65% Whole	0.00
Dependnts need assistance	0.00
Dependnts need assistanc whole	0.00
Descendnts Disabl +65%	0.00
Descendnts Disabl +65% Whole	0.00
1° Descendant Dependency	0.00
2° Descendant Dependency	0.00
3° Descendant Dependency	0.00
Total Ascendnts	0.00
Total Ascendnts whole	0.00
Ascendnts under 75 yrs	0.00

This example illustrates the fields and controls on the Tax Calculation Details page (3 of 3). You can find definitions for the fields and controls later on this page.

Regularization Data	
Accumulated Total Income	0.00
Accumulated Tax Contribution	0.00
Prev Calculatn Tax Base	0.00
Prev Calculatn Tax Contributn	0.00
Prev Calculatn Net Base	0.00
Prev Calculatn Fam Min Redtn	0.00
Prev Calculatn Pers Min Redtn	0.00
Prev Calculatn Withholding Pct	0.00
Previous Tax Red home mortgage	0

This page provides a summary of the IRPF calculation results along with the personal, economical, dependent, and regularization data that the system used for the IRPF calculation.
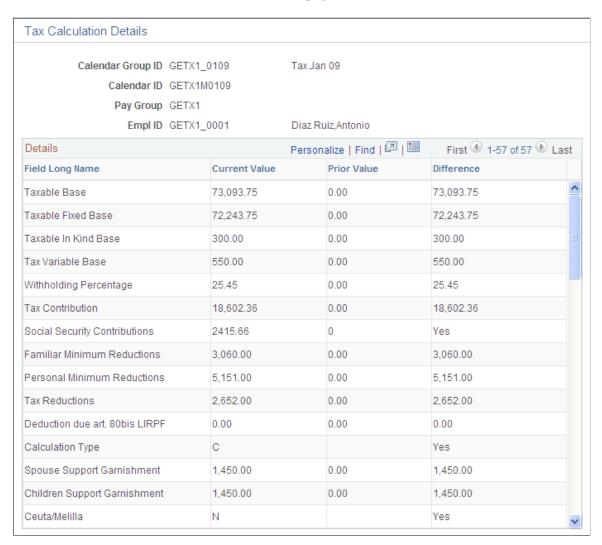
Tax Calculation Details Page

Use the Tax Calculation Details page (GPES_TAX_RSLT_DTLS) to review the IRPF calculation details.

Navigation:

Click the **Changes Tracking** link on the IRPF Calculation Results ESP page (GPES_TAX_RSLT_DTLS).

This example illustrates the fields and controls on the Tax Calculation Details page. You can find definitions for the fields and controls later on this page.

Tax Calculation Details			
Calendar Group ID GETX1_0109		Tax Jan 09	
Calendar ID GETX1M0109			
Pay Group GETX1			
Empl ID GETX1_0001		Diaz Ruiz,Antonio	

Details		Personalize | Find | ⧉ | ▦	First ◀ 1-57 of 57 ▶ Last
Field Long Name	**Current Value**	**Prior Value**	**Difference**
Taxable Base	73,093.75	0.00	73,093.75
Taxable Fixed Base	72,243.75	0.00	72,243.75
Taxable In Kind Base	300.00	0.00	300.00
Tax Variable Base	550.00	0.00	550.00
Withholding Percentage	25.45	0.00	25.45
Tax Contribution	18,602.36	0.00	18,602.36
Social Security Contributions	2415.66	0	Yes
Familiar Minimum Reductions	3,060.00	0.00	3,060.00
Personal Minimum Reductions	5,151.00	0.00	5,151.00
Tax Reductions	2,652.00	0.00	2,652.00
Deduction due art. 80bis LIRPF	0.00	0.00	0.00
Calculation Type	C		Yes
Spouse Support Garnishment	1,450.00	0.00	1,450.00
Children Support Garnishment	1,450.00	0.00	1,450.00
Ceuta/Melilla	N		Yes

This page displays the values that make up the base amounts against which the IRPF percentage is applied or that affect the IRPF calculations.

Field or Control	*Description*
Current Value	Result of the most recent calculation.
Prior Value	Result from the previous calculation.
Difference	The difference between the current and prior value.

IRPF Tax Review Page

Use the IRPF Tax Review page (GPES_TAX2_RSLT) to review online the monthly tax data that the payroll process calculates for IRPF tax reporting.

You can also adjust the calculated income and withholding amounts. For contingent workers or persons of interest, you can insert new rows of data for each specific job and salary type that a person might have. You can enter IRPF tax data for any person who is not processed through payroll. The system uses this data when you generate IRPF tax reports.

Navigation:

Global Payroll & Absence Mgmt > **Taxes** > **IRPF Tax Data Review ESP** > **IRPF Tax Review**

This example illustrates the fields and controls on the IRPF Tax Review page. You can find definitions for the fields and controls later on this page.

Search Criteria

Upon accessing the page, select the company, fiscal territory, year, and month for which you want to review IRPF tax data.

Field or Control	Description
Org Relation (organizational relationship)	Select the type of organizational relationship of the persons for which you want to retrieve IRPF tax data. Values are *Contingent Worker, Employee,* and *Person of Interest.*
Empl ID (employee ID)	Enter the employee ID to narrow the search results to a specific employee.
Search	Click to retrieve data for persons based on the search criteria. The system displays the data in the **Detail of Payees** grid. Fields vary depending on the selected organizational relationship.

Detail of Payees - Earned Income
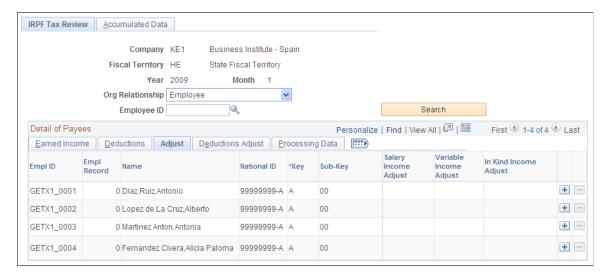
Use the fields on this tab to review IRPF tax-related data for employees. This tab shows the information that the payroll process generates. You cannot edit the information on this tab. This tab is not applicable to contingent workers or persons of interest and is therefore unavailable for these persons.

Field or Control	Description
Empl ID (employee ID)	The person for which the data on a given row relates.
Empl Record (employee record number)	The person's employee record number.
Name	The first and last name of the person.
National ID	The national identification number or foreign identification number of the person.
Key and **Sub-Key**	The perception key and subkey that identifies the person's work relationship with the company. If a person has more than one combination of key and subkey, the system displays a separate row for each combination. You define keys and subkeys on the Perception Keys ESP page.
Salary Income	The gross earned income in salary of the person. This amount is IRPF taxable.
Variable 1 Income, Variable 2 Income, and Variable 3 Income	The total variable income of the person according to the variable calculation method.
Salary Withholding	The amount subtracted from salary income that applies towards IRPF taxes.
In Kind Income	The total in kind income of the person. This amount is IRPF taxable.
In Kind Withholding	The in kind withholding tax amount.
Empl In Kind Withholding (employee in kind withholding)	The in kind withholding tax amount for the employee that was paid towards IRPF taxes by the employee.
Reductions	The total reductions that the payroll process calculated for each person and segment.
Contribution	The total amount considered as fiscally deductible expenses. This value is related to social security contributions.
Calendar ID	Identifies the calendar for which the row of data applies.

Detail of Payees - Adjust

Access the Adjust tab.

This example illustrates the fields and controls on the Adjust tab of the IRPF Tax Review page. You can find definitions for the fields and controls later on this page.

Use this tab to adjust the IRPF tax data that the payroll process calculated for the selected fiscal period and month. For employees, this tab shows the same fields as the Earned Income tab except that many of the fields on this tab are editable. For contingent workers or persons of interest, you can enter new rows of data. The system differentiates between the data that the payroll process generates and the data that you enter manually.

Field or Control	Description
Empl ID (employee ID) and **Empl Record** (employee record number)	Select the ID of the person for whom you are entering data. When you press the Tab key, the system displays the employee record number, name, and national ID of the person. If the person has multiple employee record numbers, select the one that is applicable. These two fields are available for edit only for contingent workers or persons of interest.
Key and Subkey	Select the perception key and subkey that describes the person's work relationship with the company. These fields are available for edit only for contingent workers or persons of interest. You define keys and subkeys on the Perception Keys ESP page.
Salary Income Adjust	Adjust the gross earned income in the salary of the person. This amount is IRPF-taxable.
Variable Income Adjust	Adjust the total variable income of the person.

Field or Control	*Description*
Salary Withhold Adjust	Adjust the amount subtracted from salary income that applies towards IRPF taxes.
In Kind Income Adjust	Adjust the total in kind income of the person. This amount is IRPF-taxable.
In Kind Withhold Adjust	Adjust the in kind withholding tax amount that the company paid on the person's behalf.
Empl In Kind Withholding Adjust (employee in kind withholding adjust)	Adjust the in kind withholding tax amount for the employee that was paid towards IRPF taxes by the employee.
Ceuta / Melilla	Select to indicate that the employee belongs to Ceuta or Melilla. This check box is available only for contingent workers and persons of interest.

Adding IRPF Tax Data Manually

The IRPF Tax Review page enables you to add tax data for payees manually by using the **Add a new row button.** You would typically do this for payees who are paid through an external system outside of PeopleSoft Global Payroll for Spain, but who you want included in monthly and yearly tax reports.
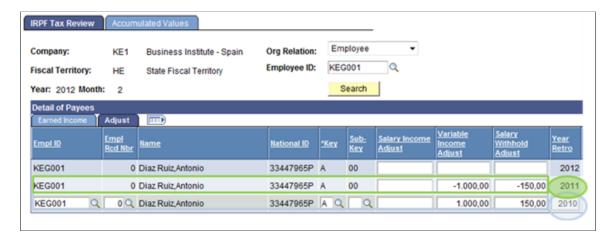
You can also add IRPF data rows for payees processed by PeopleSoft Global Payroll for Spain to capture income for different perception key and subkey combinations. You can only do this for payees who belong to a calendar group that has been finalized.

You can delete rows only for manually added IRPF data. You cannot delete data rows that are the result of a PeopleSoft Global Payroll for Spain payroll run.

Retroactivity Across Different Tax Years

For splitting retro deltas coming from different years and to report them assigned to the corresponding year, user need to enter manual adjustment using the IRPF Tax Data Review ESP page.
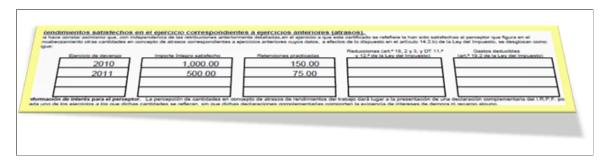
IRPF Tax Data Review Page_Example

Enter the amounts not corresponding to the year before the one being calculated (2011 in this example) as negative adjustment. Additionally user will need to enter the amounts corresponding to years distinct than the year before the one being calculated (2010 in the example) as positive adjustment.

This way, you can split the retro deltas during the Year end reporting (Model 190) and also during execution of Tax deduction report.

Sample Report

Related Links
Managing Professionals

IRPF Tax Data Review ESP - Accumulated Values Page
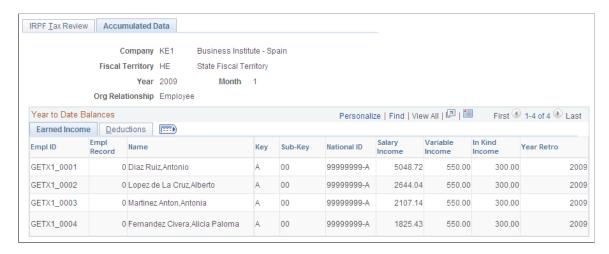
Use the IRPF Tax Data Review ESP - Accumulated Values page (GPES_TX2_RSL_VW) to review online the accumulated tax data that the payroll process calculates for IRPF tax reporting.

The system uses this data when you generate IRPF annual tax reports.

Navigation:

Global Payroll & Absence Mgmt > **Taxes** > **IRPF Tax Data Review ESP** > **Accumulated Values**

This example illustrates the fields and controls on the Accumulated Data tab of the IRPF Tax Data Review ESP page. You can find definitions for the fields and controls later on this page.

IRPF Tax Review	Accumulated Data									

Company KE1   Business Institute - Spain
Fiscal Territory HE   State Fiscal Territory
Year 2009   Month 1
Org Relationship Employee

Year to Date Balances   Personalize | Find | View All | 🗗 | 🖼   First ◀ 1-4 of 4 ▶ Last

Empl ID	Empl Record	Name	Key	Sub-Key	National ID	Salary Income	Variable Income	In Kind Income	Year Retro
GETX1_0001	0	Diaz Ruiz,Antonio	A	00	99999999-A	5048.72	550.00	300.00	2009
GETX1_0002	0	Lopez de La Cruz,Alberto	A	00	99999999-A	2644.04	550.00	300.00	2009
GETX1_0003	0	Martinez Anton,Antonia	A	00	99999999-A	2107.14	550.00	300.00	2009
GETX1_0004	0	Fernandez Civera,Alicia Paloma	A	00	99999999-A	1825.43	550.00	300.00	2009

Review the sum of each of the IRPF tax data values for the selected calendar year from January 1 through the selected month. The system displays the data by employee, key, and subkey. If you are viewing accumulated data for December, the December data will be the same as the fiscal year data that gets included in the Model 190 file.

Note: You cannot make adjustments to accumulated values. You can make adjustments only for specific months, and this in turn affects the accumulated values.

IRPF Comparison ESP Page

Use the IRPF Comparison ESP page (GPES_COMPARE_IRPF) to generate the IRPF Comparison report.

Navigation:

Global Payroll & Absence Mgmt > **Absence and Payroll Processing** > **Reports** > **IRPF Comparison ESP** > **IRPF Comparison ESP**

This example illustrates the fields and controls on the IRPF Comparison ESP page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Year/Month	Select the year and last month of data to include in the report. To be included in the report, a payee must have a calculation run for the selected month and year and must meet the other selection criteria that you enter on this page.

Comparison Option

Field or Control	Description
All Year	Select to report for each payee all calculations from the beginning of the fiscal year through the selected month. For example, to include payroll data from January 2005 through September 2005, enter *2005 / September* in the **Year/Month** fields and select **All Year.**

Field or Control	Description
Comparative	Select to include only those payees for whom the difference between the current IRPF percentage and the last IRPF percentage equals or exceeds the value in the **Difference** field.
	If this field is deselected, the report will include all payees who meet the other selection criteria.
	The report will include a row of payroll data for the month specified in the **Year/Month** fields and a row of data for the previous month. For example, if you enter *2005 / September* in the **Year/Month** fields and select **Comparative,** the report will provide, for each payee, a row of data for September 2005 and a row of data for August 2005.
Difference >=	This field is displayed when you select **Comparative.** Enter the minimum percentage by which a payee's actual IRPF percentage and last IRPF percentage must differ for the payee to be included in the report.
	For example, to include only those payees for whom the difference between the previous IRPF rate and the current IRPF rate is at least 5 percent, enter *5* here.
Filter By	Select a filter. Values are: *Company, Pay Entity, Pay Group, Payee,* and *Tax Loc* (tax location).

Filter List

Select the companies, pay entities, pay groups, payees, or tax locations to include in the report. Your selection in the **Filter By** field determines what you can enter here.

Override Tax Percentage ESP Page

Use the Override Tax Percentage ESP page (GPES_TAX_RSLT_OVRD) to change an employee's tax withholding percentage.

Navigation:

Global Payroll & Absence Mgmt > **Payee Data** > **Taxes** > **Override Tax Percentage ESP** > **Override Tax Percentage ESP**

This example illustrates the fields and controls on the Override Tax Percentage ESP page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Withholding percentage	Enter the new withholding percentage.

Reviewing and Updating System Information

To review tax ceilings, tax personal reductions, and tax family reductions, use the Calculation Variables ESP (GPES_TAX_VARIABLS) component. To review withholding segments, use the Withholding Segments ESP (GPES_TAX_BRKT_WHLD) component. To review ceiling brackets, use the Ceiling Bracket ESP (GPES_TAX_BRKT_CLNG) component. To review disability reductions, use the Disability Reduction ESP (GPES_TAX_BRKT_DSBL) component. To review fiscal territories and calculation data for the fiscal territory, use the Fiscal Territories ESP (GPES_TAX_LOCATN) component. To review the normalization schedule, use the Normalization Schedule ESP (GPES_TAX_CALENDAR) component. To set up garnishment elements, use the Garnishment Elements ESP (GPES_TAX_ELEMENTS) component. To review variable managers, use the View Variable Manager ESP (GPES_RATES) component.

This topic discusses how to review system information.

Pages Used to Review and Update System Information

Page Name	Definition Name	Usage
Ceiling Bracket ESP Page	GP_BRACKET_DATA	Review ceiling brackets that define the minimum income required to pay tax, depending on the number of dependents. These values are for the state territory only.
Disability Reduction ESP Page	GP_BRACKET_DATA	Review disability reduction rates that define disabled employees' reductions on tax. These values are for the historical territories only.
Fiscal Territories Page	GPES_TAX_LOCATN1	Set up a tax office location and link the tax location to a pay entity and a tax calendar.

Page Name	Definition Name	Usage
Calculation Data Page	GPES_TAX_LOCATN2	Define data and check tax brackets used in tax calculations for the fiscal territory.
Normalization Schedule ESP Page	GPES_TAX_CALENDAR	Establish a schedule for the normalization process in a payroll calculation.
Garnishment Elements ESP Page	GPES_TAX_ELEMENTS	Set up the elements that store garnishment values that could be paid by employees. This data is considered during the tax calculation.

Understanding System Information

Before the system calculates IRPF, ensure that the tax bracket and fiscal territories information is current. Also update the Normalization Schedule ESP page to calculate withholding while you run payroll. You can also run the IRPF percentage calculation separately by creating a specific calendar and calendar group for the IRPF percentage calculation.

PeopleSoft Global Payroll for Spain provides the following information in accordance with government regulations:

- Fiscal territories and data for tax calculations.

- Minimum annual contribution amounts.

- Total contribution per taxable base.

- Reduction amounts based on personal data (age and disability status), family data (number of dependents, disability status, and degree of dependency), and work situation (contract type and tax location).

PeopleSoft Global Payroll for Spain enables you to calculate tax percentage independently or while running the payroll process. Use the Normalization Schedule ESP page and the Fiscal Territories page to coordinate the tax calculation and payroll process.

Ceiling Bracket ESP Page
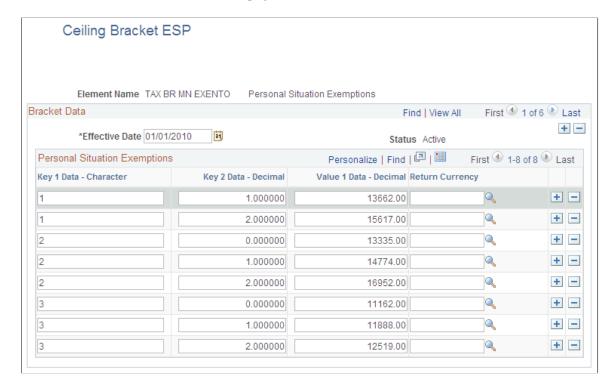
Use the Ceiling Bracket ESP page (GP_BRACKET_DATA) to review ceiling brackets that define the minimum income required to pay tax, depending on the number of dependents.

These values are for the state territory only.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Taxes** > **Tax Ceiling Brackets ESP** > **Ceilings Brackets ESP**

This example illustrates the fields and controls on the Ceiling Bracket ESP page. You can find definitions for the fields and controls later on this page.

This page defines the ceiling brackets for the state territory only. This page does not apply to the historical territories.

Personal Situation Exemptions

Field or Control	Description
Key 1 Data - Character	Indicates the family situation for the employee. Values are *1 - General Situation, 2 - Less than 1 year relationship,* and *3 - Special Relationship.*
Key 2 Data - Decimal	The number of dependent children. An employee's children are considered dependents if they are under the maximum age that is defined on the Fiscal Territory - Calculation Data page.
Value 1 Data - Decimal and **Return Currency**	The amount and currency for personal situation exemptions.

Disability Reduction ESP Page

Use the Disability Reduction ESP page (GP_BRACKET_DATA) to review disability reduction rates that define disabled employees' reductions on tax.

These values are for the historical territories only.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Taxes** > **Disability Reduction ESP** > **Disability Reduction ESP**

This example illustrates the fields and controls on the Disability Reduction ESP page. You can find definitions for the fields and controls later on this page.

Disability Reduction ESP				
Element Name TAX BR MN EXENTO Personal Situation Exemptions				
Bracket Data			Find | View All First ◀ 1 of 6 ▶ Last	
*Effective Date 01/01/2010 📅		Status Active		
Personal Situation Exemptions		Personalize | Find | ⧉ | ▦ First ◀ 1-8 of 8 ▶ Last		
Key 1 Data - Character	Key 2 Data - Decimal	Value 1 Data - Decimal	Return Currency	
1	1.000000	13662.00	🔍	➕ ➖
1	2.000000	15617.00	🔍	➕ ➖
2	0.000000	13335.00	🔍	➕ ➖
2	1.000000	14774.00	🔍	➕ ➖
2	2.000000	16952.00	🔍	➕ ➖
3	0.000000	11162.00	🔍	➕ ➖
3	1.000000	11888.00	🔍	➕ ➖
3	2.000000	12519.00	🔍	➕ ➖

This page defines the reductions for disabled employees. This page does not apply to the state territory or the Navarra historical territory.

Field or Control	*Description*
Key 1 Data - Character	Indicates the type of disability for the employee. Identifies the type of disability affecting the employee. Possible values are: • *0:* Not disabled or disability less than 33%. • *1:* Disability between 33 and 65% without needing help. • *2:* Disability between 33 and 65% with need of help. • *3:* Disability greater than or equal to 65%.
Key 2 Data - Decimal	The total-taxable annual amount that is used to calculate the tax percentage.

Field or Control	Description
Value 1 Data - Decimal	The percentage that can be subtracted from the calculated tax percentage. For example, someone affected by disability has a smaller tax percentage and pays less.

Fiscal Territories Page

Use the Fiscal Territories page (GPES_TAX_LOCATN1) to set up a tax office location and link the tax location to a pay entity and a tax calendar.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Taxes** > **Fiscal Territories ESP** > **Fiscal Territories**

This example illustrates the fields and controls on the Fiscal Territories page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Effective Date	Enter the effective date to track the history of the tax location.
Pay Entity	Select the pay entities associated with the fiscal territory to which you are applying the normalization schedule.
Tax Calendar	Select the normalization schedule for the selected pay entity. This tells the system when to run the withholding percentage calculation for each fiscal territory during the payroll process.
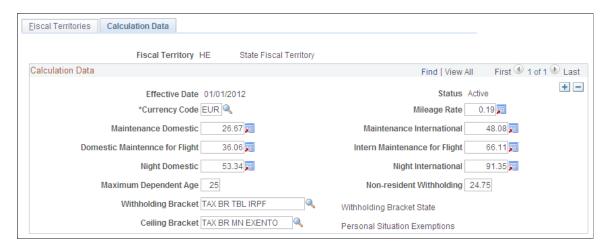
Calculation Data Page

Use the Calculation Data page (GPES_TAX_LOCATN2) to define data and check tax brackets used in tax calculations for the fiscal territory. You can also use the page to define the withholding percentage for nonresidents for each fiscal territory.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Taxes** > **Fiscal Territories ESP** > **Calculation Data**

This example illustrates the fields and controls on the Calculation Data page. You can find definitions for the fields and controls later on this page.

This page defines which brackets are used to calculate tax withholding percentages and various rates set by the fiscal territory. PeopleSoft Global Payroll for Spain delivers the data for each fiscal territory as system data. Oracle maintains and updates the values as the tax regulations change, but you can also update them manually.

Field or Control	Description
Mileage Rate	Indicates the exempted amount per mile reimbursement for mileage.
Maintenance Domestic	The exempted daily amount reimbursement for domestic traveling maintenance.
Maintenance International	The exempted daily amount reimbursement for international traveling maintenance.
Domestic Maintenance for Fligh (domestic maintenance for flight assistants)	The daily amount that flight assistants can receive for domestic travel that is exempt from tax and social security contributions. Amounts that exceed this limit are subject to tax and social security contributions.

Field or Control	Description
Intern. Maintenance for Flight (international maintenance for flight assistants)	The daily amount that flight assistants can receive for international travel that is exempt from tax and social security contributions. Amounts that exceed this limit are subject to tax and social security contributions.
Night Domestic	The exempted daily amount reimbursement for domestic overnight stays.
Night International	The exempted daily amount reimbursement for international overnight stays.
Maximum Dependent Age	The maximum age of fiscal dependents.
Non-resident Withholding	Enter the withholding percentage for nonresidents. If the payroll process identifies an employee as a nonresident, it applies this percentage to the employee's withholding instead of the withholding percentage that corresponds to IRPF taxes. See Managing Displaced People and Expatriates.
Withholding Bracket	The bracket used to calculate employees' withholding tax percentage.
Ceiling Bracket	The ceiling bracket that defines the minimum income required to pay tax, depending on the number of dependents. This field is displayed for the state territory only. PeopleSoft Global Payroll for Spain delivers the bracket TAX BR MN EXENTO with these values. **Note:** The **Ceiling Bracket** field appears only if you selected *State Fiscal Territory (HE)*.
Disability Bracket	The bracket used to calculate the reduction in tax that applies for a disabled employee. This field is not displayed for the state fiscal territory. **Note:** The **Disability Bracket** field does not appear if you selected *State Fiscal Territory (HE)*. It appears for all other fiscal territories.

Normalization Schedule ESP Page

Use the Normalization Schedule ESP page (GPES_TAX_CALENDAR) to establish a schedule for the normalization process in a payroll calculation.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Taxes** > **Normalization Schedule ESP** > **Normalization Schedule ESP**

This example illustrates the fields and controls on the Normalization Schedule ESP page. You can find definitions for the fields and controls later on this page.

Normalization Schedule

Field or Control	Description
Tax Calculation Run	Select the month that you want the tax percentage to be calculated during the payroll calculation.

Garnishment Elements ESP Page
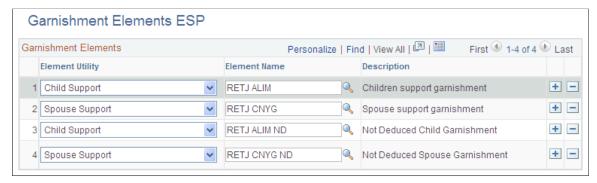
Use the Garnishment Elements ESP page (GPES_TAX_ELEMENTS) to set up the elements that store garnishment values that could be paid by employees.

This data is considered during the tax calculation.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Taxes** > **Garnishment Elements ESP** > **Garnishment Elements ESP**

This example illustrates the fields and controls on the Garnishment Elements ESP page. You can find definitions for the fields and controls later on this page.

Garnishment Elements ESP			
Garnishment Elements	Personalize | Find | View All | 🗗 | 🖩	First ◀ 1-4 of 4 ▶ Last	
Element Utility	**Element Name**	**Description**	
1 Child Support	RETJ ALIM 🔍	Children support garnishment	➕ ➖
2 Spouse Support	RETJ CNYG 🔍	Spouse support garnishment	➕ ➖
3 Child Support	RETJ ALIM ND 🔍	Not Deduced Child Garnishment	➕ ➖
4 Spouse Support	RETJ CNYG ND 🔍	Not Deduced Spouse Garnishment	➕ ➖

Field or Control	*Description*
Element Utility	Define the type of garnishment element. Values are *Child Support* and *Spouse Support.*
Element Name	Select the element that stores the garnishment value for an employee.

Entering Payee Tax Data

This topic discusses how to set up payee tax data details.

Pages Used to Enter Payee Tax Data

Page Name	*Definition Name*	*Usage*
Maintain Tax Data Page	GPES_PAYEE_DATA	Enter information about employees and their dependents as it relates to payroll calculation.
Transnational Mobility Page	GPES_EXPATR_MOB	Indicate whether employees are affected by transnational mobility. If so, also indicate whether the employee receives compensation, pays taxes, and contributes to social security.

Understanding Payee Tax Data Entry

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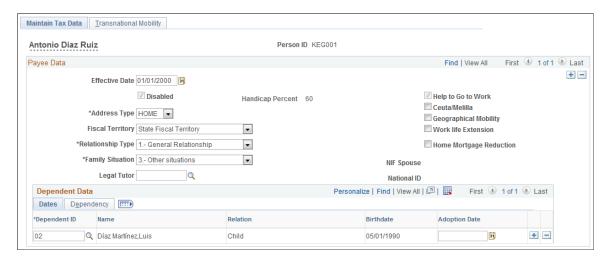
Maintain Tax Data Page

Use the Maintain Tax Data page (GPES_PAYEE_DATA) to enter information about employees and their dependents as it relates to payroll calculation.

Navigation:

Global Payroll & Absence Mgmt > **Payee Data** > **Taxes** > **Maintain Tax Data ESP** > **Maintain Tax Data**

This example illustrates the fields and controls on the Maintain Tax Data page. You can find definitions for the fields and controls later on this page.

Payee Data

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

Field or Control	Description
Effective Date	You must enter a new effective date every time any information related to tax calculation changes, including data that appears as display-only.
Disabled	Selected if you indicate that the employee is disabled on the Disability page in PeopleSoft HR.
Handicap Percent	If the employee is disabled, the handicap percent appears. This information comes from the Disability page in PeopleSoft HR. See "Tracking Disabilities" (PeopleSoft Human Resources Administer Workforce).
Address Type	Select the address type to be used in tax reporting. Values are *HOME* and *MAIL*.

Field or Control	Description
Fiscal Territory	Select the fiscal territory to which the employee pays tax. The fiscal territory that you select affects the fields that are displayed on the page. Values are *Alava Fiscal Territory, Guipuzcoa Fiscal Territory, Navarra Fiscal Territory,* State Fiscal Territory, and *Vizcaya Fiscal Territory.*
Relationship Type	Define the contract type as agreed between the employee and the company. Values are: *1. - General Relationship:* For all other situations. *2. - Less 1 year relationship:* For contracts with a duration of less than 1 year. *3. - Special Relationship:* For special contracts, such as those for special collectives (for example, for consultants).
Family Situation	This field is displayed if you select *State Fiscal Territory* in the **Fiscal Territory** field. Select the family situation of the employee, as defined by the government. Values are: *1. - With fiscal dependent:* The employee has dependents to support. Some dependents are recognized by Hacienda as fiscal dependents. Qualifying someone as a fiscal dependent affects an employee's tax calculation. *2. - With spouse to support:* The employee has a spouse to support. *3. - Other situations:* The employee does not have fiscal dependents or a spouse to support.
Legal Tutor and National ID	Enter the ID of the employee's legal tutor. The system displays the national ID number of the selected legal tutor in the **National ID** field.
Help to Go to Work	Selected if you indicate that the employee needs help to go to work on the Disability page in PeopleSoft HR.
Ceuta/Melilla	Select if the employee lives in the cities of Ceuta or Melilla. Employees who reside in these two Spanish cities, which are located in Africa, get special tax treatment.
Geographical Mobility	Select if IRPF taxes will be reduced for the employee if the employee has geographical mobility limitations.

Field or Control	Description
Work life Extension	Select if IRPF taxes will be reduced for the employee if the employee qualifies for worklife extension status.
Home Mortgage Reduction	Select if the employee has the right to claim a home mortgage reduction.
NIF Spouse (numero de edentificación fiscal spouse)	This field is displayed if you select the *State Fiscal Territory* in the **Fiscal Territory** field and *2 – With spouse to support* for the **Family Situation.** Enter the spouse fiscal identification number.

Dependent Data

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

Field or Control	Description
Dependent ID	Select the dependent/beneficiary ID for the employee.
Name	Displays the name of the dependent.
Relation	Displays the relation of the dependent to the employee.
Birthdate	The birth date of the dependent.
Adoption Date	Enter the date that a dependent is adopted.
Disabled	This field is displayed if you select *State Fiscal Territory* in the **Fiscal Territory** field only. It displays disability information entered for the dependent on the Dependent Data page in PeopleSoft HR. This information is used for calculating an employee's taxes.
Handicap Percent	This field is displayed if you select *State Fiscal Territory* only. Define the percentage of the handicap for the dependent. This information is used for calculating an employee's taxes.
Reduced Mobility	Indicates reduced mobility for the dependent.

Field or Control	Description
Dependency Percentage	This field is displayed if you select *State Fiscal Territory* only. Enter a percentage that indicates the level of dependency. For example, 100% means that the person is completely dependent on the employee.
Need Assistance	Indicates whether the dependent needs assistance.

Relationship Types and the Minimum Tax Rate

The system taxes payees with a relationship type of *2. - Less 1 year relationship* in one of two ways:

- If the calculated tax rate is higher than the minimum rate (2%), the system applies the calculated rate.

- If the calculated tax rate is lower than the minimum rate (2%), the system applies the minimum rate.

For payees with a relationship type of any other value, the system references the Contract Status/Content page to determine the contract duration. The system calculates the contract duration using the values in the **Contract Begin Date** and **Contract End Date** fields. If the **Contract End Date** field is blank, the system uses the contract expected end date as the contract end date.

If the difference between a payee's contract begin and end dates is less than one year, the system taxes that payee as if she had a relationship type of *2. - Less 1 year relationship.*

If both the **Contract End Date** and **Contract Expected End Date** fields are blank for a payee, the system calculates tax for the payee normally.

See "Tracking Workforce Contracts" (PeopleSoft Human Resources Administer Workforce).

PeopleSoft Global Payroll for Spain enables you to override these normal taxation rules so that you can apply the ceiling of 2% in special circumstances. You can define the way the system applies this limit (2%) to comply with your organization's interpretation of the law. PeopleSoft Global Payroll for Spain applies the same logic for all state and historical territories.

Use formula CLI FM APL LIM 2% to define the conditions under which the system should apply the minimum ceiling. When modifying this formula, you should take into consideration:

- Assign a value other than 0 to the formula CLI FM APL LIM 2% to indicate that the code has been modified.

- New code for formula CLI FM APL LIM 2% needs to assign a value of 2 to the variable TAX VR REL LABORAL to indicate that the check of the minimum ceiling is to be performed.

- New code for formula CLI FM APL LIM 2% needs to assign a value of 2 to the variable TAX VR PCT IRPF for any cases in which you want to apply the limit of 2%. The new code also needs to manage situations in which employees work in Ceuta or Melilla.

For example, assume that you want to apply the minimum ceiling for temporary contracts with a duration of less than one year. In that case, you could modify the formula CLI FM APL LIM 2% in this way:

```
If ( TAX DR TRAMO MESES < 12 And REG TEMP = 'T' ) OR TAX VR REL LABORAL = '2'Then
    '2'   >>  TAX VR REL LABORAL
```

```
        If TAX VR CEUTAMELILL = 'Y' And TAX VR PCT IRPF < 1 Then
                1   >>   TAX VR PCT IRPF
            Else
                If TAX VR CEUTAMELILL = 'N' And TAX VR PCT IRPF < 2 Then
                    2   >>   TAX VR PCT IRPF
                Endif
        Endif
Endif
99>>CLI FM APL LIM 2%
```

Transnational Mobility Page
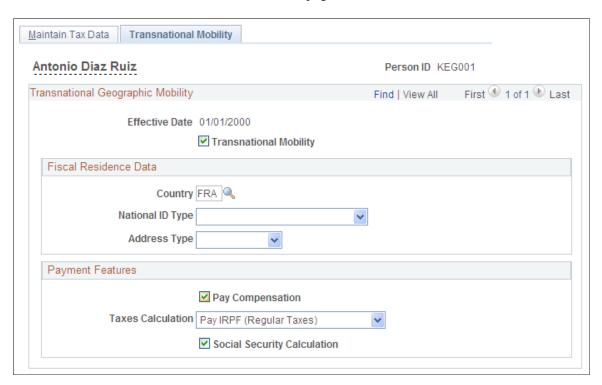
Use the Transnational Mobility page (GPES_EXPATR_MOB) to indicate whether employees are affected by transnational mobility.

If so, also indicate whether the employee receives compensation, pays taxes, and contributes to social security.

Navigation:

Global Payroll & Absence Mgmt > **Payee Data** > **Taxes** > **Maintain Tax Data ESP** > **Transnational Mobility**

This example illustrates the fields and controls on the Transnational Mobility page. You can find definitions for the fields and controls later on this page.

By default, the system assumes that employees are not expatriates or displaced, so if an employee is displaced or an expatriate, you need to identify them as such on this page. When employees become expatriates or displaced, you can use this page to define each employee's specific compensation, taxation, and social security contribution scenario to comply with regulatory requirements.

Transnational Geographic Mobility

Field or Control	Description
Transnational Mobility	Select to indicate that the employee is displaced and this transnational mobility requires changes to the employee's payroll calculations. By default, the system deselects this check box.

Fiscal Residence Data

Use the fields in this group box to select the fiscal resident data that the system uses for the employee when you create the Model 296 file.

Field or Control	Description
Country	Select the country where the employee resides. The system reports this value when you create the Model 296 file. If the employee's country of residence changes, you must update this value so that the Model 296 file reports the change.
National ID Type	Select the national ID type that you want the Model 296 file report to use for the employee. You can choose from among the national ID types defined for the employee on the Biographical Details page. If you leave this field blank, the Model 296 file report uses the first national ID type defined for the employee on the Biographical Details page that is associated with the country selected in the **Country** field. If no national ID type is defined for the selected country, the Model 296 file report does not include the employee's national ID.
Address Type	Select the address type that you want the Model 296 file report to use for the employee. You can choose from among the address types defined for the employee on the Contact Information page. If you leave this field blank, the Model 296 file report uses the first address type defined for the employee on the Contact Information page that is associated with the country selected in the **Country** field. If no address type is defined for the selected country, the Model 296 file report does not include the employee's address.

Payment Features

Field or Control	Description
Pay Compensation	Select to have the payroll process pay the net pay amount. Deselect this check box to have the payroll process calculate the net pay amount and then add a deduction to force the net pay amount to zero, thus canceling the employee's compensation. This is necessary if you want to calculate just the employee's social security contributions or tax withholding. The system uses the DD COMP EXPTR deduction element to store the deduction amount that forces the net pay to zero balance. The system selects this check box by default. To have the payroll process calculate compensation for displaced and expatriate employees, you must also assign to the employee the applicable earning and deduction elements according to the employee's situation.

Field or Control	Description
Taxes Calculation	Select how the payroll process calculates taxes for the employee. Values are: • *IRNR (Non-residents Not Taxed):* Select to designate the payee as a tax exempt nonresident. The system applies a tax percentage of 0% to payees with this designation. The system reports income for nonresident, untaxed payees on a monthly or quarterly basis (Model 216) and on a yearly basis (Model 296). PeopleSoft Global Payroll for Spain stores monthly income and deductions in record GPES_EXPT_RSLT and extracts data from it during report processing. • *Not calculate:* Select this value if you do not want the payroll process to calculate taxes for the employee. When you select this value, PeopleSoft Global Payroll for Spain does not calculate tax deductions for the payee and doesn't include the payee in resident or nonresident reports. The system does, however, store the monthly income for the payee in record GPES_TAX2_RSLT, but with a false, placeholder year so that the system excludes the data during report processing. • *Pay IRNR (Non-resident Taxes):* Select this value to have the payroll process calculate IRNR taxes for nonresidents. The system calculates the tax deduction for these types of payees as a fixed percentage. You can modify the fixed percentage in the **Non-resident Withholding** field on the Calculation Data page. The system reports taxes for nonresident payees on a monthly or quarterly basis (Model 216) and on a yearly basis (Model 296). PeopleSoft Global Payroll for Spain stores monthly income and deductions in record GPES_EXPT_RSLT and extracts data from it during report processing. • *Pay IRPF (Regular Taxes):* Select this value to have the payroll process calculate regular IRPF taxes for employees who are considered residents. The system selects this value by default. The system reports taxes for resident payees on a monthly or quarterly basis (Model 111/ Model 110) and on a yearly basis (Model 190). PeopleSoft Global Payroll for Spain stores monthly income and deductions in record GPES_TAX2_RSLT and extracts data from it during report processing. The system also retrieves date from this

Field or Control	Description
	record during tax percentage calculation (payroll process) to get the year to date income and taxes (actual).
Social Security Calculation	Select to have the payroll process calculate social security contributions for the employee and the employer. Deselect this check box if you do not want the payroll process to calculate social security contributions. PeopleSoft Global Payroll for Spain provides functionality to allow reimbursement of the amount paid directly by the employee to the social security agency. The system selects this check box by default. To have the payroll process calculate social security contributions, you must also assign to the employee the applicable earning and deduction elements according to the employee's situation using the Assign Elements By Payee page.

Related Links

Managing Displaced People and Expatriates

Running Legal Reports

To define reporting results for Process 111, Process 110, and Process 190, use the Processes ESP (GPES_TAX_SETUP) component.

This topic discusses running tax reports.

Pages Used to Run Legal Reports

Page Name	Definition Name	Usage
Create 111/110 Model File ESP Page	GPES_RC_TAX_111	Select the parameters with which the system generates the Model 111 or Model 110 report. Use the Tax Process page to establish the reported elements.
Create 190 Model File ESP Page	GPES_RC_TAX_190	Select the run control parameters to use to generate the 190 Model report.
Complementary File Selection	GPES_PP_EMPL_ASS	Select the employees that the system will process. Use this page only if you select to process a complimentary type of statement.

Page Name	Definition Name	Usage
Tax Deductions Report ESP Page	GPES_RC_TAX_10T	Generate the Tax Deductions report (GPESTAX1) for resident or nonresident employees. The SQR process generates a PDF file containing annual tax deduction information for each employee.
Payee List Page	GPES_TAX010_SEC	Select the employees to include in the Tax Deduction report.

Understanding Tax Reports

With PeopleSoft Global Payroll for Spain, you can create these tax reports:

- Model 111 report (Modelo de declaración de retenciones e ingresos). Use this report to declare employee deductions on a monthly basis. For companies with an annual turnover of fewer than 6 million EUR, you can run this report quarterly.

- Model 190 report, an annual summary of deductions.

PeopleSoft Global Payroll for Spain provides functionality to facilitate completion of the Model 111 and Model 110 reporting for historical territories. If you select to generate report data for an historical territory, the process generates a free format file that contains the information that needs to be reported. You can then use this file as a reference when entering reporting data on the official website of the historical territory.

Related Links

Create 216 Model File ESP Page
Managing Displaced People and Expatriates
Generating the Model 345 File Report

Understanding the Tax Deductions Report

PeopleSoft Global Payroll for Spain provides an additional tax report, the Tax Deductions Report (Certificado de Haberes). The system generates the report in one of two formats, depending on whether the employee is a resident or nonresident. For residents, the system generates the Annual Deduction Report (GPESTAX1). For nonresidents, the system generates the IRNR Annual Deduction Report (GPESIRNR).

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

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

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

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

Common Elements Used to Run Legal Reports

Field or Control	Description
Fiscal Territory	Select the fiscal territory to which the report will be submitted.
Company	Select the company for which the report will be submitted.
Calendar Year	Select the reporting year.
Person ID	Select the ID for the person who sends the report.
File Path	Enter the path where you want the process to store the model file.
File Name	Enter the file name that you want the process to use for the model file. The system stores the file in text (.txt) format.
Contact Name	Select the contact's name.
Contact Phone	Displays the contact's phone number.

Create 111/110 Model File ESP Page
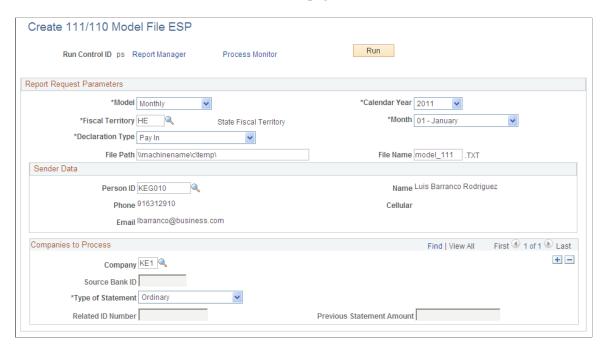
Use the Create 111/110 Model File ESP page (GPES_RC_TAX_111) to select the parameters with which the system generates the Model 111 or Model 110 report.

Use the Tax Process page to establish the reported elements.

Navigation:

Global Payroll & Absence Mgmt > **Taxes** > **Create 111/110 Model File ESP** > **Create 111/110 Model File ESP**

This example illustrates the fields and controls on the Create 111/110 Model File ESP page. You can find definitions for the fields and controls later on this page.

Note: Only fields that are unique to the Model 111/110 report are discussed here.

Fields common to all tax reports are defined in Common Elements Used to Run Legal Reports.

For the state territory, the process generates a flat file that you can electronically import into the official program provided by the tax authorities. For historical territories, the process generates a free format file that contains a readable summary of the information that you need to report. You can then use this file as a reference when entering reporting data on the official website of the historical territory. The file name that the process generates for historical territories is the file name that you specify plus the letter *S* at the end.

Report Request Parameters

Field or Control	Description
Model	Select the report that you want to run: *Monthly* or *Quarterly.* Your selection determines whether the system displays a **Quarter** or **Month** field.
Fiscal Territory	Select the fiscal territory for which you are generating the model file. The system prompts you to select from the available tax locations. Based on your selection, the process properly formats the files that it generates for the state or historical territory. **Note:** If you select the *HFA* (Alava Fiscal Territory) value in this field, the Sender Data group box contains the fields **Company**, **Description**, and **Fiscal Code**.

Field or Control	Description
Month	This field appears if you select *Monthly.* Select the year and reporting month.
Quarter	This field is appears if you select *Quarterly.* Select the year and the quarter for the report.
Declaration Type	Select the declaration type of the report for the state territory. Values are: • *Direct Debit:* Select when the payment is by direct debit from a customer account. When you select this value, the **Source Bank** field becomes available. • *Negative:* Select when the reported amount is a negative value. • *Pay In:* Select when the payment will be done through deposit. • *Tax Agency Account:* Select when the payment is by bank transfer to a Tax Agency account.

Sender Data

Enter the ID of the company's primary point of contact in the **Person ID** field. The populates the other fields in this group box based on your selection.

Note: If you select the *HFA* (Alava Fiscal Territory) value in the Fiscal territory field, the **Company** field replaces the **Person ID** field in this group box. It enables you to enter the company that manages the reporting for other companies. If you enter a value in the Company field, the system also prints the record Type C in the file *(Registro del professional)*.

Companies to Process

Field or Control	Description
Company	Enter the ID of the company for which the report is being submitted.
Source Bank ID	If you selected *Direct Debit* in the **Declaration Type** field, enter the company account to which the debit is charged.

Field or Control	Description
Statement Type	Select whether the statement is *Ordinary* or *Complementary*. If you select the *Complementary* value, the **Related ID#** and **Prev.Amount** fields become available. <hr> **Note:** If you select the *HFA* (Alava Fiscal Territory) value in the Fiscal territory field, the *Substitute* value becomes available for the Statement Type field. Select to indicate that the file you are generating should replace a previously delivered file related to the same period.
Related ID # (related ID number)	Enter the ID number of the previously reported file if you selected *Complementary* or *Substitute* in the Statement Type field.
Prev.Amount (previous amount)	Enter the amount previously liquidated.
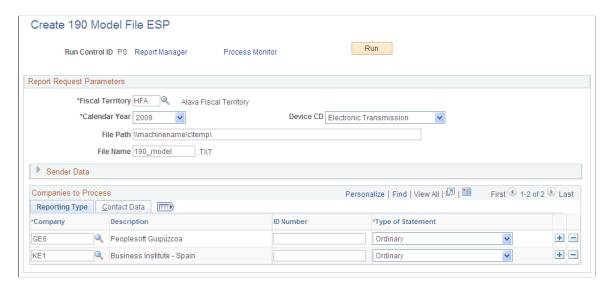
Create 190 Model File ESP Page

Use the Create 190 Model File ESP page (GPES_RC_TAX_190) to select the run control parameters to use to generate the 190 Model report.

Navigation:

Global Payroll & Absence Mgmt > **Year-End Processing** > **Create 190 Model File ESP** > **Create 190 Model File ESP**

This example illustrates the fields and controls on the Create 190 Model File ESP page. You can find definitions for the fields and controls later on this page.

Note: Only fields that are unique to the Model 190 report are discussed here.

Fields common to all tax reports are defined in <u>Common Elements Used to Run Legal Reports</u>.

The process generates a flat file that you can electronically import into the official program provided by the tax authorities. The process uses different formats for the file depending on the selected fiscal territory.

Report Request Parameters

Field or Control	Description
Fiscal Territory	Select the fiscal territory for which you are generating the model file. The system prompts you to select from the available tax locations. Based on your selection, the process properly formats the files that it generates for the state or historical territory. **Note:** If you select the *HE* (State Fiscal Territory) value in this field, the Sender Data group box becomes unavailable.
Calendar Year	Select the calendar year for which you are generating the model file.
Device CD	Select a device CD of *CD-R* or *Electronic.*

Sender Data

Companies can manage their own tax reporting or give that responsibility to another company. In cases in which one company is sending information for other companies, use this group box to enter contact data for the company that is sending the information. Then use the Contact Data tab in the **Companies to Process** group box to enter the contact information that is specific to each company. If you are sending data for your own company only, leave this group box blank and enter contact information only on the Contact Data tab.

Field or Control	Description
Company	Enter the name of the company that is sending the model file.
Person ID	Enter the ID of the person who is sending the model file.
Name and **Phone**	Enter the name and contact phone number of the person who is sending the model file. The system displays these values when you select the person ID.

Companies to Process - Reporting Type

Field or Control	Description
Company	Select the companies for which you are sending the model file. The process creates a report for each company that you specify.
Description	The system displays the name of the selected company.
ID Number	Enables you to manually enter the Número Identificativo de la Declaración for the report.
Type of Statement	Select the type of model statement that you want to generate. Values are: • *Ordinary:* Process all employees for the selected calendar year. • *Complement:* Process specific employees who were not included in the processing of the ordinary statement. The system displays an **Employees** link to select the specific employees to process, and a **Related ID** field to enter the ID of the related model file previously generated through ordinary processing. • *Substitute:* Generate a substitute model file to replace a previously generated file. Use this option when new information is available to send for employees of a previously generated file. The system displays a **Related ID Number** field to enter the ID of the related model file previously generated.
Related ID Number	The system displays this field when the statement type is either complement or substitute. Enter the ID of the previously generated model file that you want to complement with more employees or substitute with new data.
Employees	Click to access the Complementary File Selection page, where you can select the employees whom the system will process. The system displays this link only if you select to process a complementary type of statement. When your system displays the Complementary File Selection page, use the **EmplID** field to select the employees whom you want to include in the model file. The system enables you to select only the employees who are in the related reporting table for the selected year.

Companies to Process - Contact Data

Use this tab to enter the contact information for each of the companies for which you are sending the model file.

Field or Control	Description
Employee ID	Enter the ID of the person who is the contact for the model file at the company.
Contact Name	Enter the name of the person who is the contact for the model file at the company.
Contact Phone	Enter the contact phone number of the person who is the contact for the model file at the company.

Tax Deductions Report ESP Page
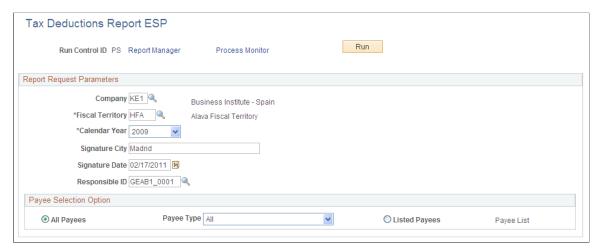
Use the Tax Deductions Report ESP page (GPES_RC_TAX_10T) to generate the Tax Deductions report (GPESTAX1) for resident or nonresident employees.

The SQR process generates a PDF file containing annual tax deduction information for each employee.

Navigation:

Global Payroll & Absence Mgmt > **Year-End Processing** > **Tax Deductions Report ESP** > **Tax Deductions Report ESP**

This example illustrates the fields and controls on the Tax Deductions Report ESP page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Company	Select the company for which to run this report.

Field or Control	Description
Fiscal Territory	Select the fiscal territory to which the company submits tax reporting information.
	Note: PeopleSoft Global Payroll for Spain provides functionality for generating the Tax Deductions Report just for the state fiscal territory. For other fiscal territories, you can generate this report through the programs that each fiscal agency provides when you report the Model 190. You can download these programs directly from the official websites of the historical territories.
Calendar Year	Select the calendar year to report.
Signature City	Enter the city where the report was signed.
Signature Date	Enter the date that the report was signed.
Responsible ID	Enter the ID of the person who is responsible for signing the report.
Employee Information	Specify the types of employees included in the report. Valid values are: *Residents, Non Residents,* and *Both.*
Payee Selection Option	Select *All Payees* to include all the employees in the company in the report. Otherwise, select *Listed Payees* and click the **Payee List** link to select the employees for the report.

Payee Selection Option

Field or Control	Description
All Payees	Select to include all payees in the company in the report who match the value you select in the **Payee Type** field. The **Payee Type** field becomes available when you select this option.
Payee Type	Select the type of payees you want to include in the report. Values are: *All, Non-Resident Employee, Professional,* and *Resident Employee.*
Listed Payees	Select to include only the payees selected on the Payee List page. The Payee List link becomes active when you select this option.

Field or Control	Description
Payee List	Click to access the Payee List page where you can specify which payees you want to include in the report.

Payee List Page

Use the Payee List page (GPES_TAX010_SEC) to select the employees to include in the Tax Deduction report. You can also print payslips for the selected payees.

Navigation:

To access the Payee List page, you can either:

• Click the **Payee List** link on the Tax Deductions Report ESP page. The **Payee List** link is available only if the **Listed Payees** option is selected on the Tax Deductions Report ESP page.

• Click the **Payee List** link on the Create/Print Payslips ESP page.

This example illustrates the fields and controls on the Payee List page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Empl ID (employee ID)	Select the employee for whom you want to run the Tax Deduction report.

Viewing Delivered Tax Elements

This topic discusses:

• Delivered tax deductions.

• Delivered earnings for irregular income.

• Delivered tax process list.

Delivered Tax Deductions

This table lists the delivered tax deductions in PeopleSoft Global Payroll for Spain:

Deduction	Description
IRPF	Salary taxes. This deduction is defined as Base * Percent, where: Base is TAX AC DIN S Percent is TAX VR PCT IRPF
IRPF AFW	Tax to be forwarded. This deduction is calculated during a retroactivity process and is used to forward values to the current period.
IRPF RTR	IRPF deduction for retro of periods in the current year.
IRPF FWD	IRPF deduction for retro of periods in the previous year.
IRPF SPC	Salary in kind IRPF. This deduction is defined as Base * Percent, where: Base is TAX AC SPC S Percent is TAX VR PCT IRPF
IRPF SPC AFW	Salary in kind IRPF to be forwarded. This deduction is calculated during a retroactivity process and is used to forward values to the current period.
IRPF SPC RTR	Salary in kind IRPF for retro of periods in the current year.
IRPF SPC FWD	Salary in kind IRPF for retro of periods in the previous year.
IRPF SPCR	IRPF in kind employee.
IRPF SPCR AF	IRPF in kind employee to be forwarded.
IRPF SPCR RT	IRPF in kind employee from current year.
IRPF SPCR FW	IRPF in kind employee from previous years.
IRPF AFW VR1	Variable 1 tax to be forwarded.
IRPF RTR VR1	IRPF variable 1 retro current year.
IRPF FWD VR1	IRPF variable 1 previous year retro.
IRPF AFW VR2	Variable 2 tax to be forwarded.

Deduction	Description
IRPF RTR VR2	IRPF variable 2 retro current year.
IRPF FWD VR2	IRPF variable 2 previous year retro.
IRPF AFW VR3	Variable 3 tax to be forwarded.
IRPF RTR VR3	IRPF variable 3 retro current year.
IRPF FWD VR3	IRPF variable 3 previous year retro.
IRPF EXT AFW	Exempt income to be forwarded.
IRPF EXT RTR	Exempt income from retro.
IRPF EXT FWD	Exempt income from previous years.

Delivered Earnings for Irregular Income

The following table lists the new delivered earnings elements that are related to calculation of irregular income reductions for employees who belong to historical territories:

Earning	Description
RDTO IRREGUL	Irregular income.
RDTO IRR 50	Irregular income affected by 50% reduction. This earning corresponds to income accrued in more than five years.
RDTO IRR 50D	Irregular income affected by 50% reduction. This earning is used in the Navarra historical territory. It corresponds to income that has been derived from disability benefits.
RDTO IRR 70	Irregular income affected by 70% reduction. This earning is used in the Navarra historical territory. It corresponds to income that has been derived from death benefits.

Note: The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Spain. Instructions for running the query are provided in the PeopleSoft Global Payroll product documentation.

Related Links
"Understanding How to View Delivered Elements" (PeopleSoft Global Payroll)

Chapter 13

Managing Pension Plans

Understanding the Pension Plan Business Process

A pension plan is a product that enables you to save earnings and accrue capital. Employees can withdraw at retirement or due to disability; beneficiaries can withdrawal due to death of the employee. Pension plans also provide fiscal savings in your Impuesto sobre la Renta de las Personas Físicas (IRPF) income tax.

Both the promoter (company) and the contributor (employee) can make contributions to an employee's pension plan. A promoter is the organization that participates in the constitution of funds based on the terms regulated by law. A contributor is the employee for which the pension plan is created.

When the company contributes to an employee's pension plan, the system considers this earning as salary. It is therefore taxable. Depending on the pension plan definition, it can also be contributive. The amount appears as an earning in kind on the affected employee's payslip and in the Tax Deductions report. Earnings in kind are goods or services that employees receive as a benefit for free or for a reduced price.

When employees contribute to pension plans, companies can administer these employee contributions by deducting the amount from employee payrolls. The amount appears as a deduction on the affected employee's payslip.

PeopleSoft Global Payroll for Spain supports the following types of pension plans:
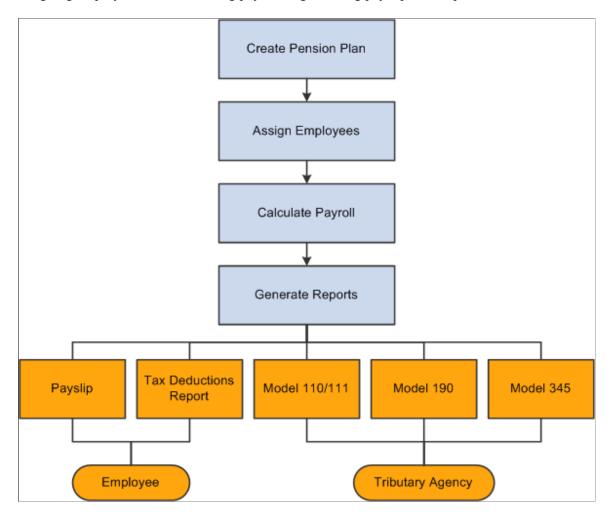
Pension Plan Type	*Description*
Individual System	A pension plan in which the promoter is an entity and the contributors are persons. In an individual system pension plan the company makes the annual contributions either annually or periodically. These contributions are considered earnings in kind. They are taxable and, when the contributions are not an improvement to retirement benefits, they contribute to social security as any other in kind income. Companies can also make deductions directly for the employee using a payroll deduction. Companies can furthermore pay some money as contributions of an individual pension plan, in which case the contribution is considered the same as any other monetary income (taxable and contributive).

Pension Plan Type	Description
Collective System	A pension plan in which the promoter is an entity, corporation, society, or legal entity and the contributors are their own employees. In this model a company can be the promoter of only one pension plan. In a collective pension plan, the company makes the annual contributions either annually or periodically. These contributions are considered earnings in kind. They are tax-free and, when the contributions are not an improvement to retirement benefits or are made by the promoter, they are contributive. Companies can also make deductions directly for the employee using a payroll deduction.

You define whether a pension plan is based on the individual or collective employees through the **Pension Plan Type** field on the Pension Plan page.

This diagram illustrates the business process flow for pension plans from creating the pension plan, assigning employees, and calculating payroll to generating payslips and reports:

The following reports reflect pension plan data: Model 345, Model 110, Model 111, Model 190, Payslip, and Tax Deduction report. Specifically, these reports account for the payroll elements and corresponding accumulators that pertain to pension plans so that pension plan contributions are reflected in the reports.

The product documentation explains each of these reports and their generation in detail.

Related Links

Generating the Model 345 File Report

Understanding Tax Calculation

PeopleSoft Global Payroll for Spain Reports: A to Z

Steps to Manage Pension Plans

To manage pension plans:

1. Create and maintain pension plan definitions using the Pension Plan page.

2. Assign employees to pension plans and maintain data using the Payee Pension Plan ESP page.

3. Calculate payroll for employees with pension plans.

4. Generate regular reports, which include information related to pension plans.

5. Generate the Model 345 file using the Create 345 Model File ESP page.

Defining Pension Plans

Use the Pension Plan Definition ESP (GPES_PP_DEFN) component to define and maintain pension plans.

This topic discusses how to set up pension plans.

Page Used to Define Pension Plans

Page Name	Definition Name	Usage
Pension Plan Definition ESP Page	GPES_PP_DEFN	Set up pension plans.

Pension Plan Definition ESP Page
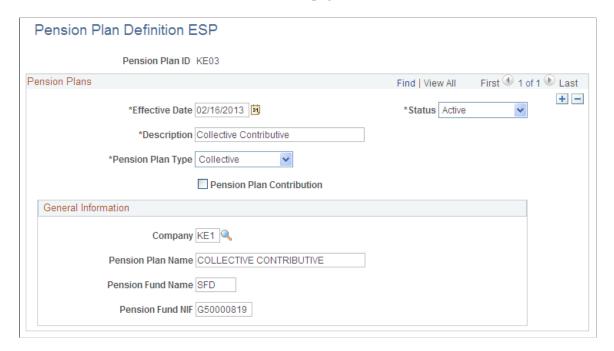
Use the Pension Plan Definition ESP page (GPES_PP_DEFN) to set up pension plans.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Pensions** > **Pension Plan Definition ESP** > **Pension Plan Definition ESP**

This example illustrates the fields and controls on the Pension Plan Definition ESP page. You can find definitions for the fields and controls later on this page.

Pension Plans

Field or Control	Description
Effective Date	Enter the date that the pension plan becomes valid.
Status	Enter the effective status of the pension plan, either *Active* or *Inactive.* When changing the status of an active pension plan to inactive, you should verify that no persons are assigned to the pension plan.
Pension Plan Type	Select a type for the pension plan. Values are: • *Collective:* Select to define a pension plan in which the promoter is an entity, corporation, society, or legal entity and the contributors are the promoter's own employees. • *Individual:* Select to define a pension plan that is based on the individual system.

Field or Control	Description
Pension Plan Contribution	Select to indicate that the purpose of the pension plan is to improve the retirement benefits. Prior to December 2013, this caused the amounts that the company pays to be free from Social Security contribution requirements. **Note:** Starting December 2013, pension plan contributions contribute to Social Security, irrespective of whether they improve retirement benefits or not.

Collective Information

If you selected a pension plan type of collective, use this group box to specify register data for the pension plan and related pension fund. Pension funds are patrimonies that are created to fulfill pension plans and guarantee their effectiveness. The wealth of a pension fund comes from contributions made by the contributors as well as the interest generated. The contributions are administered by a managing organization. This data is necessary for the proper generation of the Model 345 file.

Field or Control	Description
Company	Select the organization that manages the pension fund for the pension plan.
Pension Plan Name	Enter the name of the pension plan at the managing organization.
Pension Fund Name	Enter the register number of the pension fund at the managing organization.
Pension Fund NIF (pension fund numero de identificación fiscal)	Enter the fiscal identification code of the pension fund.

Managing Employee Pension Plan Assignments

This topic discusses how to maintain pension plans for employees.

Pages Used to Manage Employee Pension Plan Assignments

Page Name	Definition Name	Usage
Payee Pension Plan ESP Page	GPES_PP_EMP	Maintain pension plan assignments and contribution data for employees. Contribution data includes contributor, amount, and payment type (earning or deduction).
Payment Page	GPES_PP_PAYMENT	Select each month for which you want the payroll process to realize contributions to the employee's pension plan for the specified contributor.

Payee Pension Plan ESP Page
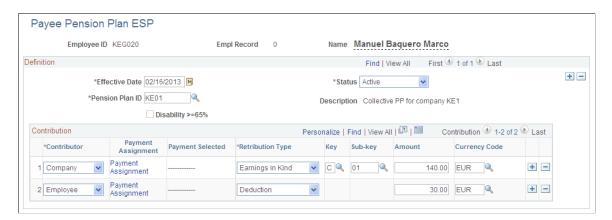
Use the Payee Pension Plan ESP page (GPES_PP_EMP) to maintain pension plan assignments and contribution data for employees.

Contribution data includes contributor, amount, and payment type (earning or deduction).

Navigation:

Global Payroll & Absence Mgmt > **Payee Data** > **Pension Information** > **Payee Pension Plan ESP** > **Payee Pension Plan ESP**

This example illustrates the fields and controls on the Payee Pension Plan ESP page. You can find definitions for the fields and controls later on this page.

Definition

Field or Control	Description
Effective Date	Enter the date on which the employee assignment to the pension plan becomes valid.

Field or Control	Description
Status and Description	Enter the status of the pension plan assignment. To end the assignment, you must make inactive the obsolete effective-dated row.
Pension Plan ID	Select the pension plan to which you are assigning the employee. Define pension plans on the Pension Plan page. When you select a pension plan, the system displays the description of the plan type as defined on the Pension Plan page.
Disability >= 65%	The system selects this check box automatically if the payee's handicap percent is greater than or equal to 65 percent, as defined for the payee in the **Handicap Percent** field on the Disability page. This is a special situation for pension plans that companies must report in the Model 345.

Contribution

Use this group box to define the contribution details for the employee's pension plan.

Field or Control	Description
Contributor	Select who is making contributions to the employee's pension plan—either the company or the employee. If both parties are making contributions, enter a distinct row for each contributor.
Payment Assignment	Click to access the Payment subpage. From this subpage, select the check box for each month that you want the payroll process to realize contributions to the employee's pension plan for the specified contributor.
Payment Selected	The system displays the months for which you have selected the contributor to make contributions using the **Payment Assignment** link. The system displays the first letter of the month for contributory payroll months and a dash for noncontributory payroll months.

Field or Control	Description
Retribution Type	Select the payment type—whether the contribution amount is an earning or a deduction. The payroll element to which the payroll process writes the contribution value depends on the pension plan type, the contributor, and your selection here. The element can be an earning, earning in kind, or deduction. A separate topic explains the payroll elements. The Reviewing Delivered Earning and Deduction Elements topic explains the differences between the various payroll elements involved in pension plans.
Key	Enter the key value for the contribution. This value is necessary for the Model 345 file. You define keys on the Perception Keys ESP page.
Subkey	Enter the subkey value for the contribution. This value is necessary for the Model 345 file. You define subkeys on the Perception Keys ESP page.
Amount	Enter the monetary contribution amount that you want the payroll process to use for the employee's pension plan contribution during the affected months.
Currency Code	Enter the currency for the contribution amount.

Related Links

Reviewing Delivered Earning and Deduction Elements
Perception Keys ESP Page

Generating the Model 345 File Report

This topic provides an overview of the Model 345 file generation and discusses how to create the 345 Model file.

Pages Used to Generate the Model 345 File Report

Page Name	Definition Name	Usage
Create 345 Model File ESP Page	GPES_RC_TAX_345	Run the Model 345 application engine process (GPES_TAX_345), generating the Model 345 file and the related summary file.

Page Name	Definition Name	Usage
Complementary 345 Selection	GPES_PP_EMPL_ASS	Select the employees whom the system will process. Use this page only if you select to process a complementary type of statement.

Understanding Model 345 File Generation

The Model 345 file is a report that contains all of the pension plan contribution data pertaining to a selected fiscal territory and calendar year for all employees with collective pension plans when the company is the promoter of the pension plan. Companies must generate and submit this file once at the beginning of each year for the preceding year within the legally established timeframe.

PeopleSoft Global Payroll for Spain enables you to generate the file version of the Model 345 in the required format. You can use the Create 345 Model File ESP component (GPES_RC_TAX_345) to generate a file version of the Model 345 report to reflect the contributions made by the company to employees' pension plans. The file contains each employee who has a pension plan within a selected fiscal territory and calendar year.

The Model 345 application engine process (GPES_TAX_345) also generates a summary page file. The summary report is a text file that states the total companies, total employees, and total contributions that were processed. Companies use this information to manually complete the official model that is presented to the tax office together with the Model 345 file.

To retrieve data, the Model 345 application engine process:

1. Locates every pension plan with a plan type of collective and effective date year equal to the calendar year report parameter.

2. Locates all employees who are assigned to these pension plans for which the effective date year is equal to the calendar year report parameter.

3. Searches for the data required for the Model 345 file for each of these employees.

4. Checks whether to include disability data in the Model 345 file as specified for an employee in the **Disability >= 65%** field on the Payee Pension Plan ESP page.

5. Generates the Model 345 file and summary page file to the location that you specify in the report parameters.

The process performs these tasks for each company that you list in the **Company** field on the Reporting Type tab on the Create 345 Model File ESP page.

Create 345 Model File ESP Page
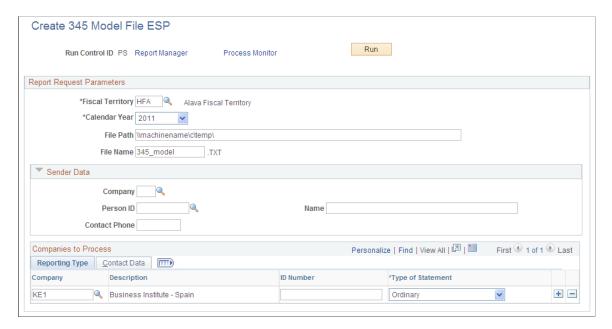
Use the Create 345 Model File ESP page (GPES_RC_TAX_345) to run the Model 345 application engine process (GPES_TAX_345), generating the Model 345 file and the related summary file.

Navigation:

Global Payroll & Absence Mgmt > **Year-End Processing** > **Create 345 Model File ESP** > **Create 345 Model File ESP**

This example illustrates the fields and controls on the Create 345 Model File ESP page. You can find definitions for the fields and controls later on this page.

Report Request Parameters

Field or Control	Description
Fiscal Territory	Select the state fiscal territory for which you are generating the model file. The system prompts you to select from the available tax locations. **Note:** If you select the *HE* (State Fiscal Territory) value in this field, the Sender Data group box becomes unavailable.
Calendar Year	Select the calendar year for which you are generating the model file.
File Path	Enter the path where you want the process to store the model file.
File Name	Enter the file name that you want the process to use for the model file. The system stores the data in text (.txt) format.

Sender Data

Companies can manage their own tax reporting or give that responsibility to another company. In cases in which one company is sending information for other companies, use this group box to enter contact

data for the company that is sending the information. Then use the Contact Data tab in the **Companies to Process** group box to enter the contact information that is specific to each company. If you are sending data for your own company only, leave this group box blank and enter contact information only on the Contact Data tab.

Note: This group box is unavailable if you select the *HE* value in the Fiscal Territory field.

Field or Control	Description
Company	Enter the name of the company that is sending the model file.
Person ID	Enter the ID of the person who is sending the model file.
Name and **Contact Phone**	Enter the name and contact phone number of the person who is sending the model file.

Companies to Process - Reporting Type

Field or Control	Description
Company	Select the companies for which you are sending the model file. The process creates a report for each company that you specify.
Description	Displays the name of the selected company.
ID Number	Enables you to manually enter the Número Identificativo de la Declaración for the report.

Field or Control	Description
Type of Statement	Select the type of model statement that you want to generate. Values are: *Ordinary:* Select to process all employees for the selected calendar year. *Complementary:* Select to process specific employees who were not included in the processing of the ordinary statement. The system displays an **Employees** link to select the specific employees to process, and a **Related ID Number** field to enter the ID of the related model file previously generated through ordinary processing. *Substitute:* Select to generate a substitute model file to replace a previously generated file. Use this option when new information is available to send for employees of a previously generated file. The system displays a **Related ID Number** field to enter the ID of the related model file previously generated.
Related ID Number	The system displays this field when the statement type is either complement or substitute. Enter the ID of the previously generated model file that you want to complement with more employees or substitute with new data.
Employees	Click to access the Employees to Process page, where you can select the employees for the system to process. The system displays this link only if you select to process a complementary type of statement. When the system displays the Employees to Process page, use the **EmplID** field to select the employees whom you want to include in the model file. The system enables you to select only the employees who belong to the company being reported.

Companies to Process - Contact Data

Use this tab to enter the contact information for each of the companies for which you are sending the model file.

Field or Control	Description
Employee ID	Enter the ID of the person who is the contact for the model file at the company.

Field or Control	Description
Contact Name	Enter the name of the person who is the contact for the model file at the company.
Contact Phone	Enter the contact phone number of the person who is the contact for the model file at the company.

Reviewing Delivered Earning and Deduction Elements

This topic describes the earning elements and deduction elements that are delivered as part of the pension plan functionality.

Note: The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Spain. Instructions for running the query are provided in the PeopleSoft Global Payroll product documentation.

Related Links
"Understanding How to View Delivered Elements" (PeopleSoft Global Payroll)

Earning Elements

This table describes the delivered earning elements associated with pension plan functionality:

Earning Element	Description
DEV PP INDIV	Used for individual pension plan types. It is an earning element for the amount that a company gives to an employee to contribute to his or her personal pension plan. You specify the amount of the earning through the Payee Pension Plan ESP page when the contributor is company and the retribution type is earning. The payroll process treats the amount as taxable and contributive. The payroll process also adds the amount to the accumulators for the 111, and 190 reports.
SPC PP INDIV	Used for individual pension plan types. It is an in kind element for the amount that a company contributes to a pension plan that is defined as contributive. You specify the amount of the contribution through the Payee Pension Plan ESP page when the contributor is company and the retribution type is earning in kind. The payroll process adds the earning amount to the accumulators for the 111, and 190 reports.

Earning Element	Description
SPC2 PP INDI	Used for individual pension plan types. It is an earning in kind element for the amount that a company contributes to a pension plan when the retribution type is earning in kind. You specify the amount of the contribution through the Payee Pension Plan ESP page when the contributor is company. The payroll process treats the amount as taxable.
SPC PP COL	Used for collective pension plan types. It is an earning in kind element for the amount that a company contributes to a pension plan when the retribution type is earning in kind. You specify the amount of the contribution through the Payee Pension Plan ESP page when the contributor is company. This contribution is an earning in kind. The payroll process treats the amount as taxable. The payroll process also adds the amount to the accumulator for the Model 345 report.
SPC2 PP COL	Used for collective pension plan types. It is an earning in kind element for the amount that a company contributes to a pension plan when the retribution type is earning in kind and pension plan is defined as collective but non-contributive. You specify the amount of the contribution through the Payee Pension Plan ESP page when the contributor is company. The payroll process treats the amount as taxable. The payroll process also adds the amount to the accumulator for the Model 345 report. This element affects the payslip, Tax Deduction, and Model 345 reports.

Note: From December 2013 (RDL 16/2013), the Earnings Elements SPC PP INDIV, SPC2 PP INDI, SPC PP COL and SPC2 PP COL contributes to Social Security, irrespective of whether the elements are related to pension plans or not.

Note: The payroll process distributes earnings and earnings in kind according to frequency or period. If an assignment starts in the middle of a month, the system does not prorate it but instead assigns the whole amount.

Deduction Elements

This table describes the delivered deduction elements associated with pension plan functionality:

Deduction Element	Description
DD PP COLECT	Deduction element for the amount that an employee contributes to a pension plan when the pension plan type is collective and the company manages the contributions. You specify the amount of the contribution through the Payee Pension Plan ESP page when the contributor is employee.

Deduction Element	Description
DD PP INDIV	Deduction element for the amount that an employee contributes to a pension plan when the pension plan type is individual. The company manages the contributions but it is not contributing any amount. You specify the amount of the contribution through the Payee Pension Plan ESP page when the contributor is employee.
DD PP SPC	Deduction element for use during payslip printing. It contains the sum of in kind income related to pension plans (individual or collective). This deduction element is needed in case you are printing SPC PP INDIV, SPC PP COL, PC2 PP COL, or SPC2 PP IND earnings. Those earnings are summarized as part of total earnings, so to get the correct net amount to pay you need a deduction to compensate that value.

Chapter 14

Managing Special Collectives

Understanding Special Collectives Management

Special collectives are groups of people who require different payroll treatment because they have a special labor relation with the company for which they work. Companies consider the cost related to these people as personnel expenses. PeopleSoft Global Payroll for Spain considers individuals in the following groups to be special collectives:

• Displaced persons and expatriates

• Scholarship holders

• Preretired

• Professionals

PeopleSoft Global Payroll for Spain provides functionality to manage the relationship between companies and these groups. This includes functionality to manage payments, social security contributions, taxation, and reporting for each of the special collective types.

Managing Displaced People and Expatriates

This topic discusses displaced and expatriate employee management.

Pages Used to Manage Displaced People and Expatriates

Page Name	Definition Name	Usage
Calculation Data Page	GPES_TAX_LOCATN2	Define the withholding percentage for nonresidents for each fiscal territory.
Transnational Mobility Page	GPES_EXPATR_MOB	Indicate whether employees are affected by transnational mobility. If so, also indicate whether the employee receives compensation, pays taxes, and contributes to social security.

Page Name	Definition Name	Usage
IRNR Tax Review Page	GPES_EXPT_RSLT	View the impuesto de la renta de no residentes (IRNR) tax data for nonresident employees whom the payroll process generates and adjust data manually as necessary. The system uses this data for IRNR tax documents.
IRNR Tax Data Review ESP - Accumulated Values Page	GPES_EXPT_AC_VW	Review online the accumulated tax data that the payroll process calculates for IRNR tax reporting. The system uses this data when you generate IRNR annual tax reports.
IRPF Tax Review Page	GPES_TAX2_RSLT	Review online the monthly tax data that the payroll process calculates for IRPF tax reporting. You can also adjust the calculated income and withholding amounts. For contingent workers or persons of interest, you can insert new rows of data for each specific job and salary type that a person might have. You can enter IRPF tax data for any person who is not processed through payroll. The system uses this data when you generate IRPF tax reports.
Create 216 Model File ESP Page	GPES_RC_TAX_216	Create the Model 216 report file. This report is a summary of the monthly or quarterly IRNR nonresident income tax data. Companies with nonresident employees must submit this report monthly or quarterly to tax authorities.
Create 296 Model File ESP Page	GPES_RC_TAX_190	Create the Model 296 report file for expatriate nonresidents. This report is a summary of the annual IRNR nonresident income tax data. Companies with nonresident employees must submit this report annually to tax authorities.
Complementary File Selection	GPES_PP_EMPL_ASS	Select the employees whom the system will process. Use this page only if you process a complimentary type of statement.

Understanding Displaced and Expatriate Employee Management

Displaced and expatriate employees are workers that are transferred to another country for a period of time. These types of workers can include foreign people working in Spain and Spanish people working abroad. Specifically, a displaced employee is an employee who is temporarily transferred to another country to attend to company business for a period of time less than or equal to one year. An expatriate

employee is an employee who is transferred to another country to attend to company business for a period of time greater than one year.

PeopleSoft Global Payroll for Spain provides functionality to manage displaced and expatriate employees. This functionality includes management of social security contributions, taxes, and affected legal documents. Because an employee's payroll conditions can change when affected by transnational geographic mobility, PeopleSoft Global Payroll for Spain provides solutions for various payroll conditions.

PeopleSoft Global Payroll for Spain also provides the IRPF Tax Data Review ESP component (GPES_TAX2_RSLT) that enables you to view tax data that the payroll process generates for displaced employees that are considered resident workers. The system includes these employees in common tax reports, Model 111 and Model 190 reports, and pension plan reporting functionality for creating the Model 345 report. For those displaced employees who are considered non-resident workers for taxes purposes, the system calculates IRNR. You can use the IRNR Tax Data Review ESP component to review this IRNR data. The official reports that affect these employees are Model 216 and Model 296.

Handling Employees Who Become Resident In the Middle Of the Year

When an employee changes their residence status in the middle of the year, system computes the tax for the year by considering the months before and after the change. There are two possible changes in residence status:

- *Non-resident employee becoming resident*: In this case, IRNR is calculated for the months prior to change and is reported in Model 216. In the month of the change, system makes some calculation adjustments to reflect the change in status and these adjustments are included in the monthly reports. At the end of the year, the employee will be included just in Model 190, combining the income of the entire year.

- *Resident employee becoming non-resident*: Till the employee turn non-resident, they pay IRPF taxes and is reported in Model 111. In the month of the change, system makes some calculation adjustments to reflect the change in status and these adjustments are included in the monthly reports. At the end of the year, the employee will be just included in Model 296, combining the income of the entire year.

The above adjustments are generated by default, but Global Payroll Spain gives some flexibility to allow manual control. To do this, you can use the following variables:

Term	*Definition*
TAX VR MOVER NR-R (Move non-resident to resident)	Default value of this variable is blank, but allows payee override. If you want to change the default behavior and avoid the monthly adjustment process when a payee changes from non-resident to resident, you need to give value N to this variable to the employee, using supporting element override feature.

Term	Definition
TAX VR MOVER R-NR (Move resident to non-resident)	Default value of this variable is blank, but allows payee override. If you want to change the default behavior and avoid the monthly adjustment process when a payee changes from resident to non-resident, you need to give value *N* to this variable to the employee, using supporting element override feature.

Related Links

Understanding Tax Calculation
Viewing IRPF Tax Calculation Results
Generating the Model 345 File Report

Maintaining Displaced and Expatriate Employees

To manage displaced and expatriate employees:

1. Define the withholding percentage for nonresidents for each fiscal territory in the **Non-resident Withholding** field on the Calculation Data page of the Fiscal Territories ESP component.

   See Calculation Data Page.

2. Set up transnational mobility details for the employee on the Transnational Mobility page of the Maintain Tax Data ESP component.

   See Transnational Mobility Page.

3. Assign the appropriate earning and deduction elements to the employee through the Element Assignment By Payee page.

   See Reviewing Delivered Earning and Deduction Elements.

4. Run the payroll process.

5. Review the IRNR tax data for nonresidents through the IRNR Tax Review page and make adjustments if necessary.

   If the displaced employee is considered a resident for taxes purposes, you need to use the IRPF Tax data review page.

6. Create the IRNR tax document Model 216 for nonresidents monthly or quarterly using the Create 216 Model File ESP page (or corresponding Model 111 for residents).

7. Create the IRNR tax document Model 296 for nonresidents annually using the Create 296 Model File ESP page (or corresponding Model 190 for residents).

Related Links

IRPF Tax Review Page

IRNR Tax Review Page
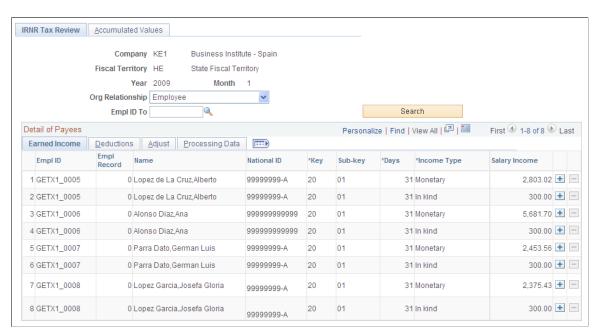
Use the IRNR Tax Review page (GPES_EXPT_RSLT) to view the impuesto de la renta de no residentes (IRNR) tax data for nonresident employees whom the payroll process generates and adjust data manually as necessary.

The system uses this data for IRNR tax documents.

Navigation:

Global Payroll & Absence Mgmt > **Taxes** > **IRNR Tax Data Review ESP** > **IRNR Tax Review**

This example illustrates the fields and controls on the IRNR Tax Review page. You can find definitions for the fields and controls later on this page.

When you run the payroll process, it stores the required statutory IRNR tax report information for nonresidents in the GPES_EXPT_RSLT table. You can use this page to view and adjust the IRNR tax data for specific employees. The report generation processes consider the values on this page when you generate the Model 216, Model 296, and Tax Deduction reports.

Note: If the displaced person is considered a resident, the payroll process calculates regular IRPF taxes. You report IRPF taxes through Model 111 and Model 190 reports.

Search Criteria

Upon accessing the page, select the company, fiscal territory, year, and month for which you want to view or adjust IRNR tax data. Enter the employee ID to narrow the search results. Click the **Search** button to retrieve the employees based on the search criteria. The system displays employees with IRNR tax data that meet your search criteria.

Earned Income

Use the fields on this tab to review IRNR tax-related data for nonresidents. This tab shows the information that the payroll process generates for each employee that meets your search criteria.

Adjust

Use the fields on this tab to adjust IRNR tax data for an employee. This tab shows the same fields as the Earned Income tab but the fields are editable. The system differentiates between the data that the payroll process generates and the data that you enter manually.

Adding IRNR Tax Data Manually

The IRNR Tax Review page enables you to add tax data for payees manually by using the **Add a new row button.** You would typically do this for payees who are paid through an external system outside of PeopleSoft Global Payroll for Spain, but who you want included in monthly and yearly tax reports.

You can also add IRNR data rows for payees processed by PeopleSoft Global Payroll for Spain to capture income for different perception key and subkey combinations. You can only do this for payees who belong to a calendar group that has been finalized.

You can delete rows only for manually added IRPF data. You cannot delete data rows that are the result of a PeopleSoft Global Payroll for Spain payroll run.

IRNR Tax Data Review ESP - Accumulated Values Page

Use the IRNR Tax Data Review ESP - Accumulated Values page (GPES_EXPT_AC_VW) to review online the accumulated tax data that the payroll process calculates for IRNR tax reporting.

The system uses this data when you generate IRNR annual tax reports.

Navigation:

Global Payroll & Absence Mgmt > **Taxes** > **IRNR Tax Data Review ESP** > **Accumulated Values**

This example illustrates the fields and controls on the Accumulated Values tab of the IRNR Tax Data Review ESP page. You can find definitions for the fields and controls later on this page.

	Empl ID	Empl Record	Name	National ID	Key	Sub-key	Income Type	Salary Income	Withholding Percentage	Salary Withholding
1	GETX1_0005	0	Lopez de La Cruz,Alberto	99999999-A	20	01	Monetary	2,803.02	0.00	0.00
2	GETX1_0005	0	Lopez de La Cruz,Alberto	99999999-A	20	01	In kind	2,803.02	0.00	0.00
3	GETX1_0006	0	Alonso Diaz,Ana	999999999999	20	01	Monetary	5,681.70	0.00	0.00
4	GETX1_0006	0	Alonso Diaz,Ana	999999999999	20	01	In kind	300.00	0.00	0.00
5	GETX1_0007	0	Parra Dato,German Luis	99999999-A	20	01	Monetary	2,453.56	0.00	0.00
6	GETX1_0007	0	Parra Dato,German Luis	99999999-A	20	01	In kind	300.00	0.00	0.00
7	GETX1_0008	0	Lopez Garcia,Josefa Gloria	99999999-A	20	01	Monetary	2,375.43	0.00	0.00
8	GETX1_0008	0	Lopez Garcia,Josefa Gloria	99999999-A	20	01	In kind	300.00	0.00	0.00

Company KE1   Business Institute - Spain
Fiscal Territory HE   State Fiscal Territory
Year 2009   Month 1
Org Relationship Employee

Review the sum of each of the IRNR tax data values for the selected calendar year from January 1 through the selected month. The system displays the data by employee, key, and subkey. If you are viewing accumulated data for December, the December data is the same as the fiscal year data that gets included in the Model 296 file.

Note: You cannot make adjustments to accumulated values. You can make adjustments only for specific months, and this in turn affects the accumulated values.

Create 216 Model File ESP Page
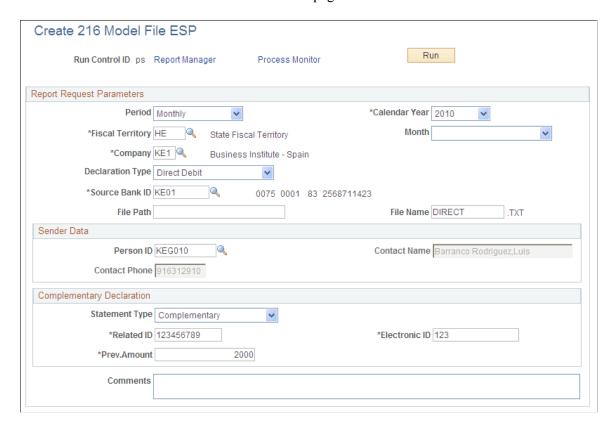
Use the Create 216 Model File ESP page (GPES_RC_TAX_216) to create the Model 216 report file.

This report is a summary of the monthly or quarterly IRNR nonresident income tax data. Companies with nonresident employees must submit this report monthly or quarterly to tax authorities.

Navigation:

Global Payroll & Absence Mgmt > **Taxes** > **Create 216 Model File ESP** > **Create 216 Model File ESP**

This example illustrates the fields and controls on the Create 216 Model File ESP page. You can find definitions for the fields and controls later on this page.

Enter the report parameters. Then click **Run** to launch the GPES_TAX_216 Application Engine process to generate the Model 216 file report for nonresident income tax reporting. The process retrieves data for the affected employees from the GPES_EXPT_RSLT table. The report includes the summarized deductions for affected employees within a period of one month or three months, depending on your runtime parameters.

For the state territory, the process generates a flat file that you can electronically import into the official program provided by the tax authorities. The process also generates a free-format file that contains a readable summary of the information that you need to report. You can use this file as a reference when

entering reporting data on the official website of the historical territory. The file name that the process generates for historical territories is the file name that you specify plus the letter *S* at the end.

Report Request Parameters

Field or Control	Description
Period	Select whether to include monthly or quarterly data in the file. Depending on your selection, the system displays either the **Month** field or **Quarter** field for you to select the specific value.
Calendar Year	Select the calendar year for which you are generating the model file.
Fiscal Territory	Select the fiscal territory for which you are generating the model file. The system prompts you to select from the available tax locations. Based on your selection, the process properly formats the files that it generates for the state or historical territory.
Month or **Quarter**	Select the month or quarter for which you want to gather data for the report within the selected calendar year. The system displays the appropriate field depending on the type of period that you select.
Company	Select the name of the company from which you want to gather data to include in the file.
Declaration Type	Select the declaration type of the report for the state territory. Values are: • *Direct Debit:* Select when the payment is by direct debit from a customer account. When you select this value, the **Source Bank** field becomes available. • *Negative:* Select when the reported amount is a negative value. • *Pay In:* Select when the payment will be done through deposit..
Source Bank ID	If you selected *Direct Debit* in the **Declaration Type** field, enter the company account to which the debit is charged.

Field or Control	Description
Account Nbr (account number)	Displays the account number of the bank you select in the **Source Bank ID** field.
File Path	Enter the path where you want the process to store the model file.
File Name	Enter the name of the file that you want the process to use for the model file. The system stores the data in text (.txt) format.
Comments	Enter any additional comments about the report for information purposes.

Complementary Declaration

Field or Control	Description
Statement Type	Select whether the statement is *Ordinary* or *Complementary*. If you select the *Complementary* value, the **Related ID, Electronic ID,** and **Prev.Amount** fields become available.
Related ID	Enter the ID number of the previously reported file if you selected *Complementary* in the Statement Type field.
Electronic ID	Enter the electronic ID of the previously reported file if you selected *Complementary* in the Statement Type field.
Prev.Amount (previous amount)	Enter the amount previously liquidated.

Sender Data

Use this group box to enter contact data for the company that is sending the information.

Field or Control	Description
Person ID	Enter the ID of the person who is sending the file.
Contact Name and **Contact Phone**	Enter the name and contact phone number of the person who is sending the file.

Related Links

Create 296 Model File ESP Page
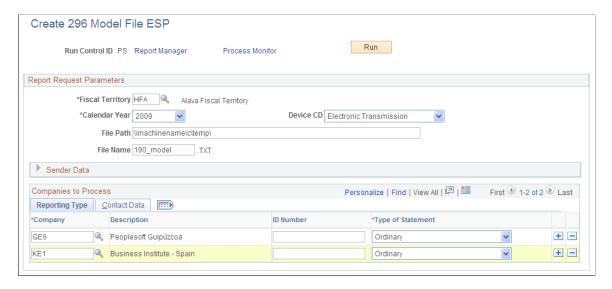
Use the Create 296 Model File ESP page (GPES_RC_TAX_190) to create the Model 296 report file for expatriate nonresidents.

This report is a summary of the annual IRNR nonresident income tax data. Companies with nonresident employees must submit this report annually to tax authorities.

Navigation:

Global Payroll & Absence Mgmt > **Year-End Processing** > **Create 296 Model File ESP** > **Create 296 Model File ESP**

This example illustrates the fields and controls on the Create 296 Model File ESP page. You can find definitions for the fields and controls later on this page.

Enter the report parameters. Then click **Run** to run the GPES_TAX_296 Application Engine process to generate the Model 296 file report for nonresident income tax reporting. The process retrieves data for the affected employees from the GPES_EXPT_RSLT table.

The process generates a flat file that you can electronically import into the official program provided by the tax authorities. The process uses different formats for the file depending on the selected fiscal territory.

Report Request Parameters

Field or Control	Description
Fiscal Territory	Select the fiscal territory for which you are generating the model file. The system prompts you to select from the available tax locations. Based on your selection, the process properly formats the files that it generates for the state or historical territory. **Note:** If you select the *HE* (State Fiscal Territory) value in this field, the Sender Data group box becomes unavailable.
Calendar Year	Select the calendar year for which you are generating the model file.
Device CD	Select a device CD of *CD-R* or *Electronic.*
File Path	Enter the path where you want the process to store the model file.
File Name	Enter the file name that you want the process to use for the model file. The system stores the file in text (.txt) format.

Sender Data

Companies can manage their own tax reporting or give that responsibility to another company. In cases in which one company is sending information for other companies, use this group box to enter contact data for the company that is sending the information. Then use the Contact Data tab in the **Companies to Process** group box to enter the contact information that is specific to each company. If you are sending data for your own company only, leave this group box blank and enter contact information only in the Contact Data tab.

Field or Control	Description
Company	Enter the name of the company that is sending the model file.
Person ID	Enter the ID of the person who is sending the model file.
Name and **Contact Phone**	Enter the name and contact number of the person who is sending the model file.

Companies to Process - Reporting Type

Field or Control	Description
Company	Select the companies for which you are sending the model file. The process creates a report for each company that you specify.
Description	The system displays the name of the selected company.
ID Number	Enables you to manually enter the Número Identificativo de la Declaración for the report.
Type of Statement	Select the type of model statement that you want to generate. Values are: • *Ordinary:* Select to process all employees for the selected calendar year. • *Comple* (complement): Select to process specific employees who were not included in the processing of the ordinary statement. The system displays an **Employees** link to select the specific employees to process, and a **Related ID** field to enter the ID of the related model file previously generated through ordinary processing. • *Substitute:* Select to generate a substitute model file to replace a previously generated file. Use this option when new information is available to send for employees of a previously generated file. The system displays a **Related ID Number** field to enter the ID of the related model file previously generated.
Related ID Number	The system displays this field when the statement type is either Comple (complement) or Substitute. Enter the ID of the previously generated model file that you want to complement or substitute with new data.
Employee	Click to access the Employees to Process page, where you can select the employees for the system to process. The system displays this link only if you process a complimentary type of statement. When you access the Employees to Process page, use the **EmplID** field to select the employees whom you want to include in the model file. The system enables you to select only the employees who are in the related reporting table for the selected year.

Companies to Process - Contact Data

Use this tab to enter the contact information for each of the companies for which you are sending the model file.

Field or Control	Description
Employee ID	Enter the ID of the person who is the contact for the model file at the company.
Contact Name	Enter the name of the person who is the contact for the model file at the company.
Contact Phone	Enter the contact number of the person who is the contact for the model file at the company.

Reviewing Delivered Earning and Deduction Elements

This topic describes the earning elements and deduction elements that are delivered as part of the special collective management functionality.

Note: The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Spain. Instructions for running the query are provided in the PeopleSoft Global Payroll product documentation.

Earning Elements

This table describes the delivered earning elements associated with the management of displaced employees:

Earning Element	Description
DEV SS EXPTR	Stores the amount paid by the employee if the employee has a special agreement with the company to pay social security contributions and get reimbursed for these contributions by the company. You can include this element through the Job Compensation page by using the rate code EXCOSS. See "Segmentation Triggers with Earning and Deduction Assignments" (PeopleSoft Global Payroll).

Earning Element	Description
DIETA EXPTR	Earning for nonresident maintenance expenses for expatriates. This element stores the amount to pay as income. This element is automatically segmented and prorated when it is assigned to a payee on the Element Assignment by Payee or Payee Assignment by Element page. The assignment period must cover only a portion of the pay period and you must have defined the corresponding segmentation trigger. See "Segmentation Triggers with Earning and Deduction Assignments" (PeopleSoft Global Payroll).
DIETAEX EXPT	Earning for nonresident maintenance expenses for expatriates. This element stores the excess amount that can be contributed for maintenance expenses.
PRNCTA EXPTR	Earning for nonresident night expenses for expatriates. This element stores the amount to pay as income. This element is automatically segmented and prorated when it is assigned to a payee on the Element Assignment by Payee or Payee Assignment by Element page. You must have the assignment period cover only a portion of the pay period and you must have defined the corresponding trigger. See "Segmentation Triggers with Earning and Deduction Assignments" (PeopleSoft Global Payroll).
PRNCTAEX EXP	Earning for nonresident night expenses for expatriates. This element stores the excess amount that can be contributed for night expenses.
SALARIO EXNT	Earning for salary income earned while working abroad. You assign this earning as positive input or through earning and deduction assignment. If the income for this earning meets the IRPF legal requirements of Article 7.p, the system considers it tax free up to a certain annual amount. The system reports income from this earning for tax purposes under the perception key and subkey L15.

Deduction Elements

This table describes the delivered deduction elements associated with special collective management:

Deduction Element	Description
DD COMP EXPT	Retrieves the value of the net payment, and then uses this amount to force the payment to zero when the **Pay Compensation** check box on the Transnational Mobility page is deselected.
DIETAEXX EXP	Deduction for nonresident maintenance expenses for expatriates. This element stores the excess amount that can be contributed for maintenance expenses to balance the value of DIETAEX EXPT.
PRNTAEXX EXP	Deduction for nonresident night expenses for expatriates. Stores the excess amount that can be contributed for night expenses to balance the value of PRNTAEX EXP.

Related Links

"Understanding How to View Delivered Elements" (PeopleSoft Global Payroll)

Managing Scholarship Holders

This topic discusses scholarship holder management.

Pages Used to Manage Scholarship Holders

Page Name	Definition Name	Usage
"Job Information Page" (PeopleSoft Payroll for North America)	JOB_DATA_JOBCODE	Enter information about a person's job, including status, employee class, shift, or standard hours.
"Contract Status/Content Page" (PeopleSoft Human Resources Administer Workforce)	CONTRACT1	Add or update basic information about the contract between your organization and a worker, including the contract duration, type, content, and contribution ID. You must have previously set up contract template IDs on the Contract Template Table page.
"Compensation Page" (PeopleSoft Human Resources Administer Workforce)	JOB_DATA3	Update a person's compensation information.

Page Name	Definition Name	Usage
"Element Assignment by Payee Page" (PeopleSoft Global Payroll for India)	GP_ED_PYE	By payee, assign specific earning and deduction elements.

Understanding Scholarship Holder Management

A scholarship holder is a person who works for a company to acquire experience and professional training under a special labor relation with the company. Scholarship holders can work for a company with a research fellowship, without a research fellowship, or through a separate entity such as an educational center or foundation.

Scholarship holders with fellowships have a unique contractual relation with the company and require special treatment with respect to IRPF taxes and social security contributions. The amounts companies pay to fellowship scholarship holders are not considered salary and are free of IRPF taxation. However, companies must declare this information in IRPF tax reports. PeopleSoft Global Payroll for Spain enables you to declare this mandatory information in the Model 110, Model 111, Model 190, and Tax Deduction reports. Regarding social security contributions, PeopleSoft Global Payroll for Spain provides the necessary contribution ID as part of the social security scheme to account for fellowship scholarship holders. The scheme ID is 0111 and the social security contribution ID is 008. The contribution is maintained on the Contribution page of the Social Security Scheme Table component. You need to identify this employee as an *Intern* in the **Empl Class** field on the Job Information page.

Note: You can sometimes apply certain social security reductions for this collective (CD24, Bonificación i+d+I) for fellowship scholarship holders.

To manage scholarship holders without fellowships, you can set up these persons as normal employees with a special contract type of *practice* or *training.* No additional setup or processing is required.

In the last case, to manage scholarship holders from a separate entity, you can handle these persons the same way that you would handle persons that another company provides as professionals.

Managing Fellowship Scholarship Holders

To manage fellowship scholarship holders:

1. Set the **Empl Class** (employee class) field value to *Intern* on the Job Information page.

2. Set the **Special Labor Relationship** field value to *Fellow Scholarship Holder* on the Job Information page.

3. Enter values for the rate code *BECAIN* (scholarship holder) on the Compensation page.

4. Set the **Scheme ID** field value to *0111* on the Contract Status/Content page.

5. Set the **Social Security Contribution** field value to *008* (fellowship scholarship holder) on the Contract Status/Content page.

6. To override compensation entered through the rate code BECAIN in step 4 or to enter additional compensation for scholarship holders, assign the earning BECA INVESTGCN on the Element Assignment By Payee page.

7. To enter expenses for the scholarship holder, assign the earning GASTOS BECA on the Element Assignment By Payee page.

8. Process payroll.

9. Generate the affected reports monthly, quarterly, or yearly as required.

Reviewing Delivered Earnings Elements

This table describes the earning elements that are delivered as part of the scholarship holder functionality:

Earning Element	Description
BECA INVESTGCN	Income of scholarship holder with research fellowship. You can include this earning through the Job Compensation page by using the rate code BECAIN. This earning is free of taxation and is not considered salary. The earning amounts, although not taxable, are included in IRPF tax reports Model 110, Model 111, and Model 190 under the corresponding perception key and subkey.
GASTOS BECA	Other earnings of fellowship scholarship holder such as travel expenses, maintenance, and so on. The earnings amounts, although not taxable, are included in IRPF tax reports Model 110, Model 111, and Model 190 under the corresponding perception key and subkey.

These elements are automatically segmented and prorated when one is assigned to a payee on the Element Assignment by Payee or Payee Assignment by Element page. The assignment period must cover only a portion of the pay period and you must have defined the corresponding segmentation trigger.

Related Links
"Segmentation Triggers with Earning and Deduction Assignments" (PeopleSoft Global Payroll)

Managing Preretired Employees

Preretired employees are employees who have partially or completely ended their labor relations with a company but voluntarily maintain a special contractual relation with the company until legal retirement termination.

This topic discusses preretirement and gradual and flexible retirement.

Pages Used to Manage Preretired Employees

Page Name	Definition Name	Usage
"Work Location Page" (PeopleSoft Human Resources Administer Workforce)	JOB_DATA1	Update position and location information for a person's job.
"Compensation Page" (PeopleSoft Human Resources Administer Workforce)	JOB_DATA3	Update a person's compensation information.
"Element Assignment by Payee Page" (PeopleSoft Global Payroll for India)	GP_ED_PYE	By payee, assign specific earning and deduction elements.
"Contract Type/Clauses Page" (PeopleSoft Human Resources Administer Workforce)	CONTRACT2	Add or update any special contract clause information to the standard contract language for this worker.
"Contract Status/Content Page" (PeopleSoft Human Resources Administer Workforce)	CONTRACT1	Add or update basic information about the contract between your organization and a worker, including the contract duration, type, and content. You must have previously set up contract template IDs on the Contract Template Table page. You can also enter the reduction information for the employee.

Understanding Preretirement

Preretirement is when employees who have not fulfilled the requirements for normal or anticipated retirement make an agreement with the company. Because preretired employees are not active in the company, the company does not have to pay social security for them.

An employee and a company can agree to a preretirement plan. These agreements are specific to each particular employee. PeopleSoft Global Payroll for Spain includes functionality to manage the following preretirement plan scenarios:

- The company terminates the employee but pays the employee the agreed-upon amount until the employee reaches the retirement age of 65.

- The company agrees to pay a supplemental amount to the employee as a supplemental unemployment benefit or subsidy.

- The employee continues to contribute to social security to maintain privileges, and the company reimburses the employee for this amount.

Companies can classify these amounts as regular or nonregular income depending on each particular situation. PeopleSoft Global Payroll for Spain provides payroll elements for each of these three scenarios for both regular pay and nonregular pay. These elements store the agreed amount to pay to the preretired employee, taking the agreed upon amount from the Compensation page. As regular income, employees pay IRPF taxes as they normally do. As nonregular income, the payroll system applies a reduction to the IRPF tax base.

Understanding Gradual and Flexible Retirement

Gradual and flexible retirement offers employees a way to make the transition from working life to retirement by reducing the employee labor contract from full-time to part-time. As employees fulfill all conditions for retirement or preretirement, these employees continue working with a part-time contract and reduced salary as long as they still receive a pension subsidy. This reduction in hours can be between 25% and 85%, thus reducing the employee's salary by the same percentage. This enables the employee to continue receiving a partial retirement pension for the remaining working years until retirement age. Gradual and flexible retirement is regulated by law and promoted by government with special treatment of contributions to social security for employer and employee (reductions, exoneration of quotas, and so on) depending on the age of employee.

Employees have two options:

- *Partial Retirement:* The employee can initiate partial retirement simultaneously with a part-time contract after the employee is 60 years old.

  For partial retirement before an employee reaches 65 years of age, the company establishes a relief contract with another employee to cover the percentage of work affected by the partial retirement.

- *Flexible retirement:* When the employee starts receiving his or her retirement pension, the employee can work on a part-time contract basis with the retirement pension reduced according to the percentage of hours worked.

In cases in which an extension of working life exists, companies can benefit from some social security contribution reductions that they must assign to eligible employees. These extensions of working life pertain to

- Employees over 65 with a minimum number of contributing years or

- Employees over 60 with at least 5 seniority years.

Employees Over 65 with Required Minimum Contributed Years

Employees older than 65 and has completed the required minimum number of contributing years are exempt from contributing to social security except for the temporary disability part within the common contingencies. As of 2015, the social security agency defines this part to be 0.25% for the employee and 1.25% for the employer over the common contingencies base.

Companies must report this situation to the social security agency using the FAN file. Specifically, the company must report the employee and employer contributions as if no reductions applied and also report the employee and employer reductions.

PeopleSoft Global Payroll for Spain provides the necessary contribution ID as part of the social security scheme to account for active employees age 65 or older. The scheme ID is 0111 and the social security

contribution ID is 007. The contribution is maintained on the Contribution page of the Social Security Scheme Table component.

In addition to the social security contribution ID for employees who are age 65 or older, you need to define a reduction ID that defines the correct reduction amount on the Reduction Data page of the Reductions ESP component.

For example, the current temporary disability percentage (as of January 2015) is *0.25%* for the employee and *1.25%* for the employer. To implement this calculation , you need to set up reductions based on the following criteria:

Total Employer Contribution = 28.05%
Exempt Employer Contribution = (28.05 - 1.25)% = 26.8%
Percentage to Reduce = (26.8 / 28.05)% = 0.95543672%

Thus, using the values stated previously from the social security agency, the current Percentage to Reduce value for common contingency is *95.543672%*.

The payroll process and FAN file generation process take into account the new contribution data and reduction data for active employees with part-time status who are age 65 or older. The FAN file generation process also accounts for the reductions in social security contributions.

Employees Over 60 with 5 Seniority Years

For employees over age 60 with 5 seniority years in the company, the employer can reduce the quota to pay to social security. Employers can apply this reduction to common contingencies contributions except in the case of temporary disability. The current percentage reduction is 50% for the first 12-month period and increases by 10% at the beginning of each subsequent 12-month period until reaching 100%.

You need to define a reduction ID to manage this type of reduction to social security contributions through the Reduction Data page of the Reductions ESP component.

To determine the Percentage to Reduce value for the each period of common contingencies without including temporary disability, you must use the following equations:

(Common Contingencies Percentage – Temporary Disability Percentage) * Reduction Percentage = Reduced Common Contingencies Percentage
Reduced Common Contingencies Percentage / Common Contingencies Percentage = Percentage to Reduce
For example in 2015 (for the first year)
Common Contingencies = 23.6%
Temporary Disability = 1.25%
Reduction Percentage = 50%
(23.6% - 1.25%) * 50% = 11.18%
11.18 % / 23.6% = 47.3729%

You need to calculate the reduction for each year using a different percentage (increasing 10% each year) as per the table shown above.

You must perform these calculations for each common contingency period within the reduction ID. The payroll process and FAN file generation process take into account the contribution data and reduction data. These processes also account for the reductions in social security contributions.

Partial Retirement - Contribution Base Calculation

In case of a partial retirement effective after 01 April 2013, Social Security establishes that the pre-retired employee continues contributing (both employer and employee) using the same Social Security base (same as what he had been contributing while working full time).

Government establishes a gradual implementation of this rule by providing a percentage being applied to the full time Social Security base in the coming years. The social security contribution base percentage for the coming years are as shown in the table below. The system automatically computes the employee and employer contributions based on the legal specifications.

Year	Contribution Base Percentage
2013	50
2014	55
2015	60
2016	65
2017	70
2018	75
2019	80
2020	85
2021	90
2022	95
2023	100

However, the percentage range as per the above table is applied only if it is higher than the employee's FTE. If the employee's FTE is higher than the percentage specified for any year, system calculates the contribution bases based on the real income corresponding to the part-time schedule.

For example, in the year 2013, the contribution base is 50% of the full time contribution base. If an employee's FTE is lesser than 50%, then the contribution base is 50% of the full-time work. On the other hand, if the employee's FTE is greater than 50%, system directly uses the calculated base based on the employee's current income.

Note: PeopleSoft delivers a setup variable *SS VR F EF RDL5/13* with value equal to April 1st 2013. This variable specifies the effectiveness of this legal change, as it is applied just to those employees subscribing to partial retirement contract after April 1st 2013.
System applies the specified percentage to increase the Social Security base, only to the basic earnings and extra payment proration. System does not apply the percentage to non-basic earnings like salary complements, insurances, non-regular income etc, as these earnings need not necessarily depend on the employee's schedule.

Flexible Retirement - Special Contribution (Cotización Especial de Solidaridad)

PeopleSoft Global Payroll for Spain introduced a special contribution for Flexible Retirement based on a legislative change published on 25 April 2013, that has to be reported in the FAN file. System calculates the special contribution by multiplying the common contingencies base by 6% for employer and 2% for employee.

You can identify the employees affected by this special contribution by using the setup variable *SS VR IND CNTB ESP*. This variable indicates if we need to calculate the special contribution during payroll process. If you enter the value 'S' for this variable, then system calculates special contribution by multiplying the common contingencies base by a percent: 6% for employer and 2% for employee. System stores the amount to be paid for this type of contribution in the Social Security record (new row CA13).

Assigning Preretirement

To manage preretirement:

1. Terminate the employee with pay by assigning the *Termination With Pay* value in the **Action/Reason** field on the Work Location page of the Job Data component.

2. Assign the agreed-upon compensation amount to the employee in the **Pay Components** group box on the Compensation page. Select the rate code, compensation rate, currency, and frequency of the compensation. For preretired regular income, select the *PREJUB, PJCOSS,* and *PJDSEM* rate codes. For preretired nonregular income, select the PJJUBI, PJCSSI, and PJDSMI rate codes.

    Or, assign the employee the required payroll elements for preretired regular income or nonregular income using the Element Assignment By Payee page. For preretired regular income, assign the employee the following payroll elements: PREJUBILACN earning (equivalent to rate code PREJUB), DEV SS PREJ earning (equivalent to rate code PJCOSS), and BNF DESEMP deduction (equivalent to rate code PJDESM). For preretired nonregular income, assign the employee the following payroll elements: PREJUBILACN I earning (equivalent to rate code PJJUBI), DEV SS PREJ I earning (equivalent to rate code PJCSSI), and BNF DESEMP deduction (equivalent to rate code PJDSMI).

3. Calculate payroll.

    The payroll process calculates the regular income payment as PREJUBILACN + DEV SS PREJ - BNF DESEMP. The process pays this amount as regular income and pays taxes normally. Contributions to social security are zero.

    The payroll process calculates the nonregular income payment as PREJUBILACN I + DEV SS PREJ I - BNF DESEMP I. The process pays this amount as nonregular income and applies a reduction due irregular income. Contributions to social security are zero.

4. Generate the affected reports monthly, quarterly, or yearly as required.

Assigning Gradual and Flexible Retirement

To assign an employee gradual or flexible retirement:

1. Access the Job Data component **(Workforce Administration** > **Job Information** > **Job Data** > **Job Information).**

2. Reduce the employee's contract from full-time to part-time by setting the **Full/Part** field value to *Part Time.*

   This effectively reduces the employee's salary by the same percentage.

3. Reduce the contribution to social security by assigning the employee to the necessary Social Security Contribution and Reduction IDs on the Contract Status/Content page (Workforce Administration, Job Information, Contract Administration, Update Contracts).

   Your selections for these fields depend on whether the employ is over 65 with a required number of contributing years or the employee is over 60 with at least 5 seniority years.

4. Calculate payroll.

   If the employee is over 65 with a required number of contributing years and you assign the corresponding reduction, the payroll process reduces the social security contributions for both the employee and the employer, paying only for temporary disability. The percentage for the employee is 0.25% and the percentage for the employer is 1.25%, as defined by currently applicable laws as of 2015.

   If the employee is over 60 with at least 5 years seniority, the payroll process reduces the social security contribution percentage for the employer according to the period in which the employee falls within the reduction ID definition.

5. Generate the affected reports monthly, quarterly, or yearly as required.

Reviewing Delivered Earning and Deduction Elements

This topic describes the earning elements and deduction elements that are delivered as part of the preretirement functionality.

Note: The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Spain. Instructions for running the query are provided in the PeopleSoft Global Payroll product documentation.

Earning Elements

This table describes the delivered earning elements associated with preretirement:

Earning Element	*Description*
DEV SS PREJ	Reimbursement of the amount paid as regular income by employee to the social security administration to maintain his or her privileges. This element is automatically segmented and prorated when it is assigned to a payee on the Element Assignment by Payee or Payee Assignment by Element page. The assignment period must cover only a portion of the pay period and you must have created the corresponding segmentation trigger. See "Segmentation Triggers with Earning and Deduction Assignments" (PeopleSoft Global Payroll).
PREJBILACN I	Gross amount for nonregular income that the company and employee agree upon as a preretirement benefit.
PREJUBILACN	Gross amount for regular income that the company and employee agree upon as a preretirement benefit. This element is automatically segmented and prorated when it is assigned to a payee on the Element Assignment by Payee or Payee Assignment by Element page. The assignment period must cover only a portion of the pay period and you must have created the corresponding segmentation trigger. See "Segmentation Triggers with Earning and Deduction Assignments" (PeopleSoft Global Payroll).
DEV SS PRJ I	Reimbursement of the amount paid as nonregular income by employee to the social security administration to maintain his or her privileges.

Deduction Elements

This table describes the delivered deduction elements associated with preretirement:

Deduction Element	*Description*
BNF DESEMP	Amount deducted as regular income from employee payroll for unemployment benefits or subsidy.
BNF DESEMP I	Amount deducted as nonregular income from employee payroll for unemployment benefits or subsidy.

Related Links

"Understanding How to View Delivered Elements" (PeopleSoft Global Payroll)

Managing Professionals

This topic discusses the professionals management business process.

Pages Used to Manage Professionals

Page Name	Definition Name	Usage
Perception Keys ESP Page	GPES_PERCEP_KEY	Maintain perception (income) key and subkey data for tax models. A subkey, together with a key, identifies the kind of job that a professional or other type of employee provides to a company.
"Add a Person - Organizational Relationships Page" (PeopleSoft Human Resources Administer Workforce)	PERSONAL_DATA4	Select an organizational relationship and checklist to create for this person.
IRPF Tax Review Page	GPES_TAX2_RSLT	Enter and maintain the earning income and tax results adjustments for professionals (or other types of employees) for whom you did not calculate payroll.

Understanding the Professionals Management Business Process

Professionals are persons who provide a company a service without a labor contract. Professionals are contingent workers, not employees. PeopleSoft Global Payroll for Spain assumes that you do not process their payments through payroll. Instead, the professional provides the company with a bill. The company must pay the professional's bill and withhold a percentage of IRPF tax from the amount paid to the professional. The withholding percentage for IRPF taxes depends on the perception key and subkey that defines the services offered by the professional. The company does not have to contribute to social security for the professional.

Through the IRPF Tax Review ESP component you can enter the amount paid to the professional and the withholding amount applied. You can also specify the perception key and subkey to identify the work that the professional provides. The report generation processes consider the values that you enter on this page when you generate the Model 110 report, the Model 111 report, the Model 190 report, the individual professional's Tax Deduction report, and the Tax Deduction report.

Managing Data for Professionals

To manage data for professionals:

1. Maintain perception key and subkey values through the Perception Keys ESP component.

2. Add the professional into the system through the Add a Person component, identifying the person's organizational relationship as a professional by selecting the **Contingent Worker** check box on the Organizational Relationships page.

   A professional is a contingent worker or a person who provides services to the organization and who does not have a legal employee relationship with the organization.

   See "Add a Person - Organizational Relationships Page" (PeopleSoft Human Resources Administer Workforce).

3. Enter the perception key, subkey, amount paid, and withholding amounts for the professional for a specific fiscal territory and month on the IRPF Tax Review page.

4. Generate the affected reports monthly, quarterly, or yearly as required.

Perception Keys ESP Page
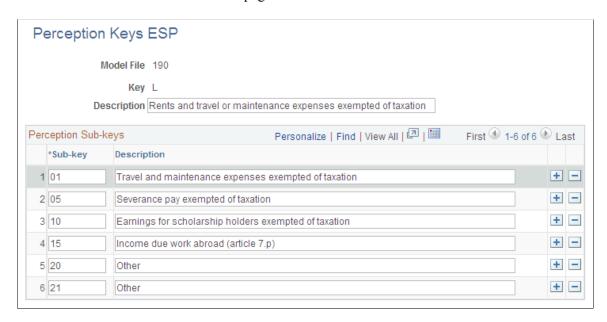
Use the Perception Keys ESP page (GPES_PERCEP_KEY) to maintain perception (income) key and subkey data for tax models.

A subkey, together with a key, identifies the kind of job that a professional or other type of employee provides to a company.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Taxes** > **Tax Perception Keys ESP**

This example illustrates the fields and controls on the Perception Keys ESP page. You can find definitions for the fields and controls later on this page.

Perception Keys ESP		
Model File	190	
Key	L	
Description	Rents and travel or maintenance expenses exempted of taxation	

Perception Sub-keys — Personalize | Find | View All | 🔲 | 📷   First ◀ 1-6 of 6 ▶ Last

	*Sub-key	Description	
1	01	Travel and maintenance expenses exempted of taxation	+ −
2	05	Severance pay exempted of taxation	+ −
3	10	Earnings for scholarship holders exempted of taxation	+ −
4	15	Income due work abroad (article 7.p)	+ −
5	20	Other	+ −
6	21	Other	+ −

Field or Control	Description
Model File and **Key**	The system displays the selected model file and perception key combination.
Description	Enter or maintain the description of the perception key for the specified model file.
Subkey and **Description**	Enter or maintain the perception subkey value and its related description.

Delivered Perception Keys

Oracle delivers as system data the following perception key and subkey data for the 190, 296, and 345 tax models:

Model File	Key	Description	Subkey	Description
190	A	Employees under labor contract.	Not applicable	Not applicable
190	F	Earnings from courses, conferences, colloquia, or seminars or from literary, scientific, or artistic productions for which the payee cedes rights.	01	Literary, scientific, or artistic earnings not exempt from taxation.
190	F	Same as above.	02	All other perceptions under key F.
190	G	Earnings as economic compensation for professional services.	01	For perceptions for which the deduction to apply is the general rule established in Article 93.1 of IPRF Law.

Model File	Key	Description	Subkey	Description
190	G	Same as above.	02	For specific percentage to apply in case of special and detailed activity in law. Representative of Tabacalera (tobacco company), insurance representative, and so on.
190	G	Same as above.	03	For perceptions with a reduced percentage to apply according to Art. 93.1 of IRPF law. Deductions are for taxpayers who start their professional activity in the period declared and the next two periods.
190	L	Exempt rents and travel or maintenance expenses.	01	Travel and maintenance expenses exempt from taxation, according Article 8 of Tax regulation.
190	L	Same as above.	05	Severance pay exempt according to Article 7a of tax law and Article 1 of regulation.
190	L	Same as above.	10	Exempt earnings for scholarship holders according to Article 7 j of tax law.
190	L	Same as above.	15	Income due work abroad (article 7p).
190	L	Same as above.	20	Other

Model File	Key	Description	Subkey	Description
190	M	Job Income eligible for 33rd America's Cup reduction	Not applicable	Not applicable
296	T	Job rents.	1	Withholding applied to general type.
296	T	Same as above.	3	Intern exemption.
345	C	Promoter contributions to pensions plan.	1	In charge to employee.

IRPF Tax Review Page

Use the IRPF Tax Review page (GPES_TAX2_RSLT) to review online the monthly tax data that the payroll process calculates for IRPF tax reporting.
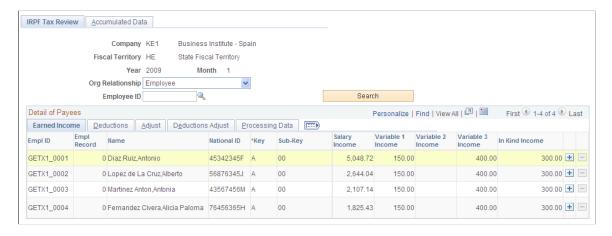
You can also adjust the calculated income and withholding amounts. For contingent workers or persons of interest, you can insert new rows of data for each specific job and salary type that a person might have. You can enter IRPF tax data for any person who is not processed through payroll. The system uses this data when you generate IRPF tax reports.

You can also use the IRPF Tax Review page to enter and maintain the earning income and tax results adjustments for professionals (or other types of employees) for whom you did not calculate payroll.

Navigation:

Global Payroll & Absence Mgmt > **Taxes** > **IRPF Tax Data Review ESP** > **IRPF Tax Review**

This example illustrates the fields and controls on the IRPF Tax Review page. You can find definitions for the fields and controls later on this page.

Search Criteria

Upon accessing the page, select the company, fiscal territory, year, and month for which you want to enter data for professionals. To search for professionals only, select the *Contingent Worker* value in the **Org Relation** (organization relationship) field. Enter the employee ID to narrow the search results. These filters facilitate budget management and tracing of professional services within a company. Click the **Search** button to retrieve the professionals based on the search criteria. The system displays a grid with fields that are relevant only to professionals.

Detail of Payees - Adjust

Use this tab to enter amounts for the professional for the selected fiscal period and month. This tab shows the same fields as the earned Income tab but the fields are editable. The system differentiates between the data that the payroll process generates and the data that you enter manually.

Related Links

Viewing IRPF Tax Calculation Results

Chapter 15

Managing Stock Option Income

Understanding Stock Option Income

When payees sell stock that they acquired through stock options, the resulting earned income can fall into three different categories:

- Tax exempt income.

- Irregular income.

- In kind income

Tax Exempt Income

The system considers up to a certain statutory amount of stock income to be tax exempt if the payee selling the stock:

1. Held the stock for at least three years before selling it.

2. Acquired the stocks through a general plan. This means that the issuing company offered options to all employees under the same conditions.

3. Is an active employee of the company that issued the stock options.

Note: Tax exempt stock income is also exempt from Social Security contributions.

Irregular Income

For stock income that does not qualify to be tax exempt, the system treats a portion of it as irregular income if the payee who sold the stock acquired it over an accrual period greater than two years. The system reduces irregular income by a territory-specific percentage before adding it to the total taxable base. The maximum amount of stock income that can be considered irregular income is the statutory Medium Average Salary × years of income generation. This maximum amount is doubled for payees who:

1. Held the stock for at least three years before selling it.

2. Acquired the stocks through a general plan. This means that the issuing company offered options to all employees under the same conditions.

Note: The system does not reduce irregular income when determining Social Security contributions.

In Kind Income

The system considers any stock income that does qualify as tax exempt or irregular income as in kind income. Payees are responsible for paying any taxes associated with this income. Therefore, in kind stock income fall under the category of *IRPF recupertido*.

Related Links

Estimating Irregular Income

Salary In Kind

Recording Stock Option Income

This topic discusses how to record stock option income for payees.

Page Used to Enter Stock Option Income

Page Name	Definition Name	Usage
Stocks Options ESP Page	GPES_EMP_STOCKS	Record stock option income for payees.
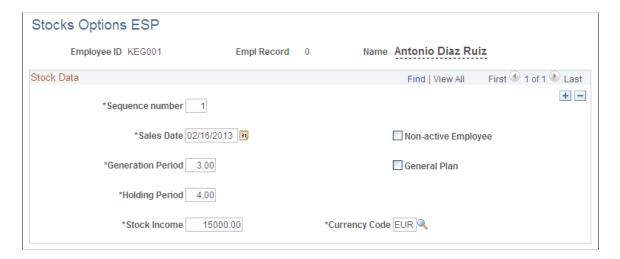
Stocks Options ESP Page

Use the Stocks Options ESP page (GPES_EMP_STOCKS) to record stock option income for payees.

Navigation:

Global Payroll & Absence Mgmt > Payee Data > Assign Earnings and Deductions > Stocks Options ESP > Stocks Options ESP

This example illustrates the fields and controls on the Stocks Options ESP page. You can find definitions for the fields and controls later on this page.

Use this page to enter information regarding the sale of stock options. By entering stock sale information, you assign the ACCIONES_CIA earning to the payee. This earning drives the calculation of taxes and Social Security contributions resulting from the stock sale.

See Delivered Nonbasic Earnings.

| Field or Control	Description
Sequence number	Enter a sequence number for the stock sale.
Sales Date	Enter the date on which the payee sold the stock. The system uses this date as a reference point when calculating the payroll impact of the stock sale.
Non-active Employee	Select to indicate that the payee is not currently employed by the company who issued the stock options.
Generation Period	Enter the number of years over which the payee accrued the stock options that were sold.
General Plan	Select to indicate that the payee acquired the stock options through a general plan.
Holding Period	Enter the number of years for which the payee held the stock options that were sold.
Stock Income	Enter the income generated from the sale of the stock.
Currency Code	Enter the currency of the stock income.
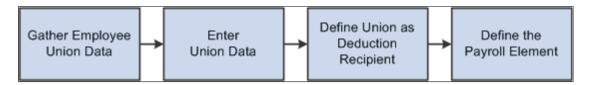
Chapter 16

Paying Union Fees

Setting Up Union Fees

PeopleSoft Global Payroll for Spain enables you to pay your employees' union fees as part of the regular payroll processing cycle.

This diagram illustrates the four steps required for setting up your system to automatically pay union fees during the regular payroll processing cycle.

To set up union fees:

1. Gather the employee's union data.

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

   - Union code.

   - Union date (the date on which the employee was first affiliated with the union).

   - The employee's function in the union (if applicable).

   - Union fee.

   - Fee start and end dates (the initial date on which the fees should be paid through payroll and, if applicable, the date on which the payment of fees should stop). Unless an end date is specified, the system will continue to pay the union fees until an end date is provided.

   - Exemptions or free working hours to partake in union activities (if applicable).

2. Enter union data.

   When you have the information about an employee's union affiliation, enter that information on the Job Labor page in the Job Data component, **(Workforce Administration** > **Job Information** > **Job Data** > **Job Labor).**

   Note: The **Fee Start Dt** (fee start date) and **Fee End Dt** (fee end date) fields can be left blank. If **Fee Start Dt** is blank, then PeopleSoft Global Payroll for Spain uses *01/01/1900* as the default value. If **Fee End Dt** is blank, then PeopleSoft Global Payroll for Spain uses *01/01/3000* as the default value.
   ---

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

   After associating an employee with a union, you must set up union fee deduction information. Define the union as a recipient of the deduction on the Recipient page **(Set Up HCM** > **Product Related** > **Global Payroll & Absence Mgmt** > **Elements** > **Payroll Elements** > **Deductions** > **Recipient)** The Recipient page provides detailed information about the third-party recipient for a deduction. The Recipient page enables you to indicate who gets a deduction. This provides a direct relationship between the union and bank account into which the union fee deduction is deposited.

4. Define the payroll element.

   If you are defining the general recipient as a general recipient, then link the general recipient to the deduction element that calculates the union fee. To link the general recipient to a deduction, access the Recipient page of the Deductions component **(Setup HCM** > **Global Payroll & Absence Mgmt** > **Elements** > **payroll Elements** > **Deductions)** and select the deduction recipient.

   If the recipient is defined as an individual recipient, then the final step is to define the payroll element to use as the deduction (union fee) for the employee. Use the Assign Deduction Recipients page **(Global Payroll & Absence Mgmt** > **Payee Data** > **Net Pay/ Recipient Elections** > **Add Deduction Recipients** > **Assign Deduction Recipients)** to do this. This associates an employee with an element name (the payroll element for the union fee) and a recipient (the union and, therefore, the appropriate bank account).

Union Fees Rules and Processing Flow

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

Related Links
"Defining Job Subfunction and Job Function Codes" (Application Fundamentals)
"Understanding Banking" (PeopleSoft Global Payroll)
"Understanding Earning and Deduction Elements" (PeopleSoft Global Payroll)

Viewing Delivered Union Fee Deductions

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

Note: The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Spain. Instructions for running the query are provided in the PeopleSoft Global Payroll product documentation.

Related Links
"Understanding How to View Delivered Elements" (PeopleSoft Global Payroll)

Chapter 17

Working with Absence Rules

Understanding Absence Rules

PeopleSoft Global Payroll for Spain delivers rules for processing absences due to vacation, illness, maternity, work accidents, and other reasons. These rules are designed according to Spanish statutory requirements. You can modify many of these rules to reflect absence policies that are specific to your organization or to labor agreements that may be in force for your employees.

This topic supplements the absence documentation provided in the PeopleSoft Global Payroll product documentation which you should read before reading this topic on Spanish-specific absence processing.

Related Links
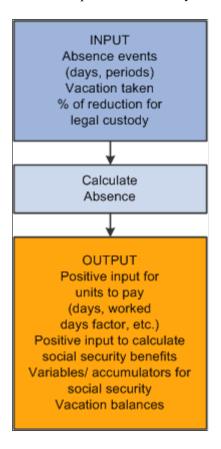"Understanding Absence Setup and Management Tasks" (PeopleSoft Global Payroll)
"Understanding Absence Element Setup" (PeopleSoft Global Payroll)
"Entering Maintaining and Approving Absence Events" (PeopleSoft Absence Management)

Absences in the Pay Process Flow

This diagram illustrates how the absence functionality, from the input of absence event data and absence calculation that yields data used in social security and vacation benefits, fits into the overall pay process flow of PeopleSoft Global Payroll for Spain:

Setting Up Absences

Before you can enter and process absences for Spain, you must complete various setup tasks.

To prepare for absence processing:

1. Define work schedules and assign a schedule to each payee. Note that work schedules have an impact on just irregular part-time employees because the work schedules reflect the worked days that the payroll process counts during processing.

2. Define holiday schedules.

3. Define absence types and reasons.

4. Modify the delivered absence entitlement and absence take elements, and create new absence elements, as needed.

   A list of the absence take and absence entitlement elements delivered with PeopleSoft Global Payroll for Spain appears in this topic. Sample values are delivered for many of these elements. You may want to replace some of these values with data that is specific to your organization.

5. Assign absence elements to payees (using eligibility groups) and process lists.

   Add absence elements to eligibility groups and process lists.

   You must assign absence entitlement and take elements to payees and include the elements in the process lists that you use when you run the absence processes. (This step is not necessary for per-absence entitlement elements.)

   Oracle delivers predefined sections and process lists for absence processing. Use these, modify them, or create your own.

6. (Optional) Define rules for self-service absence transactions.

Note: All of these steps are discussed in the Global Payroll core documentation.

Related Links
"Understanding Work Schedules" (PeopleSoft Global Payroll)
"Understanding Absence Element Setup" (PeopleSoft Global Payroll)
"Understanding Processing Elements" (PeopleSoft Global Payroll)

Defining User-Defined (TAKE CONFIG) Fields

This topic provides an overview of user-defined fields and discusses:

• TAKE CONFIG1.

• TAKE CONFIG2.

• TAKE CONFIG3.

• TAKE CONFIG4.

User-Defined Fields

The Calculation page that you use to define absence take elements includes four user-defined fields, which populate the system elements TAKE CONFIG1 through TAKE CONFIG4. The TAKE CONFIG fields provide additional instructions to the system during the absence process.

If you are defining your own absence take element, follow the same usage conventions for the user-defined fields to ensure that the system functions properly.

Note: The system elements TAKE CONFIG1 through TAKE CONFIG4 and TAKE CONFIG1 DU through TAKE CONFIG4 DU are used with many of the delivered formulas in PeopleSoft Global Payroll for Spain.

TAKE CONFIG1

TAKE CONFIG1 identifies the effect on extra period payments. This table details the extra period effect according to the delivered values:

Delivered Value	Payroll Effect
00	Doesn't affect extra period payments
01	Reduces extra period payments

Related Links
Understanding Extra Periods

TAKE CONFIG2

TAKE CONFIG2 identifies the effect on vacation accrual. TAKE CONFIG2 instructs the system to add this absence take to the accumulator to accrue vacation. This table details the vacation accrual effect according to the delivered values:

Delivered Value	Vacation Accrual Effect
00	Accumulating
01	Not Accumulating

TAKE CONFIG3

TAKE CONFIG3 identifies the type of social security contribution. This table details the types of social security contributions according to the delivered values:

Delivered Value	Social Security Contribution Type
00	Normal
01	Not contributing
02	By days earnings
03	By minimum base **Note:** For absence takes with this value, the system calculates Social Security contributions for the employer, but not for the employee.

Related Links
Understanding Social Security Benefits

TAKE CONFIG4

TAKE CONFIG4 identifies the effect on seniority accrual. TAKE CONFIG4 instructs the system to add this absence take to the accumulator to accrue seniority. This table details the seniority accrual effect according to the delivered values:

Delivered Value	Seniority Accrual Effect
00	Accumulating
01	Not Accumulating

Entering Absence Events

Use the Absence Event ESP (GPES_ABS_EVENT) component to enter and update absences, start the Absence Forecasting process, and record information for the FDI medical report text file.

Note: The Absence Event ESP component is identical to the Absence Event (GP_ABS_EVENT) component in the core Global Payroll application, except for the inclusion of the FDI Additional Data page, which enables you to incorporate information that is specific to temporary disability absences. Spanish users should use the Absence Event ESP component in place of the Absence Event (GP_ABS_EVENT) component to enter all absence event data.

This topic discusses absence event entry and FDI medical report data.

Pages Used to Enter Absence Events

Page Name	Definition Name	Usage
"Absence Event Entry Page" (PeopleSoft Absence Management)	GP_ABS_EVENT	Enter, update, and void absences. Start the Absence Forecasting process.
"Absence Event Input Detail Page" (PeopleSoft Absence Management)	GP_ABS_EVENT_SEC	Enter detailed information for an absence, including the reason, processing action, manager approval, user-defined data, entitlement adjustment, and partial hours. Also, use this page to override relapse days.
"Absence Forecast Results Page" (PeopleSoft Global Payroll)	GP_ABS_EVT_FCS_SEC	Review the results of the Forecasting process for a specific absence event and any take elements that are mapped to it.
"Forecast Messages Page" (PeopleSoft Global Payroll)	GP_ABS_FCST_MSG	Review the messages that are generated during the Forecasting process.

Page Name	Definition Name	Usage
Forecast Message Detail	GP_ABS_FCS_MSG_SEC	Review the text of a selected error or warning message.
Additional Data Page	GPES_ABS_EVENT_ADD	• Enter sick note, confirmation note, and medical discharge note data prior to generating the FDI medical report text file for the social security agency. • Enter economic data required to produce the FDI medical report.

Entering Absence Events

When entering absences events for employees using PeopleSoft Global Payroll for Spain, use the pages of the Absence Event ESP component (except the Additional Data page) to:

• Enter, update, and void absence events.

• Enter detailed information about an absence.

• Review absence entitlement balance forecasting results.

• Review forecasting messages.

See "Entering Maintaining and Approving Absence Events" (PeopleSoft Absence Management)
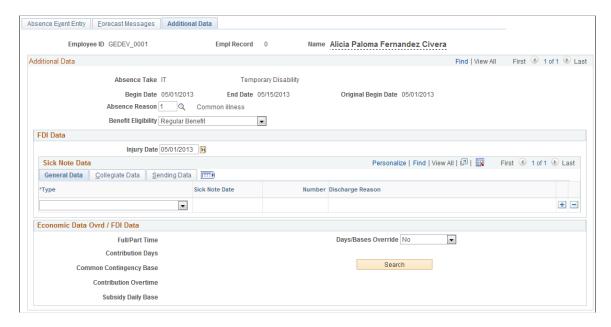
Additional Data Page

Use the Additional Data page (GPES_ABS_EVENT_ADD) to enter sick note, confirmation note, or medical discharge note data prior to generating the FDI medical report text file for the social security agency.

Navigation:
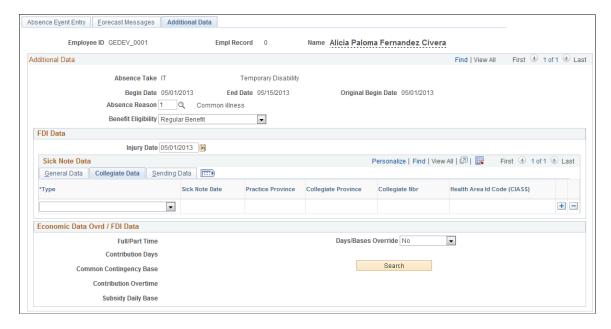
Global Payroll & Absence Mgmt > **Payee Data** > **Maintain Absences** > **Absence Event ESP** > **Additional Data**
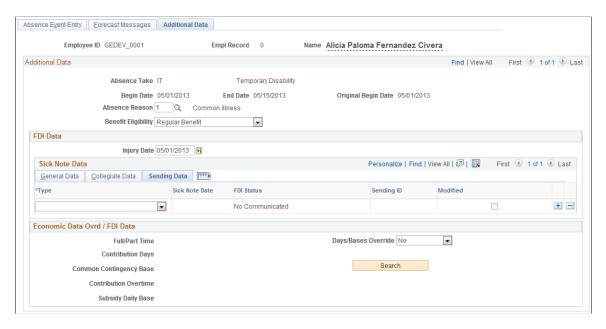
This example illustrates the fields and controls on the Additional Data page. You can find definitions for the fields and controls later on this page.

This example illustrates the fields and controls on the Additional Data - Collegiate Data tab. You can find definitions for the fields and controls later on this page.

This example illustrates the fields and controls on the Additional Data page - Sending Data tab. You can find definitions for the fields and controls later on this page.

Additional Data

Field or Control	Description
| **Absence Take** | Displays the absence take entered on the Absence Event Entry page.

The Additional Data page is mandatory for the following absences if you are reporting FDI using PeopleSoft Global Payroll for Spain:

• *IT:* Temporary disability due to common sickness.

• *AT/EP:* Temporary disability due to industrial accident or professional illness.

• *RIESGO EMBARAZO:* Temporary disability due to risk during pregnancy.

Note: This page is also useful for recording cases of multiple maternity absence. This is represented by the absence take *MATERNIDAD* with an absence reason of *MLT.* |
| **Begin Date** and **End Date** | These fields display the begin and end dates of the absence entered on the Absence Event Entry page. |

Field or Control	*Description*
Original Begin Date	This field displays the original begin date of the absence entered on the Absence Event Entry page.
	Note: If you entered two rows with the same absence take on the Absence Event Entry page that are more than 6 months apart and you link them with the same Original Begin Date, you will receive a warning when you try to save the event. To ensure that the system uses the correct Base Reguladora Diaria (BRD), you should enter relapsed absences greater than 6 months apart as separate absence events.
Absence Reason	Select a reason for the absence.
	Note: Not all reasons are available for all absence takes. For example, *NRM* and *MLT* are available only for the *MATERNIDAD* absence take.
	Valid reasons are:
	• *1:* Common Illness.
	• *2:* Non-industrial Accident.
	• *3:* Industrial Accident.
	• *4:* Professional Illness.
	• *5:* Professional Illness in Observation Period.
	• *NRM:* Maternity (one)
	• *MLT:* Multiple Maternity (two or more)
	Note: When you select this value, the Number of Children field becomes available.
Number of children	Enter the number of children associated with the multiple maternity absence.
	Note: This field appears when you select *MLT* in the **Absence Reason** field.

Field or Control	Description
Benefit Eligibility	Specify if benefits should be calculated for the absence event. Select one of the following options: • *Regular Benefit:* The system will calculate the standard benefit associated with the absence take. This is the default value. • *No Benefit:* Choose this value when the benefit should be calculated to zero. You typically select this value for situations in which the employee does not have 180 contributing days for the last 5 years, or in case of ERE if the employee doesn't have the right to an unemployment benefit or doesn't want to consume it. • *Special Subsidy:* Use this value in case of ERE absence if you want the system to calculate the special subsidy instead of the regular unemployment benefit, or in cases of Maternity if you want the system to calculate the non-contributive subsidy.

FDI Data - General Data tab

Use the fields in this group box to select an injury date and enter information about the different note types that must be tracked in the FDI medical report text file.

Field or Control	Description
Injury Date	Enter the specific date on which the injury or accident occurred. **Note:** This field is relevant only for *AT/EP* absence takes.

Field or Control	Description
Type	Select a note type. The valid values are: • *PA - Medical Discharge:* Select to record the details of a medical discharge note. This is the last note type recorded for an employee who has experienced a temporary disability. By default, the date of the medical discharge note (PA) is the same as the absence event end date displayed at the top of the page. • *PB - Sick Note:* Select to record the details of the sick note establishing an employee's temporary disability. This is the first note type recorded for an employee in the case of a temporary disability. By default, the date of the initial sick note (PB) is the same as the absence event begin date displayed at the top of the page. • *PC - Confirmation Sick Note:* Select to record the details of a confirmation note establishing the continuation of an employee's temporary disability. The date of a confirmation note should be after the initial sick note date (PB) and before the date of the medical discharge (PA).

Field or Control	Description

Sick Note Date	• If the note type is *PA - Medical Discharge*, the system automatically sets the sick note date to the end date of the absence event displayed at the top of the page.
	
	• If the note type is *PB - Sick Note*, the field displays a date as per the conditions below:
	
	   • If it is not an injury event (Absence Take *AT/EP*), the system automatically sets the sick note date to the begin date of the absence event displayed at the top of the page.
	
	   • If it is an injury event (Absence Take *AT/EP*), and has a begin date before the reference date specified in the GEN VR F REF ACC variable, the system automatically sets the date to the day before the begin date of the absence event displayed at the top of the page.
	
	   • If it is an injury event (Absence Take *AT/EP*), and has a begin date on or after the reference date specified in the GEN VR F REF ACC variable, the system automatically sets the date to the begin date of the absence event displayed at the top of the page.
	
	Note: The variable GEN VR F REF ACC determines the value of the reference date used by the system to determine whether the absence begin date represents the first day of company paid benefit *(Pago Delegado)* or the sick leave date. For absences entered before the reference date, the system uses the absence begin date as the first day of company paid benefit. For absences entered on or after the reference date, the system uses the absence begin date as the sick leave date.
	
	• If the note type is *PC - Confirmation Sick Note*, you need to enter the date of the confirmation note.

Number	Enter the order of a series of confirmation notes. For example, enter *1* for the first confirmation note, *2* for the second confirmation note, and so on. **Note:** Because confirmation notes are the only notes that can be received more than once over the course of a temporary disability, this field does not apply to other note types.

Field or Control	Description
Discharge Reason	Select the reason for a medical discharge.
	Note: This field is available for data entry only when the note type is *PA - Medical Discharge*.

Collegiate Data tab

Field or Control	Description
Type	Displays the note type selected in the General Data tab.
Sick Note Date	Displays the sick note date as specified in the General Data tab.
Practice Province	Enter the two-digit code that represents the state portion of the ten-digit ID of the physician overseeing the treatment of the disabled employee.
	If you do not enter a value in this field, but enter a value in the **Collegiate Province** and **Collegiate Nbr** fields, you will receive a warning when you click Save.
Collegiate Province	Enter the two-digit code that represents the registered state portion of the ten-digit ID of the physician overseeing the treatment of the disabled employee.
Collegiate Nbr	Enter the six-digit code that represents the physician-specific portion of the ten-digit ID of the physician overseeing treatment of the disabled employee.
	Note: After entering Practice Province and Collegiate Province, if you do not enter any collegiate number in this field, system automatically assigns the value *999991*.
Health Area Id Code (CIASS)	Enter the ten-digit area identifier code. If you enter a code in this field, you do not need to enter values in the **Practice Province**, **Collegiate Province,** or **Collegiate Nbr** fields.

Sending Data tab

Field or Control	Description
Type	Displays the note type selected in the General Data tab.
Sick Note Date	Displays the sick note date as specified in the General Data tab.
FDI Status	Displays the status of the FDI file. The valid values are: • *No Communicated*: The absence is not yet processed. • *Included in FDI*: • *FDI Sent Confirmed*: **Note:** If the status is *Included in FDI* or *FDI Sent Confirmed*, the **Sending ID** field shows the identifier of the transmission and you can select the **Modified** check box to edit the information in the Sick Note. Once edited, the FDI status changes to *No Communicated*.
Sending ID	Displays the identifier of the communication. This needs to be a unique identifier. The system generates this ID when you run the Create FDI File process on the Create FDI File ESP page. **Note:** The sending ID enables you to track the transfer of data to the social security agency.
Modified	Select to indicate that you have modified information related to a note after the note has been confirmed and sent to the social security agency. When you select the **Modified** check box, the system deselects the **Confirmed** check box and you can reprocess and resend the medical note data on the Create FDI File ESP page. **Note:** You can also un-confirm the data contained in an FDI medical report text file by clicking the **Unconfirm** button on the FDI Confirmation ESP page of the FDI Confirmation ESP (GPES_FDI_SEND) component.

Economic Data / FDI Data

Use the fields in this group box to record information about the disabled employee's work status and social security contributions. The system populates these fields automatically when you click the **Search**

button. The values are retrieved from the record GPES_CNTRB_RSLT, which contains data generated by the payroll process and stored using the writable array SS WA CNTRB.

If the values don't exist or if you want to report values that are different from the ones that are stored in the system, you can enter or update them manually.

Field or Control	Description
Days/Bases Override	Specify how the system uses the data in the **Economic Data / FDI Data** group box. Values are: • *No:* This value makes the fields in the Economic Data / FDI Data group box unavailable for editing. The system populates these fields only with previously calculated values. • *Yes:* This value makes the fields in the Economic Data / FDI Data group box available for editing. The system uses the values you enter in these fields for both FDI Reporting and payroll processing when calculating Social Security bases and subsidies. **Note:** If you select this value and retroactive processing occurs, the system will not update Social Security bases and subsidies accordingly because it will continue to use the values you enter in the Economic Data / FDI Data group box. • *FDI Only:* This value makes the fields in the Economic Data / FDI Data group box available for editing. The system uses the values you enter in these for FDI Reporting only, however. It uses the calculated values during payroll processing.
Full/Part Time	Indicates the full-time or part-time status of the employee.
Contribution Days	Shows the number of days that the employee made social security contributions in the month prior to the absence. In the case of part-time employees, the **Contribution Days** field shows the number of contribution days in the 3 months prior to the start date of the absence.
Common Contingency Base	Shows the social security contribution base in the month prior to the absence. In the case of part-time employees, the **Common Contingency Base** field shows the contribution base for the 3 months prior to the start date of the absence.

Field or Control	Description
Contribution Overtime	Shows the social security average daily contribution base due to overtime in the 12 months prior to the begin date of the absence.

Related Links
"Entering Maintaining and Approving Absence Events" (PeopleSoft Absence Management)

Generating the FDI Medical Report Text File

Use the Create FDI File ESP (GPES_FDI_FILE) component to define report parameters and generate the FDI medical report text file. Use the FDI Confirmation ESP (GPES_FDI_SEND) component to confirm or unconfirm the transmission of an FDI medical report text file to the social security agency.

This topic discusses the FDI medical report business process.

Pages Used to Generate the FDI Medical Report Text File

Page Name	Definition Name	Usage
Social Security Data Page	GPES_SOCS_DATA_ESP	Define FDI parameters.
Create FDI File ESP Page	GPES_FDI_FILE	• Select employees to include in the FDI medical report text file. • Manage types of information to include in the FDI medical report text file (sick note data, disability confirmation data, medical discharge data). • Generate the FDI medical report text file. The system does not automatically transmit the FDI medical report text file to the social security agency. This is a manual step that you must complete after you generate the FDI medical report.
FDI Confirmation ESP Page	GPES_FDI_SEND	Confirm or unconfirm the transmission of an FDI medical report text file.

Understanding the FDI Medical Report Business Process

According to order TAS/339 of 2004, organizations participating in the Sistema RED (social security online service) must track and communicate the disability status of employees to the social security agency either by entering disability data on the official Social Security Website or by transmitting the data using an electronic medical report text file with an FDI extension. To support this requirement, PeopleSoft Global Payroll for Spain provides application pages, processes, and reports that enable organizations to collect and track information about temporary disabilities and to report this information to the responsible authorities.

FDI Medical Report Business Process Steps

In a typical situation involving a disabled or injured employee, the organization receives, collects, and communicates information in the following order:

1. An employee experiences a temporary disability.

2. The employee sends a sick note to the organization to establish his or her disability status. The organization records this information as well as other data needed to create the FDI medical report file.

3. The organization generates and sends the FDI medical report file to the social security agency.

4. As long as the disability continues, the employee sends the organization a note once a week to confirm his or her disability status. The organization records this information in the database for use in creating the FDI medical report file.

5. The organization generates and sends the FDI medical report file.

6. A medical discharge occurs.

7. The organization receives a discharge notice indicating that the temporary disability is over and records this information in the database for use in generating the FDI medical report file.

8. The organization generates and sends the FDI medical report file.

Note: In the scenario described here, the company is expected to transmit medical note data to the social security agency within a specified time frame. For example, the company has 5 days to process and send sick note data to the agency following receipt of a sick note.

PeopleSoft Setup Steps and Components for Creating the FDI Medical Report Text File

To set up and generate the FDI medical report text file, complete the following steps using the components listed in the table:

| Step	Component Name	Component Object Name
1. Define FDI parameters, including the time limit for sending FDI medical report data to the social security agency. See Social Security Data Page.	Social Security Data	GPES_SOCS_DATA_ESP
2. Enter, update, and void absences. Start the Absence Forecasting process. Enter, track, and update the sick note, confirmation note, and medical discharge data needed to generate the FDI medical report text file. See Entering Absence Events.	Absence Event ESP **Note:** Spanish users should use this component in place of the Absence Event (GP_ABS_EVENT) component in the core Global Payroll application.	GPES_ABS_EVENT
3. Define text file parameters for the FDI medical report. Generate the FDI medical report text file using the GPES_FDI application engine process.	Create FDI File ESP	GPES_FDI_FILE
4. Confirm and unconfirm transmission of FDI medical report data to the social security agency.	FDI Confirmation ESP	GPES_FDI_SEND
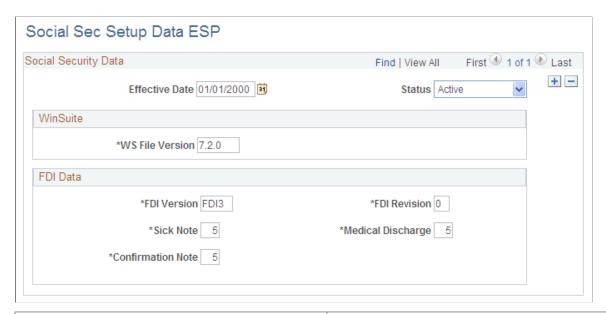
Social Security Data Page

Use the Social Security Data page (GPES_SOCS_DATA_ESP) to define FDI parameters.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Social Security/Insurance** > **Social Sec Setup Data ESP**

This example illustrates the fields and controls on the Social Security Data page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
WS File Version	This field identifies the version of the Winsuite software used by the social security agency for reporting. As this software is updated, you must update the file version.
Sick Note	Specify the time limit (in days) for transferring sick note data to the social security agency following receipt of the note from an employee. If you select the Add Security Period check box on the Create FDI File ESP page (discussed below), the system compares the date on which the file with the sick note data is transferred to the agency (system date) to the absence begin date. If the number of days between the file transfer date and the absence begin date exceeds the time limit for sick notes, the system marks the employee as Late on the Create FDI File ESP page.
Medical Discharge	Specify the time limit (in days) for transferring medical discharge data to the social security agency following receipt of a discharge note from an employee. If you select the Add Security Period check box on the Create FDI File ESP page (discussed below), the system compares the date on which the file with the medical discharge note data is transferred to the agency (system date) to the absence end date. If the number of days between the file transfer date and the absence end date exceeds the time limit for medical discharge notes, the system marks the employee as Late on the Create FDI File ESP page.

| Field or Control	Description
Confirmation Note	Specify the time limit (in days) for transferring confirmation note data to the social security agency following receipt of the note from an employee. If you select the Add Security Period check box on the Create FDI File ESP page (discussed below), the system compares the date on which the file with the confirmation note data is transferred to the agency (system date) to the confirmation date you entered on the Additional Data page. If the number of days between the file transfer date and the confirmation date exceeds the time limit for medical discharge notes, the system marks the employee as Late on the Create FDI File ESP page.
FDI Version	Enter the FDI version number.
FDI Revision	Enter the FDI revision number.
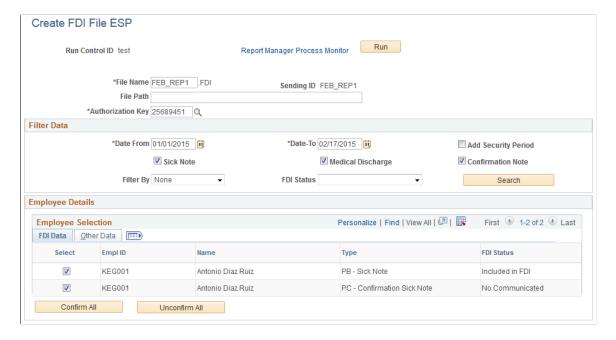
Create FDI File ESP Page

Use the Create FDI File ESP page (GPES_FDI_FILE) to .

Navigation:

Global Payroll & Absence Mgmt > **Social Security / Insurance** > **Create FDI File ESP** > **Create FDI File ESP**

This example illustrates the fields and controls on the Create FDI File ESP page. You can find definitions for the fields and controls later on this page.

FDI File Name

Field or Control	Description
Sending ID	This field displays the sending ID used to track and confirm transmission of the FDI medical report text file to the social security agency. The system automatically generates it by combining the user ID and run Control ID.
File Name	Enter a name for the FDI medical report file. The system automatically appends the official FDI extension to this name.
File Path	Specify the path to the location where you want the system to save the FDI medical report text file.
Authorization Key	Enter the Social Security Authorization Key, so that only employees linked to companies with that key are included in the file.

Filter Data

Field or Control	Description
Date From and Date To	Specify the period for which you want to retrieve disability data for the FDI medical report text file. When you click Searchbutton, the system retrieves note data from the Additional Data page with dates that fall between the specified From Date and To Date, and that satisfies any other search criteria you have defined.
Add Security Period	Select to have the system check the date on which you transfer medical information to the social security agency against the official time limit for sending such information. For example, organizations should send sick note data to the agency within five days of receiving a note from an employee. If this time limit is exceeded, the system marks the employee as late in the Employee Details group box, but continues to process the data. If you apply the security period check, you must define the time limit for each note type on the Social Security Data page (discussed previously).

Field or Control	Description
Sick Note	Select to include sick note (PB) data entered on the Additional Data page in the FDI medical report file.
Medical Discharge	Select to include medical discharge (PA) data entered on the Additional Data page in the FDI medical report file.
Confirmation Note	Select to include confirmation note (PC) data entered on the Additional Data page in the FDI medical report file.
Filter By	Use the values in the Filter By drop-down list to limit the population of employees whose temporary disability data is included in the FDI medical report text file. Valid values are: • *None* : Select if you want to generate report data for all employees with temporary disability records who fall within the specified time period. • *Company*: Select if you want to generate report data for employees with temporary disability records in a specific company or group of companies. You must then specify the company or companies in the **Company** field. • *Employee*: Select if you want to generate report data for specific employees with temporary disability records. You must then specify the employees in the **EmplID** field. • *SSN*: Select if you want to generate report data for employees associated with a specific company and employer social security number. You must then specify the company and employer social security number in the **Company** and **Social Security Number** fields.
FDI Status	Select the FDI status of the employees to be included in the report. The valid values are: • *Not Communicated* • *Included in FDI*: System looks for employee absences for which the FDI file is created, but not yet confirmed. • *FDI Sent Confirmed*: System looks for employee absences for which the FDI file is created and confirmed
Search	Click to retrieve the list of employees who meet the filter criteria.

Employee Details - FDI Data

Use the **Employee Details** group box to include employees in, or exclude them from, the FDI medical report text file.

Field or Control	Description
Confirm All	Click to include all of the listed employees in the FDI medical report text file.
Unconfirm All	Click to exclude all of the listed employees from the FDI medical report text file.

Other Data

| Field or Control	Description
Original Begin Date	Displays the begin date of the absence.
Late	This check box is automatically selected when you report sick, confirmation, or medical discharge data outside of the time limit for transmitting the data specified on the Social Security Data page. **Note:** The system automatically checks whether you are processing the note data within the time limit when you click the **Search** button on the Create FDI File ESP page. However, you must select the **Add Security Period** check box to enable this time period check.
Discharge Reason	Displays the reason for discharge.
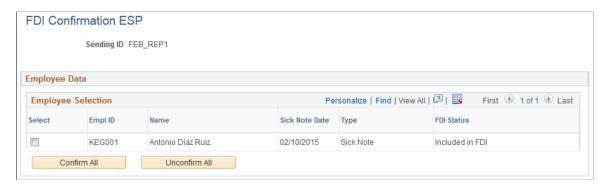
FDI Confirmation ESP Page

Use the FDI Confirmation ESP page (GPES_FDI_SEND) to confirm or unconfirm the transmission of an FDI medical report text file.

Navigation:

Global Payroll & Absence Mgmt > **Social Security / Insurance** > **FDI Confirmation ESP** > **FDI Confirmation ESP**

This example illustrates the fields and controls on the FDI Confirmation ESP page. You can find definitions for the fields and controls later on this page.

Note: The FDI Confirmation ESP page enables you to confirm transmission of text files to the social security agency and identify those that must still be sent. Note that the system does not automatically transmit FDI medical report text files to the social security agency. You must transmit them manually after generating the files using the Create FDI File ESP page.

Field or Control	Description
Sending ID	This ID identifies an FDI medical report text file. It is created when you process FDI medical report data on the Create FDI File ESP page. **Note:** To determine what sending ID to use when confirming or unconfirming an FDI medical report file, access the Create FDI File ESP page and record the ID that corresponds to the population of employees whose medical information you are processing.
Confirm All	Click to confirm that you have sent the FDI medical report text file to the social security agency.
Unconfirm All	Click to unconfirm an earlier transmission of FDI medical report data. You can then update the data on the Additional Data page of the Absence Event ESP component, and regenerate the FDI medical report by rerunning the Create FDI File ESP process.

Note: The system automatically displays the confirmation status of an employee's FDI medical report file on the Additional Data page of the Absence Event ESP (GPES_ABS_EVENT) component when you click the **Confirmed** or **Unconfirmed** button.

Overriding BRDs and Relapse Days for Absence Events

PeopleSoft Global Payroll for Spain enables you to override daily benefits base (Base Reguladora Diaria) (BRD) and relapse days for a specific social security absence event.

Companies must report absences events to Social Security through the mandatory FDI report. As part of this communication, companies must include values for contribution days, common contingencies base and, if applicable, contribution overtime. You can have absence event processing automatically determine these three values when calculating the BRD, or you can manually enter or override values on the FDI Additional Data page of the Absence Event ESP component. You might need to enter values for a BRD, for example, in cases in which you have an employee with a temporary disability that is a relapse of a previous one for which you do not have a value in the system.

Before performing the BRD calculation, the absence processing analyzes whether a value is in the **Common Contingencies Base** field on the FDI Additional Data page. If no value is in the field, the absence processing calculates the BRD and determines these data values. However, if an existing value is in this field, the absence processing does not perform the BRD calculation because the primary value that it needs to calculate already exists.

Overriding BRDs for Absence Events

To enter BRD override values to report to Social Security for an absence event:

1. Select **Global Payroll & Absence Mgmt** > **Payee Data** > **Absence Event ESP** > **FDI Additional Data.**

2. Click the **Search** button to retrieve the calculated values for the **Contribution Days, Common Contingency Base,** and **Contribution Overtime** fields.

3. Enter or override monthly values for the **Contribution Days** and **Common Contingency Base** fields.

4. If required, enter or override the **Contribution Overtime** field value. (Note that in some cases, this value is a daily average of the last 12 months.)

5. Click **Save.**

Overriding Relapse Days for Absence Events

PeopleSoft Global Payroll for Spain also enables you to override relapse days for absences that you must report to Social Security.

To override relapse days for a social security absence event:

1. Select **Global Payroll & Absence Mgmt** > **Payee Data** > **Absence Event ESP** > **Absence Event Entry.**

2. Click the **Details** link for the absence event to access the Absence Event Input Detail page.

3. Enter the number of relapse days in the **Decimal 4** field on the Absence Event Input Detail page. The system retrieves the information by the element EVT CONFIG 4 DC.

4. Click **OK.**

5. Click **Save.**

Calculating BRDs in Absence Relapses

When an employee's temporary disability is a relapse of a previous temporary disability, the system must continue to calculate the employee's Social Security legal benefits. When performing the calculation, the system must use either the BRD associated with the initial temporary disability or the BRD associated with the new temporary disability.

This feature enables you to choose which BRD you want the system to use to calculate the Social Security legal benefits for the employee during an absence event relapse, either the initial BRD or the new BRD.

PeopleSoft Global Payroll for Spain delivers four variables, one for each absence type, to direct the system how to calculate the BRD when an employee has a relapse absence event for a temporary disability. The following table describes the variables:

Variable	*Description*
CLI VR RECAIDA IT	This variable indicates to the system how to calculate the BRD for Social Security legal benefits in relapse cases for non-work-related injury or common disease (IT).
CLI VR RECAIDA AT	This variable indicates to the system how to calculate the BRD for Social Security legal benefits in relapse cases for work-related injury or occupational disease (AT/EP).
CLI VR RECAIDA MAT	This variable indicates to the system how to calculate the BRD for Social Security legal benefits in relapse cases for maternity.
CLI VR RECAIDA RE	This variable indicates to the system how to calculate the BRD for Social Security legal benefits in relapse cases for risk during pregnancy.
CLI VR RECAIDA CM	This variable indicates to the system how to calculate the BRD for Social Security legal benefits in relapse cases for absence due the care of a minor affected by serious illness.

The default value of these variables is *A* (meaning previous, anterior), which calculates the BRD by dividing the amount of the worker's contributory base for the month prior to the original begin date of the disability by the number of days to which the contribution refers. To calculate the BRD with the daily base related to the month before the last absence instance, you must change the value of the variable to *N* (meaning new, nuevo) on the Definition page of the Variables component. To access this page, select **Set Up HCM** > **Product Related** > **Global Payroll & Absence Mgmt** > **Elements** > **Supporting Elements** > **Variables.**

The system uses these variables in the SS FM BRD RECAIDA formula to calculate the Social Security legal benefits for relapse cases. Depending on the variables value, the system uses either the initial BRD or the new BRD in the calculation.

Viewing Delivered Absence Elements

This topic discusses:

- Absence entitlements.

- Absence types.

- Absence takes.

- Absence process list.

Absence Entitlements

This table lists the delivered absence entitlements in PeopleSoft Global Payroll for Spain.

Absence Entitlement	*Description*
VACACIONS	Vacations: The annual entitlement is defined in the Contract Data table. The default vacation entitlement is provided from the Labor Agreement level. You can use the default or override it on the Contract Data page. A portion is assigned by corresponding days according to pay periods (1/365 of the total entitled days for payees with a daily pay frequency, 1/360 of the total entitled days for payees with a monthly pay frequency). This portion is 1/366 in a leap year. The system retrieves the vacation entitlement data using the GEN AR PUESTO TRBJ array. The accumulator AUS AC VAC ANOANT stores vacation not taken at the end of the year and is generated during December's payroll process. Depending on your company's vacation policy, you should add the value of this accumulator to the affected elements for the new year.
PERM PAGADS	Additional paid time off (PTO): The additional PTO entitlement is for the entire year (or the proportional part of the year for new hires) given at the beginning of the year. Entitled days are stored in the Labor Agreement table, and the system retrieves the additional PTO data using the GEN AR CONVENIO array. PTO that is not taken by the end of the year is lost.

Related Links
"Defining Absence Entitlement Elements" (PeopleSoft Global Payroll)

Absence Types

The absence type is used to categorize the absence take and define the effect on payroll. This table lists the delivered absence types in PeopleSoft Global Payroll for Spain:

Absence Type	Description
ABS	Unpaid absence
ACC	Industrial accident
CUI	Minors (serious illness)
DIS	Temporary disability
ERE	Spain Redundancy Procedure
LEG	Legal custody
MAT	Maternity
OTH	Other
RSK	Pregnancy risk
VAC	Vacation

Absence Takes

This table lists the delivered absence takes in PeopleSoft Global Payroll for Spain and the absence type associated with each absence take:

Absence Take	Absence Type	Description
AT/EP	ACC	Work related injuries
AT/EP PRORROGADA	ACC	Extended work related injuries
AUSENCIA EDUCACION	ABS	Leave of absence for education
CIERRE PATRONAL	ABS	Legal lockout
CRGO PBLICO OBLIG	OTH	Holding public office (obligatory)
CRGO PBLICO RPRSTV	OTH	Holding public office
CUIDADO MENOR	CUI	Care of minor - serious illness

Absence Take	Absence Type	Description
CURSOS PRENATALES	OTH	Leave for attendance at prenatal classes
ERE DSMPL PARCIAL	ERE	ERE with partial unemployment
ERE DSMPL TOTAL	ERE	ERE with total unemployment
EXAMENES	OTH	Leave for going to exams
EXCEDENCIA FORZOSA	ABS	Forced extended leave of absence
EXCEDENCIA VOLUNTR	ABS	Voluntary extended leave of absence
FORMACION	OTH	Leave for training
FZA MAYOR TEMPORAL	ABS	Temporary circumstances (temporal force majeure)
GUARDA LEGAL	LEG	Legal custody (reduction in the timetable)
HUELGA POR DIAS	ABS	Strike (by day)
HUELGA POR HORAS	ABS	Strike (by hours)
IT	DIS	Temporary disability
IT PRORROGADA	DIS	Extended temporary disability
JORNADA REDUCIDA	LEG	Reduction of timetable for a particular interest
LACTANCIA	OTH	Leave for lactation
LIBERACION SINDCAL	OTH	Leave for doing union activities
MATERNIDAD	MAT	Maternity
MATERNIDAD PARCIAL	MAT	Partial maternity
MATRIMONIO	OTH	Leave for marriage

Absence Take	Absence Type	Description
NACIMIENTO HIJO	OTH	Birth of own son
PARIENTES	OTH	Death, accident, or serious illness of relative (blood or affinity relation to the second degree)
PATERNIDAD	MAT	Paternity
PATERNIDAD PARCIAL	MAT	Partial paternity
PERM NO PAGADO HRS	ABS	Unpaid time off (by hours)
PERMISO DEBER	OTH	Leave for public and personal duty
PERMISO EDUCACION	ABS	Permission for education.
PERMISO NO PAGADO	ABS	Leave for own matters (unpaid)
PERMISOS PAGADOS	OTH	Paid time off (PTO)
PRIVACION LIBERTAD	ABS	Deprivation of freedom (while no condemnatory sentence applies)
RAZON TECNC/ECONMC	ABS	Economic or technical reason
RIESGO EMBARAZO	RSK	Risk during pregnancy
RIESGO LACTANCIA	RSK	Risk during lactancy
SUSPENSION	ABS	Suspension without pay and work
TRASLADO	OTH	Relocation (with or without residence change)
VACACIONES	VAC	Vacations

Note: Absence take rules use earnings and deduction elements, elements that retrieve units for positive input, and elements that retrieve percent for positive input. The user-defined field system elements TAKE CONFIG1 through TAKE CONFIG4 are used in each of the absence take rule definitions.

Additional Guidance for Delivered Absence Takes

When establishing an absence event for Legal Custody, in addition to entering an absence event using the Guarda Legal absence take you must:

- Enter a new row of data for the employee in the Job Data component to change the employee to part-time for the period of Legal Custody.

- Update the employee's compensation using one of two options:

  1. Maintain compensation according to the full time schedule and enter an FTE that is less than 1. The system reduces compensation by applying the FTE.

  2. Reduce the employee's compensation and keep FTE equal to 1.

- Specify the working hours that the system should use during the payroll process using one of two options:

  1. Override the variable CLI VR RED JORNADA with the real working hours per day. In this case, the system pays for the whole month (30 days every month for a monthly employee) manages the employee as regular part time.

  2. Assign a work schedule to the employee. In this case, the system pays for the actual workdays according to the schedule and manages the employee as irregular part time.

For the Guarda Legal and Jornada Reducida absence takes, the percentage of reduction must be specified in the EVENT CONFIG1 field as a decimal (percentage of reduction in decimals), for example, 50% = 0.5 and 40% = 0.4.

For the Maternidad Parcial, *Paternidad Parcial,* and *Cuidado Menor* absence takes, the nonworking number of hours must be specified in the **Partial Hours** field, and you must ensure that you check it for all days following the **Details** link.

For the Guarda Legal, Maternidad Parcial, and *Paternidad Parcial* absence takes, the system automatically generates segmentation triggers for the begin and end dates. The triggers are defined for the GPES_ABS_TRIGR1 and GPES_ABS_TRIGR2 tables.

See Understanding PeopleSoft Global Payroll Core Functionality in Spain.

Use the AT/EP PRORROGADA and IT PRORROGADA absence takes only for the period of time after the twelve months allowed for the AT/EP and IT absence takes, respectively.

Related Links
"Defining Absence Take Elements" (PeopleSoft Global Payroll)
Defining User-Defined (TAKE CONFIG) Fields

Absence Process List

This table lists the delivered process list used in absence processing:

Process List	Description
ABSENTISMO PR	Contains the six delivered sections (AUS SE INICIO, AUS SE HORAS, AUS SE DIAS NO SS , AUS SE DIAS SS, AUS SE PROCESO and AUS SE GEN PI). This process list combines the entitlement and take processes.

Use ABSENTISMO PR as is, modify the list to meet your needs, or create your own process lists for absence processing.

Note: The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Spain. Instructions for running the query are provided in the PeopleSoft Global Payroll product documentation.

Related Links

"Understanding How to View Delivered Elements" (PeopleSoft Global Payroll)

Chapter 18

Calculating Extra Periods

Understanding Extra Periods

In PeopleSoft Global Payroll for Spain, you define the details for the extra period payments as stated by the labor agreement on the Extra Period Definition page and the Extra Period Eligible Earnings page of the Labor Agreement component (HR_LABOR_AGRMNT). These pages are discussed in another topic in this product documentation.

See Extra Period Definition Page, Extra Period Earnings Page.

This topic provides additional information about calculating extra periods.

In addition to the 12 pay periods in a year, employees are eligible for two or more extra period payments, as defined by their labor agreements. Typically, most employees get extra period payments in June and December. Two extra period payments are the statutory minimum; however, a labor agreement may set a higher number. The amount of the extra period payment is also defined in the labor agreement.

Extra period payments can be prorated or paid as a single payment. For example, the labor agreement can specify that the first extra period payment be paid every month and prorated as 1/12 of the total amount of the extra period payment. The labor agreement can also state that the second extra period payment is to be paid as a single payment in December.

Calculating Extra Periods

The base for calculating extra periods is defined in the labor agreement. For each extra period, you define:

- The payment period and contribution timeframe.

  The payment period is the month when the extra period payment is paid to the employees. The contribution timeframe is the period over which an amount is withheld. The contribution timeframe is defined with the **Period From** and **Duration** fields on the Extra Period Definition page. Prorated extra periods are automatically paid monthly throughout the year.

- Earnings that are included in the extra period calculation, and the percentage of each earning.

  Not all earnings contribute towards the extra period—only those on the Extra Period Eligible Earning page are included in the selected extra period. You can define extra period payments that are based on different earnings. For example, you might have two extra periods, one based on the employee's base salary and a second period based on the base salary plus the transportation earning.

- Whether the payment is prorated or paid as a single payment.

  Prorated extra periods are always based on the compensation for the processing period. Extra period payments that are not prorated are calculated in one of two ways:

- Based on the employee's compensation during the payment period.

  For example, if you define the extra period as January to June and the payment period is June, the system uses the employee's monthly compensation for June to calculate the extra period amount.

- Based on the employee's compensation for each month of the contribution timeframe.

  For example, if you define the extra period as January to June, the system uses the employee's monthly compensation for the months January to June to calculate the extra period amount.

- For employees whose salary is adjusted to gross or net, you need to define an overall extra period percentage.

  This percentage is needed to get the target monthly salary from an annual amount. The annual amount is paid over 12 months plus the extra periods. You need to know whether one extra period is equal to a regular payroll or just a part of it. If a labor agreement defines two extra periods, one defined at 100 percent and another defined at 50 percent, the factor used to find the monthly salary is $1/12 + 1.0 + 0.5$.

See <u>Gross and Net Guarantee Overview</u>.

Absence Processing

When the extra period is calculated, the system checks an employee's absence history and reduces the extra period payment for certain types of absences taken during the contribution time frame.

Two ways are available for managing the effect of absences in an extra period payment, depending on the calculation method selected in the **Calculation Options** group box on the Extra Period Definition page.

- If you select *Proration Lump Sum,* the extra period payment is calculated during the regular payroll process but the withheld amount takes into account the unpaid days.

- If you select *Payment Period Compensation,* the system stores in an accumulator the absence days that should be subtracted from the extra period payment (AUS AC D N PG XTRA).

  When processing the extra period, the process determines the daily rate within the extra period timeframe for each earning and multiplies it by the extra period timeframe days minus the unpaid days.

The system checks the **Take Config1** field in the absence take definition to determine whether the absence affects the extra period payment.

In the case of advanced extra periods (those extra periods with payment dates that are prior to the time frame end date), you can have absences that occur after the extra period has been paid. Those absence days need to be deducted at some point. PeopleSoft Global Payroll for Spain provides a variable, CLI VR PRC DTO XTR (extra period deduction process option), to accomplish this. This means that those absences that occurred between an extra period payment period and the extra period time frame end date will be deducted in the next extra period process. Values for the CLI VR PRC DTO XTR are PXTRA (default value—deduct from the next extra period process) and MENSUAL (deduct from the current regular period).

See <u>Defining User-Defined (TAKE CONFIG) Fields</u>.

Example of a Calculation for Prorated Extra Periods

The labor agreement can specify that one of the extra period payments be prorated over the 12 regular payments during the year.

Note: Only one extra period payment can be prorated over the course of the year. If your requirements define more than one prorated extra period, you can use the **Percent if Salary Adjustment** and **Earning Percent** fields to set that up.

Assume that the labor agreement specifies three extra period payments a year: a flat amount to be paid in June and December and a prorated amount to be paid in 12 regular payments (monthly). The extra period payments are 1200 EUR each.

The prorated amount is calculated in the following way:

1200/12 = 100 EUR per month

In the case of the prorated amount, an element called Prorated Extra Periods appears in the monthly payslips with a value equal to 100 EUR. This amount is accumulated over the gross and the taxable base but not over the social security base because the value of extra periods is considered in the social security base through the extra period proration.

Prorated extra periods are calculated by summing all eligible earnings and dividing by the duration (the extra period time frame), in days, to obtain a daily rate. For daily employees the duration is 365 or 366 days, and for monthly employees it is 360. This daily rate is then multiplied by the working days in the month. A prorated extra period is paid as a unique earning.

Partial Payments for Extra Period Earnings

When employees join a company in the middle of an extra period time frame, they are paid for only the portion of the time frame that they work. The system calculates the partial payment for the extra period earnings using a formula (XTR FM PXTR DVNGDA). The formula calculates a factor by dividing the number of worked days (during the extra period time frame) by the total number of days in the extra period time frame.

The calculation of the factor depends on an employee's social security contribution group type. Depending on whether his contribution group type is calculated daily or monthly, the calculation varies. Here are some formulas:

- Daily contribution groups:

  The time frame is in calendar days. For example, for the time frame from January to June, the calculation is the sum of all the calendar days in the months from January to June:

  (31 + 28 + 31 + 30 + 31 + 30) divided by 181.

  In this example, the factor is 181/181 = 1

  Now assume that an employee is hired on January 15, rather than January 1. The time frame is:

  (17 + 28 + 31 + 30 + 31 + 30) divided by the total number of days from January 1 to June 30, which is (167/181).

  In this example, the factor is 167/181 = .9226.

- Monthly contribution groups:

  Assume that you have an employee who is on a monthly payroll and his hire date is January 15. In this case, the days that must be considered month by month are 30, and you must calculate the proration for that month (January) in which the employee has not worked fully. So the calculation is:

  (16 + 30 + 30 + 30 + 30 + 30) divided by (30 × 6)

  In this example, the factor is 166/180 = .9222.

Processing Extra Periods for Terminations

The system processes extra period pay in two ways when a termination occurs in a month that corresponds to an extra period payment:

- The system calculates the extra period for the terminated employee during the calculation of the extra period itself.

  Later, the regular payroll process calculates termination pay (including loans, advances, vacations, and so on).

- The system calculates the amount corresponding to the extra period during regular payroll processing as part of termination processing.

  The corresponding amount for extra periods is paid through the LIQ PXTR XXX earnings as part of the regular payroll calculation. You exclude the terminated employee from extra period calculation.

Calulating the Annual Tax Base during Inactive Segment or Correction Calendar Processing

The system uses the XTR AC LIQ PGDO (Extra period paid at termintn) accumulator to store the amounts corresponding to extra periods that are liquidated in a certain month. XTR AC LIQ PGDO receives the delta with respect to the previous calculation and forwards it to the current month when retro processing occurs. The system subtracts this amount (delta of extra period liquidation) from the rest of the retro deltas if they are forwarded to an inactive segment or a correction calendar. This prevents the system from counting extra periods twice during the calculation of the annual tax base.

Related Links
Terminations and Extra Period Processing

Viewing Delivered Extra Period Elements

This topic discusses:

- Delivered extra period earnings.

- Delivered extra period deductions.

- Delivered extra period process lists.

Delivered Extra Period Earnings

This table lists the extra period earning delivered in PeopleSoft Global Payroll for Spain:

Earning	Description
PXTRA PRTDA	Prorated extra period. The system calculates the extra period amount and then divides that amount by the number of days in a year (365 or 366 days for daily employees and 360 for monthly employees) to obtain the daily payment. To calculate the extra period amount, the system calculates the daily values of basic earnings considered in the extra period (provided by the labor agreement). The unit is the normal working days for the employee type (30 days for monthly employees or 28, 29, 30, or 31 for employees in a daily contribution group) minus any absence days that affect extra periods calculation.

Delivered Extra Period Deductions

This table lists the extra period deduction delivered in PeopleSoft Global Payroll for Spain:

Deduction	Description
DTO PXTR AUS	Absence on an extra period that has already been paid. This deduction is generated as part of the extra period calculation (XTR PR PAGA EXTRA) to deduct those absence days that affect extra periods (TAKE CONFIG = 01) that have already been paid. This only occurs when the payment date of the extra period is earlier than the allocation end date. This deduction is also generated during the termination process (GEN PR CALC NOM) to discount absence days that affected an extra period that has already been paid. This deduction can be overridden by payee or positive input, and is subtracted from the employee's gross amount (GEN C DEV BAS S).

Delivered Extra Period Process Lists

This table lists the extra period process lists delivered in PeopleSoft Global Payroll for Spain:

Section	*Description*
GEN PR CALC NOM	Regular payroll process including termination, salary adjustments, and prorated extra periods. For lump sum extra periods, the payroll process calculates the withheld amount and stores it in an accumulator that will be paid later in the extra period calculation.
XTR PR PAGA EXTRA	Extra period process. This list includes only basic earnings sections, salary adjustments processing, and taxes.

Extra periods are calculated and processed in two ways, depending on the type of extra period. Prorated extra periods are calculated in the normal process list, and extra periods that are not prorated are calculated in a separate process list (XTR PR PAGA EXTRA). The type of extra period (prorated or not) is defined when you specify the extra period for the labor agreement.

Note: The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Spain. Instructions for running the query are provided in the PeopleSoft Global Payroll product documentation.

Related Links
"Understanding How to View Delivered Elements" (PeopleSoft Global Payroll)

Chapter 19

Terminating Employees

Understanding Terminations

This overview discusses:

- Termination management.

- Terminations in the pay process flow.

- Preadvised days nonfulfilled.

- Severance pay.

- Job litigation salary.

Termination Management

When an employee is terminated, the company pays the employee for any vacation days not taken, for days of the month worked, and for the proportion of the extra period payment earned. The company also subtracts the pending loans or advances repayments.

Often an employee termination can occur under nonstandard conditions. For example:

- An employee or employer might preadvise of the termination with fewer days than the law requires.

- An employee's severance pay might be different from the amount set by law.

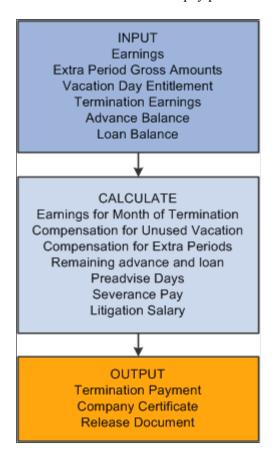- An employee might not agree with the termination reason and pursue litigation.

As demonstrated in these examples, employee terminations are not always straightforward. For such cases in which the termination process has exceptions, the company must determine nonfulfilled preadvise days, severance pay, and litigation salary so that the payroll process can calculate the desired results for termination pay. PeopleSoft Global Payroll for Spain provides functionality that enables you to manage termination information and calculations for these nonstandard conditions.

To terminate an employee, use the Job Data component (JOB_DATA). The system calculates termination pay using the same process list as the regular payroll. You can create specific calendars for termination processing or run termination processing within the calendar group that corresponds to the regular payroll. To ensure proper calculation of termination pay, you must first:

- Administer termination pay criteria through the Labor Agreement component.

- Define statutory severance days through the Statutory Rates ESP component.

- Define nonstandard conditions involving nonfulfilled preadvise days, nonstatutory severance, or litigation salaries through the Manage Terminations ESP component, when applicable.

Terminations in the Pay Process Flow

This diagram shows how the input of various data such as earnings, vacation, advance, and loan balances are used to calculate termination pay, termination letters, and company certificates involved with terminations and the overall pay process flow of PeopleSoft Global Payroll for Spain:

Preadvised Days Nonfulfilled

A preadvise period is the legal number of days that the employee and the employer have to communicate the end of a labor relation before the effective date of the termination. The minimum number of days for a preadvise period depends on various data such as contract type, termination reason, requirements that were established in the employee's labor agreement, and so on. Employees are penalized if they do not fulfill the number of preadvice days and compensated if the employer does not fulfill the number of preadvice days. These amounts are added or deducted from the employee's termination payment as applicable.

Use the Labor Agreement ESP - Terminations page to define the daily salary for preadvised days that the payroll process uses for terminations of labor agreements. Use the Termination Management ESP page to define the number of nonfulfilled preadvised days and who failed to notify within the minimum number of preadvice days.

Severance Pay

Severance pay is a fixed amount of money that the company must pay the terminated employee based on the type of contract that the employee has with the company, less the amount that the employee owes the company for items as loans and advances. If an employee is dismissed for reasons other than disciplinary, the employee has a right to receive severance pay. This amount depends on the number of worked years,

daily salary as of the termination date, and termination reason. The employer pays the employee this amount at the end of the labor relation. However, the employee has the right to appeal the severance pay amount through litigation.

Severance pay for terminated employees can be determined by one of the following methods:

- Statutory rates can determine the number of days by year to pay for severance and the maximum number of periods to pay for severance, depending on the termination reason.

- The labor agreement for the employee can improve the number of statutory days and the maximum number of periods to pay for severance.

- The employer and the employee can reach an agreement by which the number of days by year, the maximum number of periods for severance pay, or both is greater than the statutory rate.

- The employer and the employee can reach an agreement for a specific amount of severance pay that is greater than the statutory rate.

- A judge can impose an amount for severance pay.

Use the Severance Days page in the Statutory Rates ESP component to define statutory days and periods for severance pay as defined by the social security general treasury (Tesorería General de la Seguridad Social [T.G.S.S.]). Use the Labor Agreement ESP - Terminations page to define the daily salary for severance pay and override the statutory values that the payroll process uses for terminations of labor agreements. Use the Termination Management ESP page to override calculated values for severance pay.

Job Litigation Salary

Litigation salary is the salary that the company is required by law to pay the terminated employee if the employee appeals the termination. If an employee appeals termination and the appeal goes to court, that employee has a right to receive job litigation salary for the period between the termination date and the final resolution date of the litigation regardless of the ruling. The job litigation salary is equivalent to the employee's regular salary. If the employee and the company reach a friendly agreement before the appeal goes to court, job litigation salary is not needed.

Use the Labor Agreement ESP - Terminations page to define the daily salary for job litigation that the payroll process uses for terminations of labor agreements. Use the Termination Management ESP page to enter the job litigation information.

Setting Up Statutory Severance Days

This topic discusses how to set up statutory days and periods for severance pay.

Page Used to Set Up Statutory Severance Days

Page Name	Definition Name	Usage
Severance Days Page	GPES_STA_TERM	For each termination reason, define the default statutory values for the number of severance days per year and the maximum number of periods for severance pay, as defined by the Social Security General Treasury (Tesorería General de la Seguridad Social [T.G.S.S.]).

Related Links
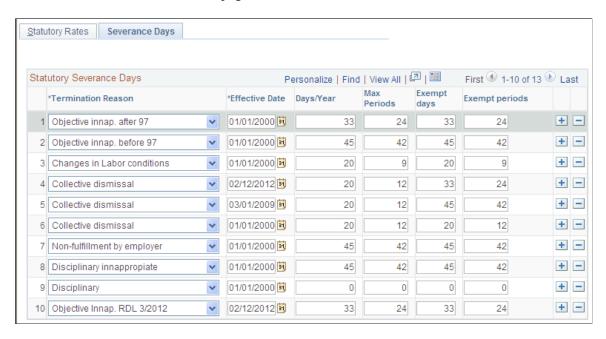Setting Up Statutory Rates

Severance Days Page

Use the Severance Days page (GPES_STA_TERM) to for each termination reason, define the default statutory values for the number of severance days per year and the maximum number of periods for severance pay, as defined by the Social Security General Treasury (Tesorería General de la Seguridad Social [T.

G.S.S.]).

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Addl Rates, Ceilings, Values** > **Statutory Rates ESP** > **Severance Days**

This example illustrates the fields and controls on the Severance Days page. You can find definitions for the fields and controls later on this page.

Copyright © 1988, 2022, Oracle and/or its affiliates.

Field or Control	Description
Termination Reason	Select the termination reason for which you want to define statutory values for severance days and periods. The payroll calculation process uses these values to calculate severance pay for indemnification of service. T.G.S.S. defines and supplies the valid termination reasons and statutory values. A delivered translate table stores the valid termination reasons.
Effective Date	Enter the date on which the statutory severance day and period values become effective for the corresponding termination reason.
Days/Year	Enter the maximum days per year to pay for indemnification of service when calculating the severance pay for the corresponding termination reason.
Max. Periods(maximum periods)	Enter the maximum number of periods to pay for the corresponding termination reason.

Defining Labor Agreement Overrides for Terminations

This topic discusses how to set up labor agreement overrides for terminations.

Page Used to Define Labor Agreement Overrides for Terminations

Page Name	Definition Name	Usage
Labor Agreement ESP - Terminations Page	GPES_LBR_TERM	Define daily salary and severance pay settings for the payroll process to use for terminations of labor agreements.

Related Links
Defining Labor Agreements

Labor Agreement ESP - Terminations Page

Use the Labor Agreement ESP - Terminations page (GPES_LBR_TERM) to define daily salary and severance pay settings that the payroll process uses for terminations of the labor agreement.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Framework** > **Organizational** > **Labor Agreement ESP** > **Terminations**

This example illustrates the fields and controls on the Terminations tab of the Labor Agreement ESP page. You can find definitions for the fields and controls later on this page.

Definition of Daily Salaries

Use this group box to override the daily salary calculations that the payroll process retrieves from the corresponding accumulator elements where processing affects the selected labor agreement.

Field or Control	Description
Pre-advised Daily Salary	Select the accumulator element that is the daily salary for preadvised days that the employee or employer does not fulfill. You can create your own accumulator element to suit your requirements, or you can use CLI AC SDIA PREAV, updating it to fit with your requirements.
Severance Daily Salary	Select the accumulator element that is the daily salary for severance pay. You can create your own accumulator element to suit your requirements, or you can use CLI AC SDIA INDM, updating it to fit with your requirements. To override the value set here, you can enter a severance pay amount for the employee on the Manage Termination ESP page.
Job Litigation Daily Salary	Select the accumulator element that is the daily salary for job litigation if the employee appeals termination or the related severance pay amount. You can create your own accumulator element to suit your requirements, or you can use CLI AC SDIA TRAM updating it to fit with your requirements. You can override this value on the Manage Termination ESP page.

Severance Pay

Field or Control	Description
Termination Reason	Select the termination reason for which you want to override the statutory values for days by year and maximum number of periods. When calculating severance pay for indemnification of service, the payroll calculation process uses the values that you select for the labor agreement instead of the default values set by the T.G.S.S. and defined on the Severance Days page.
Days/Year	Enter the days by year that you want the payroll process to use for this labor agreement when calculating the severance pay for the selected termination reason.
Max. Periods (maximum periods)	Enter the maximum number of periods that you want the payroll process to use for this labor agreement when calculating the severance pay for the selected termination reason.

Managing Employee Termination Information

This topic provides an overview of the Manage Terminations ESP component and discusses how to enter employee termination data.

Page Used to Manage Employee Termination Information

Page Name	Definition Name	Usage
Manage Terminations ESP Page	GPES_TERM_MNG	Provide the necessary data to handle conditions for employees who are terminated. To manage severance pay, you need to enter data in this page. In case you have to calculate the statutory severance pay, you must also enter the termination reason in this page.

Understanding the Manage Terminations ESP Component

Use the Manage Terminations ESP component to manage the additional termination data that affects payroll calculation. This component works in conjunction with the termination processing functionality of the Job Data component. After you perform a termination action on an employee through the Job Data component, you can then use the Manage Terminations ESP component to provide additional termination data, if necessary, for that terminated employee.

Related Links
Understanding Terminations
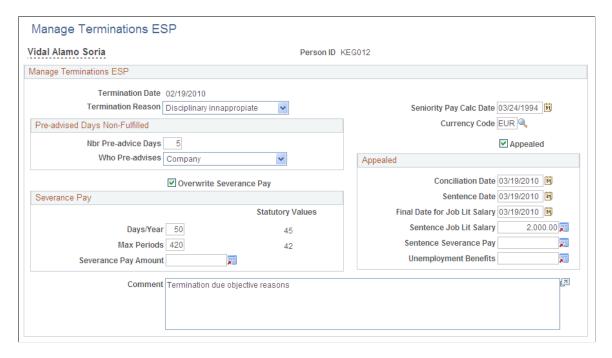
Manage Terminations ESP Page

Use the Manage Terminations ESP page (GPES_TERM_MNG) to provide the necessary data to handle conditions for employees who are terminated.

To manage severance pay, you need to enter data in this page. In case you have to calculate the statutory severance pay, you must also enter the termination reason in this page.

Navigation:

Global Payroll & Absence Mgmt > **Termination Processing** > **Manage Terminations ESP** > **Manage Terminations ESP**

This example illustrates the fields and controls on the Manage Terminations ESP page. You can find definitions for the fields and controls later on this page.

Manage Terminations ESP

Field or Control	*Description*
Termination Date	Displays the last date that the employee is active in the company. The system obtains this value from the employee's job data record.

Field or Control	Description
Termination Reason	Select the reason why the employee was terminated. The number of statutory days that the system uses when it calculates severance pay depends on the termination reason that you select. T.G.S.S. defines and supplies companies with the valid termination reasons and statutory values. Based on your selection, the system displays the appropriate statutory values as defined by law in the Statutory Values column of the **Severance Pay** group box. You must maintain the statutory values for each termination reason on the Severance Days page. The system also uses your selection when calculating indemnification days to pay the employee.
Seniority Pay Calc Date (seniority pay calculation date)	Displays the initial date that the system considers when calculating the employee's severance pay, indemnification days, and job litigation salary. The system obtains this value from the hire date of the employee's job data record.
Currency Code	Select the currency code for the termination pay.
Comment	Enter any additional comments about the processing of the employee's termination. This field is for information purposes only.

Pre-advised Days Non-Fulfilled

Use this group box when the employee or employer has failed to notify the other within the minimum number of preadvice days.

Field or Control	Description
Nbr Pre-advice Days (number preadvice days)	Enter the number of days by which the employee or employer has failed to meet the legal number of preadvice days that are required at the end of a labor agreement. These nonfulfilled preadvice days increase or reduce the employee's last payment depending on whether the employee or the employer committed the violation, as specified in the **Who Pre-advises** field. You must enter a positive value.

Field or Control	Description
Who Pre-advises	Select who has to fulfill the preadvice days that you have specified in the **Nbr Pre-advice Days** field. Values are: • *Employee:* Select this value if the employee does not fulfill the preadvice period. The payroll process deducts the calculated amount from the employee's last payroll payment by writing the value to the DD PREAVISO deduction element. **Note:** The DD PREAVISO earning reduces the tax base but not the Social Security base. • *Company:* Select this value if the employer does not fulfill the preadvice period. The payroll process adds the calculated amount to the employee's last payroll payment by writing the value to the DEV PREAVISO earning element. **Note:** The DEV PREAVISO earning contributes to the tax base but not to the Social Security base.

Severance Pay

To overwrite the severance pay, select the **Overwrite Severance Pay** check box. Then use the **Severance Pay** group box to modify the days of indemnification by year of service or the total amount to pay as indemnification. The values that you enter in these fields overwrite the days or amount that the payroll process determines. Values for days of salary by worked year and maximum number of periods vary depending on the contract type and termination reason.

Field or Control	Description
Overwrite Severance Pay	Select to overwrite the severance pay values that the system calculates during the processing of the employee's payroll during the termination period. If you select this check box, the fields in the **Severance Pay** group box become available for edit. Use these fields to make the necessary overrides.

Field or Control	Description
Days/Year	Displays the number of indemnification days by year that the payroll process considers when calculating the employee's severance pay amount. The system automatically determines the indemnification days by year and displays the value in the Statutory Values column. The system determines the statutory value based on the number of indemnification days by year that is mandatory by law for the specified termination reason. You define these values by termination reason on the Severance Days page. To override the statutory value that the system determines, enter a value that is greater than the statutory value. When using this override, you must clear the **Severance Pay Amount** field. Note that the employee is taxed for the severance pay amount that corresponds to the number of days by year that are over the statutory value.
Max. Periods (maximum periods)	Displays the maximum number of periods for indemnification that the payroll process considers when calculating the employee's severance pay amount. The system automatically determines the maximum periods and displays the value in the Statutory Values column. The system determines the statutory value based on the minimum number of periods mandatory by law for the specified termination reason. You define these values by termination reason on the Severance Days page. To override the statutory value that the system determines, enter a value that is greater than the statutory value. When using this override, you must clear the **Severance Pay Amount** field.
Severance Pay Amount	Use this field to override the amount that the system would automatically calculate by multiplying the **Days/Year** value by a daily salary. Enter the amount of the employee's severance pay. When using this override, you must clear any override value from the **Days/Year** and **Max. Periods** fields. If you instead want to use the severance pay amount that the system calculates, then you must leave this field blank. **Note:** The employee is taxed for the severance pay amount that is over the statutory value.

Appealed

If the employee disagrees with the employer about termination or severance pay, select the **Appealed** check box. Then use the **Appealed** group box to enter the job litigation information related to the dispute.

Field or Control	*Description*
Appealed	Select this check box if the employee does not agree with the termination reason or severance pay and lodges an appeal against the termination. If you select this check box, the fields in the **Appealed** group box become available for edit. Enter the necessary appeals data into these fields. Deselect this check box to indicate that the end of the labor relation is effective and that no further action concerning the former employee is required.
Conciliation Date	If applicable, enter the date that the employer and employee reach an agreement in mediation, arbitration, and conciliation (Servicio de Mediación Arbitraje y Conciliación [SMAC]) court. This field is for information purposes.
Sentence Date	If applicable, enter the date on which the judge of the SMAC court dictates a resolution between the employee and the employer. This occurs if the two parties cannot reconcile. Thus you need enter this date only if no conciliation date exists.
Final Date for Job Lit. Salary (final date for job litigation salary)	Enter the final date that the payroll process uses to calculate job litigation salary for the employee. This value can be the conciliation date, the sentence date, or another date upon which the employee and employer reach an agreement. The payroll calculation process considers this date the last date to calculate job litigation salary, using it to determine the number of days in which litigation is involved. Leaving this field blank causes the job litigation salary to be zero and the employee's final payment does not change. If the employer deposits the maximum statutory amount for severance pay, leave this field blank so that this salary will not be paid. **Note:** The system uses the rehire date of the payee as the first day of the litigation salary period.

Field or Control	Description
Sentence Job Lit. Salary (sentence job litigation salary)	Enter the amount that the judge imposes as job salary that is due to the employee during the litigation period. For example, if the termination date is January 19 and the final date for job litigation salary is January 24, then the job litigation salary is based on the 20th through the 24th, which is the litigation period. This amount overrides the amount that the payroll process calculates for job litigation salary. The payroll process distributes this amount across the months and days of the affected payroll period to properly pay for contributions and taxes. In case of litigation salaries, contributions are reported under L02 payment type in the FAN File. If you enter a value for this field, you must also enter a value for the **Final Date for Job Lit. Salary** field.
Sentence Severance Pay	Enter the amount that the judge imposes as severance payment. This amount overwrites the severance pay amount that the payroll process calculates. The employer must pay this amount to the employee less the amount already paid upon termination.
Unemployment Benefits	Enter the amount that INEM has paid to the employee during the job litigation period. You can deduce this amount based on the net amount to pay as job litigation salary for the affected period. If you enter a value for this field, you must also enter a value for the **Final Date for Job Lit. Salary** field.

Terminating Employees in Self-Insurance Companies

If an employee leaves a self-insurance company while on temporary disability (IT or AT/EP), the employee is entitled to continue receiving the economic benefits for the temporary disability until the end of the sickness event. The self-insurance company must therefore continue managing the cost of the temporary disability.

For the payroll process to include terminated employees who were absent on the termination date, you must terminate the employee with an **Action/Reason** field value of *Terminated with Pay* (TWP action) or similar action with a payroll status value of *Terminated With Pay* on the employee's job data record. This sets the **Payroll Status** field value for the employee to *Terminated With Pay* and makes the employee eligible for payroll processing. You can determine which actions have this payroll status by viewing the **Payroll Status** field value for the action definition on the Action page of the Action Reason component.

When the employee's temporary illness ends, you must then update the employee's payroll status to *Terminated* by selecting the *Terminated* (TER action) in the **Action/Reason** field so that the payroll process no longer includes the employee.

Note: Although self-insurance companies must continue to manage the cost of temporary disability for terminated employees who are on temporary disability, these companies do not have to manage the cost of complementary benefits. The payroll process therefore does not calculate complementary benefits earnings for terminated employees.

Related Links

Understanding Self-Insurance Collaboration Management

Processing Termination Pay

This topic discusses:

- Termination payment calculation.

- Terminations and extra period processing.

- Vacation balance calculation for terminated employees.

- Calculation for nonfulfilled preadvised days.

- Severance pay calculation.

- Job litigation salary calculation.

Termination Payment Calculation

Termination payments are calculated in the payroll and not as a separate process. The final payment to an employee must include all money due to that employee. This compensation includes the regular salary, extra periods, unused vacation days, and unpaid overtime. The final payment must also consider any outstanding loans and advances, nonfulfilled preadvise days, severance pay, and litigation salary.

To calculate termination pay, the payroll process calculates:

- The regular earnings and deductions that are due for the month of termination.

- The compensation for the unused paid vacation days.

  To do this, the system multiples the daily rate (FNQ FM VAL D VAC) by the number of remaining paid vacation days.

- The unpaid extra period earnings.

  Employees must be paid for the extra pay periods to which they contributed during the year. To calculate the compensation amount, the system multiplies the daily rate by the number of days accrued until the termination date. The system calculates the daily rate by taking into account the definition of the extra period. If an extra period has been paid in advance, the system generates an extra period earning with a negative value to deduct the amount paid for which the employee is not eligible.

- The amount owed for loans and advances, independent of each other.

This amount is automatically deducted from the last payslip.

• The amount for nonfulfilled preadvise days, severance pay, and litigation salary.

For PeopleSoft Global Payroll for Spain, the payroll process generates termination payments based on the last day that an employee works, which is one day prior to the termination date. The termination date is equal to the effective date of the TER (termination) action on the employee's JOB_DATA record (Job Data component). The system also populates the **Contract End Date** field with that date, which PeopleSoft Global Payroll for Spain uses for processing.

When you enter a TER action, the system can invoke the JOB retro trigger to process the employee's termination pay. To ensure that the payroll process uses the date one day prior to the termination date for termination payment processing, the delivered JOB retro trigger for terminations offsets the termination date by –1 for actions that equal TER. This can be set by the **Offset Days** field value on the Trigger Definitions – Field Values page.

Related Links
Understanding Absence Rules
Understanding Extra Periods
Understanding Loans and Advances

Terminations and Extra Period Processing

The system processes extra period pay in two ways when a termination occurs in a month that corresponds to an extra period payment:

• The system calculates the extra period for the terminated employee during the calculation of the extra period itself.

  Later, the regular payroll process calculates termination pay (including loans, advances, vacations, and so on).

• The system calculates the amount corresponding to the extra period during regular payroll processing as part of termination processing.

  The corresponding amount for extra periods is paid through the LIQ PXTR XXX earnings as part of the regular payroll calculation. You exclude the terminated employee from extra period calculation.

Note: Neither of these ways substitute for the termination payroll. These choices to process termination pertain only to processing extra periods.

To allow for a flexible setup, PeopleSoft Global Payroll for Spain provides the CLI VR FNQ P PXTRA variable (pay extra period in termination), with the default value of *N* (don't execute the extra period). This means that, by default, terminated employees will not be included in the extra period calculation during a payment month that is an extra period. The system also provides an informational message stating that the employee was not included in the extra period calculation because he or she is terminated in such a period. Values for the CLI VR FNQ P PXTRA are *Y* (pay the extra period payment) and *N* (don't pay the extra period payment).

In the case that an extra period is paid in advance (extra periods with a payment date earlier than the extra period time frame end date) and in the case of the termination pay calculation, different situations may arise:

- The extra period was not paid, so pending extra periods are paid as part of the current period compensation, deducting the absence days affecting the extra period payment during the termination calculation.

- The extra period was already paid and the termination date is later than the extra period payment date but earlier than the extra period time frame end date.

  The extra period is paid but now those days paid in advance but not worked need to be discounted. The amount to be discounted can be calculated within the current compensation at termination time, or within the compensation paid at such an extra period.

  This is designed to be open, setting the value of the variable CLI VR PD VLR PXTR (compensation paid to pay extra period). Values for this variable are *PAGADO* (paid extra period compensation) and *ACTUAL* (current period compensation). The default value is *PAGADO*. Thus, the system calculates this deduction value using the previously paid daily price.

- The extra period was already paid, but absence days pending are to be discounted (absence days that occurred after the payment date but before the extra period end date).

  Those days will be discounted in the following extra period calculation (if you have it set up like this). Due to the termination, the absence days will be discounted in the termination pay.

Vacation Balance Calculation for Terminated Employees

Beginning in 2003, Social Security requires new treatment for vacations owed to terminated employees. The pending vacation days that the employee has at the time of termination must be distributed as part of the termination pay.

The vacation balance is calculated depending on the type of vacation days agreed upon in the employee's contract data. The most common types of vacation days are natural days and work days. Natural days includes all days in a month, including weekends and holidays. Working days are the days that the employee actually works and don't include weekends and holidays. The vacation balance calculation is different for each vacation days type.

Note: Two other types of vacation days are also used in Spain—weeks or months. Calculation for all vacation types is discussed in this topic.

Calculating Pending Vacation Balance for Natural Days Vacation Type

To calculate compensation due to a pending vacation balance for employees with the natural days vacation type, use this formula:

Daily rate × Vacation balance (natural days)

Calculating Pending Vacation Balance for Work Days Vacation Type

To calculate the work days vacation type, you first convert an employee's daily rate to a work days daily rate. Then you can get the amount to be paid for vacation not taken by multiplying the work days daily rate times the vacation balance.

The formula to calculate the work days daily rate is:

Work days rate = Daily rate * 360 / (Annual work hours by Labor Agreement / 8)

Note: This conversion rule is an example that considers the annual number of working days equal to Annual work hours by Labor Agreement / 8, because the most common work schedule is eight hours per day. You can adapt this rule to your specific requirements, modifying the element FNQ FM CONV VAC D.

To calculate compensation due to a pending vacation balance for employees with the work days vacation type, use this formula:

Work days rate * Vacations balance (work days)

Calculating Pending Vacation Balance for Weekly or Monthly Vacation Type

If the employee has a weekly or monthly vacation type, these vacation types must first be converted to natural days. In the case of a weekly vacation type, the system calculates the natural days by multiplying natural days by 7. In the case of a monthly vacation type, the system calculates natural days by multiplying natural days by 30.

Calculating Social Security Contributions for Vacation Pay of Terminated Employees

When the pending vacation days have been calculated, you need to calculate Social Security contributions. For you to do so, the vacation pay has to be distributed to the terminated employee. To distribute the vacation pay, you need to determine whether the number of vacation days to pay is equal to, less than, or greater than the number of days from the day after the termination date to the last period day. For example, if an employee's last day is April 27 and the period end day is April 30, you need to determine whether the number of vacation days to pay is equal to, less than, or greater than three days.

If the number of vacation days to pay is equal to or less than the number of days from the day after the termination date to the last period day, a calculation must be made to get the Social Security base, contributions, and reductions (if applicable) that correspond to those days in the current month. This separate calculation will generate a complementary liquidation in the same month that the regular Social Security liquidation occurs. If this is the case, a new section in the TC2 report needs to be generated.

If the amount of vacation days to pay is greater than the number of days from the day after the termination date to the last period day, you need to go to the following month to continue contributing for those extra pending vacation days (the difference between the total number of pending vacation days and the days after the termination date and last period day). Another calculation must be made that will generate another complementary liquidation.

Example of Vacation Pay Distribution

Here is an example of how vacation pay is distributed for a terminated employee:

Assume that an employee has a vacation type of natural days, with a value of 24 natural days per year. The employee is terminated on April 27 and had taken 2 vacation days since the beginning of the year. The vacations entitlement up to the termination date is calculated in the following way:

Assuming 30 days each are in January, February, and March, and 27 days are in April (up until the employee's termination), you get this result:

- (30 + 30 + 30 + 27 / 360) x 24 (natural days) = 7.8 days

- Round out 7.8 days = 8 days (vacation entitlement)

- 8 – 2 (vacation days taken) = 6 (vacation balance)

The vacation days are distributed in the following way:

In the termination month of April, the employee will contribute 27 contributed days to Social Security and 3 vacation days to complete the maximum 30 contributed days for a monthly employee. The pending 3 vacation days will be contributed for May to complete all the pending vacation days.

Generating a Unique TC2 Report for Pending Vacation Balances

Because the distribution of pending vacation pay can affect more than one pay period, you must generate a unique TC2 report to show all the different periods. The code for complementary reports for pending vacations is L13.

Related Links

Understanding Social Security Terms and Concepts
Understanding Absence Rules

Calculation for Nonfulfilled Preadvised Days

The payroll process uses the following equation to calculate the amount for preadvised days nonfulfilled:

Nonfulfilled Preadvise Amount = Number of nonfulfilled preadvised days * Daily rate for the preadvised salary

This amount is added or deducted from the employee's termination payment as applicable.

Severance Pay Calculation

The system contains all of the logic to determine the severance pay amount based on the legal rules for seniority days to pay per year of service. The payroll process calculates the amount to pay the employee in indemnity through the following equation:

Severance pay = Number of Days * Daily Salary for Indemnity
Where
Number of Days = Minimum value of {(Days by Year * Number of Worked Years) or (Maximum Number of Periods * 30)}

The payroll process determines the number of days to pay by taking the lesser value of either (a) the multiplication of days by year of service by number of worked years, or (b) the maximum number of periods by 30. The resulting values vary depending on contract type and termination reason. Note that the Days by Year value is prorated if the year is not complete.

If the employee is in probation period when he is terminated, the employee does not receive severance pay. The system uses the value in the **Probation Period** field on the employee's labor agreement to make this determination.

Job Litigation Salary Calculation

The system calculates job litigation salaries as part of the regular payroll process. The payroll process differentiates between whether an employee is in a regular period or period for job litigation salary. When the system makes this differentiation, it determines which elements the payroll process needs to resolve. When calculating job litigation salary, the payroll process calculates payroll for the periods affected by job litigation, considering only the earnings elements that are defined for job litigation salary. To calculate job litigation salary, the payroll process uses the following equation:

Job Litigation Salary = Units * Rate
Where
Units = Number of days to pay for job litigation salary
Rate = Daily gross salary for days of job litigation

Calculation of job litigation salary is the same as normal workdays except for the calculation of daily salary. The system calculates daily salary in one of two ways:

- If the employee and employer come to an agreement during litigation, the system calculates the daily salary for job litigation through the following method:

  1. When a termination occurs, the system stores the job litigation daily salary in the termination results table through an accumulator. This accumulator determines which earnings contribute to the job litigation salary.

  2. When the system calculates job litigation salary, it retrieves the value from the previously mentioned accumulator using a historical rule, and then the system multiples this value by the number of days to pay in the litigation period.

- If the judge imposes an amount for job litigation salary, the system divides this amount across the number of days that are considered part of the job litigation period to obtain the daily job litigation salary.

  If this is the case, you can overwrite the amount that the system obtains from the relevant accumulator by entering the amount imposed by the judge on the Termination Management ESP page. The sentence amount imposed by the judge overrides any amount the payroll process calculates. The system divides the amount imposed by the sentence across each month affected by the job litigation salary to correctly calculate the social security contributions and taxations.

Job litigation salary earnings are applicable to both social security contributions and IRPF taxation. Employers must therefore report litigation salary to social security. When you run the payroll process for the employee during the month of the job litigation sentence, the system calculates all job litigation salary as retroactive pay (if the salary corresponds to past periods) for all payroll periods that are part of the job litigation period, including prorated extra periods, and applies the related social security contributions and taxations to each affected month. Social security contributions corresponding to litigation salaries are reported under a specific code (L02) in the TC2 report.

If the judge determines that the employee was wrongfully terminated and that the employer must rehire the employee, the readmitted employee must return the payment amount received for severance pay to the company, and must return the unemployment benefits received for the period affected by job litigation directly to the national employment institute (Instituto Nacional de Empleo [INEM]). The process considers the readmitted employee's salary for the period affected by job litigation as normal worked days.

Setting Up and Running Termination Reports

This topic discusses the Termination Letters and Company Certificate reports.

Pages Used to Set Up and Run Termination Reports

Page Name	Definition Name	Usage
INEM Action Reasons ESP Page	GPES_ACTN_RSN_INEM	Map INEM action reasons.
Company Certificate Report ESP Page	GPES_RC_FNQ1	Run the Company Certificate (GPESFNQ1) report. This report shows the monthly social security contributions for the last 180 days. This report is sent to the government unemployment office to calculate the unemployment benefit.
Create Termination Letters Page	GPES_RC_FNQ2	Run the Create Termination Letters report (GPESFNQ2) that generates a termination letter for the employees listed.

Understanding the Termination Letter

The termination letter establishes an employee's termination conditions, indicating the end date of the contractual relationship (the sign date) and the total termination compensation (including the respective monthly compensation). It must be signed by the employee to indicate that he or she agrees to the termination conditions.

The termination letter can be printed only after the termination payment has been calculated (so that net to pay and the different components and amounts are included). The termination letter can be presented to the employee with the regular payslip. After you issue the termination payment, you can print the regular payslip and the termination letter with the termination compensation included in both.

Even though the organization issues the termination letter, it is written in the employee's voice and includes the following information:

- Employee name.

- Company name.

- Hire and end date.

- Employee professional category.

- Total termination compensation, including social security contributions and tax deductions.

Note: You must define the payslip template with the elements that you want to include in the printed payslip

• Employee signature.

Understanding the Company Certificate

There are five different variations of the Company Certificate report:

• INEM Company Certificate report.

• Company Certificate report for temporary disability.

• Company Certificate report for maternity or paternity.

• Company Certificate report for risk during pregnancy or lactancy.

• Company Certificate report on demand (INSS).

INEM Company Certificate Report

The INEM (Instituto Nacional del Empleo) Company Certificate report can be issued to an employee by an organization at the end of the contractual relationship. INEM uses the company certificate report to calculate employee unemployment benefits based on contributions for the last 180 days, as detailed in the certificate. Companies must give this report to an employee when the employee is terminated so that the employee can acquire an unemployment salary. The basic information that this report provides consists of the contributions that correspond to the last 180 days prior to the termination and the contributions that are paid for vacations at termination.

The report needs to contain the termination reason, the reason description, and an official code provided by the INEM code table. You need to ensure that action reasons table contains the right codes to be used during INEM Company Certificate reporting.

The INEM Company Certificate report contains the contract frames (distribución de las jornadas de trabajo en contratos a tiempo parcial) for part-time employees. In addition, the report contains a box for job litigation salary information. This cell includes:

• The start date for the job litigation salary, which is the date of the employee's termination.

• The end date of the job litigation salary which, depending on litigation results, is the conciliation date, the sentence date, or the final date for job litigation salary.

• The number of days considered for job litigation salary.

Within the contribution period of the last 180 days, if job litigation salaries exist, then the system includes this data in the INEM Company Certificate report. INEM requires this information to be within the report.

Company Certificate Report for Temporary Disability

The purpose of the economic benefit for temporary disability is to cover the loss of earnings that occurs when the worker, due to illness or accident, is temporary unable to work and requires Social Security medical assistance. Among the necessary documents for processing the benefit is the Company Certificate Report for temporary disability.

In addition to the company, employee, and termination data presented on the basic report, the report for temporary disability also contains:

- Temporary disability data including the last confirmation note *(último parte de confirmación abonado por la empresa)*.

- Contributions in the month prior to the temporary disability, depending on the type of employment:

    - Part-time employees: contribution bases for the 3 months prior to the temporary disability.

    - Full-time employees: contribution bases for the month prior to the temporary disability.

Note: When you generate the Company Certificate report for temporary disability for an active employee, it does not display termination data.

Company Certificate Report for Maternity or Paternity

Economic benefits for maternity or paternity are subsidies granted to workers, regardless of gender, who take advantage of their legally established periods of leave in the case of maternity, paternity, adoption, or fostering. Among the necessary documents for processing the benefit is the Company Certificate Report for maternity or paternity.

In addition to the company, and employee data presented on the basic report, the report for maternity or paternity also lists the contributions made prior to the onset of maternity or paternity, depending on the type of employment:

- Part-time employees: contribution bases for the 12 months prior to the onset of maternity or paternity.

- Full-time employees: contribution bases for the month prior to the onset of maternity or paternity.

Company Certificate Report for Risk During Pregnancy or Lactancy

The risk during pregnancy or lactancy economic benefit covers the loss of income that occurs when:

1. A worker as her work contract suspended because of a risk during pregnancy or lactancy.

2. The risk requires that she be given an alternative job that is more compatible with her situation.

3. It is technically or objectively impossible to provide a suitable alternative job.

Among the necessary documents for processing the benefit is the Company Certificate Report for risk during pregnancy or lactancy.

In addition to the company, and employee data presented on the basic report, the report for risk during pregnancy or lactancy also lists the contributions made prior to the risk, depending on the type of employment:

- Part-time employees: contribution bases for the 3 months prior to the risk for pregnancy or lactancy.

- Full-time employees: contribution bases for the month prior to the risk for pregnancy or lactancy.

Company Certificate Report (INSS)

Active (not terminated) employees can request an INSS (Instituto Nacional de la Seguridad Social) Company Certificate report on demand with information relative to their contributions. In addition to company and employee data, this report displays the month, year, number of contributed days, contribution group and Social Security bases for the last six months worked.

INEM Action Reasons ESP Page

Use the INEM Action Reasons ESP page (GPES_ACTN_RSN_INEM) to map INEM action reasons.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Terminations** > **INEM Action Reasons ESP** > **INEM Action Reasons ESP**

This example illustrates the fields and controls on the INEM Action Reasons ESP page. You can find definitions for the fields and controls later on this page.

Use this page to map INEM action reasons to PeopleSoft HCM reason codes.

| Field or Control	Description
Action	Displays the PeopleSoft HCM action to which you are mapping the INEM action reason.
Reason Code	Displays the PeopleSoft HCM reason code to which you are mapping the INEM action reason.
INEM Action/Reason	Select the INEM action reason code you want to map to the selected PeopleSoft HCM reason code.
Description	Enter the official description for the selected action reason code that is recognized by INEM office.

Company Certificate Report ESP Page
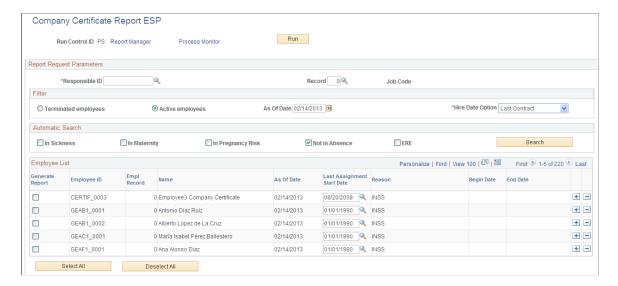
Use the Company Certificate Report ESP page (GPES_RC_FNQ1) to run the Company Certificate (GPESFNQ1) report.

This report shows the monthly social security contributions for the last 180 days. This report is sent to the government unemployment office to calculate the unemployment benefit.

Navigation:

Global Payroll & Absence Mgmt > **Termination Processing** > **Company Certificate Report ESP** >
Company Certificate Report ESP

This example illustrates the fields and controls on the Company Certificate Report ESP page. You can
find definitions for the fields and controls later on this page.

Company Representative

Field or Control	Description
Responsible ID	Select the employee who is responsible for signing the document on behalf of the company.
Employee Record Number	Select the employee record number for the responsible ID.
Job Code	The system displays the job code that corresponds to the responsible ID.

Filter

Field or Control	Description
Terminated employees	Select to generate the report for terminated employees. When you select this option, an additional date field becomes available next to the **As Of Date** field. **Note:** When you select this option, the system generates the report in both PDF and XML format.

Field or Control	Description
Active employees	Select to generate the report for active employees.
As Of Date	Enter a date. Only employees who are active as of the entered date are available to select for report generation. If you select the Terminated employees option, an additional date field becomes available enabling you to enter a date range for terminated employees. Only employees terminated within this date range are available to select for report generation.
Hire Date Option	Select how the system determines the starting date of the periods to be included in the report for each selected employee. Options are: • *First Hire:* The system includes all employment periods beginning with the employees' first hire date. • *Last Contract:* The system includes only the data associated with the employees' last contract number. • *Last Rehire:* The system includes all employment periods beginning with the employees' the last rehire date.

Note: You can use this group box to filter for either terminated or active employees, not both.

Automatic Search

The fields in this group box enable to you search for employees that meet certain criteria. The employees that the search retrieves depends on the selections you made in the **Filter** group box. The following table lists the possible search results:

Filter Selection	Automatic Search Selection	Search Results
Terminated employees	**In Sickness**	Retrieves terminated employees in the entered period and with IT or AT/EP absence events occurring at the time of termination.
Terminated employees	**Maternity**	Retrieves terminated employees in the entered period and with a maternity or paternity absence event occurring at the time of termination.

Filter Selection	*Automatic Search Selection*	*Search Results*
Terminated employees	**In Pregnancy Risk**	Retrieves terminated employees in the entered period and with an in pregnancy or lactancy risk absence event occurring at the time of termination.
Terminated employees	**Not in Absence**	Retrieves terminated employees in the entered period who were healthy at the time of termination. <hr> **Note:** This is also the combination of filter and automatic search selections that you would typically use when generating a company certificate report for employees affected by permanent ERE. <hr> See "Completing the ERE Procedure" (PeopleSoft Human Resources Administer Workforce).
Terminated employees	**ERE**	Retrieves employees in the entered period who are also affected by temporary ERE (suspension or work schedule reduction). <hr> **Note:** This combination of filter and automatic search selections represents an unusual case and would not typically be used.
Active employees	**In Sickness**	Retrieves active employees who had an IT or AT/EP absence event occurring on the As Of Date.
Active employees	**Maternity**	Retrieves active employees who had a maternity or paternity absence event occurring on the As Of Date.
Active employees	**In Pregnancy Risk**	Retrieves active employees who had an in pregnancy or lactancy risk absence event occurring on the As Of Date.
Active employees	**Not in Absence**	Retrieves active employees who were healthy on the As of Date.

Filter Selection	Automatic Search Selection	Search Results
Active employees	**ERE**	Retrieves active employees who are affected by temporary ERE (suspension or work schedule reduction) on the As of Date. See "Completing the ERE Procedure" (PeopleSoft Human Resources Administer Workforce). **Note:** When you select this option, the system generates the report in both PDF and XML format.

Field or Control	Description
Search	Click to search employees using the specified criteria.

Employee List

The system displays the employees that match the search criteria in this group box, assigning by default the report that corresponds to their situations. This page, however, provides some flexibility when selecting the report to be printed for each employee. If you want to run a different report than the one that the system automatically selects, you can add a new row for the employee and select the desired report. The available options are:

• The reports that match the status of the employee.

• The Company Certificate report (INEM).

• The Company Certificate report on demand (INSS).

Field or Control	Description
Generate Report	Select next to the employees for which you want to run the report.

Field or Control	Description
Employee ID	Enter the ID for the employee for which you want to run the report. The system displays the employee name. **Note:** The system allows you to enter the ID of employees who match the criteria you specify in the **Filter** group box. If you use the Automatic Search group box to search for employees, the system populates this field automatically, and you cannot edit it.
Employment Record Number	Select the employee record number for which you want to run the report. If you use the Automatic Search group box to search for employees, the system populates this field automatically, and you cannot edit it.
Termination Date	This field appears only if you select the **Terminated employees** option in the **Filter** group box. The system populates this field automatically with the termination date for the selected employee, and you cannot edit it.
As Of Date	Enter the date on which you want the system to base the report results. This field is available only if you select the **Active employees** option in the **Filter** group box. If you use the Automatic Search group box to search for employees, the system populates this field automatically, and you cannot edit it.
Last Assignment Start Date	Use this field to override the starting date determined by the system based on your selection in the **Hire Date Option** field.

Field or Control	Description
Reason	Enter the reason for the report generation. This reason determines the type of report that the system generates. If you use the Automatic Search group box to search for employees, the system populates this field automatically, and you cannot edit it. Values are: • *AT/EP* (Accidentes de Trabajo y Enfermedades Professionales): Results in the generation of the Company Certificate report for temporary disability. **Note:** This report includes termination information for terminated payees. • *INEM* (Instituto Nacional del Empleo): Results in the generation of the INEM Company Certificate report. • *INSS* (Instituto Nacional de la Seguridad Social): Results in the generation of the INSS Company Certificate report. • *IT* (Incapacidad Temporal): Results in the generation of the Company Certificate report for temporary disability. **Note:** This report includes termination information for terminated payees. • *In Maternity:* Results in the generation of the Company Certificate report for maternity or paternity. **Note:** This report includes termination information for terminated payees. • *In Pregnancy Risk:* Results in the generation of the Company Certificate report for risk during pregnancy or lactancy.

The payroll process calculates the pending vacation days for terminated payees as part of the termination calculation. The Company Certificate report process uses the information about regular contributions and pending vacation days at termination. It inserts the pending vacation days and the Social Security bases such as the Common Contingencies base and the Professional Contingencies base for those pending vacation days into the Company Certificate report.
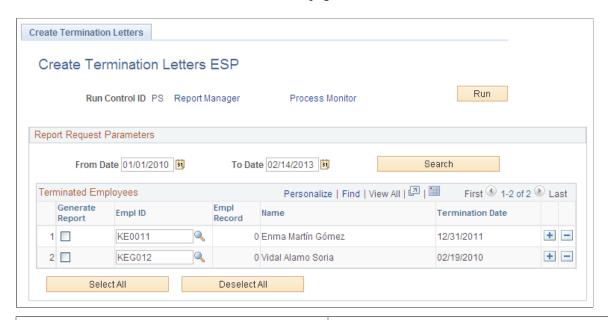
Create Termination Letters Page

Use the Create Termination Letters page (GPES_RC_FNQ2) to run the Create Termination Letters report (GPESFNQ2) that generates a termination letter for the employees listed.

Navigation:

Global Payroll & Absence Mgmt > **Termination Processing** > **Create Termination Letters ESP** >
Create Termination Letters ESP

This example illustrates the fields and controls on the Create Termination Letters page. You can find
definitions for the fields and controls later on this page.

Field or Control	Description
From Date and To Date	Enter a date range within which you want to search for terminated payees.
Search	Click to search for payees that were terminated within the date range you specified.
Generate Report	Select next to the payees for which you want to generate termination letters.
Empl ID (employee ID)	Enter the ID of the employee for whom a termination letter will be created.

Field or Control	Description
Select All	Click to select the **Generate Report** check box next to all payees listed in the **Terminated Employees** group box.
Deselect All	Click to deselect the **Generate Report** check box next to all payees listed in the **Terminated Employees** group box.

Viewing Delivered Termination Elements

This topic discusses:

- Delivered termination earnings.

- Delivered termination deductions.

Delivered Termination Earnings

Extra period termination earnings that are considered to be part of the termination process must be specified in the **Termination Earning** field on the Extra Period Definition page.

An employee who is entitled to extra periods in July and December, for example, would be paid the earnings LIQ PXTR JUL and LIQ PXTR DIC.

Note: PeopleSoft Global Payroll for Spain delivers sample earnings that are defined as PeopleSoft Delivered/Not Maintained. If you want to create your own termination elements, first define them on the Earnings page and then list them on the Extra Period Definition page.

See Extra Period Definition Page.

Example of Termination Earnings Calculation

Assume that an employee has a total gross annual compensation of 50.000 EUR. The labor agreement specifies that the employee receive two extra period payments: one paid on June 15 and the other on December 15. Your company has a monthly payroll, so in addition to the 12 regular payments, two other payments exist, making a total of 14 payments in a year. To get the gross compensation for the monthly payment, you make this calculation:

50.000/14 = 3571.43 EUR

Assume that the employee joined the company on March 1 and that the time frame for the June extra period is six months (from January to June). The extra period payment date is June 15. He will earn 4/6 times the gross compensation of the payment because he has been working for four months.

Remember that the payment date does not alter the result, so the extra period calculation takes into consideration the days worked up to June 30, regardless of the payment date. For example, if the payment date is June 15 and the time frame end date is June 30, the system calculates the days worked from May 15 to June 30.

The result for a monthly employee who joined the company in mid-May (using a month with 31 days) is:

((17+30) / 180) * 3571.43 = 0.261111 * 3571.43 = 932.54 EUR

The result for a daily employee is:

((17+30) / 181) * 3571.43 = 0.259669 * 3571.43 = 927.39 EUR

Now consider the example of an employee hired March 1 and terminated May 31.

If the employee is paid monthly, the result is:

((30 + 30 + 30) / 180) * 3571.43 = 0.5 * 3571.43 = 1785.72 EUR

If the employee is paid daily, the result is:

((31 + 30 + 31) / 181) * 3571.43 = 0.508287 * 3571.43 = 1815.31 EUR

This amount is paid through the earning element for the June extra period that is specified in the **Termination Earnings** field on the Extra Period Definition page.

Delivered Termination Earnings

This table lists the delivered termination earnings:

Earning	Description
DEV PREAVISO	Preadvised earning. This is the amount to add to the employee's last payment for preadvice days not fulfilled by the employer. Define preadvice days not fulfilled for an employee termination on the Termination Management ESP page.
INDMNCN	Termination indemnity. This is an existing element that stores the severance pay that is paid to a terminated employee. The calculation rule for this earning element has been modified from Amount to Unit * Rate, as defined on the Earnings - Calculation page.
INDMNCN SENT	Sentence indemnity. This is the amount of severance pay that the judge imposes during job litigation, as defined on the Manage Terminations ESP page.
LIQ PXTR DIC	December extra period termination. This is used for December extra period termination payment. The execution of this earning is conditioned to generation control FNQ GC LIQ DEV.
LIQ PXTR JUN	July extra period termination. This is used for July extra period termination payment. The execution of this earning is conditioned to generation control FNQ GC LIQ DEV.
LIQ PXTR SEP	September extra period termination. This is used for September extra period termination payment. The execution of this earning is conditioned to generation control FNQ GC LIQ DEV.
SAL TRAMIT	The amount calculated as job litigation salary.

Earning	Description
VAC NDSFRTDS	Terminate vacation days paid at termination. This is used to store the amount corresponding to vacation days that are paid at termination.

Related Links

[Extra Period Definition Page](#)
[Extra Period Earnings Page](#)

Delivered Termination Deductions

This table lists the delivered termination deductions:

Deduction	Description
DD PREAVISO	Preadvised deduction. This is the amount to subtract from the employee's last payment for preadvice days not fulfilled by the employee. Define preadvice days not fulfilled for an employee termination on the Termination Management ESP page.
DD DESEMPLEO	Unemployment benefits. This is the amount subtracted from an employee's job litigation salary for unemployment benefits accrued during the litigation period of an appealed termination.
DTO PXTRA AUS	Absence on extra period already paid. This deduction is generated in case an advance extra period is paid, and then an absence occurs after the extra period has already been paid.
LIQ ADLNTO	Advance termination. This is used for advance termination payment. Customer field 5 contains label 'LIQ ADLNTO' (See FNQ FM AYP VAL).
LIQ PRSTMO	Loan termination. This is used for loan repayments (Capital part) termination payment. Customer field 5 contains label 'LIQ PRSTMO' (See FNQ FM AYP VAL).
LIQ V SS CC	Vacation treatment for social security common contingency. This is used to calculate an employee's common contingencies contributions due to vacations not taken at the time of termination.
LIQ V SS DS	Vacation treatment for social security unemployment. This is used to calculate an employee's unemployment contributions due to vacations not taken at the time of termination

Deduction	Description
LIQ V SS FP	Vacation treatment for social security professional treatment. This is used to calculate an employee's professional training contributions due to vacations not taken at the time of termination.

Note: The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Spain. Instructions for running the query are provided in the PeopleSoft Global Payroll product documentation.

Related Links

"Understanding How to View Delivered Elements" (PeopleSoft Global Payroll)
Viewing Delivered Social Security Deductions

Chapter 20

Understanding Gross and Net Guarantee

Gross and Net Guarantee Overview

When you calculate an employee's total salary, you need to consider some adjustments to the base salary that are specified in the employee's personal agreement. These adjustments may come from an employee's contract. Typically, employee compensation in Spain is defined by a labor agreement. However, you can define compensation in different ways using PeopleSoft HR.

For employees whose personal agreement defines a net or gross amount, the system compares the employee's contract with the compensation defined for the employee (usually in the labor agreement). If these two amounts are the same, no adjustment is necessary. This salary includes both base salary and complements.

Compensation Setup - Gross to Net

A gross to net adjustment is necessary when the annual gross salary stated in an employee's personal agreement is different from the gross salary reflected in the employee's labor agreement (if compensation is defined at the labor agreement level). This agreed value is stored in the **Target Compensation Rate** field on the Job Data - Compensation Page.

See "Understanding Job Data" (PeopleSoft Human Resources Administer Workforce).

The system calculates and displays the estimated difference between the negotiated gross and the sum of all earnings that the employee would receive by default based on his or her professional category, job code, or other default criteria. This amount is known as the absorbable complement (complemento absorbible).

Compensation Setup - Net to Gross

This type of adjustment applies when an employee's personal agreement states a net amount. This agreed net amount is stored in the **Target Compensation Rate** field on the Job Data - Compensation page.

The system calculates and displays an estimated absorbable complement as the difference between the targeted net compensation and the sum of all net earnings that the employee would receive by default based on his professional category, job code, or other default criteria. The targeted compensation rate is the net guarantee to the employee.

Note: In both cases, this topic refers to the estimated absorbable complement because it doesn't consider seniority. The actual amount is calculated during the payroll process and is reflected in the earning element COMP ABSRBLE.

Calculation - Gross to Net

The system calculates an absorbable complement as the difference between the negotiated gross and the sum of all basic earnings calculated for the employee during the payroll calculation (including, for

example, seniority earnings) that are defined as absorbable. Absorbable means that increases in the value of the earning are absorbed by the absorbable complement.

Note: To specify that an earning is absorbable, you must include the rate component of the earning EARNING_VLR as a member of the accumulator AJB AC DEV BAS S.

Calculation - Net to Gross

The system uses an iterative process to calculate the gross amount from the net amount guarantee and an estimated gross amount. The difference between the calculated gross amount and the sum of all basic earnings defined as absorbable and calculated for the employee is assigned to the absorbable complement.

Note: To specify that an earning is absorbable, you must include the rate component of the earning EARNING_VLR as a member of the accumulator AJB AC DEV BAS S.

Related Links
Base Salary

Gross to Net Calculation Method

To determine the absorbable complement for a gross to net calculation, the system:

1. Calculates the agreed monthly gross income based on the employee's gross guarantee.

   The system retrieves the agreed gross from the **Target Compensation Rate** field on the Job Data - Compensation page and calculates the daily value, taking into account the number of regular and extra periods. If the **Target Compensation Rate** field is blank, the system uses the value in the **Annual Rate** field on this page.

2. Calculates the total daily value of the absorbable earnings specified for the employee on the Job Data - Compensation page.

   This calculation takes into account extra periods defined in the labor agreement and absences.

3. Calculates the difference between the agreed daily gross amount calculated in step 1 and the monthly gross amount calculated in step 2.

   The system calculates the difference using the daily value for both amounts and then multiplies the difference by the number of days worked. This amount is stored in the absorbable complement earning COMP ABSRBLE.

Note: To specify that an employee's earnings must be adjusted gross to net, assign a supporting element override to variable GEN VR TIPO AJ SAL with a value of *BRUTO*.

Example

Assume that the employee has the salary details in the following table:

Salary detail	Values
Agreed annual income	40.334,00 EUR
Earnings defined in the labor agreement for the employee's professional category	Base salary: 750 EUR/month Complement: 500 EUR/month
Extra periods (defined in the labor agreement)	Extra Period 1: Earnings: Base salary and Complement Earnings Pct: 100% Pct if Salary Adjustment: 100%
	Extra Period 2: Earnings: Base salary and Complement Earnings Pct: 100% Pct if Salary Adjustment: 100%

To calculate the absorbable complement, the system:

1. Calculates the agreed monthly income by dividing the annual value by the total number of payments in the year:

   $40.334,00 \div 14$ (12 months + 2 extra periods) = 2.881,00 EUR per month

2. Determines the monthly income based on the labor agreement:

   Total monthly income per labor agreement: 750,00 + 500,00 = 1.250,00 EUR/month.

3. Calculates the difference between the agreed monthly gross amount and the monthly gross amount according to the labor agreement:

   $2.881,00 - 1.250,00 = 1.631,00$ EUR per month

   This is the amount of the monthly adjustment or absorbable complement that the employee receives in addition to the base salary and annual complement stated in the labor agreement. This amount is calculated as Unit * Rate, where Unit is the number of worked days in the period. and Rate is the monthly amount divided by 30 for monthly employees or the number of days of the payment period for daily employees.

Note: The system always considers extra periods in the gross to net calculations to obtain the annual gross.

Net to Gross Calculation Method

To calculate an employee's gross salary from an agreed net amount, the system needs the following information:

- All basic earnings that the employee receives based on professional category or the salary plan. This information is on the Job Data - Compensation page.

- The total number of periods.

- An estimate of the gross salary. This figure is used as the starting point for the iterative calculations. By default, the system calculates the estimated gross by annualizing the net amount and increasing the result by 30 percent to cover statutory deductions. You can override this percentage to get a more accurate starting point for the calculation by changing the value of the variable AJN VR TAX PCT EST. For example, to set the percentage to 20 percent, you would assign 1.20 to the variable.

Note: The net to gross process considers only social security and tax deductions. Other deductions, such as loans and advances, garnishments, and union fees, are not included in the calculation loop because they are applied to the net.

To obtain the annual gross salary, the system:

1. Calculates the estimated gross salary.

2. Calculates the net amount from the estimated gross.

   To accomplish this, the system:

   - Divides the estimated annual gross by the total number of periods to calculate all the monthly gross earnings.

   - Subtracts the tax deductions from the monthly gross. The system calculates the IRPF deduction for that income.

   - Subtracts the social security contribution from the monthly gross.

3. Determines the difference between the calculated net and the actual net.

   The system uses this formula to calculate the difference:

   Agreed Net − Calculated Net = Difference

   If the difference is 0,05 EUR or less, the estimated gross amount is considered to be accurate and the calculation is complete. If not, the process continues to step 4.

   Note: You can define the acceptable variation between the agreed net and the calculated net by customizing the variable AJN VR TOLERANCIA. PeopleSoft Global Payroll for Spain delivers the value of the variable as 0,05 euros, but you can change this value during implementation.

4. Calculates a new estimated gross amount.

   Using the difference calculated in step 3 and the following formula, the system calculates a new estimated gross amount:

New Estimated Gross = Estimated Gross + Difference + (Difference * (1 – (Calculated Net / Estimated Gross)))

5. Recalculates the net from the new estimated gross (repeat step 2).

   The system repeats step 2 to recalculate the net from the new estimated gross. Steps 2 through 5 are iterative and can occur up to five times. If the difference between the calculated net and the actual net (calculated in step 3) is more than 0,05 EUR after five attempts, the system ends with the fifth calculation.

   Note: This iterative process is required because changing the estimated gross can affect the seniority amount, the prorated extra period, the absorbable complement, and social security contributions. More important, the tax percentage can change, producing a different deduction.

Note: To specify that an employee's earnings must be adjusted net to gross, assign a supporting element override to variable GEN VR TIPO AJ SAL with a value of *NETO*.

Note: The IRPF percent is calculated every month for net to gross employees, even if the corresponding normalization schedule doesn't set it up.

See Understanding Tax Calculation.

Example

According to his contract, Jose earns a monthly net payment of 1.500,000 EUR. His labor agreement stipulates 14 periods per year. Following the preceding steps, the system:

1. Calculates the estimated gross amount: 1500 * 1,3 = 1950 (Net amount increased by 30 percent).

2. Resolves all basic earnings and calculates the absorbable complement, taking into account the estimated monthly gross amount and the total of all basic earnings.

3. Subtracts the tax deductions from the total monthly gross.

   Assuming a tax rate of 12,12 percent, this deduction is 236,34.

4. Subtracts the social security contribution from the monthly gross.

   Assuming that after the system calculates the social security base, the contribution is 53,30. The monthly net is 1950 – 236,34 – 53,30 = 1660,36.

5. Determines the difference between the calculated net and the actual net: 1660,36 − 1500,00 = 160,36 EUR.

6. Because the difference is greater than 0,05 EUR, the system calculates a new estimated gross and repeats this process until this value is within an accepted range of the actual net.

Related Links

Understanding Tax Calculation
Understanding Social Security Terms and Concepts

Extra Period Calculation

With PeopleSoft Global Payroll for Spain, you define the earnings that contribute to an extra period and the percentage of each earning. For example, you can define an extra period that consists of 100 percent of the monthly base salary and 50 percent of the employee's monthly transport complement.

For employees whose salary is adjusted gross to net or net to gross, you also define the extra period value as a percentage of the agreed monthly salary. If you define the percentage as 100, the employee's extra period is equal to the agreed monthly salary, regardless of the earnings defined in the extra period. If the extra period is 60 percent of the agreed monthly salary, the system calculates the absorbable complement based on this reduced monthly amount.

You define the percentage using the **Percent if Salary Adjustment** field on the Extra Period Definition page.

See <u>Extra Period Definition Page</u>.

To calculate the absorbable complement for the employee's extra period, the system:

1. Multiplies the agreed monthly salary by the percentage adjustment specified for the extra period **(Percent if Salary Adjustment** field on the Extra Period Definition page). This gives the gross extra period amount.

2. For each earning defined for the extra period, the system multiplies the earning amount by the percentage defined for that earning in the labor agreement (**Earning Percent** field on the Extra Period Eligibility Earnings page**)**.

3. Calculates the total of all the earnings calculated in step 2.

4. Calculates the difference between the extra period amount calculated in step 1 and the total earnings for the extra period calculated in step 3. This is the absorbable complement for the extra period.

Note: For net-to-gross adjustments, the calculation of extra periods is part of an iterative process. For each iteration, the resulting net amount is compared with the agreed net amount. If it does not match, a new gross salary is calculated and the resulting net amount recalculated until it matches the agreed net amount.

Calculation Example

This example explains how the system calculates the employee's salary and extra periods when the extra periods are not based on 100 percent of earnings:

Note: To make understanding the calculation easier, this example uses monthly values. However, the system actually uses daily values in the calculations.

Salary details	Values
Agreed annual income	50.750,00 EUR

Salary details	Values
Earnings defined in the labor agreement for the employee's professional category	Base salary: 500 EUR/month Transport complement: 200 EUR/month
Extra periods (defined in the labor agreement)	Extra Period 1: Earnings and Earnings Pct: Base salary 50%, Transport 40% Pct if Salary Adjustment: 50%
	Extra Period 2: Earnings and Earnings Pct: Base salary 100%, Transport 50% Pct if Salary Adjustment: 100%
	Extra Period 3: Earnings and Earnings %: Base salary 80% Pct if Salary Adjustment: 100%

To calculate the monthly agreed salary, the system:

1. Divides the agreed annual salary by the total number of payment periods, taking into account the extra periods:

   50.750 / 14,5 (12 + 0,5 + 1 + 1) = 3.500 EUR /month

2. Calculates the monthly salary according to the labor agreement:

   Total monthly income per labor agreement: 500 + 200 = 700 EUR/month.

3. The system then calculates the difference between the agreed monthly gross amount and the monthly gross amount according to the labor agreement:

   3.500 – 700 = 2.800 EUR

   This is the amount of the monthly adjustment or absorbable complement that the employee receives in addition to the base salary and annual complement stated in the labor agreement.

To illustrate how the system calculates the extra periods for this employee, consider extra period 1 as an example. The system:

1. Calculates the gross extra period amount by multiplying the agreed monthly salary by the percentage adjustment (50%) specified for the extra period:

   3.500 * 0,5 = 1.750,00

2. Calculates the value of all the earnings included in the extra period by multiplying the earning by the earning percentage:

Base salary = 250 EUR (500 * 0,5) and Transport = 80 EUR (200 * 0,4)

3. Calculates the total of the earnings for the extra period: 250 + 80 = 330 EUR

4. Calculates the absorbable complement by subtracting the total earnings (step 3) from the gross extra period amount calculated in step 1:

1.750 — 330 = 1.420,00 EUR

Thus the employee's extra period is made up of earnings for base salary and transport and the absorbable complement.

This table summarizes the calculations of all extra periods for this employee:

Period	Earnings	Amount per Month	Earnings Percentage	Earnings Amount	Extra Period Amount
1	Base	500	50%	250	1.750 (250 + 80 + 1.420) = 50% of agreed monthly salary
	Transport	200	40%	80	
	Absorb. Complement			1.420	
2	Base	500	100%	500	3.500 (500 + 100 + 2.900) = 100% of agreed monthly salary
	Transport	200	50%	100	
	Absorb. Complement			2.900	
3	Base	500	80%	400	3.500 (400 + 3.100)) = 100% of agreed monthly salary
	Absorb. Complement			3.100	

The employee's annual salary is summarized in the following way:

Regular periods = 12 * 3.500 = 42.000 EUR
Extra periods = 1.750 + 3.500 + 3.500 = 8.750 EUR
Total Annual Salary = 42.000 + 8.750 = 50.750 EUR

Related Links

Defining Labor Agreements
Calculating Extra Periods

Chapter 21

Managing Off-Cycle Payments

Understanding Off-Cycle Processing

This topic discusses:

- The off-cycle process.

- Types of off-cycle transactions.

The Off-Cycle Process

Off-cycle payroll processing refers to processing payments and making corrections to finalized results outside of the normal payroll schedule. Off-cycle transactions are typically made to correct prior payments or to make early termination payments that can't wait until the next scheduled on-cycle payroll.

Types of Off-Cycle Transactions

The four types of off-cycle transactions are:

1. Manual payments

   Manual payments enable you to enter payments that you have calculated and paid outside of the payroll system. Examples include paying a new hire with a manual check because his or her pay details were not entered in time for the normal pay run.

2. Corrections

   Corrections enable you to correct results of any finalized payroll. Examples include recalculation due to a sickness not entered in the system on time or unpaid overtime.

3. Additional payments

   Additional payments enable you to enter onetime payments that fall outside the normal payroll process. Examples include onetime bonuses and expense reimbursement.

4. Advances

   Advances enable you to pay payees before their normally scheduled pay run. Examples include salary due on termination.

Recording Manual Payments

Manual payments are payments that you record for items that you calculate and pay outside of the system, such as cash and check payments. In Spain, manual payments might correspond to advances, expenses, or special payments such as bonus or a commission paid outside the regular cycle.

When you are entering manual payments for Spanish payees, Oracle recommends that all calculations be manually calculated outside the system and then entered. You need to carefully consider the following areas when entering manual payments:

*   Selecting the target period ID when you are adding a new off-cycle request.

    Oracle recommends that you select the target period that coincides with a previous finalized calendar or the current open calendar.

*   Specifying calendar control information on the Manual Payment Detail page.

    The selection of the payment date directly affects how elements are accumulated. For example, if you have an accumulator that accrues based on period end date, the payment date may not update the accumulator balances at the right time.

    The period begin date and period end date are provided by default from the target period ID. Oracle recommends that you not change these dates because the delivered Spanish rules are designed to calculate using whole periods and may not automatically segment if a partial period is entered.

*   Selecting processing controls on the Manual Payment Detail page.

    The run type is provided by default from the calendar paid, and Oracle recommends that you use the default. To ensure that the payee's manual payment is processed by the system, you must select the **Allow Duplicates** check box on the run type; otherwise, the payee may not be processed again if the system detects that they have already been processed in the period.

    The option that you select in the **Element Selection** group box indicates the elements to process with the off-cycle transaction. If using the *Limited Element Set* value, you need to ensure that all elements calculate independently of pre-posting or post-processing formulas because these do not resolve during off-cycle processing.

Note: Manual payments are used to record monetary values only; absence accumulators are not updated when you use this method.

Processing Payroll Corrections

The payroll corrections functionality of off-cycle payroll processing enables you to change finalized results for specific employee and calendar combinations due to such things as user error or missing information.

A common cause of missing information is that your company might run payroll before the end of the month to ensure that employees receive their money by the last day of the month. Because of the early payroll run information might be missing from the remaining days of the month that you need to report to Social Security, such as terminations, hires, sicknesses, and overtime.

PeopleSoft Global Payroll for Spain provides two options for reporting the missing information to Social Security in a FAN file.

- One option is to wait until the next payroll and run retroactive processing of payroll as part of the payroll calculation for the subsequent month to correct the payroll and pay for differences. You must report this retroactive processing information in a complementary FAN file when generating the FAN file for the subsequent month. Because you are reporting the information late, Social Security charges a surcharge. PeopleSoft Global Payroll for Spain calls this running a pure retroactivity.

- To avoid paying the accompanying surcharge for the complimentary FAN file report, you can use off-cycle processing to make payroll corrections for the affected payroll. You can run a correction in one of two ways:

  - Run off-cycle processing to make payroll corrections for the affected payroll so that you can report the information to Social Security using the latest payroll run.

    This is called correcting a payroll. By running the payroll correction before the subsequent payroll run, you can avoid generating a complimentary FAN file and its accompanying surcharge.

  - Run a special run type *CORRECCION* to produce the same effect.

Note: Technically, a payroll correction is a retro calculation in which the system behavior is changed to deliver Social Security and tax data in a different way using PeopleSoft Global Payroll for Spain elements.

This topic discusses:

- Corrections using the *CORRECCION.* run type.

- Corrrections using Global Payroll Core off-cycle functionality.

- Setup variables for corrections.

- Additional correction scenarios.

Corrections Using theCORRECCIONRun Type

To run a payroll correction using a special calendar with a specific run type of *CORRECCION:*

1. Run the regular payroll for the month, finalize it, and pay it.

2. Enter new data that affects that payroll run.

3. Create a correction calendar using the Calendars component (GP_CALENDAR) or the Automatic Calendar Creation component (GP_AUTO_CAL).

   The system automatically runs a correction for all the employees affected by pending changes, provided that for the calendar and calendar group you:

   - Select for the calendar the same period ID as the period ID of the calendar to be corrected.

     (This informs the system to perform a correction calculation rather than a true retroactivity calculation)

- Select for the calendar a run type of *CORRECCION.*

- Select for the calendar the payee selection option of *All Payees with ...*

- Select for the calendar the additional criteria option of *Pending Retroactive Changes.*

- Select for the calendar group the **Process retro triggers** check box for the off-cycle calendar group.

4. Run the payroll for the correction calendar to perform the correction calculation.

5. Run the banking process for the off-cycle calendar group to pay employees the difference between the regular payroll calculation and the correction payroll calculation.

6. Generate monthly legal reports.

7. Generate payslips:

- If you select the original calendar group, the system generates one payslip that corresponds to the first payroll calculation.

- If you select the new target calendar group, you can select whether you want to print recalculated values or differences between the new calculated values and the original calculation.

Example of Processing a Payroll Correction Using the CORRECCION Run Type

The following example illustrates how to process a payroll correction for PeopleSoft Global Payroll for Spain. Assume that you run the regular payroll for January on January 25. To do so, create the corresponding calendar and calendar group called ENE PAYROLL. On January 30th, finalize the January payroll and run the banking process for the calendar group ENE PAYROLL.

On February 2, the payroll administrator receives positive input about overtime for EMP1 that corresponds to the January payroll calendar. (Note that in this example we assume that a retro trigger is defined for GP_PI_MNL_DATA.) On February 5 the payroll administrator realizes that no reduction was entered for employee EMPL2 and enters the reduction at the contract data level. (Note that in this example we assume that a retro trigger is defined for CNTRCT_DATA_ESP. In both of these cases the system generates a retro trigger for each of these employees that will cause retroactive processing for January the next time that you run the payroll process. You can check which employees are affected by retro calculations on the Review Triggers page by selecting **Global Payroll & Absence Mgmt** > **Absence and Payroll Processing** > **Prepare Payroll** > **Review Triggers.**

On February 15 the payroll administrator wants to run a correction of January payroll to consider all the changes that happened after it was run. He doesn't want this correction to cause Social Security complementary reporting. (Note that because the payroll administrator is still on time to generate the FAN file for January, the company does not have to submit a complementary FAN file to Social Security and does not incur the corresponding surcharge.) The payroll administrator creates a calendar group containing just one calendar with the necessary conditions for running a payroll correction.

The payroll administrator runs the new calendar group and, after checking results, finalizes the payroll run. To pay differences, the payroll administrator runs the banking process for the calendar group ENE CORRECCION. The process generates a banking file that contains just the delta between the first payroll run and the correction calculation.

When the payroll administrator or another user runs tax or Social Security reports, the system uses the recalculated values. For the FAN file, the report includes modifications that were made in February affecting January in the regular report, not a complementary report.

The payroll administrator can generate payslips for January, printing one payslip for the ENE PAYROLL calendar group that corresponds to the first payroll calculation for January and another payslip for the ENE CORRECCION calendar group that corresponds to the delta calculation between the first calculation and the correction calculation. When printing payslips, payroll administrators can select to print the recalculated values or the values that correspond to the delta calculation between the first calculation and the correction calculation.

Corrections Using Global Payroll Core Off-Cycle Functionality

PeopleSoft Global Payroll for Spain delivers off-cycle configurations for correcting off-cycle requests that are related to the following situations: new hires, new terminations (for terminations after the first payroll run), and payroll correction. Define configurations for off-cycle requests on the Off-Cycle Configuration page.

To run corrections using core Global Payroll off-cycle functionality:

1. Run the regular payroll for the month, finalize it, and pay it.

2. Enter new data that affects that payroll run.

3. Create an off-cycle request.

   Select **Global Payroll & Absence Mgmt** > **Absence and Payroll Processing** > **Off Cycle** > **Off Cycle on Demand** and then perform the following steps:

   a. Select as the target period ID the period that you want to correct.

   b. Create a request by providing the information about the off-cycle processing that you want to run.

   c. List the employees for whom you need to enter data to correct the finalized payroll in the **Corrections - List Payees and Calendars** grid.

   d. Access the Correction Request Details page to enter the calendar to correct.

   e. Click the **PI Calendar to Correct** link to enter the positive input into the finalized payroll that you want to correct.

   f. Click the **Absence Event Entry** link to enter absences affecting the finalized payroll that you want to correct.

   g. Provide a supporting element override in the target calendar by accessing the supporting element overrides, clicking the **Target Calendar** link, and entering a value *1* for the variable CLI VR CORRECCION.

4. Create a calendar group on the Off Cycle On Demand page.

5. Click the **Calculate** button on the Off Cycle On Demand page to run the off-cycle processing and perform the off-cycle calculations.

6. Click the **View Status and Results** link to check processing results.

7. Finalize the off-cycle processing so that you can pay the delta.

Setup Variables for Corrections

Global Payroll for Spain includes two setup variables that enable you to control how the system processes tax deductions and tax percentage calculation during corrections calendar calculation:

Setup variables	Explanations
CLI VR CAL DD SG I (Calc IRPF DD in Inac. Segment)	Because correction calendars do not include a gross calculation, processing tax deductions for correction calendars generates negative net values. The value of this variable determines whether the system calculates tax deductions for correction calendars. Valid values are: • *A (anular):* Select if you do not want the system to calculate retro tax deductions with negative net values. • *C (calcular):* Select if you want the system to calculate retro tax deductions with negative net values.
CLI VR CAL TAX PCT (Recalc tax pct flag)	This variable determines whether the system processes tax percentage calculation for correction calendars. The default value for the variable is *Y,* which indicates that the system performs tax percentage calculation during correction calculation to account for retro deltas being forwarded to the calendars. This results in more accurate tax deductions. If you change the value of the variable to *N,* the system uses the last calculated tax percentage when calculating taxes linked to retro deltas correction target calendars.

Note: These setup variables also affect how the system processes inactive segment calculation.

Related Links
Segmentation

Additional Correction Scenarios

This topic provides examples of correction scenarios that you can manage using Global Payroll for Spain.

Example of a Correction Affecting a Month with Retro

Assume that you have run a May payroll for an employee. This payroll process includes retro processing for April due to a salary increase that was made effective as of April, and overtime entered retroactively for April.

For the May payroll run, the system:

• Calculates the IRPF RTR deduction to compute taxes for retro deltas.

- Applies current recalculated tax percentages to the retro deltas.

After finalizing and paying the May payroll, you realize that there was additional overtime that needs to be paid in May. You enter the additional overtime as positive input and create an off-cycle correction calendar to process it. This off-cycle correction recalculates the May payroll and includes the added overtime.

- Retro deltas that were executed during the first run of the May payroll.

- The most recent results for the May calendar.

Example of a Correction Affecting a Month without Retro and Previous Months with Retro

Assume that you have run a May payroll for an employee that does not include any retro processing. After finalizing and paying the May payroll, you are informed that the employee should have received both a salary increase effective for April and overtime for April. Because you have not yet processed the legal reports, you decide to run a correction calendar for May to process the retro changes for April.

During the correction process, the system:

- Takes the salary increase into account for the recalculation of the May payroll.

- Recalculates the tax percentage for May.

- Forwards the retro deltas for April to the correction calendar because it is the calendar that triggered the retro processing.

- Generates negative net pay for the correction calendar because it processes only the tax deductions that are linked to the retro deltas.

- Stores the retro deltas to the corresponding tax result record.

- Recalculates the tax percentage to account for the impact of the retro deltas on the tax base. The system calculates the new taxable base using the last calculated base (recalculation for May) plus the retro deltas being forwarded to the correction calendar.

  Note: The value of the CLI VR CAL TAX PCT setup variable must be *Y* for the system to recalculate the tax percentage.

  See Setup Variables for Corrections.

When you run the official reports, the system takes into account the last calculation for May and the retro deltas from April.

Example of a Correction Affecting a Month with Retro and Previous Months with Retro

Assume that you have run a June payroll for an employee that includes retro processing affecting May due to a salary increase that was effective in May and overtime entered retroactively for May. The system calculated retro deltas during this June payroll calculation. After finalizing and paying the June payroll, you are informed that the salary increase should have been effective for April and for an increased amount, and that there was additional overtime that should have been entered for April. Because you have not yet processed the legal reports, you decide to run a correction calendar for June to process the retro changes for April and May.

During the correction process, the system:

- Takes the salary increase into account for the recalculation of the June payroll.

- Maintains the values of the retro deltas associated with the original June calendar and forwards the new retro deltas from both April and May to the correction calendar.

- Generates new results for the extra period.

- Generates negative net pay for the correction calendar because it processes only the tax deductions that are linked to the retro deltas.

- Stores the retro deltas to the corresponding tax result record.

- Recalculates the tax percentage to account for the impact of the retro deltas on the tax base. The system calculates the new taxable base using the last calculated base (recalculation for June) plus the retro deltas being forwarded to the correction calendar.

  Note: The value of the CLI VR CAL TAX PCT setup variable must be *Y* for the system to recalculate the tax percentage.

  See <u>Setup Variables for Corrections</u>.

When you run the official reports, the system takes into account the last calculation for June and the retro deltas from both April and May.

Making Additional Payments

Use the additional payments functionality that is part of off-cycle processing to make onetime unscheduled payments that are processed outside of the normal on-cycle payroll. Examples include onetime bonuses, awards, and expense reimbursements. These transactions are similar to manual payments in many respects; however, the system calculates the amount for additional payments.

You need to consider the following areas when entering additional payments:

- When you are selecting the period paid, Oracle recommends that you select the previous finalized calendar or the current open calendar.

- Use this method to record monetary values only. Absence accumulators will not be updated.

Issuing Advance Payments

Advance processing is the processing of on-cycle calendars ahead of their regular schedule. Use the advance functionality of off-cycle processing when you want to pay an employee before his or her normal on-cycle pay run. Examples include payments for early terminations (for which the termination payment needs to be paid immediately and not in the next on-cycle pay run), full period advances, and partial period advances.

Observe the following guidelines when making advance payments:

- Always select the next open calendar, because skipping calendars may update accumulators incorrectly.

- Absence accumulators calculate automatically for the calendar group selected.

PeopleSoft Global Payroll for Spain delivers an off-cycle configuration for advance payments off-cycle requests that you can use for advance terminations. Define configurations for off-cycle requests on the Off-Cycle Configuration page.

Related Links
"Understanding Off Cycle Configurations" (PeopleSoft Global Payroll)

Chapter 22

Setting Up Payslips

Setting Up Payslips

To define payslips and sort keys, use the Templates ESP (GPES_PAYSLIP) component. To define which earnings and deductions, social security contributions, taxes, and totals to display on a payslip, use the Templates ESP (GPES_PAYSLIP) component.

This topic discusses how to set up payslips.

Pages Used to Set Up Payslips

Page Name	Definition Name	Usage
Payslip Setup Page	GPES_PSLIP_GRP	Set up a new payslip for the pay groups that you select. This includes defining how retroactivity and extra periods are managed and selecting the SQR report (Structured Query Report) that defines the layout of the payslip.
Sort Keys Page	GPES_PSLIP_SORTKEY	Select the fields by which you want to sort the payslip. Sort the fields in ascending or descending order.
Earnings and Deductions Page	GPES_PAYSLIP_LINES	Select the earnings and deductions to display on the payslip and define the spacing between earnings and deductions printed on the payslip.
Social Security Contributions Page	GPES_PAYSLIP_APORT	Select the social security contributions to display on the payslip and define the spacing between the contributions printed on the payslip.
Taxes Page	GPES_PAYSLIP_IRPF	Select the tax deductions to display on the payslip and define the spacing between the taxes printed on the payslip.
Totals Page	GPES_PAYSLIP_TOTAL	Select the accumulators to print at the bottom of the payslip and define the spacing between the accumulators printed on the payslip.

Common Elements Used to Setup Payslips

Field or Control	Description
Payslip ID	The system automatically displays the payslip ID that you created or entered to access this page.
Element Print Order	Enter the order in which you want the element to appear on the payslip. If an element has the Element Print Order *1,* the element appears as the first element on the payslip.
Element Type	Specify whether the element is an *Earning* or a *Deduction.*
Element Name	Select the element that you want to appear on the payslip. If you selected the element type *Earning,* the system displays a list of the earnings that are defined in your system.
Take description from	You can use either the element description (that was created when the element was created), or you can create your own description to appear on the payslip. Values are. *User Text* and *Element.*
Description	If you selected *User Text* for the **Take description from** field, enter your description of the element here.
Lines Before	Enter the number of empty lines to appear on the payslip before this element.
Lines After	Enter the number of empty lines to appear on the payslip after this element.

Payslip Setup Page

Use the Payslip Setup page (GPES_PSLIP_GRP) to set up a new payslip for the pay groups that you select.
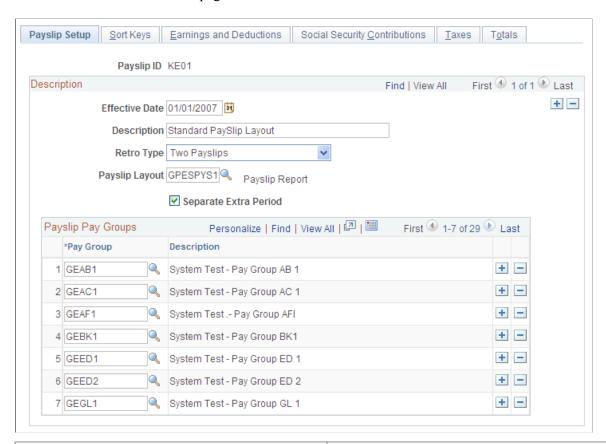
This includes defining how retroactivity and extra periods are managed and selecting the SQR report (Structured Query Report) that defines the layout of the payslip.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Payslips** > **Templates ESP** > **Payslip Setup**

This example illustrates the fields and controls on the Payslip Setup page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Retro Type	Select from these values: *Multiple Payslips* to generate a payslip for regular pay and separate payslips for each month that has retroactive pay. *Two Payslips* to generate one payslip for regular pay and a second payslip that groups together all retroactive pay, if applicable. *Single Payslip* to generate one payslip that includes both regular pay and any retroactive pay.
Payslip Layout	Select the SQR report that defines the layout of the payslip. The SQR report defines features of the layout such as lines and colors printed on the payslip. Oracle supplies sample SQR reports that you need to modify for your organization.
Separate Extra Period	Select to generate separate payslips for extra period payments. If you deselect this check box, the system includes extra period payments in the same payslip as regular pay, provided that the extra period and regular payroll are part of the same calendar group.

Field or Control	Description
Pay Group	Select the pay groups that should receive the payslip.

Sort Keys Page

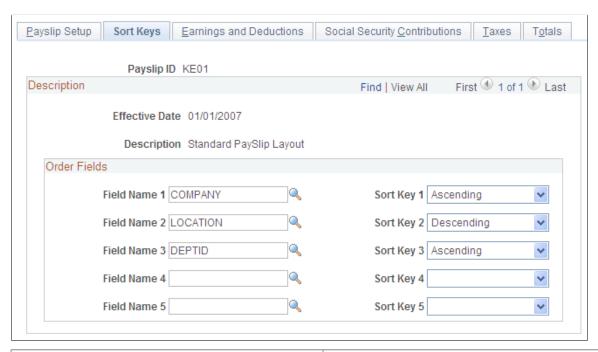Use the Sort Keys page (GPES_PSLIP_SORTKEY) to select the fields by which you want to sort the payslip.

Sort the fields in ascending or descending order.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Payslips** > **Templates ESP** > **Sort Keys**

This example illustrates the fields and controls on the Sort Keys page. You can find definitions for the fields and controls later on this page.

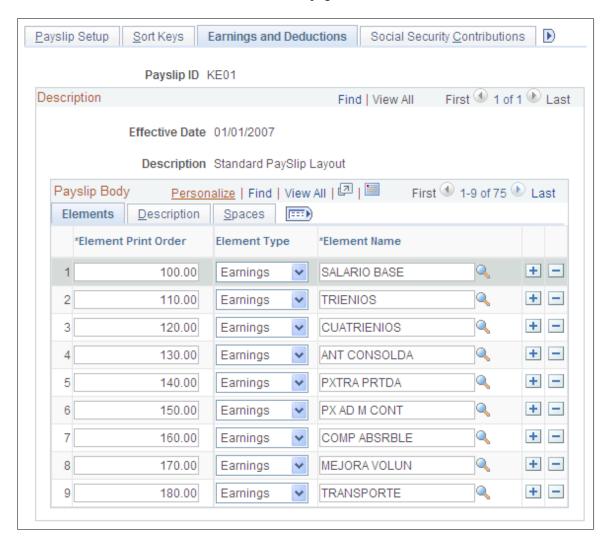| Field or Control	Description
Field Name 1 through **Field Name 5**	Select the element by which you want to sort the payslip.
Sort Key 1 through **Sort Key 5**	Select whether to sort the elements in *Ascending* or *Descending* order.

Earnings and Deductions Page

Use the Earnings and Deductions page (GPES_PAYSLIP_LINES) to select the earnings and deductions to display on the payslip and define the spacing between earnings and deductions printed on the payslip.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Payslips** > **Templates ESP** > **Earnings and Deductions**

This example illustrates the fields and controls on the Earnings and Deductions page. You can find definitions for the fields and controls later on this page.

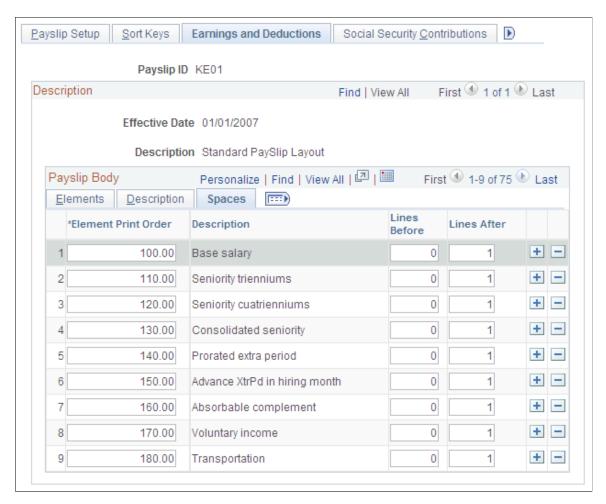**Note:** The fields on this page are discussed in the below topic.

See Common Elements Used to Setup Payslips.
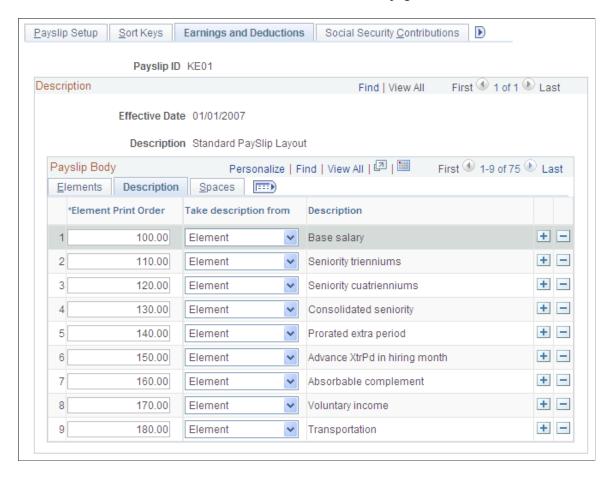
Earnings and Deductions Page: Description Tab

Access the Earnings and Deductions page: Description tab.

This example illustrates the fields and controls on the Earnings and Deductions page: Description tab. You can find definitions for the fields and controls later on this page.

Note: The fields on this page are discussed in the below topic.

See Common Elements Used to Setup Payslips.

Earnings and Deductions Page: Spaces Tab

Access the Earnings and Deductions page: Spaces tab.

This example illustrates the fields and controls on the Earnings and Deductions page: Spaces tab. You can find definitions for the fields and controls later on this page.

Note: The fields on this page are discussed in the below topic.

See Common Elements Used to Setup Payslips.
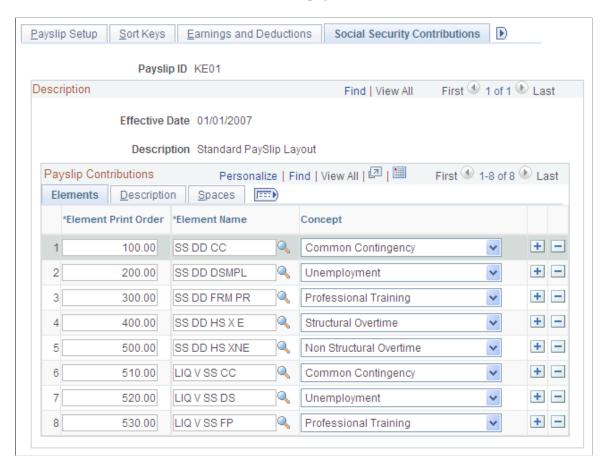
Social Security Contributions Page

Use the Social Security Contributions page (GPES_PAYSLIP_APORT) to select the social security contributions to display on the payslip and define the spacing between the contributions printed on the payslip.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Payslips** > **Templates ESP** > **Social Security Contribution**

This example illustrates the fields and controls on the Social Security Contributions page. You can find definitions for the fields and controls later on this page.

Note: Most of the fields on this page are discussed in the below topic.

See Common Elements Used to Setup Payslips.

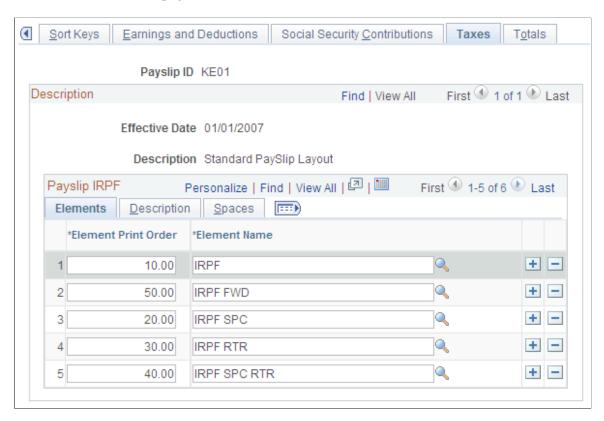| Field or Control	Description
Concept	Select the contribution type that is associated with the element. Values are: *Common Contingency, FOGASA, Nonstructural Overtime, Permanent Disability D&S, Professional Training, Structural Overtime, Temporary Disability,*and *Unemployment.*

Taxes Page

Use the Taxes page (GPES_PAYSLIP_IRPF) to select the tax deductions to display on the payslip and define the spacing between the taxes printed on the payslip.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Payslips** > **Templates ESP** > **Taxes**

This example illustrates the fields and controls on the Taxes page. You can find definitions for the fields and controls later on this page.

Note: The fields on this page are discussed in the below topic.
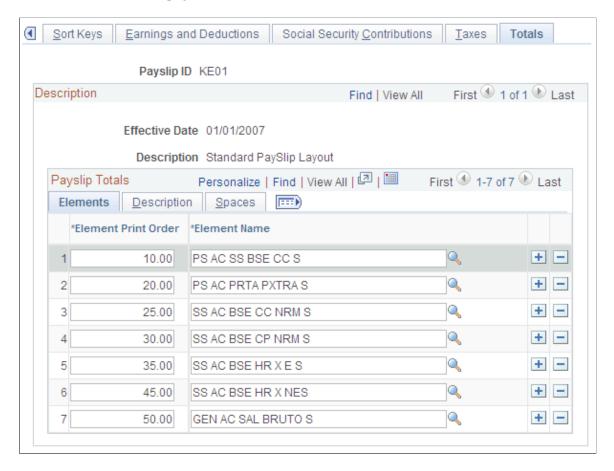
See Common Elements Used to Setup Payslips.

Totals Page

Use the Totals page (GPES_PAYSLIP_TOTAL) to select the accumulators to print at the bottom of the payslip and define the spacing between the accumulators printed on the payslip.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Payslips** > **Templates ESP** > **Totals**

This example illustrates the fields and controls on the Totals page. You can find definitions for the fields and controls later on this page.

Note: The fields on this page are discussed in the below topic.

See Common Elements Used to Setup Payslips.

Viewing Payslips

If you licensed PeopleSoft ePay, employees can view their payslips online using the self-service View Payslip transaction. To help resolve questions raised by employees about their payslips, the payroll administrator can view employees' self-service payslips in an online view that replicates the employees' view.

See "Viewing Payslips Online" (PeopleSoft ePay).

Generating a Payslip

This topic provides overviews of the payslip process and segmentation and payslips and discusses how to print payslips.

Pages Used to Generate a Payslip

Page Name	Definition Name	Usage
Create/Print Payslips ESP Page	GPES_RC_PAYSLIP	Run the Payslip Report (GPESPYS1), which prints a payslip summary for each employee selected.
Pay Entity List Page	GPES_RC_PSLP_PE	Print payslips for selected pay entities.
Pay Group List Page	GPES_RC_PSLP_PG	Print payslips for selected pay groups.
Department List Page	GPES_RC_PSLP_DPT	Print payslips for selected departments.
Location List Page	GPES_RC_PSLP_LOC	Print payslips for selected locations.
Payee List Page	GPES_RC_PSLP_PY	Print payslips for selected payees.

Understanding the Payslip Process

The Create/Print Payslips ESP page launches a job (GPESPSLP) containing three processes in sequence:

1. The GPES_PAYSLIP Application Engine process gathers information and creates an intermediate table.

2. The SQR GPESPYS1 prints the payslip report and provides self-service related information if ePay is licensed.

3. The GP_EPAY Application Engine process uses the payslip report and self-service related information provided by the prior processes in this job to create self-service payslips for each payee. If ePay is not licensed, this process reports that ePay has not been licensed and will finish successfully.

Note: When running the GPESPSLP job, you can use the following type and format options with ePay: *None* and *None* (becomes Web and PDF by default), *Web* and *PDF,* or *File* and *PDF.* If using *File* and *PDF,* do not use a custom output destination from the Process Scheduler Request page.

Related Links
"Setting Up View Payslip" (PeopleSoft ePay)

Understanding Segmentation and Payslips

Segmentation occurs when employees' details change during a payroll period and the change requires the system to recalculate certain elements (element segmentation) or all elements (period segmentation). When the system segments an employee's pay, this affects payslips. Oracle delivers an SQR report that manages segmentation as explained in this table.

Note: You need to review how you want to manage segmentation and show the results in your organization's payslips.

Segmentation Event Definition	Segmentation Type	Impact on Payslip
CATEGORZN	Element	The system generates one payslip. For compensation, social security contributions, and bases, each slice is listed on a separate line.
COMPANY	Period	The system prints a separate payslip each segment.
COMP_RATE	Element	The system generates one payslip. Where an earning has multiple slices, each slice is listed on a separate line.
F/P TIME	Period	The system prints a separate payslip each segment.
HIRE/TERM	Period	The system prints a separate payslip each segment.
PAY_GROUP	Period	The system prints a separate payslip each segment.
PAY_SYSTEM	Period	The system prints a separate payslip each segment.
RISK_CODE	Element	The system generates one payslip. For social security contributions and bases, each slice is listed on a separate line.
TAX_LOCNT	Element	The system generates one payslip. IRPF deductions are listed on separate lines.

Payslips and Reversals

Segmentation can affect retroactive processing when the system recalculates a segmented period and the segmentation dates of the original calculation don't match the segmentation dates of the recalculation. When segment dates and payment keys match, the system recalculates the original segments, subtracts the old value from the new value for each payroll element to determine retroactive deltas, and writes the new results to the output tables. When segment dates don't match, the system treats the old and new values as if they belong to separate segments. It creates reversal segments for each segment that existed in the original calculation and creates new recalculation segments. The reversal segments have no results because they do not go through gross-to-net processing. The new recalculated segments do go through gross-to-net processing and generate new values. The system writes these new values to the output result tables. For the purposes of calculating deltas, the originally calculated values are effectively zero.

When segments don't match during retroactive processing, the system applies special rules to payslip generation:

- The system overrides the **Retro Type** defined on the Payslip Setup page to *Multiple Payslips.* Therefore, if the retroactive processing includes more than one month, the system generates one payslip for regular pay and separate payslips for each month that has retroactive pay.

- The payslip for the month in which the segments don't match lists recalculated values instead of deltas.

Payslips and Corrections

Occasionally you need to rerun a finalized payroll to incorporate late changes. If you want those late changes to be included in monthly legal reports, you can run a correction calendar. Correction calendars recalculate the affected payroll run and provide a new set of results that the system includes in legal reporting such as the Model 111 or the FAN file. In regard to banking, the system generates a delta net amount to be paid that represents the difference between the recalculated net and the previously calculated net. When you select a calendar group for payslip generation, the system detects whether the calendar group is a correction. If it is, the system enables you to choose one of two printing options:

- Print the deltas that the system calculated during the correction.

- Print the recalculated values that resulted from the correction calculation.

Related Links

"Understanding Segmentation Setup" (PeopleSoft Global Payroll)
Processing Payroll Corrections

Create/Print Payslips ESP Page

Use the Create/Print Payslips ESP page (GPES_RC_PAYSLIP) to run the Payslip Report (GPESPYS1), which prints a payslip summary for each employee selected.

Navigation:

Global Payroll & Absence Mgmt > **Payslips** > **Print Payslips ESP**

This example illustrates the fields and controls on the Create/Print Payslips ESP page. You can find definitions for the fields and controls later on this page.

Before using this page, you must have set up a payslip on the Payslip Setup pages and run the payroll process.

Field or Control	Description
Calendar Group ID	Select the calendar group that you want to process. You can select only from calendar groups that have been calculated or finalized.
Retro Processing	Select one of these values: *Current Period Only:* Include only regular payroll calculations in the payslip. *Retro and Current Periods:* Include both regular and retroactive payroll calculation in the report. *Retro Periods Only:* Include only retroactive payroll activities in the payslip.

Field or Control	Description
Correction Processing	Select what type of payslip the system generates for correction calculations. Values are: *Differences:* Select to generate a payslip that lists the deltas that the system calculated during the correction. *Recalculated:* Select to generate a payslip that lists the recalculated values that resulted from the correction calculation. **Note:** This field appears only if your select a calendar group ID that includes payroll corrections.
Pay Entity List	Click to select one or more pay entities for processing. The system displays the Pay Entity List page.
Pay Group List	Click to select one or more pay groups for processing. The system displays the Pay Group List page.
Department List	Click to select one or more departments for processing. The system displays the Department List page.
Location List	Click to select one or more locations for processing. The system displays the Location List page.
Payee List	Click to select one or more payees for processing. The system displays the Payee List page.

Chapter 23

Setting Up and Processing Banking

Understanding Banking

This topic discusses:

- Banking setup.

- IBAN setup.

- Bank processing.

Banking Setup

In PeopleSoft Global Payroll, the majority of banking setup starts in the core application and continues with processing in PeopleSoft Global Payroll for Spain. Oracle strongly recommends that before reading this topic, you read the banking feature in the Global Payroll core documentation.

Before running the banking process for Spain, you must set up basic banking information in the core application and within the PeopleSoft Global Payroll for Spain country extension. You must:

- Define bank information, such as bank name, address, and ID.

- Define Electronic Funds Transfer (EFT) formats.

- Identify source banks and link source banks to pay entities.

- Define employee bank accounts and net pay election.

- Define deposit schedules.

- Define recipients.

- Define the banking file.

> **Note:** You perform this setup step within the PeopleSoft Global Payroll for Spain country extension.

See Setting Up Banking.

After you run payroll, funds are sent to the source bank along with instructions for payments. The bank needs the following information:

- The name of each employee who is going to be paid.

- The amount that each payee is to receive.

- The name of the banking institution where the wages are to be sent.

This information is extracted from the core application based on a list of payees corresponding to those in the selected payroll run. The system creates a file with lines for each payee, containing a name, the bank account number, and the payment amount. This file is sent to the bank, which then distributes the funds.

Related Links

"Understanding Bank and Bank Branch Setup" (Application Fundamentals)
"Understanding Banking" (PeopleSoft Global Payroll)

IBAN Setup

The International Bank Account Number (IBAN) is an account number that uniquely identifies a bank account and is assigned according to International Organization for Standardization (ISO) standards so that it can be used across national borders. PeopleSoft applications can include this information at the bank account level.

As of January 1, 2004, IBAN must be used for all transfers out of Spain and for special transfers.

Part of banking setup includes IBAN definition. To set up IBAN functionality, you must select the **IBAN Enabled** field on the IBAN Country Setup page. When the IBAN feature is enabled, the system displays the **IBAN** field on the Source Bank Account page and the **Edit IBAN** link on the Maintain Bank Accounts page for the country that you indicated.

Note: The Application Fundamentals product documentation discusses the IBAN setup in detail.

See "Setting Up IBAN Information" (Application Fundamentals).

Bank Processing

After you have set up banking information, you can run the banking process.

Note: This topic describes in detail the banking process.

See Processing Banking.

Setting Up Banking

This topic provides an overview of banking setup for PeopleSoft Global Payroll for Spain and discusses how to define banking files.

Understanding Banking Setup for PeopleSoft Global Payroll for Spain

The majority of the banking setup for PeopleSoft Global Payroll for Spain takes place in the PeopleSoft Global Payroll core application. In the Global Payroll for Spain country extension, however, you define the banking file, which enables you to set the parameters that drive the generation of the EFT payment file. PeopleSoft Global Payroll for Spain delivers two sample banking file IDs: **CSB34** and **34.14**. However, you can create additional banking file IDs to maintain different parameters

---

Note: The file ID CSB34 is set up to generate a file structure that follows Norm 34-1. The file ID 34.14 is used to generate a file structure that is compliant with the SEPA requirements, following the norm CSB34_V14.

To determine if a transfer is to be printed in the SEPA block or in the "Other transfer" Block, system will evaluate the country of the beneficiary account. If the country of the account has SEPA setup in the following menu option, we will consider that the transfer is meant for a SEPA country and will include it in the SEPA block.
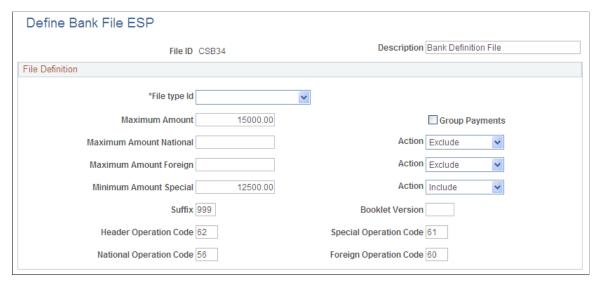
Define Bank File ESP Page

Use the Define Bank File ESP page (GPES_BANK_FILE_PNL) to define bank files.

Navigation:

Set Up HCM > **Product Related** > **Global Payroll & Absence Mgmt** > **Banking** > **Define Bank File ESP** > **Define Bank File ESP**

This example illustrates the fields and controls on the Define Bank File ESP page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
File type Id	Select the type of banking file to be generated. The possible values are: • *CSB34-1 (IBAN):* : Select this value if the flat banking file's structure follows the norm CSB34 V1. • *CSB34-14:* Select this value if the flat banking file's structure follows the norm CSB34 V14. • *SEPA:* Select this value if the banking file follows SEPA requirements.

Field or Control	Description
Group Payments	Select to group all payments for an employee that are associated with the same calendar group. For example, when this check box is selected and segmentation occurs, the system combines payments for the different segments for a payee in a unique line in the file. **Note:** Regardless of whether you select this check box, the banking process splits lines related to different accounts.
Maximum Amount	Enter the amount at which the system excludes a transfer from the banking file. Any transfers exceeding this amount also generate a message in the banking process log.
Maximum Amount National	Enter the amount at which transfers to national bank accounts are excluded or split. If you select *Exclude* in the corresponding **Action** field, the system excludes from the banking file any national bank transfers that exceed the value in the **Maximum Amount National** field. If you select *Split* in the corresponding **Action** field, the system splits the amount of national bank transfers that exceed the value in the **Maximum Amount National** field into separate lines in the banking file that follow the line for the maximum national amount.
Maximum Amount Foreign	Enter the amount at which transfers to foreign bank accounts are excluded or split. If you select *Exclude* in the corresponding **Action** field, the system excludes from the banking file any foreign bank transfers that exceed the value in the **Maximum Amount Foreign** field. If you select *Split* in the corresponding **Action** field, the system splits the amount of foreign bank transfers that exceed the value in the **Maximum Amount Foreign** field into separate lines in the banking file that follow the line for the maximum foreign amount.

Field or Control	Description
Minimum Amount Special	Enter the amount above which transfers are included in the special block of the banking file or excluded from the banking file. If you select *Include* in the corresponding **Action** field, the system includes transfers that exceed the amount in the **Minimum Amount Special** field in the special block of the banking file. If you select *Exclude* in the corresponding **Action** field, the system excludes from the banking file any transfers that exceed the value in the **Minimum Amount Special** field. **Note:** If you select *Exclude,* in the **Minimum Amount Special** field, you will probably need to create a second banking file definition to manage large transfers separately from the rest.
Suffix	Enter the values of positions 14, 15, and 16 in the banking file codes.
Booklet Version	Enter the version of the notebook following this logic. The format is: • First two digits are the number of the booklet. • Following three digits identify the version of the booklet. • Last digit is a control digit.
Header Operation Code	Enter the values of positions 3 and 4 of the header code.
Special Operation Code	Enter the values of positions 3 and 4 of the special code.
National Operation Code	Enter the values of positions 3 and 4 of the national code.
Foreign Operation Code	Enter the values of positions 3 and 4 of the foreign code.

Processing Banking

This topic provides an overview of the banking process and discusses how to create an EFT payment file for a bank.

Pages Used to Process Banking

Page Name	Definition Name	Usage
"Run Payment Prep Process Page" (PeopleSoft Global Payroll)	GP_PMT_PREPARE	Run the core Global Payroll Banking Process (GP_PMT_PREP) to prepare banking payments. This process populates the GP PAYMENT table with the data that you need to calculate and finalize the banking process. If you have an active setup in the Banking Country page, this process also prepares the data for the SEPA payments by using PeopleSoft Financial Gateway. System sends the generated SEPA payment details from PeopleSoft Global Payroll to PeopleSoft Financial Gateway, which then dispatches the payments to banks in compliance with SEPA rules and standards.
"Net Pay Page" (PeopleSoft Global Payroll)	GP_PMT_NP_VIEW	For employee net pay, view the payment status, the amounts that are going to be paid, and which payments are to be excluded.
"Deductions Page" (PeopleSoft Global Payroll)	GP_PMT_DED_VIEW	For deductions, view the payment status, the amounts that are going to be paid, and which payments are to be excluded.
Create EFT Payment File ESP Page	GPES_RC_BNK5	Create a flat output file to send to the bank. This EFT payment file contains the payment details for each employee. It is sent to the bank so that funds can be transferred to employees' accounts. The file includes the employee name, beneficiary name, date, and amount of payment. At the end of this process, the system updates the GP_PAYMENT table by setting field PMT_STATUS from *F* (finalized) to *T* (transferred). Before using this page, first run the Global Payroll Banking Process (GP_PMT_PREP) in the core application.

Related Links

"Sending Payments to PeopleSoft Financial Gateway" (PeopleSoft Global Payroll)

Understanding the Banking Process

To perform the banking process for PeopleSoft Global Payroll for Spain, you must:

1. Finalize the payroll run on the Calculate Absence and Payroll page.

   This provides the data for the banking process.

2. Run the core Global Payroll Banking Process (GP_PMT_PREP) on the Run Payment Prep Process page to prepare banking payments.

   The system populates the GP PAYMENT output table and sets the GP status to *P* (prepared).

   The GP PAYMENT table contains one entry for every net pay distribution from every payment included in a given calendar run. The GP PAYMENT table provides the basis on which a company pays its payees.

3. Finalize the core Global Payroll Banking Process (GP_PMT_PREP) on the Calculate Absence and Payroll page.

   The process sets the payment status for the selected payees to *F* (finalized) in GP PAYMENT.

4. Run the EFT generation process for Spain on the Create EFT Payment File ESP page to create a flat file to send to the bank.

   The EFT generation process (GPESBNK5) selects the payees with a payment status of *F* (finalized) from GP PAYMENT and generates the flat file containing the transfers to be made. At the end of this process, the system sets the GP status to *T* (transferred).

   Note: If you select the **Rerun Indicator** check box on the Create EFT Payment File ESP page, the EFT generation process includes payments with a status of *T*.

Transfer Types

During the EFT generation process, the system categorizes each transfer to determine the block of the banking file in which it should be placed. The value of the **Country Code** field on the Maintain Bank Accounts page determines whether transfers for payees are national or international. The Taxes Calculation field on the Transnational Mobility page determines whether transfers for payees are for residents or nonresidents.

Related Links
"Entering Bank Account Information" (PeopleSoft Human Resources Administer Workforce)
Transnational Mobility Page

Create EFT Payment File ESP Page

Use the Create EFT Payment File ESP (create electronic file transfer payment file) page (GPES_RC_BNK5) to create a flat output file to send to the bank.
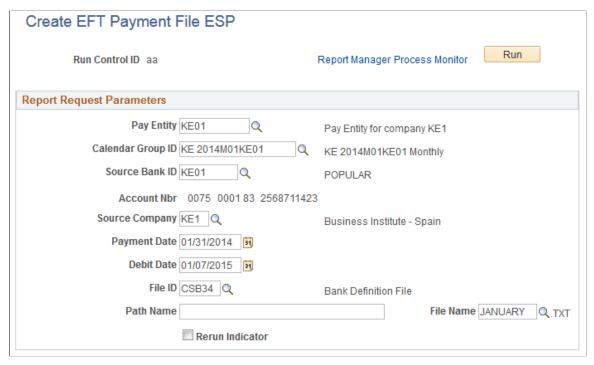
This EFT payment file contains the payment details for each employee. It is sent to the bank so that funds can be transferred to employees' accounts. The file includes the employee name, beneficiary name, date,

and amount of payment. At the end of this process, the system updates the GP_PAYMENT table by setting field PMT_STATUS from F (finalized) to T (transferred).

Navigation:

Global Payroll & Absence Mgmt > **Payment Processing** > **Create Payment File ESP** > **Create EFT Payment File ESP**

This example illustrates the fields and controls on the Create EFT Payment File ESP page. You can find definitions for the fields and controls later on this page.

Field or Control	Description
Pay Entity	Enter the pay entity.
Calendar Group ID	Select the calendar group for the payroll run.
Source Bank ID	Displays the ID of the source bank from which the payments are withdrawn.
Account Nbr	Displays the bank account number for the source bank.
Source Company	A Calendar Group could have employees who belong to different companies. You can use this field to select the company that should be printed as the applicant / source of transfer. **Note:** System does not validate to check if the Source Bank Account belongs to the Source Company.

Field or Control	Description
Payment Date	Enter the date of the bank file generation.
Debit Date	Enter the date on which the bank debits the transfers.
File ID	Select the ID of the banking file you want to use for the EFT file. You define banking files on the Define Bank File ESP page.
Path Name	Enter the directory to which you want the EFT file saved.
File Name	Enter a name for the EFT file. The system adds the company code and source bank ID to the name you specify and saves the file in text (.txt) format.
Rerun Indicator	Select to re-create the EFT file for payments that were already transferred.

Related Links
Define Bank File ESP Page

Running Banking Reports

This topic lists the pages used to run banking reports provided by PeopleSoft Global Payroll for Spain.

Pages Used to Run the Banking Reports

Page Name	Definition Name	Usage
Missing Bank Account Rpt ESP	GPES_RC_BNK1	Run the Missing Bank Account report (GPESBNK1), which lists those employees who have no bank account in the system. You can run the report for a selected pay entity or pay group.
Payee Bank Account Report ESP	GPES_RC_BNK2	Run the Payee Bank Account report (GPESBNK2) that lists employees and their bank accounts for a selected pay entity or pay group.
Net Payment Report ESP	GPES_RC_BNK3	Run the Net Payment report (GPESBNK3) that lists all of the transfers with a payment date between the dates selected.

Page Name	Definition Name	Usage
Pending Net Payment Report ESP	GPES_RC_BNK4	Run the Pending Net Payment report (GPESBNK4) that lists all of the pending transfers from a selected date or transfers that were pending between two selected dates.
Bank File Creation Log ESP	GPES_RC_BNK6	Run the Bank File Creation Log report (GPESBNK6) that lists all of the exclusions and splits that occurred during bank file creation. The report also lists the reason for each exclusion. While running this report, select the Run control ID and the Process instance that corresponds to the banking file execution you want to analyze.

Processing SEPA Payments for Spain

PeopleSoft Global Payroll for Spain enables you to process payments using the Single Euro Payment Area (SEPA) formats and standards through an integration with PeopleSoft Financial Gateway. If you process payments using SEPA, you must set up and process banking using a different set of steps.

This topic discusses how to:

- Set up SEPA processing.

- Process SEPA payments.

- Send SEPA payments to PeopleSoft Financial Gateway.

Setting Up SEPA Processing

Before you can process SEPA payments using Global Payroll for Spain, in addition to the normal banking setup you must:

1. Ensure that an active SEPA application package is defined for Spain on the Banking Country Setup page.

2. Ensure that a SEPA SQL statement is defined for Spain on the Banking Preparation Definition page.

3. Define payment process settings on the Installation Settings page.

4. Set up Integration Broker for both Global Payroll for Spain and Financial Gateway.

5. Set up banks for Spain in your PeopleSoft Financials system.

Related Links
"Setting Up Country-Specific Banking Processing" (PeopleSoft Global Payroll)

Processing SEPA Payments

You process payments for SEPA using the same Global Payroll Banking Process (GP_PMT_PREP) that you use for non-SEPA banking. When a row of data exists for Spain on the Banking Country Setup component, however, GP_PMT_PREP executes SEPA logic.

Global Payroll for Spain uses the delivered CORE_BANK:SQL application package to process SEPA payments. The system references the banking preparation definition for Spain and for each defined sequence processes the SEPA SQL statement using the country, calendar run ID, and employee ID range selected on the Run Payment Prep Process run control page. The system loads the results into the GP_PAYMENT_FG record.

Note: This new SEPA logic supersedes the country-specific processes that you would normally run in PeopleSoft Global Payroll for Spain for non-SEPA banking. Therefore, when processing SEPA payments for Spain, you do not have to run the EFT generation process (GPESBNK5).

Delivered Sequences

PeopleSoft Global Payroll for Spain delivers two Banking Preparation Definition sequences. They are:

• Employee SEPA

• Recipient SEPA

Related Links

"Country-Specific Processing" (PeopleSoft Global Payroll)

Sending SEPA Payments to PeopleSoft Financial Gateway

You send generated SEPA payment details from PeopleSoft Global Payroll for Spain to PeopleSoft Financial Gateway. Financial Gateway then dispatches the payments to banks in compliance with SEPA rules and standards. You send SEPA payments to PeopleSoft Financial Gateway using the Payment File Generation page. This page enables you to:

• Identify the rows of GP_PAYMENT_FG that are to be prepared to be sent to Financial Gateway.

• Insert the prepared payment rows into staging tables and publish them to Financial Gateway through Integration Broker using the PAYMENT_REQUEST message.

• Generate Oracle Business Intelligent Publisher (BI Publisher or BIP) reports.

Related Links

"Sending Payments to PeopleSoft Financial Gateway" (PeopleSoft Global Payroll)

Chapter 24

Setting Up Garnishments

Understanding Garnishments

This topic discusses:

- Garnishments in Spain.

- Delivered garnishment deductions.

Garnishments in Spain

When a payee owes money to a third party for court-ordered obligations, such as child support, the employer might be required to deduct part of what is owed before the payee receives payment. The court order establishes the amount of the deduction and how it is deducted from a payee's salary. The deduction, known as a garnishment, is taken every month, according to the Ley de Enjuiciamiento Civil, articles 607 and 608. Article 607 pertains to garnishments to be applied to income received due work. It requires that the size of the deduction depend on a payee's earnings and the number of dependents, and establishes a guaranteed net. Article 608 pertains to alimonies (spouse or child support) that can be deducted directly from the net.

The size of the deduction depends on the payee's earnings and the number of dependents.

Use the Assign Court Order ESP (GPES_GRN_DATA) component to assign garnishment deductions to a payees.

See Assigning Court-Ordered Garnishments.

Delivered Garnishment Deductions

This table lists the delivered garnishment deductions:

Garnishment Deduction	Description
RETJ JUDCL	This deduction represents an amount, ordered by court, to be paid for any cause except child support (RETJ ALIM) or spousal support (RETJ CNYG).
RETJ CNYG	This deduction represents an amount, ordered by court, to be paid to a former spouse after a divorce settlement. This deduction affects the calculation of the tax withholding percentage and the net calculation.

Garnishment Deduction	Description
RETJ ALIM	This deduction represents an amount, ordered by court, to be paid for child support. This deduction affects the calculation of the tax withholding percentage and the net calculation.
RETJ CNYG ND	This deduction represents an amount, ordered by court, that is paid (outside of payroll) to a former spouse after a divorce settlement. This deduction affects only the calculation of the tax withholding percentage. Use this deduction instead of the RETJ CNYG deduction when you do not want to discount the deduction from the net but still want to enter the deduction so that it affects tax calculations.
RETJ ALIM ND	This deduction represents an amount, ordered by court, that is being paid (outside of payroll) for child support. This deduction affects only the calculation of the tax withholding percentage. Use this deduction instead of the RETJ ALIM deduction when you do not want to discount the deduction from the net but still want to enter the deduction so that it affects tax calculations.

PeopleSoft Global Payroll for Spain enables you to enter more than one court-ordered garnishment for the same payee with overlapping timeframes. In this case, the system applies the garnishments in a specific order:

1. The system applies any alimony established by the court.

2. The system applies any other types of garnishments in the order determined by the Priority Number field on the Assign Court Order page.

3. If a payee has multiple garnishments with the same priority, the system applies first in, first out logic and deducts the oldest garnishments first.

You can always stop or cancel a court order by entering a value in the End Date field on the Assign Court Order page.

In the case of correction calculation producing a garnishment amount smaller the originally calculated amount, the requirement is to not recalculated the garnishment deductions, as this would produce a negative amount to be transfer, which is not possible. Instead, in that case the requirement is to resolve the garnishments with the previously calculated amounts (which is the behavior in case of normal retroactivity calculation) The system behavior regarding correction calculation, can be customized using the setup variable: CLI VR RECAL REJ.

Possible values of this variable are:

• A: 'Always'.- System will run recalculation of garnishments always in case of corrections.

• N: 'Never'.- System will not run recalculation of garnishments in case of correction calculations, instead previous calculated value will be used.

- C: 'Conditioned'.- System will recalculate garnishments in case of corrections if the recalculated available net is higher than the originally calculated one. If the recalculated available net is equal or smaller than the originally calculated value then system will not recalculate garnishments, instead previous calculated value will be used.

Note: The PeopleSoft system delivers a query that you can run to view the names of all delivered elements designed for Spain. Instructions for running the query are provided in PeopleSoft Global Payroll product documentation.

Related Links

Assign Court Order Page

"Understanding How to View Delivered Elements" (PeopleSoft Global Payroll)

"Understanding Earning and Deduction Elements" (PeopleSoft Global Payroll)

"Segmentation Triggers with Earning and Deduction Assignments" (PeopleSoft Global Payroll)

Assigning Court-Ordered Garnishments

This topic discusses how to:

- Add court order assignments.
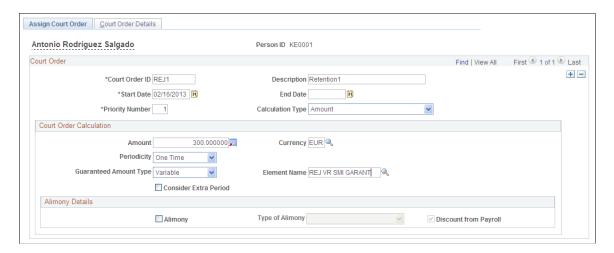
- Define court order details.

Assign Court Order Page

Use the Assign Court Order page (GPES_GRN_DATA) to add court order assignments.

Navigation:

Global Payroll & Absence Mgmt > **Payee Data** > **Garnishments/Court orders** > **Assign Court Order ESP** > **Assign Court Order**

This example illustrates the fields and controls on the Assign Court Order page. You can find definitions for the fields and controls later on this page.

Court Order

Field or Control	Description
Court Order ID	Enter the unique code for the court order. This is the user key that the system uses for accumulators that determine the recovered amount and pending amount to deduct.
Description	Enter a description of the court order.
Start Date	Enter the date on which the court order takes effect.
End Date	Enter the date to stop the court order.
Priority Number	Set the priority for the garnishment. If more than one court order is assigned to a payee, the priority numbers determine the order in which they are calculated. The lower the priority number, the higher priority the court order has.
Calculation Type	Select the method by which the system calculates the court order. Values are: *Amount:* Select to calculate the court order as a fixed amount that can be deducted either one time only or once per month between the start date and end date. *Based on Ranges of SMI* (based on ranges of salario minimo interprofesional): Select to calculate the court order as a fixed amount to be deducted as soon as possible, but with respect to article 607 of *Ley de Enjuiciamiento Civil.*. For more information see the section 'Calculation based on Ranges of SMI' below. *Percentage:* Select to calculate the court order as a percentage of a specific element. *Other:* Select to calculate the court order using a set of rules that you define. **Note:** The value that you select in this field affects the fields and group boxes that are available on the rest of the Assign Court Order page.

Court Order Calculation

Use the fields in this group box to define how the system calculates the court order.

Note: The fields that are available in this group box depend on the value that you select in the **Calculation Type** field.

Field or Control	Description
Amount	Enter the monetary amount of the court order.
Currency Code	Enter the currency of the amount.
Percentage	Enter the percentage that the system applies to the specified base element to determine the amount of the court order deduction.
Base Element Type	Enter the type of element that the system uses for the base amount when applying the value you enter in the Percentage field. Values are: *Accumulator, Earnings, Formula,* and *Variable.*
Element Name	Enter the element that the system uses for the base amount for the court order.
Amount Type	Select *Formula* to specify the type of element that the system uses to calculate the court order amount.
Element Name	Enter the formula that the system uses to calculate the court order amount.
Guaranteed Amount Type	Select the type of element the system uses to determine a guaranteed minimum net amount. Values are: *Accumulator, Formula,* and *Variable.*
Element Name	Enter the element that determines the guaranteed minimum net amount for the court order. For example, if the court order guaranteed the salario minimo interprofesional (SMI), you could enter the variable REJ VR SMI GARANT in this field because it represents the SMI for payees.

| Field or Control	Description
Periodicity	Enter the frequency of the court order deduction. Values are: *One time:* Select to deduct the court order amount only once. If you select this value, the system does not calculate the garnishment after the date you enter in the **End Date** field. *Recurrent:* Select to deduct the court order amount monthly between the start date and end date. If you select this value, the system stops deducting the garnishment amount after the date you enter in the **End Date** field. The system might still calculate the deduction for an unrecovered amount that corresponds to a previous month.
Consider Extra Period	Select to include the court order in extra period processing.
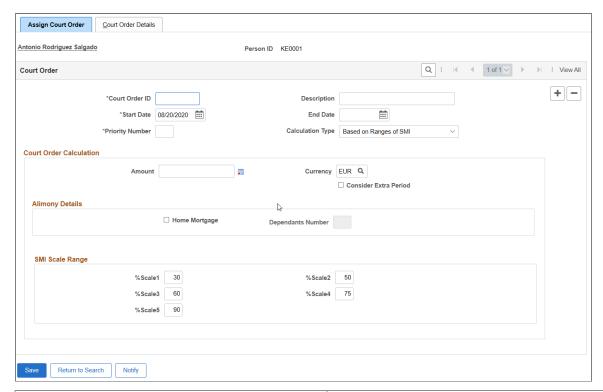
Alimony Details

Field or Control	Description
Alimony	Select to designate the court order as a pension for a spouse or children. This means that the deducted amount with affect the payee's tax calculation because it reduces the payee's withholding percentage.
Type of Alimony	Specify whether the alimony if for *Spouse Support* or *Children Support.*
Discount from Payroll	Select to indicate that the court order is managed by the payee outside the PeopleSoft Global Payroll for Spain system. **Note:** If you do not select this check box, the system does not perform net validation on the court order.

Calculation based on Ranges of SMI

Assign Court Order page when 'Based on Ranges of SMI' is selected as the calculation type.

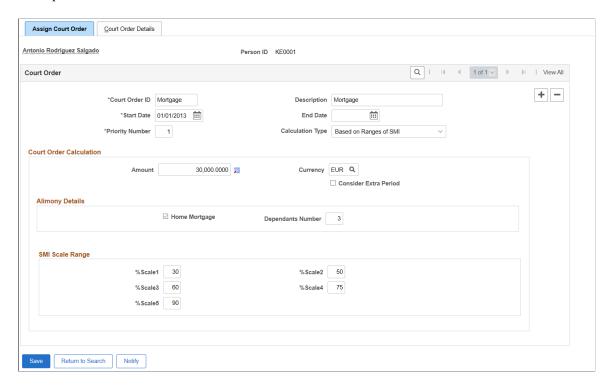| Field or Control	Description
Home Mortgage	Click this check box to identify the court order source as home mortgage seizure.
Dependants Number	Enter the number of dependant without incomes to be considered for the calculation of the minimum guaranteed net. **Note:** This field is enabled only when you select Home Mortgage checkbox.
SMI Scale Range	Use the %Scale1 through %Scale5 fields to enter the percentages that the system applies to the five ranges of SMI. The system populates these fields with default regulatory values. You can reduce the values, but only by 10-15%. **Note:** The SMI Scale Range group box appears only if you select the Based on Ranges of SMI value in the Calculation Type field.

Example

Employee KEG001 has been affected by a court order of 30.000 Euros due a Home mortgage seizure. He has 3 dependants without incomes: spouse and 2 children. Payroll user will enter following court order in the system:
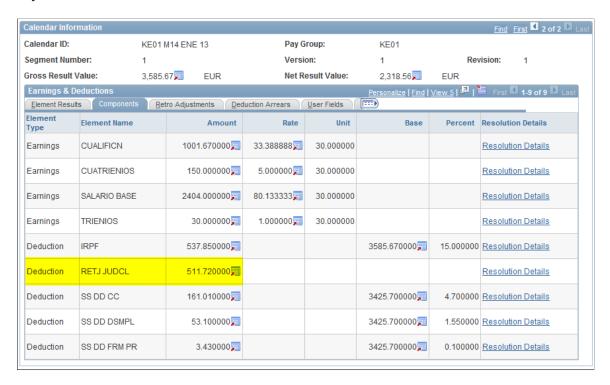
Example

January payroll would produce following results:

Payroll Results

See how system performs the calculation of the garnishment deduction:
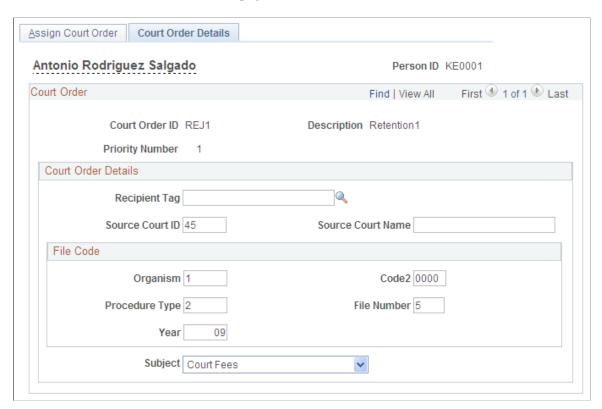
Calculation of the garnishment deduction

Court Order Details Page

Use the Court Order Details page (GPES_GRN_CRTORDDTL) to define court order details.

Navigation:

Global Payroll & Absence Mgmt > **Payee Data** > **Garnishments/Court orders** > **Assign Court Order ESP** > **Court Order Details**

This example illustrates the fields and controls on the Court Order Details page. You can find definitions for the fields and controls later on this page.

Court Order Details

Field or Control	Description
Recipient Tag	Select the ID of the recipient of the court order deduction. Only recipients assigned to the employee are available to select in this field. See "Add Deduction Recipients Page" (PeopleSoft Global Payroll).
Source Court ID and Source Court Name	Enter the ID and name of the court that issued the court order.
Subject	Select a reason for the court order.

File Code

Use the fields in this group box to define the values of the different sections of the court order file code. The file code ensures that banking files that include this court order are transferred to the correct judicial body.

Chapter 25

PeopleSoft Global Payroll for Spain Reports

PeopleSoft Global Payroll for Spain Reports: A to Z

The table in this topic lists the Global Payroll for Spain reports, sorted by report ID.

For more information about running these reports, refer to:

- The corresponding topic in this product documentation.

- *PeopleTools: Process Scheduler*

- *PeopleTools: BI Publisher for PeopleSoft*

- *PeopleTools: SQR Language Reference for PeopleSoft*

For samples of these reports, see the Report Samples that are published with this online documentation.

Report ID and Report Name	Description	Navigation	Run Control Page
GPES_TAX_111 111/110 Model File	Generates the Model 111 or Model 110 report. Model 111 is generated monthly and Model 110 is generated quarterly.	**Global Payroll & Absence Mgmt** > **Taxes** > **Create 111/110 Model File ESP** > **Create 111/110 Model File**	GPES_RC_TAX_111
GPES_TAX_216 Create 216 Model File ESP	Provides a summary of the monthly or quarterly IRNR nonresident income tax data.	**Global Payroll & Absence Mgmt** > **Taxes** > **Create 216 Model File ESP** > **Create 216 Model File ESP**	GPES_RC_TAX_216
GPES_TAX_190 190 Model Generation	Provides an annual summary of taxes for each employee.	**Global Payroll & Absence Mgmt** > **Year-End Processing** > **Create 190 Model File ESP** > **Create 190 Model File ESP**	GPES_RC_TAX_190
GPES_TAX_296 GPES_TAX_296	Provides a summary of the annual IRNR nonresident income tax data.	**Global Payroll & Absence Mgmt** > **Year-End Processing** > **Create 296 Model File ESP** > **Create 296 Model File**	GPES_RC_TAX_190

Report ID and Report Name	Description	Navigation	Run Control Page
GPES_TAX_345 345 Model	Contains all of the pension plan contribution data pertaining to a selected fiscal territory and calendar year for all employees with collective pension plans when the company is the promoter of the pension plan.	**Global Payroll & Absence Mgmt** > **Year-End Processing** > **Create 345 Model File ESP** > **Create 345 Model File ESP**	GPES_RC_TAX_345
GPES_SS_TC2 TC2 File Generation	Provides a list of employees included in an employer Social Security number with their respective Social Security bases, contributions, benefits to refund, reductions, and discounts.	**Global Payroll & Absence Mgmt** > **Social Security / Insurance** > **Create FAN File ESP** > **Create FAN File ESP**	GPES_RC_SS_TC2
GPESBNK1 Missing Bank Accounts	Lists employees who have no bank account in the system. You can run the report for a selected pay entity or pay group.	**Global Payroll & Absence Mgmt** > **Payment Processing** > **Missing Bank Account ESP** > **Missing Bank Account Rpt ESP**	GPES_RC_BNK1
GPESBNK2 Payee Bank Account	Lists employees and their bank accounts. You can run the report for a selected pay entity or pay group.	**Global Payroll & Absence Mgmt** > **Payment Processing** > **Payee Bank Account Report ESP** > **Payee Bank Account Report ESP**	GPES_RC_BNK2
GPESBNK3 Net Payment	Lists all of the transfers with a payment date between the dates selected.	**Global Payroll & Absence Mgmt** > **Payment Processing** > **Net Payment Report ESP** > **Net Payment Report ESP**	GPES_RC_BNK3
GPESBNK4 Pending Net Payment	Lists all of the pending transfers from a selected date or transfers that were pending between two selected dates.	**Global Payroll & Absence Mgmt** > **Payment Processing** > **Pending Net Payment Report ESP** > **Pending Net Payment Report ESP**	GPES_RC_BNK4
GPESBNK5 Bank File Generator	Creates the EFT file for the banking process.	**Global Payroll & Absence Mgmt** > **Payment Processing** > **Create Payment File ESP** > **Create EFT Payment File ESP**	GPES_RC_BNK5

Report ID and Report Name	Description	Navigation	Run Control Page
GPESFNQ1 Company Certificate	Termination report: Reflects the monthly social security contributions for the last 180 days. Used by the government unemployment office to calculate the unemployment benefit.	**Global Payroll & Absence Mgmt** > **Termination Processing** > **Company Certificate Report ESP** > **Company Certificate Report**	GPES_RC_FNQ1
GPESFNQ2 Release Model	Termination report: Generates a release document for the employees listed.	**Global Payroll & Absence Mgmt** > **Termination Processing** > **Create Termination Letters ESP** > **Create Termination Letters ESP**	GPES_RC_FNQ2
GPESTAX1 Annual Deduction Report	Contains annual tax deduction information for resident and nonresident employees.	**Global Payroll & Absence Mgmt** > **Year-End Processing** > **Tax Deductions Report ESP** > **Tax Deductions Report ESP**	GPES_RC_TAX_10T
GPESPSLP Payslip Preparation and Report	Prints a payslip summary for each employee selected.	**Global Payroll & Absence Mgmt** > **Payslips** > **Print Payslips ESP**	GPES_RC_PAYSLIP
GPESSS01 TC1 Report	Prints a summary of the monthly social security contribution for each employer social security number.	**Global Payroll & Absence Mgmt** > **Social Security / Insurance** > **TC1 Report ESP** > **TC1 Report ESP**	GPES_RC_SS1
GPESTAX2 IRPF Percentage Comparison	Contains data to identify and validate changes in IRPF withholding percentages for payees in a selected company, pay entity, or other grouping. You can then determine whether these changes are justified or adjustments are needed.	**Global Payroll & Absence Mgmt** > **Absence and Payroll Processing** > **Reports** > **IRPF Comparison ESP** > **IRPF Comparison ESP**	GPES_COMPARE_IRPF
GPES_FDI FDI File	A text file with an FDI extension that contains the FDI medical report data to transmit to Social Security.	**Global Payroll & Absence Mgmt** > **Social Security / Insurance** > **Create FDI File ESP** > **Create FDI File ESP**	GPES_FDI_FILE