Oracle Human Resources Cloud

How do I configure calculation cards for Ireland?

Oracle Human Resources Cloud
How do I configure calculation cards for Ireland?

G26301-01

Author: Srividya Balasubramanain

Contents

Get Help

There are a number of ways to learn more about your product and interact with Oracle and other users.

Get Help in the Applications

Some application pages have help icons to give you access to contextual help. If you don't see any help icons on your page, click your user image or name in the global header and select Show Help Icons. If the page has contextual help, help icons will appear.

Get Support

You can get support at *My Oracle Support*. For accessible support, visit *Oracle Accessibility Learning and Support*.

Get Training

Increase your knowledge of Oracle Cloud by taking courses at *Oracle University*.

Join Our Community

Use *Cloud Customer Connect* to get information from industry experts at Oracle and in the partner community. You can join forums to connect with other customers, post questions, suggest *ideas* for product enhancements, and watch events.

Learn About Accessibility

For information about Oracle's commitment to accessibility, visit the *Oracle Accessibility Program*. Videos included in this guide are provided as a media alternative for text-based topics also available in this guide.

Share Your Feedback

We welcome your feedback about Oracle Applications user assistance. If you need clarification, find an error, or just want to tell us what you found helpful, we'd like to hear from you.

You can email your feedback to *oracle_fusion_applications_help_ww_grp@oracle.com*.

Thanks for helping us improve our user assistance!

1 Overview of Calculation Cards at Different Levels

You can create and manage calculation cards at several different levels, from an individual person to a payroll statutory unit.

At the payroll relationship level, there's a predefined Statutory Deductions calculation card.

Use the cards to record information specific to a person or organization. Calculation card entries override default values defined at other levels.

Here's the priority of information, from the highest to the lowest:

1. Personal calculation card (payroll relationship level)
2. Tax reporting unit calculation card
3. Payroll statutory unit calculation card
4. Calculation value definitions (legislative data group level)

Personal Calculation Card

Scenario: An employee has a Class assigned to their Pay Related Social Insurance calculation component. You can override the payroll calculated Subclass by populating field ‘Overridden Subclass’ on the Statutory Deductions calculation card.

> **Note:** **My Client Groups** > **Payroll** > **Calculation Cards**

Tax Reporting Unit Calculation Card

Scenario: By default, an employee’s insurable weeks will be calculated during the payroll run by referencing the number of contribution weeks in the pay period. Add a customer unique formula to field ‘Insurable Weeks Formula’ on the Organization Statutory Deductions calculation card to derive the number of weeks by referencing time card entries instead.

> **Note:** **My Enterprise** > **Setup and Maintenance** > **Workforce Deployment** > **Legal Entity Calculation Cards**

Payroll Statutory Unit Calculation Card

Scenario: A tax agent operates on behalf of all employees in a payroll statutory unit (PSU). Enter their identification number in the ‘Agent TAIN’ field on the Organization Statutory Deductions calculation card.

> **Note:** **My Enterprise** > **Setup and Maintenance** > **Workforce Deployment** > **Legal Reporting Unit Calculation Cards**

Calculation Value Definitions

Scenario: You can view the predefined income tax rates, but you can't edit them.

If an employee has special tax rates, enter these values on the Statutory Deductions calculation card in Payroll.

> **Note:** **My Enterprise** > **Setup and Maintenance** > **Workforce Deployment** > **Payroll** > **Calculation Value Definitions**

2 Calculation Cards and Calculation Value Definitions

Automatic Calculation Card Creation

The new hire process automatically creates a **Statutory Deductions** calculation card for each new employee.

> **Note:** You need to have created an element eligibility record for the predefined statutory deduction elements such as **Taxes and Social Insurance** before you hire an employee. For more information, see *Create Element Eligibility for Ireland*

You can specify the default values to use for a specific tax reporting unit (TRU) or payroll statutory unit (PSU). Use the Legal Entity Calculation Cards task to set PSU-level default values.

Use the Legal Reporting Unit Calculation Cards task to set TRU-level default values.

> **Note: My Client Groups->Payroll->Calculation Cards**

Use the Calculations task to view and update the automatically created calculation card as needed.

Automatic calculation card creation occurs only when you hire an employee, not a pending worker or nonworker. Converting a pending worker to an employee creates the calculation cards at that time.

Create a PSU or TRU Statutory Deductions Calculation Card

Organization calculation cards exist at both the payroll statutory unit (PSU) and tax reporting unit (TRU) levels.

Before you start

You create an organization calculation card at the payroll statutory unit (PSU) level so that the data you enter applies to all tax reporting units (TRU) attached to the PSU. You need to decide which type of calculation card to create at the organization level.

> **Note: My Enterprise->Setup and Maintenance->Workforce Deployment->Legal Entity Calculation Cards My Enterprise->Setup and Maintenance->Workforce Deployment->Legal Reporting Unit Calculation Cards**

Here's what to do

1. Start the calculation cards task for a PSU or a TRU using the navigation from your implementation project.
2. Create the calculation card.

3. Provide the effective date and select **Organization Statutory Deductions** and continue.
4. Select the Social Insurance component group to add PRSI default information.
5. Create a calculation component and component details for PRSI Information
6. In the PRSI Information component details, select the formula for Insurable Weeks you create earlier.

Rule	Description
Insurable Weeks Formula	You can define one or more formulas for the insurable weeks calculation method. When you create the formula, you must prefix the formula name with **IWF** to make it available in the list of values for selection in the list of values for this field. Using the formula, the application can automatically calculate this value by referencing time card entries. To apply the formula at the organization level, you need to select it here.

7. Select the Taxes component group to specify tax details.
8. Create a calculation component and component details for Tax Information
9. In the Tax Information component details, provide the values for fields as required.

Rule	Description
Disable automatic new starter creation	When a new starter is created, the Statutory Deductions calculation card is automatically created, along with the association to the TRU and assignment. At the organization-level, you can disable new starter creation, and this disables the automatic creation of the Statutory Deductions calculation card.
Agent TAIN	Provide the 6-alphanumeric character tax adviser identification. This only applies where submission is filed by an agent on behalf of the organization.
ROS Digital Certificate UCM Content ID	Add the UCM ID of the ROS Certificate
ROS Digital Certificate UCM Authentication Value	Add the ROS Certificate password

10. Save and close the record.

Create or Manage Employee Statutory Deductions Calculation Card

Typically, calculation cards are created automatically as part of the new hire process. However, you can create a calculation for an employee, if required

Before you start

Complete these tasks before you create a statutory deductions card manually.

1. Complete the new hire process for the employee.
2. Ensure that the employee has a payroll relationship and assigned to a payroll.

> **Note: My Client Groups->Payroll->Calculation Cards**

Here's what to do

1. Search for and select the employee
2. Select the Statutory Deductions calculation card for the employee. If no calculation card, you can create one now.

   The calculation card contains these components and component details:
   a. Social Insurance
   b. Taxes
3. In the Social Insurance component group, these components are automatically created.
   - Pay Related Social Insurance component with the employer reference, component effective start date, and calculation component details:

     Social insurance component group fields

Pay Related Social Insurance	Description
RPN Number	A reference number shared with the employer to reference the employee's RPN information.
RPN Issue Date	Date when the RPN was issued
Start Date	First date on which RPN applies
End Date	Last date of the current tax year (default)
Information Source	Revenue Payroll Notification
PRSI Class	A (default contribution class)
Overridden Subclass	Select a Subclass to override the value identify by the payroll process

Pay Related Social Insurance	Description
State Pension Contributory	Set this field to Yes if the employee is drawing down their state pension contributory.

- Universal Social Charge component with the employer reference, component effective start and end dates, and calculation component details:

USC component group fields

Universal Social Charge	Description
RPN Number	A reference number shared with the employer to reference the employee's RPN information.
RPN Issue Date	Date when the RPN was issued
Start Date	First date on which RPN applies
End Date	Last date of the current tax year (default)
Information Source	Revenue Payroll Notification
USC Status	The default value is Ordinary. Select Exempt for an employee with an exemption order.
USC Pay to Date Previous Employment	Employee's pay that's applicable for USC calculation
USC Deducted to Date Previous Employment	USC paid in previous employment
USC Rate 1 Percent	First tax rate of USC
Yearly USC Rate 1 Cutoff	First Income band upper limit
USC Rate 2 Percent	Second tax rate of USC
Yearly USC Rate 2 Cutoff	Second income band upper limit
USC Rate 3 Percent	Third tax rate of USC
Yearly USC Rate 3 Cutoff	Third income band upper limit
USC Rate 4 Percent	Fourth tax rate of USC
Yearly USC Rate 4 Cutoff	Fourth income band upper limit

4. You can create other calculation components for Social Insurance as described below, if required. Select the calculation component and parent component.

Other calculation components

Calculation Component	Description
Extra Employment Details	Specify whether community employment applies to the employee. Or you can specify if the employee is a proprietary or non-proprietary director.
Insurable Weeks Regular Override	Override the number contributory weeks for a given pay period. You can specify the period using the effective start and end dates. If you've specified the Insurable Weeks formula in the Organization Statutory Deductions card, this overrides that value. To override insurable weeks for only one period, then attach an **Override Insurable Weeks** non-recurring element to the employee's record in the relevant pay period and ensure that a value is entered. For positive offset payrolls where the processing occurs outside the pay period being calculated, ensure that the override element is effective in the processing pay period rather than the calculation pay period.
PRSI Exemption	Indicate an employee's exemption from paying PRSI and the exemption reason. You can use the effective start and end dates to specify the period.

5. In the Taxes component group, the Pay As You Earn component with effective start date, employer reference, and component details are automatically created.

Pay as you earn component group fields

Pay As You Earn	Description
RPN Number	A reference number shared with the employer to reference the employee's RPN information.
RPN Issue Date	Date when the RPN was issued
Start Date	First date on which RPN applies
End Date	Last date of the current tax year (default)
Information Source	Revenue Payroll Notification
Tax Basis	The default tax basis is Emergency. Cumulative, Emergency, Week1
PAYE Pay to Date Previous Employment	Employee's pay that's applicable for PAYE calculation
PAYE Tax to Date Previous Employment	Tax paid in previous employment
Yearly Tax Credit	Tax credit amount for the year

Pay As You Earn	Description
Tax Rate 1 Percent	Standard rate of tax
Yearly Rate 1 Cutoff	Standard rate cut off point
Tax Rate 2 Percent	Higher rate of tax

6. You can create other calculation components for **Taxes** as described below, if required. Select the calculation component and parent component.

Other calculation components for taxes

Calculation Component	Description
Exclusion Order	Specify that an exclusion order exists for this employee and enter the start and end dates. An RPN won't be available where there's a PAYE Exclusion Order for an employee.
Legacy Information	Specify a legacy employer reference.
Local Property Tax	Specify the original amount of LPT as received from RPN response with the start and end dates for the deductions. The LPT amount is deducted evenly over the pay periods up to the end of the tax year. The deduction starts from the next pay period.
PAYE Additional Information	Specify the other emergency tax periods where the employee starts in the Emergency Weeks process. Select Shadow Payroll to indicate and manage tax obligations for an employee working abroad.

7. The Associations component group displays the tax reporting unit to which the automatically created calculation card is attached. If you're manually creating the calculation card, you need to create the association with the relevant tax reporting unit.
8. The calculation components are associated with the assignments. If the employee has more than one assignment, you can review the **Association Details** and make updates or corrections.
9. Save and close the record.

Calculation Value Definitions

A calculation value definition specifies how a value is provided or calculated.

The value isn't necessarily monetary. Typically, it's a flat amount or rate, but it could be a date or a text value, such as a tax code, depending on the calculation type. Some definitions hold the values in a table, so that different values apply to different employees.

For example, a graduated tax varies depending on the employee's earnings balance. The calculation value definition for this tax might contain two rows where you define the tax rate for:

- Earnings below €50,000
- Earnings above €50,000

A set of predefined calculation value definitions is provided to calculate statutory and involuntary deductions. You can't edit the predefined calculation value definitions.

In addition, when you create the following element types, the element template creates calculation value definitions based on your selections:

- Pensions
- Involuntary deductions
- Absences
- Time cards

Create or Edit Calculation Value Definitions

The element template creates calculation value definitions when you create elements with a certain category such as benefits, absences, and time card elements.

You can also create or edit calculation value definitions using the Calculation Value Definitions task in Payroll.

Value Definition Groups

The predefined set of standard value definition groups is available for you to categorize related calculation value definitions. You could create a new one or the predefined one.