



How to increment a variable that accumulates from one month to the next in Payroll Mauritius (travel funds, pension)

FAQEN121

Prerequisites : Medium knowledge Payroll Mauritius

V1.1

Objective

Some payroll elements are sometimes successive cumulations, it is useful to have a variable that is used to store an amount that auto-increments from one month to the next.

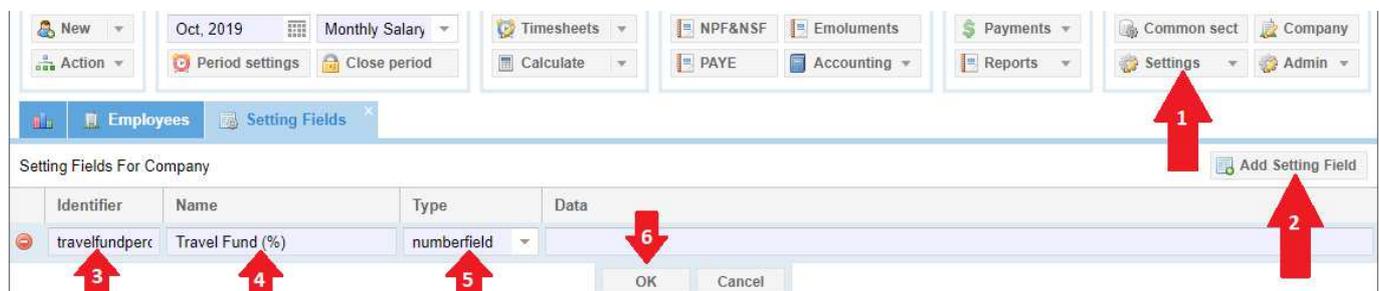
This variable can then be used to be included in a calculation (payment of a bonus, pension or travel fund, etc.).

How to do this ?

To elaborate on this, let us imagine that an Employee's contract stipulates that he has a "Travel Fund" (TF) allowing him to accumulate every month an equivalent of x% of his basic salary (the x% being variable from one Employee to another); this accumulated amount then allows the Employee to allocate a bonus to him to pay for an airline ticket (for example) if the fund thus constituted so allows.

First of all, it is necessary to create a configurable variable allowing, per Employee, to indicate the percentage of the Base Salary to which he will be entitled to cumulate: let us call this variable "travelfundpercent".

To do this, go to the 'Employer' section, then the [Settings][v] button and choose the "Settings Fields" option and click on the [Add Setting Field] button



Then enter :

- Identifier : travelfundpercent
- Name : Travel Fund (%)
- Type : Numberfiel

and end your entry with [OK].

Then let's add this field to the record of the employee(s) concerned.

To do this, enter the Employee's file (double click on his line in the "Employees" tab) then click on the "Private Settings" sub-tab then on the [Add Setting] button: select it in the Settings list and enter the percentage to which he is entitled: for example 7%



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Custom Setting

Validate

Setting: Travel Fund (%)

Value: 0.07

Start Date:

End Date:

Note: be careful not to enter the % character but the decimal amount $7/100=0.07$

then click on the [Validate] button to save the setting and again on [Save] to save the Employee's record.

Now work on the **travel fund and the cumulation that will be carried out month by month.**

To do this, create a common section by going to the 'Employer' section and clicking on the [Comon Sect.] button and then on the [Add Section] button; and choose for example sections 7200 and fill it in as follows :

Payroll Section

7200 : EPZ Scheme

Validate Section

Calculation Details Payroll groups

Use A Custom Different Display Title

Section Title: Cumulative Travel Fund

Start Date: End Date:

Basic: Adjust Wage Calculation: Calculate prorata

PAYE: Taxable Round: Nearest Rupee

Prepaid: Prepaid benefits

Employee Amounts Multiplier Fixed/Formula: s.previous.s7200_original+(e.travelfundpercent*p.basic) Value Fixed/Formula: 1

Employer Amounts Fixed/Formula: 0 Value Fixed/Formula: 1

Applies On Selected Months Only

IMPORTANT : since this section is an accumulation that should not appear on the Employee's pay slip, it should be indicated that it is a prepaid benefit : it will then not be visible on the Pay slip. It is also not taxable, it will be when paid to the Employee (this is only the accumulation month by month for the moment).



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The formula is interpreted as follows:

$$\text{s.previous.s7200_original} + (\text{e.travelfundpercent} * \text{p.basic})$$

s7200 : The section that will cumulate the travel fund is the one we are defining ; the section 7200 that will come from the calculation of the salary so s7200

_original : this suffix means that we will take over the Employee part of the payroll section (the Employer part would simply be s7200 without suffix)

s.previous. : this prefix means that we will take the value of the previous month (the value for the current month has no prefix and would simply be s7200)

=> So : **s.previous.s7200_original** : means that we will take over the value of the Employee part of payroll section 7200 from the previous month

+ : to which we will add

e.travelfundpercent : the percentage defined at the level of the employee record used in the field travelfundpercent

p.basic : of the Employee's basic salary

Thus, from month to month, payroll section 7200 will accumulate 7% of the Employee's Basic Salary. If the basic salary changes, the accumulation will then take into account the new basic salary from the month in which it is changed.

Note

If **Payroll Mauritius** is implemented during the year, it is likely that the travel fund will not start from zero. To do this, you can simply create an additional variable "amounttf" in the Employee form in which you will put the balance of the travel fund for the Employee; the formula would then become :

$$\text{if}(\text{s.previous.s7200_original} > 0, \text{s.previous.s7200_original}, \text{e.amounttf}) + (\text{e.travelfundpercent} * \text{p.basic})$$

meaning that **IF** the amount of the previous month's travel fund amount is equal to zero, the balance in the variable of the employee record must first be taken from: amounttf (**otherwise the amount of the previous month's amount is taken**); **then add the percentage of the basic salary of the travel fund to it**



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Let's go a little further : the Employee wishes at some point to benefit from the payment of his travel funds

He will therefore receive the sum. We will create a common section of type 3xxx Special Allowance which allows him to benefit, for the given month, from the **accumulated fund** as well as the Travel Fund for **the current month**:

$$s.previous.s7200_original+(e.travelfundpercent*p.basic)$$

and fill in a new common section (if all Employees receive the same month the balance of their Travel Fund, or in the Payroll sections of a particular Employee by ticking only the month concerned otherwise): (Note: TF (#2) = Travel Fund)

The screenshot shows the 'Payroll Section' configuration window for a '3000 : Special Allowance'. The 'Calculation Details' tab is active. Key settings include:

- Use A Custom Different Display Title (indicated by red arrow 1)
- Section Title: Payment TF (indicated by red arrow 2)
- Start Date: [Calendar icon]
- End Date: [Calendar icon]
- Basic: Adjust Wage
- Calculation: Calculate prorata
- PAYE: Taxable (indicated by red arrow 3)
- Round: Nearest Rupee
- Prepaid: Prepaid benefits
- Employee Amounts:
 - Multiplier Fixed/Formula: 1
 - Value Fixed/Formula: s.previous.s7200_original+(e.travelfundpercent*p.basic) (indicated by red arrow 4)
- Applies On Selected Months Only

A 'Validate Section' button with a green checkmark is visible in the top right corner.

Note : the premium is now taxable (#3) at the time it is paid.

Note : The formula for accumulating the Travel Fund (section **7200**), with a possible deferred balance (amounttf) must then be modified since it is necessary to **deduct the amount that has been paid**:

$$(if(s.previous.s7200_original>0,s.previous.s7200_original,e.amounttf)+(e.travelfundpercent*p.basic))-s.s3000$$