



How to pay an employee a fixed amount in NET that does not vary according to the deductions

FAQEN142

Prerequisites : Advanced knowledge of payroll items

V1.0

Objective

Some Employees contractually require to receive a NET amount excluding deductions of social charges (NSF, CSG...) and income tax (PAYE, Solidarity Levy...). Thus the Employee receives a **fixed net amount** that does not change from one month to the next.

Nevertheless, the said taxes are to be paid to the MRA / NSF every month, paid by the Company.

How to do this ?

To do this, it is necessary to proceed in two steps.

1) First of all, you must indicate in the Employee's basic salary that the salary paid net is the basic salary by checking the "Pay gross as net" option:

The screenshot shows the 'Payroll Section' configuration window for '1000 : Basic Salary'. The 'Calculation Details' tab is active. A red arrow points to the 'Pay gross as net' checkbox, which is checked. Other settings include: 'Use A Custom Different Display Title' checked, 'Section Title' 'Basic Salary', 'Fixed Amount' '17000', 'Currency' 'MUR', and 'Applies On Selected Months Only' with all months from January to December checked. The 'Category' is set to 'Emoluments: Salary, wages, leave pay, fee, overtime pay, etc...'. A 'Validate Section' button is visible in the top right corner.



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2) You should then create a common section **4990 - Tax Benefit** as follows:

Enter the elements as above (3, 4, 5, 6, 7), then we invite you to copy and paste the formula below (8): **(s.f4990.taxamount*0.15/0.85)-p.cumulf.s4990_original-p.cumulf.s3600_original** and do not forget the : 1

Then, in this same payroll field, you must click on the **[Formula]** tab in order to enter the elements of the following formulas:

Identifier	Title	Formula	Order
taxontax	Tax Amount	p.taxable+p.cumulf.taxable-p.cumulf.s499...	1
cum_exemp	c	(e.edf_total_exemp/13)*p.cumulf.month	2
taxamount1	Tax amount	(s.f4990.taxontax-s.f4990.cum_exemp)	3
social	social	abs(s.s4000+s.s4100+s.s4010+s.s4400+s...	100



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To do this, click on the **[Add Formula]** button and for each of the formulas below, enter the following (we advise you to copy and paste the formula, to make this easier):

Formula 1

Identifier: taxontax

Title: Tax Amount

Formula : **p.taxable+p.cumulf.taxable-p.cumulf.s4990_original-p.cumulf.s3600_original + abs(s.s4000+s.s4100+s.s4010+s.s4400+s.s7100+s.s7300+s.s9010)**

Order: 1

Formula 2

Identifier: cum_exemp

Title: c

Formula : **(e.edf_total_exemp/13)*p.cumulf.month**

Order: 2

Formula 3

Identifier: taxamount1

Title: Tax amount

Formula : **(s.f4990.taxontax-s.f4990.cum_exemp)**

Order: 3

Formula 4

Identifier: social

Title: social

Formula : **abs(s.s4000+s.s4100+s.s4010+s.s4400+s.s7100+s.s7300+s.s9010)**

Order: 100

Remark : Be careful to enter the formulas in the indicated order



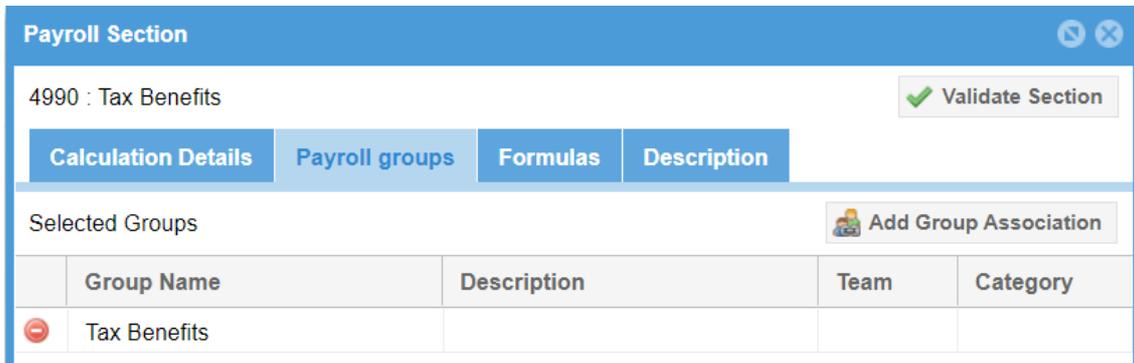
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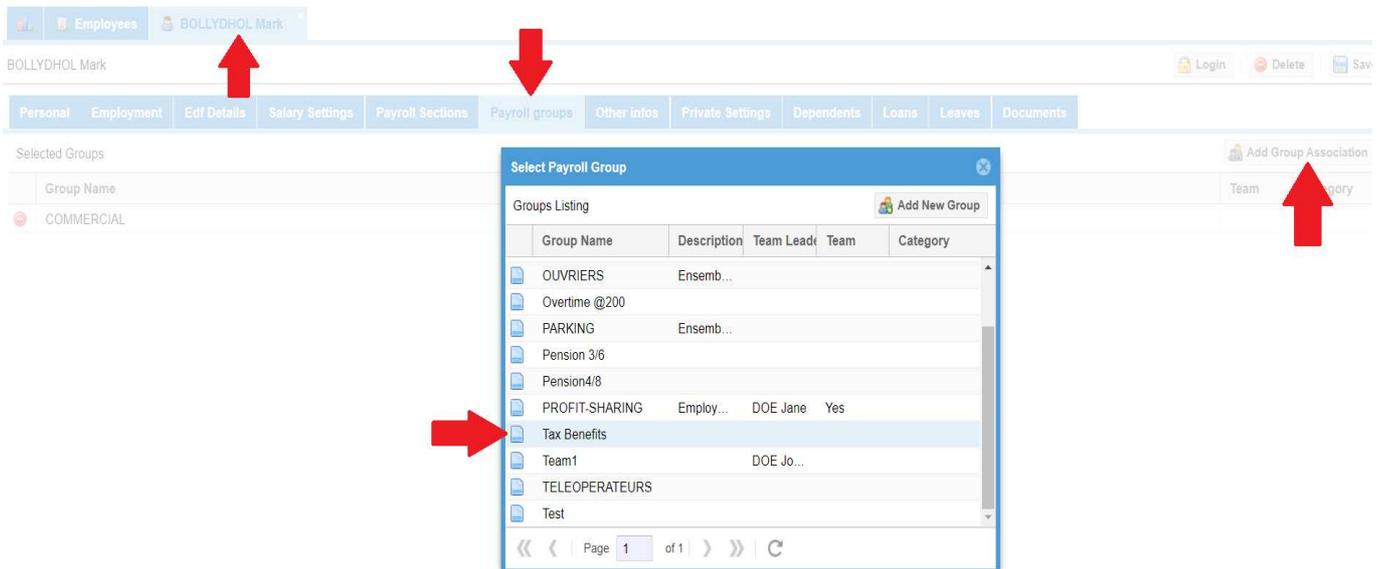
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Finally, still on this Payroll section, go to the **[Payroll Groups]** tab and create a Group by clicking on the **[Add Group association]** button and then the [Add New Group] button, which you can name: Tax Benefits (for example) and associate by selecting it, this new created Group to the payroll section 4990 :



Click on the **[Validate Section]** button, it will be added to the list of common sections and will therefore only apply to Employees in the "Tax Benefits" Group.

All you have to do is indicate the Employee(s) concerned by simply attaching them to the "Tax Benefits" Group:



then click on the **[Save]** button of the Employee's file.



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Thus, when you perform the payslip calculation for the Employee, it will be done as follows:

Code	Name	NIC	Date Joined	Post
00004	AUMERRALY Priscilla	B251019826786M	18/Sep/2014	Storekeeper

Code	Sections	Revenue	Deduction
10...	Basic Salary	17,000.00	
20...	Transport	1,000.00	
40...	CSG		255.00
41...	NSF		170.00
Totals		18,000.00	425.00

Net Pay: Rs 18,000.00

The net salary paid in this example being the sum of the gross salary 17,000 as required, plus an amount of 1,000 in transport.

Note: In this example, there is no PAYE deduction due to the amount of her salary being less than her EDF.