

India Payroll: Customer Specific Prorating of House Rent Allowance



Applies to:

For more information, visit the [Enterprise Resource Planning homepage](#).

Summary

This article explains the process of Prorating House Rent Allowance based on the employee attendance in an organization. This article gives a step by step description of customizing.

Author: Arvind Tirumala

Company: Intelligroup Asia Pvt Ltd

Created on: 16 June 2009

Author Bio

Arvind Tirumala is a Senior Consultant at Intelligroup HCM practice. He has extensively worked on India Payroll and lead teams in implementing SAP HCM Solutions for enterprises in Public and Private Sectors.

Table of Contents

Customer Specific Proration of House Rent Allowance	3
Creating Customer Personnel Calculation Rule	3
Creating Customer Personnel Calculation Rule	4
Creating Customer Schema.....	4
Maintain Table: V_512W_D.....	5
Example	6
Maintain Master data.....	6
Pay slip.....	7
Maintain Master data.....	7
Pay slip.....	8
Related Content.....	9
Disclaimer and Liability Notice.....	10

Customer Specific Proration of House Rent Allowance

Business Scenario: When an Employee goes on Loss of Pay / Unpaid Absence for more than 7days, then only the system should prorate House Rent Allowance otherwise it should not prorate.

Detailed configuration steps with screen shots are given below for HRA Proration as per Business Requirement.

Copy Standard PCR INP1 to /ZP1 and include /806 for HRA Factoring.

Creating Customer Personnel Calculation Rule

PCR = /ZP1 – Customer Specific Partial Factoring -/806

Maintain calculation rule: /ZP1

The screenshot shows the configuration for calculation rule /ZP1. The tree structure is as follows:

- /ZP1 Partial factors for India - /801 (CD) , /802 (WD) , /803 (WH) ,/804 (Nom)
 - 801 Partial period factor 1
 - RTE=TKSOLL Set
 - RTE-TKAU** Subtraction
 - RTE*KGENAU Multiplication
 - RTE/TKDIVI Division
 - ADDWT * OT Output table
 - 802 Partial period factor 2
 - 803 Partial period factor 3
 - 804 Partial period factor 4
 - 805 Partial period factor 5
 - 806 Partial period factor 6
 - PPAR R WCenter inactive/PP?
 - GCY /ZP2 With exact w.types

PCR = /ZP2 - Customer Specific Partial Factoring /806

Maintain calculation rule: /ZP2

The screenshot shows the configuration for calculation rule /ZP2. The tree structure is as follows:

- /ZP2 Partial factors for India - /801 (CD) , /802 (WD) , /803 (WH) ,/804 (Nom)
 - 801 Partial period factor 1
 - 802 Partial period factor 2
 - 803 Partial period factor 3
 - 804 Partial period factor 4
 - 805 Partial period factor 5
 - 806 Partial period factor 6
 - PPAR S B.pay change in PP?
 - PPAR E Entry in month?
 - PPAR A Termination in mnth?
 - GCY /ZP3 With exact w.types
 - A
 - GCY /ZP4 With exact w.types
 - E
 - GCY /ZP4 With exact w.types
 - S
 - GCY /ZP4 With exact w.types

Creating Customer Personnel Calculation Rule

PCR = /ZP4- Customer Specific Partial Factoring /806

Maintain calculation rule: /ZP4

```

/ZP4 Partial factors for India - /801 (CD) , /802 (WD) , /803 (WH) , /804 (Nom)
├── *
│   ├── /801 Partial period factor 1
│   ├── /802 Partial period factor 2
│   ├── /803 Partial period factor 3
│   ├── /804 Partial period factor 4
│   ├── /805 Partial period factor 5
│   └── /806 Partial period factor 6
│       ├── RTE=GAAU** Set
│       └── RTE?7 Comparison
│           ├── *
│           │   ├── RTE=TASOLL Set
│           │   ├── RTE*KGENAU Multiplication
│           │   ├── RTE/TADIVI Division
│           │   └── ADDWT * OT Output table
│           └── >
│               ├── RTE=TASOLL Set
│               ├── RTE-TAAU** Subtraction
│               ├── RTE*KGENAU Multiplication
│               ├── RTE/TADIVI Division
│               └── ADDWT * OT Output table
    
```

Creating Customer Schema

Copy the standard Sub Schema INAL to ZNAL and insert PCR /ZP1 and de-activate INP1.

Edit Schema: ZNAL

Line	Func.	Par1	Par2	Par3	Par4	D	Text
000010	COM						Monthly factoring and storage India.
000020	BLOCK	BEG					Factoring and storage
000030	GEN/8	6					Create wage types /801 to /810 in IT
000040	PIT	INP1		NOAB		*	Determine monthly factors
000050	PIT	/ZP1		NOAB		*	Determine monthly factors-TEST
000060	PIT	INWT	GEN			*	Create wage type /12N.

Maintain Table: V_512W_D

Maintain Processing Class 10 with Specification 6 for HRA Wage type.

Change View "Processing Classes, Cumulations, and Evaluation Classes":

Wage type 9020 House Rent Allowance

Start Time Exit
> 01.01.1998 31.12.9999

Processing classes			
10	Mark wage types for monthly factoring	6	Reduction with factor /800
15	Valuation according to principle of aver...		
17	Overtime compensation (personnel ca...		
18	Processing for work center-related re...		
20	Cumulation and storage at end of gros...	8	Route as is and cumulate

Cumulations	
1	Total gross amount <input checked="" type="checkbox"/>

Example

Maintain Master data

Employee receives the following Basic Pay as on 01-04-2008

Display Basic Pay

Payments and deductions

Pers.No. 12908 Name FACTORING HRA

Pers.area 2010 IGA - Corporate

EE subgrp U1 Salaried-Exempt WS rule PFLEX Flextime WS - ITIG

Start 01.04.2008 To 31.12.9999 Chng 19.02.2009 E015731

Payment type 0 Basic contract Object ID

Reason Next increase

Pay scale

Type 01 Salaried - Exempt

Area 03 Intelligroup India

Group C0 Level S0

Further information

Capacity util. level 100.00 % PER

Work hours/period 160.00 Monthly

Ann.salary 252,000.00 INR

Wage	Type	Long Text	O. Amount	Curr...	A. Number/unit	Unit
9010	Basic Salary		15,000.00	INR	0.00	
9020	House Rent Allowance		6,000.00	INR	0.00	

IV 19.02.2009 - 31.12.9999 21,000.00 INR

If Employee goes on Loss of Pay / Unpaid Absence for 6 days

Display Absences

Personal work schedule Activity allocation Cost assignment External s

Pers.No. 12908 Name FACTORING HRA

Pers.area 2010 IGA - Corporate

EE subgrp U1 Salaried-Exempt WS rule PFLEX Flextime WS - ITIG

Start 15.04.2008 To 20.04.2008 Chg. 19.02.2009 E015731

Absence

Absence type 0160 Unpaid Absence

Time - Prev.day

Absence hours 48.00 Full-day

Absence days 6.00

Calendar days 6.00

Payroll

Payroll hours 32.00

Payroll days 4.00

Pay slip

As per the business requirement his Basic Pay is prorated and HRA is paid in full for the month.

Name : FACTORING HRA	Location : IGA - Corporate	Company cd : <input type="text"/>
Id : 12908	Department : Corporate	Emp group : Regular Employee
Pay period : 01.04.2008 - 30.04.2008	Pay area : Monthly - ITIG	Emp subgrp : Salaried-Exempt

Transfer date	Account No.	Amount	=	Earnings	-	Deductions	+	Adjustment
01.04.08		16,265.00	=	18,000.00	-	1,735.00	+	0.00

Earnings		Deductions		Perks/Other income/Exemptions/Rebates	
Basic Salary	12,000.00	EP PF contribution	1,440.00	Agg of Chapter VI	17,280.00
House Rent Allowance	6,000.00	Prof Tax - split period	150.00		
		Income Tax	145.00		
Total	18,000.00	Total	1,735.00		

Take Home Pay	16,265.00
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Maintain Master data

If Employee goes on Loss of Pay / Unpaid Absence for 11 days

Display Absences

Personal work schedule | Activity allocation | Cost assignment | External

Pers.No. 12908 Name FACTORING HRA

Pers.area 2010 IGA - Corporate

EE subgrp U1 Salaried-Exempt WS rule PFLEX Flextime WS - ITIG

Start 15.04.2008 To 25.04.2008 Chg. 19.02.2009 E015731

Absence

Absence type 0160 Unpaid Absence

Time - Prev.day

Absence hours 88.00 Full-day

Absence days 11.00

Calendar days 11.00

Payroll

Payroll hours 72.00

Payroll days 9.00

Pay slip

As per the business requirement his Basic Pay and HRA is prorated for the month.

Name : FACTORING HRA	Location : IGA - Corporate	Company cd : <input type="text"/>
Id : 12908	Department : Corporate	Emp group : Regular Employee
Pay period : 01.04.2008 - 30.04.2008	Pay area : Monthly - ITIG	Emp subgrp : Salaried-Exempt

Transfer date	Account No.	Amount	=	Earnings	-	Deductions	+	Adjustment
01.04.08		12,060.00	=	13,300.00	-	1,240.00	T	0.00

Earnings		Deductions		Perks/Other income/Exemptions/Rebates	
Basic Salary	9,500.00	Fe PF contribution	1,140.00	Agg of Chapter VI	13,600.00
House Rent Allowance	3,800.00	Prof Tax - split period	100.00		
Total	13,300.00	Total	1,240.00		

Take Home Pay	12,060.00
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Related Content

http://help.sap.com/erp2005_ehp_04/helpdata/EN/c6/24a33502231d77e10000009b38f839/frameset.htm

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