

# Advance Payments



**Release 4.6C**



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## Icons

Icon	Meaning
	Caution
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# Advance Payments

## Use

The SAP System differentiates between qualified and unqualified advance payments.

### Qualified Advance Payments

With qualified advance payments, payroll takes place for some of the payroll elements in the first payroll run, and is transferred if necessary. The payroll run is not ended. Instead, it receives the *Payroll Correction* status. During the correction phase, you enter more payroll elements. In the subsequent payroll runs you carry out payroll for these remaining payroll elements and transfer them to your employees. The payroll program only finishes when accounting has been performed for all payroll elements.

### Unqualified Advance Payments

Employees may receive an advance salary payment prior to the payroll run. In this case, only the employee's master data is imported for the transfer. No payroll run is performed. Wage types entered in the following infotypes are taken into account:

- *External Bank Transfers* infotype (0011)
- *Recurring Payments and Deductions* infotype (0014)
- *Additional Payments* infotype (0015)

The transfer is effected gross for net, since there is no payroll run to calculate deductions such as taxes and social insurance contributions. Net accounting for the advance payment takes place during the payroll run, which is performed later. This type of advance payment is known as an **advance payment on the basis of master data**. The payroll run takes place at the end of the payroll period.

An unqualified advance payment is independent of the payroll period and is therefore considered a period-independent activity.

## Qualified Advance Payments

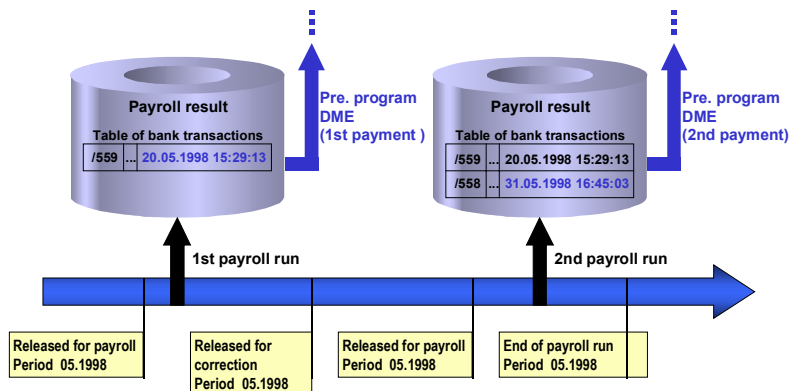
## Qualified Advance Payments

### Use

Make a qualified advance payment to carry out payroll and to transfer some of an employees payments during the current payroll period. Payroll and transfers occur several times within a payroll period.



An employee should receive the basic payments during the current period. Bonuses for overtime or holiday payment should be calculated and paid later.



The following procedure takes place if you carry out payroll for an employee's basic payments in the first payroll run and for their bonuses in the second run:

#### First Payroll Run

- The *Transfers* wage type (1559) is found in the Bank Transactions (BT) table of the payroll cluster along with amount to be transferred from the basic payments.

#### Second Payroll Run

- In the payroll run the System compares the amount to be transferred from all the payments with the *Transfers* wage type (1559), which was formed in the first payroll run. The System determines the difference between both the transfer amounts and from this it forms the *Payment of the Balance* wage type (1558).

## Integration

To transfer the amounts in connection with the payroll run, you start the preliminary program Data Medium Exchange (RPCDTAx0) by choosing the menu path Payroll → Bank Transfer.

**First Transfer Run:**

The *Indicate Transfers* indicator must be set. The Transfer wage type (1559) is then marked as transferred with the date and time.

**Second Transfer Run:**

You restart the preliminary program Data Medium Exchange. The System recognizes the amount from the *Transfer* wage type (1559) which has a time stamp as being already transferred and only transfers the amount from the Payment of the Balance wage type (1558).

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**Making a Qualified Advance Payment**

## Making a Qualified Advance Payment

### Procedure

1. Release the payroll run (see [Releasing the Payroll Run \[Ext.\]](#)).
2. Run payroll (see [Run Payroll \[Ext.\]](#))
3. Make the advance payment ( see the respective country-specific section *Wage and Salary Payments* under *Payroll <Country> → Subsequent Activities*).
4. Release the payroll for correction (see [Correcting Payroll-Related Master Data and Time Data \[Ext.\]](#) )
5. Enter the data for which you want to perform a payroll run separately.



When an advance payment is created, a flag is set for transferred wage types. You cannot change the payee data and transfer amounts for these wage types, which are flagged as already transferred, during the correction phase. The employee would otherwise be rejected in the payroll run after the correction phase.

6. Repeat steps 1 to 5 until you have entered all data for which split payroll must be performed.
7. Exit the payroll run (see [Exiting the Payroll Run \[Ext.\]](#))

### Result

You have effected a qualified advance payment and have transferred and run payroll separately for several of an employee's payments.

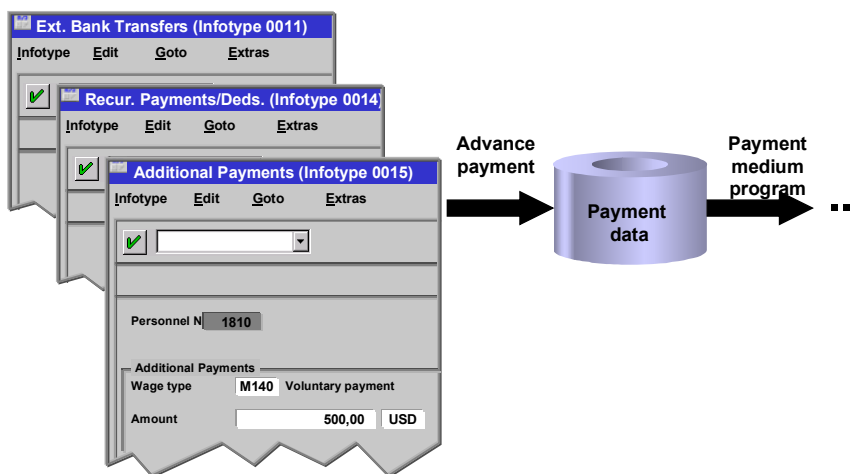


## Unqualified Advance Payments

### Use

To give an employee an advance payment from the master data you carry out an unqualified advance payment. You can make advance payments without performing a payroll run. You simply start a transfer run, which reads the wage types from the following infotypes.

- *External Bank Transfers* infotype (0011)
- *Recurring Payments and Deductions* infotype (0014)
- *Additional Payments* infotype (0015)



During the transfer run a file is created, which contains the amounts assigned to these wage types. The file then creates transfer forms as transfer mediums for the bank or data mediums for data medium exchange. An unqualified advance payment is also known as an **advance payment based on master data**.

The transfer advance payment is an estimation of net pay, without deductions. At a later point, usually at the end of the payroll period, a normal payroll run takes place to calculate the net amounts for the advance payment. The wage types, which were transferred as part of the advance payment, must be included in the ordinary payroll run, but should be considered as already paid. To ensure this, the wage types permitted for above-mentioned wage types must be coded accordingly.

For more information on [wage type coding \[Ext.\]](#), see The Implementation Guide.

Use

## Creating a File for an Unqualified Advance Payment

1. In the payroll menu choose *Period-Independent* → **Reporting** → *Advance Payment*.
2. Enter the appropriate values in the fields and set the required indicators.
3. Flag the *Test* parameter.



This *Set flag for transfers* parameter prevents the wage type amount from being overwritten and transferred more than once when the payment run is repeated. The system calculates the amount of the difference for the respective wage type in the new payment run instead.

4. Choose *Program* → *Execute* or *Execute + Print* or *In Background*.
5. Use the log to check that transfer data is complete and correct. If necessary, correct the data.
6. Deselect the *Test* parameter and run the report again (see step 8).



A process log is displayed after the report has run. The program run date and an identification feature appear below the process log header. Please make a note of both data. The *Run Date* and *Identification Feature* parameters are queried in the *Create Transfer Medium* step.

7. Lastly create your [Payment medium \[Ext.\]](#)

You have effected an unqualified advance payment.