

## How to enter a termination pay that includes redundancy &/or ETP

### Overview

Entering a termination pay that includes either a redundancy and/or ETP amount is two-step process.

Before doing the termination pay, an allowance and deduction need to be set up. You would only use the deduction if there was a tax component for the ETP

### Step 1

First, an allowance for the ETP needs to be set up, as per below;

The screenshot shows the 'Allowance Maintenance' window with the following fields and values:

- Allowance Code: 94
- Allowance Name: ETP Payment  Can Modify Name
- PAYG:  Taxable  Non-Taxable
- Calculation Method: Fixed Dollar Amount
- Amount: 0.0000
- Pay Rate Multiplier: (empty)
- Wage Rate Code: (empty)
- Type: ETP
- Cost Centre: (empty) Employee's Default
- Override Tax Rate: (empty)
- Maximum Number: (empty)
- Payment Summary Type: None

At the bottom, there is a 'Liabilities' button and a toolbar with icons for Load, Find (F9), Save (F10), Cancel, Delete (F6), and Exit (Esc).

## Step 2

Set up the deduction for the tax component;

**Deduction Maintenance**

Code: 99

Name: Tax on ETP

Post-Tax

Calculation Method: Fixed Dollar Amount

Amount: 0.00

Type:  Normal  Child Support  PAYG

Protected Pay %:   Make a Part Deduction

Cost Centre: 1 Unknown Cost Centre

Payment Summary Type: None

Pay Deduction by Consolidated Direct Credit

BSB Number	Account	Reference
<input type="text"/>	<input type="text"/>	<input type="text"/>

Prev : F7   Next : F8   Find : F9   Save : F10   Cancel   Exit : Esc

Note: You may need to set up a Cost Centre to link the deduction to the appropriate general ledger code.

## Step 3

- Enter the termination pay via a One Off Pay. Click on the Termination Wizard and on the third screen enter the amounts for the ETP/Redundancy and any tax
- Still in the One Off Pay, enter an allowance for the total value including tax of the ETP/redundancy. Then enter a deduction for the tax amount.