

# Pensions documentation in Profile Payroll

*This applies only to Pensions that are a % of a Payment, not a fixed Pension amount.*

## **Configuration, File Maintenance**

1. **Deduction Categories:** Set up a deduction Category for pensions. E.g. D2.
2. **Deductions:** (if the Employee is paying his/her own pension)  
*Example: 3% Employee Pension setup as follows:*  
(Make sure the correct deduction category is entered)

**Payroll Deduction-General**

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Deduction Code

PR1

Description

PENSION RATE

Status

Active

Calc Type

Percentage

Minimum Amount

0.00

Category Id

D2

PENSIONS

| Line | Rate |
|------|------|
| 1    | 3.00 |

3. **Payments:** For each payment type you must specify if you want the pension calculated on it.  
**Example:** For 'Salary' payment type you may want the pension calculated but for the 'Bonus' payment type you may not.  
Click 'Info' on the payment  
Menu Options  
Deduction Categories  
Click 'Info' on the deduction category  
Select 'Y' if you want the pension calculated on this payment. Select 'N' if you don't want this payment included in your pension calculations.

## ***Manage Employees - Employees***

*1. Click 'Info' on the employee who is contributing to the pension*

*Menu Options*

*Non-Statutory Deductions*

*Add the Pension deduction and change rate if you need to.*