

# Sage X3 HR and Payroll

Ghana

SSNIT Amendments  
V12

**Updated:**  
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# 1.0 Pay Plan Patch

## 1.1 Pay plan patch content

- Updated statutory totals
- Updated statutory headings
- Updated statutory variables

## 1.2 Update patch path

### 1.2.1 Totals, Headings and Variables

**Access:** *Development > Utilities > Patches > Patch integration*

The file name is W\_GHA004\_2020R2\_B.dat

## 2.0 SSNIT

### 2.1 Background

A client can elect to contribute SSNIT on the capped amount of GHC 25 000 for Tier 1 and Tier 2 respectively. If an employee earns more than GHC 25 000 and do not want to cap Tier 2 at GHC 25 000, they can elect to contribute their Tier 1 excess amount to Tier 2. Therefore, the user should be able to cap Tier 2 at GHC 25 000 and if he/she decides not to, the user should be able to choose if he/she want to add the excess Tier 1 contributions to Tier 2, for the contribution to be tax deductible.

Currently this is how the 3-Tier scheme works:

- Tier 1 is the Basic National Social Security Scheme for all workers in Ghana. It is a defined benefit scheme and mandatory for workers to have 13.5% contributions made on their behalf. SSNIT is calculated on a maximum of GHC 25 000.
- Tier 2 is a defined contributory Occupational Pension Scheme mandatory for workers with 5% contribution made on behalf of members.
- Tier 3 which includes all Provident Funds and all other Pension Funds outside Tiers I and II is a voluntary scheme.

New enhancements to the 3-Tier scheme:

- A user can elect to cap Tier 1 at GHC 25 000 and add the excess to Tier 2.
- A user can elect to contribute SSNIT on the capped amount of GHC 25 000 for Tier 2.

### 2.2 Statutory Pay Plan

#### 2.2.1 Totals

The following statutory totals were added to the pay plan:

- CONBASE\_E
- T1\_EE\_EX\_M
- T1\_ER\_EX\_M
- T1\_EE\_EX\_Y
- T1\_ER\_EX\_Y

## 2.2.2 Headings

The following statutory headings were added/amended:

Heading	Description	Sequence
CON_TIER2L	SSNIT Tier 2 Contrib Limit	55075
CON_TIER2	SSNIT Tier 2 Contributions	55050
CON_T1_EXC	SSNIT Tier 1 Excess Contr	55025
TIER1_EXC	SSNIT Tier 1 Excess	55010
D_SSNIT_M	SSNIT Deductible Relief	63350
D_SSNIT_R	SSNIT Deductible Relief	63400

### General note:

Please refer to the pay plan extract to view the amendments made to statutory headings.

## 2.2.3 Variables

The following statutory variables were added to the pay plan:

- CON\_LIM\_T2
- TIER1\_EXC

## 2.3 Pay plan setup

### 2.3.1 Excess Tier 1 contributions

The following setup is required to add the excess Tier 1 contributions to Tier 2:

On the employee's payslip (Tax Info tab), enter a 1 next to the variable TIER1\_EXC to indicate that the excess Tier 1 contributions should be added to Tier 2.

Tax Info tab:

Payroll	Basic Salary	Hours	Earnings	Deductions	Fringe Benef	Leave	Tax Info	Payslip
GH7							Tax Information	
1	TIER1_EXC	Tier 1 Excess	1.00	No				

Example of a payslip in January 2020

Payslip tab:

Payroll	Basic Salary	Hours	Earnings	Deductions	Fringe Benef	Leave	Tax Info	Payslip
Payslip								
								22 Results Display: 50
Se...	Heading	Basis	Rate	Amount	Rate	Amount	Converted to a...	Description
1	SER_PERIOD		21.00					Service Periods
2	100 REM_PERIOD		11.00					Remaining Periods in Tax Year
3	150 SSNIT_AGE		34.99					Age for SSNIT contributions
4	8000 SALARY			40,000.00				Salary
5	55000 CON_TIER1		18,243.24	-5.500	-1,003.38	-13.000	-2,371.62	SSNIT Tier 1 Contributions
6	55010 TIER1_EXC		15,000.00					SSNIT Tier 1 Excess
7	55025 CON_TI_EXC		10,945.94	-5.500	-602.03	-13.000	-1,422.97	SSNIT Tier 1 Excess Contr
8	55050 CON_TIER2		10,810.81	-5.500	-594.59	-13.000	-1,405.41	SSNIT Tier 2 Contributions

Summary:

	EE	ER	TOTAL
SSNIT Tier Split	GHC	GHC	GHC
Tier 1 - SSNIT 5%	1 605,41	3 794,59	5 400,00
<b>Tier 1 max contribution</b>	<b>1 003,38</b>	<b>2 371,62</b>	<b>3 375,00</b>
<b>Excess of Tier 1</b>	<b>602,03</b>	<b>1 422,97</b>	<b>2 025,00</b>
Tier 2 - Occupational scheme 13.5%	594,59	1 405,41	2 000,00
<b>Total Tier 2 incl. excess</b>	<b>1 196,62</b>	<b>2 828,38</b>	<b>4 025,00</b>
<b>Total SSNIT Contribution</b>	<b>2 200,00</b>	<b>5 200,00</b>	<b>7 400,00</b>
<i>Payslip amounts</i>	<i>Employee</i>	<i>Employer</i>	<i>Total</i>

The following totals will accumulate on the EMP Totals:

Total	Description	Value
TIER1_EE_M	SSNIT Tier 1 EE Contribute MTD	1 003.38
TIER1_EE_Y	SSNIT Tier 1 EE Contribute YTD	1 003.38
TIER1_ER_M	SSNIT Tier 1 ER Contribute MTD	2 371.62
TIER1_ER_Y	SSNIT Tier 1 ER Contribute YTD	2 371.62
T1_EE_EX_M	SSNIT Tier 1 EE Excess MTD	602.03
T1_EE_EX_Y	SSNIT Tier 1 EE Excess YTD	602.03
T1_ER_EX_M	SSNIT Tier 1 ER Excess MTD	1 422.97
T1_ER_EX_Y	SSNIT Tier 1 ER Excess YTD	1 422.97
TIER2_EE_M	SSNIT Tier 2 EE Contribute MTD	594.59
TIER2_EE_Y	SSNIT Tier 2 EE Contribute YTD	594.59
TIER2_ER_M	SSNIT Tier 2 ER Contribute MTD	1 405.41
TIER2_ER_Y	SSNIT Tier 2 ER Contribute YTD	1 405.41

### 2.3.2 Limit Tier 2 contributions

The following setup is required to limit Tier 2 contributions to 25 000:

On the employee's payslip (Tax Info tab), enter a 1 next to the variable CON\_LIM\_T2 to indicate that Tier 2 contributions should be limited to 25 000.

Tax Info tab:

Variable	Description	Value	Enter...
1	CON_LIM_T2 Contribution Limit Tier 2	1.00	No

Example of a payslip in January 2020

Payslip tab:

Se...	Heading	Basis	Rate	Amount	Rate	Amount	Converted to a...	Description
1	50 SER_PERIOD		21.00					Service Periods
2	100 REM_PERIOD		11.00					Remaining Periods in Tax Year
3	150 SSNIT_AGE		34.99					Age for SSNIT contributions
4	8000 SALARY			40,000.00				Salary
5	55000 CON_TIER1	18,248.24	-5.500	-1,003.38	-13.000	-2,371.62		SSNIT Tier 1 Contributions
6	55075 CON_TIER2L	6,756.75	-5.500	-371.62	-13.000	-878.38		SSNIT Tier 2 Contrib Limit

Summary:

	EE	ER	TOTAL
SSNIT CONTRIBUTIONS	GHC	GHC	GHC
<i>Tier 1 - SSNIT 5%</i>	802,70	1 897,30	2 700,00
Tier 1 max contribution	1 003,38	2 371,62	3 375,00
<i>Tier 2 - Occupational scheme 13.5%</i>	297,30	702,70	1 000,00
Tier 2 max contribution	371,62	878,38	1 250,00
<b>Total SSNIT Contribution</b> <i>based on 25 000</i>	<b>1 375,00</b>	<b>3 250,00</b>	<b>4 625,00</b>

The following totals will accumulate on the EMP Totals:

Total	Description	Value
TIER1_EE_M	SSNIT Tier 1 EE Contribute MTD	1 003.38
TIER1_EE_Y	SSNIT Tier 1 EE Contribute YTD	1 003.38
TIER1_ER_M	SSNIT Tier 1 ER Contribute MTD	2 371.62
TIER1_ER_Y	SSNIT Tier 1 ER Contribute YTD	2 371.62
TIER2_EE_M	SSNIT Tier 2 EE Contribute MTD	371.62
TIER2_EE_Y	SSNIT Tier 2 EE Contribute YTD	371.62
TIER2_ER_M	SSNIT Tier 2 ER Contribute MTD	878.38
TIER2_ER_Y	SSNIT Tier 2 ER Contribute YTD	878.38



## 3.0 Statutory Reports

### 3.1 Background

Previously the option was added to exclude all company contributions (CC's) for SSNIT on the DT0107a as per the instruction from the GRA as all users should have the option to include all CC's. However, by excluding the CC's it seems as if the employees were overtaxed as the cash emoluments are lesser on the report than what was used in the tax calculation.

Enhancements were also made to the monthly statutory reports to accommodate the new statutory totals added to the payplan where the user elects to contribute the excess Tier 1 contribution towards Tier 2.

#### 3.1.1 SSNIT Report

The following two SSNIT reports were enhanced to include the new statutory totals added for excess Tier 1 contributions:

- GH-SSNIT
- GH-SSNIT-T2

#### 3.1.2 DT0107 PAYE Deductions Summary

The total cash emolument field on the DT0107 report now uses the payplan total TXEARN\_MTD plus TX\_CC\_MTD. The total cash emoluments tie back with the total of column 14 in the DT0107a Employer's monthly tax deductions schedule. Total cash emoluments are the sum of all taxable cash income paid to the employee taxed according to normal tax rates. This includes the excess bonus and the overtime earning of a non-junior employee. Total cash emoluments exclude the overtime of a qualifying junior employee, the bonus which is within 15% of the employee's annual basic salary and any fringe benefits.

#### 3.1.3 DT0107a Tax Deduction Schedule

The DT0107a report now includes the new payplan totals added to calculate the excess Tier 1 SSNIT contributions. A new report parameter was added to include only employee and employer contributions exceeding 16.5% of salary/assessable income and Non-Tier3 pension/provident company contributions. Therefore, when running the report, the user now has the option to exclude all taxable company contributions in column 8, 9 and include only the excess tier 3 contributions and Non-Tier 3 pension/provident company contributions in Cash Allowance (column 10).

**Access:** Reports > Prints/group > Legal Reports

Report code = GH-DT-0107A Tax deduction schedule

Parameters

13 Results Display: 20

	Parameter title	Parameter type	First value	Final value
1	Company	Single	DB01	Q
2	Site range	Range		Q
3	Employee range	Range		Q
4	Department	Single		Q
5	Tax year	Single	2020	Q
6	Tax month	Single	1	Q
7	Date	Single	02/18/2020	Q
8	Population	Single		Q
9	Profile	Single		Q
10	Declarant name	Single		Q
11	Position	Single		Q
12	Include employer contributions	Single	Yes	Q
13	Include excess contributions	Single	No	Q

**General note:**

The amended DT0108 report and DT0108a report with the new parameter added will be included in a future release in 2020.