

Setting up Earnings Types

Set up employee earnings types such as regular and overtime pay, and specify the deductions to which each earnings type is subject. Use [Earnings Type Maintenance \(02.270.00\)](#) to define each earnings type, including associated deductions and whether it contributes to net pay.

To define an earnings type ID:

1. Open **Earnings Type Maintenance in the Payroll module**.
2. Enter an ID and a description for the earnings type.
3. Select the earnings type.
4. Enter the account and subaccount to which associated expenses should be allocated. If these fields are left blank, time entries will default from [Employee Maintenance \(02.250.00\)](#).
5. Enter the pay rate multiplier used to compute earnings.
6. If the earnings type should be *excluded* from (does not impact) disposable earnings, select **Exclude from Disposable Earnings**. Disposable earnings are used when you have garnishment deductions defined that are based on the employee's disposable earnings. If **Exclude from Disposable Earnings** is not selected, the earnings type will be included in the calculation of disposable earnings.
7. If the earnings type is payable, select **Contributes To Net Pay**.
8. Enter all of the deductions associated with the ID. Click on **Deduction ID** and press F3 for a list of deduction IDs, or click **All Deductions** to load all possible deductions.
9. Click on the **W-2 Control Data** tab to define W-2 information for the earnings type. The **W-2 Control Data** tab of [Earnings Type Maintenance \(02.270.00\)](#) displays.
10. Click **Save** on the toolbar.