

# Micropay Professional

## Pension Related Deduction (PRD)

### Recalculation

If employees in your payroll are subject to the Pension-Related Deduction (PRD), the PRD Recalculation is performed for each employee in the pay period in which they reach 52 insurable weeks in the tax year.

(The recalculation occurs in this pay period only. If there is a subsequent extra pay period, this is processed as normal.)

The Income Levy recalculation will not take place if the relevant employee was added to the system in 2009 in a mid-year setup. Any such cases will be reported in the Control Summary. Any PRD refund will be incorporated into the normal PRD item in the employee's current payslip, and will be flagged by an explanatory note.

So if the employee was liable to a normal PRD amount of €20 in period 52, the refund amount (say, €51.24) would be subtracted from this, leaving the current payslip's PRD item with an amount of -€31.24. The explanatory note would explain that the employee received a PRD refund of €51.24.

If it is necessary to recoup a PRD underpayment from the employee, you must make provision for this in the payroll.