

# The PIER Report | 2022

(Pensionable and Insurable Earnings Review)

Helping you navigate through PAYweb



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## What is a Pensionable Insurable Earnings Review?

The purpose of creating a Pensionable Insurable Earnings Review (PIER) at any time throughout the year is to allow you to review, investigate and adjust any discrepancies prior to the last pay of the year while there is still the option to process correcting entries on a live payroll. If completed correctly, this will help ensure correct remittances and tax forms and eliminate a PIER from CRA/RQ.

## Creating the PIER Report from Deluxe Payroll

Login to Deluxe Payroll (PAYweb)

**Click** on Additional Features

**Click** on Additional Reports 2

**Click** on PIER Report Option. This will create the PIER report.

The PIER Report can only be run after a payroll is closed and before your next calculation.

## CRA/RQ Rates and CPP/QPP Exemptions

Below are the pay frequencies and CPP/QPP exemption amounts per pay period.

Pay Frequency	Pay Periods per Year	Work Weeks per Pay Period	Max Work Weeks per Year	Pay Period CCP/ QPP Exemption
Weekly	52	1	52	\$67.30
Weekly	53	1	53	\$66.03
Bi-weekly	26	2	52	\$134.61
Bi-weekly	27	2	54	\$129.62
Semi-monthly	24	2	48	\$145.83
Monthly	12	4	48	\$291.66

**NOTE TO NEW CLIENTS:** If you have started with PAYweb within the T4 year, the PIER report will not be accurate if the Employees Work Weeks were not correctly supplied to PAYweb to process when the Year to Dates were entered into the payroll system.

Canada/Quebec Pension Plan (CPP/QPP)	Federal	Quebec
Maximum Annual Pensionable Earnings	\$64,900.00	\$64,900.00
Annual Basic Exemption	\$3,500.00	\$3,500.00
Contribution Rate (Employee)	5.70%	6.15%
Maximum Annual Contribution	\$3,499.80	\$3,776.10

Employment Insurance (EI) and Quebec Parental Insurance Plan (QPIP)	Federal EI	Quebec EI	Quebec PIP
Maximum Annual Insurable Earnings	\$60,300.00	\$60,300.00	\$88,000.00
Premium/Contribution Rate (Employee)	1.58%	1.20%	0.494%
Annual Maximum Premium (Employee) EI/QPIP	\$952.74	\$723.60	\$434.72

### The Top Reasons for a PIER Discrepancy

**PLEASE NOTE:** This is not the solution to all PIER discrepancies. It is important that all discrepancies are reviewed carefully to ensure accuracy.

1. Employees that turn 18 or 70 years of age during the year
2. Employees who have filled out a CPT30 during the year and going forward
3. A positive discrepancy or Irregular pay periods
4. Negative CPP/QPP/EI/QPIP Discrepancy

### 1. Employees that turn 18 or 70 years of age during the year

If an employee turns 18 or 70 years of age during the year the PIER report will generate a warning. The pensionable earnings will not match the total earnings in box 14 in PAYweb. The following is an example of an employee who turned 18 during the year.

PIER											
EI / CPP Year End Audit											
PAY023											
(98890) TEST PAYROLL											
Year Ending 2022											
3/09/22 13:26 Page 1											
Pay Periods 26											
Year Pay Weeks 52											
Max EI Earn 60,300											
Ded 952.74											
Max CPP Earn 64,900											
Ded 3499.80											
Empl Name	Regular Earnings	Taxable Benefits	Income Tax	EI Earnings	Req'd Ded	Actual Ded	Diff	CPP Earnings	Req'd Ded	Actual Ded	Work Diff Wks
40 DOE	6900.80		509.52	6900.80	109.03	109.04					16
2004-10 18 Yrs											
*** Totals:											

No adjustment will be required upon the CRA sending a PIER notice regarding the employee turning 18 or 70. An explanation will be required stating when the employee became of age.<sup>1</sup>

**NOTE:** In Quebec there is no maximum age for QPP. All employees contribute to the QPP until retirement.

## 2. Employees who have filled out a CPT30 during the year and going forward.

**CPT30 Election to Stop Contributing to the Canada Pension Plan.** This form is for an employee who is at least 65 years of age but under 70; you are receiving a Canada Pension Plan (CPP) or Quebec Pension Plan (QPP) retirement pension; and:

- you are making or will be required to make CPP contributions and you do not want to contribute; or
- you stopped making CPP contributions in a previous year and you want to restart.

If an employee has filled out a CPT30 during the year, the PIER report will generate an error in PAYweb. The pensionable earnings will be different than the total income as the CPP box in the employee profile is turned off.

9113	EE FILLED OUT	CPT30	22000.00	3776.09	22000.00	413.60	413.60	14000.00	619.74	646.38	26.64	22
											*****	
											CPPE Diff From Tot Earn *****	

If a PIER report is issued from the CRA regarding this, an explanation is required due to the understated premiums. An adjustment will not be required.<sup>1</sup>

## 3.3. Positive CPP /QPP Discrepancy

If an employee has a positive amount in the CPP difference as shown in the example below from PAYweb, an adjustment will not be necessary if the CPP earnings are correct. As per the CRA, "Any overpayments will be refunded to employees when they file their income tax and benefit returns. However, there is no provision in the CPP that would allow us to refund or credit the employer for his or her contributions in those circumstances."

[Click here](#) for further information.

PIER													EI / CPP Year End Audit												
PAY023																									
(98890) TEST PAYROLL													Year Ending 2022												
													3/09/22 13:26 Page 1												
													Pay Periods 26 Year Pay Weeks 52												
													Max EI Earn 60,300 Ded 952.74												
													Max CPP Earn 64,900 Ded 3499.80												
Empl Name	Regular Earnings	Taxable Benefits	Income Tax	EI Earnings	Req'd Ded	Actual Ded	Diff	CPP Earnings	Req'd Ded	Actual Ded	Diff	Work Wks													
*** Totals:																									
9115	PART TIME	EE	2162.00	5.25	2162.00	40.65	40.60	2162.00	20.28	22.53	2.25	26													

#### 4. Negative CPP/QPP/EI/QPIP Discrepancy

If an employee has a negative amount owing in CPP/QPP/EI/QPIP premiums this could be due to a number of reasons:

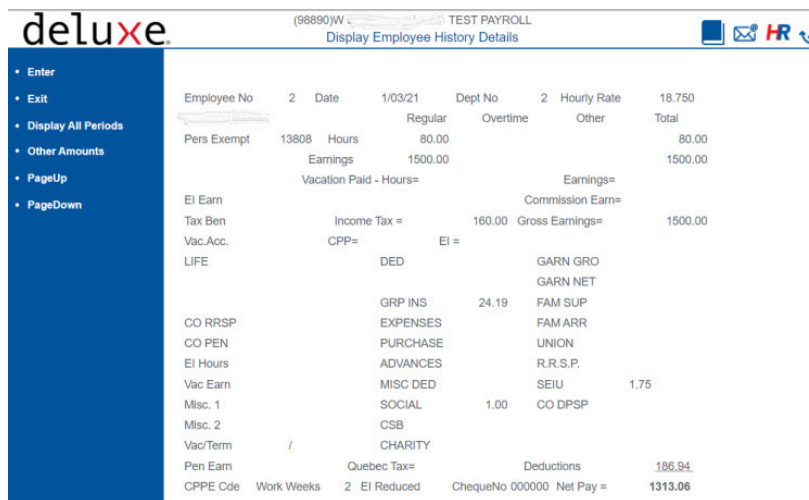
- a. An additional run to the payroll with the Top Up Logic not turned on (page 7)
- b. An adjustment made using the Manual Cheque Function with the Top Up Logic not turned on (page 8)
- c. An adjustment was made to either Earnings or Taxable Benefits (page 8)
- d. EI/QPIP Earnings or CPP/QPP earnings were adjusted (page 10)

Investigating the employee's Pay History in the View History Tab in PAYweb should determine the earnings or deductions affected by any YTD adjustments that have been processed. Please refer to the investigation tools section in this manual or contact the support team at [support@deluxe.ca](mailto:support@deluxe.ca).

**NOTE TO NEW CLIENTS:** If you have started with Deluxe within the T4 year, the PIER report will not be accurate if the Employees Work Weeks were not correctly supplied to PAYweb to process when the Year to Dates were entered into the Payroll system.

### 1. Review the Pay History online

- From the main menu, click on View History
- Select an Employee and press Enter. You will see the Payroll data for the last closed Pay Period.
- Use the Page-Up button to navigate backward and Page-Down to navigate forward through the Pay History. You will need your Pay Period schedule to know when the first and last Pay of the tax year occur. This can be found in the View Reports screen from the Process Payroll Main Menu.



Employee No	2	Date	1/03/21	Dept No	2	Hourly Rate	18.750
			Regular		Overtime	Other	Total
Pers Exempt	13808	Hours	80.00				80.00
		Earnings	1500.00				1500.00
		Vacation Paid - Hours=				Earnings=	
EI Earn						Commission Earn=	
Tax Ben		Income Tax =	160.00			Gross Earnings=	1500.00
Vac.Acc.		CPP=	EI =				
LIFE		DED			GARN GRO		
					GARN NET		
CO RRSP		GRP INS	24.19		FAM SUP		
CO PEN		EXPENSES			FAM ARR		
EI Hours		PURCHASE			UNION		
Vac Earn		ADVANCES			R.R.S.P.		
Misc. 1		MISC DED			SEIU	1.75	
Misc. 2		SOCIAL	1.00		CO DPSP		
VacTerm	/	CSB					
		CHARITY					
Pen Earn		Quebec Tax=			Deductions		186.94
CPPE Cde	Work Weeks	2	EI Reduced	ChequeNo	000000	Net Pay =	1313.06

### 2. Review your archived payroll reports per Pay Period. The following payroll reports are helpful:

- **EMPLREG** – Statement Of Earnings And Deductions
- **ADJUSTMT** – Employee Year-To-Date Adjustments
- **OVERRIDES** – Employee Overrides Listing
- **EMPLCHG** – Employee Profile Updates

### 3. Create a YTD Earnings or YTD Deductions Summary

- Click on **Additional Features**
- Click on **Additional Reports**
- **Select Option Selected YTDs**
- In the **Select Report(s)** field select both, leave the other fields blank
- **Press Enter**

## Common Errors Which Cause Discrepancies

#### Top Up Logic NOT turned on:

Using the **View History** find the payroll with the same pay period end date and ensure the CPP/QPP exemption has not been calculated twice.

In PAYweb the most common discrepancies are found in the CPP/QPP deduction. This is usually due to the complexity of applying the exemption when processing adjustments, manual cheques or additional pay runs. See example below:

**Example:** An employee received both **regular pay** and **vacation pay** in a biweekly schedule; however these cheques were made separately to the employee in the same pay period. The regular pay should be calculated with the CPP/QPP exemption. The vacation pay should be a straight calculation of the additional run amount multiplied by 5.70% (QPP 6.15%).

**NOTE:** Weeks Worked should = 0 where a bonus, vacation or other Top Up runs have been processed. In a **Top Up** run, CPP/QPP is calculated at a flat 5.70% (QPP 6.15%) with no CPP/QPP exemption applied.

#### **Regular Pay (Biweekly exemption of 134.61) (page 3)**

$$(3,000.00 - 134.61) \times 5.70\% = \$163.33$$

#### **Vacation Pay**

$$1,000.00 \times 5.70\% = \$57.00$$

#### **Add the CPP/QPP premiums together**

$$163.33 + 57.00 = \$220.33$$

#### **Adjustment made to Earnings or Taxable Benefits in PAYweb:**

Reviewing the **View History** or your archived payroll reports will be helpful for this error.

Once you have found the adjustment made to your earnings and/or taxable benefits add all amounts together for this pay period including regular pay and calculate the CPP/QPP exemption to ensure the premium deducted is correct. Also ensure EI/QPIP have also been calculated correctly. See example below.

**Example:** A Quebec employee received their regular bi-weekly payroll. Outside of payroll, they were given a cheque for \$100.00 for their car allowance. The Payroll Administrator entered this in PAYweb as a YTD entry earlier in the year.

**This was a YTD adjustment which did not include the QPIP, EI and QPP premiums.**



**Regular Pay**

\$3,000.00

**REG QPP premiums (Biweekly exemption of 134.61) (page 3)**

$(3,000.00 - 134.61) \times 6.15\% = \$176.23$

The adjustment to Earnings and/or Taxable Benefits were not added to CPP/QPP, EI and QPIP premiums for this pay period.

**Car Allowance Taxable Benefit**

\$100.00

**ADJ QPP Premiums**

$100.00 \times 6.15\% = \$6.15$

Add the QPP premiums together

$176.23 + 6.15 = \$182.38$

**ADJ EI Premiums**

$100.00 \times 1.20\% = 1.20$

**ADJ QPIP Premiums**

$100.00 \times 0.494 = 0.49$

How to fix PIER discrepancies through live payroll in **Additional Overrides in PAYweb:**

**NOTE:** Positive number will add to the calculation. Negative will subtract even with the "Add To" code.

Enter Payroll		Pay Period End	01/02/2022	Rate	21.000	Hours/Pay
Employee No		4				
		Override Code (blank = Override)				
Income Tax	<input type="text"/>	<input type="text"/>				<input type="text"/>
CPP	<input type="text" value="6.15"/>	<input type="text" value="Add To"/>				<input type="text"/>
EI	<input type="text" value="1.20"/>	<input type="text" value="Add To"/>				<input type="text"/>
Quebec Tax	<input type="text"/>	<input type="text"/>				<input type="text"/>
LIFE	<input type="text"/>	<input type="text"/>				<input type="text"/>
CO RRSP	<input type="text"/>	<input type="text"/>				<input type="text"/>
DPSP	<input type="text"/>	<input type="text"/>				<input type="text"/>
Work Weeks	<input type="text"/>					
EI Hours	<input type="text"/>					

**EI/QPIP Earnings or CPP/QPP earnings were adjusted in PAYweb:**

Reviewing the View History or your archived payroll reports will be helpful for this error.

Once you have found the error in the appropriate Earning field, type in the dollar amount that you need to add or subtract.

In the example below the **CPP/QPP** Earnings have been adjusted to add \$1,000.00

EI Earnings have been adjusted to add \$850.00

QPIP Earnings have been adjusted to add \$850.00

To subtract, enter a negative after the amount (e.g.: 850-)

YTD Deduction Detail									
Pay Period	3/26/17		Employee No	5 EE RRSP ONLY, ARLENE 6%					
Income Tax	<input type="text"/>	CPP	<input type="text"/>	EI	<input type="text"/>	Que. tax	<input type="text"/>		
<b>Taxable Benefits</b>									
	LIFE	DPSP	CO RRSP						
	<input type="text"/>	<input type="text"/>	<input type="text"/>						
<b>Deductions</b>									
		GRP INS	EXPENSES	PURCHASE	ADVANCES	MISC DED			
		<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>			
	SOCIAL	CSB	CHARITY	GARN GRO	GARN NET	FAM SUP	FAM ARR		
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>		
	UNION	R.R.S.P.	DPSP	EE RRSP	VOL RPP				
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>				
Work Weeks		10	EI Earn	850.00	CPP Earn	1,000			
Vacation	Curr	<input type="text"/>	Prev	<input type="text"/>	Earnings	<input type="text"/>			
					Pen Earn	<input type="text"/>			
Totals	Earn		Deductions		Net				

Press **Enter** twice to save the record.

**Exit** will take you back to the **Additional Features** Menu

**\*\*IMPORTANT REMINDER\*\***

Once your payroll has processed with your adjustments, it is strongly recommended that you run another PIER report to ensure the differences have been corrected to zero.

## Warning Messages

The **PIER** will list various warning messages that should be reviewed and corrected prior to printing the T4 slips.

These include:

### **0 WKS\***

The Employee profile has zero Work Weeks updated. There are few situations where this may be acceptable. The Work Weeks are factored into the prorated CPP/QPP exemption calculation. Therefore, this must be investigated and, if required, corrected.

### **Income tax less than zero**

Other earnings or deductions may have been affected. This must be investigated and corrected.

### **CPP Diff From Tot Earn**

This indicates that the accumulated C.P.P. Earnings are different than the YTD Regular Earnings plus the YTD Taxable Benefits. There are some situations where this may be acceptable. This must be investigated and, if required, corrected.

## PAYweb PIER Glossary

The following information is on the Report.

Column Heading Name	Explanation				
EMPL	Employee Number				
NAME	Employee Name				
Regular Earnings	Total gross earnings before Taxable Benefits				
Taxable Benefits	YTD Taxable Benefits				
Income Tax	YTD Income Tax deducted from the Employee is for information purposes only				
Earnings (EI, CPP/QPP, QPIP)	YTD accumulated Insurable Earnings and Pensionable Earnings include Insurable or Pensionable Taxable Benefits				
Req'd OED (EI, CPP/QPP, QPIP)	Required deduction EI/QPIP= YTD Insurable Earnings multiplied by 1.58% (QC 1.20%) Required deduction CPP/QPP= YTD Pensionable Earnings minus pro-rated CPP/QPP exemption multiplied by 5.70% (QPP 6.15%)				
Actual OED (EI, CPP/QPP, QPIP)	YTD actually deducted from the Employee				
Diff (EI, CPP/QPP, QPIP)	Actual deduction minus Req'd OED - difference requiring investigation A negative difference means the Employee did not have enough deducted based on the Earnings reported (under-deducted) A positive difference means the Employee has deducted too much, however, may not require adjustment				
QPIP	The Information will be printed on the line below the Employee's EI and QPP information and will include: Maximum deduction for Elin Quebec Maximum earnings for QPIP Maximum deduction for QPIP Actual YTD QPIP earnings will print directly below the CPP earnings Required QPIP deduction will print below the CPP/QPP Req'd OED Actual QPIP deduction will print below the CPP/QPP Actual Deduction Diff (QPIP) will print below Diff (CPP/QPP)				
Work Weeks Represents the number of weeks an Employee has received Pay. This number should not be greater than the number of closed Pay Periods in the Taxation Year or the number of Pay Periods in which the Employee received positive pay.	Pay Frequency	Pay Periods per Year	Work Weeks per Pay Period	Max Work Weeks per Year	Pay Period CPP/QPP Exemption
	Weekly	52	1	52	\$67.30
	Weekly	53	1	53	\$66.03
	Bi-weekly	26	2	52	\$134.61
	Bi-weekly	27	2	54	\$129.62
	Semi-monthly	24	2	48	\$145.83
	Monthly	12	4	48	\$291.66

## Contact Us

### Customer Support

7:00 am – 8:00 pm Eastern Time

(519) 621-3570

1-866-7PAYweb (1-866-772-9932)

[support@deluxe.ca](mailto:support@deluxe.ca)

<https://www.deluxe.ca/en-ca/payroll/>

Sign On – Log In

<https://login.deluxe.ca>

or

<https://logint.deluxe.ca>

For further information regarding the PIER Report see the CRA and RQ website below:

1. <https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/payroll-deductions-contributions/canada-pension-plan-cpp/pensionable-insurable-earnings-review-pier.html>
2. <https://www.revenuquebec.ca/en/online-services/forms-and-publications/current-details/tp-1015-g-v/>
3. <https://payroll.ca>