

# Next Commission Split Thresholds

If your agents are on a multi-tier commission plan where they increase to a higher tier once they've reached their cap, track the commission amount they must generate for the brokerage before advancing to the next tier.

## Introduction

*Next Commission Split Threshold* refers to the commission amount an agent must generate for the brokerage before they advance to their next commission split.

Once a *Next Commission Split Threshold* is entered for an agent, Pipeline will automatically track the agent's commission to the brokerage and warn admins when an agent has or is about to reach their cap.

When entering commissions on the transaction where an agent may reach or exceed their threshold, admins will see orange warnings for the agent. At that point, the admin can calculate the agent's pro-rated commission amount on that transaction and update their user profile, as needed.

## Manage An Agent's Next Split Threshold

Manage an agent's *Next Commission Split Threshold* to allow the system to track how much of their commission must be paid to the brokerage before they advance to the next commission split.

**Who Can Do This?** Admins with permission to both *Create user and locations* and *Enter Financial Data* can manage an agent's *Next Commission Split Threshold*.

To add or edit an agent's *Next Commission Split Threshold*:

- 1
- 2 **Go to [Manage Users](#)** by clicking [Manage Users].
- 3 **Click the agent's name** to open their user profile.
- 4 **Scroll down to the *Commission Percent* section.**

Search address, mls, agent, seller, buyer

Transactions Tasks Unassigned Unreviewed

Business Holidays

Checklists

Break Apart Docs

**– Financials**

Agent Fees

Client Fees

Deductions

Commission Basis

**– Backups**

Monthly Backup

**– Billing**

Upgrade / Downgrade

Update Credit Card

Billing History

**+ Add-On Modules**

**+ Integrations**

**Current Plan**

Transaction quota	250
Transactions created	99
Transactions remaining	151
Days until next bill	738 days

Include this user in the staff recipients section of Notes

**+ License # and Other Info**

**– Commission Percent, Cap, & Notes, Payable Corp, Start Date**

Commission Percent

%

Next Commission Split Threshold

\$

Commission Notes

Payable LLC or Corp

User Start Date

**User Status**

Active

5 Enter the agent's share of commission in the *Commission Percentage* field.

**– Commission Percent, Cap, & Notes, Payable Corp, Start Date**

Commission Percent

70%

Next Commission Split Threshold

\$5,000

Commission Notes

**i** Enter this agent's current commission percent. For example, if this agent's split is 75/25, enter the number 75.

You can always update this value when the agent's commission split percentage changes.

6 Enter the agent's *Next Commission Split Threshold*.

**Commission Percent, Cap, & Notes, Payable Corp, Start Date**

Commission Percent

Next Commission Split Threshold

Commission Notes

**i** Enter a dollar amount. This should be the dollar amount of this agent's commission paid to brokerage, beyond which this agent's commission split will be increased. Once the agent generates this amount of commission for your company during their current production year, the staff responsible for managing commissions will receive a warning that this agent's commission split threshold has been surpassed.

- 7 Click [Update User]. The system will start tracking the agent's commission paid to the brokerage and will warn admins when they are managing commissions on a transaction that may push the agent over their threshold.

Each agent's contribution to their *Next Commission Split Threshold* will automatically reset to \$0 at the beginning of each year (based on either calendar year or the agent's start date, depending on your company's *Financial Settings*). [Learn how to Use Start Dates of Agents to Determine Fiscal Years for Year-to-Date Calculations](#) →

## Receive Real-Time Warnings

When managing commissions on a transaction that may push an agent over their *Next Commission Split Threshold*, the system will smartly warn you by highlighting the agent's name in orange under *Broker / Agent Commission Disbursement*.

The screenshot shows a web application interface for managing commissions. On the left, there is a sidebar with summary information: Total Commission (\$25,920.00), Lead Source (Organic Search), and Admin Info (Some default admin info...). The main content area is divided into several sections:

- Calculated Commission Amounts:** A table showing Gross Commission (\$25,920.00), Special Fee (\$259.20), and Distributable Commission (\$25,660.80). A warning message states: "Next, we will help you distribute the broker/agent commission of \$25,660.80." with an "Edit Prev Step" button.
- Broker / Agent Commission Disbursement:** This section shows the distribution of the listing commission (\$25,660.80). It includes a table for "Specify agent / brokerage splits" with columns for Brokerage, Agent, and Commission Split. The entry for "Jim Greene" is highlighted in orange, showing a 30% brokerage split and a 70% agent split. A red arrow points to the "Agent" column.
- Fees & Deductions:** A section for "Broker's Fees & Deductions" with fields for Earnest Money Deposit, Client Fee, and a deduction for brokerage.

From this warning, you can:

- **View the agent's year-to-date pop-up** by clicking inside their *Commission Amount* field. From the pop-up, you can view the agent's *Current Split*, *Commission To Brokerage Before This Transaction*, and their *Next Commission Split Threshold*.
- **Check the agent's final commission for the transaction** to determine if they will, indeed, surpass their threshold on the transaction.
- **Calculate the agent's pro-rated commission amount** if they will exceed their *Next Commission Split Threshold* on the transaction. [Learn how below](#) →

## Calculate An Agent's Pro-Rated Commission

Calculate an agent's pro-rated commission amount on the transaction where they exceed their next split threshold.

**Who Can Do This?** Admins with permission to *Enter Financial Data*.

To calculate an agent's pro-rated commission amount:

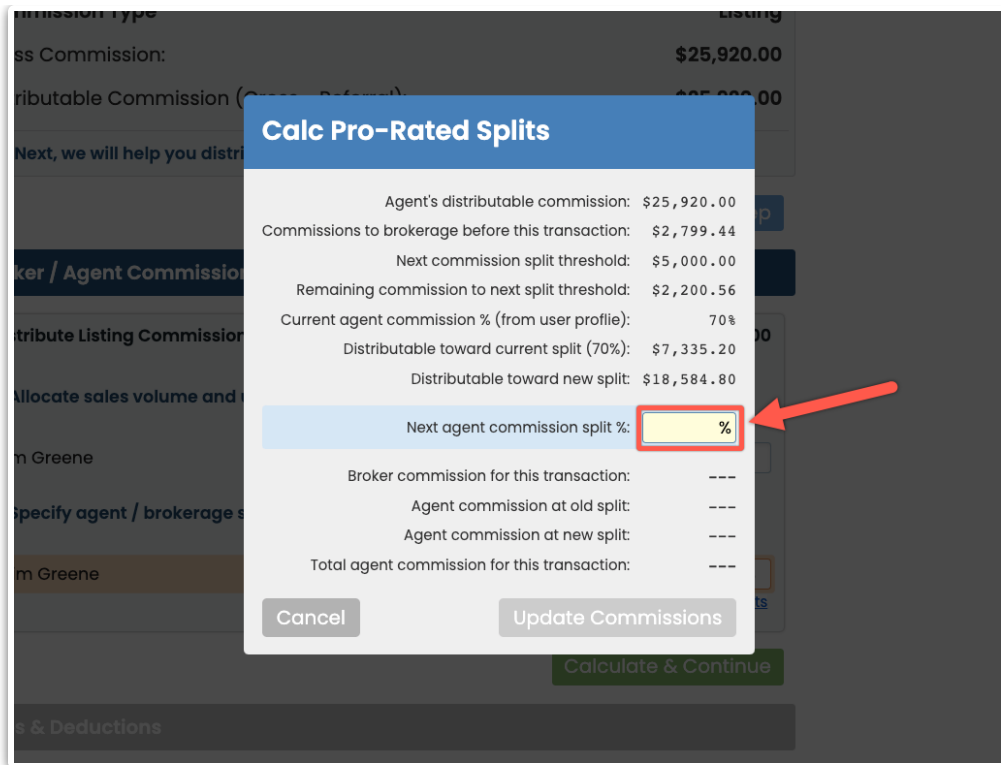
- 1 **Click [calc pro-rated splits]** when managing commissions on a transaction that pushes an agent over their *Next Commission Split Threshold*.

The screenshot displays a software interface for managing commissions. At the top, a warning banner states: "This transaction's commission may push the agent over their next commission split threshold." Below this, the "Calculated Commission Amounts" section shows a Total Commission of \$25,920.00. The "Broker / Agent Commission Disbursement" section includes a table for "Specify agent / brokerage splits" with a red arrow pointing to a "calc pro-rated splits" button. The right-hand side of the interface contains a table for "Commission split threshold info" and a table for "Commission totals before this transaction".

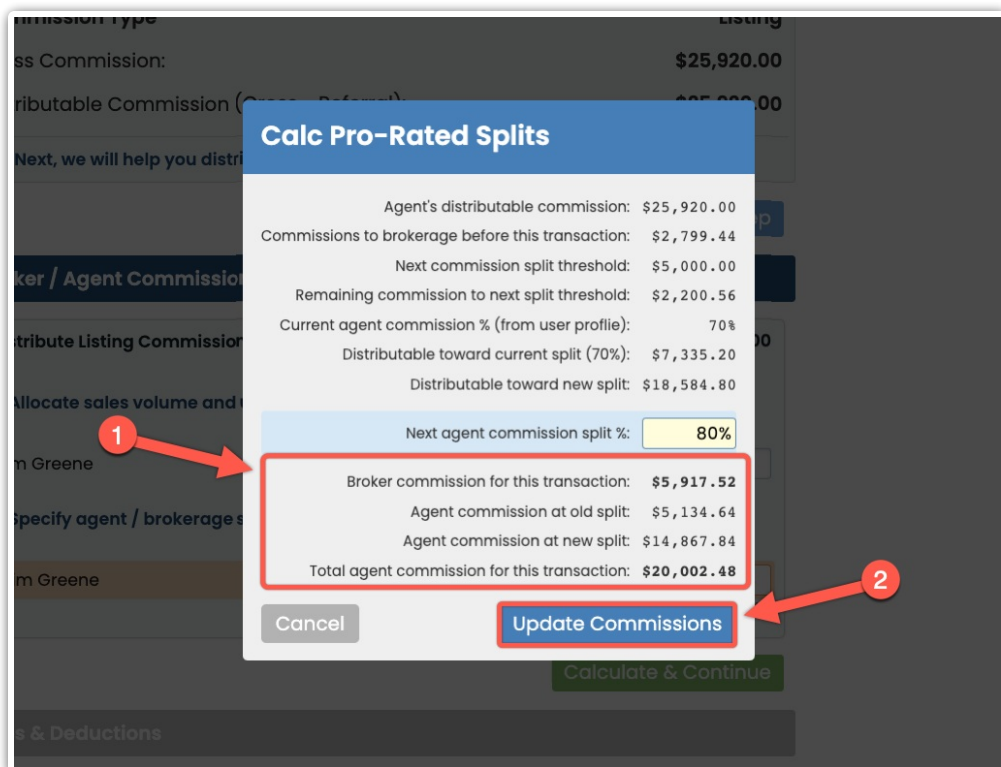
Commission split threshold info	
Agent's current split:	70%
Commission to brokerage before this transaction:	\$2,799.44
Next commission split threshold:	\$5,000.00

Commission totals before this transaction	
Commission produced before agent/broker split	\$12,593.07
Agent gross commission:	\$9,793.83
Agent net commission:	\$8,150.68
Agent gross in-house referral commission:	\$0.00

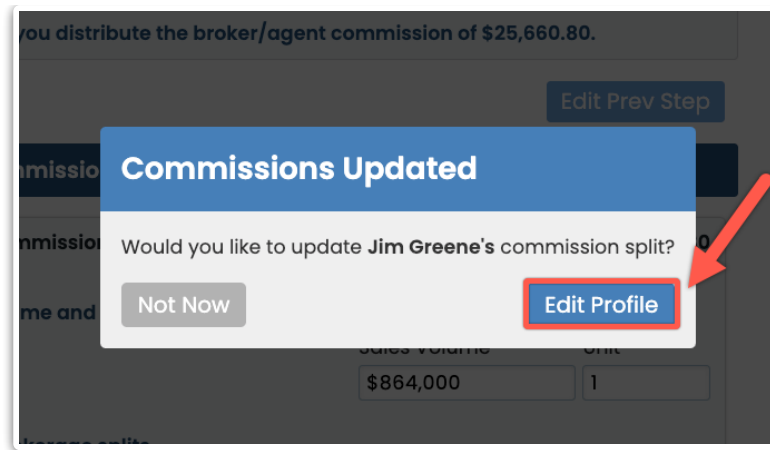
- 2 **Enter the agent's next split percentage** in the box for *Next agent commission split %*



- 3 Review the calculations, then click [Update Commissions].



- 4 Optionally, update the agent's commission split in their user profile by clicking [Edit Profile] when the system asks, then making the appropriate changes. [Learn more about Managing User Settings for Commission Module](#) →



- 5 When you return to manage commissions, you'll see the agent's commission entered as a dollar amount.

### Broker / Agent Commission Disbursement

**Distribute Listing Commission:** \$25,920.00

- 1 **Allocate sales volume and units**

	Sales Volume	Unit
Jim Greene	<input type="text" value="\$864,000"/>	<input type="text" value="1"/>
- 2 **Specify agent / brokerage splits**

	Brokerage	Agent		
Jim Greene	\$5,917.52	<input style="border: 2px solid red;" type="text" value="\$20,002.48"/>	<input type="text" value="*"/>	<input type="text" value="%"/> <input type="text" value="\$"/>

[calc pro-rated splits](#)

[Calculate & Continue](#)

- 6 Continue managing commissions as normal. [Learn more about Managing Commissions](#) →

## View Agents' Progress Toward Their Next Split

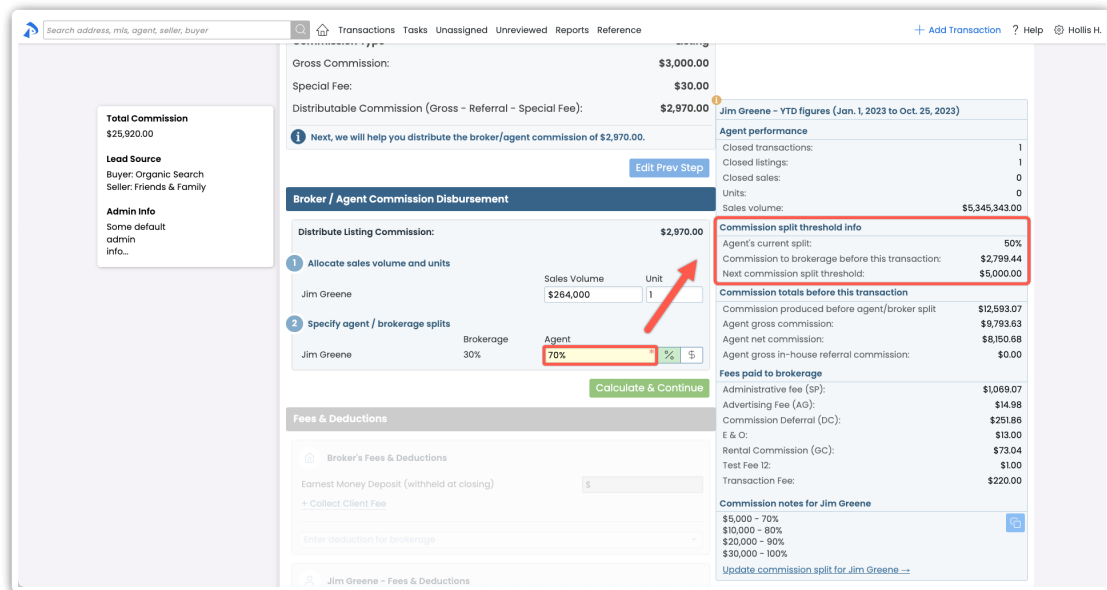
Once *Next Commission Split Thresholds* have been entered for agents, Pipeline automatically tracks their progress so you don't have to. When entering commissions, admins can view each agent's contribution toward their *Next Split Threshold* in the agent's year-to-date pop-up. Admins can also view an agent's contribution toward their cap anytime in the *Agent Commissions* report.

### View Commission Split Threshold Info (While Managing Commissions)

When you are managing commissions on a transaction and click into an amount field for an agent,

a pop-up including the agent's year-to-date figures will appear on the right. In the pop-up, you can view the agent's *Commission Split Threshold Info*. [Learn more about Agent's Year-to-Date Pop-Up](#)

→




## Download Agent Commissions Report

The *Agent Commissions* report includes an agent's *Current Commission Percent*, *Next Commission Split Threshold*, *Remaining Commission To Next Split Threshold*, and *Commission To Brokerage*.

Admins can download an *Agent Commissions* report. [Learn how to Download Agent Commissions Report](#) →

Agents can track their personal progress by downloading their own *Your Commissions Summary* report. [Learn how to Download Your Commissions Report](#) →

 Coffee is for Closers Realty	
<b>Jim Greene</b>	
Commission figures (Jan. 1, 2023 to Oct. 25, 2023)	
Current commission percent	70
Next commission split threshold	\$5,000.00
Remaining commission to next split threshold	\$2,200.56
Commission to brokerage	\$2,799.44
Transactions closed	1
Listings closed	1
Buying closed	0
Total units	0
Listings units	0
Buying units	0
Transaction gross commission	\$24,348.02
Sales volume	\$5,345,343.00
Listing volume	\$5,345,343.00
Buying volume	\$0.00
<b>Agent Commissions</b>	
Gross commission earned	\$9,793.63

## FAQ

**Q: Why do warnings appear sometimes when an agent has not surpassed his threshold on a transaction?**

*A: Pipeline uses an agent's commission split percentage (if one exists), the amount of commission/referral on the transaction, and other assumptions to determine if an agent may exceed his threshold on a transaction. If those calculations lead to a commission amount for the agent that is close to or exceeds their threshold, Pipeline will display the highlighted warnings so the admin can make a final determination based on the final commission amount for that agent.*

**Q: Why is Pipeline not warning me that an agent on a transaction will be surpassing his threshold?**

*A: The system warns when an agent's **commission paid to brokerage** may exceed the agent's next commission split threshold. Check to make sure you're comparing the brokerage's share of the commission to the threshold.*

**This transaction's commission may push the agent over their next commission split threshold.**

**Jane Doe - YTD figures (Jan. 1, 2018 to March 29, 2018)**

Commission generated for brokerage before this transaction:	\$0.00
Next commission split threshold:	\$20,000.00
Agent start date:	Jan. 1, 2000
Closed transactions:	0
Sales volume:	None

**Agent totals**

Agent gross commission:	\$0.00
Agent net commission:	\$0.00
Agent gross in-house referral commission:	\$0.00

**Commission notes for Jane Doe**

test commission notes

[Update commission split for Jane Doe →](#)

## Managing Agent Commission Changes ?

Do your agents' commission splits change throughout the year? In this Pipeline Pro session, learn how Pipeline makes it easy to know when an agent's commission split should change from one level to another. (February 20, 2019)



