

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

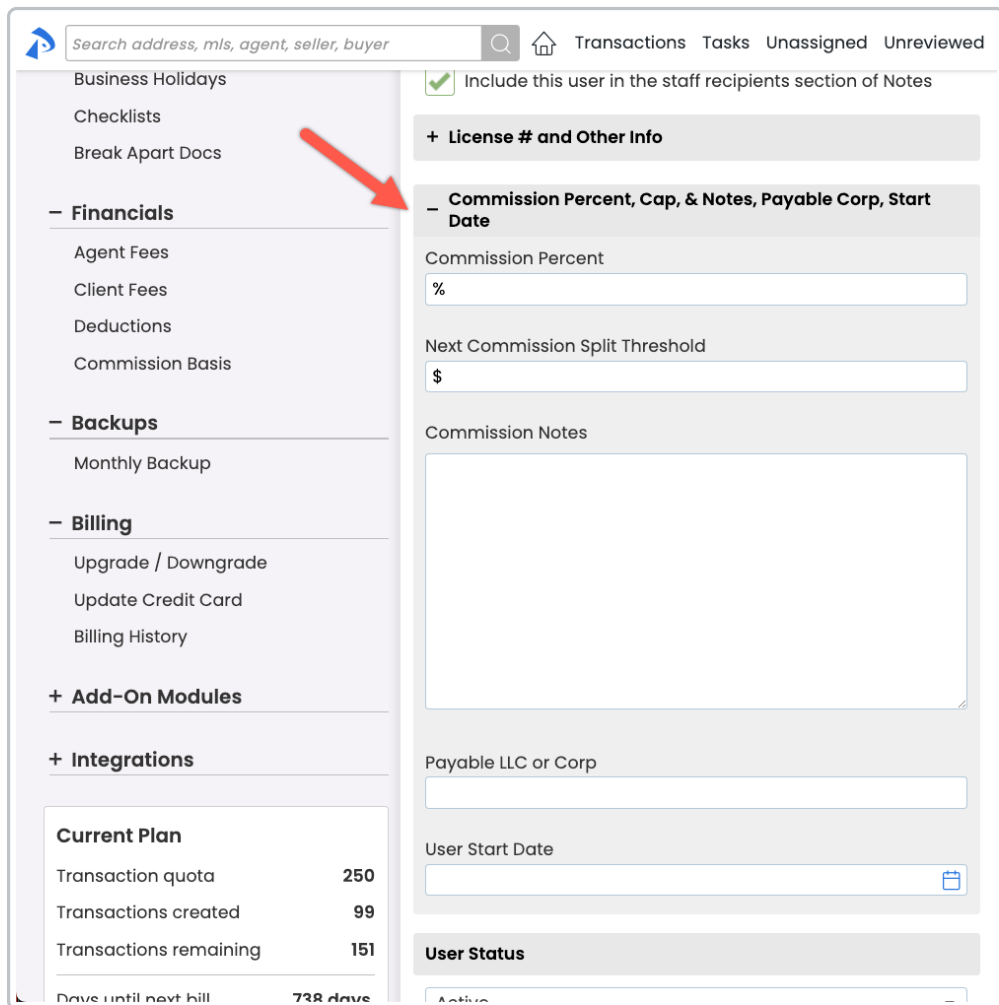
Manage an agent's *Next Commission Split Threshold* to allow the system to track how much of their commission must be paid to the brokerage before they advance to the next commission split.

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 **Go to Company Settings**
 - Click your name in the upper right corner, then [Admin / Settings].
- 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.



The screenshot shows a user profile page with a sidebar on the left and a main content area on the right. The sidebar contains sections for Business Holidays, Checklists, Break Apart Docs, Financials, Backups, Billing, Add-On Modules, and Integrations. The main content area has a search bar at the top, followed by a checkbox for 'Include this user in the staff recipients section of Notes'. Below this is a section titled '+ License # and Other Info'. The 'Commission Percent, Cap, & Notes, Payable Corp, Start Date' section is highlighted with a red arrow. It contains fields for 'Commission Percent' (set to '%'), 'Next Commission Split Threshold' (set to '\$'), and 'Commission Notes'. Below these are fields for 'Payable LLC or Corp' and 'User Start Date'. At the bottom is a 'User Status' section with a dropdown menu set to 'Active'.

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

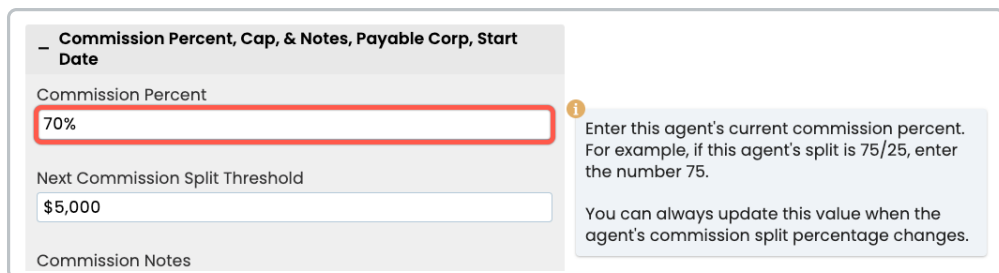
Payable LLC or Corp

User Start Date

User Status

Active

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



This close-up shows the 'Commission Percent, Cap, & Notes, Payable Corp, Start Date' section. The 'Commission Percent' field is highlighted with a red box and contains the text '70%'. To the right of the field is an information icon (i) and a tooltip that reads: '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.' Below the 'Commission Percent' field is the 'Next Commission Split Threshold' field, which contains '\$5,000'. The 'Commission Notes' field is empty.

– 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

70%

Next Commission Split Threshold

\$5,000

Commission Notes

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 displays a web application interface for managing transactions and commissions. On the left, a sidebar contains a search bar and a list of tabs: Transactions, Tasks, Unassigned, Unreviewed, Reports, and Reference. The main content area is divided into several sections:

- Calculated Commission Amounts:** A yellow box showing a summary of commission types and amounts. It includes fields for Gross Commission (\$25,920.00), Special Fee (\$259.20), and Distributable Commission (\$25,660.80). A message states: "Next, we will help you distribute the broker/agent commission of \$25,660.80." A button labeled "Edit Prev Step" is located below this section.
- Broker / Agent Commission Disbursement:** A section with a blue header. It contains a table for "Distribute Listing Commission" with a total of \$25,660.80. The table has two main steps:
 - Allocate sales volume and units:** A table with columns for Sales Volume and Unit. It shows a value of \$864,000 for Sales Volume and 1 for Unit.
 - Specify agent / brokerage splits:** A table with columns for Brokerage and Agent. It shows a 30% split for Brokerage and a 70% split for Agent. A red arrow points to the "70%" value. Below the table, there is a button labeled "Calculate & Continue".
- Fees & Deductions:** A section with a grey header. It contains a table for "Broker's Fees & Deductions" with columns for Earnest Money Deposit (withheld at closing) and Collect Client Fee. There is also a field for "Enter 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*.

Search address, mls, agent, seller, buyer Transactions Tasks Unassigned Unreviewed Reports Reference + Add Transaction ? Help @ Hollis H.

Total Commission
\$25,920.00

Lead Source
Buyer: Organic Search
Seller: Friends & Family

Admin Info
Some default admin info...

Calculated Commission Amounts

Commission Type

Gross Commission: \$25,920.00

Distributable Commission (Gross - Referral): \$25,920.00

Next, we will help you distribute the broker/agent commission of \$25,920.00. [Edit Prev Step](#)

Broker / Agent Commission Disbursement

Distribute Listing Commission: \$25,920.00

1 Allocate sales volume and units

	Sales Volume	Unit
Jim Greene	\$864,000	1

2 Specify agent / brokerage splits

	Brokerage	Agent			
Jim Greene	30%				

[calc pro-rated splits](#) [Calculate & Continue](#)

Fees & Deductions

Broker's Fees & Deductions

Earnest Money Deposit (withheld at closing) \$

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

Jim Greene - YTD figures (Jan. 1, 2023 to Oct. 25, 2023)

Agent performance

Closed transactions:	1
Closed listings:	1
Closed sales:	0
Units:	0
Sales volume:	\$5,345,343.00

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:	\$9,793.63
Agent net commission:	\$8,150.68
Agent gross in-house referral commission:	\$0.00

Fees paid to brokerage

Administrative fee (SP):	\$1,069.07
Advertising Fee (AG):	\$14.98
Commission Deferral (DC):	\$251.86
E & O:	\$13.00
Rental Commission (GC):	\$73.04
Test Fee 12:	\$1.00
Transaction Fee:	\$220.00

[Update commission split for Jim Greene →](#)

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

Calc Pro-Rated Splits

Agent's distributable commission: \$25,920.00

Commissions to brokerage before this transaction: \$2,799.44

Next commission split threshold: \$5,000.00

Remaining commission to next split threshold: \$2,200.56

Current agent commission % (from user profile): 70%

Distributable toward current split (70%): \$7,335.20

Distributable toward new split: \$18,584.80

Next agent commission split %: %

Broker commission for this transaction: ---

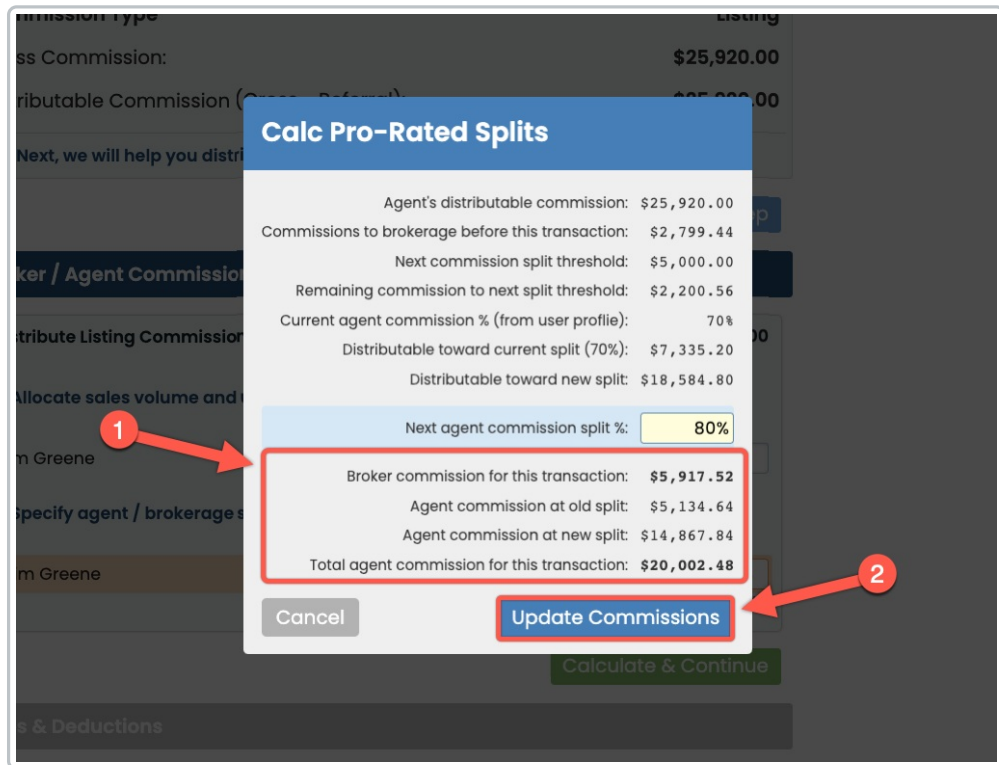
Agent commission at old split: ---

Agent commission at new split: ---

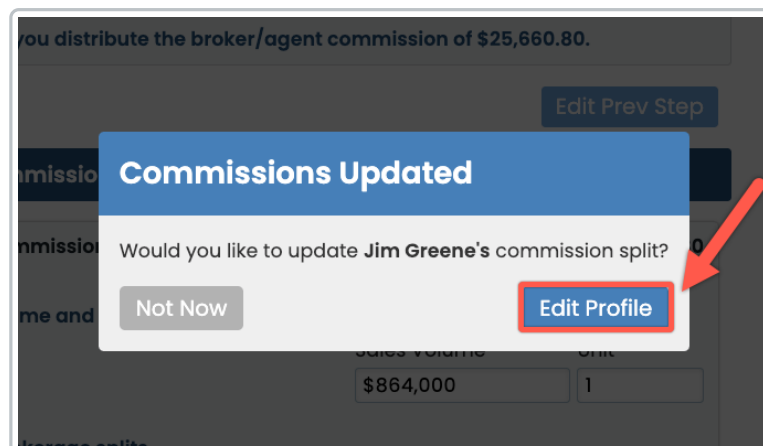
Total agent commission for this transaction: ---

[Cancel](#) [Update Commissions](#)

- 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

Jim Greene

Sales Volume

\$864,000

Unit

1

2 Specify agent / brokerage splits

Jim Greene

Brokerage

\$5,917.52

Agent

\$20,002.48

*

%

\$

[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](#)

→

Search address, mls, agent, seller, buyer

Transactions Tasks Unassigned Unreviewed Reports Reference

+ Add Transaction ? Help Hollis H.

Total Commission
\$25,920.00

Lead Source
Buyer: Organic Search
Seller: Friends & Family

Admin Info
Some default admin info...

Gross Commission: \$3,000.00
Special Fee: \$30.00
Distributable Commission (Gross - Referral - Special Fee): \$2,970.00

Next, we will help you distribute the broker/agent commission of \$2,970.00.

[Edit Prev Step](#)

Broker / Agent Commission Disbursement

Distribute Listing Commission: \$2,970.00

1 Allocate sales volume and units

	Sales Volume	Unit
Jim Greene	\$264,000	1

2 Specify agent / brokerage splits

	Brokerage	Agent
Jim Greene	30%	70%

[Calculate & Continue](#)

Fees & Deductions

Broker's Fees & Deductions

Earnest Money Deposit (withheld at closing) \$

+ Collect Client Fee

Enter deduction for brokerage

Jim Greene - Fees & Deductions

Jim Greene - YTD figures (Jan. 1, 2023 to Oct. 25, 2023)

Agent performance

Closed transactions:	1
Closed listings:	1
Closed sales:	0
Units:	0
Sales volume:	\$5,345,343.00

Commission split threshold info

Agent's current split:	50%
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:	\$9,793.63
Agent net commission:	\$8,150.68
Agent gross in-house referral commission:	\$0.00

Fees paid to brokerage

Administrative fee (SP):	\$1,069.07
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E & O:	\$13.00
Rental Commission (GC):	\$73.04
Test Fee 12:	\$1.00
Transaction Fee:	\$220.00

Commission notes for Jim Greene

\$5,000 - 70%
\$10,000 - 80%
\$20,000 - 90%
\$30,000 - 100%

[Update commission split for Jim Greene](#)

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

Jim Greene

Commission figures (Jan. 1, 2023 to Oct. 25, 2023)

Current commission percent	70	Transactions closed	1
Next commission split threshold	\$5,000.00	Listings closed	1
Remaining commission to next split threshold	\$2,200.56	Buying closed	0
Commission to brokerage	\$2,799.44	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

Agent Commissions

Gross commission earned	\$9,793.63
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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)