

THINGS TO BE CONCENTRATED ON FORM 16 ISSUANCE

PADMAJOTHI N

MAY 2023

OUR MISSION

To be the leading provider of **'World-class Payroll and Compliance'** that is reliable, consistent, and client-centric, enabling SMEs, SMBs & Corporates to achieve a competitive edge at affordable cost.

OUR VISION

- © Most respected and renowned firm in the HR and finance domain
- © Ensure unmatched quality, best-in-class support
- © Our effectiveness is beyond expectations



OUR VERTICALS





FACTS ABOUT US

14 years
young

153 clients &
counting

12L transaction
/quarter

99.49
accuracy rate

16
cities

4.76L
form 16's issued

99.98 client retention
rate

TODAY'S AGENDA

Form 16 Compliance - Why , When & How

Things to be concentrated

Q & A Session

FORM - 16

Certificate Issued by the Employer to their Employees which gives the detailed summary of salary paid to the Employee and TDS deducted on the same.

Form 16 - Issuance

Due Date to Issue the Form 16 for FY 22-23 is 15th June 2023.

Non Compliance - Impact

As per the Section 272A(2)(g), If Employer fails to issue the certificate (Form 16 / 16A) per day Rs. 500 will be charged as penalty until issuing the certificate.

Various Form in Form 16

Part - A

Form 12BA

Form 12BB

Part - B

Annexure -
F16

Generation of Form 16

TRACES Website

Part - A

Part - B

Payroll
Software

Form 12BA

Form 12BB

Annexure -
F16

To whom and all we have to Issue Form 16 ?

Mandate - for the Employees to whom Gross salary is more than Taxable limit

Best Practice - To Issue the Annexure to Form 16

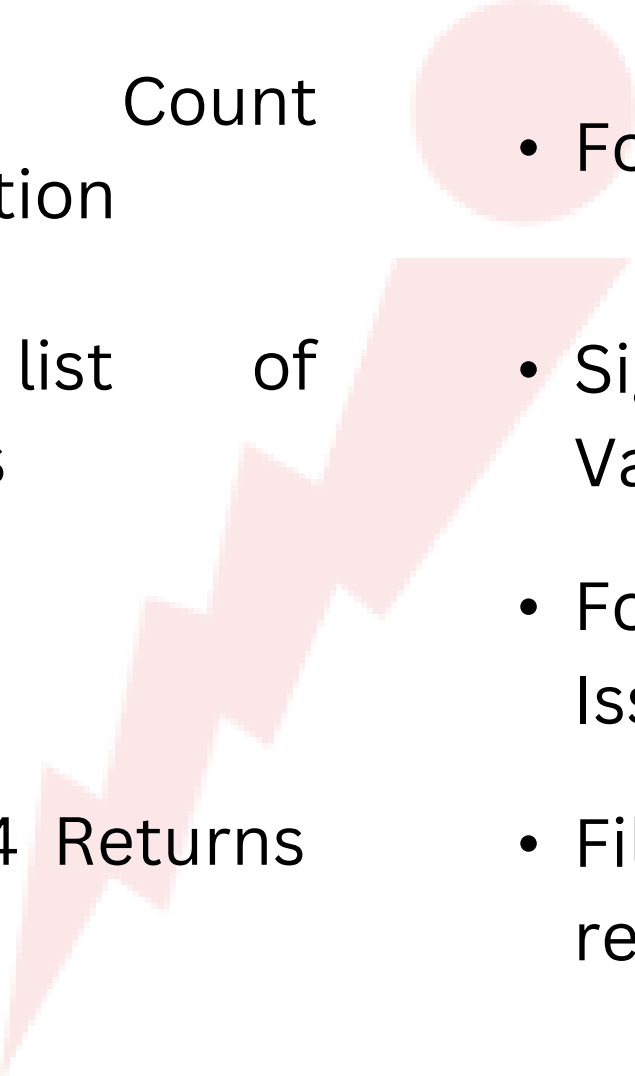
Optional - for the Employees to whom Gross salary is less than Taxable limit

Employees who doesn't have PAN for them is it not possible to issue Form 16

How can we ensure the accuracy of Form 16?

Accurate data reported in Q-ETDS filing.

Things to be done - Form 16 Issuance

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- Head Count Reconciliation
 - Master list of Employees
 - TDS Audit
 - Filing of Q4 Returns
 - Form 16 Audit
 - Signing Authority - DSC Validity
 - Form 16 - Mode of Issuance
 - Filing of correction returns

Things to be concentrated - For
Issuing accurate Form 16

Head Count - Validation

All Employees are added in Annexure II

All Employee's added in Annexure II are included in Annexure I - Reporting

Annexure II - Line Entry count has to be matched with master list

Employee doesn't include either in Annexure I or II then any one of the Form16 document Part A / Part B will not be generated

Income Reporting - Annexure I

Gross Salary under section 17 has to be reported

Taxable Value of Perquisites has to be reported

Taxable Reimbursement only to be reported

Reporting in Annexure II

Previous Employment
Income and TDS has to be
reported separately

There should not any tax
payable

If Employee has multiple
landlord then PAN of all
landlord has to be reported

Loss from the House
property has to be reported
in negative

Reporting in Annexure II

If Employee has multiple lender then PAN of all lender has to be reported

Ensure whether details are filled in the respective column

Ensure whether the tax regime has been updated appropriately

Reconciliation between Annexure I & Annexure II

Gross Salary under section 17 has to be matched with Income reported in Annexure I from Q1 to Q4

TDS Deducted by the current Employer has to be matched with Tax reported in Annexure I from Q1 to Q4

Q&A Session



THANK YOU



CONTACT US



HEAD OFFICE

7/12, New Krishna
Layout, Anandha Nagar, Mullai
Nagar, P.N.Pudur pt.
Coimbatore – 641041
Call : 0422 - 403 7800-899
Fax : 0422 - 435 4751
Email : hello@relativity.co.in

REGIONAL OFFICES

Bangalore:

Rehaja Tower, 10th Floor, West
Wing, MG Road,
Bangalore - 560 001
Phone : 080-41115423

Chennai:

#3, 1st Floor, Flat No: 4, Ananda
Leela Apartments, Grace Avenue,
Selaiyur, Tambaram,
Chennai - 600073
Phone : +91 93611 41436