

Year-End Compliance Activities in Payroll - Part II

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THE COMPLIANCE EXPERTS

- ✓ Payroll Processing / Audit
- ✓ Q-ETDS Compliance / Audit
- ✓ Statutory Compliance / Audit
- ✓ CA & RoC Compliance
- ✓ Tax Compliance / Audit
- ✓ Digital Form-16

Our Values

Quality

- Accuracy
- On-time delivery
- Up-to-date information
- Apt Advice

Integrity

- Data confidentiality
- Compliance

Excellence with a passion

- Organizational culture
- Client focus

Relativity's Solutions

- End to End Management of Payroll Services
- End-to-End ETDS Compliance & Audits
- End-to-End ETDS Compliance & Audits
- End-to-End Management of Payroll Lodgement Services
- Form 16 Audit, Digitalization & Distribution
- Provident Fund Management & Compliance
- Industry Standard Self-Service Portal for Management of Reimbursements & Tax Proofs
- Establish, Build, Operate & Transfer India Payroll Shared Services
- GST Advisory, Compliance & Filings

Some Facts

**14
Years**

**100+
Employees**

**185
Clients**

**1 L
Payroll Records**

**99.6
Client
Retention Rate**

**12 L
Transaction/Q**

**99.49
Accuracy Rate**


**16
Cities**

**4.76 L
FORM 16's**

Things to be concentrated on for the year-end closure



- Gross Salary under sec 17
 - Wages
 - Annuity or Pension
 - Gratuity
 - Perquisites (Non-Monetary Benefits)
 - Profits in lieu of Salary or Wages
 - ER Contribution towards more than 12%
 - ER contribution towards NPS
 - Salary paid in Advance

- Taxes are to be recomputed based on Proof submitted by Employees
 - Rejoinee - Tax computation
 - Inter Entity Transfer - Tax computation
- 

Valuation of Non Monetary Benefits

- Interest-free / concession loan
- Stock Options
- Employer contribution towards Retiral Fund more than 7.5 L PA
- Annual Accretion - for Excess contribution towards the retiral Fund

Employer contri. towards retiral fund more than 7.5 L

Contribution towards
provident fund

Contribution towards
Approved superannuation

Contribution towards
National Pension scheme

Employer contri. towards retiral fund more than 7.5 L

Employer contribution	Amount in Rs
Provident Fund	3,55,000.00
Superannuation	1,50,000.00
National Pension Scheme	2,95,833.00
Total	8,00,833.00
Employer contribution Exceeding 7.5 Lakh	50,833.00

Annual Accretion - for Excess contribution

- $TP = (PC/2) * R + (PC1 + TP1) * R$
- $R = I / F_{avg}$
- $F_{avg} = (Opening\ Balance + Closing\ Balance) / 2$

Preparatory activities for Form 16

Master list of
Employees to whom
F16 has to be issued

Undertake necessary
corrections if required

Reconciliation of Payroll
records vs reported in
TDS returns (Q1 to Q3)

Keep track on the latest
changes in Form 16 & Q4
Reporting

Budget Updates

- From FY 23-24, Tax has to be computed in New Tax Regime by default
- Tax slabs changed for New Tax Regime
- The standard deduction will be considered for New Tax Regime
- The limit to avail rebate has been increased from 5 Lakhs to 7 Lakhs in New Tax Regime
- The maximum surcharge limit has been reduced to 25%

Budget Updates

- Tax on capital gains can be avoided by investing proceeds of such gains in residential property. This is proposed to be capped at Rs. 10 crore.



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POLL SESSION

Q&A SESSION



THANK YOU



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