

PAYROLL

ASSET MANAGEMENT

The

COMMUNIQUE



Our CFO Speaks

Evolution is the process of gradual development, be it species, business, or laws. Everything must evolve in order to achieve the desired results. The laws of our land relating to human resources have covered every aspect and hence are diverse and many in number. The evolution calls for a total coverage of all aspects yet be concise and hence the birth of the Wage Code. The Wage Code has enacted the four labour codes, subsuming the 29 labour law legislations.

A change in law brings in its ambit changes in our lives in some way or the other. As a CFO of the organization, this change for me spells accommodating changes in the budget of the organization. It makes me responsible for accepting and implementing the change in my organization smoothly for the transition to be celebrated among all the ranks of the organization.

Additionally in my role and capacity, I must also assist all the organizations relying on us to handhold them through this change. To assist them to decipher the law, to not be intimidated by the unknown, to welcome the modifications in the yearly budget, and also pass on the same comfort to the employees. The changes in the Wage Code is redefining the basic definitions and restructuring the benefits to employees.

Change is not merely to be accepted but to be prepared for. Being so close to this change should not make us worry about it rather we must be prepared. At FastFacts we have prepared for the change by addressing it, discussing it, bringing awareness, and making the amends required at our end.

So as the evolution of the laws of the land pertaining to Human Resources takes shape, let us be prepared to accept this change and accommodate it and make our organizations foresee the benefits at micro and macro levels.

We will be issuing a detailed analysis of the new Wage Code and all that you need to know and must be prepared for. Wishing everyone a smooth transition to the new Wage Code.

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What's New

PayPac

- ✓ Modification to the Professional Tax Form 3B as per Maharashtra rules
- ✓ Masters modified too

SaITDS

- ✓ Integration of Part A and Part B under Form 16
- ✓ Capturing of Date Paid/ Credited while recording of transactions



Never miss a date

March
15th

- 4th instalment of advance tax for the AY 2021-22

March
31st

- Last date for furnishing overdue or amended return on income for FY 2020-21

March
31st

- For Q1 & Q2 of FY 2020-21 the Quarterly statements of TDS/TCS given

Happy to enhance our footprints

Trust at the core of every relationship



TRANSFORMATION STORY- - FOR A MULTINATIONAL CONGLOMERATE COMPANY



Challenge

- Data in excel and manual massaging
- Manually knocking off debit and credit entries adjustment
- Lower rate certificate management and vendor identification
- Filling of TDS return online
- Correction Return

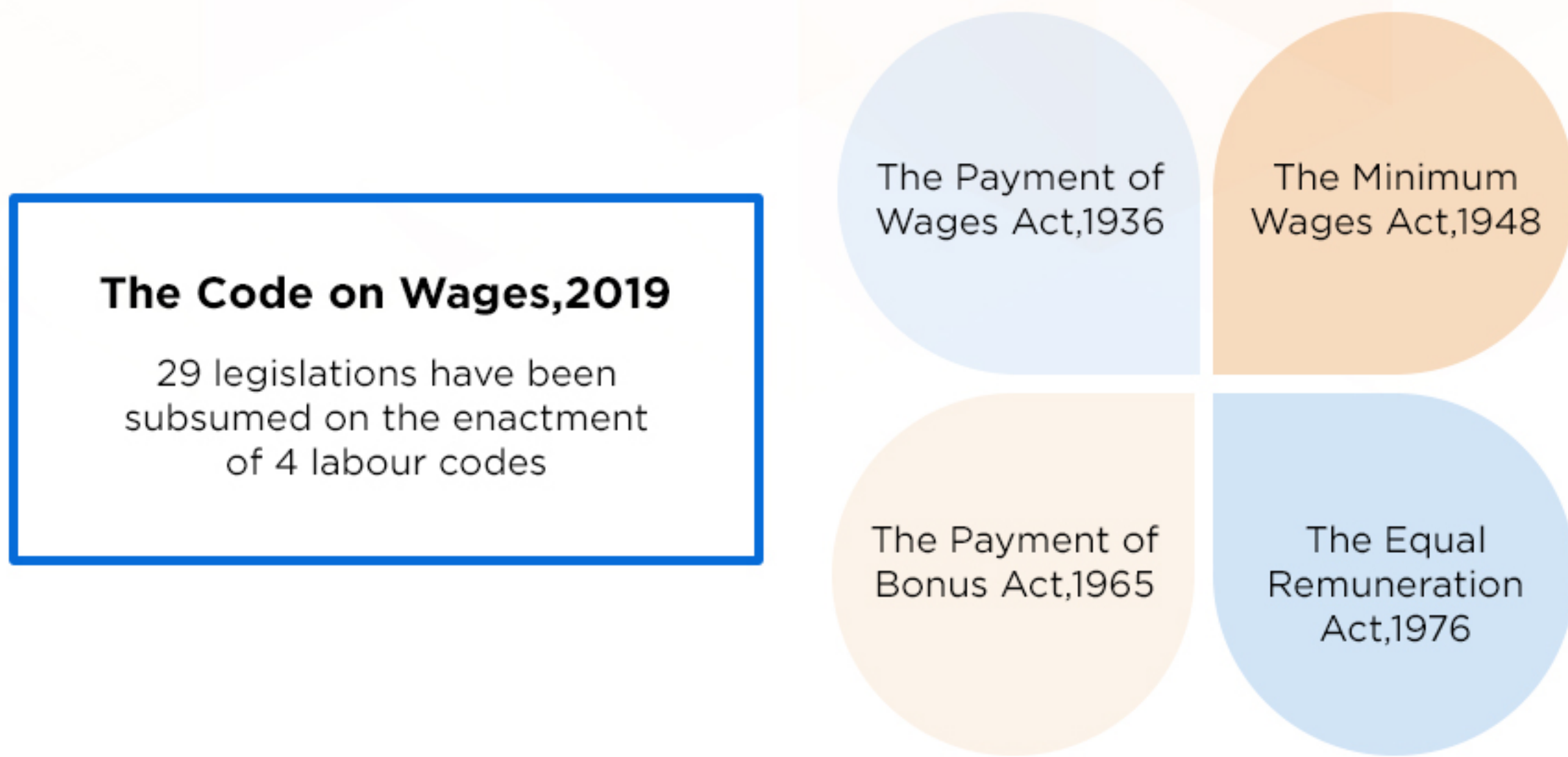
Solution

- Automation that eliminates the need for manual massaging (TdsPac)
- ERP integration to avoid manual data massaging and seamless flow of transactions
- Vendor Identification – PAN verified against Name and structure with ITD & Traces
- Automated Integration with TRACES website for filing of return online
- Veracity of the lower rate certificate validated with PAN

Result

- Reduced man hours and cost
- Simplification and automation
- Error reduction
- Efficiency optimisation

ALL YOU NEED TO KNOW: WAGE CODE



Wages definition includes



Specific Exclusions from the definition of Wages

- 1
 - Statutory Remuneration
 - Special Expenses
- 2
 - Value of House Accomodation, utilities
 - HRA
- 3
 - Employer contribution towards pension, PF
 - Award or Settlement
- 4
 - Conveyance Allowance
 - Overtime Allowance
- 5
 - Commission
 - Gratuity Payable
 - Ex-Gratia payment

MUST KNOW FACTS ABOUT THE WAGE CODE

The first proviso suggests that specific allowances exceeding 50% of the remuneration will be added back to wages

The condition is a floor and not a cap for the purpose of determining wages

The definition of wages is applicable to all employees and is not restricted to only those earning a below a certain threshold

The Code on Wages does not compel an employer to change its current salary structure

There are cost implications on the employer especially with regard to the retirement benefits

There is a short impact on take home pay for the employees

The current proposed date for the implementation of codes is expected to be April 1, 2021



**TO BE ON TOP, YOU NEED NOT JUST
SIGHT BUT FORESIGHT
ENROLL US TO GET THAT ADVANTAGE**

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