

Form 16

Frequently Asked Questions

1. How can I download my Form 16?

Visit [HR Workways](#) and follow the below path to download your Form 16:

[HR Workways](#) > Year end > My signed Form 16.

After downloading the form, save and validate the digital signature.

2. Is it mandatory to validate the Form 16 digital signature?

Form 16 is a digitally signed PDF document; it is important to validate the digital signature provided on it. To check validity/authenticity of the digital signature, please download & save it on your local drive/ system. Open the same using Adobe Acrobat and follow instructions mentioned on [HR Workways](#) (Year-end > Trust Digital signature) to complete the validation process. **It is important to validate the digital signature at the earliest.**

3. Why does Form 16 have a digital signature that says, 'validity unknown'? Is a Form 16 valid with these remarks, if I need to produce its physical copy?

The 'validity unknown' message occurs on the remarks as a digital signature from another source needs to be trusted at the professional's end.

Please validate the signature as mentioned in FAQ 2. Once completed, the remark will change to 'Signature Valid' status with a green check mark.

Please validate the signature at the earliest as it will expire. Post its expiry, you will not be able to validate it again.

4. What does a Form 16 comprise? What are the new changes it?

A Form 16 comprises two parts i.e., Part A and Part B.

The Part A of Form 16 is downloadable from TRACES (Income Tax Website portal of Income Tax Department to administer tax reconciliation) which shows the details of your Tax Deducted at Source (TDS) during FY 2021-22. You will not be able to generate Part A on TRACES if there has been no income tax deduction during financial year 2021-22 or if there is no valid PAN for an individual. There are **no changes** in Part A of the form.



The Part B of Form 16 is prepared by your employer which has paid your salary in FY 2021-22. Please note that Part A of Form 16 will reflect 'Gross Salary' pertaining to the months where there has been income tax deduction, while the Part B will capture the annual 'Gross Salary' earned during financial year 2021-22

Effective FY 2021-22, Part B of Form 16 can also be generated through TRACES portal and comprises a detailed break-up of your earning components, exemptions, and deductions.

Note: Here are a few components which will reflect in Part B of your Form 16:

- **Gratuity (under point 2 b):** This applies to professionals who have separated from the firm and have received a gratuity amount. This amount is tax exempted and is not considered while arriving at the final taxable income.
- **Standard Deduction (under point 4 a):** For FY 2021-22, all professionals are eligible for a deduction of INR 50,000 from their taxable income.
- **Chapter VI A deductions (under point 10 L):** Like previous years, a break-up of chapter VI A deductions exemptions approved under each of the sections such as 80C, 80D, 80E etc. is provided. The amount approved under any other section such as 80U, 80CCG etc. (not listed in the points 10 a to 10 k in Part B) is accumulated and shown under point 10 L.

5. I am entitled for a tax refund as per my income tax computation sheet for FY 2021-22. Where does the refund amount reflect on the Form 16?

The Form 16 format is specified by the Income Tax Act and does not reflect tax refund details as a separate line item. The difference between 'Tax Deducted' (shown on the first page of Part A) and 'Net Tax Payable' (shown at row No. 19 on the second page of Part B) will be your tax refund amount (if any).

6. How do I interpret the new Part B annexure in my Form 16 for financial year 2021-22?

The new Part B annexure as part of Form 16 comprises four sub-sections.

Annexure to Form No.16 PART B [for item nos. 2(f) and 10 (k)]

2. (f) Break up for 'Amount of any other exemption under section 10' to be filled in the table below				
Sl. No.	Particulars of Amount for any other exemption under section 10	Gross Amount	Qualifying Amount	Deductible Amount
	Rs.	Rs.	Rs.	Rs.

10(k). Break up for 'Amount deductible under any other provision(s) of Chapter VIA' to be filled in the table below				
Sl. No.	Particulars of Amount deductible under any other provision(s) of Chapter VIA	Gross Amount	Qualifying Amount	Deductible Amount
	Rs.	Rs.	Rs.	Rs.
1	Section 80EEA - Addn Housing Loan Interest Benefit Apr19-Mar22			

Place		(Signature of person responsible for deduction of tax)
Date		
Designation :		
		Full Name :

***Any other exemption u/s 10:** This section comprises all Section 10 exemptions other than i.e. HRA, Gratuity, Pension, leave encashment and LTA, as applicable u/s 10.

***Any other provisions of Chapter VI-A:** This is the break-up of all 'other' chapter VI-A exemptions such as 80E, 80EEA, 80G, 80TTA etc. as applicable

7. If I have furnished my previous income details, how does it reflect on my Form 16? *(Only for new hires who've joined the firm between April 1, 2021 and March 31, 2022)*

- These details will not reflect on your Form 16.
- These details are considered to calculate income tax for the financial year, your income and tax pertaining to the current as well as previous employers are considered (as submitted by you). This ensures the income tax deducted and remitted by your current employer are arrived after considering your earnings for the complete financial year i.e. April 1, 21 9 till March 31, 2022.
- Please refer to the income tax computation statement provided by your previous employer as part of final settlement, to know your income tax liability on the income paid by them for your tenure with them during financial year 2021-22. You will receive a separate Form 16 from your previous employer accordingly

Q8. How will the Section 10 exemptions show up on Form 16?

- HRA – The amount if claimed will not be deducted from the Gross Salary reflecting on the Part B under point 1 (a). This will be shown separately



under allowance section of point 2 (e), to the extent claimed and approved.

- LTA – The tax reimbursement bills approved will be shown separately under point 2 (a).
- Communication expenses claimed – The approved tax reimbursements bills will not be shown separately. This amount will be reduced from the Gross Salary under point 1 (a). In Annexure, this amount will be reduced from the component '**Special allowance taxable**' under the '**Salary paid**' section.
- Fuel expenses claimed - The tax reimbursement claimed and approved after bills were submitted will not be shown separately. The amount is already deducted from the Gross Salary point 1 (a). In Annexure, this amount will be reduced from the component '**Special allowance taxable**' under the '**Salary paid**' section.

Please refer to your March 2022 pay slip for complete details.

Q9. I had an inter-entity transfer during the FY 2021-22. How can I file my tax returns?

As you will have multiple Form-16s, please make note of the below mentioned points before filing:

- You can claim the standard deduction of INR 50,000 only once
- You can claim the chapter VI A deductions only once up to the respective exemption limit
- You must consider the Provident fund amount reflecting in the 'Income tax calculation' part of your March 2022 payslip for filing the returns
- You must **add** the below mentioned amounts from each of the Form-16s issued for FY 2021-22, while filing returns:
 - Total gross salary under point 1 (d) of Part B
 - HRA under point 2 (e) of Part B
 - Tax on employment under point 4 (c) of Part B
 - Amount of tax deposited/ remitted under summary section of Part A