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## Personal Loan related queries:

**Q: Where can I find the Personal Loan Policy, the Loan Application form, and what are the documents that need to be signed?**

A: Personal Loan Policy is available on the Corporate Portal under Employee Services > Me at SAP > Benefits & Health > Benefits> Personal Loan

All Confirmed employees can avail an interest-free loan up to Rs. 75,000. This loan will be recovered from the employee's salary in 24 (maximum) equal monthly payments. The employee must pay all taxes, as applicable.

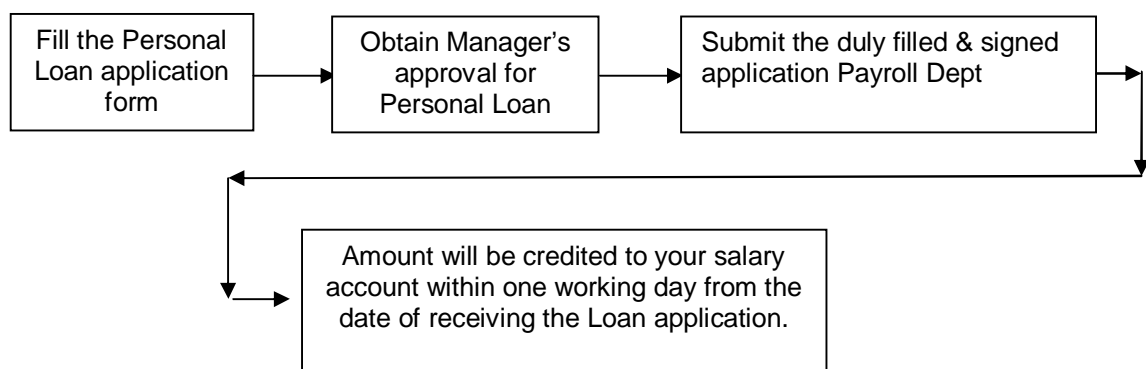
If the employee has already availed such a personal loan and is in the process of repaying it, a new personal loan can be obtained only after closing the existing loan.

For obtaining the Loan, employee should duly fill the Loan Application form, obtain team manager's approval, and forward the duly filled and signed Loan Application to Payroll Dept.

Finance Department credits the requested amount to the employee's bank account directly, within one working day from the date of receiving the Loan application.

Pre-closure of the loan can be done by giving a cheque for the outstanding loan amount, favouring "SAP LABS INDIA PVT LTD" or by repaying in current month's payroll. Cheque should be handed over to Payroll Department and for pre-closure through payroll, an email should be sent to [Payroll Team](#).

The [Loan Application Form](#) is available on Portal.



**Q: How is the Perquisite Value computed and is there any interest charged on Personal Loan?**

A: 16.5% of the loan outstanding amount (based on monthly reducing value) will be added to your gross salary as perquisite value during the financial year. The tax on perquisite will be computed as per the applicable Income tax rate. Please refer to the [Loan Perquisite Computation](#) document on Portal.

The personal loan is interest free and does not attract any interest.

## Tax Saving Investment Declaration and proofs related queries:

**Q: Where can I find the link to update the Tax-saving Investments and what is the cutoff date to update the same?**

A: The link can be found on the Corporate Portal under Employee Services > Me at SAP > Compensation & Equity > Compensation> Income Tax Savings Declaration & Claims Submission: 2010-11, or you could click here:

[https://ipp.wdf.sap.corp/sap/bc/gui/sap/its/zit\\_details?sap-language=en](https://ipp.wdf.sap.corp/sap/bc/gui/sap/its/zit_details?sap-language=en)

16th of every month is the cut-off date during April-December. During January-March, an email communication will be sent to you announcing the cut-off dates.

**Q: Where do I submit the Investment Proofs?**

A: Investment Proof collection boxes are available at each of the SAP Labs India locations as below:

- I) RMZ 2C- 4th Floor, near lift entrance
- II) RMZ 2C- 1st Floor Reception
- III) Phase III- Ground Floor, near Pantry
- IV) Main Campus- BLR01, A2 R06 (Payroll Counter)
- V) Gurgaon- 3<sup>rd</sup> Floor Cafeteria and A3.214 (Payroll Counter)

**Q: How do I know my investment proofs are accepted or rejected?**

A: 2 working days after the date of submission, you can see the accepted or rejected investment proofs status on the Corporate Portal under Employee Services > Me at SAP > Compensation & Equity > Compensation> Income Tax Savings Declaration & Claims Submission: 2010-11, or you can click on

[https://ipp.wdf.sap.corp/sap/bc/gui/sap/its/zit\\_details?sap-language=en](https://ipp.wdf.sap.corp/sap/bc/gui/sap/its/zit_details?sap-language=en)

## Medical Reimbursement related queries:

**Q: What is the maximum amount can be claimed under Medical Reimbursement? Can I submit my dependents medical bills?**

A: The maximum amount of tax exemption for medical bills is Rs.15,000/- per financial year. To avail the tax exemption benefit, the medical allowance should be a part of your flexible compensation.

You can also submit your dependents' medical bills to claim for tax exemption. For Spectacle bills, Power Card or Doctor Prescription is required.

**Q: I had submitted medical bills for Rs. xx, but why only Rs. yy was considered for Tax exemption?**

A: The Maximum limit for claiming medical reimbursement is Rs.15000 per FY, hence the maximum amount per month is Rs.1250. If the medical bills submitted in any month are more than Rs.1250, then only Rs.1250 will be considered for exemption in that month, while the balance will be considered in the subsequent months. The medical exemption amount is shown on your payslip under "Tax Exemptions".

Tax benefit is provided only upon submission of original receipts/ bills for expenses incurred during the financial year. Bills can be submitted for medicines, doctor's fees as well as for medical checkups for you or your dependents. No bills for hospitalization expenses are eligible for Tax exemption.

## Leave Travel Allowance related queries:

**Q: What is the maximum amount that can be declared for LTA? How many LTA Claims can be submitted in a year?**

A: One can declare up to Rs.60,000 towards LTA under flexible compensation for one financial year. Tax benefit will be given for 2 journeys in the block of 4 years and one LTA claim can be claimed for one financial year. Current Block is 2010 to 2013.

**Q: How the LTA claims will be calculated for tax exemptions?**

A: The LTA amount declared under flexible compensation will be paid monthly and the tax exemption will be given when the LTA claim is submitted.

If the LTA bills submitted are more than the LTA amount paid during that month, the balance will be considered for exemption in the subsequent months.

**Q: I had submitted LTA claim for Rs. xx, but why only Rs. yy was considered for Tax exemption?**

A: Only the bills related to travel are accepted for tax exemption, and hotel stay/ food bills are not accepted. Also, a journey is considered as one round trip, anywhere in India, starting from your work place. Original Tickets have to be submitted to claim the tax benefit.

For Air Travels, Boarding Pass is also required as a proof of travel.

Assuming Rs.5000 is paid as LTA every month from the beginning of the financial year. You have submitted the claim in the month of August for Rs.40000. Your August payslip will show Rs.25000.00 towards LTA exemption (ie. Rs.5000 x No. of months from Apr until the month of Claim Submission). Balance will be shown in the subsequent months' payslips.

The LTA exemption amount is shown in the payslip under "Sec 10 Exemptions"

## Health Insurance Premium related queries:

**Q: Is the HIP considered for Tax Exemption? In how many months do you deduct HIP (Health Insurance Premium)?**

A: Yes, HIP will be considered for Tax Exemption and the same will be updated by Payroll Team during Jan to Mar.

The Number of instalments for HIP deduction through payroll will be published on the corporate portal. (For year 2010 HIP deducted was started from Feb Payroll.)

## Transport Exemption related queries:

**Q: How is the Transport Allowance exemption calculated?**

A: The transport allowance is eligible only for those who commute to office using their own transport. Employees who commute on their own must declare this under their Flexible compensation at the beginning of the financial year.

Rs.800/- will be paid as transport allowance per month, exempt from tax, and is shown under "Sec 10 exemption" on your payslip.

## Car-Lease related queries:

### Q: What is the tax benefit I will get if I go for car lease?

A: If you are under the car lease policy, your portion of EMI (equated monthly installments) amount is reduced from your special allowance component and the same is exempt from tax.

### Q: What is my Car-lease EMI & where can I see this in my payslip?

A: You must have received a communication from the fleet administrator for the lease deduction. You can also see this amount by using the lease calculator available in the Corporate Portal. For further clarifications on your car lease amount, please get in touch with [Savitha Gopi](#).

## Form 16 related queries:

### Q: Why the gross salary is not matching with offer letter?

A: Your offer letter/salary revision letter includes your Base Salary {Basic and Flexible Compensation}, Allowances {Benefit Allowance, Superannuation}, Retirement Benefits {Gratuity, Provident Fund} and Variable pay as CTC, whereas, the Gross salary on your payslip only includes your Basic salary, Flexible compensation, Benefit allowance, Superannuation (if not opted as retirement benefit) and Fuel allowance (if opted for Company car lease), Perquisites value of personal loan, Car lease (if availed) and any other earnings, such as weekend/ shift allowance. Hence the gross salary does not include Provident Fund and Gratuity, as these are retirement benefits, and the variable pay which varies as per the performance bonus payout.

Note that medical, conveyance and car lease exemption amounts are directly reduced from the gross salary and appear in your payslip.

### Q: When and how is the Form 16 issued?

A: Form 16 will be issued by 31st May of the subsequent financial year and will be sent to your mailbox through email.

### Q: Why TDS deducted by my previous employer is not shown in form 16?

A: As the Tax has been paid by your previous employer, it will not reflect separately on the Form 16. However, this tax amount paid earlier is included in the total income tax paid in your form 16.

### Q: Why does the form 16 sent through email contain no signatures?

A: The form 16 is digitally signed and digital signature is validated by the authority, and does not require additional signatures.

## Income Tax Returns related queries:

### Q: Do you arrange any agency for ITR (Income Tax Returns) filing?

A: Yes. An email communication with details of the Agency, Dates and Locations should reach you by end of June.

### Q: When do I get tax returns confirmation from ITR filing agency? When do I get the ITR V acknowledgment from Income Tax Dept?

A: Employees must directly get in touch with the ITR filing agency. For more details, please refer to the communication sent by payroll team by end-June.

## Tax Deduction related queries:

### Q: Explain the complete income tax calculation shown in my payslip.

A: Gross Salary is the aggregate of all your earnings, plus Perquisites, less medical reimbursement exemption and car lease deduction, if any, during the financial year. You need to refer to the form 16 summary in your payslip for detailed tax calculations. You can also use the [Tax Calculator](#) available on the Portal.

### Q: Why are the amounts of Investment made/ updated in portal and the ones shown on my payslips not matching?

A: It could be due to one or more of the following reasons:

- i) Maximum limit under Sec 80C is Rs.100,000/- only.
- ii) Acknowledgment copies submitted as investment proof will not be considered as those will be subjected to realization of cheques.
- iii) Investment made during the financial year only will be considered.
- iv) Rejections from payroll team due to clarifications.

### Q: What is the Maximum amount on Housing Loan Interest? And what is the process to claim Housing Loan interest on more than one house?

A:

- I) As per Sec 24, the maximum limit for interest on housing loan for self occupied property is Rs.150,000, and there is no limit for claiming interest on housing loan on the let-out property.
- II) For let-out property, rent earned less municipal tax will be the net annual value, and on that 30% will be the deduction towards repairs & renewals. Net of this will be deducted from the Interest on housing loan. In both cases, ie, self occupied/ let-out property, the interest on housing loan can be claimed only after submitting the possession certificate (for the first year only if applicable) along with the provisional certificate from the Bank/Financial Institute.
- I) To claim the tax benefit on housing loan, you need to submit the Provisional Certificate from the Bank towards Home Loan. This needs to be submitted along with Form 12C duly signed by the Employee.
- II) Annex Form 12C is applicable where in, you have let out property for rental Income. Rental Income needs to be declared by the Employee. Copy of the rental agreement entered between employee and the tenant should be enclosed as a supporting document while declaring the Rental Income. Refer annexure [Form 12C](#) available on The Portal.
- III) If the Housing Loan is availed jointly, declaration has to be submitted by the other joint holder mentioning the % to avail the tax exemption and the employee has to attach the declaration along with the Form 12C. [Declaration on Housing Loan Format](#) is available on the Portal
- IV) Principal repayment amount can be claimed under Sec. 80C.

### Q: What is the Maximum HRA (House Rent Allowance) that can be declared? How frequent the HRA can be changed? How the HRA exemption will be computed?

A: 40% of your basic salary can be declared as maximum HRA for availing tax benefit. (Please note that the employees who are staying at Delhi /Mumbai can keep their HRA maximum up to 50% of their Basic).

If there is any change in the rent amount during the financial year, HRA can be changed by sending an e mail to [Payroll Team](#) mentioning the rent amount and the applicable date.

The HRA exemption is calculated based on the below mentioned three conditions and the least of that will be considered:

- 1) 40 % (For Metros 50%) of your Basic salary,
- 2) Actual HRA paid by company,
- 3) Actual Rent paid less 10% of your Basic.

To avail the tax benefit, you need to submit Original rent receipts. [Rent receipt format](#) and [HRA exemption calculator](#) are available on the Portal.

If the Rent per month is more than Rs.7000/- per month, then the copy of the Rental Agreement should be attached with the Rent receipts.

**Q: How the Income Tax can be saved by opting for Professional Development Allowance (PDA)?**

A: The Professional Development Allowance can be used for course fees, books, CDs, memberships or certification courses. All these options need to be related to your job and require an approval from your manager. The amount will be paid directly to a vendor or institution.

Employee should allocate the total amount towards PDA for that financial year under flexible compensation; the amount will be deducted from your flexible compensation and kept separately. The tax exemption is available only when the employee utilizes the PDA amount. If an employee chooses the professional development allowance but is not able to utilize it, the amount will be returned to the employee in the March payroll as a taxable income.

To avail the PDA benefit, an email must be sent to [Payroll Team](#) mentioning the Beneficiary Name, amount, demand draft payable place along with manager's approval. Within 7 working days, the demand draft/ cheque will be prepared.

If the PDA amount is paid by you directly to the institute/ university/ book shops etc, you will not be eligible to avail the tax exemption.

The PDA policy is available on portal under Employee Services > Me at SAP > Compensation > Compensation > Flexible Compensation Plan > Professional development allowance

**Q: What are the Income tax slab rates for FY 2010-11?**

A:

Gross Taxable Income (GTI)	Income Tax
Less than Rs.160,000 (Rs. 190,000 for female tax payers)	Nil
Greater than Rs. 160,000 but less than Rs.500,000	10% of the amount by which Gross Taxable Income (GTI) exceeds Rs. 160,000
Greater than Rs. 500,000 but less than Rs. 800,000	Rs. 34,000 + 20% of the amount by which GTI exceeds Rs. 500,000
Greater than Rs. 800,000	Rs. 94,000 + 30% of the amount by which GTI exceeds Rs. 800,000

3% Educational Cess on the total tax also applicable for all individuals.

## Quick links/ path for compensation and benefit related information on Portal:

### ME AT SAP:

**Path:** Employee Services > Me at SAP > Overview Me at SAP

**Link:** <https://portal.wdf.sap.corp/irj/portal?NavigationTarget=navurl://4fe964c7915753311d14b7e97923cdd7>

### BENEFITS - SAP LABS INDIA:

**Path:** Employee Services > Me at SAP > Benefits & Health > Benefits

**Link:** <https://portal.wdf.sap.corp/irj/portal?NavigationTarget=navurl://b45414c3f3df3fce412923547af69781>

### COMPENSATION - SAP INDIA LABS:

**Path:** Employee Services > Me at SAP > Compensation & Equity > Compensation

**Link:** <https://portal.wdf.sap.corp/irj/portal?NavigationTarget=navurl://8a748c80852f4eecf9775f24ed26d461>

**EMPLOYEE SERVICES – QUICK LINKS:** (FBP Details, Income Tax Savings Declarations and Claims Submission, Bank Account Update, Online Payslip Etc)

**Path:** Employee Services > Me at SAP > Compensation & Equity > Compensation

**Link:** <https://portal.wdf.sap.corp/irj/portal?NavigationTarget=navurl://8a748c80852f4eecf9775f24ed26d461>

### FORMS & POLICIES:

**Path:** Employee Services > Employee Services Overview

**Link:** <https://portal.wdf.sap.corp/irj/portal?NavigationTarget=navurl://cd1f670e76ee9524dc6fe510de90f6b1>

#### Forms:

<https://portal.wdf.sap.corp/irj/servlet/prt/portal/prtroot/com.sap.sen.wcms.Cockpit.Main?url=/Infocenters/Human%20Resources%20for%20SAP/Employee%20Services/Forms>

#### Policies:

<https://portal.wdf.sap.corp/irj/servlet/prt/portal/prtroot/com.sap.sen.wcms.Cockpit.Main?url=/Infocenters/Human%20Resources%20for%20SAP/Employee%20Services/Policies>

#### Note:

If your particular query is not answered here, you can please write to [Payroll Team](#)