

Salary Package Declaration and Investment Proposal – FAQ

1. What happens if I don't do declare now?

Ans: If you don't declare now, amount will be paid as personal pay / special allowance under taxable income. And you will not be in a position to declare for the entire year again.

2. Can I declare few components now and few later?

Ans: No, you need to declare now, the declaration window is opened only in April 2016 cutoff date as communicated over mail.

3. I don't have plan of declaring anything as of now, can I declare later?

Ans: Tool is opened only for the period communicated, hence request you to declare now and save your salary from Tax.

4. Why tool is not opened for the entire year and provide a flexibility in declare FBP components?

Ans: There will be a negative entries on your pay slip if you allocate your FBP during mid of the year, and hence tool cannot be kept open for entire year, as employee cannot have a negative salary in his / her pay slip as per India Income Tax. Also there will be lot of variation in earnings every time when you declare any components.

5. I have problem in tool, am not able to open the link provided, what can I do?

Ans: You can try accessing link via WTS and try to declare your salary package.

6. What happens to the amount which I declared and not claimed during entire year?

Ans: Unclaimed amount will be paid during March 2017 payroll as taxable income.

7. Why I should declare salary package, what are the benefits of declaring it?

Ans: If you allocate any components in salary package will be considered as tax free amount on submission of bills.

8. What is the impact on my salary if I declare now?

Ans: The amount declared now would be retained from your monthly salary and the same will be paid on submission of bills. And it will not be included in gross salary.

9. Am using office shuttle can I declare conveyance?

Ans: No, if you are using office shuttle, you do not have the option of declaring conveyance / transportation allowance.

10. What happens if I declare conveyance now and start using office shuttle mid of the year?

Ans: Payroll will receive a monthly report on shuttle usage and remove the conveyance component with effective date of using the shuttle.

11. Can I declare Fuel & Maintenance and Driver salary?

Ans: This component is eligible if employees covered under car lease policy / opted for car lease policy. (Maintenance is applicable only for SAP India).

12. Can I declare Fuel reimbursement in salary package?

Ans: This can be declared only by employees who are under Racer car lease policy.

13. Am planning to travel during end of this year, hence I would like to declare LTA by then and hence I don't want to block entire amount now, can I declare during end of year/ whenever I make travel ?

Ans: The window is opened only for the period communicated over mail. Employees are expected to allocate in first month itself.

14. Do I need to declare entire eligibility of LTA component? Or can I declare for the amount am planned for Transportation cost during my trip?

Ans: You can declare for the amount of transportation cost as planned to avail the LTA exemption.

15. My Salary increased effective from 1st April 2016, do I need to change my HRA declaration for new financial year?

Ans: Yes, HRA declaration to be revised with new eligibility amount if you are salary is revised for new financial year.

16. I would like to retain the same declaration as per previous year as I don't have any changes for new financial year, do I still declare salary package?

Ans: You can change your salary package based on your requirement, you need to change only HRA if you are staying in a rented accommodation. Other components can remain unchanged if you don't have any changes to the previous year declaration.

17. What is the maximum amount I can update for HRA?

Ans: 40% of Basic can be allocated if you are staying in rented house and which is non metro.
50% of Basic can be allocated if you are staying in rented house in metro city.

18. Am staying in my own house, do I still declare HRA component?

Ans: No, if you are staying in own accommodation, you need not to declare HRA component.

19. Am under company leased accommodation, do I need to declare this in my salary package?

Ans: No, company will maintain the same, you have no action with regards to CLA.

20. Am under Car lease Policy, do I need to declare my monthly EMI in my salary package?

Ans: No, company will maintain the same.

21. How can I declare my fuel & maintenance and driver salary if I opted for car lease during mid of the year?

Ans: you need to send FBP declaration form manually to hrdirectapi@sap.com subsequent month of car lease EMI deducted from your salary.

22. How can I revise my declaration during mid of year?

Ans: No, you cannot do any changes to the declaration you have done during April month, hence you need to plan your declaration for the new financial year to avoid any such corrections during mid of year.

23. Can I change my Investment Proposal during mid of the year?

Ans: Yes, you can change Investment Proposal anytime during the Financial Year.

24. What happens if I don't propose my Investments now?

Ans: Entire salary will be considered as taxable income and tax would be deducted monthly as per Income Tax.

25. What is the impact if I don't declare now and I declare during mid of the year?

Ans: Tax will be deducted and paid to Income Tax authority, and tax will be computed from the date of Investment declared and deducted tax will not be paid back to you rather it will be adjusted for the future tax during financial year. If any excess tax deducted may have to claim as refund from Income Tax by employees while filing their IT returns.

26. Total Package is not matching with my revised salary letter?

Ans: Employees are expected to contact your reporting manager.

27. Do I need to update my FBP allocation monthly or annually amount?

Ans: You need to declare annual amount.

28. Do I need to submit any documents while declaring proposed investment now?

Ans: No, documents are need to be submitted only during Jan – Feb 2017 based on the communication.

29. Am commuting to office by my own car, can I declare conveyance?

Ans: yes you can declare conveyance if you are commuting by your own car.

30. Am not using office shuttle and also am not under car policy, can I declare conveyance?

Ans: Yes, you can declare conveyance in such case.