**Employee payment and Tax Calculation for “ABC” Industries LTD**

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**Letter of Transmittal**

Februart 17 , 2025

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Subject: Submission a report on “Employee Payment and Tax Calculation for 'ABC Industries Ltd”

Dear Sir,

We are hereby submitting our report on “Evaluation of Central Pharmaceuticals Working Capital Management” as a work of our BBA program. We have given our utmost effort in making the report as informative as possible.

We are very grateful since your proper guidance helped us through to make the report as precise as possible. We hope we have been successful in following your instructions and we will also be available for any arisen clarifications or queries. Your support in this regard will be highly appreciated.

Sincerely Yours,

Md. Saif Uddin

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**Acknowledgement**

First of all, we would like to express our gratitude to almighty Allah for enabling us to complete this report on “Employee Payment and Tax Calculation for 'ABC Industries Ltd”.

Successfully completion of any type of report requires help from a number of persons. We have also taken help from different people for the preparation of the report. Now there is a little effort to show our deep gratitude to that helpful person.

We convey our sincere gratitude to,

our course instructor

Md Mahbub E Noor,

Assistant Professor

of department of CSE,

University of Barisal.

Without her kind direction and proper guidance this study would have been a little success. In every phase of the report, her supervision and guidance shaped this report to be completed perfectly.

Contents

[Introduction. 3](#_heading=h.30j0zll)

[1.1 Objectives. 6](#_heading=h.1fob9te)

[1.2 Data Input 7](#_heading=h.3znysh7)

[2. Step- by – Step Calculation Process. (bangladesh, 2023) 4](#_heading=h.tyjcwt)

[2.1 Total Payment Calculation 7](#_heading=h.3dy6vkm)

[2.2 Tax calculation 8](#_heading=h.4d34og8)

[2.3 Tax Status Determination 8](#_heading=h.17dp8vu)

[2.4 Chart Visualization 8](#_heading=h.3rdcrjn)

[2.5 Conditional Formatting : 9](#_heading=h.26in1rg)

[2.6 Identifying CIP Employess: 9](#_heading=h.lnxbz9)

[3. Summary of Results 7](#_heading=h.35nkun2)

[4. Visual Representation 7](#_heading=h.44sinio)

[5.Key findings 7](#_heading=h.2jxsxqh)

[5.1 Employee with CIP Status 10](#_heading=h.3j2qqm3)

[5.2 Employee with Not good . 10](#_heading=h.1y810tw)

[6 Conclusion. 8](#_heading=h.4i7ojhp)

[Bibliography 8](#_heading=h.2xcytpi)

[Bibliography 8](#_heading=h.1ci93xb)

[Referance 8](#_heading=h.3whwml4)



This report presents the process and results of calculating employee payments and tax deductions for "ABC Industries Ltd." based on employee hourly rates and working hours. The purpose of this analysis is to automate the payroll process, ensuring accurate calculations and categorization of employees based on their tax contributions.

The data for 11 employees was used to calculate the total payment for each, applying a 15% tax (tax, 2015) on their earnings. Based on the tax amount, employees were categorized into four distinct tax statuses:

CIP (Corporate Important Person): For tax contributions of BDT 50000 or more within yearly.

Moderate :For contributions of BDT 40000 or more within yearly.

General :For contributions of BDT 25000 or more within yearly.

Not Good : For contributions of less than BDT 25000 within a yearly .

# Introduction.

This project aims to calculate employee payments and corresponding tax deductions for the employees of "ABC Industries Ltd." based on their hourly rate and total working hours. The calculation also determines their tax status, categorizing them into various levels (CIP, Not Good , Moderate, and General) based on the tax amount. The use of Excel formulas ensures accurate and automated results, eliminating manual errors.

And the tax paid annualy.

## 1.1 Objectives.

The primary objectives of this assignment were to:

1. Calculate the total payment for each employee based on their rate/hour and working hours.
2. And percentage are made on year.
3. Classify employees into four tax categories (CIP, Not Good , Moderate, General) based on their tax amount.
4. Present the Tax result in a Chart .
5. Apply conditional formatting to highlight employees with CIP and General .
6. Identify employees with CIP status

## 1.2 [Data Input](about:blank)

The following table outlines the input data for the employees, which includes their hourly rate and the number of hours worked in a specific period:

| Employee name | Rate /hour | Daily working hours | Monthly payment |
| --- | --- | --- | --- |
| Saif | 60 | 7 | 12,600 |
| Samiul | 70 | 8 | 16,800 |
| Sayem | 96 | 8 | 23,040 |
| Siam | 120 | 8 | 28,800 |
| Rasel | 95 | 8 | 22,800 |
| Billa | 45 | 9 | 12,150 |
| Abdul | 69 | 8 | 16,560 |
| Faisal | 70 | 8 | 16,800 |
| Nur | 100 | 8 | 24,000 |
| Maruf | 150 | 7 | 31,500 |
| nayan | 67 | 8 | 16,080 |

# 2. Step- by – Step Calculation Process. (bangladesh, 2023)

## 2.1 [Total Payment Calculation](about:blank)

* For each employee , the total payment is calculation using th formula .
* The total payment is made by yearly , but we calculated monthly payment first ,than yearly.]

Formula ;

Monthly payment = ( Rate/hour )× ( Daily working hours ) × 30

This the monthly payment formula .

Example : saif’s rate /hour =60 tk

Daily working hours =7 hours

Now saif monthly payment = ( 60× 7 × 30 )

= 12,600

* Total payment = Monthly payment × 12

Example : saif monthly payment is = 12,600 tk

Saif total payment = (12,600 × 12 )

=151,200 tk

## 2.2 Tax calculation

A tax rate of 15 % is applied to each employee’s total payment to calculate their tax liability. The formula used is

Formula : total payment × 15% tax

Example : saif total payment is= 151,200 tk

Tax= 151,200 × 15 %

= 22,680 tk yearly

## 2.3 Tax Status Determination

* Based on the tax amount ,employees are categorized into four staruses :

1. CIP : Tax >= 50000 tk
2. Moderate >= 40000 tk
3. General >= 25000 tk
4. Not good < 25000 tk

The formula used to determind the status :

IF(Tax≥50000,"CIP",IF(Tax≥40000,"Moderate",IF(Tax≥25000,"General ","Not Good ")))\text{IF}( \text{Tax} \geq 50000, "CIP", \text{IF}( \text{Tax} \geq 40000, "Moderate ", \text{IF}( \text{Tax} \geq 25000, "General", "Not Good")))

## 2.4 Chart Visualization

* A bar chart was created in Excel to visually represent the tax amounts for each employee, making it easy to compare individual contributions.

2.5 Conditional Formatting :

* CIP status employees were highlighted in pink , using Excel's conditional formatting tool.

## 2.6 Identifying CIP Employess:

* The formula used to filter out employess with the CIP status :

IF(Tax Status="CIP",Employee Name,"")\text{IF}(\text{Tax Status} = "CIP", \text{Employee Name}, "")IF(Tax Status="CIP",Employee Name,"")

This helped identify employees contributing the highest amount in taxes.

# 3. Summary of Results

Below is a summary ot the total payment , tax amount , and tax status of each employ

| Employee Name | Total payment (BDT) | Tax (15%) | Tax Status |
| --- | --- | --- | --- |
| Saif | BDT 151,200.00 | BDT 22,680.00 | Not Good |
| Samiul | BDT 201,600.00 | BDT 30,240.00 | General |
| Sayem | BDT 276,480.00 | BDT 41,472.00 | Moderate |
| Siam | BDT 345,600.00 | BDT 51,840.00 | CIP |
| Rasel | BDT 273,600.00 | BDT 41,040.00 | Moderate |
| Billa | BDT 145,800.00 | BDT 21,870.00 | Not Good |
| Abdul | BDT 198,720.00 | BDT 29,808.00 | General |
| Faisal | BDT 201,600.00 | BDT 30,240.00 | General |
| Nur | BDT 288,000.00 | BDT 43,200.00 | Moderate |
| Maruf | BDT 378,000.00 | BDT 56,700.00 | CIP |
| nayan | BDT 192,960.00 | BDT 28,944.00 | General |

# 4. Visual Representation

This chart below shows the comparison of tax contribution

# 5.Key findings

5.1 Employee with CIP Status : Maruf

* Maruf’s tax amount is BDT 56,700.00, making her the highest tax contributor and placing her in the CIP category.

5.2 Employee with Not good .

* Billa’s tax amount BDT 21,870.00 places him in the Not good category

## 5.3 Employee tax Distribution :

* The chart and table clearly display the distribution of tax contributions among the employees, with most employees falling into the General and Moderate categories

# 6 Conclusion.

This project demonstrated how Excel formulas and tools like conditional formatting, filtering, and charting can be utilized to efficiently calculate and categorize employee payments and taxes. These automation techniques help streamline payroll processes, ensuring accuracy and minimizing manual intervention.

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