


## Steps to update revised PF Rates in Paybooks

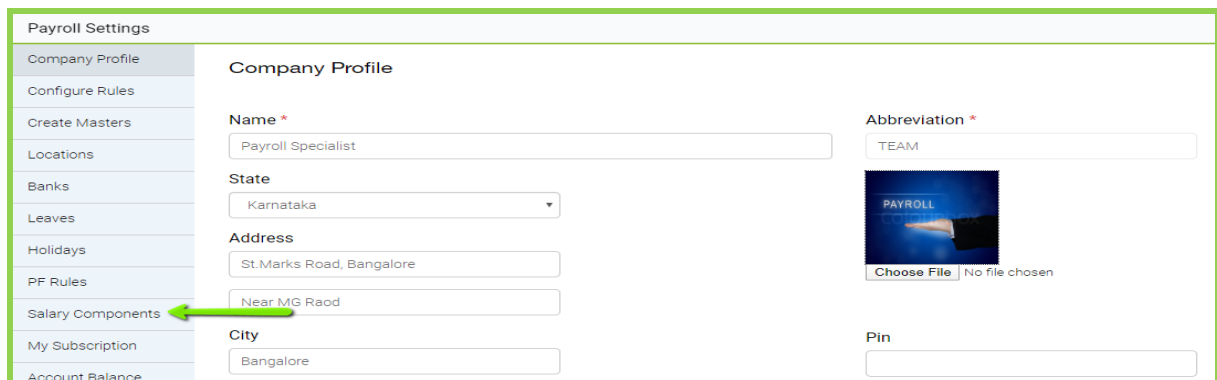
Further to the Gazette Notification from the EPFO regarding reduction in PF contribution rates and to comply with the same, the Users need to follow the below steps:

Go to Homepage -> Payroll Settings



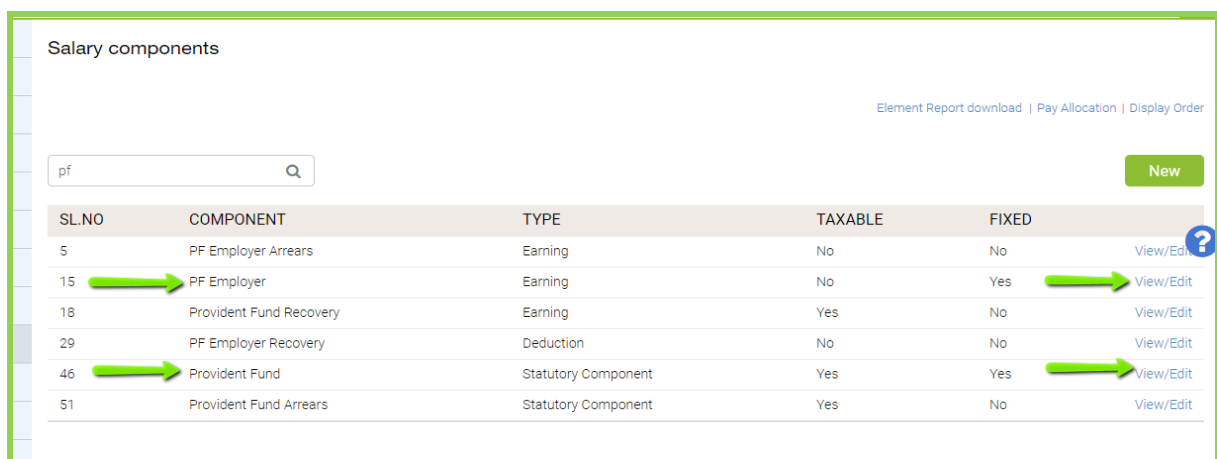
The screenshot shows the Paybooks homepage. The user is logged in as 'Payroll Specialist'. A green box highlights the 'Click either of these' text, with arrows pointing to the 'Payroll Specialist' link and the settings gear icon. The main content area shows a 'Payroll Summary' for June-2020, indicating ₹ 7,263,322 paid out till date. A line graph shows the trend from April to May. On the right, there is a 'Getting Started' section with a 'learn' button and links for 'How to kickstart your company's payroll', 'Getting around', 'Employee Self Service', and 'Run your first payroll'.

Then click "Salary Components"



The screenshot shows the 'Payroll Settings' page. The 'Salary Components' option in the left sidebar is highlighted with a green arrow. The main content area shows the 'Company Profile' form, which includes fields for Name, Abbreviation, State, Address, City, and Pin. The 'Name' field is filled with 'Payroll Specialist' and the 'Abbreviation' field is filled with 'TEAM'. The 'State' dropdown is set to 'Karnataka'. The 'Address' field is filled with 'St Marks Road, Bangalore' and the 'City' field is filled with 'Bangalore'. The 'Pin' field is empty. There is a 'Choose File' button for uploading a logo.

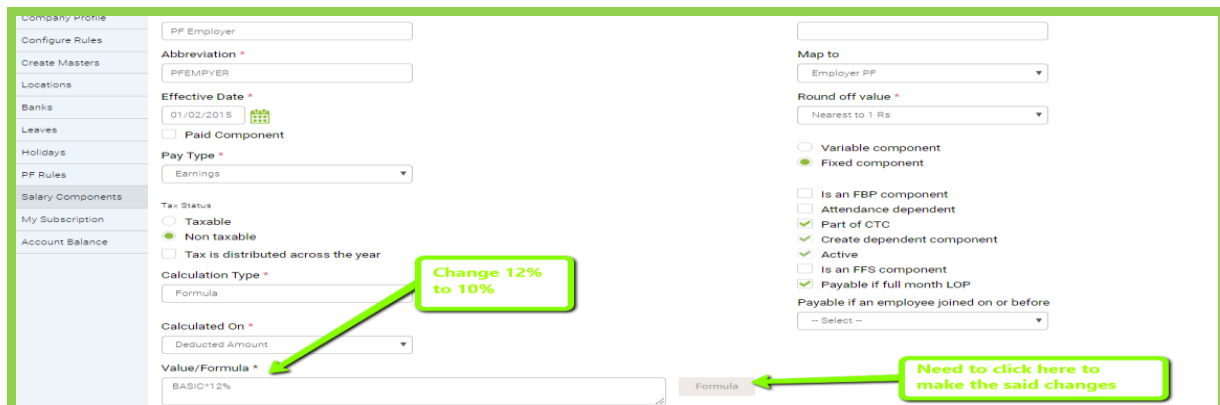
And select "PF Employer" as well as "Provident Fund" one by one.



The screenshot shows the 'Salary components' page. A search bar at the top contains 'pf'. A table lists the salary components, with green arrows pointing to the 'PF Employer' and 'Provident Fund' rows. The table has columns for SL.NO, COMPONENT, TYPE, TAXABLE, and FIXED. The 'PF Employer' row (SL.NO 15) is highlighted, and the 'Provident Fund' row (SL.NO 46) is also highlighted. The 'PF Employer' row is marked as 'Earning' and 'Yes' for 'FIXED'. The 'Provident Fund' row is marked as 'Statutory Component' and 'Yes' for 'FIXED'.

SL.NO	COMPONENT	TYPE	TAXABLE	FIXED
5	PF Employer Arrears	Earning	No	No
15	PF Employer	Earning	No	Yes
18	Provident Fund Recovery	Earning	Yes	No
29	PF Employer Recovery	Deduction	No	No
46	Provident Fund	Statutory Component	Yes	Yes
51	Provident Fund Arrears	Statutory Component	Yes	No

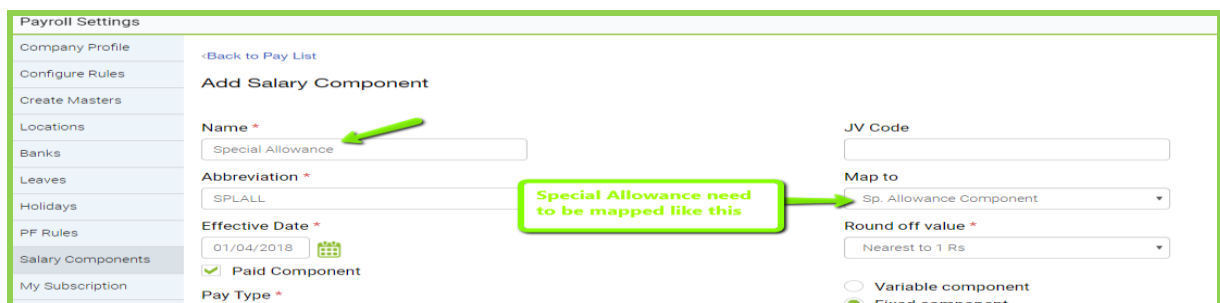
Click "View/Edit" against one of these and the below screen is displayed.



Just change the formula from 12% to 10% and "Save".

Repeat the same to the other component as well.

Once done, please check whether "Special Allowance" component is mapped to "Sp Allowance Component" the as shown below.



Post this there are 3 ways updating the changes to get the desired results:

1. [To import Bulk-wise when Special Allowance is either mapped or not](#)
2. [Manually when Special Allowance is mapped](#)
3. [Manually \(Employee-wise\) when Special Allowance is not mapped](#)

## 1 Importing Bulk-wise when Special Allowance is either mapped or not

The steps for the same can be found in the below link:

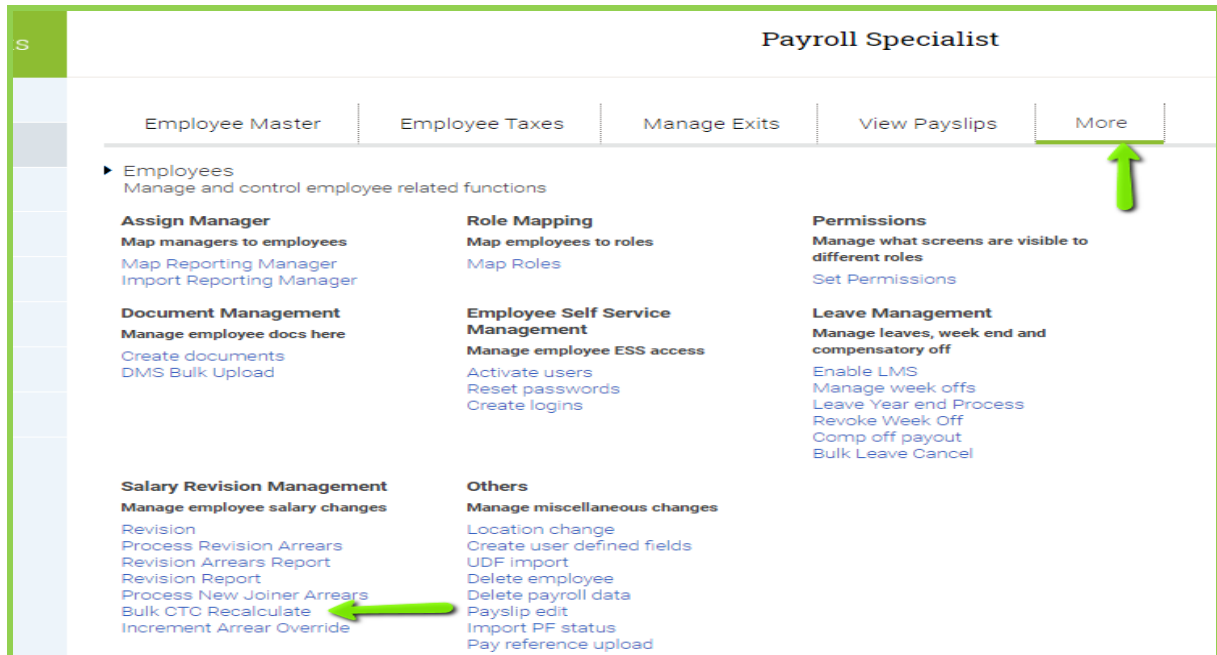
<http://support.paybooks.in/support/solutions/articles/189327-how-to-do-salary-revision-and-process-of-arrears-recovery->

Please Note:

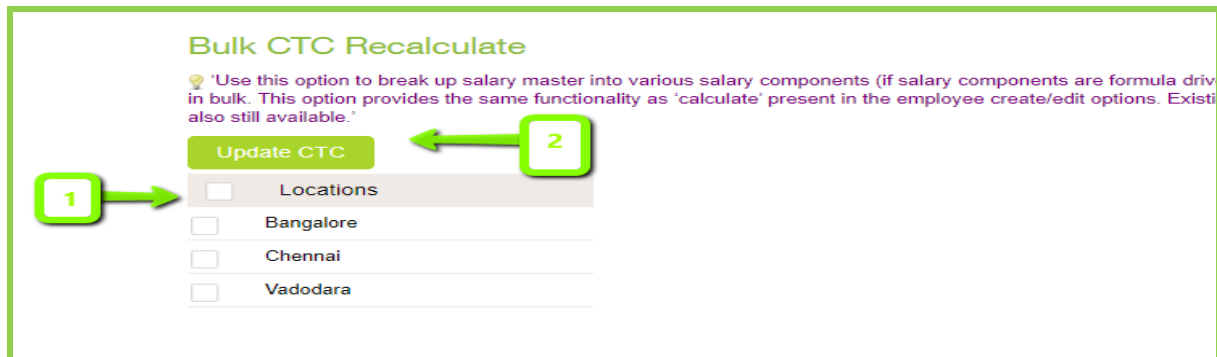
1. While doing so, care should be taken to update the Effective date as 01-05-2020 since the PF changes is applicable only from May-20 onwards and not earlier.
2. Even in case Special Allowance mapping is not done and the Headcount is more, this process can be duly followed.
3. This process also ensures there is a track of the changes updated; this will not be the case when the data is updated manually or if

## 2 Recalculate CTC Manually when Special Allowance is mapped

Go to Homepage -> Employees -> More



And Click the "Bulk CTC Recalculate" tab to come to the below screen.



First select all Locations (or relevant locations) and then click "Update CTC"  
This will ensure the differential amount of Employer's contribution is compensated under "Special Allowances"

## 3 Individually (Employee-wise) when Special Allowance is not mapped

There is another way to update this and this is by bulk CTC revision.

In case Special Allowance mapping is not done and Headcount is less (say under 10), and the User is comfortable updating manually, then they need to go to Masters of each Employee, update the "Special Allowance" amount manually, click "Calculate" and then "Save".

This will ensure the effect of new PF changes has taken place and benefits passed on to the Employees.