How to define salary deductions in HDPOS smart?
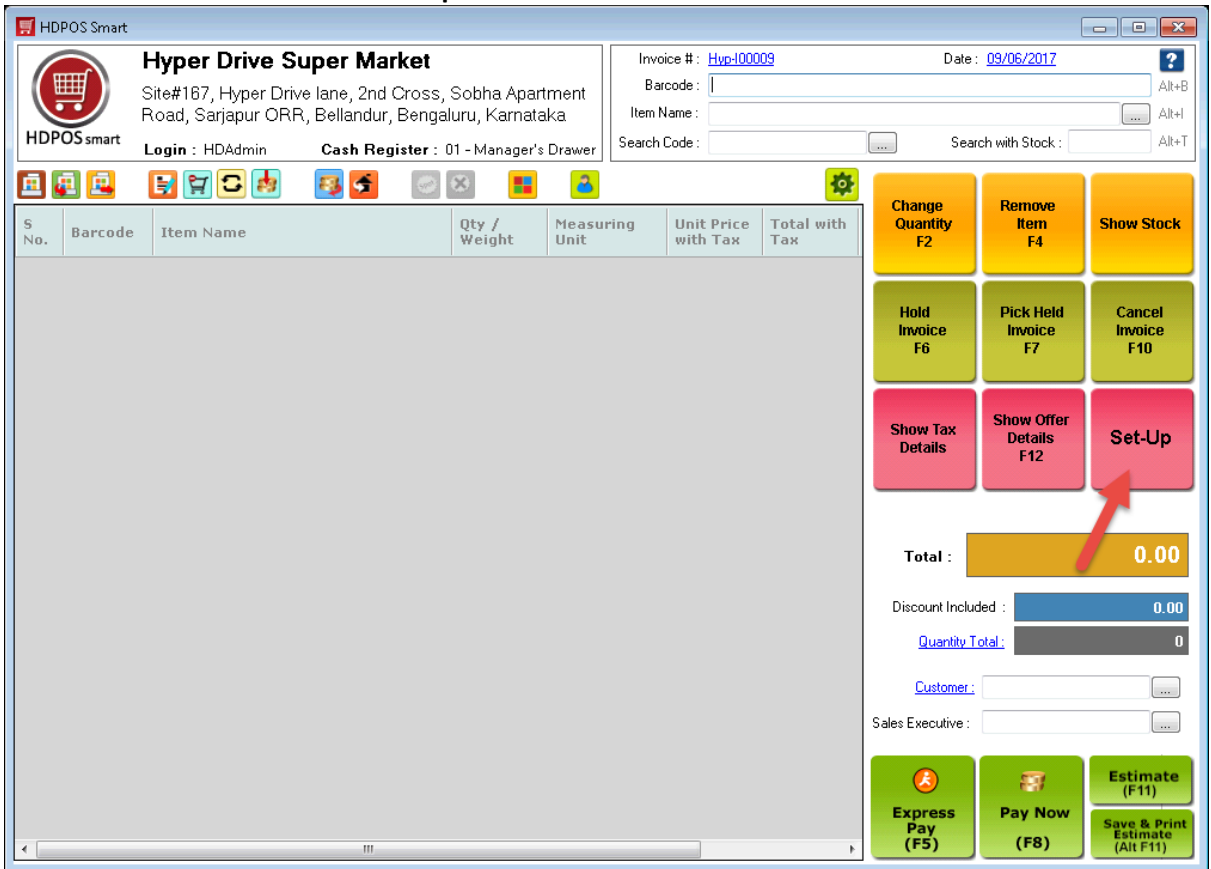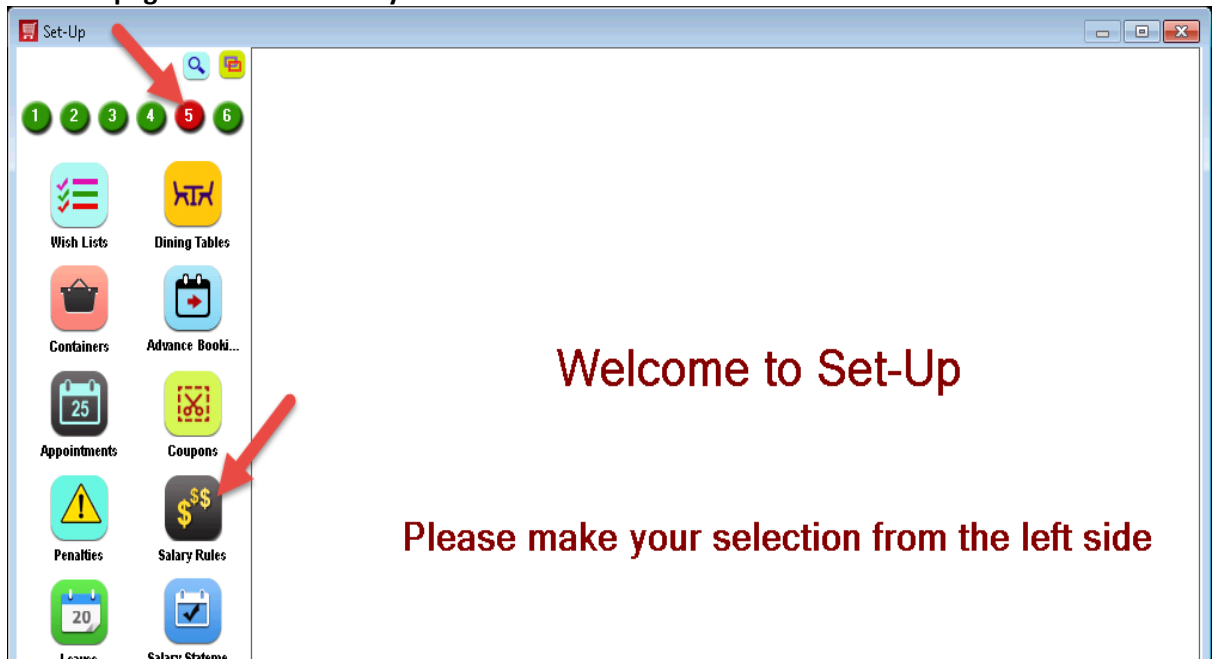
To define salary deductions in HDPOS smart, follow the steps below:

1. Run **HDPOS smart** and Click on **Set-Up** button.
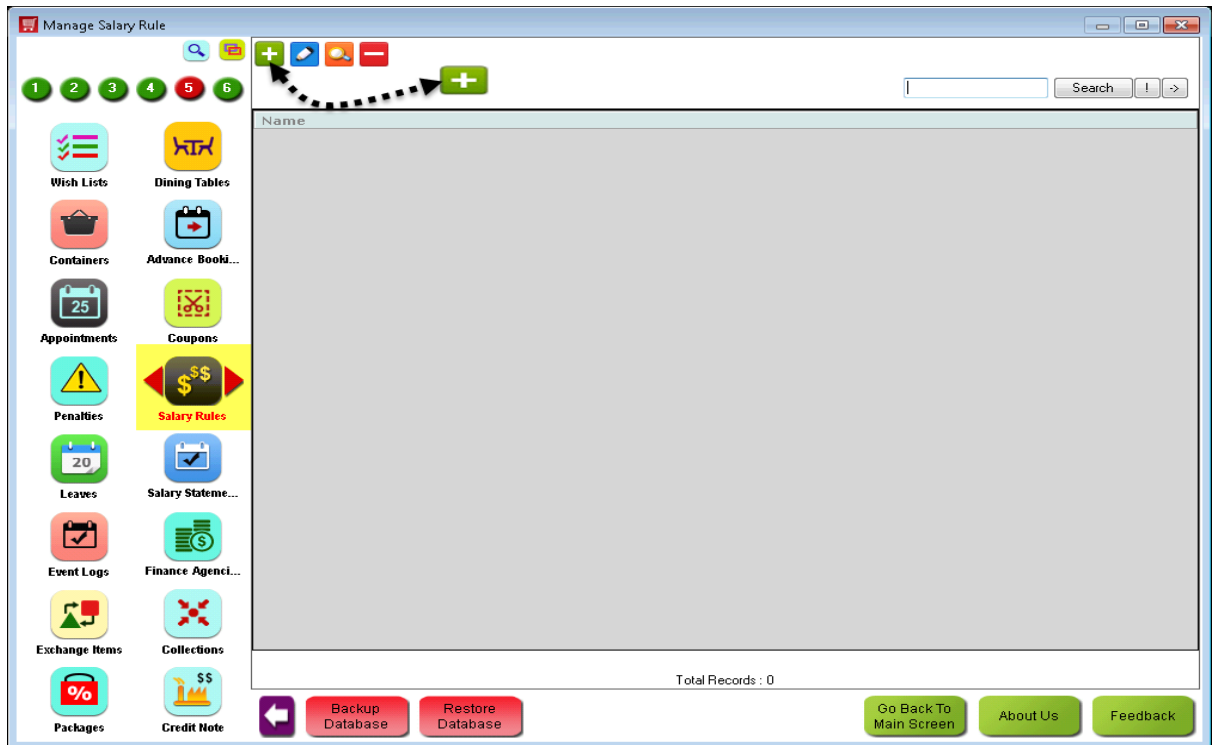

2. Go to **5th page** and click on **Salary Rules**.
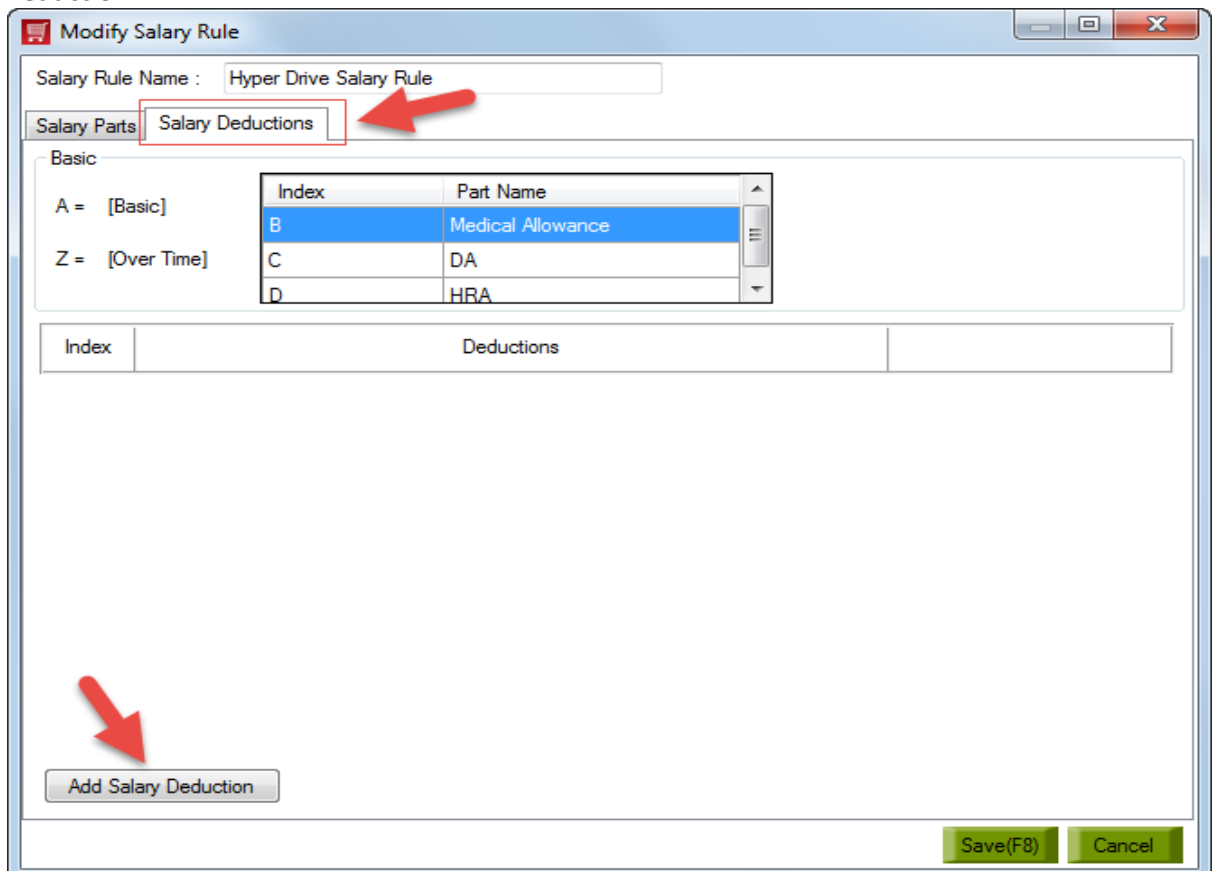
3. Click on **Create new** button.

4. **Add New Salary Rule** screen will be displayed. Enter the salary rule.
5. In the **Add New Salary Rule** screen select **Salary Deductions** and Click on **Add Salary Deduction.**

6. Click on the **3 dotted** [...] button besides Salary Deduction Name.

7. From **Manage Salary Deduction Definition** screen, click on **Add Salary Deduction Definition**.

8. **Add New Salary Deduction Definition** screen will be displayed, click on **3 dotted** [...] button besides Salary Deduction Name field.

9. Click on **Add Salary Deduction** .Enter the deduction name in **Add Salary Deductions** screen and click on **OK.**
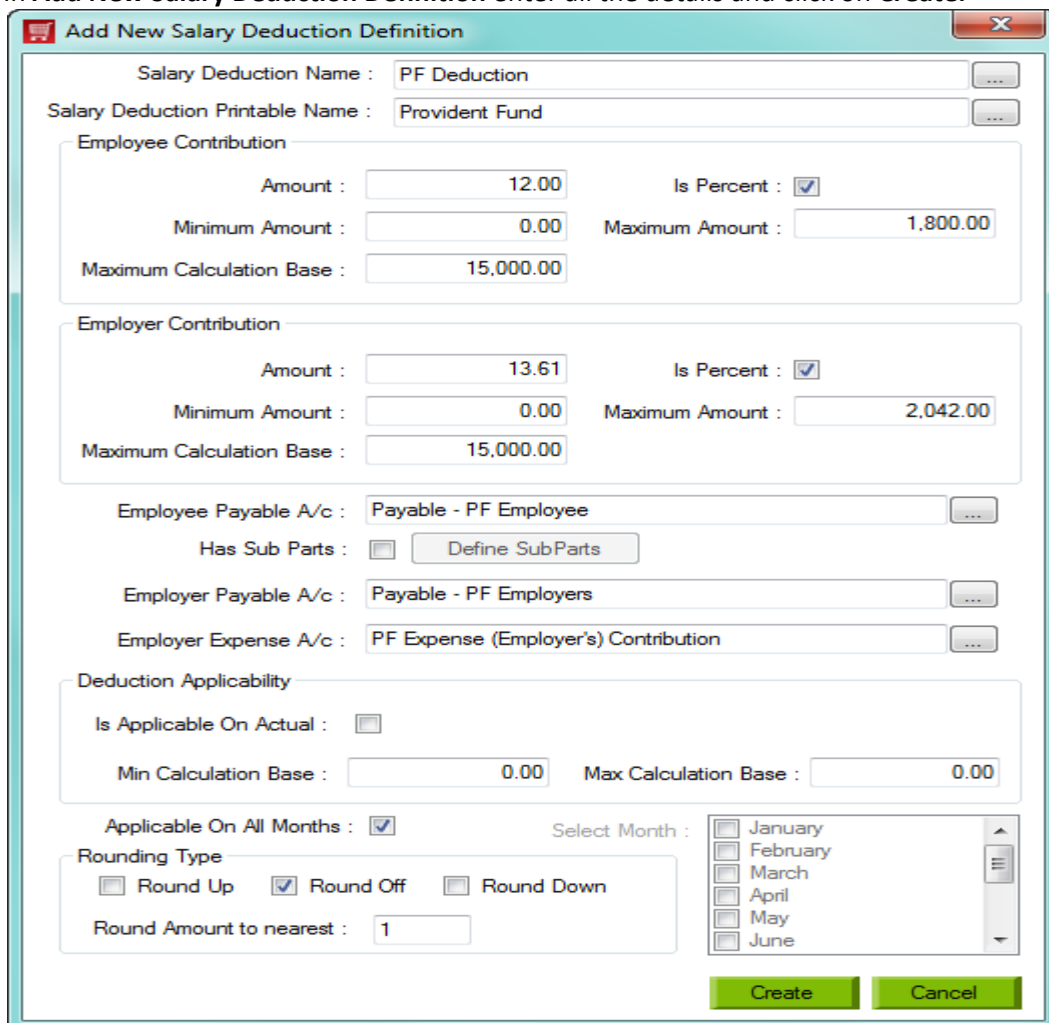
10. Similarly enter other salary deductions.
11. **Manage Salary Deductions;** screen displays all deductions names that you have defined. Select the salary deduction name to set the deduction rule and click on **OK.**
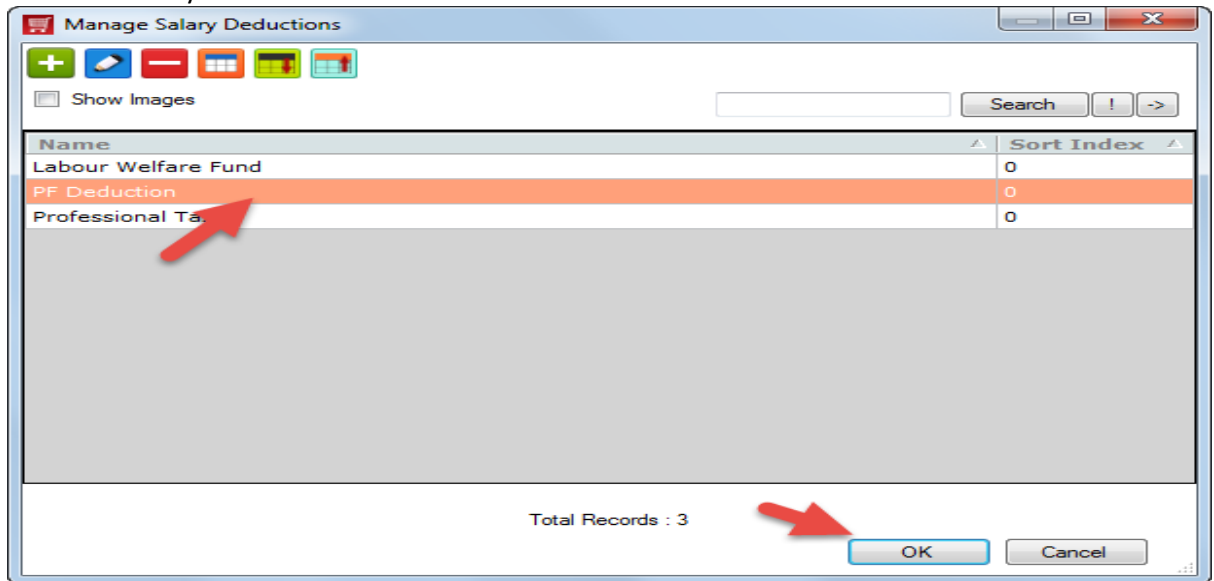
12. Select the Salary Deduction Printable Name.
13. In **Add New Salary Deduction Definition** enter all the details and click on **Create.**

I. **Employee Contribution:**
- **Amount:** The amount contributed by the employee for the deduction
- **Minimum Amount:** Enter the employee minimum contribution for the deduction.
- **Maximum Amount:** Enter the employee minimum contribution for the deduction.
- **Maximum Calculation Base:** Enter the base value to calculate the employee contribution. Here in the above example, employee contribution I.e. 12 % will be calculated on maximum calculation base i.e., 15000 which will be equal to 1800.

    Note: If you not specified the maximum calculation base to calculate the contribution, then the employee contribution is calculated on employee basic salary.
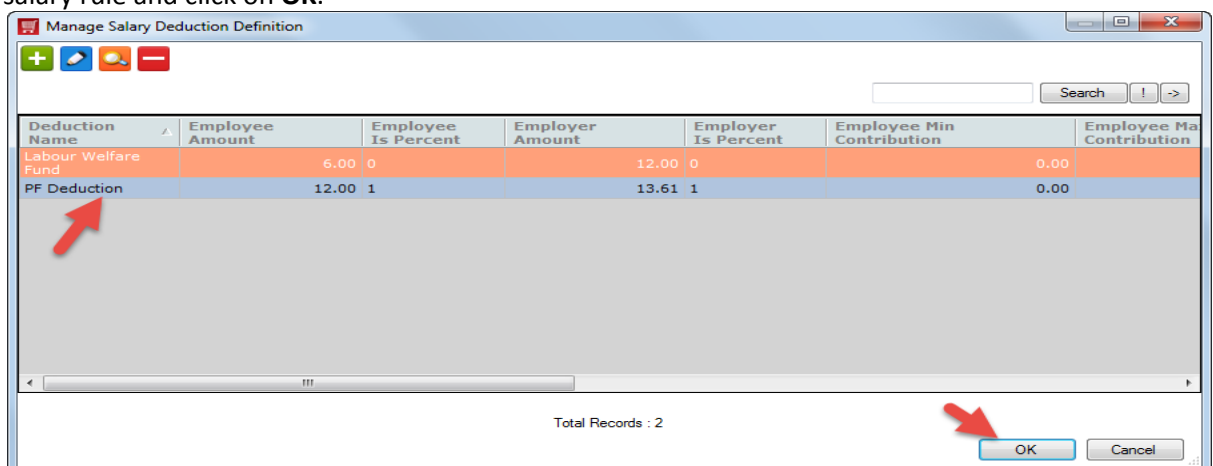
II. **Employer Contribution:**
- **Amount:** The amount contributed by the employer for the employee.
- **Minimum Amount:** Enter the employer's minimum contribution for the deduction.
- **Maximum Amount:** Enter the employee minimum contribution for the deduction.
- **Maximum Calculation Base:** Enter the base value to calculate the employee contribution. Here in the above example, employee contribution I.e. 13.61 % will be calculated on maximum calculation base i.e., 15000.
- **Employee Payable A/c:** Select Employee Payable A/c as required.
- **Has Sub Parts:** Check the checkbox if you want to break the contribution in sub parts. Click on [Define SubParts] to create subparts.
- **Employer Payable A/c:** Select employer Payable A/c.
- **Employer Expense A/c:** Select the employer expense A/c.

III. **Deduction Applicability:**
- **Min Calculation Base:**
- **Max Calculation Base:**
- **Is Applicable on All Months:** Check this checkbox if deduction is calculated for all month. Unchecking the checkbox, you can select the month for which deduction needs to calculate.
- **Rounding Type**: Select the rounding option and enter the value in **Round Amount to nearest** field.

14. Similarly define other deduction rules.
15. From **Manage Salary deduction definition,** select the deduction name to associate with salary rule and click on **OK**.

Deduction Name	Employee Amount	Employee Is Percent	Employer Amount	Employer Is Percent	Employee Min Contribution	Employee Ma Contribution
Labour Welfare Fund	6.00	0	12.00	0	0.00	
PF Deduction	12.00	1	13.61	1	0.00	

Total Records : 2

16. This will display the employee and employer's contribution details as shown below. Enter the Calculation Base. Here in the below the screen shot I have entered A+C (A= Basic Salary C = DA) as a calculation base.

17. To add other deductions to the salary rule, click on **Add Salary Deduction** and select the salary deduction name.