**NATIONAL INSTITUTE OF TECHNOLOGY CALICUT**

# A8/14402/IT/2018 Monday, October 22,2018

**CIRCULAR**

**Sub:-Deduction of Income Tax from salaries1 for the Financial Year 2018-2019 (Assessment Year 2019-20) under Section 1922 of the Income Tax Act 1961.**

**1**

Members of staff/ad hoc staff/pensioners whose gross salary/pension income during the financial year 2018-2019 would exceed Rs.2,50,000/- are requested to **furnish a statement in the pro forma appended with relevant documents in original**, so as to reach the **Junior Superintendent**, **Accounts Section on or before 14th December 2018**. In case the statement is not furnished before the above mentioned date, income tax for the year 2018-2019 will be computed on the basis of the details available in the relevant office records and tax recovery will be effected accordingly from the salary for **December 2018** onwards. **(reference: Para 3.2.1 of CBDT Circular No. 29/2017 F. No. 275/192/2017-IT(B) dated the 05th December, 2017 and modified on the basis of THE FINANCE (No.4) ACT,2018.**

In this regard, the following provisions may be noted.

Section 24(b) of the Act allows deduction from income from house property on interest on borrowed capital as under:-

1. The deduction is allowed only in case of house property which is owned and is in the occupation of the employee for his own residence. However, if it is actually not occupied by the employee in view of his place of the employment being at other place, his residence in that other place should not be in a building belonging tohim.
2. the quantum of deduction allowed as per tablebelow:

|  |  |  |  |
| --- | --- | --- | --- |
| **Sl.****No.** | **Purpose of Borrowing Capital** | **Date of borrowing capital** | **Maximum Deduction****Allowable (in****Rupees)** |
| 1 | Repair or renewal or reconstruction of the house | Anytime | 30,000 |
| 2 | Acquisition or construction of the house | Before 01.04.1999 | 30,000 |

1 Salary includes pension but excludes family pension since there is no employer employee relationship. In respect of family pension, deduction u/s 57(iia) of Rs.15000 or 1/3rd of the amount received, whichever is less, is available. No tax is required to be deducted on familypension.

2 The DDO has to deduct income tax on the salary amount payable at the average rate of income-tax computed on the basis of the rates in force for the financial year in which the payment is made, on the estimated income

of the assessee under the head salaries for that financial year.

|  |  |  |  |
| --- | --- | --- | --- |
| 3 | Acquisition or construction of the house | After 01.04.19993 | 2,00,000 |
| 4 | Pre-construction interest on acquisition or construction | Any time | 1/5th of prior- period interest |

# The employee has to furnish a certificate from the person to whom any interest is payable on the borrowed capital specifying the amount of interest payable. In case a new loan is taken to repay the earlier loan, then the certificate should also show the details of Principal and Interest of the loan so repaid. The interest is on due basis and not on actual payment. Deduction for additional interest of 50,000 per annum of loans up to 35 lakhs for first time home buyers, where the house cost does not exceed 50 lakhs. In overall context, first home buyer can get maximum deduction of interest on housing loan up to 2,50,000 in aggregate comprising of 2 lakhs under Section 24(b) and 50,000 under section80EE.

**2**

1. Under section 10(13)A of Income Tax act, When the employee is occupying a rented residential accommodation, the amount of House Rent Allowance received by him is exempt of least of the followingamounts:
	1. Actual amount of HRAreceived.
	2. An amount equal to 40% salary for relevantperiod.
	3. Expenditure of rent in excess of 10% of salary for the relevant period. (Relevant period is the period during which rental accommodation is occupied by theassesse)

In order to allow deduction towards rent paid, as per Sl.No.4 of the Pro forma, the officials concerned should produce original rent receipts along with the statement of income. Deduction will not be considered if rent receipt in original is not produced. Salary for regulating the exemption for HRA includes basic pay andDA.

1. As per the amended section 16 of the Income-tax Act, 1961, a taxpayer having income chargeable under the head “Salaries” shall be allowed a deduction of Rs.40,000/- or the amount of salary, whichever is less, for computing his taxable income. This additional deduction has been reintroduced in lieu of existing deductions of Rs.15000/- for medical reimbursement and Rs.19,200/- for transportallowance.
2. Children Education Allowance: Rs.100 per month per child up to a maximum of two children is exempt from tax under section 10(14)(ii) of IT Act read with Rule 2BB(2) of the IT Act and similarly any allowance granted to an employee to meet the hostel expenditure on his child will also be exempt @ Rs.300/- per month per child up to a maximum of two children in accordance with Rule2BB(2).

3 The acquisition or constructing of the house should be completed within 5 years from the end of the FY in which the capital was borrowed. Hence it is necessary that the completion certificate of the house property against which deduction is claimed either from the builder or through self-declaration from the employee in respect of new claims of deduction under this section.

# **Important deductions under Chapter VI-A of Income tax Actare:**

|  |  |  |  |
| --- | --- | --- | --- |
| Sl. No. | Section of IT Act | Category | Amount of Deduction |
| 1. | 80C | Deduction in respect of life insurance premium, deferred annuity, contributions to provident fund, subscription to certain equity shares or debentures, etc. | **3**Up to Rs.1,50,000 |
| i) Premium paid towards Life Insurance Policy not exceeding 10%4 of the total sum assured to keep in force an insurance on the life of individual, spouse orchildren |
| ii) Contribution by an individual to any provident fund to which the Provident Funds Act, 1925 (19 of 1925) (not being repayment of loan availed from suchfund) |
| iii) Contribution to a Provident Fund set up by the Central Government or to a recognized ProvidentFund |
| iv) Contribution by an employee to an approved superannuationfund. |
| v) Subscription to any savings certificate as defined in clause (c) of section 23 of the Government Savings Certificates Act, 1959 (46 of 1959), as the Central Government may, by notification 4 in the Official Gazette, specify in thisbehalf; |
| vi) Contribution for participation in any unit-linked insurance plan of the LIC Mutual Fund Central Government may, by notification6 in the Official Gazette, specify |

4 15% if it is for the insurance on the life of a person who is a person with disability referred to in section 80U or suffering from a disease or ailment as specified in the rules made under section 80DDB, if the policy is issued on or after 01/04/2013; 10% if the policy is issued on or after01/04/2012.

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| --- | --- | --- | --- |
|  |  | vii) PPF in the name of individual/spouse/anychild. | **4** |
| viii) Contribution by an individual to any pension fund set up by any Mutual Fund as the Central Government may, by notification11 in the Official Gazette,specify |
| ix) Approved Mutual Fund Investment referred to u/s10(23)D |
| 1. Repayment of principal amount borrowed for the construction of a residential house payable by way of installmentto:-
	1. Housing Board or any authority engaged in the construction and sale of houseproperty.
	2. A cooperative Society ofwhich the assessee is a shareholder towards the cost of the house property allotted tohim.
	3. Central Government or any State Government any bank including co-operativebank
	4. Life Insurance Corporation or National HousingBank
	5. Any public company engaged in long term finance for the construction or purchase of houses in India forresidential

purposes. |
| xi) Payment of Tuition fees in India towards full-time education of any two children of the assessee (excluding any payment towards any development fees or donation or payment of similar nature). The Assessee cannot claim tohimself. |
| xii) As subscription to any such deposit scheme of, or as a contribution to any such pension fund set up by, the National Housing Bank as the Central Government may notify |

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|  |  | xiii) Subscription to any notified security/deposit scheme of Central Government. For this purpose, Sukanya Samridhi Account, scheme has been notified vide notification No.9/2015 dated 21/01/2015. The deposit can be in the name of girl child. | **5** |
| xiv) Fixed Deposit/Term deposit with any of any Scheduled Bank5 in accordance with a scheme framed and notified by the Central Government for a fixed period of not less than fiveyears. |
| xv) Deposit in an account under the Senior Citizens Savings Scheme Rules, 2004. |
| xvi) Five year time deposit in an account under the Post Office Time Deposit Rules, 1981. |
|  |  | xvii) As subscription to equity shares or debentures forming part of any eligible issue of capital by a public company or public financial institution. |  |
|  |  | xviii) Investment in Equity Shares Debentures of approved Public Finance Institution or Company |  |
| 2. | 80 CCC | Amount paid keep in force a contract for any annuity plan of Life Insurance Corporation of India or any other insurerfor receiving pension from the fund | Up to Rs.1,50,000 |
| 3. | 80CCD(1) | Amount paid / deposited by an assessee in an approved Pension Scheme of CentralGovernment | Up to Rs.1,50,0006 |
| 4. | 80 CCE | **Aggregate of deduction u/s 80C, 80CCC, 80CCD(1) shall not exceed Rs.1,50,000** | **Rs.1,50,0007** |

5 being a bank included in the Second Schedule to the Reserve Bank of India Act, 1934 (2 of 1934);]

6 *The amount of deduction under sub-section (1) shall not exceed one fifty thousand rupees as per by the Finance (No. 2) Act, 2015, w.e.f.A.Y 1-4-2015 :*

7 With effect from the Finance (No. 2) Act, 2015, i.e. effective from 1-4-2015.

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| --- | --- | --- | --- |
| 5. | 80CCD(1B) | Amount paid or deposited by an assessee in NPS in addition to the deduction u/s 80CCD(1) | Up to Rs.50,000/- |
| 6. | 80CCD(2) | Employer contribution to the Employee’s NPS Account (this does not form part of Section (80C) | 10% of Salary (Salary for this purpose includes DA as well but excludes all other allowances) |
| 7. | 80CCG | This deduction is not available for the FY 2018-19.Those who invested under the scheme in FY 2016-17 will be able to claimthetaxdeductionuntilAY2019-20. | deductionof **6**Rs.25,000, or up to50% of the amount invested,whichever is less |
| 8. | 80D | **a.** Medical Insurance Premium or Contribution to Central Government Health Scheme paid for self, spouse and Dependent children by any mode other than cash.8 Payment of an amount of Rs.5000/-9 incurred towards Preventive Health Check-up can also be claimed asdeductionwithin the overall ceiling as above. | Up to Rs. 25,000 |
| **b.** Self and Family along with Parents whose age is less than 60 yrs | up to Rs. 50,000 |
| **c.** Self and family along with senior citizen parents | up to Rs. 75,000 |
| **d.**Self (Senior Citizen) along with senior citizenparents | up to Rs. 1,00,000 |
| **e.** Medical expenses for senior citizen (if no amount is paid for health insurance premium) | Up to Rs.50,000 |

8 Medical Insurance Scheme by General Insurance Corporation of India or by any other Insurer approved by Insurance Development Regulatory Authority of India ((IRDA).

9 From AY 2013-2014. Cash payment is eligible under Section 80D for preventive health check-up.

|  |  |  |  |
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| 9. | 80DD10 | **a.** Any expenditure on dependent11 for Medical, Nursing &Rehabilitation incurred on dependent relative suffering from permanent physical Disability, Autism, Cerebral Palsy, Mental Retardation, and Multiple disabilities. | Fixed deductionof Rs.75,000 ifdisability is over 40% &Rs.1, 25,000 ifdisability is severe (i.e., 80% or more of one or more disabilities).**7** |
| **b.** Deposits under LIC, UTI’s Scheme & other IRDA approved Insurers forthebenefitofPhysicallyHandicappeddependent. |
| 10 | 80 DDB12 | 1. Actual expenditure incurred on medical treatment of self or dependent family members suffering from terminal diseases like Cancer, AIDS, Renal Failureetc.
2. For SeniorCitizens.
3. For Super SeniorCitizen
 | Up to Rs.40,000Up to Rs.1,00,000 Up to Rs.1,00,000 |
| 11 | 80E13 | The entire amount of interest paid on an Educational loan taken from a banking Company under Banking Regulation Act or any other financial institution notified by the Central Government or approved charitable institution recognized under Section10(23C)orreferredtoinclause(a) of sub-section (2) of section 80G for the purpose of full time course of higher education of the assessee, spouse or children or a student for whom the assessee is the legal guardian will qualify for deduction. There will be no taxbenefit on the principal repayment of the loan. | Any amount paid by way of interest |

10 An assessee claiming deduction under this Section has to furnish a certificate from the Medical Authority in the prescribed form.

11 Dependent in this context in the case of an individual means spouse, children, parents, brothers, sisters of the individual or any of them.

12 The certificate in this regard should be from a neurologist, an oncologist, a urologist, a haematologist, an immunologist or such other specialist, as may be prescribed from A.Y. 2016-2017.

13 Beginning with the initial assessment year and seven succeeding assessment years.

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|  |  | Interest payable on housing loan sanctioned by a financial institution14 during the period beginning on the 1st day of April, 2016 and ending on the 31st day of March, 2017 for the purpose of acquisition of a residential property. |  |
| 12 | 80EE | a.the housing loan sanctioned should not exceed Rs.35lakh. | Rs.50,000 |
|  |  | b. the value of the residential house should not exceed Rs.50 lakh. | **8** |
|  |  | c. the assessee should not own any other residential building on the date of sanction of loan. |  |
| 13 | 80G15 | Any donations to Prime Ministers National Relief Fund, Chief Minister’s Relief Fund or the Lieutenant Governor’s Relief Fund, National Children Fund through their respective employers16 and payments exceeding two thousand rupees made by any mode other than cash17 | 100 per cent/50percent or 10 percent of the Gross Total Income18 |
| 14 | 80GG | If an individual is not in receipt of HRA and he does not own any residential accommodation at the place where he resides or perform his duties and if he files declaration in Form 10BA then the following amounts, the least of which, will bedeductible. | 1. Rs. 5000 per month
2. 25% of adjusted totalincome(TI)
3. Rent paid over 10% of adjusted totalincome
 |

14 Banking company or a housing finance company.

15 In some cases of contributions under section 80G, the deduction is to be claimed while filing return of income.

16 Circular No. 2/2005, dated 12-1-2005.

17 Conditions apply.

18 Some donations under Section 80G will have to be claimed by the asseseee himself direct from tax department.

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | a.Any sum paid to a university/institution which undertake scientificresearch19 | Deduction to be claimed while filing return of income**9** |
|  |  | b.Any sum paid to National Urban Poverty EducationFund20 |
| 15 | 80GGA | c. Any sum paid to a public sector company or local authority set up by the National Committee21 |
|  |  | d. Any sum paid to National Urban Poverty Eradication Fund set up by Government |
|  |  | Persons suffering from permanent | Rs.75,000 if |
|  |  | physical Disability and includes | disability is over |
| 16 | 80U | Autism, Cerebral Palsy, MultipleDisability, Person with Disability and | 40% andRs.1, 25,000/- if |
|  |  | Severe Disability. It should be certified by | disability is over |
|  |  | the medicalauthority. | 80%. |
| 17 | 80TTA | Interest earned on normal savings bank account maintained with a banking company, co-operative society, or post office up to a maximum of Rs. 10,000/- will be exempted from income tax. This will be over and above Rs.1, 50,000/- deduction u/s 80C. | Maximum Deduction of Rs.10,000/- |
| 18 | 80TTB | Deduction in respect of interest income earned to Senior Citizens on Savings accounts deposits, Fixed Deposits & Recurring Deposits held with Banks, Post offices and Co- operative Banks. No deduction under Section 80TTA shall be allowed forSenior citizens. | Maximum deduction of Rs.50, 000. |

# **Deductions under Chapter VI-A will be allowed only on production of relevant documents inoriginal.**

19 Notified by the Central Government

20 Set up by the Central Government

21 National Committee” means the Committee constituted by the Central Government, from amongst persons of

eminence in public life, in accordance with the rules made under the Income Tax Act;

|  |
| --- |
| **Rates of Income Tax for AY 2019–202022****(Part III of the First Schedule to the Finance Act 2018)** |
| Annual income from allsources (After all exemptions & deductions)(inRupees) | Category of Tax payer | Health and Edu- cation Cess**1** |
| Citizen below 60 years (bornfrom April 1,1959) | Senior Citizen23 above 60 years& below 80 years.(born during March 31, 1938 andMarch 31, 1959) | Super Senior24 Citizen 80 years and above(born from April 1,1938) |
| Up to 2,50,000 | Nil | Nil | Nil | 4%on tax |
| 2,50,001–3,00,000 | 5% of the amount by which total income exceeds 2,50,000 |
| 3,00,001-5,00,000 | Rs. 2,500 + 5%of the amount by which total income exceeds 3,00,000 | 5 per cent of the amount by which the total income exceeds Rs.3,00,000 |
| 5,00,001-10,00,000 | Rs. 12,500 +20% of the amount by which total income exceeds 5,00,000 | Rs. 10,000/-plus 20 per cent of theamount by which the total income exceeds Rs. 5,00,000/ | 20% of the amount by which total income exceeds 5,00,000 |
| Above 10,00,000 | Rs. 1,12,500 +30% of the amount by which total income exceeds 10,00,000 | Rs. 1,10,000/-plus 30 per cent of theamount by which the total income exceeds Rs. 10,00,000/- | Rs. 1,00,000 +30% of the amount exceeding 10,00,000 |

**0**

22 Surcharge on income-tax is applicable if the taxable income exceeds 50 lakhs

1. Senior citizen” means an individual resident in India who is of the age of sixty years [For AY 2015-16 onwards] or more at any time during the relevant previousyear.
2. Super Senior Citizen means an individual resident in India who is of age eighty-years or more at any time during the relevant previous year. **means an individual resident in India who is of the age of Eighty years or moreat**

***Rebate on Income-tax in the case of certain individuals – tax credit25***

# For every Resident individual tax payer resident in India whose total income does not exceed Rs.3,50,000/- will get hundred per cent of his income-tax or Rs.2500/- whichever is less. (Section 87A)26. The assesse still has to file a return of income with the tax department.

1. Permanent Account number (PAN) has to be invariably mentioned in the statement of income tax, as required by the Income taxDepartment.
2. As per **Para 3.2.1 of CBDT Circular No.29/2017 F. No. 275/192/2017-IT(B) dated the 05nd December, 2017**, the income tax will be deducted by the Drawing and Disbursing Officer (DDO) on average basis at the time of each payment. For working out the average monthly income tax, deduction will be considered to the extent to which proof for such deduction has been furnished by the assessee to the satisfaction of theDDO.

**11**

# Form No.1627 will be issued to the employees under section 203 of the Income- tax Act for tax deducted at source from salary. Employees are requested to keep sufficient number of copies of Form 16 for various purposes. **Request for issue of duplicate Form No.16 will not beentertained.**

1. In the case of housing loan availed in the joint names of the assessee and the property is held jointly and his/her spouse, a certificate issued by the employer of the spouse specifying the extent of deduction claimed by the spouse on account of this has to be furnished to claim deduction under section 192 (2B). In the absence of the certificate, the deduction will be restricted to 50% where original certificate issued by the bank is produced and no deduction will be allowed where original certificate issued by the bank is notproduced.
2. If the employee has salary/pension from more than one employer, he is required to furnish details of income due or received from his other employer duly verified by him and his former employer. The present employer will deduct tax at source on the aggregate amount ofincome.
3. Changes, if any, in any of the above provision will be intimated in duecourse.
4. Circular and format will be made available on NITCwebsite.

25 After deduction under Section 10, 16, 80C and Chapter VI-A

26 Tax Credit under section 87A is not admissible to Super Senior Citizens

27 Form No.16 will be issued by May 31 after the end of the FY in which income was paid and tax deducted.

# This circular is not exhaustive and it is issued only with a view to guide the employees to understand the some of the important provisions relating to deduction of tax from salaries. Reference may be made to the provisions of the Income tax Act, 1961, the Income tax Rules, 1962, the Finance Act, 2018, the relevant circulars/notifications in case ofdoubt.

**REGISTRAR**

**12**

Copy to: - All Departments/Heads – For circulation among the staff/Ad hoc Lectures and others attached to them.

**STATEMENT OF INCOME TAX FOR THE FINANCIAL YEAR 2018-2019**

**(A.Y 2019-2020)**

**13**

|  |  |  |
| --- | --- | --- |
| 1 | Name, Designation, Department and Employee CodeDate of BirthContact Phone No.(Cell/Landline) |  |
|  |
|  |
| 2 | Permanent Account Number (PAN) (Section 206AA) |  |
| 3 | 1. Probable income from salary/Pension during 2018-2019 including all allowances ( Pay, Grade Pay, HRA, DA, Transport Allowance, Bonus, EL Surrender) Rs
2. Employer’s contribution towards New Pension Scheme during theFinancial

Year2018-19 Rs1. Honorarium or any other similar income received from NITC but not

income fromothersources Rs1. Reimbursement ofMedicalClaim Rs
2. Children Education Allowance received during financialyear2018-19 Rs

TotalRs |  | FOR OFFICE USE |
|  |
|  |  |
| 4 | Less: House Rent Allowance exempt U/s 10 (13A) and Rule 2A **:Least of the following:-**1. Actual Amount ofHRAreceived Rs
2. Expenditure28 on rentfor

accommodation occupiedbythe Rs employee in excess of 10% ofsalary291. 40% of salary (basic pay + GP30+DA) Rs

Least oftheabove Rs |  | FOR OFFICE USE |
|  |
|  |  |
| 5 | **Balance (Col.3minusCol.4)** Rs |  |  |

28 You are required to produce actual rent receipts in original. If rent paid is in excess of Rs.1, 80,000/- per annum, the PAN of the landlord should be furnished to claim HRA exemption. Circular No.5/2011 dated 16th August 2011.

29 Salary" shall have the meaning assigned to it in clause (*h*) of rule 2 of Part A of the Fourth Schedule

30 Grade Pay is part of Basic Pay.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 6 | **Less : Standard Deduction** | Rs |  |  |
| 7 | Balance (5-6) | Rs |  |  |
| 8 | Less: a)Children Education Allowance31 b)Hostel Expenditure Allowance32 | Rs |  |  |  |
| Rs |  |
| 9 | Balance (7-8) | Rs |  |  |
| 10 | Professional tax or tax on employment paid under section 16(iii)33 of IT Act | Rs |  |  |
| 11 | Balance (9-10) | Rs |  |  |
| 12 | Income from House Property or if loss(interest payable on Housing Loan under section 24(b)34 of IT Act 1961) | Rs |  |  |
| Amount of Housing Loan Availed | Rs |  |  |
| Date of sanction of housing loan |  |  |
| Name of Lender of Housing Loan |  |  |
| 13 | Income from other sources |  |  |
| 1. Interest received on SavingsBank

Deposits Rs1. Interest received onotherDeposits Rs
2. Interest received on refund ofincome-

tax received from the tax Department during the financial year 2018-19under section 244A ofITAct Rs1. Income received other thantheabove Rs

Column13Total Rs |  |  |
|  |  |
|  |  |
|  |  |
|  |  |
| 14 | Agricultural Income (for income-tax rate purposes only) | Rs |  |  |

**14**

31 The amount exempt under CEA is Rs.100 p.m. per child up to a maximum of two children.

32 The amount exempt under HEA is Rs. 300 p.m. per child up to a maximum of two children.

33 a deduction of any sum paid by the assessee on account of a tax on employment within the meaning of clause (*2*) of article 276 of the Constitution, leviable by or under any law. (presently not exceeding two thousand and five hundred rupees per annum).

34 Upto Rupees two lakh by the Finance (No.2) Act 2014 w.e.f 1.4.2015. Conditions for claiming upto Rs.2,00,000 are: (i) loan should be taken for construction or acquisition of residential house property(ii) such construction or

acquisitionshouldbecompletedwithin5 yearsfromtheendoffinancial yearinwhichsuchloanwasborrowed.

(iii) loan should be borrowed on or after 1.4.1999. If any of the above conditions are not satisfied, then max deduction allowed u/s 24(b) is upto Rs. 30,000 only. No deduction will be allowed for the interest paid during the construction of the property. Such prior period interest can be claimed in 5 equal installments commencing from the previous year in which construction or acquisition was completed subjected to the overall limits mentioned in sec 24(b) of the Income Tax Act, 1961. Self-declaration for the above conditions along with the declaration for share in the propertyfor which loan was taken is to be submitted by the concerned.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 15 | Gross Total income35 (Total 11+12+13) | Rs |  |  |
|  | Details of deduction under section 80C available from Gross TotalIncome |  |  |
| 16 | a) Life Insurance Premium (LIC36, CGEGIS and GSLI and Unit LinkedInsurancePlan, Rs orPLI) |  |  |
| b) Contribution (excluding repayment ofloan) towards 15 year Public Provident Rs Fund or Statutory provident orRecognizedProvident Fund |  |  |
| c) Stamp duty and registration charges incurred on purchase of a newresidential Rs house |  |  |
| d) Subscription towards National Savings Certificate (VIIIth issue)37 (accruedinterest Rswhich is deemed as reinvested alsoqualifies for deduction) |  |  |
| e) Amount deposited underSeniorCitizens RsSavings Scheme Rules2004 |  |  |
| f) Installments paid towards cost of purchase/construction of a residential property to Government, banks, co- Rs operative societies and approved Housing Development FinanceCompanies |  |  |
| g) Amount deposited in term deposits of five years or more with banks, co-operative Rs societies or post38offices |  |  |
| h) Tuition fees for education of two children | Rs |  |  |
| i) Subscription towards Mutual Fund orUTI | notified | units | of | Rs |  |  |
| j) Subscription to notified Bonds ofNABARD | Rs |  |  |

**15**

35As per Section 14 the IT Act Gross Total Income means aggregate of income from i) Salary Income, ii) House Property Income, iii) Income from Business or Profession, iv) Capital Gains, v) Income from Other Sources before allowingdeductions.

3620 per cent of the capital sum for policies issued prior to 1st April 2012 and 10 per cent of the capital sum thereafter. 15 per cent for people with disability or severe disability

37Notification S.O. No. 1560(E) dated 3.11.05

38 Post Office time deposit Rules 1981

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 17 | Total of 80C Deductions | Rs |  |  |
| 18 | Premium paid for Annuity Plan of LIC39 or Other Insurer(Pension Schemes from Insurance Companies) **(under Section 80CCC)** Rs | Rs |  |  |
| 19 | Employee Contribution to New Pension Scheme during the financial year 2018–19 up to a maximum of one lakh fifty thousand rupees.40 (Section 80CCD(1)) | Rs |  |  |
| 20 | **(Maximum amount qualifying for deduction under** **section** **80CCE** **(Rs.1,50,000)** **i.e.,** Rs **deductions under 80C, 80CCC, & 80CCD(1) Columns (17 + 18 +19)** |  |  |
| 21 | Additional deduction of NPS contribution Rs under section80CCD(1B) |  |  |
| 22 | Employer’s contributionMaximumDeduction Rs Allowable under Section80CCD(2) |  |  |
| 23 | Interest on housing under section 80EE | Rs |  |  |
| 24 | Donations (under Section 80G) onGrossTotal Rs Income before80G |  |  |
| 25 | Rent paid for employees not in receipt of HRA (Section 80GG) | Rs |  |  |
| 26 | Deduction of interest on loan taken for Higher Education (Section 80E) | Rs |  |  |
| 27 | 80D (Health Insurance Premium) | Rs |  |  |
| 28 | 80DD (Medical dependents) | treatment | of | handicapped | Rs |  |  |
| 29 | 80DDB (for treatment of specified diseases) | Rs |  |  |
| 30 | 80TTA (Interest bank account) | earned | on | normal | savings | Rs |  |  |

**16**

39 The Central Government has since notified New Jeevan Dhara, New Jeevan Dhara-I, New Jeevan Akshay, New Jeevan Akshay-I and New Jeevan Akshay-II vide Notification S.O. No. 1562(E) dated 3.11.05 and Jeevan Akshay-III vide Notification S.O. No. 847(E) dated 1.6.2006

40Rs.150000/- effective for the FY 2015-16. Inserted by Finance (No.2) Act 2015.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 31 | 1. 80U Person with disability of not less than 40 per cent(Rs.75,000/-)
2. 80U Person with severedisability (MaximumRs.1,25,000/-)
 | RsRs |  |  |
|  |  |
| 32 | Total of Chapter VI-A Deductions (20+21+22+23+24+25+26+27+28+29+30+31) | Rs |  |  |
| 33 | Total income (taxable) (15 minus 32)(After making deductions u/s 80C to 80 U) | Rs |  |  |
| 34 | Tax on total income | Rs |  |  |
| 35 | Tax Rebate/Credit Section 87A | Rs |  |  |
| 36 | Balance tax payable after Rebate/Credit (34 minus 35) | Rs |  |  |
| 37 | Health & Education cess @ 4% | Rs |  |  |
| 38 | Total Income-tax (36+37) | Rs |  |  |
| 39 | Tax deducted at source | Rs |  |  |
| 40 | Tax to be paid (38 minus 39) | Rs |  |  |
| Monthly rate of income tax for deductible | Rs |  |  |

**17**

**VERIFICATION**

I, , do hereby declare that what is stated above is true to the best of my knowledge andbelief.

Date: Signature withDate:

Designation and Department: