



राष्ट्रीय प्रौद्योगिकी संस्थान, कालीकट
NATIONAL INSTITUTE OF TECHNOLOGY, CALICUT
वित्त विभाग /Finance Section

सं फा./A8/15415/IT/2022

दिनांक/ Dated: 17.10.2022

परिपत्र /CIRCULAR

Subject: Tax Deducted at Source (TDS) on salary for FY 2022-23- Reg.

As per the provisions of Section 192 of the Income Tax Act 1961, a person responsible for paying any income chargeable under the Head "Salaries" shall, at the time of payment, deduct income tax on the taxable income computed on the basis of the tax rates in force for the financial year in which the payment is made, on the estimated income of the assessee under the head Salaries after allowing the permissible deductions.

It should be noted that, there are two schemes for calculating income tax. All employees (viz. Permanent and Non-Permanent staff) whose salary income exceeds Rs.2,50,000/- are requested to furnish details, regarding the scheme he/she opts for the calculation of income tax, by 10.11.2022. Permanent employees may furnish the option through <https://dss.nitc.ac.in/incometaxnit/Newlogin.aspx> and non-permanent employees may intimate regarding the option directly to Finance & Accounts Section.

Employees opting for old tax regime are requested to submit their anticipated Savings eligible for FY 2022-23 (AY 2023-24) online on <https://dss.nitc.ac.in/incometaxnit/Newlogin.aspx>. The system generated declaration form (duly signed by concerned employee) **along with self-attested copies of supporting documents** should be submitted to Finance & Accounts section by 31.12.2022

All **pensioners** whose pension income exceeds Rs.3, 00,000/- are also requested to furnish an Option in the form of declaration (in attached proforma) and forward the same to the Finance & accounts section by 10.11.2022.

Furthermore, the pensioners opting for old tax regime are requested to submit their anticipated Savings eligible for FY 2022-23 (Assessment Year 2023-24) in Form 12BB (duly filled and signed) to Finance & accounts section by 10.11.2022. Proof of investments (self-attested copies) should be submitted to account section on or before 31.12.2022.

It is also to note that once selected, the **scheme cannot be changed for the current financial year, by the employer. But the same can be changed while filing the return.**

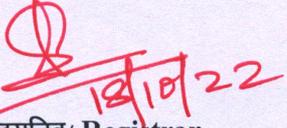
Proof regarding anticipated savings that are submitted after 31.12.2022 will not be considered and employees/pensioners will have to claim the same while filing their individual tax return.

An annexure regarding tax slabs under both schemes and applicable deductions are attached for reference. (Annexure I)

18/10/22

Employees/Pensioners, who fail to submit the option for tax regime and supporting documents for anticipated savings within the stipulated period, shall be presumed that they have opted for old tax regime and/or they do not have any other income/savings and, therefore, tax shall be deducted accordingly.

Encls: As Above


13/11/22
कुलसचिव/ Registrar

Distributions:

1. Director (For information pl.)
2. Deputy Director (For information pl.)
3. All staff members
4. Website
5. File.

Annexure I

For Tax Payers below 60

Taxable Income	Tax Rate under Old Tax Regime	Tax Rate under New Tax Regime
0-2,50,000	0	0
2,50,001-5,00,000	5%	5%
5,00,001-7,50,000	20%	10%
7,50,001-10,00,000	20%	15%
10,00,001-12,50,000	30%	20%
12,50,001-15,00,000	30%	25%
Above 15,00,000	30%	30%

For Tax Payers who are Senior Citizen

Taxable Income	Tax Rate under Old Tax Regime	Income Tax Slab	Tax Rate under New Tax Regime
Up to 3,00,000	Nil	Up to 2,50,000	Nil
3,00,001 -5,00,000	5% above 3,00,000	2,50,001 - 5,00,000	5% above 2,50,000
5,00,001 – 10,00,000	10000 + 20% above 5,00,000	5,00,001 - 7,50,000	12,500 + 10% above 5,00,000
Above 10,00,000	1,10,000 + 30% above 10,00,000	7,50,001 - 10,00,000	37,500 + 15% above 7,50,000
		10,00,001 - 12,50,000	75,000 + 20% above 10,00,000
		12,50,001 - 15,00,000	1,25,000 + 25% above 12,50,000
		Above 15,00,000	1,87,500+ 30% above 15,00,000

The Officials opting for the New Tax Regime will have to forego the following Exemptions and Deductions:

1. The standard deduction, professional tax and entertainment allowance on salaries
2. Leave Travel Allowance (LTA)
3. House Rent Allowance (HRA)
4. Minor child income allowance
5. Helper allowance
6. Children education allowance
7. Other special allowances [Section 10(14)]
8. Interest on housing loan on the self-occupied property or vacant property (Section 24)
9. Chapter VI-A deduction (80C, 80D, 80E and so on) (Except Section 80CCD (2) and 80JJAA)

10. Without exemption or deduction for any other perquisites or allowances 11

11. Deduction from family pension income.

In the case of employees opting the old tax regime, no deduction will be allowed without proper documents.

Some of the items of investments/expenditure for which deduction can be claimed under various sections of IT Act are listed below.

80 C	<p>Deduction in respect of certain deposits/payments. The maximum admissible deduction under this section is Rs.1.5 lakh</p> <p>Some of the investment avenues or expenses that can be claimed as tax deductions under section 80c are as below:</p> <ul style="list-style-type: none"> i. PPF (Public Provident Fund) in the name of self, spouse or children ii. GPF (General Provident Fund) iii. Five-year Bank or Post Office Tax saving Deposits iv. NSC (National Savings Certificates) v. ELSS (Equity Linked Saving Schemes) of Mutual Funds vi. Tuition Fees (For maximum of two children) vii. Principal repayment of Home Loan viii. NPS (National Pension System) ix. Life Insurance Premium (for self, spouse or children) x. Sukanya Samridhi Account Deposit Scheme
80 CCC	<p>Contribution to annuity plan of LIC (Life Insurance Corporation of India) or any other Life Insurance Company. The maximum allowable deduction under this section is Rs. 1.5 Lakh</p>
80CC D(1)	<p>Employees contribution to the pension scheme notified by the Central Government (NPS), subject to a maximum of 10% of salary (Salary included Dearness Allowance but excluded all other allowances and perquisites)</p>
80CC D (1B)	<p>Shall be allowed a deduction, whether or not any deduction has been allowed under section 80CCD (1), of the deposit made in a pension scheme notified by the Central Government (NPS) which shall not exceed Rs. 50,000</p>
80CC D (2)	<p>Employers' contribution to the Pension (NPS) account of the employee shall be allowed as a deduction, subject to a maximum of 10% of salary (Salary includes Dearness Allowance but excludes all other Allowances and Perquisites). Note:- Employers contribution to the NPS account of the employee should be included under Gross salary of the employee (Section 17)</p>
80CC E	<p>The aggregate amount of deductions under section 80C, section 80CCC and sub-section (1) of section 80CCD shall not, in any case, exceed Rs.1,50,000</p>

80 CCG	Permits a maximum deduction of Rs. 25,000 per year, for first time retail investors whose gross total income does not exceed 12 lakh rupees for investment in listed equity shares or listed units of an equity oriented fund in accordance with a scheme, as may be notified by the Central Government, 50% of investment is eligible for deduction subject to a maximum of Rs.25000, subject to further conditions specified there in.
80 D	Section 80D of the Income Tax Act permits deductions on amounts spent by any mode other than cash to effect or to keep in force an insurance on the health of the assessee or his family/parents, or any contribution made to the Central Government Health Scheme, or medical expenditure subjects to limits/conditions specified therein. Maximum of ₹ 25,000 (₹ 50,000 if any person is a Senior Citizen, ₹ 5,000 for preventive health check up, included in above limit)
80DD	Deduction in respect of maintenance including medical treatment of a dependent who is a person with disability. a) any expenditure for the medical treatment (including nursing), training and rehabilitation of a dependent, being a person with disability; or b) paid or deposited any amount under a scheme framed in this behalf by the Life Insurance Corporation or any other insurer or the Administrator or the specified company subject to the conditions specified in the section for the maintenance of a dependent, being a person with disability, Provides provisions for tax deductions of Rs. 75,000 for normal disability (40%) and Rs. 1.25 lakh for severe disability (80% and more).
80DDB	Deduction in respect the expense incurred for medical treatment of specified disease or ailment for self or a dependent. The permitted deduction is limited to ₹ 40,000 and ₹ 1,00,000 if the treatment is for a senior citizen, as well as super senior citizen
80 E	Deduction in respect of interest on loan taken from any financial institution or any approved charitable institution for the purpose of pursuing higher education of self, spouse and children, deduction is admissible for 8 years.
80 EEA	Deduction available only to individuals towards interest payments made on loan taken for acquisition of residential house property for the first time where the loan is sanctioned between 1st April 2019 to 31st March 2022 & deduction should not have been claimed u/s 80EE. Subject to limits/conditions specified in the section. The value of residential house property does not exceed 45lakhs, The assessee does not own any residential house property on the date of sanction of loan Deduction limit of ₹ 1,50,000 on the interest paid on loan taken
80 EEB	Deduction towards interest payments made on loan for purchase of Electric Vehicle where the loan is sanctioned between 1st April 2019 to 31st March 2023(Maximum upto 1,50,000/-)
80 G	Deduction in respect of donations to certain funds, charitable institutions, etc. (eligible for deduction up to either 100% or 50% with or without restriction) subject to limits/conditions specified in the section. a) 100% deductions without any limit: Donations to funds like National Defence Fund, Prime Minister's Relief Fund, National Illness Assistance Fund, etc. qualify for 100% deduction on the amount donated. b) 100% deduction with qualifying limits: Donations to local authorities, associations or institutes to promote family planning and development of sports qualify for 100% deduction, subject to certain qualifying limits. c) 50% deduction without qualifying limits: Donations to funds like the PMs

	<p>Drought Relief fund, Rajiv Gandhi Foundation, etc. are eligible for 50% deduction.</p> <p>d) 50% deduction with qualifying limit: Donations to religious organisations, local authorities for purposes apart from family planning and other charitable institutes are eligible for 50% deduction, subject to certain qualifying limits.</p> <p>e) The qualifying limit refers to 10% of the gross total income of a taxpayer.</p>
80 GGA	<p>Deduction towards Donations made for Scientific Research or Rural Development Donation are eligible for deduction under the below categories</p> <p>Research Association or University, College or other Institution for</p> <ul style="list-style-type: none"> • Scientific Research • Social Science or Statistical Research <p>Association or Institution for</p> <ul style="list-style-type: none"> • Rural Development • Conservation of Natural Resources or for Afforestation. <p>PSU or Local Authority or an association or institution approved by the National Committee for carrying out any eligible project.</p> <p>Funds notified by Central Government for</p> <ul style="list-style-type: none"> • Afforestation • Rural Development <p>No deduction will be allowed if the donation is made in cash exceeding Rs. 2000/- or if Gross Total Income includes income from Profit / Gains of Business / Profession (applicable to 80G and 80 GGA)</p>
80 TTA	Deductions upto Rs .10,000 in respect of interest on Deposits in Savings Accounts .
80 TTb	Deductions upto Rs .50,000 in respect of interest received on deposits by Resident Senior Citizens
80 U	<p>Deduction in case of a person with disability.</p> <p>A person, who, at any time during the previous year, is certified by the medical authority to be a person with disability, there shall be allowed a deduction of a sum of Rs.75,000 (for whom with severe disability the deduction is Rs.1.25 lakh) subject to conditions prescribed in the section.</p>

Interest accrued on contribution to GPF (to the extent of contribution of 5 lakh per annum) is exempted from taxable income.

Income under head 'other than Salary income' can be offered for TDS from salary under section 192(2B). Loss under the head 'Income from house property', being interest on house loan (Section 24) [Maximum eligible amount of Rs. 30,000 for loans up to 31.3.1999, and Rs. 200,000 for loans availed on or after 1.4.1999, and construction completed within three years (within five years for loan taken from FY 2017-18) from the end of the financial year in which capital was borrowed] can be allowed as deduction at TDS stage itself. In such case details may be furnished in

form 12-C along with calculation of HBA interest.

The interest, if any, payable on capital borrowed for the period prior to the previous year in which the property has been acquired or constructed shall be deducted in equal instalments for the said previous year and for each of the four immediately succeeding previous years.

The overall limit of deduction for a year remains as Rs.2,00,000. Over and above the deduction under Section 24 explained above, a deduction up to 50,000 is admissible under section 80 EE for AY 2023-24 in respect of interest on loan taken during April 2016 to March 2017 for the acquisition of a residential property subject to the following conditions.

The loan has been sanctioned by the financial institution during the period beginning on the 1st day of April, 2016 and ending on the 31st day of March, 2017;

The amount of loan sanctioned for acquisition of the residential house property does not exceed thirty-five lakh rupees;

The value of residential house property does not exceed fifty lakh rupees;

The assessee does not own any residential house property on the date of sanction of loan.

Apart from the above, there is a standard deduction of Rs.50, 000/- for salaried employees. Those who received any salary arrears during the financial year 2022-23 and wish to avail tax deduction in current financial year should submit the copy of form 10 E after online filing. Under Section 87A, an assessee whose total income does not exceed Rs.5 lakh shall be entitled to a tax rebate up to a maximum of Rs. 12,500.

In order to claim HRA exemption from Gross salary towards rent paid, the officials should produce rent receipt from the land lord for the rent paid by the employee. If the annual rent paid by the employee exceed, 1,00,000 per annum, it is mandatory for the employee to report PAN of the landlord to the employer. In case the land lord does not have a PAN, a declaration to the effect from the landlord along with the name and address of the landlord should be filed by the employee. In both the cases, proof of online payment of rent for at least three months should be submitted.

Besides tax at above rate, Health and Education Cess @ 4% is levied on income-tax for the financial year 2022-23.

This is for reference only.
