

## INCOME TAX STATEMENT FOR THE FINANCIAL YEAR 2019-2020 (A.Y. 2020-2021)

1	Name of the Pensioner	:	_____
2	Date of Birth	:	_____
3	Address	:	_____ _____ _____
4	KU Pension Code No.	:	_____
5	Aadhar Card No.	:	_____
6	PAN No.	:	_____
7	Name of the Bank	:	_____
8	Branch & IFSC CODE	:	_____
9	Bank Account No.	:	_____
10	Total Pension Received	:	Rs. _____
	<b>(From 01-03-2019 to 29-02-2020)</b>		
	Exempted portion of HRA under section 80GG	:	Rs. _____
	(a) Rs 5,000 per month	:	Rs. _____
	(b) 25% of the total Income (excluding long-term capital gains, short-term capital gains under section 111A and Income under Section 115A or 115D and deductions under 80C to 80U. Also, income is before making a deduction under section 80GG).	:	Rs. _____
	(c) Actual rent less 10% of Income	:	Rs. _____
11	Standard deduction under section 16 (1a) Rs. 50,000	:	Rs. _____
12		<b>Total Rs.</b>	_____
13	A) Exemption claimed together with Documentary proof.	:	_____
	<b>Deduction u/s 80C (Tuition Fee, LIC, Housing Loan Repayment etc. limit Rs.1,50,000/-</b>		_____
	a) Deduction in respect of Medical Insurance premia under section 80-D (upto Rs.25000/- is admissible ) and addl. Amount of Rs. 30000/- + 5000/- for parents	:	Rs. _____
	b) Deduction in respect of Medical Treatment etc., of. Handicapped dependents under Section 80-DD (upto Rs.75000/- is admissible) Rs.125000/- in case of severe disability) (Subject to production of Medical Certificate as prescribed)	:	Rs. _____
	c) The Deduction in respect of medical treatment of the assessee or dependent under section 80-DDB is admissible up to Rs.40000/-	:	Rs. _____
	d) The deduction in respect of interest paid against loan taken for his own, spouse, and children's higher education under section 80E (Actual amount of interest paid on loan for initial year plus 7 years	:	Rs. _____

- e) Deduction In the case of permanent physical disability Including blindness under section 80-U (upto Rs.50000/- Is admissible) (Rs.100000/- is case of severe disability) (Subject to productions of Medical Certificate as prescribed) : Rs. \_\_\_\_\_
- f) The TS Chief Minister Cyclone Relief Fund 80 G and donations to certain specified funds and recognized charitable institutions : Rs. \_\_\_\_\_
- g) Deduction for interest paid on loan taken for construction / purchase of self occupied house property U/S 192/B (form 12-C, should be submitted to claim the deduction) : Rs. \_\_\_\_\_
- h) If the house Is built or purchased before 1-4-1999 actual interest or Rs.30000/- which ever is less : Rs. \_\_\_\_\_
- i) If the house is built on or after 1-4-1999 and completed within three years from the end of the financial year in which loan is borrowed actual interest or Rs.200000/- which ever is less : Rs. \_\_\_\_\_
- j) Deduction u/s 80EEA (Upto 1.50 Lakh) - House declared the year costing less than 45 Lakh during 2019-2020 : Rs. \_\_\_\_\_

**TOTAL DEDUCTIONS (a to J)** : Rs. \_\_\_\_\_

- k) Life Insurance Premia : Rs. \_\_\_\_\_
- l) Jeevan Dhara / Jeevan Akshay / NSS : Rs. \_\_\_\_\_
- m) Mutual Fund Schemes : Rs. \_\_\_\_\_
- n) Children Tuition Fee (Maximum 2 Children) : Rs. \_\_\_\_\_
- o) Repayment of Housing Loan : Rs. \_\_\_\_\_

14 **TOTAL DEDUCTIONS (A+B)** : Rs. \_\_\_\_\_

15 Net Income (12-14) : Rs. \_\_\_\_\_

16 Net Taxable Income : Rs. \_\_\_\_\_  
 (Below 60 Yrs age Rs. 2.50 Lakhs  
 60 + years age Rs. 3.00 Lakhs  
 80 + years age Rs. 5.00 Lakhs)

17 Taxable income : Rs. \_\_\_\_\_

18 Tax 5%, 20%, 30% : Rs. \_\_\_\_\_

19 Less : Tax Rebate U/s 87 A (Rs.12,500/-) : Rs. \_\_\_\_\_  
 (If the total taxable income is below Rs.5,00,000.00)

20 Net Tax (15-16) : Rs. \_\_\_\_\_

21 Education Cess 4% on net Tax : Rs. \_\_\_\_\_

22 Total Tax : Rs. \_\_\_\_\_

23 Tax already deducted by KU : Rs. \_\_\_\_\_

24 Advance Tax paid by assessee : Rs. \_\_\_\_\_

25 Net Tax to be deducted : Rs. \_\_\_\_\_

**DECLARATION**

I Sri, \_\_\_\_\_ a Pensioner / Senior Citizen and I am exempted from the Payments of Income Tax on Total Income for Rs. 3.00 Lakhs / Rs. 5.00 Lakhs. Hence the above particulars are true as per records

Date :

Signature of the Pensioner



# Income Tax Department

Government of India

## List of benefits available to Salaried Persons

[AY 2020-21]

S. N.	Section	Particulars	Benefits
<b>A. Allowances</b>			
1.	10 (13A)	House Rent Allowance (Sec. 10(13A) & Rule 2A)	Least of the following is exempt: a) Actual HRA Received b) 40% of Salary (50%, if house situated in Mumbai, Calcutta, Delhi or Madras) c) Rent paid minus 10% of salary * Salary= Basic + DA (if part of retirement benefit) + Turnover based Commission Note: i. Fully Taxable, if HRA is received by an employee who is living in his own house or if he does not pay any rent ii. It is mandatory for employee to report PAN of the landlord to the employer if rent paid is more than Rs. 1,00,000 [Circular No. 08 /2013 dated 10th October, 2013].
2.	10 (14)	Children Education Allowance	Up to Rs. 100 per month per child up to a maximum of 2 children is exempt
3.	10 (14)	Hostel Expenditure Allowance	Up to Rs. 300 per month per child up to a maximum of 2 children is exempt
4.	10 (14)	Transport Allowance granted to an employee to meet expenditure for the purpose of commuting between place of residence and place of duty	Rs. 3,200 per month granted to an employee, who is blind or deaf and dumb or orthopedically handicapped with disability of lower extremities
5.	Sec. 10 (14)	Transport Allowance to an employee working in any transport business to meet his personal expenditure during his duty performed in the course of running of such transport from one place to another place provided employee is not in receipt of daily allowance.	Amount of exemption shall be lower of following: a) 70% of such allowance; or b) Rs. 10,000 per month.
6.	10 (14)	Conveyance Allowance granted to meet the expenditure on conveyance in performance of duties of an office	Exempt to the extent of expenditure incurred
7.	10 (14)	Any Allowance granted to meet the cost of travel on tour or on transfer	Exempt to the extent of expenditure incurred
8.	10 (14)	Daily Allowance to meet the ordinary daily charges incurred by an employee on account of absence from his normal place of duty	Exempt to the extent of expenditure incurred
9.	10	Helper/Assistant Allowance	Exempt to the extent of expenditure incurred

	(14)		
10.	10 (14)	Research Allowance granted for encouraging the academic research and other professional pursuits	Exempt to the extent of expenditure incurred
11.	10 (14)	Uniform Allowance	Exempt to the extent of expenditure incurred
12.	10 (7)	Foreign allowances or perquisites paid or allowed by Government to its employees (an Indian citizen) posted outside India	Fully Exempt
13.	-	Allowances to Judges of High Court/Supreme Court (Subject to certain conditions)	Fully Exempt.
14.	10 (45)	Following allowances and perquisites given to serving Chairman/Member of UPSC is exempt from tax: a) Value of rent free official residence b) Value of conveyance facilities including transport allowance c) Sumptuary allowance d) Leave travel concession	Fully Exempt
15.	-	Allowances paid by the UNO to its employees	Fully Exempt
16.	10 (45)	Allowances to Retired Chairman/Members of UPSC (Subject to certain conditions)	Exempt subject to maximum of Rs.14,000 per month for defraying services of an orderly and for secretarial assistant on contract basis. The value of residential telephone free of cost and the number of free calls to the extent of 1500 per month shall be exempt.
17.	Sec. 10 (14)	Special compensatory Allowance (Hilly Areas) (Subject to certain conditions and locations)	Amount exempt from tax varies from Rs. 300 per month to Rs. 7,000 per month.
18.	Sec. 10 (14)	Border area allowances, Remote Locality allowance or Disturbed Area allowance or Difficult Area Allowance (Subject to certain conditions and locations)	Amount exempt from tax varies from Rs. 200 per month to Rs. 1,300 per month.
19.	Sec. 10 (14)	Tribal area allowance given in (a) Madhya Pradesh (b) Tamil Nadu (c) Uttar Pradesh (d) Karnataka (e) Tripura (f) Assam (g) West Bengal (h) Bihar (i) Orissa	Rs. 200 per month
20.	Sec. 10 (14)	Compensatory Field Area Allowance. If this exemption is taken, employee cannot claim any exemption in respect of border area allowance (Subject to certain conditions and locations)	Rs. 2,600 per month
21.	Sec. 10 (14)	Compensatory Modified Area Allowance. If this exemption is taken, employee cannot claim any exemption in respect of border area allowance (Subject to certain conditions and locations)	Rs. 1,000 per month
22.	Sec. 10 (14)	Counter Insurgency Allowance granted to members of Armed Forces operating in areas away from their permanent locations. I	Rs. 3,900 per month

		f this exemption is taken, employee cannot claim any exemption in respect of border area allowance (Subject to certain conditions and locations)	
2 3.	Sec. 10 (14)	Underground Allowance is granted to employees working in uncongenial, unnatural climate in underground mines	Up to Rs. 800 per month
2 4.	Sec. 10 (14)	High Altitude Allowance is granted to armed forces operating in high altitude areas (Subject to certain conditions and locations)	a) Up to Rs. 1,060 per month (for altitude of 9,000 to 15,000 feet) b) Up to Rs. 1,600 per month (for altitude above 15,000 feet)
2 5.	Sec. 10 (14)	Highly active field area allowance granted to members of armed forces (Subject to certain conditions and locations)	Up to Rs. 4,200 per month
2 6.	Sec. 10 (14)	Island Duty Allowance granted to members of armed forces in Andaman and Nicobar and Lakshadweep group of Island (Subject to certain conditions and locations)	Up to Rs. 3,250 per month

**B. Perquisites**

1.	17 (2) (i)/(ii) read with Rule 3 (1)	Rent free unfurnished accommodation provided to Central and State Government employees	License Fees determined in accordance with rules framed by Government for allotment of houses shall be deemed to be the taxable value of perquisites.
2.	17 (2) (i)/(ii) read with Rule 3 (1)	Unfurnished rent free accommodation provided to other employees	<p><b>Taxable value of perquisites</b></p> <p>A. If House Property is owned by the employer:</p> <ol style="list-style-type: none"> <li>15% of salary, if population of city where accommodation is provided exceeds 25 lakhs as per 2001 census</li> <li>10% of salary, if population of city where accommodation is provided exceeds 10 lakhs but does not exceed 25 lakhs as per 2001 census</li> <li>7.5% of salary, if accommodation is provided in any other city</li> </ol> <p>B. If House Property is taken on lease or rent by the employer, the perquisite value shall be :</p> <ol style="list-style-type: none"> <li>Lease rent paid or payable by the employer or 15% of the salary, whichever is lower</li> </ol> <p>*Salary includes:</p> <ol style="list-style-type: none"> <li>Basic Pay</li> <li>Dearness Allowance (only to the extent it forms part of retirement benefit salary)</li> <li>Bonus</li> <li>Commission</li> <li>All other allowances (only taxable portion)</li> <li>Any monetary payment which is chargeable to tax</li> </ol> <p>But does not include</p> <ol style="list-style-type: none"> <li>Value of any perquisite [under section 17(2)]</li> <li>Employer's contribution to PF</li> </ol>

			<p>iii. Benefits received at the time of retirement like gratuity, pension etc.</p> <p><i>Note:</i></p> <ol style="list-style-type: none"> <li>1) Rent free accommodation is not chargeable to tax if provided to an employee working at mining site or a n on-shore oil exploration site, etc.,— <ol style="list-style-type: none"> <li>(i) which is being of temporary nature (subject to conditions)</li> <li>(ii) which is located in remote area.</li> </ol> </li> <li>2) Rent free accommodation if provided to High Court or Supreme Court Judges, Union Ministers, Leader of Opposition in Parliament, an official in Parliament and Serving Chairman and members of UPSC is Tax Free Perquisites.</li> <li>3) The value so determined shall be reduced by the amount of rent, if any, paid by the employee.</li> <li>4) If employee is transferred and retain property at both the places, the taxable value of perquisites for initial period of 90 days shall be determined with reference to only one accommodation (at the option of the assessee). The other one will be tax free. However after 90 days, taxable value of perquisites shall be charged with reference to both the accommodations.</li> </ol>
3.	17 (2) (i)/ (ii) read with Rule 3 (1)	Rent free furnished accommodation	<p><b>Taxable value of perquisites</b></p> <ol style="list-style-type: none"> <li>a) Find out taxable value of perquisite assuming accommodation to be provided to the employee is unfurnished</li> <li>b) <i>Add:</i> 10% of original cost of furniture and fixtures (if these are owned by the employer) or actual higher charges paid or payable (if these are taken on rent by the employer).</li> </ol> <p><i>Note:</i> The value so determined shall be reduced by the amount of rent, if any, paid by the employee</p>
4.	17 (2) (i)/ (ii) read with Rule 3 (1)	A furnished accommodation in a Hotel	<p><b>Taxable value of perquisites</b></p> <p>Value of perquisite shall be lower of following:</p> <ol style="list-style-type: none"> <li>a) Actual charges paid or payable by the employer to such hotel</li> <li>b) 24% of salary</li> </ol> <p><i>Note:</i> Hotel accommodation will not be chargeable to tax if :</p> <ol style="list-style-type: none"> <li>a) It is provided for a total period not exceeding in aggregate 15 days in the financial year; and</li> <li>b) Such accommodation in hotel is provided on employee's transfer from one place to another place.</li> </ol>
5.	17 (2)(iv)	Any sum paid by employer in respect of any obligation of an employee	Fully Taxable
5 A.	17 (2) (vii) (i) read with Rule 3 (2)	Motor Car / Other Conveyance	<b>Taxable value of perquisites</b> ( <i>See Note 1 below</i> )

6.	17 (2) (vii i) read with Rul e 3 (3)	Services of a domestic servant including sweeper, gardener, watchmen or personal attendant (Taxable in case of specified employee only [See Note 4])	Taxable value of perquisite shall be salary paid or payable by the employer for such services <i>less</i> any amount recovered from the employee.
7.	17 (2) (vii i) read with Rul e 3 (4)	Supply of gas, electricity or water for household purposes	Taxable value of perquisites: 1. Manufacturing cost per unit incurred by the employer, if provided from resources owned by the employer; 2. Amount paid by the employer, if purchased by the employer from outside agency <i>Note:</i> i. Any amount recovered from the employee shall be deducted from the taxable value of perquisite. ii. Taxable in case of specified employees only [See note 4]
8.	17 (2) (vii i) read with Rul e 3 (5)	Education Facilities	<b>Taxable value of perquisites</b> (See Note 2 below)
9.	17 (2) (vii i) read with Rul e 3 (6)	Transport facilities provided by the employer engaged in carriage of passenger or goods (except Airlines or Railways) (Taxable in case of specified employee only [See Note 4])	Value at which services are offered by the employer to the public <i>less</i> amount recovered from the employee shall be a taxable perquisite
10.	17 (2) (v)	Amount payable by the employer to effect an insurance on life of employee or to effect a contract for an annuity	Fully Taxable
11.	17 (2) (vi) read with Rul e 3 (8)/ 3(9)	ESOP/ Sweat Equity Shares	<b>Taxable value of perquisites</b> Fair Market value of shares or securities on the date of exercise of option by the assessee <i>less</i> amount recovered from the employee in respect of such shares shall be the taxable value of perquisites. Fair Market Value shall be determined as follows: a) In case of listed Shares: Average of opening and closing price as on date of exercise of option (Subject to certain conditions and circumstances) b) In case of unlisted shares/ security other than equity shares: Value determined by a Merchant Banker as on date of exercise of option or an earlier date, not being a date which is more than 180 days earlier than the date of exercise of the option.

1 2.	17 (2) (vii)	Employer's contribution towards superannuation fund	Taxable in the hands of employee to the extent such contribution exceed Rs.1,50,000
1 3.	17 (2) (vii) i) read with Rule 3(7)(i)	Interest free loan or Loan at concessional rate of interest	<p>Interest free loan or loan at concessional rate of interest given by an employer to the employee (or any member of his household) is a perquisite chargeable to tax in the hands of all employees on following basis:</p> <ol style="list-style-type: none"> <li>1. Find out the 'maximum outstanding monthly balance' (i.e. the aggregate outstanding balance for each loan as on the last day of each month);</li> <li>2. Find out rate of interest charged by the SBI as on the first day of relevant previous year in respect of loan for the same purpose advanced by it;</li> <li>3. Calculate interest for each month of the previous year on the outstanding amount (mentioned in point 1) at the rate of interest (given in point 2)</li> <li>4. Interest actually recovered, if any, from employee</li> <li>5. The balance amount (point 3-point 4) is taxable value of perquisite</li> </ol> <p>Nothing is taxable if:</p> <ol style="list-style-type: none"> <li>a) Loan in aggregate does not exceed Rs 20,000</li> <li>b) Loan is provided for treatment of specified diseases (Rule 3A) like neurological diseases, Cancer, AIDS, Chronic renal failure, Hemophilia (specified diseases). However, exemption is not applicable to so much of the loan as has been reimbursed to the employee under any medical insurance scheme.</li> </ol>
1 4.	17 (2) (vii) i) read with Rule 3(7)(i)	Facility of travelling, touring and accommodation availed of by the employee or any member of his household for any holiday	<ol style="list-style-type: none"> <li>a) Perquisite value taxable in the hands of employee shall be expenditure incurred by the employer <i>less</i> amount recovered from employee.</li> <li>b) Where such facility is maintained by the employer, and is not available uniformly to all employees, the value of benefit shall be taken to be the value at which such facilities are offered by other agencies to the public less amount recovered from employee.</li> </ol>
1 5.	17 (2) (vii) i) read with Rule 3(7)(ii)	Free food and beverages provided to the employee	<ol style="list-style-type: none"> <li>1) Fully Taxable: Free meals in excess of Rs. 50 per meal <i>less</i> amount paid by the employee shall be a taxable perquisite</li> <li>2) Exempt from tax: Following free meals shall be exempt from tax <ol style="list-style-type: none"> <li>a) Food and non-alcoholic beverages provided during working hours in remote area or in an offshore installation;</li> <li>b) Tea, Coffee or Non-Alcoholic beverages and Snacks during working hours are tax free perquisites;</li> <li>c) Food in office premises or through non-transferable paid vouchers usable only at eating joints provided by an employer is not taxable, if cost to the employer is Rs. 50(or less) per meal.</li> </ol> </li> </ol>
1 6.	17 (2) (vii)	Gift or Voucher or Coupon on ceremonial occasions or otherwise provided to the employee	<ol style="list-style-type: none"> <li>a) Gifts in cash or convertible into money (like gift cheque) are fully taxable</li> </ol>



	i) read with Rule 3(7)(iv)		b) Gift in kind up to Rs.5,000 in aggregate per annum would be exempt, beyond which it would be taxable.
17.1	17(2)(vii) read with Rule 3(7)(v)	Credit Card	<p>a) Expenditure incurred by the employer in respect of credit card used by the employee or any member of his household <i>less</i> amount recovered from the employee is a taxable perquisite</p> <p>b) Expenses incurred for official purposes shall not be a taxable perquisite provided complete details in respect of such expenditure are maintained by the employer</p>
17.8	17(2)(vii) read with Rule 3(7)(vi)	Free Recreation/ Club Facilities	<p>a) Expenditure incurred by the employer towards annual or periodical fee etc. (excluding initial fee to acquire corporate membership) <i>less</i> amount recovered from the employee is a taxable perquisite</p> <p>b) Expenses incurred on club facilities for the official purposes are exempt from tax.</p> <p>c) Use of health club, sports and similar facilities provided uniformly to all employees shall be exempt from tax.</p>
17.9	17(2)(vii) read with Rule 3(7)(vii)	Use of movable assets of the employer by the employee is a taxable perquisite	<p><b>Taxable value of perquisites</b></p> <p>a) Use of Laptops and Computers: <i>Nil</i></p> <p>b) Movable asset other than Laptops, computers and Motor Car*: 10% of original cost of the asset (if asset is owned by the employer) or actual higher charges incurred by the employer (if asset is taken on rent) <i>less</i> amount recovered from employee.</p> <p>*See <i>Note 1</i> for computation of perquisite value in case of use of the Motor Car</p>
17.10	17(2)(vii) read with Rule 3(7)(vii)	Transfer of movable assets by an employer to its employee	<p><b>Taxable value of perquisites</b></p> <p>a) Computers, Laptop and Electronics items: Actual cost of asset <i>less</i> depreciation at 50% (using reducing balance method) for each completed year of usage by employer <i>less</i> amount recovered from the employee</p> <p>b) Motor Car: Actual cost of asset <i>less</i> depreciation at 20% (using reducing balance method) for each completed year of usage by employer <i>less</i> amount recovered from the employee</p> <p>c) Other movable assets: Actual cost of asset <i>less</i> depreciation at 10% (on SLM basis) for each completed year of usage by employer <i>less</i> amount recovered from the employee.</p>
17.11	17(2)(vii) read with Rule 3	Any other benefit or amenity extended by employer to employee	<p>Taxable value of perquisite shall be computed on the basis of cost to the employer (under an arm's length transaction) <i>less</i> amount recovered from the employee.</p> <p>However expenses on telephones including a mobile phone incurred by the employer on behalf of employee shall not be treated as taxable perquisite.</p>

	(7)(ix)		
2 2.	10 (10 CC)	Tax paid by the employer on perquisites (not provided for by way of monetary payments) given to employee	Fully exempt
2 3.	10 (5)	<p>Leave Travel Concession or Assistance (LTC/LTA), extended by an employer to an employee for going anywhere in India along with his family*</p> <p>*Family includes spouse, children and dependent brother/sister/parents. However, family doesn't include more than 2 children of an Individual born on or after 01-10-1998.</p>	<p>The exemption shall be limited to fare for going anywhere in India along with family twice in a block of four years:</p> <ol style="list-style-type: none"> <li>i. Exemption limit where journey is performed by Air - Air fare of economy class in the National Carrier by the shortest route or the amount spent, whichever is less</li> <li>ii. Exemption limit where journey is performed by Rail - Air-conditioned first class rail fare by the shortest route or the amount spent, whichever is less</li> <li>iii. Exemption limit if places of origin of journey and destination are connected by rail but the journey is performed by any other mode of transport - Air-conditioned first class rail fare by the shortest route or the amount spent, whichever is less</li> <li>iv. Exemption limit where the places of origin of journey and destination are not connected by rail: <ol style="list-style-type: none"> <li>a. Where a recognized public transport system exists - First Class or deluxe class fare by the shortest route or the amount spent, whichever is less</li> <li>b. Where no recognized public transport system exists - Air conditioned first class rail fare by shortest route or the amount spent, whichever is less</li> </ol> </li> </ol> <p><i>Notes:</i></p> <ol style="list-style-type: none"> <li>i. Two journeys in a block of 4 calendar years is exempt</li> <li>ii. Taxable only in case of Specified Employees [<i>See note 4</i>]</li> </ol>
2 4.	Proviso section 17(2)	Medical facilities in India	<ol style="list-style-type: none"> <li>1) Expense incurred or reimbursed by the employer for the medical treatment of the employee or his family (spouse and children, dependent - parents, brothers and sisters) in any of the following hospital is not chargeable to tax in the hands of the employee: <ol style="list-style-type: none"> <li>a) Hospital maintained by the employer.</li> <li>b) Hospital maintained by the Government or Local Authority or any other hospital approved by Central Government</li> <li>c) Hospital approved by the Chief Commissioner having regard to the prescribed guidelines for treatment of the prescribed diseases.</li> </ol> </li> <li>2) Medical insurance premium paid or reimbursed by the employer is not chargeable to tax.</li> </ol>
2 5.	Proviso section 17(2)	Medical facilities outside India	<p>Any expenditure incurred or reimbursed by the employer for medical treatment of the employee or his family member outside India is exempt to the extent of following (subject to certain condition):</p> <ol style="list-style-type: none"> <li>a) Expenses on medical treatment - exempt to the extent permitted by RBI.</li> <li>b) Expenses on stay abroad for patient and one attendant - exempt to the extent permitted by RBI.</li> </ol>

			c) Cost on travel of the employee or any family or one attendant - exempt, if Gross Total Income (before including the travel expenditure) of the employee, does not exceed Rs. 2,00,000.
<b>C. Deduction from salary</b>			
1.	16(i a)	Standard Deduction	Rs. 50,000 or the amount of salary, whichever is lower
2.	16 (ii)	Entertainment Allowance received by the Government employees (Fully taxable in case of other employees)	Least of the following is deductible : a) Rs 5,000 b) 1/5th of salary (excluding any allowance, benefits or other perquisite) c) Actual entertainment allowance received
3.	16(i ii)	Employment Tax/Professional Tax.	Amount actually paid during the year is deductible. However, if professional tax is paid by the employer on behalf of its employee than it is first included in the salary of the employee as a perquisite and then same amount is allowed as deduction.
<b>D. Retirement Benefits</b>			
<b>a) Leave Encashment</b>			
1.	10 (10 AA)	Encashment of unutilized earned leave at the time of retirement of Government employees	Fully Exempt
2.	10 (10 AA)	Encashment of unutilized earned leave at the time of retirement of other employees (not being a Government employee)	Least of the following shall be exempt from tax: a) Amount actually received b) Unutilized earned leave* X Average monthly salary c) 10 months Average Salary** d) Rs. 3,00,000  *While computing unutilized earned leave, earned leave entitlements cannot exceed 30 days for each year of service rendered to the current employer **Average salary = Average Salary*** of last 10 months immediately preceding the retirement ***Salary = Basic Pay + Dearness Allowance (to the extent it forms part of retirement benefits)+ turnover based commission
<b>b) Retrenchment Compensation</b>			
1.	10 (10 B)	Retrenchment Compensation received by a workman under the Industrial Dispute Act, 1947(Subject to certain conditions).	Least of the following shall be exempt from tax: a) an amount calculated as per section 25F(b) of the Industrial Disputes Act, 1947; b) Rs. 5,00,000; or c) Amount actually received  Note: i. Relief under <a href="#">Section 89(1)</a> is available ii. 15 days average pay for each completed year of continuous service or any part thereof in excess of 6 months is to be adopted under section 25F(b) of the Industrial Disputes Act, 1947.
<b>c) Gratuity</b>			
1.	10 (10)	Gratuity received by Government Employees (Other than employees of statutory cor	Fully Exempt

	(i)	porations)	
2.	10 (10) (ii)	Death -cum-Retirement Gratuity received by other employees who are covered under Gratuity Act, 1972 (other than Government employee) (Subject to certain conditions).	Least of following amount is exempt from tax: 1. $(*15/26) \times \text{Last drawn salary}^{**} \times \text{completed year of service or part thereof in excess of 6 months.}$ 2. Rs. 20,00,000 3. Gratuity actually received. *7 days in case of employee of seasonal establishment. ** Salary = Last drawn salary including DA but excluding any bonus, commission, HRA, overtime and any other allowance, benefits or perquisite
3.	10 (10) (iii)	Death -cum-Retirement Gratuity received by other employees who are not covered under Gratuity Act, 1972 (other than Government employee) (Subject to certain conditions).	Least of following amount is exempt from tax: 1. Half month's Average Salary* X Completed years of service 2. Rs. 20,00,000 3. Gratuity actually received. *Average salary = Average Salary of last 10 months immediately preceding the month of retirement ** Salary = Basic Pay + Dearness Allowance (to the extent it forms part of retirement benefits)+ turnover based commission

#### d) Pension

1.	-	Pension received from United Nation Organization by the employee of his family members	Fully Exempt
2.	10 (10) A) (i)	Commutated Pension received by an employee Central Government, State Government, Local Authority Employees and Statutory Corporation	Fully Exempt
3.	10 (10) A)(i)	Commutated Pension received by other employees who also receive gratuity	1/3 of full value of commuted pension will be exempt from tax
4.	10 (10) A)(ii)	Commutated Pension received by other employees who do not receive any gratuity	1/2 of full value of commuted pension will be exempt from tax
5.	10 (19)	Family Pension received by the family members of Armed Forces	Fully Exempt
6.	57(i) ia)	Family pension received by family members in any other case	33.33% of Family Pension subject to maximum of Rs. 15,000 shall be exempt from tax

#### e) Voluntary Retirement

1.	10 (10) C)	Amount received on Voluntary Retirement or Voluntary Separation (Subject to certain conditions)	Least of the following is exempt from tax: 1) Actual amount received as per the guidelines i.e. least of the following a) 3 months salary for each completed year of services b) Salary at the time of retirement X No. of months of services left for retirement; or 2) Rs. 5,00,000
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#### f) Provident Fund

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1.	-	Employee's Provident Fund	For taxability of contribution made to various employee's provident fund and interest arising thereon <i>see Note 3.</i>
<b>g) National Pension System (NPS)</b>			
1.	10 (12 A)/ 10 (12 B)	National Pension System	Any payment from the National Pension System Trust to an assessee on closure of his account or on his opting out of the pension scheme referred to in section 80CCD, to the extent it does not exceed 60% of the total amount payable to him at the time of such closure or his opting out of the scheme.  Note: Partial withdrawal from the NPS shall be exempt to the extent of 25% of amount of contributions made by the employee.
<b>E. Arrear of Salary and relief under section 89(1)</b>			
1.	15	Arrear of salary and advance salary	Taxable in the year of receipt. However relief under <a href="#">section 89</a> is available
2.	89	Relief under <a href="#">Section 89</a>	If an individual receives any portion of his salary in arrears or in advance or receives profits in lieu of salary, he can claim relief as per provisions of <a href="#">section 89</a> read with rule 21A
<b>F. Other Benefits</b>			
1.	-	Lump-sum payment made gratuitously or by way of compensation or otherwise to widow or other legal heirs of an employee who dies while still in active service [Circular No. 573, dated 21-08-1990]	Fully Exempt in the hands of widow or other legal heirs of employee
2.	-	Ex-gratia payment to a person (or legal heirs) by Central or State Government, Local Authority or Public Sector Undertaking consequent upon injury to the person or death of family member while on duty [Circular No. 776, dated 08-06-1999]	Fully Exempt in the hands of individual or legal heirs
3.	-	Salary received from United Nation Organization [Circular No. 293, dated 10-02-1981]	Fully Exempt
4.	10 (6)(i)	Salary received by foreign national as an official of an embassy, high commission, legation, consulate or trade representation of a foreign state	Fully Exempt if corresponding official in that foreign country enjoys a similar exemption
5.	10 (6) (vi)	Remuneration received by non-resident foreign citizen as an employee of a foreign enterprise for services rendered in India, if: a) Foreign enterprise is not engaged in any trade or business in India b) His stay in India does not exceed in aggregate a period of 90 days in such previous year c) Such remuneration is not liable to deducted from the income of employer chargeable under this Act	Fully exempt
6.	10 (6)	Salary received by a non-resident foreign national for services rendered in connection with his employment on a foreign ship if	Fully exempt

	(vii) i)	his total stay in India does not exceed 90 days in the previous year.	
7.	-	Salary and allowances received by a teacher /professor from SAARC member state (Subject to certain conditions).	Fully Exempt

**Notes:**

1. Motor Car (taxable only in case of specified employees [See note 4]) except when car owned by the employee is used by him or members of his household wholly for personal purposes and for which reimbursement is made by the employer)

S. No.	Circumstances	Engine Capacity upto 1600 cc (value of perquisite )	Engine Capacity above 1600 cc (value of perquisite)
<b>1</b>	<b>Motor Car is owned or hired by the employer</b>		
1.1	Where maintenances and running expenses including remuneration of the chauffeur are met or reimbursed by the employer.		
1.1-A	If car is used wholly and exclusively in the performance of official duties.	Fully exempt subject to maintenance of specified documents	Fully exempt subject to maintenance of specified documents
1.1-B	If car is used exclusively for the personal purposes of the employee or any member of his household.	Actual amount of expenditure incurred by the employer on the running and maintenance of motor car including remuneration paid by the employer to the chauffeur and increased by the amount representing normal wear and tear of the motor car at 10% p.a. of the cost of vehicle <i>less</i> any amount charged from the employee for such use is taxable	
1.1-C	The motor car is used partly in the performance of duties and partly for personal purposes of the employee or any member of his household.	Rs. 1,800 per month ( <i>plus</i> Rs. 900 per month, if chauffeur is also provided to run the motor car)	Rs. 2,400 per month ( <i>plus</i> Rs. 900 per month, if chauffeur is also provided to run the motor car)
		Nothing is deductible in respect of any amount recovered from the employee.	
1.2	Where maintenances and running expenses are met by the employee.		
1.2-A	If car is used wholly and exclusively in the performance of official duties.	Not a perquisite, hence, not taxable	Not a perquisite, hence, not taxable
1.2-B	If car is used exclusively for the personal purposes of the employee or any member of his household	Expenditure incurred by the employer (i.e. hire charges, if car is on rent or normal wear and tear at 10% of actual cost of the car) <i>plus</i> salary of chauffeur if paid or payable by the employer <i>minus</i> amount recovered from the employee.	
1.2-C	The motor car is used partly in the performance of duties and partly for personal purposes of the employee or any member of his household	Rs. 600 per month ( <i>plus</i> Rs. 900 per month, if chauffeur is also provided to run the motor car)	Rs. 900 per month ( <i>plus</i> Rs. 900 per month, if chauffeur is also provided to run the motor car)
		Nothing is deductible in respect of any amount recovered from the employee.	
<b>2</b>	<b>Motor Car is owned by the employee</b>		
2.1	Where maintenances and running expenses including remuneration of the chauffeur are met or reimbursed by the employer.		
2.1-A	The reimbursement is for the use of the vehicle wholly and exclusively for official purposes	Fully exempt subject to maintenance of specified documents	Fully exempt subject to maintenance of specified documents
2.1-B	The reimbursement is for the use of the vehicle exclusively for the personal purposes of the em	Actual expenditure incurred by the employer <i>minus</i> amount recovered from the employee	

	ployee or any member of his household		
2.1-C	The reimbursement is for the use of the vehicle partly for official purposes and partly for personal purposes of the employee or any member of his household.	Actual expenditure incurred by the employer <i>minus</i> Rs. 1800 per month and Rs. 900 per month if chauffeur is also provided <i>minus</i> amount recovered from employee.	Actual expenditure incurred by the employer <i>minus</i> Rs. 2400 per month and Rs. 900 per month if chauffeur is also provided <i>minus</i> amount recovered from employee.
<b>3</b>	<b>Where the employee owns any other automotive conveyance and actual running and maintenance charges are met or reimbursed by the employer</b>		
3.1	Reimbursement for the use of the vehicle wholly and exclusively for official purposes;	Fully exempt subject to maintenance of specified documents	Fully exempt subject to maintenance of specified documents
3.2	Reimbursement for the use of vehicle partly for official purposes and partly for personal purposes of the employee.	Actual expenditure incurred by the employer <i>minus</i> Rs. 900 per month <i>minus</i> amount recovered from employee	Not Applicable

## 2. Educational Facilities

Taxable only in the hands of specified employees [See note 4]

Facility extended to	Value of perquisite	
	Provided in the school owned by the employer	Provided in any other school
Children	Cost of such education in similar school <i>less</i> Rs. 1,000 per month per child (irrespective of numbers of children) <i>less</i> amount recovered from employee	Amount incurred <i>less</i> amount recovered from employee (an exemption of Rs. 1,000 per month per child is allowed)
Other family member	Cost of such education in similar school <i>less</i> amount recovered from employee	Cost of such education incurred

### 2.1 Other Educational Facilities

Particulars	Taxable Value of Perquisites
Reimbursement of school fees of children or family member of employees	Fully taxable
Free educational facilities/ training of employees	Fully exempt

## 3. Employees Provident Fund

Tax treatment in respect of contributions made to and payment from various provident funds are summarized in the table given below:

Particulars	Statutory provident fund	Recognized provident fund	Unrecognized provident fund	Public provident fund
Employers contribution to provident fund	Fully Exempt	Exempt only to the extent of 12% of salary*	Fully Exempt	-
Deduction under <a href="#">section 80C</a> on employees contribution	Available	Available	Not Available	Available
Interest credited to provident fund	Fully Exempt	Exempt only to the extent rate of interest does not exceed 9.5%	Fully Exempt	Fully Exempt
Payment received at the time of retirement or termination of service	Fully Exempt	Fully Exempt (Subject to certain conditions and circumstances)	Fully Taxable (except employee's contribution)	Fully Exempt

\* Salary = Basic Pay + Dearness Allowance (to the extent it forms part of retirement benefits) + turnover based commission

Payment from recognized provident fund shall be exempt in the hands of employees in following circumstances:

- a) If employee has rendered continue service with his employer (including previous employer, when PF account is transferred to current employer) for a period of 5 years or more
- b) If employee has been terminated because of certain reasons which are beyond his control (ill health, discontinuation of business of employer, etc.)

#### **4. Specified Employee**

The following employees are deemed as specified employees:

- 1) A director-employee
- 2) An employee who has substantial interest (i.e. beneficial owner of equity shares carrying 20% or more voting power) in the employer-company
- 3) An employee whose monetary income\* under the salary exceeds Rs. 50,000

\*Monetary Income means Income chargeable under the salary but excluding perquisite value of all non-monetary perquisites

**[As amended by Finance (No. 2) Act, 2019]**



## ANNEXURE A

### Certificate of accountant under first proviso to sub-section (1) of section 201 of the Income-tax Act, 1961 for certifying the furnishing of return of income, payment of tax etc. by the payee

I/We \*hereby confirm that I/we\* have examined the relevant accounts, documents and records of (name and address of the payee with PAN)

\_\_\_\_\_ for the period  
\_\_\_\_\_ and hereby certify the following:

(i) \_\_\_\_\_ (payer) has paid to or credited following sum to the account of \_\_\_\_\_ (payee) without deduction of whole or any part of the tax in accordance with the provisions of Chapter-XVII-B

Nature of payment	Date of payment or credit	Section under which tax was deductible	Amount paid or credited	Amount of tax deductible	Details of amount deducted, if any	
					Amount deducted	Date of deduction

(ii) The payee, who is a resident, has furnished his return of income for the assessment year \_\_\_\_\_ relevant to the payment referred to in (i) above. The details of return of income filed by the payee are as under -

Date of filing return	Mode of filing i.e. whether e-filed or paper return	Acknowledgement number of return filed	If paper return- designation and address of the Assessing Officer	Amount of total taxable income as per return filed	Tax due on the income declared in the return	Details of tax paid

(iii) The payee has taken into account the sum referred to in (i) for computing his taxable income in return of income filed by him the details of which are as under -

<i>Receipt on which Tax has not been deducted</i>	<i>Head of Income under which the receipt is accounted for</i>	<i>Gross receipt under the head of income under which the receipt is accounted for</i>	<i>Amount of taxable income under the head of income under which the receipt is accounted for</i>

(iv) It has been ensured that the information furnished is true and correct in all respects and no relevant information has been concealed or withheld

(v) Neither I, nor any of my partners, is a director, partner or an employee of the above mentioned entities or its associated concerns

I/we\* fully understand that any statement made in this certificate, if proved incorrect or false, will render me/us\* liable for any penal or other consequences as may be prescribed in law or is otherwise warranted

(Signature and Stamp/Seal of the Signatory)

† Accountant

Place	Name of the Signatory
Date	Full Address
	Membership No.