

Endt on File No. Fin B1/8583/2011/HRD dated 10/01/2012

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3. Administrative Officer
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- ✓ 6. IT Division
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Sd/-
DIRECTOR

Approved for Issue



Finance Officer

116 / 12 / H RD

No. OE Bills/A&E/V/

Dated: 30.09.2011

CIRCULAR

Sub: - Deduction of Income Tax from salaries during the Financial Year 2011-12

Members of the staff whose salary income would exceed Rs.1,80,000/- (Rs.1,90,000 in the case of women employees) during 2011-12 are requested to furnish a statement in the Proforma so as to reach, OE(Bills) before 15.10.2011. In case the statement is not furnished before the specified date, Income Tax for 2011-12 will be computed with reference to the data available with the office and recovery effected from the salary for October 2011 onwards, on the basis of tax so computed.

2. In order to allow deduction towards rent paid as per Sl.No.4 of the Performa, the officials concerned should produce rent receipt/declaration of expenditure towards rent along with the statement of income. Salary for regulating exemption for HRA includes DA, if the terms of employment so provide, but excludes all other allowances and perquisites. Transport allowance up to Rs.800/- per month is exempted from income.

3. Receipt in support of payment of LIC/PLI/ULIP premia etc. under Sl.No.9A (Other than salary deductions) should be produced before 30.11.2011.

4. In respect of deposits in NSC/NSS etc. original certificates/ pass books should be produced before 30.11.2011.

5. a. For salaried persons, items available for direct deduction from income under Chapter VIA (Section 80C) of the Act are listed in item 9(a) of the statement subject to a maximum of Rs.1,00,000/-.

b. 80 CCF - Subscription to Long term Infrastructure Bonds notified for this purpose upto Rs. 20,000/-

c. Other items available for direct deduction from income under Chapter VIA of the Act are Medical Insurance Premia paid through any mode other than cash and contributions to CGHS(up to Rs.15,000/- for self and family and additional Rs15,000 for dependant parents-80D); Interest on loan taken for own higher education (now extended to spouse or children of the employee)-80E), Maintenance including Medical treatment etc. and insurance deposits for dependants with (40%)disability Rs.50,000/- and in cases of severe disability (80% or more)Rs.1,00,000(80DD), donations to certain funds etc. (80G) and deduction in case of own disability (Rs.50,000) and in case of severe disability Rs.1,00,000(80U)subject to prescribed conditions.

d. Deduction under of Section 80 DDB(treatment of dependents for specified diseases like cancer)and 80G (donations to certain charitable institutions) cannot be allowed at TDS stage. In such cases the claim has to be made by filing IT return.

6. Disability for purposes of 80DD and 80U means blindness, low-vision, leprosy cured, hearing impairment, loco motor disability, mental retardation, mental illness, autism, cerebral palsy and multiple disabilities.

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7. Income under the head other than salary can be offered for TDS from salary under section 192(2B). Loss under the head 'House property Income' being interest on house loan maximum eligible amount Rs.30,000 for loans up to 31.03.1999 and for loans availed on or after 1.4.99 for construction/acquisition of residential building and construction /acquisition completed within three years from the end of the financial year, in which capital was borrowed using such loan, the eligible amount is up to Rs.1,50,000 and it can be allowed at TDS stage itself. In such cases under section 192(2B), details may be furnished in form 12-C along with calculation of HBA interest. A certificate from the institution to whom the interest is payable, specifying the amount of interest payable has also to be furnished. The higher rate (Rs.1,50,000) is not available for loans taken for repairs/renovation. No deduction will be allowed without proper documents.

8. **No refund of Income Tax will be allowed at TDS stage. Hence all the officials are requested to assess and plan their IT correctly and suitably.**

9. Rates of Income Tax for the Financial Year 2011-12 (Assessment year 2012-13) are given below for information.

Where the total income does not exceed Rs.1,80,000/-	Rs.1,90,000(Female employees)	Nil
Where the total income exceeds 10% of the amount by which the total Rs.1,80,000/Rs.1,90,000 (female employees) but does not exceed Rs.5,00,000	(female income exceeds Rs.1,80,000/Rs.1,90,000 (Female employees))	
Where the total income exceeds Rs.5,00,000 but does not exceed Rs.8,00,000	Rs.32,000/Rs.31,000 (Female employees) plus 20% of the amount by which the total income exceeds Rs.5,00,000	
Where the total income exceeds Rs.8,00,000	Rs.92,000/Rs.91,000 (Female employees) plus 30% of the amount by which the total income exceeds Rs.8,00,000	

Education Cess on Income Tax

1. There is an additional Education Cess of 3% on income-tax payable.


Accounts Officer/Bills

**STATEMENT OF INCOME FOR THE FINANCIAL YEAR 2011-2012
(A.Y.2012-2013)**

1.	Name and Designation		PAN No.
2.	Pay as on 01.03.2011		Rs.
3.	Probable income from salary during 2011-12 including all allowances		
	Salary (Pay,GP,DA,HRA,DA onTA,Tr.All)	Rs.	
	CEA/TF	Rs.	
	Honorarium	Rs.	
	Bonus/Arrears	Rs.	
	Total	Rs.	Rs.
4.	<u>Exempted items u/s 10 included in item 3 above</u>		
(a)	Exemption for HRA u/s 10(13A) as least of		
	(i) HRA received	Rs.	
	(ii) Rent paid in excess of 10% 'Salary' (Pay+DP+DA)	Rs.	
	(ii') 40% of salary	Rs.	Rs.
	<i>Indicate the amount of rent paid</i>	Rs.	
(b)	Exempted allowance u/s 10(14)		
	(i) Transport Allowance (max:Rs.800/- per month)	Rs.	
5.	Balance(3-4)		Rs.
6.	Deductions from salary		
	(i) Profession Tax paid		Rs.
7.	Salary income(5-6)		Rs.
8.	Income under any other head proposed to be considered under Section 192(2B) for TDS including loss under House property (HBA interest). If so also furnish details in form 12-C along with calculation of HBA interest		Rs.

Signature:
Name:
Designation:

Date

9. Deductions under Chapter VI-A

(a) Deduction under Section 80(C)

Category(i) General items

Payment towards:

GPF contribution Rs.

CGEGIS Rs.

LIC/ULIP/PLI (Policy No.) Rs.

5/10/15 Years CTD Rs.

Refund of HBA (Principal) Rs.

NSC/NSS Rs.

Interest on NSC(VI&VIII) deemed as investment
(Show amount and year of related deposits also) Rs.

Tuition fees for full time education of children
(Not to include donation/development fees) Rs.

Category(ii) Special items

(a) Subscription to equity shares or debentures
forming part of Capital(approved) of public
companies notified for clause xvi known as
Infrastructure bonds Rs.

(b) Subscription to mutual funds approved under
Clause xiii of S.80C (2) Rs.

(ii) Amounts deposited in the Annuity Plan of
LIC(Jeevan Suraksha) or of any other insurer
for receiving pension (upto Rs.10000) Rs.

(iv) Pension Contribution 80 CCD Rs.

(Max. qualifying amount for categories (i), (ii) & (iii)
& (iv) together is Rs.1,00,000)

(b) 80CCF Subscription to Long Term Infrastructure Bonds
notified for this purpose (Upto Rs.20,000/-)

(c) Other deductions under Chapter VI-A if any vide para 5(c) Rs.
of the Circular

* Medclaim Premium Rs.

* CGHS Contribution.

(* Upto Rs.15,000/- for self and family and upto
Rs.15,000/- for dependent parents)

10 Total Income(ie, taxable income) [(7+8)-9] Rs.

a. (Round off to the nearest multiple of ten rupee) Rs.

b. Income-tax due thereon Rs.

11. Additional Surcharge(On tax payable) 3%(Education Cess) Rs.

12. Relief under Chapter VIII B
Relief u/s 89(1) for arrears if any (furnish Form 10E) Rs.

13. Total Tax Payable [(11+12)-13] Rs.

Date:

Signature:

Name:

Designation: