



भारत सरकार GOVERNMENT OF INDIA
वित्त मंत्रालय MINISTRY OF FINANCE
राजस्व विभाग DEPARTMENT OF REVENUE

जीएसटी एवं केन्द्रीय उत्पाद शुल्क आयुक्त का कार्यालय
OFFICE OF THE COMMISSIONER OF GST & CENTRAL EXCISE

नं 1 विलियम्स रोड, कन्टोनमेंट, तिरुच्चिरापल्ली 620 001
NO.1 WILLIAMS ROAD, CANTONMENT, TIRUCHIRAPPALLI 620 001

C.No.II/19/01/2020 – Accts. II (I.T)

Dated : .10.2020.

URGENT

Sub:- EIS – PFMS – Circular calling for Income Tax Returns for F/Y 2020-2021 (Year ending 31.3.2021) (Assessment Year 2021-2022) – Regarding.

Dear Sir/madam,

The Section 192 of Income Tax Act casts the responsibility on the employer, of tax deduction at source, at the time of actual payment of salary to the employee. The statute enjoins the employer to compute the tax liability of the employee at the beginning and end of the financial year, on the basis of the rates in force and to deduct the tax.

2. The designated Drawing & Disbursing Officer of GST Hqrs.,Trichy is responsible for making payment under the head salaries and for deduction of tax on behalf of the employer.

3. It is intimated that the provision for submitting the “Income Tax Return” through online is now made available in PFMS portal. The filing of Income Tax Return through the PFMS portal is mandatory and upon verification by the DDO will be forwarded to the Pay and Accounts Office. PFMS-EIS-Income tax – Consolidated Statement – Draft It sheet as per DDO. From this year onwards there are two types of Income tax calculation is available in the PFMS i.e Old regime and new regime. The officers may chose the method of filing either “Old regime” or “new regime”

4. In view of the above it is requested that all the officers working in GST Hqrs.office may process the Income Tax Return which is available in the PFMS portal and forwarded to DDO.

5) IF ANY OFFICER WISHES TO INCREASE/DECREASE IN THEIR GPF SUBSCRIPTIONS, SO ALSO FOR DEDUCTION OF ANY INCOME TAX FROM THEIR SALARY, SHOULD FILE THEIR REQUEST ON OR BEFORE 10TH OF THE MONTH WITH THE BILLS SECTION . SUCH REQUESTS IF RECEIVED WITH IN THE DUE DATE ONLY WILL BE TAKEN FOR THAT MONTH AND ONWARDS.

6) The following details are furnished for the easy reference of the officers.

INCOME SLAB AND TAX RATES FOR F.Y. 2020-21/A.Y 2021-22

1. Income Tax Rate & Slab for Individuals & HUF:

1. Individual (Resident or Resident but not Ordinarily Resident or non-resident), who is of the age of less than 60 years on the last day of the relevant previous year & for HUF:

Taxable income	Tax (Existing Scheme)	Rate	Tax (New Scheme)	Rate
Up to Rs. 2,50,000	Nil		Nil	
Rs. 2,50,001 to Rs. 5,00,000	5%		5%	
Rs. 5,00,001 to Rs. 7,50,000	20%		10%	
Rs. 7,50,001 to Rs. 10,00,000	20%		15%	
Rs. 10,00,001 to Rs. 12,50,000	30%		20%	
Rs. 12,50,001 to Rs. 15,00,000	30%		25%	
Above Rs. 15,00,000	30%		30%	

- ❖ SALARY INCOME INCLUDES :- Band pay, Grade pay, DA, OTA, BONUS, HONORARIA, TUITION FEES/(RECEIVED), PENSION, DR, SUBSISTENCE ALLOWANCE, INTERM RELIEF, Government's Contribution in New pension Scheme, TRANSPORT ALLOWANCE+DA # .
- ❖ HOUSE RENT ALLOWANCE TO THE EXTENT NOT EXEMPTED UNDER SECTION 10 (13A) OF INCOME TAX ACT.
- ❖ **DEDUCTIONS MENTIONED BELOW, UNDER (A), (B) & (C) ARE ALLOWED DIRECTLY FROM TOTAL SALARY INCOME**
- ❖ **ARRIVE TAXABLE INCOME AFTER ALLOWING THE FOLLOWING (A,B &C) DEDUCTIONS FROM TOTAL SALARY INCOME (Rounded to nearest Tens) AND APPLY THE RATE SCHEDULE TO DETERMINE THE TAX LIABILITY**

A) EXEMPTION U/SEC 10(13A)-HOUSE RENT ALLOWANCE CALCULATION METHOD:-

LEAST OF THE FOLLOWING AMOUNTS IS TO BE TREATED AS EXEMPT FROM INCOME TAX:

- a) Actual House Rent Allowance Received, or
- b) Rent paid in excess of 10% Basic Pay or
- c) 50% of Basic Pay if the employee is in Chennai/Mumbai/Kolkatta/Delhi and 40% of Basic Pay for the employees is in other places.
- ❖ If the employees resided in his/her own house or in a house for which he/she does not pay any rent, **no HRA exemption.**

B) TAX-INCENTIVE FOR SAVINGS – SOME OR ANY OF THE FOLLOWING – MAXIMUM LIMIT Rs. 1,50,000/- (Sec 80 C)

- i) Life Insurance Premium (limited 10% of the sum assured)(MHP-2 years)
- ii) Subscriptions to the GPF/CPF/PPF
- iii) Subscriptions to the Mutual Fund
- iv) Contribution toward CGEGIS
- v) Investments in NSC VIII & Accrued Interest on NSC deemed to be re-invested;
- vi) Fixed Deposits for more than 5 years in SBI/Scheduled Banks/Post Office Five Year Time Deposit Scheme, Senior Citizens Saving Scheme (MHP-5 years)
- vii) Repayment of HBA principal -Government /Bank/LIC/Housing Board/Co-operative Bank(MHP-5 years)
- viii) Tuition Fee paid limited to two children
- ix)** Contribution to any PENSION FUND, ULIP, Sukanya Samridhi account, mutual funds etc., (MHP-5 years)
- x) Contribution by the individual made to New Pension scheme limited to 1.5 lakh **(Sec 80 CCD (1)(a))**

@MHP- Minimum holding period

C) CHAPTER VI DEDUCTIONS:- (Apart from (B) above)

- i) MEDICAL INSURANCE (annual) PREMIA/CGHS Subscription: Maximum Rs.25,000/- (individual & family) and Rs.25000 for parents less than 60 years of and Rs.50,000 (Senior/Very Senior Citizen) (Sec 80 D)(EXPENDED THRO.CHEQUE PAYMENT OR OTHER MODE OF PAYMENT OTHER THAN CASH PAYMENT) Sum paid by assessee in cash being individual on account of preventive health check-up.In case of single premium health insurance policies having cover of more than one year, it is proposed that the deduction shall be allowed on proportionate basis for the number of years for which health insurance cover is provided, subject to the specified monetary limit.
- ii) HANDICAPPED SELF/DEPENDENTS:- Maximum Rs.75,000/- (41-80% Disability) or Rs.125000/- (above 80%- Severe Disability)(Sec 80U/80 DD)(CERTIFICATES u/s 139 TO BE ATTACHED) The taxpayer shall have to obtain certificate in [Form No. 10-IA](#) from medical authority where the person is suffering from disability. **Disabilities covered:** Blindness/ Low vision/ Leprosy-cured/ Hearing impairment/ Loco motor disability/ Mental retardation/Mental illness Autism, cerebral palsy & multiple disability
- iii) HIGHER EDUCATION LOAN INTEREST REPAYMENT:- NO LIMIT(Sec 80 E)
- iv) MEDICAL TREATMENT EXPENSES: Maximum Rs.40,000/- (Sec 80 DDB) Rs.1,00,000 (Senior/Very Senior Citizen) (Not allowed by TDS authority- can be Claimed at IT authorities)
- v) APPROVED DONATIONS (Sec. 80 G) (EXCEPT donations categorized like Prime Minister Relief Fund others Not allowed by TDS authority- can be Claimed at IT authorities)
- vi) Contribution by the Government made to New Pension scheme **(Sec 80 CCD (2))**
- vii) As per section **80CCD(1B)**, an assessee shall be allowed an deduction in computation of his income, of the whole of the amount paid or deposited in the previous year in his account under the pension scheme notified or as may be notified by the Central Government, which shall not exceed Rs. 50,000. The deduction of Rs. 50,000 shall be allowed whether or not any deduction is allowed under sub-section(1). However, the same amount cannot be claimed both under sub-section (1) and sub-section (1B) of section 80CCD.**{i.eSubscribed additionally beyond 80 CCD (1)(a)}**
- viii) INTEREST ON HOUSING LOANS:- SET OFF A) MAXIMUM - RS.30,000/- B) IF THE HOUSE PROPERTY WAS ACQUIRED/CONSTRUCTED WITH THE CAPITAL BORROWED ON OR AFTER 1.4.1999 AND ACQUISITION/CONSTRUCTION COMPLETED WITHIN 5 YEARS FROM THE END OF THE F/Y IN WHICH THE CAPITAL WAS BORROWED. SET OFF WILL BE MAXIMUM - RS.2,00,000/-. TO AVAIL THIS SET OFF THE INDIVIDUAL SHOULD FILE CERTIFICATE OF REPAYMENT OF INTEREST & PRINCIPAL, ISSUED BY THE CONCERNED BANK/INSTITUTION. IF AVAILED DEPARTMENT'S HBA AND REPAYING PRINCIPAL IN INSTALMENTS, WORKSHEET FOR ACCRUED INTEREST IS TO BE FURNISHED. **OTHERWISE SET OFF WILL NOT BE TAKEN IN TO ACCOUNT AT THIS OFFICE.** (Repayment of installment of INTEREST ON Departmental HBA will not be taken for the deduction under this Section as the interest on Housing Loan is allowable as a deduction **only ON ACCRUAL BASIS and NOT ON ACTUAL BASIS.**)(Sec 24)
Extract of amended Rule "26C.:- Furnishing of evidence of claims by employee for deduction of tax under section 192.— (1) The assessee shall furnish to the person responsible for making payment under sub-section (1) of section 192, the evidence or the particulars of the claims referred to in sub-rule (2), in **Form No.12BB** for the purpose of estimating his income or computing the tax deduction at source. 1. House Rent Allowance. Name, address and permanent account number of the landlord/landlords where the aggregate rent paid during the previous year exceeds rupees one lakh. 2. Deduction of interest under the head "Income from house property". Name, address

and permanent account number of the lender. 3. Deduction under Chapter VI-A. Evidence of investment or expenditure.”.

REBATE : "87A. Rebate of income-tax in case of certain individuals.—An assessee, being an individual resident in India, whose total income does not exceed FIVE LAKH rupees, shall be entitled to a deduction, from the amount of income-tax (as computed above) on his total income with which he is chargeable for any assessment year, of an amount equal to hundred per cent of such income-tax or an amount of twelve thousand and Five Hundred rupees, whichever is less.".

NOTE:-

- 1) **Invariably all Officers are required to furnish Form 12BB along with the ITR, if they wish to avail any exemptions that have been incurred/paid by themselves in this F/Y. (mandatory as per Rule 26C)**
- 2) While furnishing form12BB please note the following:-
 1. **For House rent exemption** :-Copies of Rent Receipt(s)/Lease agreement & Details of house owner. PAN of the house owner is must if the annual rent payment crosses 1 lakh Rupees.
 2. **For interest on Housing Loan** :- Certificate of repayment of interest & principal, issued by the concerned bank/institution should be enclosed. If availed department's HBA and repaying principal in installments, worksheet for accrued interest is to be furnished. Repayment of installment of INTEREST ON Departmental HBA will not be taken for the deduction under this Section as the interest on Housing Loan is allowable as a deduction **only ON ACCRUAL BASIS and NOT ON ACTUAL BASIS.**)(Sec 24)
 3. **For Deductions under Chapter VI-A:-** copies of proof of payments/particulars of such payments should be attached/furnished. Recoveries made through Pay Bill Records by this office need not be furnished in form12BB viz., GPF ,CGEGIS, LICSSS, Govt. HBA Principal.

7) The DUE DATE FOR FILING FINAL IT RETURN i.e 12.11.2020 WITH WORKSHEET,COPIES OF DOCUMENTS EVIDENCING PAYMENTS FOR CLAIMING DEDUCTIONS SHOULD BE FOLLOWED. IF NOT FILED, APPROPRIATE TAX AS COMPUTED BY PFMS-EIS-INCOME TAX WILL BE DEDUCTED FROM THE SALARY OF THE OFFICER CONCERNED, FOR JANUARY AND/OR FEBRUARY 2020 WITHOUT ANY FURTHER INTIMATION (As per sec.192 of IT Act)

In this connection, your co-operation is highly appreciated.

(S. RAVI SHANKAR)
ADMINISTRATIVE OFFICER(DDO)
GST & CENTRAL EXCISE HQRS.TRICHY.

To
All concerned (Thro. Respective section Head)
Copy to the Notice Board.