

## Tax slabs for Individuals for FY 18-19 (AY19-20)

Particulars	Tax rate for Individuals below the age of 60 years	Tax Rate for Individuals (Age above 60 years but less than 80 years)	Tax Rate for Individuals (Age above 80 years)
Up to INR 2,50,000	NIL	NIL	NIL
INR 2,50,001-INR 3,00,000	5%	NIL	NIL
INR 3,00,001 to INR 5,00,000	5%	5%	NIL
INR 5,00,001 to INR 10,00,000	20%	20%	20%
Over INR10,00,001	30%	30%	30%

**1. Surcharge:** (i) In case income is more than INR 50 lakhs and less than INR 1 crore, the surcharge is applicable at a rate of 10% of the income tax.

(ii) For income more than INR 1 crore, a surcharge of 15% is applicable on income tax on the amount exceeding INR 1 crore

**2. Health and Education Cess:** Levy of Health and Education Cess" at the rate of 4%, on the amount of tax computed , inclusive of surcharge.

**3.Rebate u/s 87A:** Tax rebate maximum upto Rs. 2500 for Total income upto Rs. 3,50,000 is allowed.

Deductions allowable to an Individual under Income Tax			
Section	Payments	Comments	Deduction Amount
1. 80C	Investment in PPF,PF,NSC, Tution fee, etc. Refer Annexure 1	Refer Annexure 1 given below.	INR 1,50,000
2.80CCC	Payment made to LIC or other insurer under approved	Total deduction u/s 80C,80CCC and 80CCD(1) cannot exceed INR 1,50,000 by virtue of section 80CCE.	INR 1,50,000
3.80CCD	Contribution to pension scheme of Government	<p>1. Employees and self employed persons are eligible for deduction.</p> <p>2.No rebate u/s 88 or No deduction u/s 80C will be allowed in respect of amount allowed as deduction under this section.</p> <p>3. Amount received at closure of scheme/withdrawal from scheme will be taxable in year of receipt. Amount received as pension from an annuity plan purchased or taken on such withdrawal or closure will also be taxable.</p> <p>4. Withdrawal from NPS (Tier-1): Amount withdrawn up to 25 per cent of subscriber contribution is exempt from tax.before the age of 60 .After Subscriber attain the age of</p>	<p>1.Employee(Government or private) contribution: Not exceeding 10% of salary in previous year</p> <p>2. Employer's contribution : Amount contributed by employer not exceeding 10% of salary in previous year</p> <p>3. Self employed persons: Not exceeding 20% (w.e.f 1.4.18 )of gross total income of previous year .</p> <p><b>4.Additional deduction for investment up to Rs. 50,000 in NPS (Tier I account) is available exclusively to NPS subscribers under subsection 80CCD (1B). This is over and above the deduction of Rs. 1.5 lakh available under section 80C .</b></p>
4.80D	Medical Insurance Premium	<p>1. Payment can be made by any mode other than cash.However, for preventive check up, cash mode can be used.</p> <p>2.In case payment is made in lump sum in the previous year for more than a year, then, a deduction equal to the appropriate fraction of the amountshall be allowed for each of the relevant previous year</p>	<p>1. For self and family : INR 25,000(INR 30,000 (50,000 from 1.4.19) for senior citizen)</p> <p>2. For parents:INR 25,000 (INR 30,000 (50,000 from 1.4.19) for senior citizen)</p> <p>3. For preventive health check up : INR 5,000. This is inclusive in above limit of INR 25,000/30,000.</p>

<b>7.80DD</b>	Maintenance including medical treatment of a dependant disabled	<p>1.Amount deposited in scheme framed by LIC or other insurer or administrator or specified company for maintenance of dependant disabled is also eligible for deduction.</p> <p>2.Disability" means-(I) Blindness; (ii) Low vision; (iii) Leprosy-cured; (iv) Hearing impairment; (v) Loco motor disability; (vi) Mental retardation; (vii) Mental illness;(viii) autism(ix) cerebral palsy (x) multiple disability.</p> <p>3. Person with severe disability means :A person with eighty per cent or more of one or more /multiple disabilities.</p>	INR 75,000. In case of severe disability, INR 1,25,000
<b>8. 80DDB</b>	Amount paid for medical treatment of specified diseases or ailments	<p>1.Any amount received from insurer or reimbursed by an employer for treatment shall be reduced from deduction amount.</p> <p>2. Very senior citizen means a person who is of age 80 years more</p>	<p>Amount actually paid or INR 40,000 whichever is less.</p> <p>-Where assessee or dependant is senior citizen, INR 60,000(INR 1,00,000 from 1.4.19) or amount paid , whichever is less.</p> <p>-Where assessee or dependant is very senior citizen, INR 80,000 or amount paid , whichever is less. From 1.4.19, this higher deduction for very senior citizen shall not be available</p>
<b>9.80E</b>	Interest on loan taked for higher education	Loan should have been taken for higher education for self or relative.	Deduction available for initiial 8 assessment years or until the interest is paid in full, whichever is earlier.

<p><b>10.80EE</b></p>	<p>Additional deduction for interest on loan</p>	<p>1.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;  2. The amount of loan sanctioned for acquisition of the residential house property does not exceed thirty-five lakh rupees;  3.Value of residential house property does not exceed INR 50 Lac.  4. Assessee does not own any residential house property on date of sanction of loan.</p>	<p>Amount not exceeding INR 50,000.</p>
<p><b>11. 80G</b></p>	<p>Donation to approved funds, charitable institutions, etc. For detailed approved funds, refer Annexure 2 given below.</p>	<p>1. Donations should not be in kind.  2.No deduction shall be allowed under this section in respect of donation of any sum exceeding [two] thousand rupees unless such sum is paid by any mode other than cash.</p>	<p>100%/50% of donation amount or 10% of adjusted Gross total income whichever is less. For more details, refer Annexure 2 given below.</p>
<p><b>12.80GG</b></p>	<p>Individuals not receiving House rent allowance(HRA) are entitled to claim benefit of any sum paid as rent exceeding 10% of total income</p>	<p>Assessee, spouse, minor child or HUF of which he is member should not own any residential accomodation at a place where assessee resides. If accomodation is at any other place, no concession in respect of such property should be claimed u/s 23(2)(a) or 23(4).</p>	<p>Least is available for deduction -  -25% of total income before deduction under this section ;  -INR 5,000 P.M;  -Excess of rent paid over 10% of total income before deduction under this section</p>

<b>13.80GGA</b>	Donation for scientific research or rural development	<p>Sums should be paid to:</p> <ul style="list-style-type: none"> <li>-Research association , college, university , institution for scientific research, research in social science or statistical research;</li> <li>-An association or institution for carrying out programme of rural development or training of persons for implementing programmes for rural development;</li> <li>- A public sector company or a local authority or to an association or institution approved by the National Committee, for carrying out any eligible project or scheme ;</li> <li>-Rural development fund u/s35CCA.</li> <li>-National Urban Poverty Eradication Fund</li> </ul>	Amount paid as donation.
<b>14.80GGC</b>	Contribution to political party registered under section 29A of the Representation of the People Act, 1951 or electoral trust	Payment should not be made in cash	Amount of contribution

<p><b>15.80QQA</b></p>	<p>Professional income of authors of text books in Indian languages.</p>	<p>1.The book should be either in the nature of a dictionary, thesaurus or encyclopaedia or should have been prescribed or recommended as a text book, or included in the curriculum, by any University, for a degree or post-graduate course of that University; and 2. The book should have been written in any language specified in the Eighth Schedule to the Constitution or in any notified language</p>	<p>25% of professional income of author</p>
<p><b>16.80QQB</b></p>	<p>Royalty income, etc., of authors of certain books other than text-books.</p>	<p>1.Individual must have authored or co-authored a book that falls under the category of literary, artistic or scientific work. 2. If an Individual has not received a lump sum amount , 15% of the value of the books sold during the year (before allowing any expenses) should be ignored. 3. Individual must obtain FORM 10CCD from the person responsible for making the payment</p>	<p>INR 3 Lac or amount of royalty received, whichever is less</p>

<b>17.80R</b>	Remuneration received outside India from University or other educational institution established outside India or any other association or body established outside India in the case of professors, teachers, research worker.	Form 10H for inward remittance is required	15% of such remuneration brought to India in convertible foreign exchange within a period of six months from the end of the previous year or within such further period allowed by competent authority
<b>18.80RR</b>	Professional income of an author, playwright, artist, musician, actor or sportsman (including an athlete) from foreign sources,	Form 10H for inward remittance is required	15% of such income brought to India in convertible foreign exchange within a period of six months from the end of the previous year or within such further period allowed by competent authority
<b>19.80RRA</b>	Remuneration received in foreign currency from any employer (being a foreign employer or an Indian concern) for any service rendered outside India	1. This deduction is allowed to an individual who was Government employee before deputed outside India or a technician whose terms and conditions of foreign services are approved by Government. 2. Form 10H for inward remittance is required .	15% of such income brought to India in convertible foreign exchange within a period of six months from the end of the previous year or within such further period allowed by competent authority
<b>20. 80RRB</b>	Royalty income from patent	Form 10H for inward remittance is required .	Royalty income or INR 3 Lac , whichever is less

<b>21.80TTA</b>	Interest earned on savings account with bank, co-operative society, post office	NIL	Lower of : Interest income or INR 10,000
<b>22.80TTB</b>	Interest on deposits	This deduction is for senior citizens earning income from interest on bank deposits (savings or fixed), interest on deposits with co-operative society engaged in banking business, interest from deposits with post office	Lower of : Interest income or INR 50,000
<b>23.80U</b>	Person with disability	Certificate by medical authority is required	INR 75,000. In case of severe disability, INR 1,25,000

**No deduction u/s 80CCG is allowed from AY 18-19 in respect of any investment made under an equity savings scheme.**



## ANNEXURE -1

### Section 80C

#### Eligible Investments

<p>a) Premium paid on <b>life Insurance policy</b> taken on the life of an individual assessee or spouse and any child of such individual, and any member of the Hindu Undivided Family subject to a maximum of 10% of the actual sum assured, if insurance policy is taken on or after 1.04.2013. But if, policy is on the life of a person with disability or severe disability mentioned in Section 80U or a person suffering from a disease or ailment mentioned in Section 80DDB, then 15% of actual sum assured.</p>
<p>b) Premium paid in respect of a <b>contract for deferred annuity</b> on the life of the <b>individual</b> and/or his or her spouse or any child.</p>
<p>c) Amount deducted by or on behalf of the Government from the salary of a <b>Government employee</b> in accordance with the conditions of his service for securing a <b>deferred annuity</b> or making provisions for his spouse or children.</p>
<p>d) Contribution made by an individual to a <b>Recognised Provident Fund, Public Provident Fund.</b></p>
<p>e) Contribution made by an individual to an <b>approved superannuation fund;</b></p>
<p>f) Contribution made by an individual to a <b>ten-year account or a fifteen- year account under the Post Office Savings Bank (Cumulative Time Deposits) Rules, 1959.</b></p>
<p>g) Purchase of notified securities or deposit in scheme of the Central Government. <b>Sukanya Samridhhi Account Scheme</b> has been notified. Any sum paid or deposited during the previous year in the said Scheme, by an individual in the name of – (a) the individual himself or herself; (b) any girl child of the individual; or(c) any girl child for whom such individual is the legal guardian would be eligible for deduction under section 80C.</p>
<p>h) Subscription to notified savings certificates defined in Section 2(c) of the Government Savings Certificates Act, 1959 For this clause, <b>National Savings Certificates (VIII)</b> issue has been notified and <b>interest accrued</b> deemed to be <b>reinvested</b> also qualifies.</p>
<p>i) Contributions made by an individual for participation in the <b>Unit-Linked Insurance Plan, 1971.</b> [For this clause, Dhanaraksha-1989 plan of LIC Mutual Fund has been notified].</p>
<p>j) Contributions made in the name of an individual for participation in any notified <b>Unit-Linked Insurance Plan of the LIC Mutual Fund.</b></p>

<p><b>k)</b> Any contribution to effect or keep in force any notified <b>annuity plan of the LIC</b> (New Jeevan Dhara and New Jeevan Akshay, New Jeevan Dhara I and New Jeevan Akshay I, II and III <b>or any other insurer</b> (Tata AIG Easy Retire Annuity Plan of Tata AIG Life Insurance Company Ltd.).</p>
<p><b>l)</b> Any subscription, to any <b>units of any Mutual Fund or the Unit Trust of India</b> under any notified plan formulated by the Central Government</p>
<p><b>m)</b> Any contribution to any <b>pension fund set up by any Mutual Fund</b> as notified by the Central Government.</p>
<p><b>n)</b> Subscription to the notified deposit scheme of or contribution to any such pension fund set up by the National Housing Bank i.e. <b>National Housing Bank (Tax Saving) Term Deposit Scheme, 2008.</b></p>
<p><b>o) Tuition fees</b> (excluding any payment towards any development fees or donation or payment of similar nature), whether at the time of admission or thereafter, for full time education of any 2 children to any university, college, school or other educational institution situated within India</p>
<p><b>p) Payment made for purchase or construction of a residential house property</b> , the income of which is chargeable to tax under the head “Income from House Property”, where such payments are made towards or by way of:</p>
<p>i. any installment or part payment of the amount due towards the cost of the house property allotted or construction and sale of house property on ownership basis; or</p>
<p>ii. Any instalment or part payment of the amount due to any company or a cooperative society of which the assessee is a shareholder or member towards the cost of house allotted to him;or</p>
<p>iii. Repayment of any loan taken for the purpose of purchase or construction of residential house property subject to some conditions.</p>
<p>Further, Stamp duty, registration fee and other expenses for the purposes of transfer of such house property to the assessee are eligible for deduction. However, the following amounts do not qualify for rebate: (i ) admission fee, cost of share and initial deposit which a shareholder of a company or a member of a co-operative society has to pay for becoming a shareholder or member; or(ii ) the cost of any addition or alteration or renovation or repair of the house property after the completion of the house or after the house has been occupied by the assessee or any person on his behalf or after it has been let out; or(iii)</p>

any expenditure in respect of which deduction is allowable under section 24.

**q) Subscription to equity shares or debentures or units forming part of any issue of capital** made by a company registered in India or a public financial institution or an approved mutual fund **for the purpose of developing, maintaining and operating an infrastructure facility** as defined u/s 80-IA(4) or for generation, **or for generation and distribution of power or for providing telecommunication services** whether basic or cellular.

**r) Fixed deposits for a minimum period of 5 years** in any Scheduled Banks

**s) As subscription to such bonds issued by the National Bank for Agriculture and Rural Development (NABARD)**, as the Central Government may, by notification in the Official Gazette specify in this behalf.

**t) In an account under the Senior Citizens Savings Scheme Rules, 2004.**

**u) As five year time deposit** in an account under the Post Office Time Deposit Rules, 1981.

## Annexure-2

### Section 80G

#### Quantum of Donations

<b>I. Donation qualifying for 100% deduction, without any qualifying limit</b>
(1) The National Defence Fund set up by the Central Government
(2) Prime Minister's National Relief Fund.
(3) Prime Minister's Armenia Earthquake Relief Fund
(4) The Africa (Public Contributions-India) Fund
(5) The National Children's Fund
(6) The National Foundation for Communal Harmony
(7) Approved University or educational institution of national eminence (8) Chief Minister's Earthquake Relief Fund, Maharashtra
(9) Any fund set up by the State Government of Gujarat exclusively for providing relief to the victims of the Gujarat earthquake
(10) Any Zila Saksharta Samiti for primary education in villages and towns and for literacy and post-literacy activities
(11) National Blood Transfusion Council or any State Blood Transfusion Council whose sole objective is the control, supervision, regulation or encouragement of operation and requirements of blood banks
(12) Any State Government Fund set up to provide medical relief to the poor
(13) The Army Central Welfare Fund or Indian Naval Benevolent Fund or Air Force Central Welfare Fund established by the armed forces of the Union for the welfare of past and present members of such forces or their dependants.
(14) The Andhra Pradesh Chief Minister's Cyclone Relief Fund, 1996
(15) The National Illness Assistance Fund
(16) The Chief Minister's Relief Fund or Lieutenant Governor's Relief Fund in respect of any State or Union Territory
(17) The National Sports Fund set up by the Central Government
(18) The National Cultural Fund set up by the Central Government
(19) The Fund for Technology Development and Application set up by the Central Government
(20) National Trust for welfare of persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities
(21) The Swachh Bharat Kosh, set up by the Central Government, other than the sum spent by the assessee in pursuance of CSR u/s 135(5) of the Companies Act, 2013

(22) The Clean Ganga Fund, set up by the Central Government, where such assessee is a resident, other than the sum spent in pursuance of CSR u/s 135(5) of the Companies Act, 2013

(23) The National Fund for Control of Drug Abuse constituted under section 7A of the Narcotic Drugs and Psychotropic Substances Act, 1985

**II Donation qualifying for 50% deduction, without any qualifying limit**

(1) The Jawaharlal Nehru Memorial Fund

(2) Prime Minister's Drought Relief Fund

(3) Indira Gandhi Memorial Trust

(4) Rajiv Gandhi Foundation

**III Donation qualifying for 100% deduction subject to qualifying limit**

(1) The Government or to any such local authority institution or association as may be approved for promotion of family planning

(2) Sum paid by a company as donation to the Indian Olympic Association or any other association/institution established in India as may be notified by the Government established -- for the development of infrastructure for sports or games or - the sponsorship of sports and games in India

**IV Donation qualifying for 50% deduction, subject to qualifying limit**

(1) Any Institution or Fund established in India for charitable purposes fulfilling prescribed conditions under section 80G(5).

(2) The Government or any local authority for utilisation for any charitable purpose other than the purpose of promoting family planning.

(3) An authority constituted in India by or under any other law enacted either for the purpose- of dealing with and satisfying the need for housing accommodation or - of planning, development or improvement of cities, towns and villages, or both.

(4) Any Corporation established by the Central Government or any State Government for promoting the interests of the members of a minority community as referred in section 10(26BB).

(5) for renovation or repair of any such temple, mosque, gurdwara, church or other place as notified by the Central Government to be of historic, archaeological or artistic importance or to be a place of public worship of renown throughout any State or States.

## **Computation of qualifying limit**

- 1: Compute adjusted total income i.e. the GTI as reduced by the following:
  - (i) Deductions under Chapter VI-A, except under section 80G
  - (ii) Short-term capital gain taxable under section 111A
  - (iii) Long-term capital gains taxable under sections 112 & 112A
  - (iv) Any income on which income-tax is not payable
  - (v) Income referred to in section 115A(1)(a), 115AB, 115AC, 115AD and 115D
- 2: Calculate 10% of adjusted total income
- 3: Calculate the donation, subject to qualifying limit (Total of Category III and IV donations, shown in the table above)
- 4: Lower of steps 2 or Step 3 is the maximum permissible
- 5: The said deduction is adjusted first against donations qualifying for 100% deduction (i.e., Category III donations). Thereafter, 50% of balance qualifies for deduction under section 80G