



UDES*H *REGULAR

FOR GROUP-1, MAY 2024

- Subject- Income Tax
- Chapter- Heads Of Income – Income U/H Salary
- Lecture No.- 12

Recap of Previous Lecture



Topic

PEROVSKITES

PHYSICS
WALLAH

Topics to be Covered



Topic

PEROVSKITES

PW Franchise Over 1/5/6/7

PHYSICS
WALLAH

Topic: Perquisites



SERVANT FACILITY

SERVANT Appointed By

ER

EE

Taxable Perq for Specific EE

Taxable Perq for All EEs

Exp Incurred by ER -
(-) Amt recovered from EE (-)
Taxable Perq → -

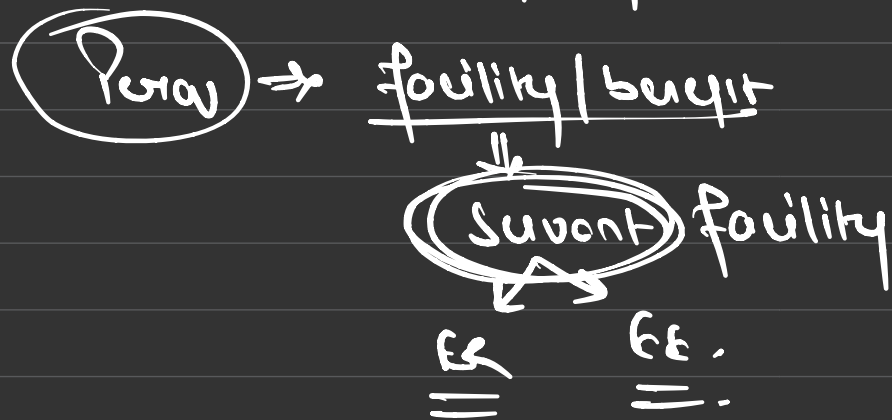
Perq Value = Amount Reimbursed by ER to EE.

eg - Garden Appoint by ER for EE & pay Salary of ₹ 5000 pm to Garden → Taxable only in hands of Specific EEs

eg Gardener Appointed by EE & salary paid to Gardener ₹5000 pm
is reimbursed by ER to EE → Taxable In hands of
all EEs.



Allowance ⇒ fixed monetary payments.



Servant allowance *

2000 pm. ←

↳ fully Taxable

GAS / Electricity / Water facility

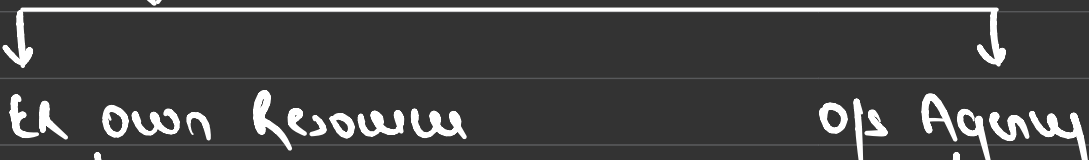
Connection is In the name of

↓
ER
↓

↓
EE
↓

Taxable In case of specified EEs

Taxable in hands of all EEs



Req. value = Amount reimbursed by ER to EE

ER own Resource
↓
Money lost
(-) Amt received from EE
Req. value
-
(-)
=

Ops Agency
↓
Amt paid to Ops Agency
(-) Amt received from EE
Req. value
-
(-)
=

EDUCATION FACILITY

Fees Re-imbursed by ER
for children / family member
of EE



Amnt Re-imbursed by ER shall
be fully taxable in hands
of All EEs.

EE fees deposit → school
₹15000/-

₹10,000 Reimburse
for school fees.

Taxable Amnt = ₹10,000/-
(for all EEs)

EE children / family member
Study in Institute owned
by ER or In any Institute
which has tie-up with ER



Fair value = Cost of similar
education in similar
Institute in or near locality

Note:- In case of children
education facility upto
₹1000 pm / child is Exempt
(No limit on number of child)

Not allowed to any other
family member.

Note:- Amnt Reimbursed from shall
be received from Above
benefit

Note:- Cost of Ed. in Similar Institute is not given \Rightarrow Exp. Incurred by ER in providing education shall be considered.

91120	(a) Not Taxable		₹
	(b) Exp. Incurred	$1500 \text{ pm} \times 12 \text{ m} \times 3 \text{ child}$	54000
	(-)	Ant received $300 \text{ pm} \times 12 \text{ m} \times 3 \text{ child}$	<u>10800</u>
		Benefit	43200
	(-)	Exempt $1000 \text{ pm} \times 12 \text{ m} \times 3 \text{ m}$	<u>36000</u>
			<u><u>7,200</u></u>

(c) Reimbursement fully taxable
ie $1500 \times 12 \text{ m} \times 3 \text{ child}$ 54000.

Transp. facility

- ER engages Transp. of Goods/Passenger.
- ER provides facility of Personal/Private Transportation of EE
- Fair Value \Rightarrow Amt charge by ER from customer (FMV) —
(-)
Amt received from EE —
Fair Value —

Note:- Above Para Exempt for Airline/Railways - EE.

Insurance facility

- EE life Insurance → Insurance Premium pay by ER ⇒ Taxable
- EE → Personal Accident Policy / Staff Group Insurance ⇒ NOT Taxable
- EE ⇒ Medical Insurance → Insurance Premium pay by ER = NOT Taxable

Medical facility

(A) Within India

1) Medical Treatment to EE / Any of his family member shall be exempt if Treatment provided

- Govt Hospital / Hospital Maintained by local Authority
- Hospital Owned / Maintained by ER
- Hospital Approved by CBOT for Specific diseases.

ie If Any Medical Treatment is provided In any other Hospital / Nursing home / Clinic → TAXABLE

Note:- If EE has Incurry Exp on Med. treatment in any of Above mentioned Hospital & Such Amt is Reimbursed by ER then also **Exemption** is Available

2) Medical Insurance $\left\{ \begin{array}{l} \text{EE} \\ \text{Family member} \end{array} \right\}$ Premium Paid by ER
 \Downarrow
Exempt

3) COVID-19 Treatment \rightarrow Exp. Incurry by ER \rightarrow **Exempt**
 \downarrow

Note:- COVID-19 \rightarrow **In Any Hospital / Nursing Home / Clinic**
 \rightarrow Positive Test Report
 \rightarrow Medical Diagnosis / Treatment Reports.

FAMILY $\left\{ \begin{array}{l} \text{Spouse / children - Dep / Indep} \\ \text{Parents / Brother / Sister} \end{array} \right. \rightarrow \text{if dep. on EE.}$

Gr. Parents / In-laws / Niece & Nephews \Rightarrow Not to be considered As family member even if they are dep. on EE.

ie Any Medical facility Incurry on Such person \Rightarrow **fully Taxable**

(B) Medical Facility of India

- * Treatment Abroad
 - * Stay Abroad
- ← Exempt to the extent permitted by RBI.

- * Travel Abroad

$GTI > 2L$

Yes → Fully Taxable

No → Fully Exempt
ie GTI upto ₹ 2L (Per annum)

→ Sum Total of 5 heads of Income

* GTI Calculation

Include all Income except this
Travel abroad fees

eg

$$\begin{array}{r} ER \Rightarrow \text{Travel} + \text{Stay} = \text{₹} 1,50,000 \\ \text{RBI} \quad \quad \quad = \text{₹} 1,00,000 \\ \hline \text{Taxable} \quad \quad \quad 50,000 \end{array}$$

Note:- Exemption of Medical
Facility Abroad is for
Patient & one Attendant.

ie if More than one Attendant Visited
Abroad @ Exp of ER then
Exp. incurred on such Attend.
shall be fully taxable

11129

(a) Not Taxable.		-
(b) Taxable		5000
(c) Spouse - Govt Hosp		-
(d) Grand father Med. Facility		12000
(e) Dep. Mother - family doctor		8000
(f) Dep. Sister - Nursing Home		3000
(g) Indep. Brother		6000
(h) Dep father - Ops India Med. Treatment + stay	80000	
(-) RBI Permittee	<u>75000</u>	<u>5000</u>
	Taxable →	<u><u>39000</u></u>



Thank You

