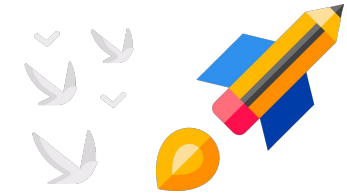


UDESHEREGULAR

FOR GROUP-1, MAY 2024

- Subject- Income Tax
- Chapter- Heads Of Income – Income U/H Salary
- Lecture No.- 15

Recap of Previous Lecture



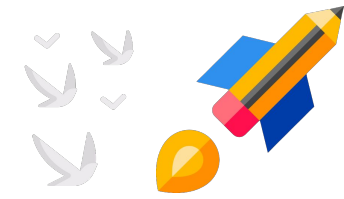
Topic

PEROVSKITES

Hw 9w 03/04

PHYSICS
WALLAH

Topics to be Covered



Topic

REMAINING TOPICS

PHYSICS
WALLAH

Topic: Perquisites



Q4 Assessee \Rightarrow R & OK As He will satisfy Bc As well As Both Ac.

Computation of Income v/m Salary

Particulars		₹	
Basic	$50,000 \times 12$	6,00,000	
RFAc (WN)		94680	
Lunch facility	48,000		
(-) Exempt 184 meal \times ₹50	<u>9,200</u>	38,800	
Car facility		.	
GM (Official + Personal)	$2400 \text{ pm} \times 6\text{m}$	14,400	
GM (Personal)	$[5000 \times 6\text{m} + 84 \times 10\% \times 6/12]$	<u>70,000</u>	84,400
Education & Hostel Allowance	$(3000 - (100 + 300)) \times 12$	31200	
Elder son	$(12000 - (1000 \text{ pm} \times 12))$	NIL	
Car Accident Policy		-	
Life Insurance		10,000	

(-) dep v/s 16(1a)

Gross Salary

50,000

Inc. v/s Salary

WOM RFAE

$$RP \text{ by } ER = 15000 \times 12 = 1,80,000$$

or

$$15\% \text{ of Salary } (6,00,000 + 31200) \times 15\% = 94680$$

$$\text{Lower of Above} = 94680.$$

Relief v/s 89

$$\underline{2021-22} \quad \text{Salary} = 8L \text{ (Computer)}$$

$$\underline{2022-23} \quad \text{Salary} = 8.50L \text{ (Computer)}$$

$$\underline{2023-24} \quad \text{Salary} = 9.00L \checkmark$$

Arrear $\frac{2021-22}{\downarrow}$ & $\frac{2022-23}{\downarrow}$

1.50L

1.50L

= 3.00L

$$\text{Total Salary} = 9L + 3L = 12L$$

Step 1 Calculate Tax on Arrear in current year

Calculate Tax on T.I Including Arrear	-
(-) Calculate Tax on T.I Excluding Arrear	-
Tax on Arrear in cy	-

Step 2 Calculate Tax on Arrear for the year to which Arrear relates.

Tax on T.I Incl. Arrear	-
(-) Tax on T.I Excl. Arrear	-
Tax on Arrear for the year to which Arrear relates	-

Relief = Step 1 > Step 2 \Rightarrow Step 1 - Step 2

eg
=
Current fy 23-24

Tax on Arrears for year 23-24	
\rightarrow Tax on T.I Including Arrear i.e Tax on 12L	= 179400
\rightarrow Tax on T.I Excl. Arrear i.e Tax on 9L	= 96200
Tax on Arrear of 3L in cy	<u><u>83200</u></u>

Tax on Arrears for the Year 2021-22 if Arrears had been
received in FY 21-22

$$\begin{array}{rcl} \text{Tax on T.I Incl. Arrears (8L + 1.50L) i.e. on 9.50L} & = & 106600 \\ \text{Tax on T.I Excl. Arrears i.e. on 8L} & = & 75400 \\ \hline \text{Tax on Arrears of 21-22} & \longrightarrow & \underline{31200} \end{array}$$

Tax on Arrears for the Year 2022-23 if Arrears had been received
in FY 22-23

$$\begin{array}{rcl} \text{Tax on T.I Incl. Arrears (8.50L + 1.50L) i.e. on 10L} & = & 1,17,000 \\ \text{Tax on T.I Excl. Arrears i.e. on 8.50L} & = & 85800 \\ \hline \text{Tax on Arrears of 1.50L (22-23)} & = & \underline{\underline{31200}} \end{array}$$

$$\begin{array}{rcl} \text{Relief} = \text{Tax in CY on Arrears} & = & 83200 \\ (-) \text{ Tax on Arrears for the Year to} & & \\ \quad \text{which it relates (31200 + 31200)} & = & \underline{62400} \\ \quad \text{Relief u/s 89} & & \underline{\underline{20800}} \end{array}$$

Agrivur corpus fund

← Contribution for Agrivur (EE)
↓
Peru for EE (Agrivur)
ie Included in Salary

ER pay Income Tax on behalf of EE → Taxable Inco
↓
TAX FREE SALARY

Exception :- ER pay Tax on Non-Monetary ^{peru} ~~peru~~ RFAE/
Motor car etc
↓
Not Included in Salary of EE

eg Mr. X → BS = ₹ 70,000 pm
DA = 100% of Basic Salary (form part of BS)
RFAE = Mumbai (Comp. owner)

ER pay Tax on RFAE To Govt on behalf of Mr. X. = 5000
Calculation Tax payable by Mr. X.

Old Reg.
ER pay Tax on RFAE = 75000.

Calculation of Tax payable by Mr. X

Basic Salary	70000×12	8,40,000
DA	$70,000 \times 12$	8,40,000
RFAE	15% of $(8,40,000 + 8,40,000)$	2,52,000
ER Tax on RFAE		Exempt
	Gross Salary	<u>19,32,000</u>
(-) ST def		50,000
	Inc. v/H Salary	<u>→ 18,82,000</u>

Tax on 18,82,000 = $377100 + 4\% = 392184 \rightarrow R. off \rightarrow \underline{392180}$

Avg Tax Rate = $\frac{392180}{18,82,000} \times 100 = \underline{20.84\%}$

Tax on RFAE (Non-Monetary Req.) = $2,52,000 \times 20.84\% = \underline{52,517}$

Tax payable by FE = $392180 - 5000 = 387180$

If ER pay 75000 Tax for RFAE

Excess Tax $\Rightarrow 75000 - 52517 = \boxed{22483 \Rightarrow \text{Taxable}}$

$$\text{Income w/n Salary} = 18,82,000 + 22,483 = 19,04,483$$

R. off 19,04,480
↓

Tax.	399,200
=	
(-) Tax Paid by ER	(75,000)
	<u>3,24,200</u>
	7,20,000

11125

Salary $60,000 \times 12$
RFAE

- RE by ER $15,000 \times 12 = 1,80,000$
- 15% of Salary i.e. 15% of 7,20,000 = 1,08,000

Lower

G. Salary

Inc w/n Salary

<u>1,08,000</u> *
8,28,000
<u>50,000</u>
<u>7,78,000</u>

(-) ST duty

Tax on 7,78,000 Inc. less (R. off)

70820

$$\text{Avg Tax Rate} = \frac{70820}{778000} \times 100 = 9.103\%$$

$$\text{Tax on Accom. facility} = 1,08,000 \times 9.103\% = \underline{\underline{9831}}$$

Tax payed by ER = 9000 on RFAE \Rightarrow Exempt u/s 10(10C)

Tax payable by EE = $70820 - 9000 = ₹61820$.

(b) Tax payed by ER = 20,000
(\rightarrow) Tax on Non-Monetary Perks = 9831
Excess Tax payed by ER is Taxable 10,169

Inc. u/H Salary = $7,78,000 + 10169 = \frac{7,88,169}{\rightarrow 788170}$

Tax on 788170 Inc. less 72,939 \rightarrow R.H \Rightarrow 72940
(\rightarrow) Tax payed by ER 20,000
52940

Dedicated Doubt Session = HR / Salary / Rs = 30th = 7pm

One shot Revision NOV'23 = Rs / HR / Salary =

Extra Class \rightarrow MID. Next week Alternate Rs / HR / Salary MID.



2 mins Summary

Topic

Prerequisites

Topic

Questions



PHYSICS
WALLAH



Thank You