

# Deduction.

Deduction can never be more than GTI

Sec 80C : Specific Investment.

- Max : 1,50,000.
- Individual & HUF.
- Life Insurance premium.

Policy issued before 1/4/12	Policy issued on or after 1/4/12	Policy issued on or after 1/4/13 for person with disability (u/s 80u) or person suffering from specific disease
i) Premium paid ii) 20% of Policy Value	i) Premium Paid ii) 10% of Policy Value	i) Premium paid ii) 15% of Policy Value

- Amt deposited in Provident fund (PPF).
- Employee's contribution to SPF, RPF and ASF.
- Invested in NSC + Int. on NSC.
- Repayment of loan → Construction/Purchase of house.
- FD → 5 yrs or more.
- Tuition fees (max 2 children)
- Bonds of NABAD.
- Mutual funds or UTI
- Sukanya Samridhi scheme A/c.
- Stamp duty, Registration fees for acquisition of house property.

Sec 80 CCC : Contribution to pension fund of LIC or other Co.

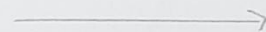
- Individual
- Max : 150,000.

Sec 80 CCD :

Sec	Eligible Assessee	Amnt of Deduction	Condition
<u>80 CCD(1)</u> Contribute to CG pension S. NPS, Atal pension Yojna.	Individual	Emp - cont or 10% of BDT salary. Other - Cont or 20% of GRI	1. Amt recd on closure of A/c is 40% T, 60% E 2. can't/f form RPF or SAP to NPS, no Tax
<u>80 CCD(1B)</u>	Additional 50,000 deduction over and above 80 CCD(1)		3. Partial withdrawal Emp - 25%, E, bal T other - Fully Taxable.
<u>80 CCD(2)</u> Employer's contribution to NPS for emp benefit	Employer.	Cont or 10% of BDT Salary 14% for CG/SA	
<u>80 CCE</u>	Deduction u/s 80 CCE + 80 C + 80 CCD(1) cannot exceed 150,000.		

Sec 80 D : Medical Ins premium, CG Health Scheme, Preventive Health checkup and Medical Treatment.

- Individual & HUF.



Particular	Individual		HUF
	Self, spouse dependents children	Parents	Members
A. i. Medical Insurance Premium	yes	yes	yes
ii. CA Health scheme	yes	No	No
iii. Preventive Health check up	yes	yes	No
General Deduction (i+ii+iii)	Max 25000	Max 25000	Max 25000
+ Additional Deduction (Senior citizen 60+)	Max 25000	Max 25000	Max 25000
B. Medical Exp of Senior citizen & Mediclaims Premium not paid for such person	Max 50,000	Max 50,000	Max 50,000
Maximum Deduction (A+B)	50,000	50,000	50,000

Note: Agg. payment for preventive health check up of self, spouse, dependent children & parents cannot exceed ₹ 5000/-.

Sec	Eligible Assessee	Amt Deduction	Condition/ notes
80 DD Medical Treatment & maintenance of handicapped dependent relative	Resident Individual & HUF	Disability - Normal - 75000 Severe - 125000 (Flat Deduction)	Deduction is reversed if handicap receives annuity before assessee dies Before or after 60 yrs

<u>80 DDB</u> Medical Treatment of self, dependent relative or dependent member for specific disease	Resident Individual & HUF	Actual/40k/1L Wel. (-) Insurance claim deduction 40k - Normal, 1L - Senior	-
<u>80 U</u> Deduction for handicapped assessee	Resident Individual	Disability - Normal - 75000 Severe - 1,25000 (Flat deduction)	-
<u>80 E</u> educational loan	Individual	Int amt for 8 con yrs starting from yrs in which start paying int	Allowed if loan taken for self, spouse, children or legal guard
<u>80 EE</u> Int on housing loan for acquisition of RHP	Individual	Max 50,000	<ol style="list-style-type: none"> <li>1. Taken from bank/FI</li> <li>2. Purchase price <math>\leq 50L</math></li> <li>3. sanction b/w 16-17</li> <li>4. Loan amt <math>\leq 35L</math></li> <li>5. No RHP on same dt.</li> <li>6. 1<sup>st</sup> dec u/s 24(b)</li> </ol>
<u>80 EEA</u> Int on housing loan for acquisition of RHP	Individual	Max 150,000	<ol style="list-style-type: none"> <li>1. Taken <math>\rightarrow</math> bank/FI</li> <li>2. SDV <math>\leq 45L</math></li> <li>3. sanction b/w 19-22</li> <li>4. no RHP on same dt</li> <li>5. no same ded</li> <li>6. 1<sup>st</sup> dec u/s 24(b)</li> </ol>

<u>80 EEB</u> Int on EV loan	Individual	Max 150,000	<ol style="list-style-type: none"> <li>1. from bank/FT/NBFC</li> <li>2. sanction b/w 19-23</li> <li>3. no same ded</li> </ol>
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80 G : Donation

- All Assessee
- Eligible Donation:

Part A - unlimited category.

- National Defence fund
- PM National Relief fund
- PM Armenia earthquake Relief fund.
- CM Relief fund
- Zilla Saksharta Samithi
- National sport fund
- National children fund
- National Cultural fund
- Swachh Bharat Kosh
- Clean ganga fund
- National fund for control of Drug abuse
- PM citizen Assistance and relief fund (care fund)
- Fund for Army etc

200% unlimited.

- PM Drought Relief fund  
- 50% unlimited

Part B - Limited category

- Donation to govt or LA or approved Institution for promoting family Planning. } 100% limited.
- Donation by co to Indian Olympics Association or any other institution for development of infrastructure of sport in India
- Donation to
  - Housing development authority.
  - renovation or repair to Temple
  - Public charitable Trust
  - Promoting minority community
 } 50% limited

<u>80 GG</u> Rent paid on HP	Individual	<del>Rent paid on</del> <ol style="list-style-type: none"> <li>1. HP 5000 pm</li> <li>2. 25% of AGTI</li> <li>3. Rent = 10% of AGTI</li> </ol> AGTI = GTI - VIA ded other than 80 GG wel.	<ol style="list-style-type: none"> <li>1. NO HRA is recd</li> <li>2. assessee/spouse/ minor child/HUF does not own any HP at place of duty.</li> </ol>
<u>80 GGA</u> Donation For Sci research & rural develop	All other than those having PGBP Income	100% donation	Donation > 2k, then to be ded other than cash.

<u>80 GGB</u>	Indian Co	100% donation	To be made other than cash
<u>80 BBC</u> Donation to Political parties or electoral Trust	Any person other than Indian Co		
<u>80 JJAA</u> Employment of new employee	Person doing business & to whom compulsory audit u/s 44AB applies & BOA is Audited & report submit	30% of additional employee cost (Allowed for 3con yrs)	<ol style="list-style-type: none"> <li>not be paid cash</li> <li>Cost/emp &lt; 25K</li> <li>Worked &gt; 240/150</li> <li>N - available in next yr.</li> <li>must have RPF</li> <li>not covered in EPS.</li> </ol>
<u>80 QQB</u> Royalty from books of literary, artistic, scientific	Resident Individual	<ol style="list-style-type: none"> <li>Eligible Royalty</li> <li>300,000 w/e</li> <li>ER = lumpsum or 15% of value of book sold</li> </ol>	If Royalty is recd o/s India, then allowed only if brought within 6M from end PY or allowed by RBI
<u>80 RRB</u> Royalty from patents	Resident Individual	Royalty recd or 3L w/e	
<u>80 TTA</u>	Individuals HUF	Int or 10K w/e	<ol style="list-style-type: none"> <li>a/c with bank, coop, PO</li> <li>not avlbl for firm AOP, BOI or partner.</li> </ol>
<u>80 TTB</u> Int on saving A/c	R. senior citizen whose QTG includes int on dep	Int or 50K w/e.	

## Alternate Minimum Tax

AMT is applicable all assessee except co.

→ Sec 115 JC: Income Tax payable by any person, higher of.

- i. Income Tax payable as per Normal provision.
- ii. 18.5% of Adj Total Income (ATI)  
(surcharge (if applicable) + 4%).

ATI → Total Income (Normal Provision)  
+ ded u/s 10AA (SEZ)  
+ ded u/s 35AD (14 Business)  
+ ded u/s VIA  
(80JTA, 80CQB & 80RRB)

- Depreciation allowed sec 32 assuming ded u/s 35AD was not allowed on asset on which ded u/s 35AD is claimed

ATI

### Sec 115 JD: AMT Credit

1. AMT > Normal Income Tax
2. Carry forward & set off for 15 yr.  
→ set off when → regular Tax is more than AMT
3. claim credit in subsequent PY. even if AMT is not applicable in subsequent PY.