

DEDUCTIONS.

Sec - 80C = Prescribed Investment [Applicable to all Individuals & HUF]

- deduction - Actual Investment [or] 150000 → WEL
- maximum limit - 150000

List of Prescribed Investment

- > LIC Premium Before 1-4-2012 → 20% of sum assured
After 1-4-2012 → 10% of sum assured
→ Physical Challenging → 15% of sum assured
- > Contribution to RPF, SPF & PPF
- > Tuition fees paid [only 2 children]
- > Contribution to mutual funds, UTI [minimum 5 years]
- > Sukanya Samridhi A/c
- > Senior Citizen Savings Scheme
- > Subscription to notified NABARD Bonds

Sec - 80CCC = Pension Schemes [Applicable to all individuals]

- maximum limit - 150000
- deduction - Amt paid [or] 150000 → WEL

Sec - 80CCD (1) = Employee (or) Individual Contribution to NPS

- Applicability - CG & Non CG Employee & any other individual
- deduction : (i) In case of Employee = 10% of Salary
- (ii) Individuals other than employees = 20% of ~~Salary~~ ^{ETI}

Sec - 80CCD (2) Employer (or) CG Contribution to NPS

deduction Contribution by CG = 14% of Salary
Contribution by other employer = 10% of Salary

Sec - 80CCD (1B) For Employee Contribution to NPS

Further deduction ₹ 50000 is available in additional limit 150000

Sec - 80CCE Overall ceiling limit

Aggregate amt of deduction U/s 80C, 80CCC & 80CCD(1) not exceed 150000

Sec-80D Medical Insurance Premiums

- Applicability - Individual (or) HUF
- Maximum limit - For individual, spouse, dependent child
 Aggregate - 25000 limit
 For parents of the individuals - 25000
 For Senior Citizen - 50000
 Preventive health checkup - 5000 included in 25000 / 50000
- Mode of payment - Insurance premium - by cash (or) other
 preventive health checkup - cash (or) any mode
- Lump Sum premium on Health Insurance → max limit 150000

Sec-80DD Maintenance of dependent with disability

- Deduction (i) General disability - 75000
 (ii) Severe disability - 125000
- Dependent (i) Individual - spouse, children, parents, bro & sis
 (ii) HUF - any member of HUF can be dependent

NOTE: dependent disabled individual not claim deduction U/S 80D.

Sec-80DDB Medical Treatment for specified diseases

- Deduction ordinary Individual = Actual (or) 40000 → WEL
 Senior Citizen = Actual (or) 100000 → WEL
- Insurance claim - deducted from actual exp for claiming deduction
- Prescription from doctor - assessee shall obtain the prescription for such medical treatment

Sec-80E Interest on Educational loan

- Applicability - Individual
- Deduction - 100% of Int, maximum for 8 years
- Higher Education - after 10 + 2 / pvc
- Prescribed payment - taken for individual, spouse & children of individual

Sec - 80EE Interest on loan for residential house property

- Applicability - Individuals
 - prescribed payment - loan taken for purchase (or) construction of HP
 - conditions -> loan taken b/w 1-4-2016 to 31-3-2017
 - > cost of HP should not exceed 50,00,000
 - > Amt of housing loan should not exceed 35,00,000
 - > Assessee should not have any other residential HP on date of sanction of loan
 - deduction - Actual Int (or) 50,000 → WEL
- No deduction under other section - if allowed under this section

Sec - 80EEA Interest on loan taken for certain HP

- Applicability - Individuals
 - prescribed payment - loan taken for purchase (or) construction of HP.
 - conditions -> Stamp duty value does not exceed 45,00,000
 - > loan should be sanctioned b/w 1-4-2019 to 31-3-2022
 - > Assessee is not eligible to claim deduction U/s 80EE
 - > Assessee should not have any other residential HP on date of sanction of loan
 - deduction - Int paid (or) 15,000 → WEL
- No deduction under other section - if allowed under this section

Sec - 80EEB Interest on Electric Vehicle loan.

- Applicability - Individuals
- prescribed payment - loan taken for purchase of Electric Vehicle
- conditions - Vehicle loan sanctioned during the period 1-4-2019 to 31-3-2023.
- Deduction - Int paid (or) 15,000 → WEL

Sec - 80G Donations

- * Without limit donation Eligible for 100% deduction National, PM
 - * Without limit donation Eligible for 50% deduction Charitable, family, PM, drought fund
 - * With limit donation Eligible for 100% deduction Govt, family planning, charitable, medical
 - * With limit donation Eligible for 50% deduction Trust, Temple, Charities
- Maximum limit - 10% of Adjusted Gross Total Income
- * AGTI = GTI - LTCG - STCG U/S 11A - other deduction [except 80G]

Donations Not Eligible for deduction

- > Donation in kind
- > Donation exceeding ₹ 2000 paid in cash
- > Donation made without documentary proof
- > Donation given to any institution which is not approved for Sec 80G

Sec - 80GG Deduction for rent paid residential Hp.

- Applicability - Individual
- Prescribed payment - who is not in receipts of HRA
- Conditions:
 - > assessee / his spouse / minor child & HUF should not own any residential accommodation @ his residence
 - => He should not claim the benefit of Self occupancy
 - > He should file a declaration indicating amt of rent paid & name & address of landlord.

deduction:

- * > 25% of Adjusted Total income xx
- > Rent paid less 10% of AGTI xx
- > ₹ 5000 PM xx ↓

• ATI = GTI - LTCG U/S 112 - STCG U/S 11A - other deduction U/S VI - A. [except 80G]

Sec - 80 G(A) Donations to Research Institutions (or) Rural development.

- Applicability - All assessee.
- Deduction - 100% of amt
- No deduction - if donation exceeding 2000 in cash
- Prescribed Payments - contribution to approved Institut
* Engaged in Scientific research, eligible project, undertaking Rural development

Sec - 80 G(B) Donation to political parties by Indian Co

- Applicability - Only for Indian Co
- Deduction - 100% of amt
- Prescribed Payment - donation to political parties

Sec - 80 G(C) Donation to political Parties by any assessee other than Indian Co

Applicability - other than local authority & judicial person wholly (or) partly fund by govt

Prescribed Payment - donation to political parties

Deduction - 100% of amt

No deduction - any amt contributed by way of cash

Sec - 80 IA (i)

- Applicability - asses engaged in the biz of
 - > developing (or)
 - > Operating & maintaining (or)
 - > developing, operating & maintaining any infrastructural facility

Period of commencement - after 1-4-1995 but not later than 1-4-2017.

Sec - 80 IA [2]

- Applicability - assessee engaged in biz of SEZ (a) Industrial Park
 - Period of Commencement - after 1-4-1997 but not later than 31-3-2011
- SEZ → - after 1-4-1997 & ending on 31-3-2006

Sec - 80 IA [3]

- Applicability - power sector (a) undertakings engaged in Generation & distribution, Transmission (b) Renovation & modernization of Existing Network
- Period of Commencement - Generation 1-4-1993 to 31-3-2017
Distribution 1-4-1999 to 31-3-2017
Renovation 1-4-2004 to 31-3-2017

Sec - 80 IA [4]

- Applicability - Re-construction of a power generating plant.
- Period of Commencement - before 30-11-2005

Common points for Sec 80 IA (1) (2) (3) (4)

- Period of deduction - Infrastructure facility of road, bridge = 10 consecutive years out of 20y
other eligible biz = 10 consecutive years out of 15y
- Amt of deduction
 year 1 - 5 = 100% of biz profit
 year 6 - 10 : 10 = 30% of biz profit
 : 30 = 25% of biz profit

Sec - 80 IAB Development of SEZ.

- Applicability = development of SEZ.
- Period of Commencement - after 1-4-2005 but before 1-4-2017
- Period of deduction - 10 consecutive years out of 15 years notified by CG
- Amt of deduction - 100% of Profits.

Sec - 80 IAC Eligible for Start up biz / New biz

- Conditions :
 - LP incorporated in 1-4-2016 to 31-3-2023
 - Turnover does not exceed ₹ 100 c notified by inter-ministerial Board of Certification
- Period of deduction - Any 3 consecutive years out of 5 AY
- Amt of deduction - 100% of biz profit.

Sec - 80 IB = Undertakings engaged in other biz

Sec - 80 IBA = Biz of developing & building housing projects, excluding works contract

Sec - 80 IE = Undertakings in North-Eastern States

Sec - 80 JSA Collecting & processing of bio-degradable waste.

- Period of deduction - 5 consecutive year from the year
- Amt of deduction - 100% of profit.

Sec - 80 JJAA Employment of New Workmen

- Applicability - Subject to tax audit U/s 44 AB
- Conditions -
 - > Biz is not formed by splitting up (or) reconstruct
 - > Biz is not acquired by assesse by way of transfer
 - > Books of a/c should be audited & report
- Period of deduction - 3 years
- Amt of deduction - 30% of additional Employee Cost
- Additional Employee Cost - total emoluments paid (or) payable to additional employees employed
- Additional employee - does not include
 - > more than ₹ 25000 PM
 - > Contribution is paid by govt under EPF
 - > Employed for less than 240 days in py
 - > Employees not on employment as on last date of cy

Sec - 80 QQB Royalty from books.

- Applicability - Resident who is an author of a book
- Prescribed Income - by way of any lump sum consideration
- Conditions -
 - > assess within 6M from end of PY
 - > Certificate in the FORM 10H along with his income
 - > Royalty not received lumpsum exceeds 15%
- Deduction - 30000 (or) 100% of Net Royalty income → WEL

Sec - 80 RRB Royalty from patents

- Applicability - Individuals, patents register after 1-4-2003 under act
- Deduction - 30000 (or) 100% of Royalty
- Royalty earned outside india -> within 6M from end of PY (or)
Extended by RBI
- > A Certificate in Prescribed FORM-H from RBI

Sec - 80 TTA Interest on Savings account.

- Applicability - Individuals other than Seniors & HUF
- Deduction - 10000 (or) Int income → WEL
- Prescribed Income - Int on deposits in a Saving a/c / post

Sec - 80 TTB Interest on Savings Deposits Senior Citizen

- Applicability - Seniors
- Deduction - 50000 (or) Int income → WEL
- Prescribed Income - Int on deposits in savings a/c / post

Sec - 80 U Person with Disability

- Applicability - Individual suffering from disability.
- Deduction = General disability = 75000 [Extend 40% (or) more but less 80%]
Senses disability = 125000 [Extend 80% (or) more]
- Conditions =
 - > Certified medical authority
 - > don't claim U/S 80 DD if disabled person
 - > Copy of certificate issued by medical along with Return of Income.