

## NATIONAL INSTITUTE OF TECHNOLOGY CALICUT

A8/2585/2012

12.09.2012

### CIRCULAR

**Sub: - Deduction of Income Tax from salaries for the Financial Year 2012-2013 (Assessment Year 2013-14)**

Members of staff and other adhoc staff whose gross salary income during 2012-2013 would exceed Rs.2,00,000/- are requested to **furnish a statement in the Proforma appended with relevant documents in original**, so as to reach the **J S Bills, Accounts Section on or before 28-09-2012**. In case the statement is not furnished before the above mentioned date, income tax for the year 2012-2013 will be computed on the basis of the details available in the relevant office records and recovery will be effected accordingly from the salary for **October 2012 and onwards.(reference: Para 3.3.1 of C B D T circular No:9/2008)**

2. Loss under the head “Income from House Property” being interest on House Loan may be claimed as deduction (Section 192(2B)). The maximum amount of eligible for such deduction is Rs.30, 000 for housing loans taken for construction or acquisition of residential building upto 31.03.1999 and Rs.1, 50,000/- for housing loans availed for construction or acquisition of residential building from 01.04.1999 for the year 2012-13. Certificate to this effect from the person to whom the interest is payable specifying the amount of interest payable has also to be obtained and furnished in original. The higher rate (Rs.1, 50,000/-) is not available for loans taken for repair/renovation.
3. In order to allow deduction towards rent paid, as per Sl.No.4 of the Proforma, the officials concerned should produce rent receipts along with the statement of income. Deduction will not be considered if rent receipt in original is not produced. Salary for regulating the exemption for HRA includes GP and DA.
4. Medical reimbursement by the employer exceeding Rs.15, 000/- p.a is to be taken as perquisite u/s 17(2)(V) of Income Tax Act.
5. Transport Allowance to the extent of Rs.800/- per month is exempt from Income Tax
6. Children Education Allowance: Rs.100 per month per child up to a maximum of two children.
7. Any allowance granted to an employee to meet the hostel expenditure on his child, Rs.300/- per month per child up to a maximum of two children
8. **Important deductions under Chapter VI-A of Income tax Act are:**

Sl.No.	I.T Section	Category	Amount of Deduction
1	80C	Aggregate of amount paid/ incurred/invested towards any of the following: <b>a.</b> Premium paid towards Life Insurance Policy not exceeding 20% of the total Sum Assured. <b>b.</b> Contribution towards approved Provident Fund including PPF <b>c.</b> Subscription towards National Saving Certificate <b>d.</b> Contribution to UTIs Retirement Benefit Plan. <b>e.</b> Investment in UTIs Unit Linked Insurance Plan <b>f.</b> Approved Mutual Fund Investment <b>g.</b> Repayment of Housing Loan Principal towards Self-occupied Residential Property <b>h.</b> Payment of Tuition fees towards any two children of the assessee <b>i.</b> Investment in Pension Fund / Deposit Scheme of National Housing Bank Under Home Loan Account Scheme <b>j.</b> Fixed Deposit of any Scheduled Bank /Housing Finance Co. for not less than 5 years <b>k.</b> Investment in Equity Shares Debentures of approved Public Finance Instn. or Company	Up to Rs.1, 00,000
2	80 CCC	Premium paid towards IRDA approved Pension Fund	Up to Rs.1, 00,000
3.	80CCD	Amount paid/deposited in an approved Pension Scheme of Central Government & matching contribution made by the Employer to the Pension A/c of individual.	Up to 10% of Salary Up to 10% of Salary
4.	80 CCE	<b>Aggregate of deduction u/s 80C, 80CCC &amp; 80CCD shall not exceed Rs.1 lakh.</b>	----
5	80CCF	Investment in infra structure bonds.	Rs.20,000/-
6	80 D	<b>a.</b> Medical Insurance Premium paid by any mode other than cash. <b>b.</b> For Senior Citizens	Up to Rs. 15,000. Up to Rs. 20,000.
7	80DD	<b>a.</b> Any expenditure for Medical, Nursing & Rehabilitation incurred on dependent relative suffering from permanent Physical Disability, Autism, Cerebral Palsy and Multiple disability <b>b.</b> Deposits under LIC, UTI's Scheme & other IRDA approved Insurers for the benefit of Physically Handicapped dependent	Upto Rs.50, 000 if disability is over 40% & Rs.75,000 if disability is over 80%
8	80 DDB	<b>a.</b> Actual expenditure incurred on medical treatment of self, or dependent family members suffering from terminal diseases like Cancer, AIDS, Renal failure etc. <b>b.</b> For Senior Citizens.	Upto Rs.40, 000 Upto Rs.60, 000

9	80E	Interest on repayment of Loan taken from charitable / financial institution for Self, Spouse, Children Higher Education for a maximum of 8 years	Any amount of interest
10	80G	Any donations for charitable purpose can be claimed by the taxpayer only at the time of filing of return of income.	-
11	80GG	Deduction in respect of rents paid provided no house is owned by self, spouse or minor child in the place of work and is residing in any of the specified cities. The officials concerned should produce rent receipts with declaration in Form10BA	Lowest of actual amount of HRA received or an amount equal to 40% salary or rent paid in excess of 10% of total income.
12	80U	Persons suffering from permanent physical Disability and includes Autism, Cerebral Palsy, Multiple Disability, Person with Disability and Severe Disability. It should be certified by the medical authority.	Rs.75, 000 if disability is over 40% and Rs.1, 00, 000/- if disability is over 80%.

**Deductions under Chapter VI-A will be allowed only on production of relevant documents in original.**

Rates of income tax for the 2012-2013 are given below for information.

Annual income from all sources (After all exemptions & deductions)	Income tax Rates for			
	Citizen below 60 Yrs (born after April 1, 1953)	Sr.Citizen above 60 & below 80 Yrs.(born during April 1, 1933 and March 31 , 1953)	Super Sr.Ctzn 80 years and above(born before April 1, 1933)	Primary & Secondary Education Cess
Upto 2,00,000	Nil	Nil	Nil	Nil
2,00,001 - 2,50,000	10%	Nil	Nil	3%
2,50,001 - 500,000	10%	10%	Nil	3%
5,00,001 -10,00,000	20%	20%	20%	3%
10,00,001 and above	30%	30%	30%	3%

9. Permanent Account number (PAN) to be invariably mentioned in the statement of income tax, as required by the Income tax Department.
10. As per Para 3.3.1 of Circular No.9/2008 [FNo.275/192/2008 – IT (B)] of CBDT, the income tax will be deducted by the DDO on average basis at the time of each payment. For working out the average monthly income tax, deduction will be considered to the extent to which proof for such deduction has been furnished by the assessee to the satisfaction of the DDO.

11. Form 16 once issued will not be revised nor duplicate issued. Employees are requested to keep sufficient number of copies of Form 16 before submission to Income Tax Department.
12. In the case of housing loan availed in the joint names of the assessee and his/her spouse, a certificate issued by the employer of the spouse specifying the extent of deduction claimed by the spouse on account of this has to be furnished to claim deduction under section 192 (2B). In the absence of the certificate, the deduction will be restricted to 50% where original certificate issued by the bank is produced and no deduction will be allowed where original certificate issued by the bank is not produced.
13. Changes, if any, in any of the above provision will be intimated in due course.
14. Circular and format will be available in the NITC website.

## **REGISTRAR**

Copy to:

1. All Departments/Heads – For circulation among the staff / Adhoc Lectures and others attached to them.
2. Director : For information please.
3. Deputy Registrar (finance) : For information and necessary action.

**NATIONAL INSTITUTE OF TECHNOLOGY CALICUT**

**STATEMENT OF INCOME TAX FOR THE FINANCIAL YEAR 2012-2013  
(A.Y 2013-2014)**

1	Name, Designation and Emp.Code :		
2	Permanent Account Number :		
3	i) Probable income from salary/Pension during 2012-2013 including all allowances Salary (Pay, DA, Tr.All.) Rs. ii) Employer's contribution towards New Pension Scheme during the Financial Year 2012-13. Rs. iii) Honorarium/ Any other income Rs. iv) Reimbursement of medical claim received in excess of Rs.15,000/- Rs.		FOR OFFICE USE
	<b>Total</b>	Rs.	
4	Less: House Rent Allowance exempt U/s 10 (13A) (a) <b>:Least of :</b> (i) Actual Amount of HRA received (ii) Expenditure of rent in excess of 10% of salary (iii) 40% of salary (b) (Indicate the amount of rent paid Rs...) i) Transport Allowance		
	<b>Total</b>	Rs.	
5	Balance (3-4)	Rs.	
6	Professional tax paid	Rs.	
7	Balance (5-6)	Rs.	
8	Income from House Property: Interest payable on Housing Loan U/s 192 (2B) Rs		
9	Deductions under Chapter VI A, if any, vide Para 8 Sl.No.5-12 of circular. (-)	Rs.	
10	Total income		

11	Deduction U/s 80 C		
	GPF Contribution	Rs.	
	GSLI	Rs.	
	LIC (Policy No.....)	Rs.	
	Unit Linked Insurance Plan (ULIP)	Rs.	
	Postal Life Insurance (PLI)	Rs.	
	Refund of HBA (Principal)	Rs.	
	NSC	Rs.	
	Tuition fees for full time education of 2 children	Rs.	
	5 year Bank Fixed Deposit	Rs.	
	Approved mutual fund investment	Rs.	
	<b>Total</b>	<b>Rs.</b>	
12	Deduction u/s 80CCC contribution to Pension Fund	Rs.	
13	Deduction u/s 80CCD(1). Contribution New Pension Scheme up to 10% during the financial year 2012 – 13 by the Employee	Rs.	
14	Section 80CCE (11+12+13) <b>(Maximum qualifying amount is Rs.1,00,000/-)</b>		
15	Deduction u/s 80CCD(2). NPS Employer contribution	Rs.	
16	Total (14+15)	Rs.	
17	Total taxable income (10-16)	Rs.	
18	Tax on total income	Rs.	
19	Educational cess @3%	Rs.	
20	Total (18+19)	Rs.	
21	Tax deducted at source	Rs.	
22	Tax to be paid (20-21)	Rs.	

Recovery rate : -

Signature and Date:

Name :

Designation :

Department :

