

## Income Tax 2017-18 (Assessment Year 2018-19)

### Income Tax Slab for Individual Tax Payers & HUF (Other than Sr. Citizens)

INCOME SLAB	TAX RATE
Income up to Rs 2,50,000*	No tax
Income from Rs 2,50,000 – Rs 5,00,000	5%
Income from Rs 5,00,000 – 10,00,000	20%
Income more than Rs 10,00,000	30%

### Deductions available under Chapter VI A (Section 80)

SECTION	DEDUCTION ON	FY 2016-17
Section 80C	<ul style="list-style-type: none"> <li>• Investment in PPF</li> <li>• Employee's share of PF contribution</li> <li>• NSCs</li> <li>• Life Insurance Premium payment</li> <li>• Children's Tuition Fee</li> <li>• Principal Repayment of home loan</li> <li>• Investment in Sukanya Samridhi Account</li> <li>• ULIPS</li> <li>• ELSS</li> <li>• Sum paid to purchase deferred annuity</li> <li>• Five year deposit scheme</li> <li>• Senior Citizens savings scheme</li> <li>• Subscription to notified securities/notified deposits scheme</li> <li>• Contribution to notified Pension Fund set up by Mutual Fund or UTI.</li> <li>• Subscription to Home Loan Account Scheme of the National Housing Bank</li> <li>• Subscription to deposit scheme of a public sector or company engaged in providing housing finance</li> <li>• Contribution to notified annuity Plan of LIC</li> <li>• Subscription to equity shares/ debentures of an approved eligible issue</li> <li>• Subscription to notified bonds of NABARD</li> </ul>	Rs. 1,50,000
80CC	For amount deposited in annuity plan of LIC or any other insurer for pension from a fund referred to in Section 10(23AAB).	–
80CCD(1)	Employee's contribution to NPS account (maximum up to Rs 1,50,000)	–
80CCD(2)	Employer's contribution to NPS account	Maximum up to 10% of salary
80CCD(1B)	Additional contribution to NPS	Rs. 50,000
80TTA(1)	Interest Income from Savings account	Maximum up to 10,000

SECTION	DEDUCTION ON	FY 2016-17
80GG	For rent paid when HRA is not received from employer	Least of rent paid minus 10% of total income Rs. 5000/- per month 25% of total income
80E	Interest on education loan	Interest paid for a period of 8 years
80EE	Interest on home loan for first time home owners	Rs 50,000
80CCG	Rajiv Gandhi Equity Scheme for investments in Equities	Lower of – 50% of amount invested in equity shares or Rs 25,000
80D	Medical Insurance – Self, spouse, children Medical Insurance – Parents more than 60 years old or (from FY 2015-16) uninsured parents more than 80 years old	Rs. 25,000 Rs. 30,000
80DD	Medical treatment for handicapped dependant or payment to specified scheme for maintenance of handicapped dependant <ul style="list-style-type: none"> <li>Disability is 40% or more but less than 80%</li> <li>Disability is 80% or more</li> </ul>	<ul style="list-style-type: none"> <li>Rs. 75,000</li> <li>Rs. 1,25,000</li> </ul>
80DDB	Medical Expenditure on Self or Dependent Relative for diseases specified in Rule 11DD <ul style="list-style-type: none"> <li>For less than 60 years old</li> <li>For more than 60 years old</li> <li>For more than 80 years old</li> </ul>	<ul style="list-style-type: none"> <li>Lower of Rs 40,000 or the amount actually paid</li> <li>Lower of Rs 60,000 or the amount actually paid</li> <li>Lower of Rs 80,000 or the amount actually paid</li> </ul>
80U	Self suffering from disability: <ul style="list-style-type: none"> <li>Individual suffering from a physical disability (including blindness) or mental retardation.</li> <li>Individual suffering from severe disability</li> </ul>	<ul style="list-style-type: none"> <li>Rs. 75,000</li> <li>Rs. 1,25,000</li> </ul>
80GGB	Contribution by companies to political parties	Amount contributed (not allowed in cash)
80GGC	Contribution by individuals to political parties	Amount contributed (not allowed in cash)
80RRB	Deductions on Income by way of Royalty of a Patent	Lower of Rs 3,00,000 or income received

## **Income or loss on House Property – Section 24 of Income Tax Act 2017 (Income Tax Exemption on interest paid on Housing Loan)**

Consequent upon enactment of Finance Act 2017, the maximum limit of interest paid house property has been capped at Rs.2 Lakh, whether or not the house is self occupied or rented out. Earlier if the house property is rented out, there was no maximum limit in deducting interest paid on housing loan from the income of the tax payer.

### **List of Exempted Income under Section 10 of Income Tax Act (Subject to certain conditions)**

1. Agriculture Income [Section 10(1)]
2. Perquisites and Allowances paid by Government to its Employees serving outside India [Section 10(7)]
3. Gratuity [Section 10(10)]
4. Commuted value of pension received [Section 10(10A)]
5. Amount received as leave encashment on retirement [Section 10(10AA)]
6. Retrenchment compensation paid to workmen [Section 10(10B)]
7. Retirement Compensation from a Public Sector Company or any other Company [Section 10 (10C)]
8. Income by way of tax on perks [Section 10(10CC)]
9. Any sum received under a life insurance policy [Section 10(10D)]
10. Payment from Statutory Provident Fund [Section 10(11)]
11. Payment from Recognized Fund [Section 10(12)]
12. Payment from Superannuation Fund [Section 10(13)]
13. House Rent Allowance [Section 10(13A) Read with Rule 2A]
14. Scholarship [Section 10(16)]
15. Pension received by certain winners of gallantry awards [Section 10(18)]
16. Family pension received by family members of armed forces including para military forces [Section 10(19)]