



राष्ट्रीय प्रौद्योगिकी संस्थान, कालीकट
NATIONAL INSTITUTE OF TECHNOLOGY, CALICUT
वित्त विभाग /Finance Section

सं.फा. A8/15660/IT/2023

दिनांक/ Dated: 11.10.2023

परिपत्र /CIRCULAR

Subject: Tax Deducted at Source (TDS) on salary for FY 2023-24- Reg.

As per Finance Bill, 2020 a new section 115BAC (The new tax regime) had been inserted to provide concessional slab rates of tax for individuals. This year i.e. from financial year 2023-2024 onwards, **the new tax regime will be the default tax regime** having 5 tax slabs (5%,10%,15%,20% and 30%). There is no change in the old tax regime. Taxpayers can opt wisely between the old tax regime and the new tax regime as per their choice.

The employees who wish to opt for "Old tax regime" are requested to upload and submit their computation along with self-attested copies of Savings eligible for FY 2023-24 (AY 2024-25) online on <https://dss.nitc.ac.in/incometaxnit/Newlogin.aspx> by 31.12.2023. Non-permanent employees may intimate regarding the option directly to the A8 / Finance and Accounts Section. The option is not required to be submitted by the employees who wish to opt for "New Regime", unless they want to report any other income in addition to Income from salary, for computation of TDS.

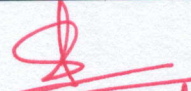
All **pensioners** opting for old tax regime are requested to submit their Savings eligible for FY 2023-24 (Assessment Year 2024-25) in Form 12BB (duly filled and signed) to the A8 / Finance and Accounts Section by 10.11.2023. Proof of investments (self-attested copies) should be submitted to account section on or before 31.12.2023.

It is also to note that once selected, the **scheme cannot be changed for the current financial year, by the employer. But the same can be changed while filing the return by the individual.**

Proof regarding savings that are submitted after 31.12.2023 will not be considered and employees/pensioners will have to claim the same while filing their individual tax return.

An annexure regarding tax slabs under both schemes and applicable deductions are attached for reference. (Annexure I)

Employees/Pensioners, who fail to submit the option for tax regime and supporting documents for anticipated savings within the stipulated period, shall be presumed that they have opted for new tax regime and/or they do not have any other income/savings and, therefore, tax shall be deducted accordingly.


17/10/23
कुलसचिव/ Registrar

Encl: As Above

Distributions:

1. Director (For information pl.)
2. All staff/faculty members
3. Website
4. File.

Annexure I

For Tax Payers below 60

Taxable Income	Tax Rate under Old Tax Regime	Tax Rate under New Tax Regime
0-2,50,000	0	0
2,50,001-3,00,000	5%	0
3,00,001-5,00,000	5%	5%
5,00,001-6,00,000	20%	5%
6,00,001-9,00,000	20%	10%
9,00,001-10,00,000	20%	15%
10,00,001-12,00,000	30%	15%
12,00,001-15,00,000	30%	20%
Above 15,00,000	30%	30%

For Tax Payers who are Senior Citizen

Taxable Income	Tax Rate under Old Tax Regime	Income Tax Slab	Tax Rate under New Tax Regime
Up to 3,00,000	Nil	Up to 3,00,000	Nil
3,00,001 -5,00,000	5% above 3,00,000	3,00,001 - 6,00,000	5% above 3,00,000
5,00,001 – 10,00,000	10000 + 20% above 5,00,000	6,00,001 - 9,00,000	15,000 + 10% above 6,00,000
Above 10,00,000	1,10,000 + 30% above 10,00,000	9,00,001 - 12,00,000	45,000 + 15% above 9,00,000
		12,00,001 – 15,00,000	90,000 + 20% above 12,00,000
		Above 15,00,000	1,50,000 + 30% above 15,00,000

For Tax Payers who are Super Senior Citizen

Taxable Income	Tax Rate under Old Tax Regime	Income Tax Slab	Tax Rate under New Tax Regime
Up to 5,00,000	Nil	Up to 3,00,000	Nil
5,00,001 – 10,00,000	20% above 5,00,000	3,00,001 - 6,00,000	5% above 3,00,000
Above 10,00,000	1,00,000 + 30% above 10,00,000	6,00,001 - 9,00,000	15,000 + 10% above 6,00,000
		9,00,001 - 12,00,000	45,000 + 15% above 9,00,000
		12,00,001 – 15,00,000	90,000 + 20% above 12,00,000
		Above 15,00,000	1,50,000 + 30% above 15,00,000

Besides tax at above rate, Health and Education Cess @ 4% is levied on income-tax for the financial year 2023-24

Some of the items of investments/expenditure for which deduction can be claimed under various sections of IT Act are listed below. This is applicable only for those who opt for old tax regime.

80 C	<p>Deduction in respect of certain deposits/payments. The maximum admissible deduction under this section is Rs.1.5 lakh</p> <p>Some of the investment avenues or expenses that can be claimed as tax deductions under section 80C are as below:</p> <ol style="list-style-type: none"> i. PPF (Public Provident Fund) in the name of self, spouse or children ii. GPF (General Provident Fund) iii. Five-year Bank or Post Office Tax saving Deposits iv. NSC (National Savings Certificates) v. ELSS (Equity Linked Saving Schemes) of Mutual Funds vi. Tuition Fees (For maximum of two children) vii. Principal repayment of Home Loan viii. NPS (National Pension System) ix. Life Insurance Premium (for self, spouse or children) x. Sukanya Samridhhi Account Deposit Scheme
80 CCC	<p>Contribution to annuity plan of LIC (Life Insurance Corporation of India) or any other Life Insurance Company. The maximum allowable deduction under this section is Rs. 1.5 Lakh</p>
80CC D(1)	<p>Employees contribution to the pension scheme notified by the Central Government (NPS), subject to a maximum of 10% of salary (Salary included Dearness Allowance but excluded all other allowances and perquisites)</p>
80CC D (1B)	<p>The additional deduction of Rs. 50,000/- under Section 80 CCD(1B) is available over and above the benefit of Rs. 1.50 lakh deduction under Section 80 CCD (1)</p>
80CC D (2)	<p>Employers' contribution to the Pension (NPS) account of the employee shall be allowed as a deduction, subject to a maximum of 14% of salary (Salary includes Dearness Allowance but excludes all other Allowances and Perquisites). Note:- Employers contribution to the NPS account of the employee should be included under Gross salary of the employee (Section 17)</p>
80CCE	<p>The aggregate amount of deductions under section 80C, section 80CCC and sub-section (1) of section 80CCD shall not, in any case, exceed Rs.1,50,000</p>
80 D	<p>Section 80D of the Income Tax Act permits deductions on amounts spent by any mode other than cash to effect or to keep in force an insurance on the health of the assessee or his family/parents, or any contribution made to the Central Government Health Scheme, or medical expenditure subjects to limits/conditions specified therein. Maximum of ₹ 25,000 (₹ 50,000 if any person is a Senior Citizen, ₹ 5,000 for preventive health checkup, included in above limit)</p>

80DD	<p>Deduction in respect of maintenance including medical treatment of a dependent who is a person with disability,</p> <p>a) any expenditure for the medical treatment (including nursing), training and rehabilitation of a dependent, being a person with disability; or</p> <p>b) paid or deposited any amount under a scheme framed in this behalf by the Life Insurance Corporation or any other insurer or the Administrator or the specified company subject to the conditions specified in the section for the maintenance of a dependent, being a person with disability,</p> <p>Provides provisions for tax deductions of Rs. 75,000 for normal disability (40%) and Rs. 1.25 lakh for severe disability (80% and more).</p>
80DDB	<p>Deduction in respect the expense incurred for medical treatment of specified disease or ailment for self or a dependent. The permitted deduction is limited to 40,000 and Rs.1,00,000 if the treatment is for a senior citizen, as well as super senior citizen</p>
80 E	<p>Deduction in respect of interest on loan taken from any financial institution or any approved charitable institution for the purpose of pursuing higher education of self, spouse and children, deduction is admissible for 8 years.</p>
80 EEB	<p>Under section 80EEB of Income Tax Act, tax exemption up to Rs.1,5 Lakhs on interest paid on loan for the purchase of electric vehicles up to 31.03.2023</p>
80 G	<p>Deduction in respect of donations to certain funds, charitable institutions, etc. (eligible for deduction up to either 100% or 50% with or without restriction) subject to limits/conditions specified in the section.</p> <p>a) 100% deductions without any limit: Donations to funds like National Defence Fund, Prime Minister's Relief Fund, National Illness Assistance Fund, etc. qualify for 100% deduction on the amount donated.</p> <p>b) 100% deduction with qualifying limits: Donations to local authorities, associations or institutes to promote family planning and development of sports qualify for 100% deduction, subject to certain qualifying limits.</p> <p>c) 50% deduction without qualifying limits: Donations to funds like the PMs Drought Relief fund, Rajiv Gandhi Foundation, etc. are eligible for 50% deduction.</p> <p>d) 50% deduction with qualifying limit: Donations to religious organisations, local authorities for purposes apart from family planning and other charitable institutes are eligible for 50% deduction, subject to certain qualifying limits.</p> <p>e) The qualifying limit refers to 10% of the gross total income of a taxpayer.</p>
80 TTA	<p>Deductions upto Rs.10,000 in respect of interest on Deposits in Savings Accounts.</p>
80 TTb	<p>Deductions upto Rs.50,000 in respect of interest received on deposits by Resident Senior Citizens</p>
80 U	<p>Deduction in the case of a person with disability.</p> <p>A person who, at any time during the previous year, is certified by the medical authority to be a person with disability, there shall be allowed a deduction of a sum of Rs.75,000 (for whom with severe disability the deduction is Rs.1.25 lakh) subject to conditions prescribed in the section.</p>

Interest accrued on contribution to GPF (to the extent of contribution of 5 lakh per annum) is exempted from taxable income.

Under the new tax regime, the contribution made by employer towards Tier 1 NPS account is eligible for tax deduction under section 80CCD (2)

Apart from the above, there is a standard deduction of Rs.50, 000/- for salaried employees. From FY 2023-2024, this deduction can be claimed under both regimes.

Under the old tax regime, the amount of the tax rebate u/s 87A for this year has been kept unchanged but for the new tax regime, the amount of the tax rebate u/s 87A for this year has been changed. Under old tax regime, assessee with taxable income up to 5,00,000 would receive a tax rebate of 12,500 or the amount of tax payable, whichever is lower. Under new tax regime, a resident taxpayer with taxable income up to 7,00,000 would receive a tax rebate of 25,000 or the amount of tax payable, whichever is lower.

Those who received any salary arrears during the financial year 2023-24 and wish to avail tax deduction in current financial year should submit the copy of form 10 E after online filing by the individual.

In order to claim HRA exemption by those opting for old tax regime from Gross salary towards rent paid, the officials should produce rent receipt from the land lord for the rent paid by the employee. If the annual rent paid by the employee exceed, 1,00,000 per annum, it is mandatory for the employee to report PAN of the landlord to the employer. In case the land lord does not have a PAN, a declaration to the effect from the landlord along with the name and address of the landlord should be filed by the employee. In both the cases, proof of online payment of rent for at least 6 months should be submitted.

This is for reference only.
