

computation of exempt HRA and taxable income

Particulars	A	B	C
Basic (42000 x 12)	5,04,000	5,04,000	5,04,000-
DA (17000 x 12)	2,04,000	2,04,000	2,04,000.
LCA (2000 x 12)	24,000	24,000	24,000
other allowance (8000 x 12)	96,000	96,000	96,000
HRA received (8000 x 12)	96,000-	96,000	-
Gross Salary	9,24,000-	9,24,000	8,28,000
<u>Exemption u/s 10:</u> exempt HRA (least): Actual HRA 96000 Rent paid - 10% Salary (108000 - 10% (708000)) (108000 - 70800) <u>37200</u> 40% of Salary <u>283200</u>	(37200)	-	-
Net Salary	8,68,000	9,24,000-	8,28,000
Deduction u/s 80:			

80 G ₁ (least):			
5000 x 12 = 60000			
Rent paid - 10% Salary			
<u>37200</u>	-	-	(37200)
25% of Salary 177000			
Total Taxable income	8,68,000	9,24,000	7,90,800