

Calculation of Exempt HRA and Total Taxable Income of Mr. Rajveer.

Particulars	A	B	C
Basic (Rs 42,000 × 12)	5,04,000	5,04,000	5,04,000
DA (Rs 17,000 × 12)	2,04,000	2,04,000	2,04,000
CCA (Rs 2,000 × 12)	24,000	24,000	24,000
Other allowances (Rs 8,000 × 12)	96,000	96,000	96,000
HRA (Rs 8,000 × 12)	96,000	96,000	—
Gross Salary	9,24,000	9,24,000	8,28,000
Less: <u>Exemption</u> u/s 10			
Exempt HRA (least of the following):			
a) Actual HRA received 96,000			
b) Rent paid - 10% of salary ^(1,08,000 - 70,800) 37,200 ✓		(Note 1:)	
c) 50% of salary (50% of 7,08,000) 3,54,000	(37,200)	0	—
Net Salary	8,86,800	9,24,000	8,28,000
Less: <u>Deductions</u> u/s 80			
Section 80GG (least of the foll.)			
a) Rs 5,000 p.m. (5,000 × 12) 60,000			
b) Rent paid - 10% of salary 37,200 ✓			
c) 25% of salary 1,77,000			(37,200)
Total Taxable Income	<u>8,86,800</u>	<u>9,24,000</u>	<u>7,90,800</u>

*Note: It has been assumed that Rajveer lives in Mumbai

Note 1:

b) Exempt HRA

- (a) actual HRA received 96,000
 (b) Rent paid - 10% of salary ^(1,08,000 - 70,800) 0 ✓
 (c) 50% of salary 3,54,000