

Calculation of Exempt HRA and Total Taxable Income			
Particulars	senario (a)	senario (b)	senario (c)
Basic (42,000 x 12)	5,04,000	5,04,000	5,04,000
DA (17,000 x 12)	2,04,000	2,04,000	2,04,000
CCA (2,000 x 12)	24,000	24,000	24,000
other allowance (8,000 x 12)	96,000	96,000	96,000
HRA	96,000	96,000	—
GROSS TOTAL INCOME	9,24,000	9,24,000	8,28,000
Exempt HRA %s 10			
(a) (8000 x 12) 96,000			
(b) Rent - 10% salaries			
(c) 50% salaries	(37,200)	0	NA
less Deduction %s 80			
(a) 5000 x 12 = 60,000			
(b) Rent - salaries 10% (37,200)			
(c) 25% salaries = (1,77,000)	—	—	(37,200)
TOTAL TAXABLE INCOME	8,86,800	9,24,000	7,90,800

Notes

(i) computing Exempt HRA

senario (A)	senario (B)
(a) 96,000	(a) 96,000
(b) 108,000 - 70,800 = 37,200	(b) 0 —
(c) 3,54,000	(c)

Salary = Basic + DA = 5,04,000 + 2,04,000
= Rs 7,08,000