

Income Tax FAQ's & Guidelines

FAQ'S & GUIDLINES ON INCOME TAX



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I. INCOME TAX SLABS FOR OLD TAX REGIME:

What are the tax rates as per the prevailing income tax rules?

A) Income tax rates for individuals.

TAXABLE INCOME	APPLICABILITY OF RATE
Upto Rs. 2,50,000	Nil
Rs. 2,50,001 to Rs. 5,00,000	5% of the amount exceeding Rs. 2,50,000
Rs. 5,00,001 to Rs. 10,00,000	Rs. 12,500 + 20% of the amount exceeding Rs. 5,00,000
Above Rs. 10,00,001	Rs. 1,12,500 + 30% of the amount exceeding Rs. 10,00,000

Surcharge on income tax:

If the total income of the individual exceeds Rs. 50 lakhs during, FY 2022-23 (AY 2023-24). Below Surcharge charges will be applicable.

Range of Income	Rate
Rs. 50 Lakhs to Rs. 1 Crore	10%
Rs. 1 Crore to Rs. 2 Crores	15%
Rs. 2 Crores to Rs. 5 Crores	25%
Above 5 Crores	37%

Education Cess: Education cess is 4 % on the overall Income tax liability.

Rebate on Tax: If your total taxable income for the financial year is less than Rs 5 lakhs, you are allowed for tax rebate of Rs.12500 /-.

Standard Deduction: Rs 50,000 has been introduced as a deduction for salaried employees on their overall taxable amount.

I. INCOME TAX SLABS FOR NEW TAX REGIME:

What are the tax rates as per the prevailing income tax rules?

A) Income tax rates for individuals.

TAXABLE INCOME	APPLICABILITY OF RATE
Upto Rs. 2,50,000	Nil
Rs. 2,50,001 to Rs. 5,00,000	5%
Rs. 5,00,001 to Rs. 7,50,000	10%
Rs. 7,50,001 to Rs. 10,00,000	15%
Rs.10,00,001 to Rs.12,50,000	20%
Rs.12,50,001 to Rs. 15,00,000	25%
Above Rs. 15,00,001	30%

Surcharge on income tax:

If the total income of the individual exceeds Rs. 50 lakhs during, FY 2022-23 (AY 2023-24). Below Surcharge charges will be applicable.

Range of Income	Rate
Rs. 50 Lakhs to Rs. 1 Crore	10%
Rs. 1 Crore to Rs. 2 Crores	15%
Rs. 2 Crores to Rs. 5 Crores	25%
Above 5 Crores	37%

Education Cess: Education cess is 4 % on the overall Income tax liability.

Rebate on Tax: If your total taxable income for the financial year is less than Rs 5 lakhs, you are allowed for tax rebate of Rs.12500 /-.

List of exemptions/deductions and their applicability in both tax regimes.

Deduction Type	Existing Tax Regime	New Tax Regime
Standard Deduction of RS. 50000	Yes	No
Professional Tax deducted from Salary	Yes	No
Exemptions under Section 10 & 17		
House Rent Allowance	Yes	No
Gratuity	Yes	Yes
Children Education Allowance	Yes	No
Leave Encashment on retirement is Tax benefit.	Yes	Yes
Leave Travel Allowance	Yes	No
Housing/Other Income		
Other Income (Bank Interest, NSC Interest etc.)	Yes	Yes
Interest on Housing Loan - Self Occupied	Yes	No
Income from House Property Income - Let Out	Yes	Yes
Loss from House Property Income - Let Out	Yes	No
Interest on Housing Loan - Additional Exemption (80EEA)	Yes	No
Exemption on Loan for Purchase of Electric Vehicles (80EEB)	Yes	No

Chapter VI-A		
All Medical Insurance Premium (Sec 80D) (Mindtree/personal, etc)	Yes	No
Deduction towards Handicapped Dependents (Sec 80DD)	Yes	No
Deduction towards treatment of Specified Diseases (Sec 80DDB)	Yes	No
Interest Paid on Higher Education Loan (Sec 80E)	Yes	No
Deduction for Permanent Disability (Sec 80U)	Yes	No
Employer's contribution toward NPS (up to 10%)(u/s 80CCD)	Yes	Yes

Deductions Under 80C		
Employees Provident Fund	Yes	No
Voluntary Provident Fund	Yes	No
Public Provident Fund	Yes	No
Children's Education - Tuition Fees	Yes	No
National Savings Certificate (NSC)	Yes	No
Life Insurance Premium	Yes	No
Housing Loan Principal Repayment & Stamp Duty paid for Registration	Yes	No
Sukanya Samruddhi Scheme	Yes	No
Accrued NSC Interest	Yes	No
Mutual Funds / ULIP	Yes	No
Deduction under Life Insurance Pension Scheme	Yes	No
Employees contribution towards NPS	Yes	No
Senior Citizens Savings Scheme	Yes	No
Tax Saver Fixed Deposits / Term Deposits / Senior Citizen Saving Scheme	Yes	No
Interest on deposits in Saving bank accounts (80TTA)	Yes	No
Deduction in respect of Interest income (80TTB) for Senior Citizen	Yes	No
Investment in Infrastructure /tax saving bonds	Yes	No

I. GENERAL INCOME TAX RELATED FAQ'S

1. What is permanent account number (PAN)?

Permanent account number is a unique identification number by which the assessing officer of the income tax department can identify any assessee. PAN consists of ten alphanumeric characters.

2. Is PAN mandatory?

Yes, PAN is mandatory and has to be provided by each employee to the company. PAN is mandatory to process the payroll.

3. How do I apply for a PAN?

Refer the below links for more details on PAN:

<https://www.incometaxindia.gov.in/PAN/Overview.asp>

<https://tin.tin.nsdl.com/PAN/index.html>

4. How do I submit my IT proofs?

You have to fill online 'IT proofs' submission form, through people hub, specifying the details of savings (pdf document) to be uploaded.

Path: PEOPLE HUB > PERSONAL FINANCIALS > IT PROOFS

5. What happens if I do not submit the tax declaration in the beginning of the FY?

If the IT declaration is **not** submitted, then it will be presumed that you will **not** be making any investments, you are **not** paying any rent, etc. and the tax will be deducted accordingly. Subsequently if you produce investment proofs later, they will be considered and tax will be recalculated. Excess tax deduction if any, will **not** be refunded but will only be shown as a refund in form 16 which you have to claim it from IT department after filing your individual Tax returns.

6. What is form 16?

Form 16 is a certificate which has the details of the total salaries earned and TDS deducted during the year.

How it is generated?

Form 16 has two parts Part A and Part B.

Part A has the details of month wise tax remitted to the IT Department and Part B has the Total income for the year, Exemptions/deductions and the total tax liability for the year.

How is the tax calculated?

Your income is projected for the full year based on your basic pay and FEP declaration you submit. Exemptions like HRA & loss under house property (interest on housing loan) if any, will be deducted from the same. From the total income, the investments (based on the investments as declared in your IT declaration) are reduced to arrive at the taxable income. Then applying the tax rules, tax for the full year is calculated. This tax amount is divided by the remaining months in the financial year to arrive at the monthly income tax to be payable by you, and the same monthly tax is recovered from the payroll of every month.

An example for tax calculation for individual:

Assume your basic is Rs.20,000 p.m. and your total FEP eligibility is Rs. 50,000 p.m. Assume you have declared the following in your FEP declaration:

FEP DECLARATION	
FEP COMPONENTS:	AMOUNT
Conveyance Allowance (Taxable)	19,200.00
House Rent Allowance	96,000.00
Meal Card	26,400.00
LTA	27,000.00
Broad band	15,000.00
Special Allowance	4,16,400.00
TOTAL	6,00,000.00

Assume you have declared the following in your tax declaration.

SAVINGS DECLARATION	AMOUNT
Section 10 - Rent Paid	72,000.00
Section 24 - Loss Under House Property (Only Interest)	50,000.00
DECLARATION UNDER SECTION 80:	
Repayment Of Interest On Education Loan	5,000.00
Medical Disablement - Self (Sec 80U) Or Dependent Medical Disablement (Sec 80DD) (below 80%)	75,000.00
INVESTMENTS PLANNED:	
Insurance Pension Fund (Sec 80CCC)	10,000.00
Principal Repayment Of Housing Loan	15,000.00
Insurance Premium (Other Than Pension Scheme)	20,000.00

Investment In PPF	25,000.00
Investment In NSC	10,000.00
Investment In Infrastructure Bonds	30,000.00
TOTAL INVESTMENT PLANNED	110,000.00

Considering the above details tax calculation is as follows:

INCOME COMPONENTS:	AMOUNT
Total Basic (Rs. 20,000 * 12)	240,000.00
Conveyance Allowance	19,200.00
House Rent Allowance	96,000.00
Special Allowance	4,16,400.00
TOTAL INCOME (1)	7,71,600.00
Less: Standard Deduction	50,000.00
NET TAXABLE INCOME	7,21,600.00
LESS EXEMPTIONS/DEDUCTIONS:	

House rent allowance	48,000.00
Section 24 - Loss Under House Property (Only Interest)	50,000.00
Repayment Of Interest On Education Loan	5,000.00
Medical Disablement - Self (Sec 80U) Or Dependent Medical Disablement (Sec 80DD)	75,000.00
TOTAL DEDUCTIONS (2)	1,78,000.00
TAXABLE INCOME (1) - (2)	5,43,600.00

LESS: Professional Tax Paid (Assumed Rs. 200/-p.m.) (3)	2,400.00
LESS: DEDUCTIONS UNDER SECTION 80C	
Provident Fund Deducted From Salary (Employee Contribution 12% On Basic)	28,800.00
Insurance Pension Fund (Sec 80CCC)	10,000.00
Principal Repayment Of Housing Loan	15,000.00
Insurance Premium (Other Than Pension Scheme)	20,000.00
Investment In PPF	25,000.00
Investment In NSC	40,000.00
Investment In Infrastructure Bonds	30,000.00
TOTAL DEDUCTIONS SEC 80C	168,800.00
TOTAL INVESTMENTS UNDER 80C RESTRICTED TO RS. 1,50,000.00 (4)	150,000.00
TOTAL DEDUCTIONS (3) + (4)	152,400.00

NET TAXABLE INCOME [(1) - (2)] - [(3) + (4)]	3,91,200.00
TAX ON THE SAME (5)	7060.00
ADD: CESS @ 4% (6)	282.00
TAX PAYABLE FOR THE YEAR (5) + (6)	7342.00
REBATE U/S 87A (Maximum up to 12500)	-7342
TAX PAYABLE AFTER REBATE	0.00
AVG. MONTHLY INCOME TAX (Rounded up)	0.00

II. TAX BENEFIT ON HRA:

1. What are the conditions for eligibility of HRA exemption?

Below are the exemption criteria to avail HRA exemption:

- You must receive HRA as part of your salary (part of FEP declaration).
- You must be accommodated in a rented house in your working location/ travelling daily to working location.
- Rent must be borne by you and the same must be declared and uploaded in the 'IT proofs' submission form.

Note: For New tax regime HRA exemption is not applicable

2. What should I do at LTIMindtree to get tax exemption on HRA?

You have to declare HRA in FEP/ALR declaration and the rent paid details in IT proofs to get HRA exemption. In case HRA is a fixed component in your CTC, you need to declare HRA under savings declaration to avail the tax exemption.

Note: If Rent amount is more than Rs.30000/- Per Month then submission of Rental agreement is mandatory along with the rental receipts.

3. I have declared the HRA in my FEP declaration. Should I again declare the rent paid in the 'IT proofs' submission form?

Yes, the HRA amount declared in the FEP declaration is only for the payment of HRA to you on a monthly basis. The exemption of HRA is considered only when the rent paid details under IT proofs submission form is also filled. You will **not** get any HRA exemption if you do **not** declare the rent paid details under IT proofs declaration. Similarly, if you only declare rent paid in the IT proofs declaration and no HRA in FEP, you will **not** get the tax exemption on rent paid. In case HRA is a fixed component in your CTC, you don't have to declare the same under FEP/ALR.

4. HRA exemption calculation?

The least among the three conditions will be exempted.

1. HRA component received through salary (as per FEP declaration).
2. 50% of salary in case of residential accommodation taken on rent is situated in Metro Cities, Mumbai, Kolkata, Delhi, Chennai and 40% of salary in any other case.
3. Actual rent paid in excess of 10 % of Basic salary. (Rent paid – 10% of Basic)

5. What proofs do I need to submit to claim HRA exemption? What are the things to be considered while submitting the same?

- Rent receipts in **original** must be uploaded to get HRA exemption.
- Rent receipt must contain the below credentials;
- Rental amount,
- The address of the property,
- Month for which the rent is paid along with the date,
- The name and signature of the owner.
- Receipts should be of the **current financial year** only.
- Receipts should be for the period with the current employer only. Exemptions for the period **not** with the current employer cannot be considered.
- Landlord PAN is mandatory for annual rent of Rs.1lakh and above.
- Declaration will not be considered for Landlord not having PAN.

6. Do I need to submit rent receipts for all the months?

- Two rent receipts for the year are sufficient. One receipt for the first month and the other for the last month. **Example:** First receipt for April2022 and the other for December 2022. In case of people joined after April, receipt for the month of joining and Dec 2022 needs to be submitted.
- In case there is a change in rent amount or change in rented accommodation, you have to submit four rent receipts. **Example:** Suppose from August, there is a change in the rental amount or rented accommodation, you have to submit receipts for April, July, August, and December.

7. Is rent receipt mandatory?

Yes, A proof of rent paid in original is required if the rent being paid is higher than Rs. 3,000/- per month. If the rent paid is less than or equal to Rs. 3,000 per month, rent receipt is **not** mandatory; however, the Assessing Officer is free to make enquiry or request proof of payment if required for scrutiny

8. Can I submit only the rental agreement and not the rent receipt?

Rental agreement alone does **not** considered proof of payment of rent, hence **rent receipts are mandatory**.

9. Do I have to submit the rental agreement?

Submission of the rental agreement is **not** mandatory below 30,000/-. However the Assessing Officer/LTIMindtree is free to make enquiry or request proof if required for scrutiny.

Incase of rent more than Rs. 30,000/- per month, current year valid rental agreement is mandatory.

10. What happens if I declare, but do not provide any proofs for the rent paid?

If the proofs of rent are **not** submitted before the due date, the rent paid declarations will be removed and tax will be calculated and deducted accordingly.

11. I have submitted the rent receipts, but HRA exemption is not computed. What might be the reason?

HRA exemption is based on the actual HRA received by you through pay slip salary and rent paid. HRA exemption might be zero because of the following reasons.

- a. HRA is not declared under FEP declaration (for competency C3 and above) and HRA in pay slip is zero
- b. Rent paid -10% of Basic is a negative amount and hence zero exemption
- c. When rent amount per annum is more than Rs.1 lakh and PAN of the Land lord is not provided.
- d. Monthly rent crossing 8333/- PM PAN of Landlord has to be submitted.

12. Is PAN of Land Lord mandatory if annual rent paid exceeds Rs.1,00,000/-?

If monthly rent paid is more than Rs. 8,333/- per month, it is mandatory to report PAN of the landlord.

13. Can I Submit One Rent receipt, for 3 or 6 Months, or do I need to submit rent receipt for all the months separately?

Yes, you also can submit one receipt for multiple months, not mandatory to submit it separately. In this scenario the rent receipt should be covered for all the months till Dec2022/ January 2023/ February 2023.

14. Can I claim HRA, if I am paying the rent for the house in different city?

No, you cannot claim the HRA benefit for the rent paid for the house in different city if you are not staying in that house. You can claim the benefit, if you are staying in that house and travelling from there every day.

15. Do I need to submit the Annexure 1, if I am claiming the benefit for let out property?

No, you do not have to submit the annexure 1, if the house property is let out and you are claiming the benefit for the net loss (after the adjustment of rent received), you just need to fill the details in IT Proof declaration along with IT proof submission.

16. How do I Select the City for the rent paid, if I do not find the city in the drop down?

HRA Exemption allowed only for the City where LTIMindtree has locations and nearby cities from where everyday commutation to LTIMindtree offices is possible. You cannot claim HRA exemption if you are not staying in that accommodation and only your dependents have occupied the house. The City in the drop down, is only for the working Locations and nearby city to the working locations, and you need to select only the city in dropdown. If you do not find the locations in dropdown, you could select nearby city/district if the rent paid city is under that city jurisdictions. Example: If you are staying in Kengeri, you may not find this location in drop down, and you could select the city as Bangaluru.

Note : If you don't find your cities to claim HRA , please select the relevant District as applicable.

III. HOUSING LOAN BENEFITS:

1. I pay EMI towards housing loan. What are the tax benefits available?

Principal paid towards housing loan is eligible for deduction under section 80C up to the overall limit of Rs.1,50,000 mentioned in that section. Interest paid towards housing loan for purchase or construction is eligible for deduction from gross total income up to Rs.2,00,000. If the property was acquired or constructed with borrowed capital before 1st April 1999, the deduction shall be restricted to Rs. 30,000.

The principal and the interest paid only in the current financial year (Apr2022 – Mar2023) is eligible.

2. What proofs do I need to submit for claiming interest on housing loan?

A certificate from the financial institution/Bank specifying the principal and interest paid and payable for the financial year on borrowed capital is required to be submitted.

3. The house is still under construction can I claim the interest benefit.

No, you can claim the interest on housing loan only after the occupation of the house. The pre- EMI interest can be claimed in 5 equal installments from the year in which the construction is completed.

4. I have been paying interest on housing loan much before the completion of the construction of the house, how do I claim the benefit?

Self-Occupied Property:

Any interest paid before completion of construction or acquisition shall be deductible in five equal installments starting from the year in which construction or acquisition is completed. These 5 equal installments of the pre- EMI interest should be claimed along with the interest component of the EMI under section 24. The overall limit remains Rs.2 Lakhs even in this case.

Example:

Let us say you pay Rs.20,000, Rs.30,000 and Rs. 30,000/- as pre-EMI interests in years 2020-21 2021-22 and 2022-23 respectively.

Now, say you get possession in 2022-23. Then, you can claim Rs.10, 000 (A fifth - or 20% - of Rs.50, 000, which is the total pre-EMI interest paid by you) per year for 2020-21 2021-22 and 2022-23. In addition, the interest paid for the current year (Year of occupation/holding) shall be treated as normal EMI. So, the total amount which qualifies for deduction u/s 24 is 10000/- (pre-EMI interest) + Rs. 30,000/- (normal EMI interest) = 40000/-.

Let-Out/ Deemed Let-Out Property:

Any interest paid before completion of construction, acquisition shall be deductible in five equal installments starting from the financial year in which construction, or acquisition is completed. These 5 equal installments of the pre- EMI interest should be claimed along with the interest component of the EMI under section 24. There is no limit in this case.

Note: The benefit of deduction is applicable only after occupancy of the house and Pre-EMI interest (EMI paid before occupation of the house) is deductible in 5 equal installments starting from the year when the possession/occupation of the property. To claim the exemption possession certificate/letter is mandatory to submit.

Example:

Let's say you pay Rs.1, 00,000/-, Rs.2, 50,000/- and Rs.2, 50,000/- as pre-EMI interests in years 2019-20, 2020-21, 2021-22 and 2022-23m respectively.

Now, say you get possession in 2022-23. Then, you can claim Rs.1,20, 000/- (1/5 fifth of the total pre-EMI interest paid by you) from 2019-20 ,2020-21, 2021-22 and 2022-23. In addition to the pre- EMI interest, the current year Interest (Year of occupation/holding) shall be treated as normal EMI. Therefore, the total amount which qualifies for deduction u/s 24 is 120,000/-(pre-EMI interest) + 80,000/- (normal EMI interest) =not to exceed Rs 2, 00,000 in any case.

5. I am staying in a rented accommodation here and have my own house in my hometown. Can I claim HRA and interest on housing loan?

Yes, you can claim both, if the property is not let out. For claiming the tax benefit, you need to submit the self-Declaration (Annexure 1).

6. I am staying in a rented accommodation working location and have my own house in the same city, which is self-occupied. Can I claim HRA and interest on housing loan?

NO. You have to claim either HRA or interest on housing loan. You will not be able to claim both the benefit in such cases. You have to consider the House property as 'deemed to be let out'. In addition, you can claim HRA and let out property after adjusting the notional rent for the property occupied (net of Loss).

7. I am staying in a rented accommodation in my working location and have my own house in the same city which is Let-out. Can I claim HRA and interest on housing loan?

Yes, you can claim both. You can claim HRA and Let out property loss after adjusting the Rent received.

8. I am staying in a rented accommodation in my working location and also have my own house in the same city which is not rented out (Vacant). How do I claim the benefit?

If the property is in the same city and has **not** been occupied by you at all, then there is an additional burden. In respect of such a property, you will need to do the calculation of income from house property based on a notional rent (same as deemed let out property) that would have been derived if you had actually rented out the owned premises and calculate the Income (or loss) from house property accordingly.

9. I have a House Loan which is in the Joint name. Can I claim for exemption, if so what is the % of benefit we both can claim?

Yes, exemption can be claimed if the property is in joint name.

If you have taken the home loan in joint name, the tax benefit (for both principal repayment and interest paid) would be available to both of you in the proportion of repayment of loan.

As per IT rule Co-Applicant cannot claim for home loan benefit, but Co-borrower can claim and get the exemption.

The tax benefit is available in the ratio of EMIs paid – thus, if person 1 pays 40% of the EMIs, and person 2 pays 60% of the EMIs, the tax benefit would also be available in the proportion of 40% & 60%.

Note: If the House property is on joint loan and submission is done under individual Loan then the loan interest will be equally split among the Co-owners.

10. What happens if I declare, but do not provide any proofs for Housing Loan?

If the proofs of housing loan are **not** submitted before the due date, the declaration against the loan shall be removed (both principal under section 80C and interest under section 24) and tax will be calculated and deducted accordingly.

11. Can both co-owners claim IT Benefit Separately?

Yes. Both co-owners can claim IT benefits separately, as per the shareholding in the property (like 50:50 or 60:40 etc.). If shareholding is not mentioned in the purchase deed, they can execute an agreement on requisite stamp paper mentioning the share in the property and can claim IT benefits separately.

Both can claim deduction up to Rs.2,00,000 p.a. separately, towards interest paid (for self-occupied house and entire interest paid on rented-out house, after computing rental income received) and also up to Rs. 150,000 p.a., towards principal loan repaid.

12. Can Tax exemption be claimed based on Loan certificate, if the property is not in your name?

No, to avail the tax exemption, the property should be in your name/should be in Joint Name, and exemption cannot be claimed if the property is not in your name.

13. Do I require to submit the Self Declaration, if I am claiming Tax benefit for let out property?

No, not required to submit the annexure 1, if you are claiming the tax benefit for let out property with the rent received for the house.

14. Do I need to submit the declaration for House property, if the property is in Joint Name?

Yes, you need to fill the online 'IT Proofs' submission form with the percentage you are claiming the benefit, and then only the link will be enabled for updating the amount. And you will have to fill the total Amount of interest paid, exemptions will be picked based on the percentage in 'IT Proofs' submission form for the Total amount calculation.

15. Can I claim tax benefits for leased house property?

No, Tax benefit will not be given on leased accommodations.

The below mention table gives clear information on claiming interest benefit on housing loan:

1	2	3	4	5	6
Status of owned property	Location of owned property	Deduction Available for interest payable on housing loan	Annual value taken as	Other deductions available	Income / Loss from house property
Let Out Property (given out for rent)	Does not matter	Yes, up to a maximum of Rs. 2,00,000	Actual rent received less municipal taxes	30% of the annual value	$=(4) - (5) - (3)$
Deemed Let-out Property: [used for occasional self-occupation by self (also means that the property is in habitable condition) or lying vacant]	Another city, different from the city in which you work not let-out for rent	Yes, up to a maximum of Rs. 2,00,000	NIL	NIL	Always loss equivalent to lower of (3) or Rs. 2,00,000
Lying vacant and unused maybe not in habitable condition	Same city in which you work	Yes, without any limit	Notional rent (Fair rent) that you could have derived, had you rented out the property less municipal taxes	30% of annual value	$(4) - (5) - (3)$

16.What is the difference between IT declaration and IT Proof Submission?

IT declaration is a self-declaration made by the employee at the beginning time of financial year based on the planned investment, which is considered for tax calculations in payroll from April 2022 to December 2022.

The process of IT Proof submission is based on the actual proof submission of the investment made for the financial year 2022-23. Employee is required to submit the details in IT Proof submission form and upload the scan copies of the Investments made.

IV. CHAPTER VIA DEDUCTIONS:

SECTION 80 DEDUCTIONS:

1. What is the maximum amount of investment I can make to save tax under section 80C?

You can make a maximum investment of Rs.1,50,000/-. In addition, you can claim up to Rs. 50,000 towards NPS investment made for the financial year. The overall exemption limit is Rs.2,00,000/-. As per NPS rule, you need to contribute INR 6000 in a Financial year and you can do multiple installments and minimum contribution at a single time is Rs.500. Employee contribution to NPS is eligible for deduction under sec 80CCD(1b).

2. Which account is eligible for 50000 deduction Tier I or Tier II?

Your contribution to Tier I account is eligible for up to Rs. 50,000 tax deduction u/s 80CCD (1B). Tier II account does not entitle you to any tax deduction.

3. Where is my NPS money getting invested?

Your NPS contribution will get invested in Equity (E), Government Securities (G) or Corporate Debt Securities (C) either as per your choice (Active Choice) or as per your age (Auto Choice).

NPS is completely market driven. There is no guaranteed/defined return in this pension scheme. Returns get accumulated throughout its tenure and get paid as annuity or lump sum benefit on maturity.

4. What are the investments eligible under Section 80C?

a) Life Insurance Premium:

- Amount paid towards life insurance premium for self, spouse or children can also be included in Section 80C deduction.
- Please note that life insurance premium paid by you for your parents (father / mother / both) or your in-laws is **not** eligible for deduction under section 80C If you are paying premium for more than one insurance policy, all the premiums can be included along with **GST**.
- It is **not** necessary to have the insurance policy from Life Insurance Corporation (LIC) – even insurance bought from approved Insurance companies from (IRDA) can also be considered here.

- Late payment fees paid will **not** be considered as premium paid.
- Receipts should be of the current financial year only (Apr2022–Mar2023)
- In case you are paying some insurance premiums after the cut off the proofs then Annexure has to be filled along with the details in the Investment proofs submission page.

b) Mutual funds/ELSS:

- The investments made under Mutual Fund (Tax Saving) or Equity Linked Savings Scheme (ELSS) is eligible for deduction under Sec 80C.
- Not all the Mutual Funds are allowed for exemptions. Tax benefit should be mentioned under the “Object of the Offering” Column.
- Receipts/Statements/Bonds/Certificates should be of the current financial year only (Apr2022–Mar2023)

c) ULIP (Unit Linked Insurance Policies):

- The amount invested in ULIP can be included in Sec 80C deductions.
- An individual may purchase a ULIP in his own name.
- Premium paid by you for your parents (father / mother / both) or your in-laws is not eligible.
- Receipts/Statements/Bonds/Certificates should be of the current financial year only (Apr2022–Mar2023)

d) Infrastructure Bonds:

- These are issued by infrastructure companies, and **not** the government. The amount that you invest in these bonds can also be included in Sec 80C deductions. The lock-in period should be minimum ten years.
- Receipts/Statements/Bonds/Certificates should be of the current financial year only (Apr2022–Mar2023)

e) Public Provident Fund:

- If you have a PPF account, and invest in it, that amount can be included in Sec 80C deduction. The minimum and maximum allowed investments in PPF are Rs.500 and Rs.1, 50,000 per year respectively.
- Public Provident fund investment can be made only in the name of Self, Spouse & Children.
- Receipts/Statements/Bonds/Certificates should be of the current financial year only (Apr2022–Mar2023)

f) Deposit under Post Office Savings Bank (Cumulative Time Deposits):

- Time deposit for a period of 5 years with a post office is eligible for deduction under section 80C.
- Receipts/Statements/Bonds/Certificates should be of the current financial year only (Apr2022–Mar2023)

g) Central Government Savings Certificate (NSC IX issue):

- The amount that you invest in National Savings Certificate (NSC) can be included in Sec 80C deductions.
- Receipts/Statements/Bonds/Certificates should be of the current financial year only (Apr2022–Mar2023)

h) Repayment of Housing Loan Principal:

- The EMI that you pay every month to repay your home loan consists of two components – Principal and Interest.
- The principal component of the EMI qualifies for deduction under Sec 80C.
- It also includes pre-EMI principal.
- **Insurance on Housing Loan amount:** Principal amount towards insurance paid while availing the loan can be claimed under 80C.
- **Stamp Duty and Registration Charges for a home:** The amount you pay as stamp duty when you buy a house and the amount you pay for the registration of the documents of the house can be claimed as deduction under section 80C in the year of purchase of the house.
- Receipts/Statements/Bonds/Certificates should be of the current financial year only (Apr2022–Mar2023).
- Interest for purchase of Plot /Land is not allowed.

Note: If Stamp duty is in local language, then agreement copy to be submitted to avoid rejection.

i) Interest on NSC IX issue (It will also be considered as other income):

- Interest accrued during the year shall be deemed to be reinvested and qualify for deduction u/s 80C.
- The interest amount will also be considered as income and is liable for income tax.
- If you're claiming Interest on NSC as tax exemption, earnings must be calculated using the NSC Certificate with you.
- If any investment made in current Financial Year, earnings will be calculated automatically based on exemption you are claiming.

j) Children Education (Tuition) fee (Max 2 Children):

You can claim children's education expenses u/s 80C, provided:

- The expense should **not** be for more than 2 children.
- It should be for tuition fee/ term fee (and **not** for any development fees or donation or lab fee / transportation fee and any other fee of similar nature).
- Should be paid for full-time education.

k) Five-year time deposit under the Post Office Time Deposit Rules 1981:

- If the time deposit is opened for a duration of **5 years or more**, the amount invested is qualified for deduction under section 80C.
- Receipts/Statements/Bonds/Certificates should be of the current financial year only (Apr2022–Mar2023).
- Bank fixed deposits (Term Deposits) having tenure (maturity) of **five years and above** can be included under 80C investments.
- Receipts/Statements/Bonds/Certificates should be of the current financial year only (Apr2022–Mar2023).

m) Provident Fund (PF) & Voluntary Provident Fund (VPF):

- Provident fund deducted through salary will be considered for deduction under section 80C.
- VPF contribution made by you through salary is also eligible for deduction under section 80C.
- No Need to submit any proofs for PF and VPF as it is deducted through Payroll and it will be considered under section 80C for tax calculations automatically.

n) Pension Funds (Section 80CCC):

- Section 80CCC stipulates that an investment in pension funds is eligible for deduction from your income. Section 80CCC forms a part of section 80C, and the overall limit is Rs.1.5 Lakh per year.
- Policy can be in the name of individual, spouse and children.
- Late payment fees will **not** be considered as premium paid.
- Receipts/Statements/Bonds/Certificates should be of the current financial year only (Apr2022–Mar2023).

o) Sukanya Samriddhi Scheme:

A contributor to Sukanya Samriddhi Account for the girl child can be anyone among the following:

- Any of the parents of the girl child.
- Any legal guardian, in case of parents not able to contribute or parents not alive anymore. The maximum exemption amount allowed in Sukanya Samriddhi is 1.5 Lakh per annum.
- Only one person contributing to Sukanya Samriddhi account can claim tax exemptions under the scheme. That means either of the parents or legal guardian can claim tax benefits against Sukanya Samriddhi Account contributions.

p) 80CCD National Pension Scheme:

- The maximum amount of Investment allowed in National Pension Scheme is Rs. 50000(over and above Rs. 1.5 lakh **limit**).

Q) 80 EEA: Housing loan additional limit to be set for 3.5 lacs Interest PA. :

A: Details to be submitted along with proofs mandatory by Minds for claiming the additional exemption amount.

1. Date of Loan taken: The loan should be sanctioned during the period 1st April 2019 and 31st March 2022
2. Loan Value : Stamp duty value of the house property should be Rs 45 lakhs or less.
3. The individual taxpayer should not be eligible to claim deduction under the existing Section 80EE
4. Declaration on 1st House: The taxpayer should be a first-time home buyer. The taxpayer should not own any residential house property as on the date of sanction of the loan.

R) 80 EEB Purchase of Electric Vehicle: exemption up to 1.5 lacs.

A: Details to be submitted along with proofs mandatory by Minds for claiming the additional exemption amount.

1. Purchase year and Date of Loan taken: he loan must be taken from Financial Institution* and the loan must be sanctioned during the period between 01-April-2019 and 31-March-2023
2. Type of Vehicle: Electric vehicle
3. Registration Card of the Vehicle

5. Can I make investment in the name of any member of my family?

In case of life insurance, public provident fund and unit linked insurance plan, the investment can be made in your name, spouse or children. In case of all other investments, it should be made only in your name.

6. Can I make investment any time during the year?

Yes, you can make the investment any time before 31st March 2023 to avail the tax benefit. However, to claim the tax benefit at Mindtree, you have to submit the proofs to Payroll team before the cutoff date of 'IT proofs' upload process. Any investments made after the IT proof submission cutoff date can be claimed while filing the income tax returns.

7. Can I claim previous year investments in present year?

No, you cannot claim for the investments made in previous financial years. Investments made only in current financial year can be claimed.

8. How do I submit receipts, if the premium payments fall after the cutoff date of the 'IT proofs' submission?

In such cases you can submit the last year's premium paid receipts along with the Annexure 2 declaration. In case of new policy, you can submit LIC Bonds with Annexure 2.

9. What happens if I declare IT declaration, but do not make any investment / IT proofs submission?

If the proofs of savings are not submitted before the due date, the investment declarations will be removed and tax will be calculated and deducted accordingly.

10. What are benefits available under section 80D deductions?

a) 80D Medical Insurance Premium

- Medical Insurance Premium paid by an individual by any mode of payment other than cash to effect or keep in force an insurance on the health of the assessee (self) or his family (spouse & dependent children) for policies taken from General Insurance Corporation /other approved Insurance Regulatory and Development Authorities.
- Max limit Rs. 25,000/- for non-senior citizen
- Max limit Rs. 50,000/- for senior citizen.
- Receipts should be of the current financial year only (Apr2022–Mar2023)
- Any payment made on account of preventive health checkup of an employee, spouse, children & parents will be restricted to the maximum of Rs. 5000/-(with in

the overall limit of 80D).

- Cash payment is allowed only in case of preventive health checkup.
- The amount deducted through payroll in LTIMindtree under group insurance coverage will be taken for tax exemption based on deduction in payroll and not required to submit/ declare in IT Proofs.

b) 80D Medical Insurance Premium (Payment on behalf of parents)

- Medical Insurance Premium paid by an individual by any mode of payment other than cash to effect or keeps in force an insurance on the health of his/her parent or parents for policies taken from General Insurance Corporation /other approved Insurance Regulatory and Development Authorities.
Max limit Rs. 25,000/- for non-senior citizen
- Max limit Rs. 50,000/- for senior citizen
- Receipts should be of the current year only (Apr2022–Mar2023)
- The amount deducted through payroll in LTIMindtree under group insurance coverage will be taken for tax exemption based on deduction in payroll and not required to submit/ declare in IT Proofs.

c) 80DD Deduction for dependent with disability

- Deduction under this section is available to an individual who incurs any expenditure for the medical treatment, training and rehabilitation of a disabled dependent; or deposits any amount in schemes like Life Insurance Corporation for the maintenance of a disabled dependent. An annuity or a lump sum amount is paid to the dependent or to a nominee for the benefit of the dependent in the event of the death of the individual depositing the money, from the said scheme.
- A deduction of Rs. 75,000 is allowed if the disability percentage is less than 80%, if more than 80% the exemption limit is Rs.1,25,000/-.
- An individual should furnish a copy of certificate issued by the medical board constituted either by the Central government or a state government in the prescribed form (Form 10-IA).
- The term 'dependent' here refers to the spouse, children, parents and siblings of the assessee who are dependent on him for the maintenance and who themselves have not claimed a deduction for the disability in computing their total income.
- Where condition of disability requires reassessment, fresh certificate needs to be obtained after its expiry to continue claiming the deduction.
- Certificate submitted must be for a valid period.

d) 80E Repayment of Interest on Loan for Higher Education

- Interest on loan taken from Financial/Charitable Institutions for Self/Spouse/Children for pursuing Higher Education (for a max. period of 8 years starting from the first year)

- There is no limit on the interest amount.
- You can claim the tax benefit only if the loan is taken in your name for the higher education for self, spouse, children or any for a student for whom you are a legal guardian
- "Higher education" means full-time studies for any graduate or postgraduate course in engineering, medicine, management or for postgraduate course in applied sciences or pure sciences including mathematics and statistics;
- Copy of Banker certificate giving the breakup of Interest and Principal repayment for the current financial year and the date of loan sanctioned is required.
- Benefit can be claimed on Amount of interest paid in the current financial year (Apr2022–Mar2023).

e) 80U Deduction for self-disability

- It is deduction in the case of a person with disability. An individual who is suffering from a permanent disability or mental retardation as specified in the person with disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 or the National Trust for Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999
- An individual should furnish a copy of certificate issued by medical board constituted either by the Central government or a state government in the prescribed form.
- A deduction of Rs. 75,000/- is available. Where the dependent is with a severe disability, a deduction of Rs.1,25,000/- is allowed.
- Where condition of disability requires reassessment, fresh certificate to be obtained after its expiry to continue claiming the deduction.
- An employee with disability less than 80% must submit a certificate for a valid period.

11. What happens if I declare in 80D/80DD/80E/80U, but do not submit any proofs?

If the proofs are **not** submitted before the due date, the declarations will be removed and tax will be calculated and deducted accordingly.

V. PREVIOUS EMPLOYEMENT INCOME:

1. How do I account my salary from more than one employer?

- The employee is required to furnish details of the income, under the head "Salaries" due or received from the former/other employer, to the present/current employer, and also tax deducted at source, in writing and duly verified by him and by the former/other employer in [Form 12B](#).
- The present/current employer will deduct tax at source based on the aggregate amount of salary (including salary received from the former or other employer), though it is **not** shown in the form 16 of the current employer.

Form 12B alone will not be sufficient. It should be supported with previous employer's Tax computation sheet/full and final settlement slip attested/ digitally signed by previous employer.

- The Gross Total Income after Sec 10 exemption, Professional Tax Provident Fund & Income tax deducted will be accounted while computing the tax liability.
- Where the previous employer has granted Deduction's for Investments made – proofs of such investments will have to be resubmitted in LTIMindtree also.
- If document received through e mail from previous employer, a mail copy should be attached along with Full and Final IT sheet.

2. What happens if I declare previous employment income details, but do not submit any proofs?

If you do not have a sufficient document as per the guidelines please click on self-declaration, to proceed with income tax calculations for income earned in Mindtree alone. Consolidation of income and tax payment should be taken care by you while filing the tax returns.

3. I have paid the tax in my previous employment for the income earned during the previous employment period. Why is the deduction here in Mindtree again on adding the previous employment income?

As per Income Tax Act, the income and the exemption limits are for the whole year. Hence, if there is more than one employment during a year, we need to add the previous Mindtree employment income so that the tax exemption slab and the 80c deductions are considered only once and to the maximum extent allowed for the year.

Previous employer would have computed the tax considering the tax exemption slab. In Mindtree also same exemption slab would have been considered. When the previous employment income is added, the exemption slab is considered only once and then the tax is computed which result in additional tax.

For Example: A was working xyz co ltd from 1st April 2022 to 31st Aug 2022. His taxable income is Rs.2,00,000 no tax is deducted by his previous employer as he is not under the tax bracket.

Later, A joins Mindtree effective 1st Sep 2022 and his taxable salary for the 7 months (Sep 2022 to March 2023) is Rs.2, 90,000. In Mindtree taxable income is computed considering the exemption as he is not under the tax bracket.

But when we club both the income Rs.2,00,000+ Rs.2,90,000= Rs.4,90,000, considering the exemption, balance should be tax @ 5 % + 4 % cess (12,480)/-

4. What will happen, if I do not submit the previous employment details?

You may have to pay differential Tax while filing the Tax return, when you consolidate both the Form16. Since you might have got basic Tax exemption twice which is more than your eligibility (you are eligible to claim only Rs.2,50,000 for the FY).

5. Can I declare the previous employment income as per my previous employment CTC?

No, must not be. The previous employment income should be declared for actual amount received in your previous company in the Current Financial Year only (F.Y 2022-23). Hence you should declare the amount only based on the Form 16 for the FY, or IT Sheet of Final settlement (no projected income should be added).

6. Is it mandatory, to submit the previous employment income?

Yes, it is mandatory to submit previous employment income in Mindtree, and if you are not getting the require details to submit before the due date. You can click on the declaration as you will take it separately in IT Proofs link, and need not be submitting the details.

Do's and Don'ts while submitting previous employer details:

Do's:

Tax computation sheet/full and final settlement slip attested/ digitally signed by previous employer. Along with Form 12B.

- Re submission of Income tax proofs for the financial year (require to submit in Mindtree even if you have submitted in the previous organization).

Don'ts:

- Annual CTC should not be declared as previous employment Income.
- Declaration should not be made based on the Form -16 for the financial year 2022-23 or prior to this.
- Monthly tax calculation sheet received in your previous organization should not be submitted as a previous employment proof (the income tax calculated with the projection income).
- Declaration should not be made based on the monthly pay-slip received in your previous company.
- Do not submit half document. All the documents as per guidelines required to submit.

VI. INCOME FROM OTHER SOURCES:

1. How will other incomes be treated, if reported by me?

a) Income from NSC Interest:

NSC interest declared under 80C deduction will be considered as Income from interest and added to total taxable income.

NSC certificates submitted for claiming NSC interest will be considered for adding to the income.

b) Any Other Income (Unspecified):

In case any other income is reported, same needs to be supported by [Form 12C](#) and the reported income will be added to the taxable income and tax will be computed accordingly.

c) What is Other Income Column, do I have to fill the rent received amount for the let out property in Other Income?

No, you should not. 'Other income' is other than rental income received from let out property.

VII. INVESTMENT PROOF SUBMISSION

1. What are the things to be done before and after submitting the actual proofs; and to contribute towards the smooth and timely completion of our IT Proof submission process?

Before proof submission:

- Please go through the FAQ's on income tax carefully.
- Fill the details of the proofs online through People Hub.
- Scan all the documents with proper file Name (suggest to scan all the proofs in one document).
- Upload all the proofs to the IT Proofs online.
- Upload Annexure and supporting forms like 12B,12C wherever required (ensure uploading the signed document) Please ensure to submit the documents as per the requirement and the guidelines.
- Please ensure to submit the proofs in People Hub before the cutoff date.
- Please scan the documents well in advance and avoid last minute rush.
- Do not wait until the last date of the proof submission, submit it well in advance.
- Please recheck once before you click on submit button, no modification access will be provided after submission of 'IT Proof'.

Note: No option for resubmitting the proofs, once you click on the submit button. Submission should be done before the cut-off date.

After proof submission:

- After the submission of the proofs, please wait for the approval mail from Payroll India.
- Once the approval mail is received, logon to People Hub to check the status of the proofs submitted and approved.
- The proofs submitted will be accounted for tax calculation in your January salary. Once you receive your February pay slip go through the second part of the pay slip, which is the tax calculation to ensure all proofs are considered correctly.
- In case you find any discrepancy, revert immediately to your payroll team by reaching out to Global Contact Center with the Extn + 91-44408-12345/+91-44667-12345

2. What are the proofs to be submitted during actual proof submission? Provide details if the proofs should be in originals or photocopy.

EXEMPTIONS	PROOFS TO BE SUBMITTED
Sec 10 HRA Exemptions	Rent receipts in original should be submitted to get HRA exemption. Original receipt should be scanned and uploaded. In case the house rent amount is equal to or less than Rs.3000/- per month, rent receipt is not mandatory. However, the details have to be mentioned in the employees IT proof submission form (Should be declare actual rent paid amount).
Sec 24 Interest on Housing Loan	A certificate from the financial institution specifying the principal and the interest paid and payable for the FY is required to be uploaded (Provisional Certificate for the FY 2022-23). In case both HRA exemption and Housing Loan Interest benefit is claimed (if the property is in the different city where the property is not let out, self-declaration is mandatory. Fill, sign and upload Annexure 1. If property is let out, no need of submitting annexure and you need to declare the rental income. If any property is in the same city where you pay rent and not let out should be treated as deemed to be let out, and you need to declare the rental income (Notional rental income). Property should be in the LTIMindtree Minds name. (Co –Applicant for Loan cannot claim the interest benefit on House property if the property is not in their name).

Refer FAQ's on [Section 80C](#) for more details before submission of the proofs:

EXEMPTIONS	PROOFS TO BE SUBMITTED
80C Life Insurance Premium	Photocopy of all premium receipts issued by the Insurance Company, or statement from insurance company of premium paid for the FY 2022-23.
80C Mutual funds/ELSS	Photocopy of Receipts / Statement of specified funds only. For the FY 2022-23
80C ULIP (Unit Linked Insurance Policies)	Photocopy of Receipts / Statement of ULIP Account For the FY 2022-23
80C Infrastructure Bonds	Photocopy of Receipts / Bonds. For the FY 2022-23

80C Public Provident Fund	Photocopy of stamped challan / PPF passbook / online Statement of PPF Account with online summary.(in case your submitting PPF passbook then submit first page containing name, account number and the transaction page for the FY 2022-23)
80C Deposit under Post Office Savings Bank (Cumulative Time Deposits)	Photocopy of the stamped challan or Passbook with account summary. (in case your submitting Cumulative Time Deposits passbook then submit first page containing name, account number and the transaction page for the FY 2022-23)
80C Central Govt Savings Certificate (NSC IX issue)	Photocopy of Receipts / Certificates for the FY 2022-23
80C Repayment of Housing Loan Principal	Provisional certificate from the Financial Institution/Bank (Statement of account will not be accepted)
80C Interest on NSC IX issue (It will also be considered as other income).	Photocopy of all the certificates for which interest is being claimed.
80C Children Education (Tuition) fee (Max 2 Children):	Tuition fees paid supported by receipts issued by the school, college, university or educational institution (allowed only for tuition fee) for the FY 2022-23
80C Five year time deposit under the Post Office Time Deposit Rules 1981:	Copy of the Receipt/certificate issued by the Post office for the FY 2022-23
80C Bank 5 Years Fixed Deposits	Photocopy of the Receipt/certificate/bond issued by the bank for the investment done during the FY 2022-23
80C Pension Funds (Section 80CCC)	Photocopy of all premium receipts issued by the Insurance Company, or statement from insurance company of premium paid for the FY 2022.23
80C Sukanya Samruddhi Scheme	Copy of the Receipt/certificate issued by the Post office. (in case you are submitting Sukanya Samruddhi with any bank then submit first page of passbook containing name, account number and the transaction page for the FY 2022-23)
80C National pension Scheme	Copy of the Receipt/certificate issued by the NPS Security for the FY 2022-23

Note: Insurance premiums/SIP after the proof cutoff date, declaration as per [Annexure 2](#) is mandatory along with last year's premium paid receipt. If any new investment plan after the due dates will not be considered.

Refer FAQ's on [Section 80D deductions](#) for more details before submission of the proofs.

EXEMPTIONS	PROOFS TO BE SUBMITTED
80D Medical Insurance Premium	Photocopy of receipt issued by the Insurance Company for the FY 2022-23
80DD Deduction for dependent with disability	Photocopy of certificate issued by the competent medical authority in a Government Hospital, with a self-declaration, certifying amount spent on treatment, training or rehabilitation of the handicapped dependent, or receipt of the amount paid to LIC/UTI for the policy (Certificate valid only for the period mentioned in the certificate).
80E Repayment of Interest on Loan for Higher Education	Letter / certificate from the Bank / Financial Institution specifying the following: Said loan is an Educational Loan (Provisional certificate) Amount of interest paid and payable on the loan for the current FY (Apr2022–Mar2023)
80U Deduction for self-disability	Photocopy of certificate issued by the medical authority.(Please ensure the validity of the certificate before you submit Form 10 –IA) or unique disability Id card issued by government of India

Note: For payment due of existing insurance premiums after the proof cutoff date, declaration as per [Annexure 2](#) is mandatory along with last year's premium paid receipt. If any new, investment after the due dates will not be considered

VIII. ANNEXURES AND FORMS

1. What are the annexure/declarations/forms to be submitted along with income-tax proofs?

Note: In case you're not able to submit the signed copy of the Form 12BB, please E sign the PDF below is the link as how you can E sign on the PDF.

<https://helpx.adobe.com/in/reader/using/sign-pdfs.html>

Annexure 1

In case both HRA exemption and Housing Loan Interest benefit is claimed (property is not in the same city) where the property is not let out, self-declaration as per Annexure 1 is mandatory.

Annexure 2

Payment due for premiums/SIP (existing) after the proof cutoff date declaration as per Annexure 2 is mandatory along with last year's premium paid receipt. If the premium started in the current FY submit the copy of the bond in place of previous receipt.

Annexure 3 (Form 12B)

As a proof for previous employment income copy of form 16 or attested copy of the final tax computation issued by the employer along with form 12B as per annexure 3 is to be submitted. If the Final Tax computation sheet received through mail, should be attached copy of the mail along with the IT Sheet.

Annexure 4 (Form 12C)

In case of any other income is reported, same needs to be supported by Form 12C as per annexure 4 (not for rental income)

Form 12BB

To claim income tax deductions, you need to submit Form 12BB to your employer. Form 12BB is mandatory and IT Proofs will be rejected in case of non-submission.

Sample Rent Receipt

Note: Rent receipt doesn't have a specific format. It is not necessary to use the provided sample. You can make use of this sample only in case if you do not have any other rent receipts.

NSC Interest

Use NSC certificate to calculate the interest amount, which can be claimed under section 80C. Please note that the interest amount will also be considered as other income, which will be taxed.

IX. GUIDELINES FOR INVESTMENT PROOF SUBMISSION

Please find the below details of proofs that need to be submitted to claim exemptions and deductions from your taxable income. Please read through the FAQ's on Income tax for more details on proofs to be submitted. Submit the documents as per the guidelines & requirement of the payroll team.

Proofs that are not as per guidelines will not be considered & hence rejected

SEC 10 – HRA EXEMPTIONS (Note: below mentioned exemptions is applicable only for old tax regime)

Exemptions	Proofs to be submitted	Guidelines	Exemption Details
	<p>Proof of occupation of the rented house for the period when the house is occupied (Rule 2A read with Section 10(13A))</p> <p>Two representative receipts for the year. One for the first month and one for the last month. i. e one receipt for April22 and one for Dec22 (In case of Minds joined after April 22, receipt for the month of joining and latest month to be submitted)</p>	<ul style="list-style-type: none"> • Scan Copy of Original receipts only. • Receipt should be signed by and specify the name of the owner & address of the property. • Rental agreement alone does not constitute proof of payment of rent • Receipts should be of the current year only (April 2022– Mar 2023) • Receipts should be for the period with the current employer only. Exemptions for the period not with the current employer cannot be considered. • If Rent amount is more than Rs.30000/- Per Month then submission of Rental agreement is mandatory along with the rental receipts. • In case the house rent amount is equal to or less than Rs.3000/- per month, rent receipt is not mandatory. However, the details have to be mentioned in the employee proof submission form. You have to submit the proof of payment if required for scrutiny by the Assessing Officer. • In case the house rent amount is equal to or greater than Rs.8333/- per month it is mandatory to report PAN of the landlord. 	<p><u>Exemption Criteria</u></p> <ol style="list-style-type: none"> 1. Actual HRA earned for the year. 2. Rent paid minus 10% of Basic 3. 40% of Basic or 50% of Basic (in case of Metro cities) <p>Least of the above is Exempted for Tax</p>

SEC24 - LOSS ON HOUSE PROPERTY

Income/Loss	Proofs to be submitted	Guidelines	Deduction Details
Sec 24 - Interest on Housing Loan	<ul style="list-style-type: none"> Provisional certificate from the Housing Finance Company / Bank. House construction completion certificate from Banker/Builder Self-declaration by the employee in case he is availing both HRA/Housing Interest benefit without property being let out. <p>Refer Annexure -1 for the declaration format</p>	<ul style="list-style-type: none"> Calculation of loss is necessary in case of let-out properties. Interest paid in the current year only (Apr2022–Mar2023) is eligible. The benefit of deduction is applicable only after occupancy of the house and Pre-EMI interest (EMI paid before occupation of the house) is deductible in 5 equal installments starting from the year when the Construction is completed or property is acquired. The relevant proof and the calculations have to be attached. In case of jointly availed property loan, the employee to declare only the amount paid by him/her in the IT Proofs. In case of self-occupied property, employee cannot claim both HRA exemption as well as Loss from house property where the property is in the same city. In case of Let out property, it is mandatory to fill up the computation of Loss / Income Even if the own premises is left vacant- Notional Rental income has to be declared. 	<ul style="list-style-type: none"> Self-Occupied: Capped to a maximum of Rs.2,00,000 p.a Let out Property: Interest to be calculated after considering the let out property income and to be restricted up to 2lakhs.

Note: The maximum Interest that can be claimed under the Self and Let out house property will be restricted to 2 lakhs.

SECTION 80EE:

Deduction in respect of interest on loan sectioned during year 2016-17 for acquiring residential house property

Investment	Proofs required to be submitted	Guidelines
Additional Housing Loan benefit	<ul style="list-style-type: none"> Provisional certificate from the Housing Finance Company / Bank. 	<p>If the interest amount paid exceeds Rs.2,00,000/- under section 24 of the Income Tax Act. then the difference amount will be consider under section 80EE. Maximum deduction is allowed Rs. 50,000/-.</p> <p>Eligibility criteria for Claiming Deduction</p> <ul style="list-style-type: none"> Value of the house should be Rs.50 lakh or less Loan taken for the house must be Rs.35 lakh or less The loan must be sanctioned by a financial institution or a housing finance company The loan must be sanctioned between 01.04.2016 to 31.03.2017 As of the date of the sanction of the loan, No other house property must be owned by you.

SECTION 80EEA & 80EEB:

Investment	Proofs required to be submitted	Guidelines
Additional Housing Loan benefit 80EEA	<ul style="list-style-type: none"> Provisional certificate from the Housing Finance Company / Bank/ Self-declaration\ 	<p>A deduction for interest payments up to Rs 1,50,000 is available under Section 80EEA. This deduction is over and above the deduction of Rs 2 lakh for interest payments available under Section 24 of the Income Tax Act</p> <p>Eligibility criteria for Claiming Deduction</p> <ul style="list-style-type: none"> The Loan has been sanctioned between 01/04/2019 to 31/03/2022. Stamp duty value does not exceed Rs. 45lakh. As of the date of the sanction of the loan, No other house property must be owned by you.
Additional for purchase of Electric Vehicle 80EEB	Copy of the Provisional loan certificate and Self-declaration along with RC card.	<p>80EEB Exemption on Interest paid to bank for purchase of Electric Vehicle Max exemption on interest is Limit 1.5 lacs Applicable.</p> <p>Eligibility criteria for Claiming Deduction</p> <ul style="list-style-type: none"> The loan must be taken from a financial institution or a non-banking financial company for buying an electric vehicle. The loan must be sanctioned anytime during the period starting from 1st April 2019 till 31st March 2023.

SECTION 80C DEDUCTIONS

(Maximum Deduction capped to Rs.1.5 Lakhs, which includes PF & VPF deduction through salary and in addition Rs. 50,000 for NPS)

Investment	Proofs required to be submitted	Guidelines
Life Insurance Premium	<p>Scan copy of all premium receipts issued by the Insurance Company.</p> <p>Or Statement of the premium paid for the FY, issued by the Insurance company.</p>	<ul style="list-style-type: none"> • Policy from any approved company by IRDA. • Late payment fees charged will not be considered as premium • Receipts should be of the current financial year only. Apr22–Mar23 • Policy can be in the name of individual, spouse, & children. • Annexure for payment due is allowed only for existing policy (previous year receipt for the payment due is also required along with annexure).
Mutual Funds / ELSS	Scan copy of Receipts / Statement – tax Specified funds only.	<ul style="list-style-type: none"> • Scanned copy of Receipts / Statements / Bonds / Certificates should be of the current year only (Apr22–Mar23) • Annexure for the payment due is allowed only for the existing ELSS. • Mutual Fund investment is only based on the actual investment for the FY.

ULIP	<ul style="list-style-type: none"> Scan copy of Receipts / Statement 	<ul style="list-style-type: none"> ULIP can be in the name of individual Receipts / Statements / Bonds / Certificates should be of the current year only (Apr22–Mar23). Annexure for payment due is allowed only for existing policy (previous year receipt for the payment due is also required along with annexure).
Infrastructure Bonds	<ul style="list-style-type: none"> Scan copy of Receipts / Bond 	<ul style="list-style-type: none"> Receipts / Statements / Bonds / Certificates should be of the current year only (Apr22–Mar23).
PPF	<ul style="list-style-type: none"> Scan copy of stamped challan or PPF passbook and account summary 	<ul style="list-style-type: none"> Provident fund can be only in the name of individual/guardian of a minor child. Receipts / Statements / Bonds / Certificates should be of the current year only (Apr22–Mar23) Passbook along with first page containing name, account number and transaction period of financial year can also be submitted.

NSC	<ul style="list-style-type: none"> Scan copy of Receipts / Certificates 	<ul style="list-style-type: none"> Receipts / Statements / Bonds / Certificates should be of the current year only (Apr22–Mar23)
Sukanya Samriddhi Scheme	<ul style="list-style-type: none"> Scan copy of Receipts / pass book with account summary 	<ul style="list-style-type: none"> Receipts / Statements / Bonds / Certificates should be of the current year only (Apr22–Mar23) Passbook along with first page containing name, account number and transaction period of financial year can also be submitted
National pension Scheme	<ul style="list-style-type: none"> Scan copy of Receipts / pass book with account summary 	<ul style="list-style-type: none"> Receipts / Statements / Bonds / Certificates should be of the current year only (Apr22–Mar23)
Housing Principal/ Registration/ Stamp Duty / Insurance	<ul style="list-style-type: none"> Scan copy Provisional Certificate from the Financial Institution/Bank Scan copy of Sale deed, Stamp Duty and Registration Charges Paid Receipt. 	<ul style="list-style-type: none"> Provisional Certificate should be of the current Financial Year (Apr22–Mar23) Sale Deed / Stamp Duty Should be of the current Financial (Apr22–Mar23) (For registration and Stamp duty paid). The property should be owned by the mind or should be in joint name. Bank statement alone is not allowed as valid document.

NSC Interest	<ul style="list-style-type: none"> • Scan copy of all the certificates for which interest is being claimed • Calculation of Interest 	<ul style="list-style-type: none"> • Use NSC certificate to calculate the interest amount. • NSC interest declared will also be accounted as “Other Income” and taxed.
Children Education fees	Scan copy Tuition fees paid supported by receipts issued by the school, college, university or educational institution.	<ul style="list-style-type: none"> • Only amount mentioned as ‘Tuition Fee’ or ‘Term Fee’ in the fee receipt will be considered for deduction. • Receipts should be of the current year only (Apr22–Mar23) • Donations, Capitation fees etc are not allowed.
Five Year Time Deposit Scheme in Post Office	Scan copy of the Receipt/certificate issued by the Post office	<ul style="list-style-type: none"> • Time deposit for a period of 5 years with a post office is eligible for deduction. • Recurring deposit is not allowed.
Fixed Deposit in a Scheduled Bank	Scan copy of the Receipt/certificate issued by the scheduled bank	<ul style="list-style-type: none"> • Term deposits for a minimum period of 5 years with a scheduled bank are eligible for deduction.
80CCC (Pension Policy)	Scan copy of receipt issued by the Insurance Company	<ul style="list-style-type: none"> • Policy from any approved company by IRDA. • Late payment fees will not be considered as premium paid. • Receipts should be of the current year only (Apr22–Mar23) • Policy can be in the name of individual, spouse and children
<p>For LIC premiums/ULIP/ELSS falling due for the FY after the Proof Cutoff Date, declaration as per Annexure 2 along with previous year receipt to be submitted with IT Proofs, to avail the benefit. If the investment started in the current FY, copy of the bond should be attached in place of previous year receipt.</p>		

SECTION 80D DEDUCTIONS

Deductions	Proofs to be submitted	Guidelines	Maximum Deduction Allowed
80D Medical Insurance Premium	Scan copy of receipt issued by the Insurance Company	<ul style="list-style-type: none"> Receipts should be for the current year only (Apr22–Mar23) Policy can be in the name of individual, spouse, children or dependent parents. 	<p>Limited to: <input type="checkbox"/> Rs.25000- In case of Individual, Spouse & Children below 60 Years</p> <p>Additional benefit of Rs.25000 in case of parents below 60 years and Rs.50,000 in case of parents above 60 years(Senior citizens)</p>
80DD- Maintenance /Medical treatment of Handicapped dependents	Scan copy of certificate issued by the competent medical authority in a Government Hospital, with a self- declaration, certifying amount spent on treatment, training or rehabilitation of the handicapped dependent.	<p>Where condition of disability requires reassessment, a fresh certificate to be obtained after its expiry to continue claiming the deduction.</p> <p>Prescribed Format for 10 IA form is available in the IT proof submission Page.or unique disability Id card issued by government of India</p>	<p>Limited to:</p> <ol style="list-style-type: none"> Rs.75000(<=80%disability) Rs.1,25,000(>80%disability)
80E– Interest on Loan for Higher Education	<p>Scan copy Letter / certificate from the Bank / Financial Institution specifying the following:</p> <ul style="list-style-type: none"> Said loan is an Educational Loan. Amount of interest paid on the loan in the current year (Apr22–Mar23) 	<ul style="list-style-type: none"> Interest paid for the first 8 years on loans taken for Higher Education. Eligible only if loan is availed by the employee to support higher studies of self/spouse/children for pursuing his / her higher education. Loans availed only from FI / Bank only is eligible. No Limit Interest paid in the current year only (Apr22–Mar23) 	<p>No capping of maximum limit – Actual interest paid by the employee is allowed as deduction.</p>

80U-Ded for Self-disability	Scan copy of certificate issued by the medical authority.	Where condition of disability requires reassessment, fresh certificate to be obtained after its expiry to continue claiming the deduction (Prescribed Format for 10 IA form is available in the IT proof submission Page) or unique disability Id card issued by government of India	1. Limited to Rs.75000 ($\leq 80\%$ disability), 2. Rs.1,25,000 ($> 80\%$ disability)
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PREVIOUS EMPLOYMENT DETAILS:

	Proofs to be submitted	Guidelines
Previous Employment Income / Tax	Tax computation sheet/Full and Final settlement slip attested/ digitally signed by previous employer along with a declaration in Form 12B. Refer Annexure 3 –Form 12B	<ul style="list-style-type: none"> Only Form 12B submitted will not be considered. The Income after Sec 10 exemption, Professional Tax / Provident Fund Income tax deducted will be accounted for while computing the tax liability. Where the previous employer has granted Deduction's for Investments made Proofs of such investments will have to be re-submitted now. If the Final IT Sheet received through email, copy of the email should be attached. The full and final settlement has to be for the FY 2022-23

INCOME FROM OTHER SOURCES:

Income from NSC Interest	NSC interest declared under 80C deduction will be considered as Income from interest and added to total taxable income.	NSC certificates submitted for claiming NSC interest will be considered for adding the income
Other Income (Unspecified)	To report any other income, submit Form 12C . Refer Annexure 4 –Form 12C	In case any other income is reported, same needs to be supported by form 12C and the reported income will be added to the taxable income and tax will be computed accordingly

-----Thank you-----