

**TAX**

☐  
☐  
☐

---

---

---

# GUIDELINES FOR INCOME **TAX DECLARATION & PROOF**

© Speridian | All Rights Reserved.

This document may contain confidential and proprietary information belonging to Speridian. No part of this document may be disclosed to others or reproduced in any form or by any means, without permission in writing from Speridian.

When selecting the IT declaration & Proof in Zoho Payroll, there are several important points to keep in mind:

## 1. Selection of Tax Regime

- You can choose your preferred tax regime (old regime/new regimes) based on your tax liability after exemptions/deduction. Employees can also compare their tax in Zoho IT declaration part.
- If employees are not opting, by default, the new tax regime will be selected for all employees.
- Once you select the regime it cannot be changed for the entire FY.

## 2. Investment Declaration Window

- Employee can only submit the investment related Declarations through investment declaration window enabled by employer.
- Please note that, Employees who are opting New Tax regime are not eligible for any deduction as per IT Act, 1961.
- You will receive an email and a notification in the Home tab inside the self-service portal
- Declare Genuine Investments: Only declare investments that you actually plan to make or have already made. Avoid inflating figures as this can lead to complications during the proof submission phase.
- Provide Accurate Details: Ensure all details provided are correct and supported by valid documentation in each eligible deduction.
- Avoid Over-Declaration: Over-declaring can lead to discrepancies and potential penalties during audits.

## 3. Proof of Investments

- You must submit proofs for the investments declared during the proof validation phase. For that portal will be opened from Dec 1 st to Jan 15.
- If the documents submitted are not correct/ineligible it will be rejected by the employer and resubmission is not possible. You can submit the corrected documents when you file your **ITR. NO RECALCULATION** is entertained.
- It is advised to attach the multiple documents in a single file for each deduction
- Ensure that, all necessary documents are available before submission to the portal.

## 4. Guidelines for Investment declaration and Proof Submission for each Deduction

Some of the commonly used deduction and manner submission are described below:

### a. House Rent Details:

- Provide rental period (receipt up to the period of Submission)
- Monthly rent amount, address, metro/non-metro status
- Landlord's PAN if annual rent exceeds ₹1,00,000 p.a.
- Rental amount should be a Standard rate according to geographical status.
- Revenue stamp should be affixed in proof (if paid through cash exceeding Rs.5,000)

### b. Home Loan Details (u/s 24b of IT Act, 1961)

- Employee should produce Home Loan Principal & Interest Payment Certificate from Lender which has to be mention the Actual & projected principal and interest amount.
- In respect acquisition or construction of self-occupied residential house property shall be allowed as deduction up to Rs. 2 lakhs. The deduction shall be allowed if capital is borrowed on or after 01-04-1999 and acquisition or construction of house property is completed within 5 years
- In respect of reconstruction, repairs or renewals of a self-occupied residential house property shall be allowed as deduction up to Rs. 30,000.
- Lender's name, and PAN should be mentioned.
- **If loan taken by jointly by the employee and any other person), then only half of the eligible amount is considered for deduction.**
- Let Out Property Details: Annual rent amount, municipal taxes paid, net annual value, standard deduction, and net income/loss.

### c. 80C Investments

- Eg: PF, Tax Savings FD, Sukanya Samriddhi, ELSS Mutual Fund, LIC, NPS, Principal Repayment on Home Loan, Tuition Fees etc,
- Employee should submit the soft copies for original document related this deduction in a single file.
- The Maximum investment limit under section 80C is ₹1,50,000.

- 80 CCD 1(B) – Contribution to NPS additional deduction of Rs.50000 over and above 80 C

#### d. 80 D

- There are Six Options are there and choose the appropriate
- Medi Claim Policy for Self, Spouse, Children** – All the category are below 60 yrs.
- Medi Claim Policy for Self, Spouse, Children for senior citizen** – If anyone are above 60 years (Not Parents)
- Medi Claim Policy for parents** – Parents are below 60 Yrs
- Medi Claim Policy for parents for senior citizen** – Parents above 60 yrs
- Preventive Health Checkup** – Max Rs.5000
- Medical Bills for Self, Spouse, Children for senior citizen** – If Anyone is Senior citizens (resident aged 60 years or above, not parents) who do not have any health insurance can claim a deduction up to Rs 50,000 on the medical expenses incurred. Eg: 1 senior citizen have insurance and another not then maximum deduction is only Rs.50,000
- Medical Bills for parents for senior citizen** – If Parents are Senior citizens (resident aged 60 years or above) who do not have any health insurance can claim a deduction up to Rs 50,000 on the medical expenses incurred. Eg: 1 senior citizen have insurance and another not then maximum deduction is only Rs.50,000

Policy for	Deduction for self & family	Deduction for parents	Preventive Health check-up	Maximum Deduction
Self & Family <b>(below 60 years)</b>	25000	-	5000	25000
Self & Family + Parents <b>(all of them below 60 years)</b>	25,000	25,000	5000	50000
Self & Family <b>(below 60 years)</b> + Parents <b>(above 60 years)</b>	25000	50000	5000	75000
Self & Family + Parents <b>(above 60 years)</b>	50000	50000	5000	100000

\*Please note that 'family' under this section includes only the spouse and

dependent children

#### e. 80 G Donation

- Employee should submit the donation related documents with bank statement for verification.
- Eligible deduction as per IT Act, 1961 only considered otherwise it will be rejected

## 5. Submission Time Line

- Employees can declare their proposed investments through the IT declaration at the beginning of the financial year or when they join the company.
- For Existing Employees, the portal will be opened till April 25th.
- All the Employees should select the regime and Declaration within this time line
- **No more extensions or back-end additions will be allowed for any of the employees.**

## 6. Editing Declarations

- You can edit the investments declared if the IT declaration window is still open.
- Make changes or updates under each investment category and save your declaration.

## 7. Submission of Proof

- Employees can submit the proof of declared investments through portal from Dec 1st to Jan 15th.
- The eligible proof will be approved by the Tax Return Team. Ineligible proof will be rejected and resubmission is not possible.
- You can submit the corrected documents when you file your ITR. No recalculation is entertained.
- **No more extensions or back-end additions will be allowed for any of the employees.**

## 8. Monthly Tax Calculation

- Zoho Payroll calculates the net taxable income based on the declared investments and deducts the correct amount of taxes each month starting from April Payroll.
- From February month onwards, the Tax will be recalculated based on your proof submission. If you not submitted/ineligible proof submission may result in higher tax deductions.

## 9. Compliance

- Ensure all declarations are accurate and comply with statutory requirements to avoid penalties.
- Missing the deadline could lead to may result in higher tax deductions and forfeiting possible tax refund
- The documents submitted must be genuine, as submitting fake documents can result in severe penalties from the Income Tax Department. Hence the employee is solely responsible for the authenticity of the proof document they upload.

### Guidelines for Newly joined employees

1. Ensure your PAN is not in Inoperative status at the time of joining.
2. Submit Form 12 BB /IT Computation sheet from previous employer and update the same in Employee Portal as well as Email to [taxreturns@speridian.com](mailto:taxreturns@speridian.com)
3. Please ensure Duplication of deduction was not happened at the time updation, ie., one deduction reported in previous employer as well as present employer)
4. The Portal will open from joining date to 2-5 days and within the time frame you need to update in the portal and no more extensions or back-end additions will be allowed for any of the employees.

**If any kind assistance please feel free to Email to [taxreturns@speridian.com](mailto:taxreturns@speridian.com)**