# Tax Calculation Example

## Example 1

### Input

Income Details:  
- Salary: ₹9,00,000  
- Exempt Allowances: ₹50,000  
- Interest Income: ₹20,000  
- Rental Income: ₹1,50,000  
- Other Income: ₹10,000  
  
Deductions (Old Regime):  
- 80C: ₹1,50,000  
- 80D: ₹25,000  
- 80TTA: ₹5,000  
- 80G: ₹10,000  
- 80CCD: ₹50,000

### Step-by-Step Calculation

#### 1. Total Income Calculation

Total Income = Salary + Exempt Allowances + Interest Income + Rental Income + Other Income  
= ₹9,00,000 + ₹50,000 + ₹20,000 + ₹1,50,000 + ₹10,000  
= ₹11,30,000

#### 2. Old Regime: Exemptions and Deductions

Deductions:  
- Standard Deduction: ₹50,000  
- 80C: ₹1,50,000  
- 80D: ₹25,000  
- 80TTA (Max ₹10,000): ₹5,000  
- 80G: ₹10,000  
- 80CCD: ₹50,000  
  
Total Deductions = ₹2,90,000  
  
Taxable Income (Old Regime) = Total Income - Total Deductions  
= ₹11,30,000 - ₹2,90,000  
= ₹8,40,000

#### 3. Old Regime Tax Calculation

Taxable Income = ₹8,40,000  
- First ₹3,00,000: Exempt  
- Next ₹2,00,000 (₹3,00,001 to ₹5,00,000): @5% = ₹10,000  
- Next ₹3,40,000 (₹5,00,001 to ₹8,40,000): @20% = ₹68,000  
  
Total Tax (Old Regime) = ₹10,000 + ₹68,000 = ₹78,000

#### 4. New Regime Tax Calculation

Taxable Income = ₹11,30,000 (No deductions allowed)  
Tax Calculation:  
- First ₹3,00,000: Exempt  
- Next ₹3,00,000 (₹3,00,001 to ₹6,00,000): @5% = ₹15,000  
- Next ₹3,00,000 (₹6,00,001 to ₹9,00,000): @10% = ₹30,000  
- Next ₹2,30,000 (₹9,00,001 to ₹11,30,000): @15% = ₹34,500  
  
Total Tax (New Regime) = ₹15,000 + ₹30,000 + ₹34,500 = ₹79,500

### Summary

- Old Regime Tax: ₹78,000  
- New Regime Tax: ₹79,500  
- Recommendation: Old Regime is better.