

KRGB CONSULTING LLP



About us

We at KRGB are committed building a better working world by providing complete financial solutions. We want to build a better working world through our own actions and by engaging with like-minded organizations and individuals. This is our purpose and this is why we exist as an organization. We are here to serve a number of different stakeholders who count on us to deliver quality and excellence in everything we do.

With a global approach to service delivery, we responds to clients' complex business challenges with a broad range of services across industry sectors and national boundaries. We provide professional and expertise advices to help you retain the confidence of investors, manage your risk, strengthen your controls and achieve your potential.

Deductions

- Basic Rule
- The aggregate amount of deductions under sections 80C to 80U cannot exceed the Gross Total Income

Contribution to Pension Fund u/s 80CCC

- The following conditions are to be satisfied.
- a) Tax Payer is an individual
- b) He should have deposited a sum under annuity plan of Insurance Co during the previous year.
- c) The amount should be paid of the income chargeable to tax.
- d) Maximum Investment is Rs 1,00,000

SECTION 80C DEDUCTION

- **Persons Covered : Individual / HUF**
- **Extent of Deduction** 100% of the amount invested or Rs. 1,00,000/- whichever is less. However, as per Section 80CCE, the total deduction the assessee can claim u/s. 80C, 80CCC and 80CCD shall be restricted in aggregate to Rs. 1,00,000/-.

Eligible Amount u/s 80C

- Any sums paid or deposited by the assessee —
- 1. As **Life Insurance premium** to effect or keep in force insurance on life of
 - (a) self, spouse and any child in case of individual and (b) any member, in case of HUF.Insurance premium should not exceed 20% of the actual capital sum assured.
- 2. To effect or keep in force a Non Commutable **deferred annuity** contract on life of self, spouse and any child in case of individual

Eligible Amount u/s 80C



- 3. By way of **deduction from salary payable by or on behalf of the Government** to any individual for the purpose of securing to him a **deferred annuity** or making provision for his spouse or children.
- The sum so deducted does not exceed $\frac{1}{5}$ th of the salary.
- 4. As contribution (not being repayment of loan) by an individual to **Statutory Provident Fund**

Eligible Amount u/s 80C

- 5.As contribution to **PPF** scheme, 1968 in the name of self, spouse & any child in case of individual and any member in case of HUF.
- 6.As contribution by an employee to a **recognized provident fund**.
- 7.As contribution by an employee to an **approved superannuation fund**.

Eligible Amount u/s 80C

- 8.Subscription to **the NSC (VIII issue)**.
- 9.As a contribution to Unit-linked Insurance Plan (ULIP) of UTI or LIC Mutual Fund (Dhanraksha plan) in the name of self, spouse and child in case of individual and any member in case of HUF.
- 10.To effect or to keep in force a contract for such **annuity plan** of the LIC (i.e. Jeevan Dhara, Jeevan Akshay and their upgradations) or any other insurer
- 11.As subscription to **any units of any Mutual Fund** notified u/s 10(23D) (**Equity Linked Saving Schemes**).

Eligible Amount u/s 80C



- 12. As a contribution by an individual to any **pension fund** set up by any Mutual Fund notified u/s 10(23D).
- 13. As subscription to any such deposit scheme of **National Housing Bank (NHB)**, or as a contribution to any such pension fund set up by NHB as notified by Central Government

Eligible Amount u/s 80C

- 14. As subscription to **notified deposit schemes** of (a) Public sector company providing long term finance for purchase/construction of residential houses in India or (b) any authority constituted in India for the purposes of housing or planning, development or improvement of cities, towns and villages.

Eligible Amount u/s 80C

- 15. As **tuition fees** (excluding any payment towards any development fees or donation or payment of similar nature), to any university, college, school or other educational institution situated within India for the purpose of full-time education of any two children of children of Individuals
- 16. Towards the cost of **purchase or construction of a residential house property** (including the repayment of loans taken from Government, Bank, LIC, NHB, assessee's employer etc., and also the stamp duty, registration fees and other expenses for transfer of such house property to the assessee)

Eligible Amount u/s 80C

- 17. As subscription to **equity shares or debentures** forming part of any eligible issue of capital of public company or any public financial institution **approved by Board.**
- **18 Bank Fixed Deposit with 5 Years Lock in Period**
- **19 Subscription to Notified Bonds of NABARD**
- **20 Deposit with Senior Citizen Saving Scheme**
- **21 Sukanya Samriddhi Account Deposit Scheme**
- **21 Time Deposit with Post Office of 5 Years**

Contribution to Pension Fund u/s 80CCC

- The following conditions are to be satisfied.
- a) Tax Payer is an individual
- b) He should have deposited a sum under annuity plan of Insurance Co during the previous year.
- c) The amount should be paid of the income chargeable to tax.
- d) Maximum Investment is Rs 1,50,000

Medical Insurance Premium u/s 80D

- Following conditions are to be satisfied
- a) Tax payer is an individual or HUF
- b) Medical Insurance premium is to be paid to Insurance Co
- c) Premium is to be paid by cheque
- d) It is paid out of Income chargeable to tax.

Medical Insurance Premium u/s 80D

Mediclaime Policy is to be taken on Health of following person :

- Individual : on the health of taxpayer, spouse or dependent parents or children of taxpayer.
- HUF : on the health of any member of the taxpayer.

Medical Insurance Premium u/s 80D

- Deduction:
- Insurance Premium paid or Rs 15,000 whichever is less.
- The above limit is increased to Rs 20,000 in case any assessee, his spouse or member of family (in case of HUF) is 65 years of age.
- Additional Limit of Rs 15,000 for parents
- (Rs 20,000 for parents who are senior citizens)

Maintenance or Medical Treatment of Handicap dependent u/s 80DD



- The following conditions should be satisfied.
- a) Tax payer is a resident individual
- b) Tax payer has incurred an expenditure for medical treatment of a dependent

OR

Tax payer has paid under a scheme of Insurance Co for maintenance of dependent person with disability

Deduction

- Fixed Deduction of Rs 50,000 is allowed.
- A higher deduction of Rs 1,00,000 shall be allowed, where such dependent is a person with severe disability having any disability over 80%.

Deduction for Medical Treatment u/s 80DDB

- Following conditions has to be satisfied
- a) Taxpayer is resident Individual or HUF
- b) Taxpayer has actually incurred expenditure for the medical treatment of a specified disease or ailment as prescribed by the Board.
- c) The expenditure is actually incurred for medical treatment of the assessee himself or dependent spouse, parents, childrens, brothers & sisters.
- d) The assessee shall have to submit a certificate in the prescribed form

Amount of Deduction

- Rs 40,000 or the expenditure actually incurred, whichever is less.
- In case, where the expenditure is actually incurred for medical treatment of the assessee himself or dependent spouse, parents, childrens, brothers & sisters who is 65 years of age or more then limit is increased to Rs 60.000

Interest on Loan for higher Education u/s 80E

- Following conditions is to be satisfied.
 - a) The assessee is an individual.
 - b) He had taken a loan from any financial institution or approved charitable institution
 - c) The Loan was taken for the purpose of pursuing his higher education- i.e Full time course or of his children
 - d) Amount is paid by the individual during the previous year by way of payment of interest on such loan
 - e) Such amount is paid out of his income chargeable to tax

Amount of Deduction

- Amount paid during the year by way of repayment of interest thereon
- The deduction is available for a maximum period of 8 years or till the loan is repaid whichever is earlier

Donation to certain funds, institution u/s 80G



- Deduction is available to any Taxpayer
- Conditions:
 - a) Donation should not be in kind
 - b) Donation should be Rs 250 or more
 - c) Donation should be made to specified funds or institution

Donations u/s 80G



- Donation to Certain Funds or institution can be given without any restrictions.
- Other Donations are eligible for deduction subject to limit of
- 10 % of Gross Total Income Less
- Long Term Capital Gains & other Deduction

Amount of Deduction

- 100 % Deduction in some cases
- 50 % Deduction in other cases



Rent Paid u/s 80GG

- Following conditions is to be satisfied
- a) Tax payer is an individual
- b) Tax payer is a self employed person or salaried person who is not receipt of HRA
- c) Tax payer/spouse/minor child does not own a residential accommodation at a place of employment or business

Amount of Deduction

- Amount deductible is Least of the following:
- a) Rs 2000 per month
- b) 25 % of the Total Income
- c) Rent Paid Less 10 % of the Total Income.
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Donations for scientific research or rural development u/s 80GGA



- Deduction is available to Any Assessee
- Donations for Scientific Research or Rural Development or Conservation of Natural Resources or to National Urban Poverty Eradication Fund
- Assessee should not have income under the Head “ Profits and Gains of Business or Profession.

SECTION 80U DEDUCTION IN CASE OF A PERSON WITH DISABILITY



- **Persons Covered** Individual resident in India.
- **Eligible Amount** Flat deduction to a person with disability.
- **Extent of Deduction**
 - (a)Rs. 50,000/- in case of normal disability or
 - (b) Rs. 1,00,000/- in case of severe disability.

Thanks

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