

Payroll FAQ FOR FORM B/ C

01.01.2025

For Larsen & Toubro Limited Group of companies



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1. Queries regarding New tax Regime :

1.1. What is the new tax regime introduced in FY 2020-21?

The Budget 2020 introduces a new regime under section 115BAC giving an option to individuals and HUF taxpayers to pay income tax at lower rates. The new system is applicable for income earned from 1 April 2023 (FY 2024-25), which relates to AY 2025-26.

The new tax regime is now the default tax regime for FY 2024-25. The government has taken key measures to make the new tax regime more attractive. However, taxpayers have an option to choose the old tax regime.

1.2. What are the tax rates under the new regime?

The tax rates under the new tax regime and the existing tax regime are:

Old Income Tax Regime		New Income Tax Regime	
Total income (Rs.)	Tax Rate	Total income	Tax Rate
0-250000	Nil	0-300000	Nil
250001 -500000	5%	300001 -700000	5%
500001 - 1000000	20%	700001 - 1000000	10%
More Than 1000000	30%	1000001 - 1200000	15%
-	-	1200001 - 1500000	20%
-	-	More Than 1500000	30%

1.3. Exemptions and deductions not claimable under the new tax regime

The following are the deductions and exemptions you cannot claim under the new tax system:

1. The Professional tax and entertainment allowance on salaries
2. Leave Travel Allowance (LTA)
3. House Rent Allowance (HRA)
4. Minor child income allowance
5. Helper allowance
6. Children's education allowance
7. Other special allowances [Section 10(14)]
8. Interest on housing loan on the self-occupied property or vacant property (Section 24)

9. Chapter VI-A deduction (80C,80D, 80E and so on) (Except Section 80CCD(2) and 80JJAA)
10. Without exemption or deduction for any other perquisites or allowances
11. Deduction from family pension income

1.4. What are the exemptions and deductions available under the new regime?

You can claim tax exemption for:

1. Transport allowances in case of a specially abled person.
2. Conveyance allowance received to meet the conveyance expenditure incurred as part of the employment.
3. Any compensation received to meet the cost of travel on tour or transfer.
4. Daily allowance received to meet the ordinary regular charges or expenditure you incur on account of absence from his regular place of duty.

2. General Queries regarding deductions under Chapter VI A

2.1 What is maximum limit of deduction that can be shown under section 80C, 80CCC, 80CCD, 80CCE & CHAPTER VI-A ?

- a. Deduction U/s 80C , 80CCC, 80CCD is maximum restricted to Rs 1,50,000/-
- b. Deduction such as 80D, 80DD, 80DDB, 80E, 80U is also available under CHAPTER VI-A, Maximum limit is as specified by the income tax department.

2.2 I had invested Rs. 20,000/- in Infrastructure Bond & I wish to enter the same in Form B. Please give advice ?

Exemption “**US 80CCF-INFRA BOND**” does not exist.

2.3 This is regarding the tax claim of the handicapped dependent (Relation: Father/ Mother) Can you please let me know will I be able to claim for tax under CHAPTER – VI A ?

Yes, you can claim, it will come under 80DD under chapter VI-A(80DD - Medical Treatment for Handicapped Dependent). Deduction on medical treatment and

maintenance of handicapped dependent up to Rs. 75,000 for disability below 80% and Rs. 1,25,000 for disability above 80% is allowed.

2.4 I am unable to make an entry under section 80 G as there is no option to declare the same?

As per Income Tax guidelines employer is not allowed to provide exemption for 80G-donations. We consider only those donations which are deducted through L&T. Apart from these any donations made by you can be claimed separately while filing your personal Income Tax returns.

3. Queries in respect of Allowances paid through Salary

3.1 Even after submitting Medical bills, medical exemption is not considered for tax?

Medical Exemption is disallowed from FY 2018-19. Hence Not required to submit Medical Bills

3.2 In pay slip medical allowance is paid, and included in perks in gross taxable income?

As Medical Allowance is Disallowed. Payment towards Medical Bills or Medical Allowance will be considered as taxable perks.

3.3 I have not received conveyance allowance exemption in my IT sheet?

If employee has not opted conveyance allowance in flexi declaration or if he is not getting conveyance allowance through salary.

3.4 In my IT sheet conveyance allowance exemption is not showing but my conveyance allowance for whole year is included in taxable income?

Exemption on conveyance allowance is disallowed and same is included under standard deduction of [Rs.50000](#). However it is included in taxable income correctly.

3.5 Why Telephone perks are added in my IT sheet so late?

Till the time of Form C the Telephone allowance is not considered for taxable earnings & we exempt it considering that the bills will be provided by you in February & March. You need to submit necessary bills to the approver and get it approved in Form C; if this is not done then perks will be charged accordingly.

3.6 In my Form B Telephone allowance is not considered for exemption. Request you to consider the same for exemption?

The updated value in Form B for Telephone is taken into consideration & therefore they will not appear in your IT computation under any exemption head. As they are exempted they will not form a part of your earning also.

3.7 I am getting Education allowance in my salary, but I am not getting Education allowance exemption?

The Education allowance exemption is given up to the limit of 2 children Rs 100/- per child. If the employee is getting Education allowance through salary, then he need to update the No. of Child in Form B/ C to get exemption against it and accordingly the exemption will be provided.

4 Queries regarding updation of Form B / C

4.1 I am trying to save Form B/C after updating all my investments details but I am unable to do so?

While updating the details in the Form B / C please do not enter amount in fraction, amount should be round off. Also avoid using any special characters in Form B like #, @%! .

While saving data in Form B/ C, please save details one by one. For E.g. if you have updated rent details in **Form B then first** save this and then update other details and repeat the process. You cannot keep open this page for a longer time, it will log off and your data will not be saved successfully.

4.2 In my Pay slip I am not able to view all my investments details which I have updated in Form B/C ?

In Pay slip you will be able to see only the total figure of your all investments and not all the details of it. For viewing all the details kindly refer the IT computation sheet.

4.3 I am unable to update my current financial year's investment details in the Form B, Portal is showing old data/ my past financial year investment ?

In Form B if you are getting details for previous financial year, you have to edit those details with revised payment date and amount. And save the Form B /C

Also if any previous data has to be removed, then kindly replace it with zero and avoid keeping it blank.

4.4 Problem in opening of Form B/C detail filling of different investment category?

Keep saving single details in Form B/C to avoid any problem later, even if it logs out after certain time you can reopen the Form & enter other details at least the last data will be saved .

4.5 I am not able to view the Form B/C fully . I mean the initial screen of Form B is not scrolling down hence not able to put the full details and save it ?

Kindly go to the Form B there is a scroll on the outer right hand side but within the screen, scroll on the outer side to view the complete Form B/C.

4.6 My Income is not coming under any tax slab, so is it necessary to update Form B/C?

It's up to you whether you want to show the details in Form B/C, if the taxable income is below the tax slabs. Anyways there is no harm in showing the details even if it is not applicable to you.

4.7 I have updated Form B/C in the system, but you have not given effect in this month salary and accordingly tax is deducted more?

If You have updated any details in Form B/C after salary processing, so it will reflected I coming months IT sheet and pay slip.

5 Queries regarding Housing Loan repayment & Housing Loan Interest

5.1 Cannot find any option to enter my home loan interest value that will be considered for deductions in the Form B/C?

You can fill interest amount under the head of **Income (+)/Loss (-) from house property** and the principal amount can be filled under 80C in Repayment of Housing loan (principal).

5.2 I have purchased a house in this financial year which is under construction. I have paid stamp duty & registration fees. Can I claim this amount under deduction to compute my taxable salary?

Stamp duty & Registration fees can be claimed by you under **Section 80C → REPAY OF HOUSING LOAN (PRINCIPLE)**

You can also claim your Pre EMI, but only after getting possession of your house, you can update Pre EMI amount (EMI paid for home loan before possession) for next five years in 5 equal installments. For E.g. If Employees Pre EMI amount is Rs. 100,000 /- and registration fees and other expenses are 25,000 then, he can get benefit for 5 years by updating Rs 20,000/- p.a.

Registration charges and stamp duty can be updated in current financial year even if you have not got the house possession.

5.3 I have booked flat / purchased flat as a second co-owner of flat, EMI payment is going from first owner's account, will I be eligible to get the tax benefit for Home loan repayment and interest payment?

As per Income tax norms, if loan repayment & interest payment is not getting deducted from your bank account then you will not be eligible for any exemption against it. Only the first owner from whose bank account the deduction is happening will be eligible for exemptions.

5.4 I am repaying the housing loan. The loan is availed in a joint account. What additional documents I need to submit in this case while submitting Form C?

If you are a joint holder in home loan and repayment of principal & Interest amount is going from your account then you can claim for tax exemption by furnishing document proofs of your house paper, bank statements for EMI recovery & a certificate from bank. A Self Declaration can be provided to claim 100% interest amount.

5.5 When employee shows more than Rs. 200,000 against loss from house property in Form B, in IT exemption it is showing only Rs. 200,000?

Income tax exemption under Income /Loss from house property is restricted to the amount Rs.200, 000/- only or the actual interest paid whichever is less.

5.6 I am not able to Claim Interest on Let Out Property in Form C?

The Interest benefit on Let out property can be claimed in Personal Income Tax Returns. However, if the Rent received is more than the interest Paid, the same can be shown as Income in Form C.

6 Queries regarding Previous Employer Salary details

6.1 How to update my Previous Employers Income?

If you want to show the income earned from previous employer please enter the complete details in FORM B / C like:

6.1.1 Previous Employer Income (after deducting exemption u/s 10)

6.1.2 Previous Employer Professional tax deducted.

6.1.3 Previous Employer TDS deduction. (Income tax Deducted)

6.1.4 Previous Employer PF

6.2 I have joined mid of the month, whether my previous organization exemptions will be considering in L & T or not?

6.2.1 Exemptions from previous organization will not be considered in L&T, employee need to collect a separate Form 16 from his previous employer for the period he worked there.

6.2.2 You may show details of Previous Employer Income, Net of Exemptions, Previous Employers Ptax, PF, and Income Tax along with the L&T details in Form B. Also note that Previous Employer's income will not form a part of form 16 issued by L & T. The same is applicable for Previous Employers prof. Tax, Previous Employers TDS deduction and Previous Employers PF

6.3 I am a new joiner, while calculating total income previous employer's income is added. But while calculating exemption it is been calculated on pro rata basis which has resulted in paying more tax than expected?

If you are mentioning the previous employer's income in Form B then kindly update the income arrived after considering the U/s 10 exemption (after deducting Exemption U/ S 10 from total previous employer's income & also update the TDS amount from previous employer).

We will consider the L&T period exemption only.

6.4 When I had filled up the Form B the tab in which I had filled up the Previous Employer Taxable salary I filled up the amount which was my gross from my last organization. Would that amount also be taxable apart from my salary here?

While updating your Previous Employer's income kindly update the income arrived after considering the U/s 10 exemption, update separately Previous Employer's Tax, PF & P Tax. In this way your current organization taxable income will be re-computed after considering all the details & tax deducted benefit also will be considered which is given by previous employer.

7 Queries regarding claiming of HRA Exemption

7.1 Do we have to produce the original House agreement for HRA exemption or we only have to give a Xerox copy of the house agreement with the original receipts while updating Form C?

Yes, you need to furnish the original House agreement for the verification, which you will get back after the procedure of verification is completed. Kindly carry all the original documents for the investment furnished.

If the rent exceeds Rs 100,000/- p.a. (Rs 8,333/- per month) then it is mandatory to show the PAN detail of your landlord.

7.2 Can I claim Interest on Housing loan upto Rs 250000/- on my existing loan as per section 80EE? (this option is applicable for those employees who have claimed this exemption in 2013-14 and now claiming for balance exemption)

No. The Exemption is not continued w.e.f. FY 2015-16 refer Guidelines.

7.3 Can I claim Interest on Housing loan upto Rs 250000/- on my existing loan as per section 80EE taken in FY 2016-17?

Yes . You can continue to claim the benefit if the house is purchased between 1st April 2016 to 31st March 2017, if you have claimed the benefit in FY 2016-17

7.4 Can I claim Interest on Housing loan upto Rs 250000/- on my existing loan as per section 80EE taken in FY 2018-19?

No . You can not claim the benefit if the house is purchased after 31st March 2017.

8 General Queries

8.1 My Spouse is perusing higher education. I have taken a loan for the same and paying interest thereon, so is it possible to bring this in Form B/C and avail tax benefit ?

YES, you can take benefit of Interest on Education loan under 80E. The interest can be claimed for 8 years. Further, Loan is to be taken from financial institution where the repayment is made out of income chargeable to tax.

8.2 What is exemption for Employee Owned Car Scheme (EOCS)?

a. Other than LTIMindtree

Under EOCS scheme for mileage Rs 1800/-per month will be exempted against the actual reimbursement of Car mileage & the balance amount will be charged as Car Perquisite

b. For LTIMindtree

Under EOCS scheme for mileage Rs 1800/-per month & for Driver Rs 900/- per month will be exempted against the actual reimbursement of Car mileage & the balance amount will be charged as Car Perquisite

8.3 What is exemption for Company Owned Car Scheme (COCS) ?

a. Other than LTIMindtree

Under COCs scheme Rs. 1800/- per month will be changed as Car perquisite **b.**

For LTIMindtree

Under COCs scheme Rs. 1800/- per month & Rs 900/- per month will be changed as Car perquisite

8.4 What is difference between Tax on total Income and Tax payable?

Tax on total income means tax calculated as per the tax slabs on your taxable income without adding **Education Cess and Secondary** and **Higher Education Cess** & Tax payable means total tax plus **Education Cess and Secondary** and **Higher Education Cess @ 4%** of tax which is payable on the income earned by you for the financial year.

8.5 I have observed in my IT sheet holiday home perks are added, whether tax will be applicable on this?

The employee, who stays in Companies Holiday Homes, is charged with Holiday Homes perquisite, but the tax for this amount as per Company's norm will be borne by the employer.

8.6 Is there relief from Double Taxation?

Yes, as per Section 90 of the IT Act, employee can claim relief related to his earning outside India on which tax is already paid in that country. The same can be claimed while filing your return of Income.

8.7 Income Tax is deducted more as compared to last year pay slip?

Income tax depends upon the income earned for the particular financial year and accordingly the income tax is deducted based on your yearly earnings & the Tax slabs as given under Income Tax Act. Please compare income of both the years and probably there will be some differences.

8.8 I have checked my IT sheet and found that my tax deduction is double/ more as compared to my tax slab?

As per Income tax norms, if your PAN is not updated in system or is incomplete TDS is recovered @ 20% on taxable income. It is therefore obligatory to update correct PAN in system to avoid higher deduction of tax.

8.9 How to update PAN in self-login in portal?

Please follow this Path-: After Login--⑦ Select Pay Roll⑦ Employee Details⑦ SelectPan Status as Hold to activate column ⑦ Updated PAN⑦ Click on Save

8.10 This is to bring to your notice that Professional Tax of Rs. 300 for the month of February has been deducted from my salary. As per my understanding professional tax component stands to be Rs. 200. Request you to check it at your end and take necessary action?

As per Income Tax norms Professional Tax (Maharashtra State) for the month of Feb is Rs 300/- & for the rest months it is Rs 200/-. So $200 \times 11 = 2200$ & For Feb 300, Total $2200 + 300 = 2500/-$

8.11 I have invested in Rajiv Gandhi Equity Savings Scheme; Can I claim the invested amount in Form B / C?

The amount invested by you can be claimed during filing of your personal Income tax returns. The same will not be considered in Form B / C

8.12 I have personal Donation in the Current Year. Will I get the Exemption for the same?

NO, you will have to claim Exemption under section 80G towards Personal donations while filing personal Income tax Returns for the Financial Year 2023-24.

8.13 I have Income Other Than Salaries. Can I declare in Form B/C?

Other income can be declared in Form C. However, Income from Long Term or short Term Capital Gains will not be considered. The same can be declared in the Personal Income Return of the employee.

8.14 How can I get the Additional Benefit under National Pension Scheme?

The below Amended limit is including the Limit of 80C Rs 150000/-

- A) Conditions: for 80CCD (1), Whichever is less from below
- 10 % of Basic Salary and Dearness Allowance

- 150000/- Maximum Exemption Limit, or
- Actual NPS Contribution

B) Conditions for 80CCD (2), Whichever is less from below

- Maximum Limit Rs 50000/- , or
- Gross NPS contribution Less exemption given u/s 80CCD(1) for NPS = Balance NPS

Hence the Total Amount of Rs 200000/- for FY 2023-24 can be claimed as given above.

8.15 How can I get Benefit of Sukanya Samruddhi Yojana?

- Sukanya Samruddhi scheme is predominantly launched as a part of “Beti Bachao Beti Padhao campaign”. Sukanya Samruddhi is small deposit scheme for girl child.
- The Investment made under the Scheme is Exemption under limit of Rs 150000/- under section 80C
- Sukanya Samruddhi Account can be opened at Post office or at designated bank branches for girl child not be more than 10 years of age on her name by her parents.
- Minimum deposit amount under this scheme is Rs. 250 /- and maximum is 1.5 Lac per annum for 15 years.
- The maturity of the account is 21 years from the date of opening of account. 50% withdrawal is allowed for higher study of girl child after 18 years of age

8.16 How can I get Benefit of Insurance Deductions from Salary?

Premium recovered towards Medical Insurance and Group Term Life Term Insurance from salary will be Auto- considered for Exemption under relevant Heads.

8.17 What is Tier I and Tire II Account related to New Pension Scheme (NPS)?

Tier-I Account is non-withdraw able account. You can claim exemption under Chapter VIA.

Tier-II Account is a voluntary Savings account where amount can be deposited / withdrawn any time. You cannot claim exemption on the same.

8.18 How can I check the Exemption availed for New Pension Scheme NPS?

The Details of Exemption under NPS can be verified from Income Tax Computation on SSC Portal, where the Details of Exemption are given as per Section 80CCD(1) and 80CCD (1B).

8.19 Amount is not reflecting in Form C Approved Column, I have entered the Values correctly?

Please check if you have corrected the DATE of the Proofs of Investments. It is possible that you have not changed the Dates if the Form B which are captured from Form C of Last financial Year. Please update the DATES OF THE CURRENT FINANCIAL YEAR to avail benefit of Amounts declared. **Dates should be between 1.04.2024 to 31.3.2025**

8.20 Do I need to Approach the Approver for Approving the Investments.

The Form C is available in Approver's List after submission. The Approver checks the Values and other details entered with the scan documents uploaded. The Approver will approach employee, in case of any discrepancy. Employee need not approach the Approver for approving the Form C.

Employee can check the Status fully approved/ partially approved/ Unapproved, on the form C page of SSC Portal.

8.21 What is Form 12BB?

FORM NO. 12BB is a Statement showing particulars of claims by an employee for deduction of tax under section 192.

CBDT vide its Notification No. 30/2016-Income Tax dated 29-04-2016 has inserted new income tax rule 26C which requires every employee to furnish evidences of claims/deductions for salary TDS purpose in FORM 12BB.

In view of above, Form C includes below Details as additional requirement under Deduction of Interest under the head: "Income from house property"

8.22 What is CLCS?

CLCS is being introduced in lieu of the existing Company Owned Car Scheme (COCS), with effect from January 2024. CLCS stands for Company Leased Car Scheme. To ensure operational efficiency and ease of administration, L&T will lease a car from a partnered car leasing company on behalf of the employee for a fixed period and the employee can use the car for commuting to work & other business-related activities.

8.23 What is the purpose of introducing CLCS?

CLCS aims to provide our employees the flexibility in choosing car models of their choice, i.e. Petrol, Diesel, Electric Vehicles and Hybrid, through a leasing plan. It also helps employees for tax saving since EMI amount is deducted from Flexi Balance which helps in reducing the Taxable income.

8.24 What is the eligibility for CLCS?

Employee Grade Covenanted M1-B and above are eligible opting for CLCS.

8.25 What is the Scope of CLCS?

CLCS is a car leasing scheme wherein the employee will be eligible for the payment of FlexiPay C-CLCS (Option III-A) as per Annexure A and will contribute monthly car lease rental from his/her

FlexiPay, with effect from the date of entry into CLCS. The date of entry into CLCS will be the Car Lease Rental start date.

Monthly car lease rental will be allocated from the employees' total Flexi Pay. A maximum of 67% of the monthly net pay post all deductions like PF, NPS, Taxes etc. can be allocated towards monthly lease rental. Monthly net pay computation will exclude all annual payments like Retention Pay, Variable Pay etc and one-time payments, if any.

8.26 Which company has L&T entered into the contract?

L&T has entered into a contract with a car leasing company "ORIX India" to lease a car for a fixed period and the employee can use the car for commuting to work & other business-related activities.

8.27 How to apply for CLCS?

Employee who wishes to enter CLCS, can apply for CLCS in MyZone.

- Once Employee submits the record, Workflow will be triggered to HR for approval.
- ICHR to check the employee's eligibility to Enter/Re-enter the CLCS and if the employee is eligible to enter CLCS, ICHR to send the CRF, CLIS & Capex Sanction Number to ORIX, Employee & SSC.
- Relationship Manager from ORIX facilitates employee to select the car based on eligibility mentioned in CRF & CLIS. Once employee finalizes the car, ORIX to share the CLCS Approval Form (CAF) with IC HR and employee, as per Annexure 3.
- Once all the formalities from ORIX and IC HR are completed, ORIX shares Car Details with