

* Standard Deduction

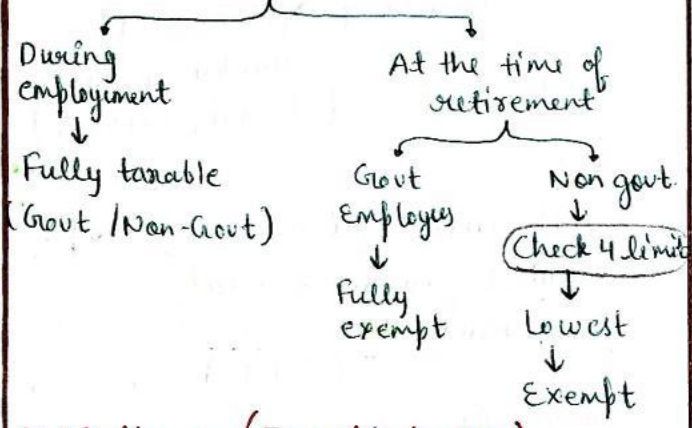
$$\begin{array}{r} \text{XX} \\ \text{XX} \\ \hline \text{Gross salary XX} \\ (-) \text{ less standard deduction XX} \\ \hline \text{Net salary XXX} \end{array}$$

Sec 16 (ia)

Old Regime = 50,000
 New Regime = 75,000

* Retirement Benefit

① Leave encashment



4 limits :- (Exempt lower)

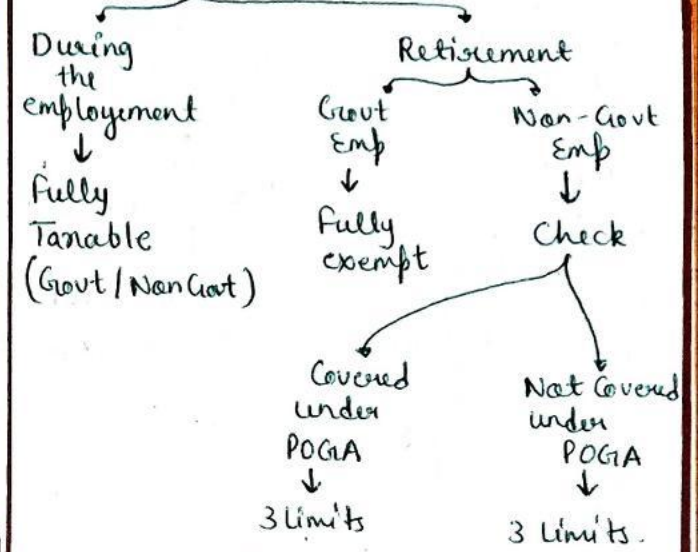
- (i) statutory limit → 25 lakh (fixed)
- (ii) Actual received (leave encashment recd at retirement)
- (iii) $\frac{\text{last 10 month Avg salary} \times 10 \text{ times}}{10}$

Salary includes :-

- Basic salary ⊕
- Conditional dearness allowance ⊕
- Fixed % of Commission Turnover

$$\frac{\text{Total leaves allowed} - \text{Total leaves availed}}{30} \times 10 \text{ months Avg salary}$$

② Gratuity



→ If Covered under POGA

3 limits (Exempt lower)

- (i) Actual receive
- (ii) statutory limit 20 lakh

(iii) $\frac{15}{26} \times \text{last drawn salary} \times \text{No. of Years of Service}$

$$\left[\text{Basic Salary} + \text{Full DA} \right] \left[\begin{array}{l} > 6 \text{ Months} = 1 \text{ year} \\ \text{Job} \\ 10 \text{ yrs } 11 \text{ month} = 11 \text{ yrs} \end{array} \right]$$

→ If Not Covered under POGA

3 limits (Exempt lower)

- (i) Actual receive
- (ii) statutory limit 20 lakh

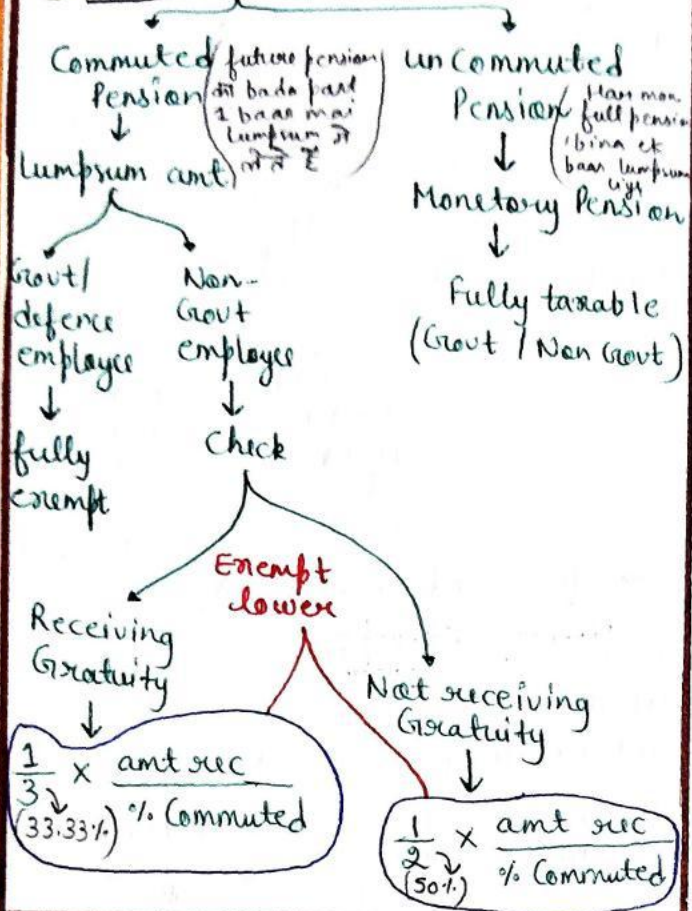
(iii) $\frac{15}{30} \times \text{last 10 month Avg salary} \times \text{No. of Years of Service}$

$$\left[\text{Basic Salary} + \text{Full DA} + \text{Fix \% Comm on T10} \right] \left[\text{Ignore fraction} \right]$$

NOTE :-

If Nothing is mentioned in the Question then, we Consider the employee is 'Not Covered under POGA'

③ Pension



* Allowances

① Allowance which is partially taxable / partially exempt

House Rent allowance (HRA)

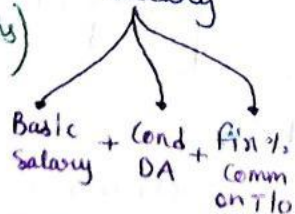
3 limits exemption

- (i) Actual HRA Received
- (ii) Rent paid $\pm 10\%$ of Salary (minus)
 - (Basic + Cond + Fixed % of Salary) / (DA + Comm on T10)
- (iii) 40% of Salary / (otherwise 40%)
 - 50% of Salary \rightarrow (Metrocity)
 - (Mumbai, Delhi, Chennai, Kolkata)

④ Voluntary Retirement scheme

4 limits :-

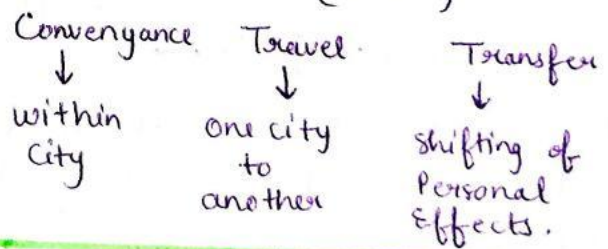
- ① Actual received
- ② statutory limit 5,00,000
- ③ No. of yrs in Service \times 1 month Salary \times 3 month (Past = Kine year Kaam Kia)
- ④ Months remaining till retirement \times 1 month Salary (future = Kitne months Baki hai)



② Allowance which are exempt

Subject to be Actual expenditure

(C.T.T.)



③ Allowances which are exempt subject to the given limits

Children Education allowance

Exemption :

± 100 pm per child for max 2 child

Children Hostel allowance

Exemption :

± 300 pm per child

Exemptions :- limits :-

- ₹100pm → children education allowance
(₹100pm, per child for max 2 children)
- ₹200pm → Tribal allowance
- ₹300pm → Children Hostel allowance
(₹300pm, per child for max 2 children)
- ₹800pm → underground allowance
- ₹3200pm → Transport allowance (Disabled)
- ₹10,000pm or 70% whichever is lower Running allowance

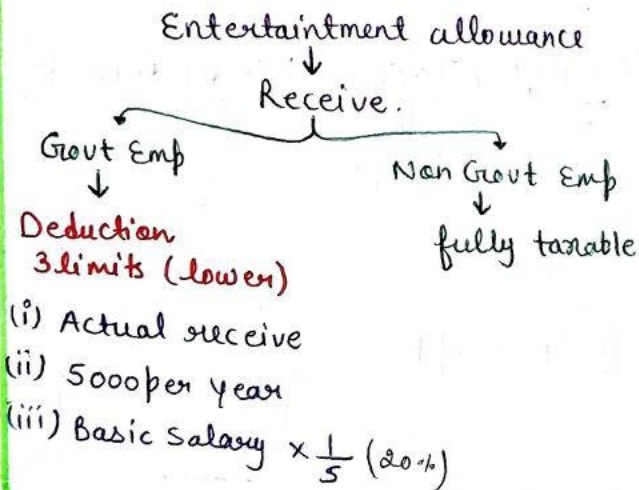
NOTE : New Regime (115BAC)

(3)

4 allowances are exempt

- (i) Daily
 - (ii) Conveyance
 - (iii) Travel
 - (iv) Transport allowance
 - (v) other fully taxable (children, hostel allowance etc)
- Actual exp. } Disabled ₹3200pm

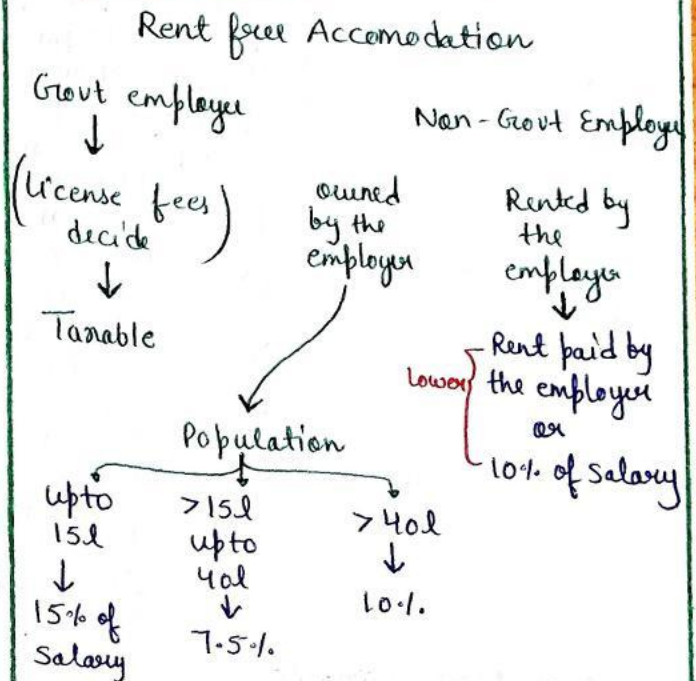
④ Allowance for which deduction is allowed



⑤ Allowances which are fully exempt

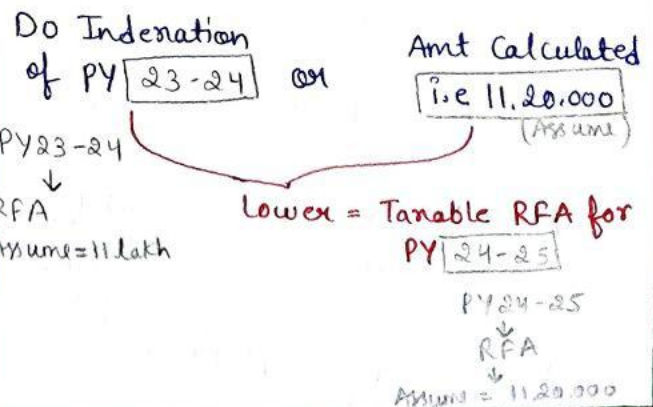
- (i) HC/SC Judges
- (ii) United Nation employee
- (iii) Indian Citizen working outside India & salary is paid by Indian Govt.

* Perquisites (Notes go through)



* Concept of Indentation in salary

Calculation for PY 24-25



① Motor Car Perquisite

illu 20 19 4.9 @ 2
illu 4 19 4.2 @ 3
Driver = ~~16000 /~~ > 16000
Actual Recovery less
Recovery less xx

① Motor Car Perquisite

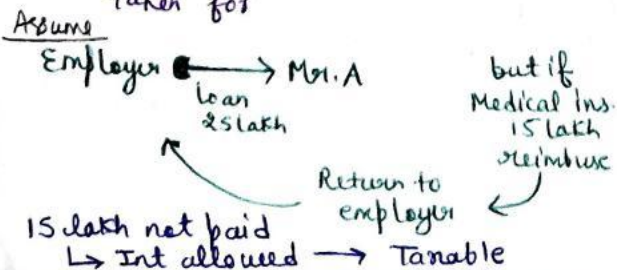
Particulars	official	Personal Driver = Actual recovery less	official + Personal 16000 / > 16000 Recovery less XXX no
Car	Not Taxable	owned 10% p.a of Actual Cost or Rented → Rent Paid	600pm/900pm + 900pm ↳ Driver 1800pm / 2400pm + Driver 900pm
Car + Expenses	Not Taxable	⊕	1800pm / 2400pm + Driver 900pm
Expenses	Not Taxable	Actual Received	Amt Received (-) 1800pm / 2400pm (-) 900pm Taxable → XX

* Loan Not Taxable

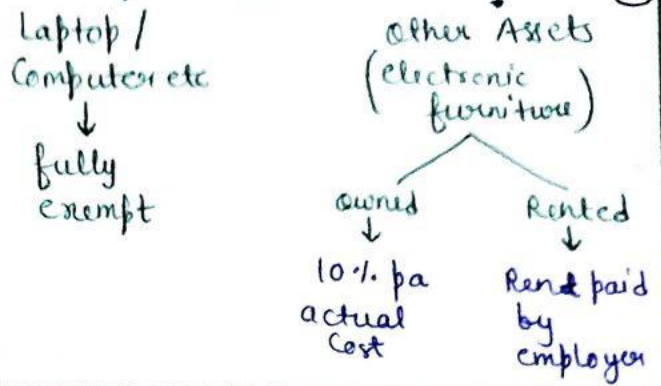
① loan amt upto 20,000
into benefit Not taxable

Loan not taxable if amt is upto 20,000.

② loans specified diseases taken for



② Use of Movable Asset Perquisite

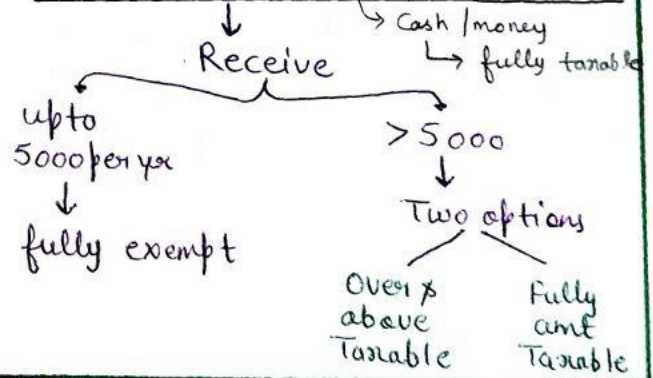


③ Transfer of Movable Assets Perquisites

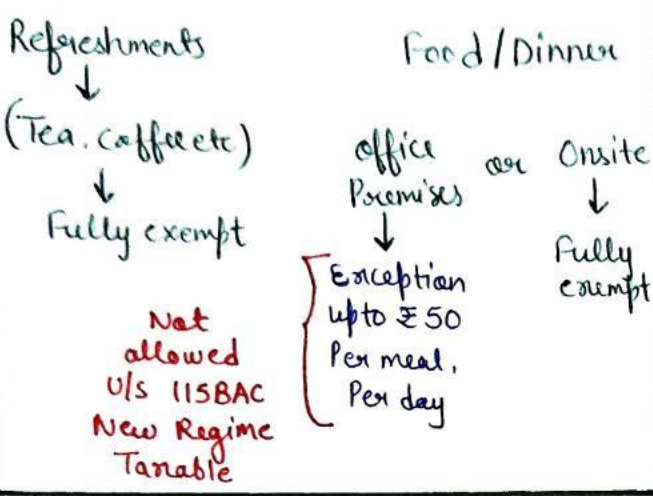
2nd hand Asset → is sold to employee

Laptop / Computer & related items	Motor Car	Furniture / other items, electronic.
50%	20%	10%
WDV Method	WDV method	SLM Method

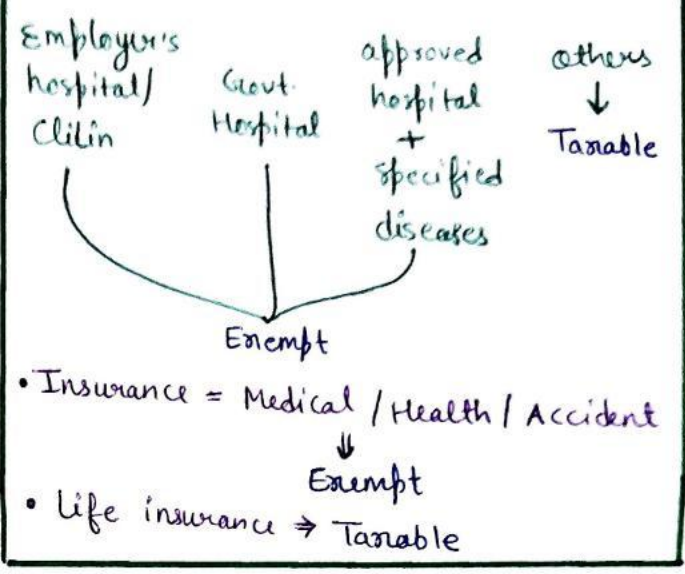
④ Gift / Token (Kind) Perquisite



5 Free food & Non-Alcoholic Beverages Perquisite



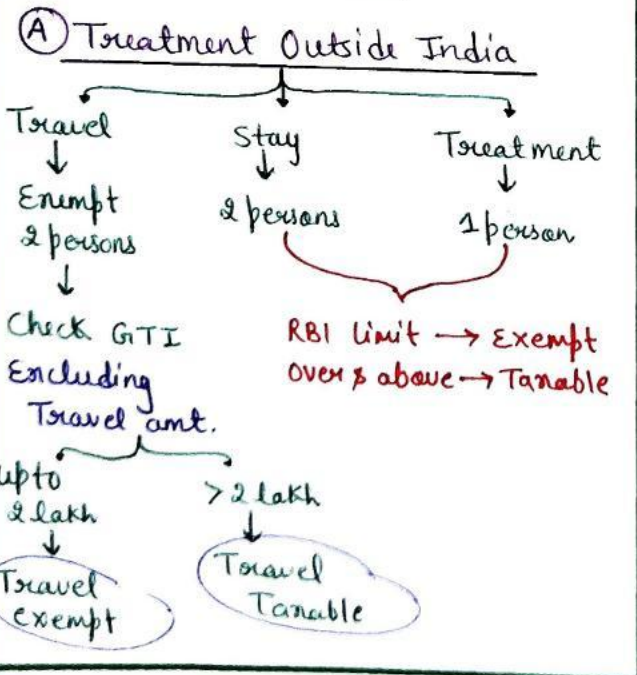
6 Treatment within India



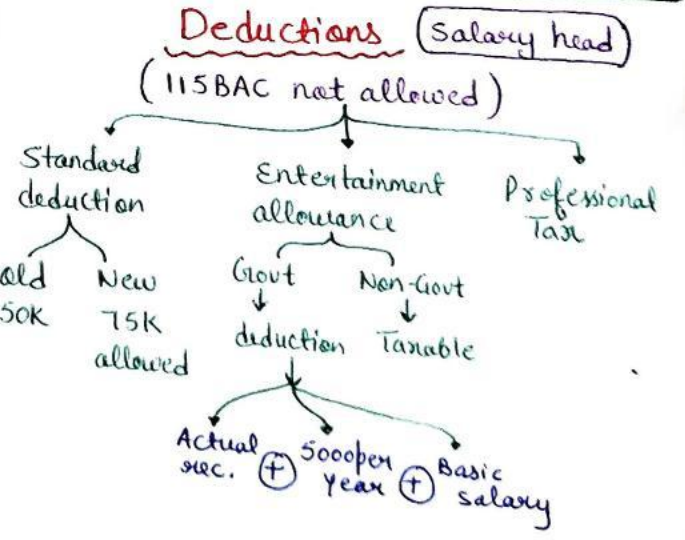
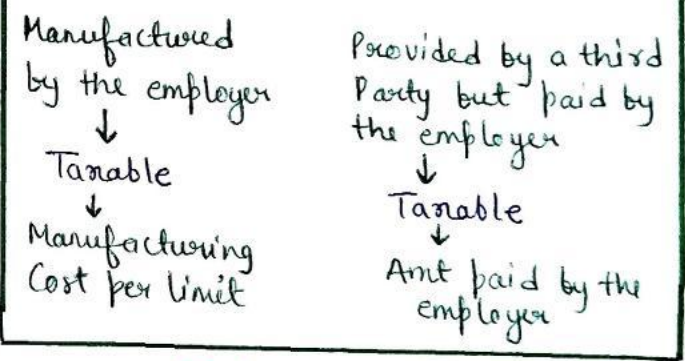
6 Leave Travel Concession Perquisites

Exemption Not allowed U/s 115BAC

7 Medical Perquisites



8 Gas / water / Electricity Perquisites



* Few Perquisites
↳ Notes → Revision.

DONE :)