

Exempt

$$\frac{1}{3} \times \text{amt rec}$$

(33.33%) % Commuted

$$\frac{1}{2} \times \text{amt rec}$$

(50%) % Commuted.

Ques: Diksha received Pension in lump sum @ 60% amounting to ₹ 6 lakhs.

Find taxable pension if :-

- (i) Rec. Gratuity
- (ii) Not Rec. Gratuity.

Solⁿ (i) Grat. Received.

Pension amt Rec. 6,00,000

$$\text{exempt} = \frac{1}{3} \times \frac{6 \text{ lakh}}{60\%} = (333,333) \text{ exempt}$$

$$\frac{1}{3} \times 1 \text{ lakh}$$

↓
Calciⁿ ⇒ $6 \text{ lakh} \div 0.6 = 1 \text{ lakh}$

$$\underline{\underline{266,667}} \text{ Taxable.}$$

(ii)

Calciⁿ ⇒ $6 \text{ lakh} \div 60\% = 1 \text{ lakh}$

Pension 6,00,000

$$\text{exempt} = \frac{1}{2} \times \frac{6 \text{ lakh}}{60\%} = (5,00,000) \text{ exempt}$$

$$\frac{1}{2} \times 1 \text{ lakh}$$

$$\underline{\underline{1,00,000}} \text{ Taxable}$$

Que Retirement Date = 31 Aug 2024
 Basic salary = ₹70,000 p.m
 Pension = ₹40,000 p.m

Find taxable pension & Net Salary, New Regime.

→ Basic Salary

$$70000 \times 5$$

$$40000 \times 7$$

$$350000$$

$$280000$$

Gross salary

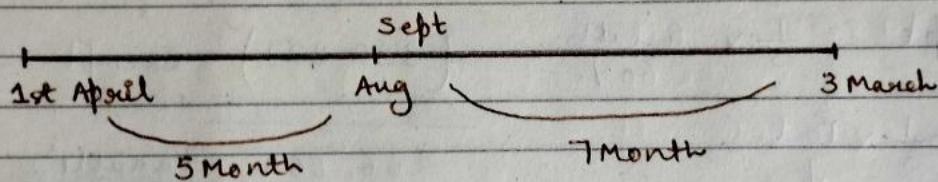
$$630000$$

New Regime

$$(75,000)$$

Net salary

$$5,55,000$$



Que Ridhi Retired on 31st July 2024

Monthly pension was ₹20K

On 1st Jan 2025 she Commuted 30% of Pension and received ₹90,000.

Find taxable pension for FY 24-25

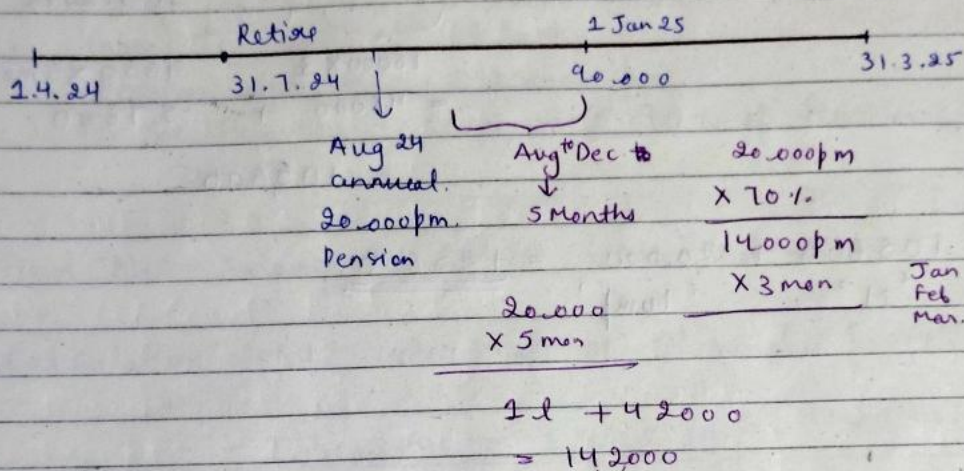
Lumpsum

Pension Amt rec. grat. net Rec. 90,000

$$\frac{1}{2} \times \left(\frac{90000}{30\%} \right)$$

$$\frac{1}{2} \times 3.0 \rightarrow 150000 \text{ exempt}$$

Exempt ?? 1.5 lakh in
 Rec. any 30,000
 ∴ fully exemption.

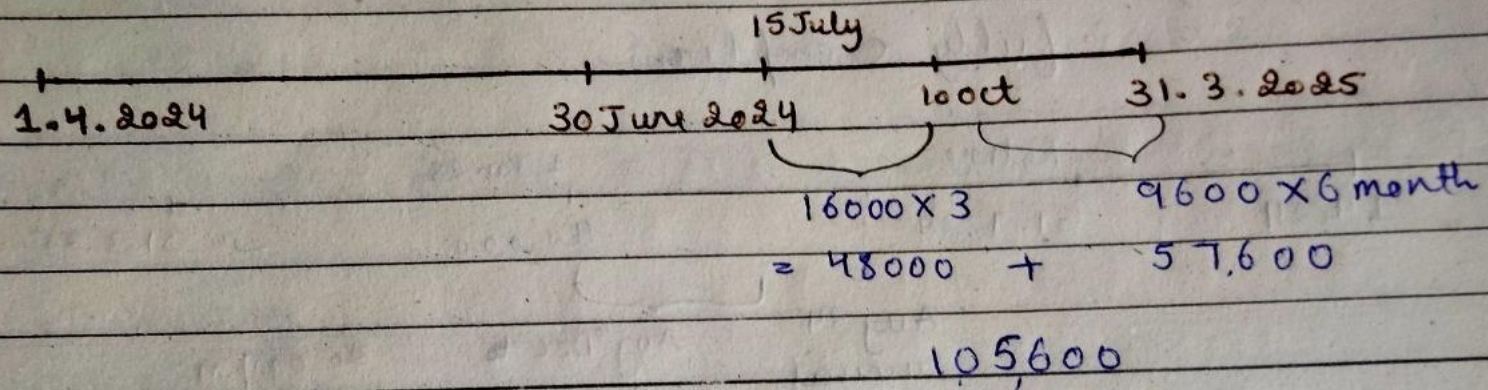


Que :- Prakash retired on 30 June
 Pension rec. = ₹ 16,000 p.m.
 On 1st Oct 2024 he got 40% of Pension Commuted
 & rec. ₹ 1,20,000
 Find taxable Pension for PY 24-25 if Great. Rec.
 for ₹ 6 lakhs.

→ lump sum

. amt Received 1,20,000
 . $\frac{1}{3} \times \frac{1,20,000}{40\%} = (1,00,000)$
 Taxable → 20,000

Monthly



$$\begin{array}{l} 105600 + 20000 = \underline{\underline{125600}} \\ \text{'M'} \quad \quad \text{'lump'} \end{array}$$

Lec 6 12 Feb

Ques- Divyanshu retired on 1st Aug, 2024.

Pension Section

Monthly sal = ₹ 70,000 pm

DA = ₹ 20,000 pm (100% is Conditional)

Years of Service = 17 years 11 month

Gratuity sec. = ₹ 19 lacs

Pension amt sec. ₹ 25,000 pm

On 1st Feb 2025 Commuted 70% of Pension x sec.

₹ 5,60,000

Find Net salary PY 24-25 (New Regime)

→ Calculation of Net salary of Mr. Divyanshu for PY 24-25

1 Apr. 2024 to 1 Aug 2024 (4 Months)

Particulars	Amt ₹)
• Basic Salary (₹ 70,000 × 4 months)	2,80,000
• D.A. (₹ 20,000 × 4 months)	80,000
• Gratuity taxable (WN1)	11,35,000
• Pension Monthly (WN2)	1,65,000
• Pension lump sum (WN3)	2,93,333
Gross salary	19,53,333
less stand. ded ⁿ u/s 16 (ia)	(75,000)
Net salary	<u>18,78,333</u>

Round off xxx
Total

Q.1 Calculation of Gratuity :-

Since nothing is mentioned in the question we assume it is not covered under Payment of Gratuity Act.

→ Calculation of Limits

$$\bullet \text{ 3rd limit} = \frac{15}{30} \times \frac{\text{last 10 months}}{\text{Avg Salary}} \times \text{yrs of service}$$

$$\bullet \text{ Salary} = \begin{array}{l} \text{Basic} \quad 70,000 \times 10\text{m} = 7,00,000 \\ \text{Cond. DA} \quad 20,000 \times 10\text{m} = \underline{2,00,000} \end{array}$$

Avg

$$\frac{9,00,000}{10} = \underline{90,000}$$

$$\frac{15}{30} \times 90,000 \times 17 \text{ years (ignoring fractions)}$$

$$\Rightarrow 76,500 \text{ rs.}$$

Calculating Taxable Amt :-

$$\Rightarrow \text{Gratuity amt rec.} \quad 19,00,000$$

3rd limits

Actual rec.	19.lakhs	
statu. limit	20l	
3rd limit	76,5000	(76,5000)

$$\text{Taxable Gratuity} \quad \underline{\underline{11,35,000}}$$

WN 2 Calculation of Monthly taxable pension

$$1 \text{ Aug } 2024 \text{ to } 31 \text{ Jan } 2025 = 25000 \text{ pm} \times 6 \text{ Month} \\ = 150000$$

$$1^{\text{st}} \text{ Feb to Mar } 2025 = 25000 \times 30\% \times 2 \text{ mon.} \\ = 15000$$

(70% lumpsum
∴ Remaining 30% recd)

$$1,65,000$$

WN 3 Calculation of lumpsum Pension received

$$\text{Amt. recd} \quad 5,60,000$$

less Exempt (Gratuity is recd)

$$\frac{1}{3} \times \frac{\text{amt rec.}}{\% \text{ Committed}}$$

$$\frac{1}{3} \times \frac{5,60,000}{70\%} \quad (266,667)$$

Taxable amt.

$$2,93,333$$

Employer को Respect से
को. से 100% मिल

(4) Voluntary Retirement Scheme : — (VRS)

1st Actual received

2nd statutory limit 5,00,000 rs

Past
 (Kitne yrs Kaam Kia)
 3rd No. of years of service \times 1 Month Salary \times 3 Month
 (Completed yrs Ignore fraction)

Future
 (Kitne Months Baaki hai)
 4th Months remaining till retirement \times 1 Month salary
 Basic Cond. DA
 Cond. DA
 Fin. % Comm. on TLo

Que Basic 40,000 pm
 Cond DA 15,000 pm
 TLo 30 lakh
 % Comm 5%

Job Completed 21 yrs 11 months
 Remaining years 4 yrs
 VRS received 11 lakhs

Find taxable VRS amount. $30 \times 5\% \times \frac{1}{12m} = 12500$

3rd limit $21 \text{ years} \times \left(\begin{matrix} \text{1 month} \\ 40,000 \\ \text{(Basic)} \end{matrix} + \begin{matrix} \text{1 month} \\ 50,000 \\ \text{(Cond DA)} \end{matrix} + \begin{matrix} 12500 \\ \text{(\% Comm)} \end{matrix} \right) \times 3$
 $=$
 $= \text{₹} 4,25,200$

4th limit Remaining month x 2 salary

(4yr) 48 month x 67500
(4yr x 12 moth) = 32,40,000

Amt. Received 11,00,000

- Limit sec. 11 lakh
- Statutory 5 lakh (5 lakh)
- 3rd 42,52,500
- 4th 32,40,000

Taxable 6,00,000

* Allowances (Monetary benefit)

(2) Allowance which is partially taxable / partially exempt.

House Rent allowance \rightarrow HRA

HRA Rec. XXX
Exemption \rightarrow 3 limits
 \rightarrow Lowest

(i) Actual HRA Received

(ii) Rent paid - 10% of salary

(leave encashment)
Basic
+
Cond DA
+
Fin. % Comm on Tlo

(iii) 40% / 50% of salary

(otherwise normal 40%)

\downarrow
Metro City (Mumbai / Delhi / Chennai / Kolkata)

Que:- Karan is working in nagpur @ Monthly salary of ₹35,000.

DA = ₹10,000 p.m (20% is Conditional)

HRA Rec = ₹21,000 p.m

Rent paid = ₹19,000 p.m

Find taxable HRA for PY 24-25