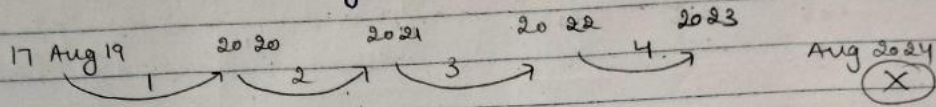


Q 4.1 (ill 1) 4.5 (ill 9), 4.8 (ill 17, 18, 19)

Home work solution

Case (I) 17 Aug 2019 13 May 2024

4 years



150000

(15000)

(15000)

(15000)

(15000)

90000

(-) 10000

80000

10% SLM

Case (II)

5 Dec 2023

↓ 25 Nov 2024

Sell. Not complete 1 year

70000

(34000)

36000

Taxable Perquisites.

Case (III)

18 lakh

(20%) (3.6 lakh)

14,40,000

(20%) (288,000)

11,52,000

(20%) (2,30,400)

9,21,600

Sell

10 lakh

No perq.

→ Net taxable.

Lec 13    19 Feb

Que Mr. X was given a Camera for use on 1st May 2024 & it was sold to X on 1st Jan 2025. For ₹ 50,000  
Camera was purchased on 7th Feb 2021 for ₹ 1,30,000 by the employer.  
Find taxable perquisite in the hands of Mr. X use & then sold.

Use 1st May 2024 to 31st Dec 2024  $\Rightarrow$  8 months

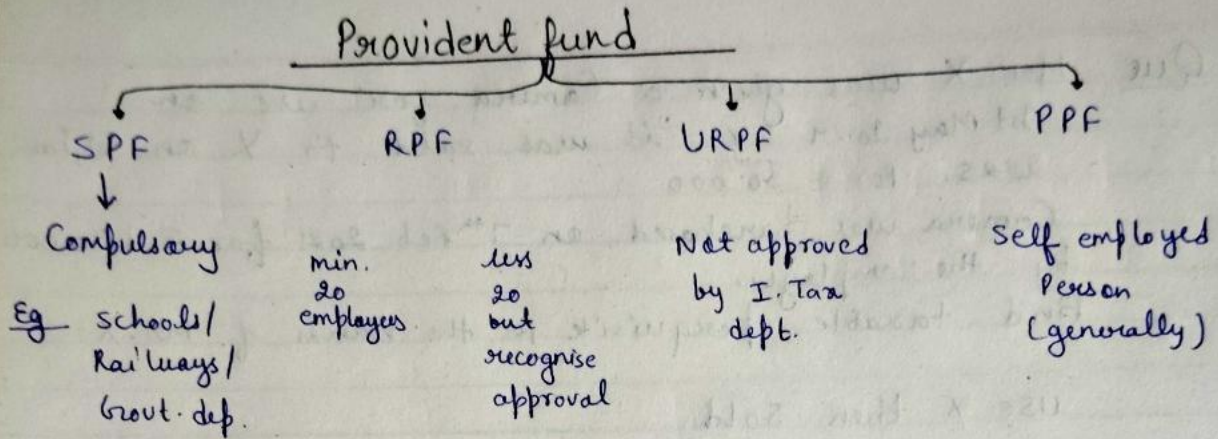
$$130000 \times 10\% \times \frac{8m}{12m} = 8667.99$$

Sold Feb 21 to May 24  $\Rightarrow$  3 years

130000 SLM 10%

$$\begin{array}{r} 130000 - 39000 \quad \leftarrow \text{130000} \quad 91000 \\ (13000 \times 3 \text{ months}) \quad \leftarrow \quad (50000) \\ \hline \underline{\underline{41000}} \end{array}$$

→ URPF ⇒ unrecognised P. fund.      → SPF = statutory P. fund  
 → RPF ⇒ Recognised P. fund            → PPF = Public P. fund.



① Statutory Provident fund :-

(a) Employer Contribution → Exempt.

(b) Employee Contribution → Section 80C <sup>(ch-11)</sup>   
 ↓   
 deduction available (max 1.5 lacs)  
 old ✓  
 new ✗

(c) Interest on employer's Contribution → Exempt.

Eg 4lakh × Int. 10% = 40,000 exempt.

(d) Int. on employee Contribution

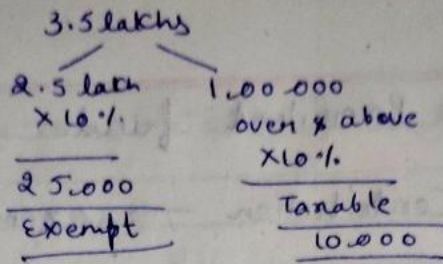
upto 2.5lakh	Over & above > 2.5lakh
↓	↓
Int. exempt	Int. Taxable

Eg

270000	
2.5lakh	20,000
× 10%	× 10%
-----	-----
25000	2000
-----	-----
exempt	Taxable

(c) Maturity → fully exempt

Eg Employee 3.5 lakh Contribute Int. = 10%.



Que Basic salary = ₹ 60,000 p.m.  
Contribution in SPF each by employer & employee  
= 216,000 on 1st April 2024.

Int. received = 11% p.a.  
Find T.I as per old & New Regime

Particulars	old	New
(A) Salary		
• Basic salary (60,000 X 12m)	7,20,000	7,20,000
• Employer Contribute SPF (Int exempt because Inv. 216,000)	Exempt	Exempt
• Employer Contri Int. rec.	exempt	exempt
Gross Salary	7,20,000	7,20,000
less stand. ded <sup>n</sup>	(50,000)	(75,000)
Net Salary	6,70,000	6,45,000
(B) I.O.S (Income from other sources)		
Employee Contri Int.	-	-
Int on 2.16.1 → fully exempt	-	-
Gross Total Income	6,70,000	6,45,000
less deduction Sec 80C		
Inv. in SPF 216,000		
but max allowed 150,000	(1,50,000)	
Total Income.	5,20,000	6,45,000

## ② Recognised Provident fund.

(a) employer Contribution → exempt upto 12% of Salary

Basic + Cond. DA + Fix % Comm on TLO

Que Basic salary = ₹ 30,000pm

Cond. DA = ₹ 7,000pm.

TLO for the year = ₹ 40 lakh

% Comm = 2%

Amt Contr by employer in RPF = ₹ 11,00,00

Find taxable RPF.

→ Employer Contribution

RPF rec.

Exempt. 12% of Salary

Basic  $30,000 \times 12m = 3,60,000$

(+)

Cond. DA  $7,000 \times 12m = 84,000$

(+)

% Comm =  $40l \times 2\% = 80,000$

Salary 5,24,000

X 12%

1,10,000

exempt (62,880)

4,71,200

→ employee Contribution = Deductible sec 80C max 1.5 lakh.

<u>Eg</u> Gross T.I	9 lakh.	if	1,70,000
employee investment	RPF inv. = 1,10,000		
G.T.I	= 9,00,000	9 lakh	(1,50,000)
Sec 80C	= (1,10,000)		
T. Income	<u>7,90,000</u>		<u>75,00,000</u>

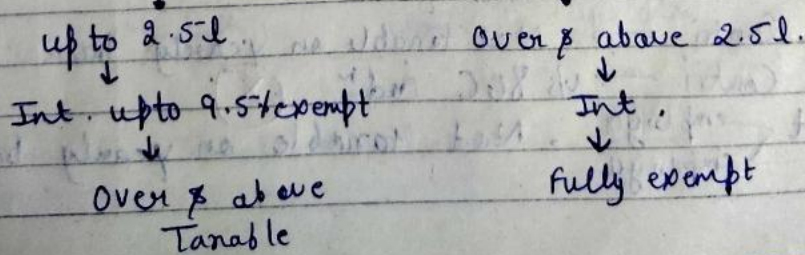
→ RPF Interest.

<u>Eg</u> invest	rec.	
1 lakh	X 10% Int = 10,000	
Exempt	1 lakh X 9.5% = (9,500)	Exempt
	<u>500</u>	Taxable

(a) employer Contri = Int. = exempt upto 9.5% p.a.

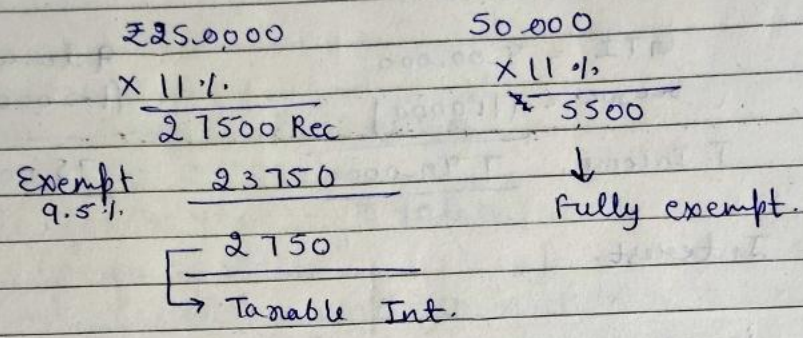
<u>Eg</u> employer Contri	= 3 lakh
Interest	= 11%
Rec.	33,000
exempt	3l X 9.5% (28,500)
	<u>4,500</u>
	Taxable.

(b) employer Contri = 9.5% p.a. ✓



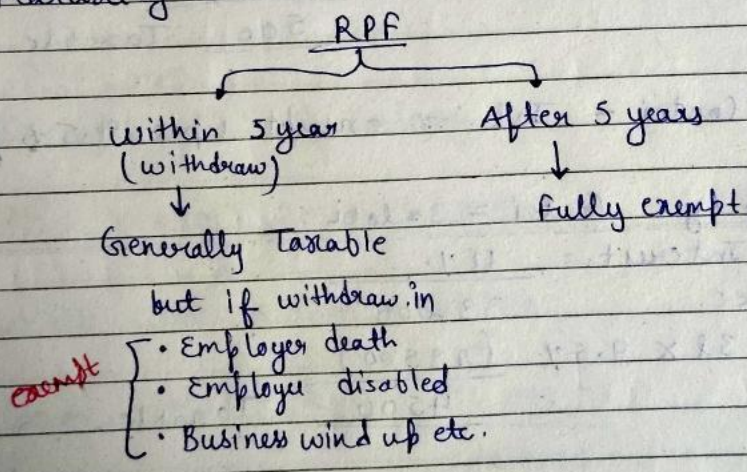
Eg Employee RPF Contribute = 3,00,000  
Int. sec @ 11% p.a

3 lakh



Lec 14 20 Feb

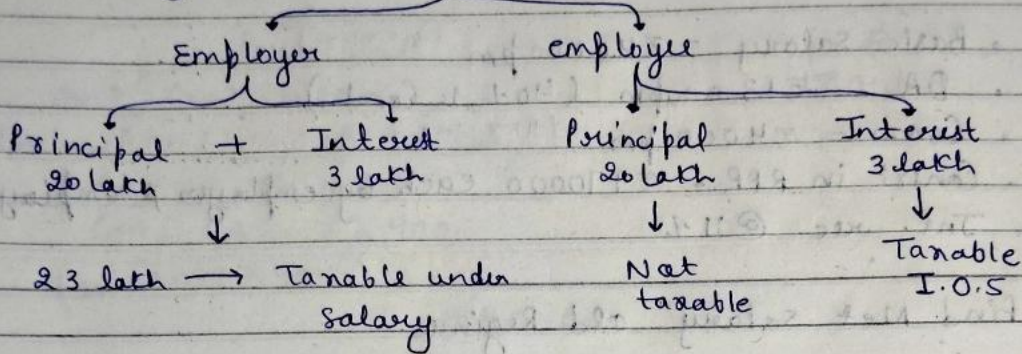
② Maturity



URPF

- employer Contri → Not taxable on yearly basis
- employer Contri → u/s 80C ded<sup>n</sup> (X)
- Interest ← employer = Not taxable on yearly basis
- employee

• Maturity = Amt withdraw

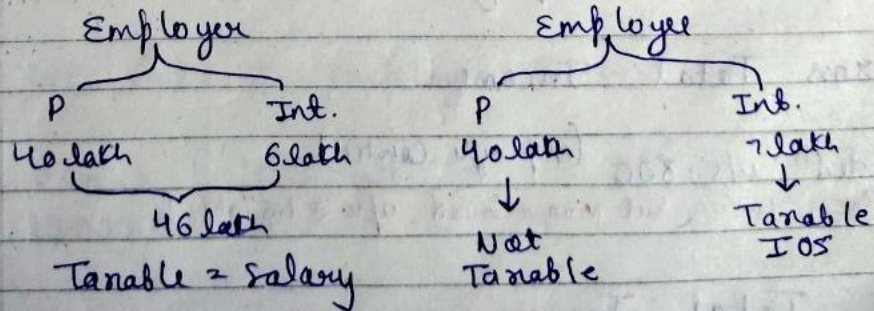


Eg Employer & employee contributed ₹ 2.5 lakhs each in in URPF & sec. int. @ 14% p.a & on maturity amt sec. was.  
 Employer's principal 40 lakh & int. 6 lakhs  
 Employee's 40 lakh & 7 lakhs  
 Find taxable amounts.

→ Yearly basis

Employer Contri → Not taxable  
 Employee Contri → 80C (X)  
 Int. received → Not taxable

Maturity



## Calculation

- Que
- Basic salary = ₹40,000 pm (40K x 12m)
  - DA = ₹13,000 pm (40% of Cond.)
  - Comm = ₹4,000 pm (4K x 12m)
  - Contri in RPF = ₹17,000 each by employer & employee
  - Int. sec. @ 11%

Find Net salary old Regime

→ Calculation of Net Salary for PY 23-24.

Particulars	old.
• Basic salary (40,000 x 12m)	4,80,000
• DA (13,000 x 12m)	1,56,000
• Comm (40,000 pm x 12m)	48,000
• Employer Contri in RPF (WN 2)	1,04,912
• Int. on employer's Contri (WN 2)	2,550
Gross Salary	7,91,462
less Stand <sup>n</sup> ded <sup>n</sup>	(50,000)
• Income under the head Salary	7,41,462
• IOS = Int on employee's Contri (WN 3)	⊕ 2,550
Gross Total Income	7,44,012
less ded <sup>n</sup> u/s 80C (Employer contri)	(1,50,000)
(Amt inc. = 17,000 but max allowed upto ₹ 1.5 lakhs)	
Total Income	5,94,012
(under sec 288A)	5,94,010

WN ①

Employer's Contri in RPF

Particulars	₹
Amt Contributed	170,000
less upto 12% of Salary	
Basic 480,000	
Cond DA 62,400	
(DA $156,000 \times 40\%$ )	
<hr/>	<hr/>
	54,240
Exempt 12% of 54,240	(65,088)
Taxable amt	<u><u>10,4912</u></u>

WN ②

$170000 \times 11\%$	18700	
Exempt (9.5%)	<u>(16150)</u>	
	2550	Taxable
Employer Salary	↙	
Employer IOS	↘	

WN ③

Int. Cal. of Employee Contri

$$170000 \times (11\% - 9.5\%)$$
$$170000 \times 1.5\% = 2550$$