Page No.:
Date:

Q12 Computation of deduction u/s 24(b)

Particulars	SOP Aparna	SOP Dimple
Net Annual Value (NAV)	—	—
(-) Deduction u/s 24		
a) Standard Dedⁿ @ 30% of NAV	—	—
b) Interest on loan	(200000)	(200000)
IFHP	(200000)	(200000)

WN1:- ~~Ms Aparna~~ Interest on loan

₹ 5000000 × 10% = 500000

250000 — Ms Aparna

250000 — Ms Dimple

Ms Aparna :-

1) Interest on loan taken for acquisition of residential property (50%) — 250000

Restricted to — $\boxed{200000}$

2) Interest on loan taken for repair of flat

300000 × 12% — 36000

Restricted to — $\boxed{30000}$

Total Interest : 200000 [Dedⁿ u/s 24(b)]

WN2:- Ms Dimple

Interest on loan taken for acquisition of Residential property (50%) — 250000

Restricted to — $\boxed{200000}$

Total Interest :- 200000 [Dedⁿ u/s 24(b)]

M T W T F S S
Page No.:
Date:
YOUVA

— Sec 27 :- Deemed owner

1) If any Individual transfer house property to his/her spouse for without consideration or low consideration then such individual is treated as deemed owner of such property.
Exception :- Transfer in connection of live Apart

2) If any person is a member or shareholder of any co-operative society then he is treated as deemed owner of House property of such society.

3) If any individual transfer any House Property to minor child without consideration or low consideration then such individual is treated as deemed owner.
Exception :- Transfer to minor married daughter

4) In case of immovable property if possession of acquired in part performance of contract then assessee is treated as deemed owner from the day on which he obtained possession.

5) If any House Property is acquired under long term lease [12 years or more] then acquirer is treated as deemed owner.

6) Holder of Impartiable estate — It means property which is not legally divisible. The main holder of impartiable estate shall be treated as deemed owner.

Additional Notes:-

Where the House property is held as stock in trade and not let out during the PY. The NAV of that property shall be treated as NIL for the period of 2 yrs from the end of financial years in which construction was completed.

Eg:- Rohan builder completed construction of House on 19th July 2024. In this case if House property is not let out then the NAV of the House property shall be treated as NIL till 31st March 2027. From PY 27-28 this House Property is treated as DLOP and will be taxable under House property.

Page No.: Date: YOUVA

Q 18
Pg 59

Mrs Daya PY 25-26 AY 26-27

Computation of Income from House Property

Particulars	LOP
Municipal value	850000
Fair Rent	730000
Whichever is Higher	850000
Standard Rent	820000
Expected Rent	820000
Actual Rent	765000
Gross Annual value	828000
(-) Municipal Taxes paid	(102000)
Net Annual value	718000
(-) Deduction u/s 24	
a) Standard deduction @ 30% of NAV	(215400)
b) Interest on loan	(50000)
IFHP	452600

Q19
Pg 60

→ SOP	LOP 1/10/25 to 31/12/25
First floor	First floor
Ground floor	Ground floor → SOP
Mr Naveen	Mr. Vikas
con started :- 1/4/23	con. started :- 1/4/23
con. ended :- 1/4/25	con. ended :- 30/9/25

Part A :- Computation of Income from House Property in case of Mr Naveen (SOP)

PY 25-26 AY 26-27

Particulars	₹ (SOP)
Net Annual Value	NIL
(-) Deduction u/s 24	
a) standard deduction 30% of NAV	NIL
b) Interest on loan	(200000)
IFHP	(200000)

Note 1:-

Interest on loan

			Pre construction Interest
PY 23-24	1500000 × 12% =	180000	360000 / 5
PY 24-25		180000	= 72000
PY 25-26		180000	

180000
+ 72000
↓
252000

Max :- Interest allowed 200000

M	T	W	T	F	S	S

Page No.:
Date: YOUVA

1/10/25 to 31/3/26
72000 × 6m/12m

Part B:- In hands of Mr. Vikas

Particulars	SOP Gr floor	LOP first floor
Municipal value	—	36000
fair Rent	—	50000
whichever is Higher	—	50000
standard Rent	—	—
Expected Rent	—	50000
Actual Rent	—	60000
Gross Annual value	—	60000
(-) Municipal Taxes paid	—	(4000)
Net Annual value	—	56000
(-) Deduction u/s 24		
a) standard Deduction 30% of NAV	—	(16800)
b) Interest on loan	(67500)	(67500)
IFHP	(67500)	(28300)
NIFHP	(95800)	

Interest on loan

			Pre construction Interest
PY 23-24	1000000 × 10% × 9/12	= 75000	$\frac{175000}{2}$
PY 24-25	1000000 × 10%	= 100000	= 35000
× PY 25-26	1000000 × 10%	= 100000 + 35000	

135000

67500 (SOP) 67500 (LOP)

Note:- If any property is acquired in the middle of the year or construction completed in between the year then Municipal value / fair Rent / standard Rent considered only from the date when Assessee become owner or construct is completed. Municipal taxes are allowed on payment bases so taxes paid whether advance/ prepaid are allowed as deduction

M T W T F S S
Page No.:
Date:
YOUVA

Notes :-

1) If Assessee pays Tax as per default taxation regime u/s 115BAC then Interest on loan u/s 24(b) in respect of SOP (200000/30000) not allowed to Assessee.

2) SOP exemption (2 SOP) available only in case of Individual and HUF.

3) Municipal Taxes paid to foreign Municipility also allowed as deduction in case of Resident and ordinarily Resident

4) Interest for the year in which property acquired or constructed is fully allowed irrespective of date of acquisition or construction.

5) If Buyer acquire property and enter into agreement with the seller to pay consideration in Installment. The remaining amount of Installment shall be treated as loan and if any interest is paid on such o/s amount it shall be allowed as deduction u/s 24(b)

M T W T F S S
Page No.:
Date:
YOUVA

RESIDENCE AND SCOPE OF TOTAL INCOME

— Total Income of Assessee cannot be determined without knowing his Residential status. If any person become Resident in India, then his global income (Indian + foreign) shall be taxable in India. If any person become Non Resident in India then only Indian income shall be taxable for that person.

Residential status shall be determined for every year.

(A) Residential status of Individual

Basic conditions as per sec 6(1)

1) Stay in India for 182 days or more in PY (current PY)
PY 25-26

OR

2) Stay in India for 60 days or more in previous year

AND

365 days or more in last 4 PY's.

Additional conditions sec 6(6)

1) Resident for 2 PY or more in last 10 PY's

2) Stay in India for 730 days or more in last 7 Previous years.

- If any Individual satisfies any one basic condition then he is treated as Resident in India otherwise Non Resident in India.

- If any Individual become Resident in India then we have to check that such person is Resident and ordinarily Resident (R-OR) or Resident but Not ordinarily Resident (R-NOR)

- If such Individual satisfy both the addition condition he is treated as (R OR) otherwise (RNOR).

Note:- While calculating No of days stay in India, The day on which Individual enter in India as well as the day on which he leaves India shall be considered as stay in India.

Eg:- Mrs Bua

Days	comes in India	leaves India
107	14/2/25	16/7/25
45	13/12/25	26/1/26
27	19/2/26	17/3/26
2	30/3/26	27/4/26
181		

Compute No. of days stay in India (PY 25-26)

Eg 2:- Mr Green

Days	comes in India	leaves India
66	16/7/25	19/9/25
5	23/9/25	27/9/25
18	12/12/25	29/12/25
46	31/12/25	14/2/26
32	28/2/26	17/7/26
167		

Eg 3:- Mr Ben stokes

comes in India for 200 days.

16/12/25

calculate no of days stay in India

→ 106 days

Q3
pg 10

Mr. Lee PY 25-26 AY 26-27

Part a(i) Determine Residential status if he stays 100 days every year.

Particulars	No. of Days	Satisfied / Not satisfied
Basic conditions		
(i) Stay in India for 182 days or more in PY	100 days	Not satisfied
OR		
(ii) Stay in India for 60 days or more in PY	100 days	satisfied
AND		
365 days or more in last 4 PY's	400 days	
Additional conditions		
(i) Resident in India for 2 PY's or more in last 10 PY's	yes	satisfied
And		
(ii) Stay in India for 730 days or more in last 7 PY's	700	Not satisfied

Conclusion :- Since Mr Lee satisfied Basic condition but he could not satisfy both the additional conditions so he is treated as Resident but Not Ordinarily Resident.