

IF Royalty earned o/s India then debit allowed only if such Royalty brought in India in Convertible F&E within 6 month from expiry PY.

16.	80 GGC C No dedn if Payment in Cash	Other than Co. except local authority	Donation to Political Party	100%	
17.	80 QRB In case of Limf-Sum Royalty = i) Amt received as Royalty If Not Limf-Sum Royalty = up to 15% of Value of Books Sold.	Resident Individual	Royalty paid on copyright	* Actual amount 'or' 300000 [Whichever is Less]	
18.	80 RRB	Resident Individual	Royalty paid to patents	Actual amount 'or' 300000 [Whichever is Less]	
19.	80 TTA	Individual/HUF except resident individual (60 or more)	Interest on savings deposit (Bank, Co-of Bnk, Post office)	Maximum 10,000	
20.	80 TTB	Resident Individual Age ≥ 60	Interest on deposit (savings / time)	Maximum 50,000	

•> Section 80JJA: Deduction in case of Employment of new employees.

- a.) **Eligible assessee**: Any assessee engaged in business and to whom Sec. 44AB applies (i.e. Turnover > ₹ 1 Crore.
- b.) **Amount of deduction**: 30% additional employee cost (deduction allowed for 3 consecutive years)
- c.) **Additional Employee cost**: Total employment paid or payable to additional employees employed during the P.Y.
- In case of existing business, additional employee cost shall be NIL, if:
 - There is no increase in the total no. of employees.
 - Emoluments paid otherwise than by A/c payee cheque / draft / NEFT / RTGS (means paid in cash.)

Example: Suppose total employee as on 31/3/17 were 100 and during P.Y 2017-18 15 employees left the job and 15 new employees joined, then there will be no deduction, suppose in above example 20 new employees joined then deduction will be allowed on emolument paid to 5 employees.
 - In case of new business - Additional employee cost shall be emoluments paid/payable to employees employed during the P.Y.
- d.) **Additional employees do not include** :-
- Employees whose emoluments > ₹ 25000 pm

- Employee employed for less than 240 days in P.Y (in case of **manufacture of apparel or footwear or leather products less than 150 days.**)
- Employee does not participate in RPF.
- Employee for whom the entire contribution is paid by Government under employees Pension Scheme notified in accordance with the provision of the Employees Provident Funds and Miscellaneous Provision Act, 1952.

NOTE: If an employee is employed during the previous year for less than 240 days or 150 days, as the case may be, but is employed for a period of 240 days or 150 days, as the case may be, in the immediately succeeding year, he shall be deemed to have been employed in the succeeding year. Accordingly, the employer would be entitled to deduction of 30% of additional employee cost of such employees in the succeeding year.

➤ Section 80PA: Deduction in respect of certain income of Producer companies

Under section 80P, 100% deduction is available in respect of profits of co-operative society which provide assistance to its members engaged in primary agricultural activities. A similar benefit has been extended, by insertion of new section 80PA, to Farm Producer Companies (FPC), having a total turnover of less than ₹ 100 crore in any

previous year, whose gross total income includes any profits and gains derived from eligible business.

Eligible business means -

- a) the marketing of agricultural produce grown by its members, or
- b) the purchase of agricultural implements, seeds, livestock or other articles intended for agriculture for the purpose of supplying them to its members
- c) the processing of the agricultural produce of its members

Amount of Deduction: 100% of profits and gains attributable to eligible business for the previous year relevant to A.Y 2019-20 to A.Y 2024-25

In a case where the assessee is entitled also to deduction under any other provision of ch. VI-A the deduction under this section shall be allowed with reference to the income, if any, as referred to in this section included in the gross total income as reduced by the deductions under such other provision of this chapter.

Meaning of Producer company and members same as given in Section 581A of Companies Act, 1956.

Amendment under the chapter "Deduction"

•> Amendment - 1

Section - 80C : Insert clause (XXV)

Being an employee of the C.G as a contribution to a specified account of the pension scheme referred in section 80CCD

- a) For a period not less than 3 years
- b) Which is in accordance with scheme notified by C.G

•> Amendment - 2

Sec - 80CCD

Section - 80CCD

80CCD(1)

80CCD(1B)

80CCD(2)

Self contribution in NPS

In the case of excess contribution

Employees contribution

Employee = 10% of salary but maximum 1,50,000

Maximum 50000

- If employee = 10% is C.G & S.G
- Employee = 14% of salary

Others = 20% of GITI

Remarks

but maximum
150000

• Other = 10% of
Employee salary

First add then minus

contribution कितना ही
करो but deduction
14% or 10% की मिलेगी

Sec-80P

Deduction to Co-operative Society

Eligible = 1) Primary Agriculture credit Co-op Society

2) Primary Co-op agricultural & Rural
develop Bank.

100% Deduction of 80P is available if Co-op
Society engaged in:-

- 1) Cottage Industry
- 2) marketing of Ag. produce
- 3) Collective disposal of labour of its members
- 4) fishing @ fishing related activity
- 5) Income by way of Int @ dividend
derived from its investment in another
Co-op Society
- 6) Supplying oilseeds, milk, fruits
- 7) Renting of godaon / warehouse / storage (Not H.P)
- 8) Purchase of Agriculture implements @ article for
Agriculture purpose
- 9) Engaged in cold storage facility

Remarks

10) Engaged in production without aid of power

11) multipurpose Co-op Society

CHAPTER-12AGRICULTURE INCOME➤ Section-2(1A): Agriculture IncomeAgriculture income **includes**

- | | |
|---|--|
| • Rent/revenue from agricultural Land | • Income from such land by |
| • Income from building on agricultural Land | a) Agriculture, |
| | b) processing of agricultural produce |
| | c) Sale by cultivator / receiver of rent in kind |

➤ Section-10(1): Exemption

Agriculture income is **exempt** u/s 10. **However**, for individuals, HUF, unregistered firms, AOP, BOI and artificial persons, agriculture income is aggregated with non-agriculture income **if**

↓
Non-agricultural
Income > taxable limit

↓
Agriculture Income
exceeds ₹ 5000

➤ Manner of Computation (Partial Integration Method)

STEP-1 Compute net agricultural income (for eg. an assessee in business of tea, 60% income is agricultural income.

Remarks

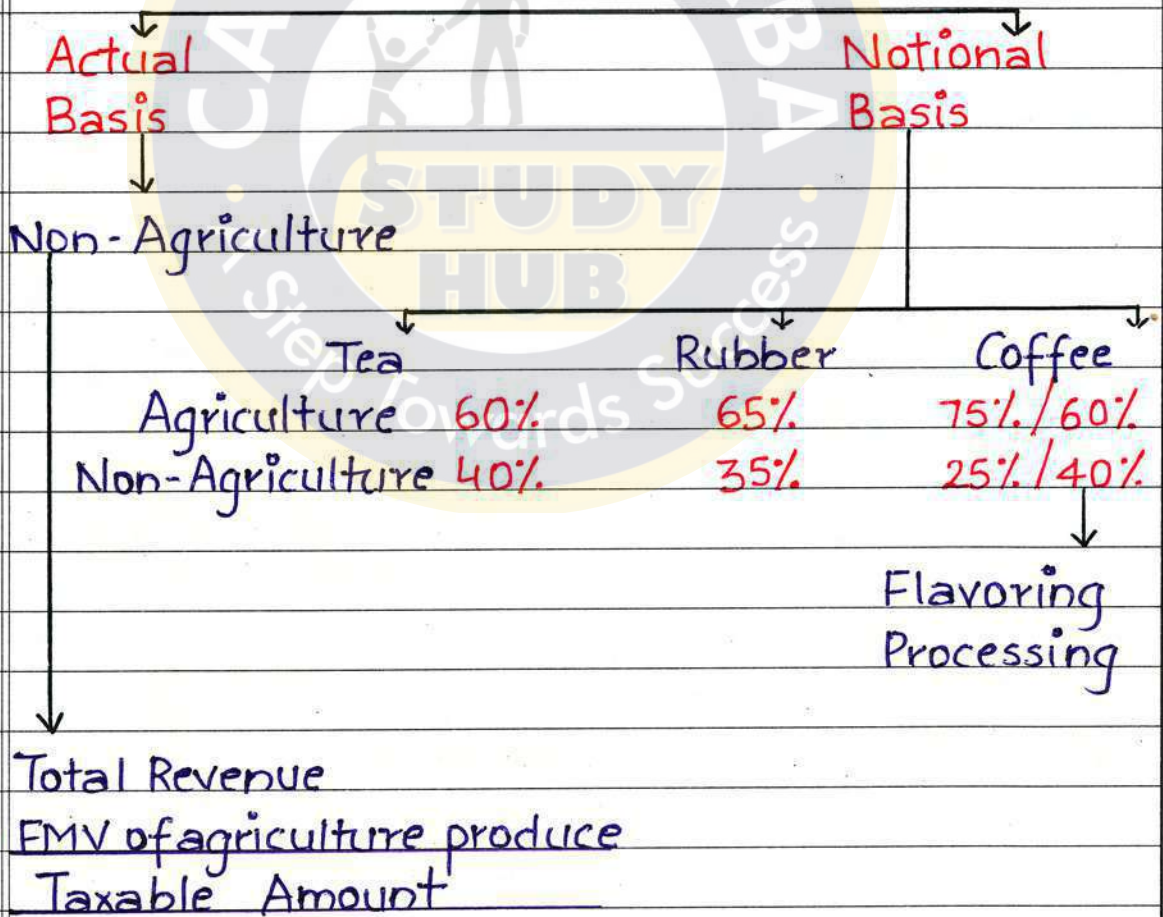
STEP-2 Add agricultural income and non-agricultural income and compute tax on same.

STEP-3 Add agriculture income and first slab of tax and compute tax on same.

STEP-4 Balance = Step 2 - Step 3

STEP-5 This amount in step 4 is income tax, add Health and Education Cess to the same. The amount so computed is tax payable.

➤ Income Computation in case of partial agriculture or partial non-agriculture



NOTE Agricultural Income arise in India is fully exempt from I. tax but if agriculture income arise

Remarks

outside India is fully taxable.

CHAPTER -13TAXATION OF CHARITABLE OR
RELIGIOUS TRUSTS•> Section-2(15): Definition of Charitable Purpose

Charitable purpose **includes** relief of poor, education, medical relief, yoga, preservation of environment and monuments, and also **includes** advancement of any object of general public utility.

•> Section 11: Income from Charitable Trust

Following shall **not be included in total income**

- **15%** of gross receipts
- **85%** of the income, which is applied for charitable / religious purpose in India
- **Corpus donations** (voluntary donation - direction to form part of corpus fund).

"Applied for charitable purpose" includes purchase of capital asset, revenue expense, donation to trust registered u/s 12AA or 10(23C) and repayment of loan taken for purchase of capital asset

If acquisition of asset is treated as application of income, then depreciation on same shall not be allowed

- If income applied falls short of 85% by reason of
- **Amount is not received:** File a declaration that it will be applied for such purpose in year of receipt and succeeding year, if not applied, then

taxable in succeeding year of receipt.

- **Other reason** : declaration that will be applied in next year, if not then income of next year.

•> Section 11(2): Exemption when accumulated for specific purpose

85% of income not applied but accumulated or set apart **accumulation not included in total income** if.

- a) Specified purpose for which accumulated and period for which accumulated, not exceed 5 yrs
- b) Not invested as per section 11(5).

•> Section-11(3): Exemption under section 11(2) withdrawn

- a) **Not used** for which accumulated.
- b) cease to be invested as per 11(5).
- c) donated to a trust registered u/s 12AA trust.
- d) **Not utilized** for the purpose specified, during 5 yrs and immediately following year

•> Section 11(1A): Capital gain deemed to be applied

Capital asset sold and consideration is utilized to purchase another asset, capital gain **deemed to be applied** :

- Whole consideration invested, such capital gain
- Part of consideration utilized, **CG exempt is cost**