

V.O.CHIDAMBARANAR PORT TRUST
FINANCE DEPARTMENT

x 28
9/8/16

No.FIN-OFFAO-CRT-MONT-V1-15

Date : 28 .07.2016

CIRCULAR No. 10 /2015-16

As per the Income tax Act the employee have to furnish the details of claims and evidence thereof in the Form No.12BB based upon which the deduction shall be allowed from the gross salary. The Form No.12 BB is enclosed with the circular. All the employee and officers of the Port are requested to furnish the details for the financial year 2016-17 and submit to Pay bill section for computation of Income Tax.

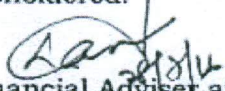
The last date for submission of details shall be 15th August 2016. The Pay Bill section shall compute tax as per the declaration received in Form 12 BB. In regard to the evidence /particulars mentioned in column -4 of Form 12BB, all the officers may submit the proof of the same in one bunch to Pay Bill section on or before 10th January 2017.

The Income Tax shall be recovered based on declaration made in Form 12BB every month up to December 2016. From January 2017, the Income Tax shall be recovered based on the evidence submitted for the declaration made in Form 12BB and any evidence not received for the declaration made such exemption shall not be considered and accordingly Income Tax shall be re-computed and recovered. All are requested to co-ordinate and submit the Form 12BB within 15th August 2016. Please note that no evidence or documents need to be submitted with the declaration form now and the same may submitted in one bunch only before 10th January 2017. All the officials are requested to write their Employee code in each proof document submitted by them.

Please note that delayed submission shall not be considered.

Encl: Form 12BB

To
All HODs/VOCPT


Financial Adviser and
Chief Accounts Officer

Copy to:

1. AO/PB- shall obtain from the EDP section , the projection sheet for the financial year 2016-17 employee wise verify and enclose the same with Form 12BB submitted by the employee and also the computation sheet received from EDP section and submit to Tax consultant for verification before 25.08.2016. Again after receipt of evidence from employees, the annual data sheet, 20.3.2016 computation sheet, Form 12BB and evidences to be enclosed together for each employee should be submitted to Tax consultant by 10th March for filling of income tax.
2. Sr.DD/EDP/AD(Shri.Kaliappan)- To provide the projection sheet & computation sheet by 20th August 2016 / 17.3.2016.
3. AO(PB)&AO(CSC) -to arrange for details of Form12BB to be feed in system before 19.8.16 /15.3.16
4. Tax consultants - to check and confirm before 30.8.2016/30.03.2016

FORM NO. 12BB

(See rule 26C)

Statement showing particulars of claims by an employee for deduction of tax under section 192

1. Name and address of the employee:
2. Permanent Account Number of the employee:
3. Financial year:

Details of claims and evidence thereof

Sl. No.	Nature of claim	Amount (Rs.)	Evidence / particulars
(1)	(2)	(3)	(4)
1.	House Rent Allowance: (i) Rent paid to the landlord (ii) Name of the landlord (iii) Address of the landlord (iv) Permanent Account Number of the landlord Note: Permanent Account Number shall be furnished if the aggregate rent paid during the previous year exceeds one lakh rupees		
2.	Leave travel concessions or assistance Deduction of interest on borrowing: (i) Interest payable/paid to the lender (ii) Name of the lender (iii) Address of the lender (iv) Permanent Account Number of the lender (a) Financial Institutions(if available) (b) Employer(if available) (c) Others		
3.	Deduction under Chapter VI-A		

<p>(A) Section 80C, 80CCC and 80CCD</p> <p>(i) Section 80C</p> <p>(a)</p> <p>(b)</p> <p>(c)</p> <p>(d)</p> <p>(e)</p> <p>(f)</p> <p>(g)</p> <p>(ii) Section 80CCC</p> <p>(iii) Section 80CCD</p> <p>(B) Other sections (e.g. 80E, 80G, 80TTA, etc.) under Chapter VI-A.</p> <p>(i) section.....</p> <p>(ii) section.....</p> <p>(iii) section.....</p> <p>(iv) section.....</p> <p>(v) section.....</p>		
Verification		
I,.....,son/daughter of..... do hereby certify that the information given above is complete and correct.		
Place.....		
Date.....		(Signature of the employee)
Designation		Full Name:...

Deductions that can be claimed by the Salaried Employees of VOCPT for the Financial Year 2016/17

List of Chapter VIA deductions

Section 80C, 80CCC and CCD(1)

The total deduction that can be claimed under section 80C alongwith 80CCC and CCD(1) is limited to Rs. 1,50,000 and additional exemption of Rs. 50,000 u/s 80CCD(1b) can be claimed from the total income.

Investment/Expenditure allowed u/s Section 80C:

- Investment in 15 years Public Provident Fund (PPF)
- Employee's share of PF contribution
- National Savings Certificate (NSC)
- Life Insurance Premium payment – lower of actual premium paid or 10% of sum assured
- Children's Tuition Fee (of any two children)
- Principal Repayment of home loan – *Refer Note 1*
- Investment in Sukanya Samridhi Account
- Unit Linked Insurance Plan (ULIP) of Unit Trust of India/LIC Mutual Fund
- Equity Linked Savings Scheme (ELSS)
- Sum paid to purchase deferred annuity
- Amount deposited in Five year deposit scheme in Post Office
- Amount deposited in Senior Citizens savings scheme
- Amount deposited for five years or more with a scheduled bank.
- Subscription to notified securities/notified deposits scheme
- Contribution to notified Pension Fund set up by Mutual Fund or UTI
- Contribution towards Statutory Provident Fund and Recognized Provident Fund
- Subscription to Home Loan Account Scheme of the National Housing Bank
- Subscription to deposit scheme of a public sector or company engaged in providing housing finance Contribution to notified annuity Plan of LIC
- Subscription to equity shares/ debentures of an approved eligible issue
- Subscription to notified bonds of NABARD
- Contribution towards approved superannuation fund.
- Subscription towards notified units of Mutual fund or Unit Trust of India

NOTE:

When the employee acquires a house property but it is not occupied by him owing to employment in any other place, he can

- Claim HRA and
- Deduction upto Rs. 2,00,000/- on Interest on Borrowed capital u/s 24(b) for construction or acquiring a property and
- Deduction on principal repayment of Housing loan u/s 80C upto the limit of Rs.1,50,000 as stated above

Section 80CCC: Deduction is allowed for contribution towards Annuity Plan of LIC.

If the annuity is surrendered before the date of its maturity, the surrender value is taxable in the year of receipt.

Section 80CCD: Deduction for Contribution made to New Pension Scheme Account (NPS)

Employee's contribution – Section 80CCD(1) - Allowed to an Individual who makes deposits to his/her Pension account.

Maximum deduction allowed is the least of the following,

- 10% of salary (in case of taxpayer being an employee)
- 10% of gross total income (in case of tax payer being self-employed)
- Rs 1,50,000/-

Deduction for self contribution to NPS - section 80CCD(1B) - A new section 80CCD(1B) has been introduced for additional deduction for amount deposited by a taxpayer to their NPS account . Contributions to Atal Pension Yojana are also eligible. Deduction is allowed on contribution up to Rs 50,000.

Employer's contribution – Section 80CCD(2) - Deduction is allowed for employer's contribution to employee's pension account up to 10% of the salary of the employee.

At the time of closure or opting out of the scheme, the amount received shall be chargeable to tax. In case of receipt of the same by the nominee due to death of the Assessee then the amount received shall be exempt from tax.

Section 80CCG: Rajiv Gandhi Equity Saving Scheme (RGESS)

Investors whose gross total income is less than Rs. 12 lakhs can invest in this scheme. The investment must be locked in for a period of 3 years from the date of investment.

The deduction is lower of,

50% of amount invested in equity shares (or) Rs 25,000.

Section 80D: Deduction allowed in respect of premium paid for Medical Insurance

Premium paid for	Amount of deduction (Rs.)
Self, Spouse, Children , Parents	25,000
Senior Citizen	30,000

For uninsured super senior citizens (more than 80 years old) Medical Expenditure incurred up to Rs 30,000.

However, total deduction for health insurance premium and medical expenses for parents shall be limited to Rs 30,000.

Section 80DD: Deduction for Expenditure made or amount deposited for/in relation to Medical Treatment and Rehabilitation of Handicapped Dependent Relative.

Where disability is 40% or more but less than 80% - fixed deduction of Rs75,000.

Where there is severe disability (disability is 80% or more) – fixed deduction of Rs 1,25,000.

Provided, for determining the level of disability the taxpayer should furnish certificate in Form 10 IA issued by a prescribed medical authority.

Section 80DDB: Deduction for Medical Expenditure on Self or Dependent Relative for diseases specified in Rule11DD which are as hereunder.

- Neurological diseases where the disability level has been certified to be of 40% and above
- Malignant cancers
- Full Blown Acquired Immuno-Deficiency Syndrome (AIDS)
- Chronic Renal failure
- Hematological disorders

The amount actually paid or Rs.40,000/-, whichever is less is allowed as deduction.

In case of senior citizen the deduction can be claimed up to Rs 60,000/- or amount actually paid, whichever is less.

In case of super senior citizens, Rs 80,000/- is the maximum deduction that can be claimed.

Deduction under this section shall be reduced by the amount received if any, under insurance from an insurer or reimbursed by an employer for the medical treatment of the person referred to above.

Section 80E: Deduction for Interest on Education Loan for Higher Studies:

Deduction is allowed for interest on loan taken for pursuing higher education.

This loan should have been taken for the taxpayer, spouse or children or for a student for whom the taxpayer is a legal guardian.

The deduction is available for a maximum of 8 years or till the interest is paid in full, whichever is earlier. There is no restriction on the amount of deduction that can be claimed for the payment of interest for the said loan.

Section 80EE:

First time Home Buyers can claim deduction of up to Rs 50,000 on home loan interest payments u/s 80EE. The below criteria has to be met for claiming tax deduction under section 80EE.

- The home loan should have been sanctioned in FY 2016-17
- Loan amount should be less than Rs. 35 lakh.
- The value of the house should not be more than Rs 50 Lakh &
- The home buyer should not have any other existing residential house in his name.

Section 80G : Deduction for donations towards Social Causes

- Contributions made to certain relief funds and charitable institutions shall be claimed as deduction under Section 80G of the Income Tax Act. All donations are not eligible for deduction under section 80G.

- **Mode of Payment** - The deduction can be claimed only when the contribution has been made through cheque or draft or in cash. If donations are made in cash exceeding Rs.10,000/- then deduction under this section will not be allowed. Donations in kind such as food material, clothes, medicines etc also do not qualify for deduction under section 80G.
- **Amount of Donation** – Contributions made to various funds as specified u/s 80G are eligible for deduction up to 100% or 50% with or without restriction as provided in section 80G.

Section 80GG: Deductions on House Rent paid where HRA is not received

- The deduction is available for rent paid by the individual when HRA is not received.
- Taxpayer or his spouse or minor child should not own residential accommodation at the place of employment.
- Taxpayer should not have self occupied residential property in any other place.
- Taxpayer must be living on a rented house and paying rent.
- A declaration in Form No.10BA regarding the expenditure incurred by the individual towards payment of rent should be filed.

The amount deductible shall be least of,

1. Rent paid minus 10% of total income
2. Rs. 5000/- per month
3. 25% of total income

Section 80GGA - Deductions for donations made towards scientific research or rural development

Mode of payment - Donations can be made in cheque or by draft or in cash; however cash donations in excess of Rs.10,000/- are not allowed as deduction. 100% of the amount that is donated is eligible for deduction.

Section 80GGC: Deduction on contributions given by any person to Political Parties

Deduction is allowed to a taxpayer for any amount contributed to any political party or an electoral trust. Deduction is allowed for contribution made through any mode other than cash.

Section 80RRB: Deduction with respect to any Income by way of Royalty of a Patent

Receipt of income by way of royalty on patents registered on or after 01.04.2003 under the Patents Act 1970 shall be available as deduction which is up to Rs.3 lakhs or the income actually received, whichever is less.

Section 80TTA: Deduction in respect of interest credited in savings bank account not being time deposits.

In respect of interest credited in savings bank account, co-operative bank and Post Office, Rs.10,000/- or the actual amount credited in the account will be allowed as deduction.

If interest is received Post Office savings Bank, the deduction shall be allowed as here under,

Interest from individual account – Rs. 3,500/-

Interest from joint account - Rs. 7,000/-

Section 80U: Deduction in case of person with disability

Fixed deduction is available if an individual has any of the following disability,

- Blindness
- Low vision
- Leprosy – cured
- Hearing impairment
- Locomotor disability
- Mental Retardation
- Mental Illness

The taxpayer should furnish Form 10 IA certified by medical authority.

The amount of deduction shall be as under.

Particulars	Amount of fixed deduction (Rs.)
Disability of more than 40% but less than 80%	75,000/-
Severe disability of more than 80%	1,25,000/-

Rebate u/s 87A -

Rebate under this section is available to individuals whose total income does not exceed Rs.5,00,000/-.

The amount of rebate shall be the least of,

- Income Tax payable
- Rs.5,000/-.

Other Income -

In case of employees having any income other than salary, they should provide a declaration to the employer about the nature and the quantum of income and tax deducted, if any thereon.