



कार्यालय, रक्षा लेखा नियंत्रक,

नं. 1, स्टाफ रोड, सिकंदराबाद - 500 009

Office of the Controller of Defence Accounts

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No.PAY TECH/4024/I.T/Corr

Dated :09.09.2017

CIRCULAR

SUB:- Recovery of Income Tax for the Financial Year 2017-18  
(Assessment Year 2018-19) – reg.

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1. As per Para III of Memorandum on Finance Bill, 2017, the rates of Income Tax applicable for the F.Y. 2017-18 are as under:-

Normal/Women (Amt. in Rs.)	Tax Rate	*Senior Citizen (Amt. in Rs.)
Up to Rs. 2,50,000	Nil	Upto Rs.3,00,000
Rs. 2,50,001 – 5,00,000	5%	Rs.3,00,001 TO 5,00,000
Rs. 5,00,001 - 10,00,000	20%	Rs. 5,00,001 to 10,00,000
Above Rs. 10,00,001	30%	Above Rs.10,00,000

**2. DEDUCTIONS ALLOWED FROM SALARY:-**

**UNDER SECTION 24:** The property was acquired or constructed through capital borrowed on or after 1.04.1999 and acquisition / construction completed within 3 years from the end of the F.Y. in which capital was borrowed, interest on such borrowed capital is deductible upto a maximum of Rs.2.00 lakh.

The following amounts paid/deposited out of salary will be allowed as deduction and the maximum amount of deduction allowed is ` 1,50,000/-. However, there is no limit for each of the amounts that can be part of the above ` 1,50,000/-. The following paras are only illustrative and for detailed guidelines, Income Tax Act and circulars thereon may be referred.

**UNDER SECTION 80 C:-** 1) LIC /PLI Premium 2) GPF Contribution (excluding refund) (3) Contribution towards 15-year PPF. (4) Subscription to N.S.S. VIII issue (5) Contribution towards unit linked insurance plan, like ULIP of UTI or LIC Mutual Fund (6) Amount paid as Tuition Fees, in India for full time education subject to a maximum of 2 children (7) Any payment towards repayment of loan (Principle Amount) taken from Government /Banks towards purchase/construction of a residential property.

**UNDER SECTION 80 CCC:-** Deduction upto Rs.1.00 lakh in respect of contribution to certain Pension Funds, paid as a premium for annuity plan of LIC or any other insurer.

**UNDER SECTION 80 CCD:-** Deduction in respect of employee's contribution to New Pension Scheme of Central Government, will be allowed in computation of his total income, the whole amount so paid or deposited as does not exceed 10% of his salary.

**UNDER SECTION 80 CCD(1B):** Under this section an amount of Rs.50,000/- is allowed as exemption against contribution in NPS Tier-II. This amount is over and above the deduction of Rs.1,50,000/- under 80C.

**SECTION 80 CCE:-** Limit on deductions under sections 80C, 80CCC and 80CCD.

**The aggregate amount of deductions under sections 80C, 80CCC, 80CCD & 80 CCD(1B) shall not exceed Rupees Two Lakh.**

3. In addition to the above, deductions under the following sections of I.T. Act are also allowed:

UNDER SECTION 80 DD:- Payment for Medical treatment of dependent person with disability (a) in case of normal disability a maximum amount of ` 75,000/- (b) in case of severe disability a maximum amount of ` 1,25,000/-.

UNDER SECTION 80 E:- Repayment of interest on Education loan taken from any financial institution/charitable institution for self/family members, during the year, can be deducted till the loan is cleared or for eight years, whichever is earlier.

UNDER SECTION 80 U:- Deduction in case of a person with disability: A deduction of ` 75,000 is allowed out of the income of a resident individual who is certified by the medical authority to be a person with disability, which had the effect of reducing substantially his capacity to engage in a gainful employment. If the person is with severe disability the deduction is allowed up to ` 1,25,000. Certificate as specified in rule 11A is required to be furnished.

UNDER SECTION 80 CCG:- For the investment made under the Rajiv Gandhi Equity Savings Scheme, 50% of the total investment or 25000/-, whichever is less, will be exempted.

UNDER SECTION 87-A: Rebate of Rs.2500/- or the amount of tax payable, whichever is lower will be permissible, for individuals having total income upto Rs.3,50,000

4. DDOs are requested to obtain the tax assessment statements from all the employees whose Salary income for the year exceeds 2,50,000/- ( 3,00,000/- in case of Senior Citizens *those who are attaining the age of 60 years during the Financial Year*), to **VERIFY THEIR IT STATEMENT** w.r.t., their self-assessment. The Income Tax may be recovered from their salaries accordingly duly obtaining the proof in support of deductions claimed, (like Rent Receipts, Form 10 BA, LIC Premium Receipts, PPF Receipts, Tuition Fee Receipts etc).

5. It may please be noted that in the event of non-receipt of Income Tax Statement along with proof of savings, if any, by OCTOBER 2017, the TAX DEDUCTION MAY BE CARRIED OUT WITH the details available in the Pay Bills WITH OUT WAITING FOR SUBMISSION OF THE RECEIPTS.

6. The contents of this circular may please be brought to the notice of all the officers and staff of your unit, including those on leave and their signatures, in token of having noted the contents may be obtained and kept on record.

*Sd/-*

DY. CONTROLLER (PAY)

Copy to:-

1. All units under CDA Secunderabad.

**INCOME TAX STATEMENT FOR THE FINANCIAL YEAR 2017-18**

**(Assessment Year 2018-19)**

1. NAME :

DESIGN. :

SEX :M/F

A/C NO.:

2. P.A.N.

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(Xerox copy of PAN card may please be enclosed)

3. OFFICE IN WHICH WORKING:

Contact Telephone no. if any. \_\_\_\_\_

1. Income for the period 3/2017 to 2/2018 : \_\_\_\_\_

(i) Less: Transport Allowance (1600 x 12) : (-) \_\_\_\_\_

(ii) Less: Professional TAX recovered : (-) \_\_\_\_\_

2. Total Income for the financial year : \_\_\_\_\_

Less: H.R.A. Exemption (which ever is *least* of the following) : (-) \_\_\_\_\_

a) Actual HRA received	_____
b) Rent Paid - 10% salary	_____
c) 40% of salary	_____

Less: Interest on H.B.A. : (-) \_\_\_\_\_

(Interest upto Rs.2.0 lakh is allowed, if the loan for construction/acquiring of a House is taken after 1.4.99 and the house is completed within 3 years.)

3. Balance : \_\_\_\_\_

4. Less: a) Deductions u/s 80C, 80CCC, 80CCD

- i) GPF SUB.
  - ii) CGEIS
  - iii) LIC
  - iv) PPF
  - v) NSC
  - vi) PENSION ANNUITY PLAN
  - vii) H.B.A.( Principle amt.)
- (Total of (4)(a) not to exceed ` ,1,50,000)
- vii) NPS TIER-II under 80CCD(1B)

} :(-) \_\_\_\_\_

b) Deduction u/s 80CCG (Maximum up to ` .25,000/-) : (-) \_\_\_\_\_

c) Deductions u/s 80D, including : \_\_\_\_\_ (-) \_\_\_\_\_  
 CGHS Subscription for the year (Maximum up to ` .25,000/-)  
 (Rs.30,000/- in case of Senior Citizens)

d) Deductions u/s 80 DD/80U: \_\_\_\_\_ (-) \_\_\_\_\_

## 5. Net Taxable Income : \_\_\_\_\_

General/ Women	Tax calculation	Senior Citizen	Tax calculation
Up to 2,50,000	Nil	Up to 3,00,000	Nil
2,50,001 - 5,00,000	5% on the amount above 2,50,000	3,00,001- 5,00,000	5% on the amount above 3,00,000
5,00,001 - 10,00,000	12500+ 20% on the amount above 5,00,000	5,00,001- 10,00,000	10000+ 20% on the amount above 5,00,000
10,00,001 & Above	112500+ 30% on the amount above 10,00,000	10,00,001 & Above	110000+ 30% on the amount above 10,00,000

6. Income Tax to be paid on amount at col. (5) : \_\_\_\_\_
7. Tax Rebate U/s.87-A(upto Rs.2500/-) : \_\_\_\_\_  
(APPLICABLE UPTO TAXABLE INCOME OF Rs.3,50,000)
8. Add Education Cess @ 3% on total of col.(6-7) : \_\_\_\_\_
9. Total Tax to be paid : \_\_\_\_\_
10. Tax already recovered if any : \_\_\_\_\_

Month	Amount of Tax recovered including Education cess	Office where recovery effected
3/2017		
4/2017		
5/2017		
6/2017		
7/2017		
8/2017		
9/2017		

11. Balance of Tax : \_\_\_\_\_

## 12. Proposal for Recovery of Tax:

	I.TAX	E.CESS
10/2017		
11/2017		
12/2018		
01/2019		
02/2019		

I will submit all Proof of savings pending if any by 31/Dec/2017.

SALARY STATEMENT FOR THE FINANCIAL YEAR 2017-18

NAME: \_\_\_\_\_ OFFICE: \_\_\_\_\_  
 DESGN: \_\_\_\_\_ PAN : \_\_\_\_\_  
 ACCOUNT NO.: \_\_\_\_\_

MONTH YEAR	BASIC PAY	Grade Pay	DA	HRA	Others	FPA	TPAL	GROSS SALARY	GPF	CGEG IS	HBA	LTC	C u/
03/2017													
04/2017													
05/2017													
06/2017													
07/2017													
08/2017													
09/2017													
10/2017													
11/2017													
12/2017													
01/2018													
02/2018													
TOTAL													

TOTAL GROSS SALARY FROM THE ABOVE STATEMENT : :  
 ADD: A/o D.A. 1/2017 TO 3/2017 : :  
 A/o D.A. 7/2017 TO 9/2017 : :  
 Ad hoc Bonus : :  
 Children Education Allowance : :  
 HONORARIUM : :  
 Encashment of leave on LTC : :  
 PAY-FIXATION ARREARS (IF ANY) : :  
 TOTAL INCOME : : \_\_\_\_\_

(S)