

Motilal Nehru College
(University Of Delhi)

Date: 31/08/2020

NOTICE

Subject: Exercising option for deduction of TDS under old and new rates of Income Tax for Financial Year 2020-21.

The Government of India has notified new tax structure w.e.f. the financial year 2020-21 (assessment year 2021-22), wherein the total taxable income shall be computed without any exemption/deduction such as Standard Deduction, HRA exemption, Interest on home loan, deduction granted under the provisions of Chapter VI viz PF, LIC, NPS etc. The new rates of income tax are as follows:

S.No.	Taxable Income	Tax Rate (Old Scheme)	Tax Rate (New Scheme)
1.	Up to Rs.2,50,000/-	Nil	Nil
2.	From Rs.2,50,001/- to Rs.5,00,000/-	5%	5%
3.	From Rs.5,00,001/- to Rs.7,50,000/-	20%	10%
4.	From Rs.7,50,001/- to Rs.10,00,000/-	20%	15%
5.	From Rs.10,00,001/- to Rs.12,50,000/-	30%	20%
6.	From Rs.12,50,001/- to Rs.15,00,000/-	30%	25%
7.	Above Rs.15,00,000/-	30%	30%

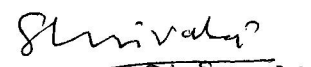
2. The income tax rates prevailing in the financial year 2019-20 will continue to exist and the employee has to choose between old rates and new rates for the purpose of monthly income tax recovery from pay and allowances. In the old tax rates, all the existing deductions and exemptions are allowed.

3. Therefore, all the teaching and non-teaching staff are requested to exercise their option, in writing or through email to the Principal or motilalnehr64@gmail.com respectively **latest by 20.9.2020** to choose between old or new income tax structure for the financial year 2020-21 (assessment year 2021-22) for the purpose of monthly income tax deduction from pay and allowances.

4. The employee has to submit saving declaration form (12BB) **latest by 20.9.2020** who choose old tax structure for the financial year 2020-21. However, copies of savings proof must be submitted by **10th January, 2021**.

5. If no option is received by the prescribed date, TDS will be worked out on old rate structure or new rate structure whichever will be beneficial for the employee. Accordingly, income tax recoveries will be regulated

4. It may also be noted that the option so exercised will be final and cannot be modified during the present financial year.


31.8.2020
Acting Principal

Encl: Declaration Form

All Teaching & Non teaching Staff

FORM NO.12BB

(See rule 26C)

1. Name and address of the employee:			
2. Permanent Account Number of the employee:			
3. Financial year:			
Details of claims and evidence thereof			
SI No.	Nature of claim	Amount (Rs.)	Evidence / particulars
(1)	(2)	(3)	(4)
1	<p>House Rent Allowance:</p> <p>(i) Rent paid to the landlord</p> <p>(ii) Name of the landlord</p> <p>(iii) Address of the landlord</p> <p>(iv) Permanent Account Number of the landlord</p> <p>Note: Permanent Account Number shall be furnished if the aggregate rent paid during the previous year exceeds one lakh rupees</p>		
2	Leave travel concessions or assistance		
3	<p>Deduction of interest on borrowing:</p> <p>(i) Interest payable/paid to the lender</p> <p>(ii) Name of the lender</p> <p>(iii) Address of the lender</p> <p>(iv) Permanent Account Number of the lender</p> <p>(a) Financial Institutions(if available)</p> <p>(b) Employer(if available)</p> <p>(c) Others</p>		
4	<p>Deduction under Chapter VI-A</p> <p>(A) Section 80C, 80CCC and 80CCD</p> <p>(i) Section 80C</p> <p style="padding-left: 20px;">(a)</p> <p style="padding-left: 20px;">(b)</p> <p style="padding-left: 20px;">(c)</p> <p style="padding-left: 20px;">(d)</p> <p style="padding-left: 20px;">(e)</p> <p style="padding-left: 20px;">(f)</p> <p style="padding-left: 20px;">(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 style="padding-left: 20px;">(i) section.....</p> <p style="padding-left: 20px;">(ii) section.....</p> <p style="padding-left: 20px;">(iii) section.....</p> <p style="padding-left: 20px;">(iv) section.....</p> <p style="padding-left: 20px;">(v) section.....</p>		
Verification			
I,.....son/daughter of..... do hereby certify that the information given above is complete and correct.			
Place.....		(Signature of the employee) Full Name	
Date.....			
Designation			