



OFFICE OF THE Jt. CAO-II (A/cs)
NEW DELHI MUNICIPAL COUNCIL
PALIKA KENDRA, PARLIAMENT STREET
NEW DELHI-110001

Ref No: 549 /AO (CBS)/D/2018

Dated: 20/10/2018

CIRCULAR

As per the provision of Section 192 of the Income Tax Act 1961, person responsible for paying any income chargeable under the head Salaries shall, at the time of payment, deduct income-tax on the amount payable at the average rate of income-tax computed on the basis of the rates in force for the financial year in which the payment is made, on the estimated income of the assesses under the head "Salaries", after allowing the permissible deductions.

To avoid any chance of excess deduction of Income Tax, all Municipal employees are advised to submit to Sr. A.O. (CBS & A/Cs) an undertaking about anticipated Investments/ Savings eligible for deductions against Salary Income on a plain paper on the basis of estimated income during the Financial year 2018-19 relevant to the Assessment year 2019-20 and also other income, if any, along with perquisites **by 15.12.2018 positively.**

Exemptions and Deductions are available on various expenditures/investments under different sections of the Income Tax Act, 1961 for the F.Y 2018-19 relevant to the income tax assessment year 2019-20 as explained hereunder (for details refer Income Tax Act, circulars and notification issued/relate there too) and following Rule 26C for furnishing of evidence of claims by employee for deduction of tax under section 192 in form No. 12BB for the purpose of estimating the employee income or computing the tax deduction at source:-

- (i) Exemption is allowed in respect of HRA to meet the expenditure actually incurred as rent against residential accommodation. Employees drawing HRA more than Rs.3000/p.m. and intend to avail rebate of HRA, should produce rent receipts, declaration in form 12BB [Rule 26C] (Name, address and permanent account number of the landlord/landlords where the aggregate rent paid during the previous year exceeds rupees one lakh) and in case the landlord does not have a PAN, a declaration to this effect from the landlord, along with the name and address of the landlord should be provided. (Section 10)
- (ii) Professional Tax paid. (Section 16(i))
- (iii) Entertainment Allowance limited to one-fifth of salary or Rs. 5000/- whichever is less. (Section 16(ii))
- (iv) Interest allowed upto Rs.2,00,000/- for self occupied property. (Section 24)
- (v) Life Insurance Premium subject to a maximum of 20% of sum assured for policies on or before 31.3.2012 and 10% of sum assured for policies taken on or after 1.4.2012, P.F., PPF, NSC, ULIP, Subscription to Units of any Mutual Fund eligible for rebate/deduction, Contribution to any Pension Fund set up by any Mutual Fund, Subscription to any deposit scheme of National Housing Bank, tuition fees paid limited to 2 children, any installment or part payment of an amount borrowed for construction/ purchase of residential property from bank/ Govt./ LIC /Co-operative Bank/ Housing Board/ Development authority etc. Fixed deposit for a minimum period of 5 years in SBI/Public Sector Bank or Scheduled Bank. (Section 80-C)
- (vi) Contribution upto Rs. 1,50,000/- per annum to New Pension Fund introduced by LIC or any other insurer notified by Central Govt. (Section 80 CCC)
- (vii) Contribution to New Pension Scheme limited to 10% of salary. (Section 80 CCD-1)
- (viii) Govt. Contribution to the New Pension Scheme Limited to 10% of the Salary. (Section 80CCD-2)
- (ix) Additional exemption up to Rs 50,000 in New Pension Scheme (Tier-1). (Section 80CCD-1B)

Please note that the aggregate amount of deduction u/s 80-C, 80-CCC and 80-CCD (I) shall not exceed one lakh fifty thousand rupees (Rs.1,50,000/- for AY 2019-20), However, deduction u/s 80CCD-2 and 80CCD-1B shall be available in addition to this limit. (Section 80 CCE)

(x)

- Medclaim Policy (Max. Rs.25,000/-)-assessee.
- Additional deduction Rs.5000/- (if policy is taken on the life of a senior citizen)

- Additional deduction of 30,000 is provided to an individual assessee to effect or to keep in force insurance on the health of the parent or parents of the assessee or for medical expenditure in case of non insured super senior citizen (80 years and above)- (Max. Rs.30,000/-)

Note:-

1. Aggregate deduction available to any individual in respect of health insurance premia and the medical expenditure incurred would however be limited to thirty thousand rupees.
2. Aggregate deduction available to any individual in respect of health insurance premia and the medical expenditure incurred in respect of parents would however be limited to thirty thousand rupees. (Section 80-D)
3. Amount incurred on medical treatment of any dependant due to disability subject to maximum of Rs.75,000/- (with more than or equal to 40% disability) and Rs.1,25,000/-(with severe disability more than or equal to 80%). (Section 80-DD)
4. Actual expenditure limited to Rs.40000/- by the employee or a dependant suffering from specified ailments (such as Cancer or AIDS etc. The diseased have been specified in Rule 11DD. A certificate in form 10 I is to be furnished by the taxpayer from any Registered Doctor. (Section 80-DDB)
5. Interest paid on loan borrowed from any financial institution or charitable institution for purpose of higher education. This loan may 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, whichever is earlier. (Section 80-E)
6. Deduction is allowed upto a limit of Rs. 50,000/- being paid as interest on a loan taken from a financial institution, sanctioned during the period 1.4.2016 to 31.3.2017 (loan not exceeding Rs. 35 Lakhs) for acquisition of a residential house whose value does not exceed Rs. 50 lakhs. However, if the assessee does not own any residential house property on the date of sanction of loan i.e. deduction is only applicable on home loan paid for first house property. (Section 80 EE)
7. Donations for deduction up to either 100% or 50% with or without restriction, as specified. Any donations made in cash exceeding Rs 2000 will not be allowed as deduction. (Section 80-G)
8. Amount of expenditure on medical treatment of the employee due to disability subject to maximum of Rs.75,000/- & Rs.1,25,000/- in case of severe disability. (Section 80-U)

Income Tax Slab Rates for FY 2018-19 (AY 2019-20)

PART I: Income Tax Slab for Individual Tax Payers & HUF (Less Than 60 Years Old) (Both Men & Women)

Income Slab	Tax Rate
Income up to Rs 2,50,000	No tax
Income from Rs 2,50,001 – Rs 5,00,000	5%
Income from Rs 5,00,001 – 10,00,000	20%
Income more than Rs 10,00,000	30%

PART II: Income Tax Slab for Senior Citizens (60 Years Old Or More but Less than 80 Years Old)(Both Men & Women)

Income Slab	Tax Rate
Income up to Rs 3,00,000	No tax
Income from Rs 3,00,001 – Rs 5,00,000	5%
Income from Rs 5,00,001 – 10,00,000	20%
Income more than Rs 10,00,000	30%

- Surcharge: 10% of income tax, where total income exceeds Rs.50 lakh up to Rs.1 crore.
- Surcharge: 15% of income tax, where the total income exceeds Rs.1 crore.
- Cess: 4% on total of income tax + surcharge.
- Standard deduction of Rs 40,000 for salaried employees.
- No tax exempt of Transport allowance

Rebate of Rs. 2500/- or the amount of tax payable whichever is lower, is allowed for individuals having total income up to Rs. 3.50 lakhs under Section 87(A).

In case the anticipated Tax Savings declarations based on required documents is not received in CBS by 15.12.2018, deduction of Income Tax will be made from estimated average rate of monthly installments from the salary of the employees on the basis of information whatsoever is available in CBS.

The final Income Tax declaration on printed Performa/form will have to be submitted by all Municipal Employees/ Officers to CBS latest by 15.01.2019 as per past practice to enable them to release the salary of Feb -2019 in time.

As per new provision of tax deduction at source (TDS) under the Income Tax Act 1961 effective from April 1, 2010, TDS at higher of the prescribed rate or 20% will be deducted on all transactions liable to TDS, where the Permanent Account Number (PAN) of the deductee is not available. All the employees are required to intimate their PAN Number immediately if not intimated till date to CBS. In case any employee has not got allotted the PAN number, he should apply in Form 49A for allotment of the same immediately and inform to CBS.

All the Head of Deptts. are requested to bring the contents of this circular to the notice of all the staff working under their control for strict compliance. All concerned may please note that once Income Tax is deducted at source and deposited with the designated Bank of Income tax Department, no refund will be made subsequently at our end as provided under Income Tax Act,1961.


30/1/18
(RAM SINGH)
JT. CAO-II (A/C)

Copy to:-

- | | |
|------------------------|------------------------------------|
| 1. PS to Chairperson | 2. PS to Secretary |
| 3. PS to FA | 4. PS to Chief Auditor |
| 5. PS to legal Advisor | 6. Chief Architect |
| | 7. Dir. (Accounts) for information |
| 8. C.E. (C-I) | 9. C.S.O. |
| 10. Director (Medical) | 12. Dy. Dir (Estt) |
| 11. Director (Finance) | 13. Dy. Dir.(Audit) |
| 14. C.E. (E-I) | 15. Dy. Dir.(Elect) |
| 16. C.E. (E-II) | 19. Dy.Dir.(Health) |
| 17. C.E. (C-I) | 20. Director (MS) |
| 18. C.E.(C-II) | 21. MOH/Dir.(MPH) |
| 22. Chief Architect | 23. S.O.(CE-I) |
| 24. Dir. (MH) | 25. S.O.(CE-II) |
| 26. M.O.H. | 27. S.O.(HE-I) |
| 28. Dir. (Tax) | 29. S.O.(HE-II) |
| 30. Dir. (P-I) | 32. S.O.(HE-III) |
| 31. Dir.(P-II) | 33. Dy. Director (Cash) |
| 34. Dir. (Hort) | 35. S.O.(A&H) |
| 36. Dir. (Estate) | 37. S.O.(Estate) |
| 38. Dir. (Vig) | 39. S.O.(Estt.) |
| 40. Dir. (Enf) | 41. S.O.(Pension) |
| 42. Dir. (Edn) | 43. S.O.(A/Cs) |
| 44. Dir. (Co-ord) | 45. S.O.(PH) |
| | 46. Dy. Director (Rates) |

47. Dir. (Welfare)
48. AAO/SO(CBS)- I,II
49. Sr A.O(Funds & Investment)
50. A.O. (Pension) I & II-
51. AO (PH)
52. S.O.(EE-II)
53. S.O. (Edn.)-I S.O.(Edn-II)
54. SO (EE-II)
55. Dy.Secy. (Civil)
56. Sr. AO(CBS & A/Cs)
57. Sanitation Officer
58. SO (EE-I)
59. Notice Board
60. Sh. R.K. Singh, System Analyst,
DOEACC for information and
necessary action.
61. Jt. Dir.(IT) for uploading of the circular in the
NDMC website.

**NEW DELHI MUNICIPAL COUNCIL
PALIKA KENDRA : NEW DELHI**

Declaration form Page/S.No. _____

Employee Code No: _____
Sheet Code : _____
(Suprv./ECR/P.O)

**INCOME TAX DECLARATION FORM FOR THE YEAR 2018-19 (A.Y-2019-2020)
(Score out whichever is not applicable)**

- 1 Name _____ Designation _____ Phone/MobileNo: _____
2. **PAN No.(Mandatory)*** _____
3. Residential Address _____
4. Office Address/Division/Branch _____
5. Position of Municipal /Govt. accommodation to self or Spouse with date of allotment during the year (Y/N) _____
6. Whether any staff car/vehicle provided (Y/N) _____

I hereby declare and intend to claim rebate in the current financial Year (2018-19), under Income Tax Sections as indicated below. I enclose herewith requisite self attested Xerox copies of documents to claim rebate.

(I)		PARTICULARS	
S.NO	NATURE OF SAVING/REBATE		
1.	House Rent Allowance: [Rule-2 A and u/s 10 (13 A)] (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 and in case the landlord does not have a PAN, a declaration to this effect from the landlord should be provided.	Monthly Rent Paid Rs. _____ (Rent receipt duly verified by Estt. Concerned are enclosed herewith)	
2.	Interest on Loan borrowed for construction /acquisition of a house property or HBA Interest u/s Sec 24.		
3	DETAILS OF HOUSE BUILDING LOAN [NAME, ADDRESS, PAN etc OF THE LENDER].....	DETAILS OF TRANSACTIONS	AMOUNT
(a)	Amount of Loan Date/Year- in which loan disbursed.		
(b)	Date of Completion Certificate of house or date of possession/occupation of house		
(c)	Income/Loss from Housing Property (enclose computation-Form 12C)		
(The maximum amount of deduction allowable is Rs.2,00,000/- in case of self occupied property acquired or constructed with capital borrowed on or after 01-04-1999 and acquisition or construction of the housing property is made within 3 years from the end of financial year in which the capital borrowed)			

(II)			
S. No.	Rebate under u/s 80C, 80CCC & 80CCD.	Certificate No./ Details & Date	Section Amount
1)	1. NSC		80 C
	2. ULIP		80 C
	3. PPF		80 C
	4. LIC/ PL I (subject to a maximum of 20% of sum assured for policies taken on or before 31.03.2012 and 10% of sum assured for policies taken on or after 01.04.2012)		80 C
	5. ELSS Mutual Funds		80 C
	6. Five year Tax Saving Bank FD/Five year Post office Time Deposit		80 C
	7. Payment of Principal amount/ Installment against Home Loan		80 C
	8. Tuition Fee excluding development fee & donation (up to two children's)		80 C
	9. Sukanya Samridhi Account Scheme (On the date of opening the account, the girl child's age should 10 years or younger)		80 CCC
	10. Pension Scheme Investment / Jeevan Suraksha / Pension Fund.		80 CCD
	11. Contribution to New Pension Fund (Employee and Govt's Share both)		
	12. Any other eligible rebate (please specify).....		
Aggregate amount of deduction U/s 80C, 80CCC & 80CCD(1) shall not exceed Rs.1,50,000/-			
2)	New Pension Scheme (NPS) Upto Rs.1,50,000/- under section 80 CDD(1) and an additional Rs.50,000/- under section 80CCD (1B).		80CCD (1B)
3)	<ul style="list-style-type: none"> Mediclaim Policy (Max. Rs.25,000/-) Additional deduction Rs.5000/- (if policy is taken on the life of a senior citizen) Additional deduction of 30,000 is provided to an individual assessee to effect or to keep in force insurance on the health of the parent or parents of the assessee or for medical expenditure in case of non insured super senior citizen (80 years and above)- (Max. Rs.30,000/-) 		80 D
4)	Employees suffering from disability 1. With more than or equal to 40% disability – Rs.75000/- (Fixed Amount) 2. With severe disability more than or equal to		80 U

	80% - Rs.1,25,000/- (Fixed Amount)			
5)	Expenditure for the medical treatment of a dependent physically disabled person 1. More than or equal to 40% disability – Rs.75000/- (Fixed Amount) 2. Severe disability more than or equal to 80% - Rs.1,25,000/- (Fixed Amount)		80 DD	
6)	Medical treatment of Assesses or a dependent for specified disease (Cancer, AIDS, Neurological, Chronic Renal Failure) – Actual expenditure subject to maximum of Rs.40,000/- The diseased have been specified in Rule 11DD. A certificate in form 10 I is to be furnished by the taxpayer from any Registered Doctor.		80 DDB	
7)	Interest paid on loan borrowed from any financial institution or charitable institution for purpose of higher education of his /her spouse/children. The deduction is available for a maximum of 8 years or till the interest is paid, whichever is earlier.		80 E	
8)	Interest on loan taken for residential house property subject to the following conditions:- <ul style="list-style-type: none"> • This is the 1st house you have purchased • Value of this house is Rs 50 lakhs or less • Loan taken for this house is Rs 35 lakhs or less • Loan has been sanctioned by a Financial Institution or a Housing Finance Company • Loan has been sanctioned between 01.04.2016 to 31.03.2017 • As on the date of sanction of loan no other house is owned by you. • Maximum interest deduction is Rs.50,000/-. 		80 EE	
9)	Any other eligible rebate/deduction (please specify).....			
10)	Other Income 1. Interest accrued on old NSCs 2. Interest on SB A/c (exceeding Rs.10,000/-) 3. Interest on FDRs/ RDs/Bonds/ Co-op Society etc. 4. Family pension/ other incomes etc. 5. Other income from any source/Head of A/c.			

(III) The rates interest accrued on old NSCs (VIII th Issue) are as under: -

Year	Rate of interest per Rs.100/- (On Certificates issued during 1.12.2011 to 31.3.2012)	Rate of interest per Rs.100/- (On Certificates issued during F.Y.2012-13)	Rate of interest per Rs.100/- (On Certificates issued on or after 01.04.2013 to 31.03.2016)	Rate of interest per Rs.100/- (On Certificates issued on or after 01.04.2016 to 30.09.2016)	Rate of interest per Rs.100/- (On Certificates issued on or after 01.10.2016)	Amount of NSC purchased	Total Accrued Interest (Amount in Rupees)
1 st year	8.58	8.78	8.68	8.10	8.00		
2 nd year	9.31	9.56	9.43	8.76	8.64		
3 rd year	10.11	10.40	10.25	9.46	9.33		
4 th year	10.98	11.31	11.14	10.23	10.08		
5 th year	11.92	12.30	12.11	11.06	10.88		
6 th year	N.A.	N.A.	N.A.	N.A	N.A		
TOTAL							

NOTE:

- a) PAN Number should be mentioned along with the IT Declaration Form otherwise the Form shall not be accepted.
- b) Please fill up only actual invested amount of current Financial year commencing from 01-04-2018 in amount Column.
- c) The detailed list of saving U/s 80C, 80CCC, 80CCD(1) etc i.e. NSC, LIC etc must be enclosed with this Form, if space is insufficient.
- d) Every individual claiming a deduction U/s 80 DDB Item No:6 above shall furnish a copy of certificate issued by Medical Authority in the form and manner, as has been prescribed.
- e) The requisite documents for claiming the HBA rebate must be enclosed with the declaration form as per detail given under :-
 - 1) Possession/allotment letter and Sanction Letter of Loan in respect of property for which rebate of HBA claimed.
 - 2) Accrued HBA Principal/Interest certificate from the Borrowing Authority/Bank for the F.Y-2018-19.
 - 3) Bank Statement showing the Housing Loan Installments /deductions.
 - 4) Detailed calculation on account of rent/deemed rent of Vacant flat's /House's which is let or deemed to be let out be also to be furnished.
- f) Exemptions and Deductions are available on various expenditures/investments under different sections of the Income Tax Act, 1961 for the F.Y 2018-19 relevant to the income tax assessment year 2019-20 (for details refer Income Tax Act, circulars and notification issued/relate there too) and following Rule 26C for **furnishing of evidence of claims by employee for deduction of tax under section 192** [form No. 12BB] for the purpose of estimating the employee income or computing the tax deduction at source.
- g) Last date of reaching declaration form to CBS with proof of saving/rent receipt etc. is 15.01.2019, otherwise the rebate claimed would not be allowed.

I, hereby declare that savings instruments purchased/ expenditure incurred on savings in the name of Dependents etc was/were from my own source of Income/Savings and do hereby certified that the information given above is complete and correct.

Date.....

Signature of Officer/ Employee

Designation.....

Full Name: _____