

OFFICE OF THE ACCOUNTS OFFICER (CBS)  
NEW DELHI MUNICIPAL COUNCIL  
PALIKA KENDRA, PARLIAMENT STREET

Ref. No: D. 369256 /2020

Dated: 9/12/2020

CIRCULAR

Sub:- Submission of Income Tax Statement along with form 12BB and documentary proofs of savings/deductions for finalization of Income Tax/TDS for F.Y. 2020-21 [A.Y.2021-22].

1. 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.
2. To comply with the provisions of Income Tax Act regarding deduction of Income Tax from the salary, the income tax statements/declarations are required to be submitted timely along with declaration in **Form 12 BB** (mandatory for claiming deduction/rebate).
3. As per 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.
4. As per Sec 115BAC inserted by Finance Act, 2020 option has been given to pay tax as per new slab rates (optional/ Concessional rates regime) on total income computed without claiming any deductions/exemptions applicable from FY. 2020-21 (AY 2021-22). Below table summarizes tax rates as per optional new tax regime v/s old rates for the purpose of calculation of tax for FY 2020-21 (AY 2021-22):-

| Income Tax Slabs (Rs) | Existing Tax Rates (%) | New/Concessional Tax Rates (%) - Optional |
|-----------------------|------------------------|---|
| 0 - 2,50,000          | 0                      | 0   |
| 2,50,001 - 5,00,000   | 5                      | 5   |
| 5,00,001 - 7,50,000   | 20                     | 10  |
| 7,50,001 - 10,00,000  | 20                     | 15  |
| 10,00,001 - 12,50,000 | 30                     | 20  |
| 12,50,001 - 15,00,000 | 30                     | 25  |
| 15,00,001 and above   | 30                     | 30  |

Notes:-

- (i) Further, there is no change in provisions of Income Tax for computation of Income and the tax payable in the Existing Tax structure i.e. income for the FY 2020-21 is computed in the same way as computed under FY 2019-20 (AY 2020-21).
- (ii) Health & Education cess @ 4% also remains unchanged. This cess is equally applicable even if employee chooses to opt for new regime (optional/concessional).
- (iii) All deductions allowed under chapter VI-A [(except the deductions under section 80CCD (2)], deductions allowed under section 10 (13A) (House Rent Allowance) and under section 24 (interest on borrowed capital/Income from House property) etc. will not be allowed in the new tax regime.

5. An employee intending to opt for the concessional rates of tax under section 115BAC of the Act, may intimate the deductor, being his employer, of such intention for each previous year and upon such intimation, the deductor shall compute his total income and make TDS thereon in accordance with the provision of section 115BAC. If such intimation is not made by the employee, the employer shall make TDS without considering the provision of section 115BAC of the Act. The intimation so made to the deductor shall be only for the purpose of TDS during the year and cannot be modified during that year. However, the intimation would not amount to exercising option in terms of sub-section (5) of section 115BAC of the Act and the person shall be required to do along with the **RETURN** to be furnished under sub-section (1) of section 139 of the Act could be different from the intimation made by such employee to the employer for that previous year. (CBDT Circular No. CI of 2020 dated 13.04.2020).
6. In order to avoid the genuine hardship in such cases, Central Board of Direct Taxes, in above referred circular hereby clarifies that an employee, having income other than the income under the head "profit and gains of business or profession" and intending to opt for the concessional rate under section 115BAC of the Act, may intimate the deductor, being his employer, of such intention for each previous year and upon such intimation, the deductor shall compute his total income, and make TDS thereon in accordance with the provisions of section 115BAC of the Act. If such intimation is not made by the employee, the employer shall make TDS without considering the provision of section 115BAC of the Act.
7. As such, it is to ensure submission of above option and in case of old regime, please ensure to submit income tax statement along with declaration in **FORM 12BB** and documentary proof of saving/deductions for the financial year 2020-21 to CBS by **15.01.2021** as per past practice to enable them to release the salary of Feb -2021 on time. It is pertinent to mention that in case of payment of Interest/Principal on Housing Loan Advance, it is mandatory to submit the Permanent Account Number (PAN) of the institution/Bank to whom Interest/Principal of Housing Loan is repaid.
8. In case of non-submission or late submission of above stated documents, TDS on Salary will be finalized on the basis of record available in this office and tax will be deducted from the salary accordingly.

All the Head of Depts. 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.

This issues with the Approval of Competent Authority, NDMC.

  
(R.K. MAMGAIN)  
AO(CBS)  


Copy to:-

1. PS to Chairperson, NDMC for kind information please.
2. PS to FA, NDMC for kind information please.
3. PS to Secretary, NDMC for kind information please.
4. All HODs, NDMC
5. Jt. Dir.(IT) for uploading of the circular in the NDMC website.
6. Programmer (IT) for information and necessary action.
7. Office Order file.
8. Notice Board

**COMPUTER BILLING SECTION  
NEW DELHI MUNICIPAL COUNCIL  
PALIKA KENDRA : NEW DELHI**

(FORM No. 12BB)

| 1. Name and address of the employee:   |  |                           |                        |
|--|--|---------------------------|------------------------|
| 2. PAN of the employee:  |  |                           |                        |
| 3. Financial year:-  |  |                           |                        |
| 4. Emp. Code/Sheet Code:-  |  |                           |                        |
| 5. Mob./Contact No.  |  |                           |                        |
| <b>Details of claims and evidence thereof</b>  |  |                           |                        |
| Sl No.   | Nature of claim  | Amount (Rs.)              | Evidence / particulars |
| (1)  | (2)  | (3)                       | (4)                    |
| 1  | House Rent Allowance:<br>(i) Rent paid to the landlord<br>(ii) Name of the landlord<br>(iii) Address of the landlord<br>(iv) Permanent Account Number of the landlord<br><br>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   |                           |                        |
| 3  | Deduction of interest on borrowing:<br>(i) Interest payable/paid to the lender<br>(ii) Name of the lender<br>(iii) Address of the lender<br>(iv) Permanent Account Number of the lender<br>(a) Financial Institutions(if available)<br>(b) Employer(if available)<br>(c) Others  |                           |                        |
| 4  | Deduction under Chapter VI-A<br>(A) Section 80C, 80CCC and 80CCD<br>(i) Section 80C<br>(a) .....<br>(b) .....<br>(c) .....<br>(d) .....<br>(e) .....<br>(f) .....<br>(g) .....<br>(ii) Section 80CCC<br>(iii) Section 80CCD<br>(B) Other sections (e.g. 80E, 80G, 80TTA, etc.) under Chapter VI-A.<br>(i) section.....<br>(ii) section.....<br>(iii) section.....<br>(iv) section.....<br>(v) section..... |                           |                        |
| <b>Verification</b>  |  |                           |                        |
| I, .....son/daughter of..... do hereby certify that the information given above is complete and correct. |  |                           |                        |
| Place.....   |  |                           |                        |
| Date.....  |  | Signature of the employee |                        |
| Emp. Code:-.....   |  | Name                      |                        |
| Designation .....  |  |                           |                        |