



When the month of March starts or is about to end suddenly everyone remembers one thing #TaxSaving ...

This is where #TaxDeductions come into picture.

Deductions allowed under #IncomeTax act help you reduce your taxable income.

People normally know a bit about Section 80C Deduction which allows a person to claim a deduction of Rs 1.5 lakh on total income.

But there are various other common deductions which anyone can claim.

This thread is about such common deductions.

Section 80C: for #TaxSaving #Investments & Payments.

A deduction up to Rs 1,50,000 is allowed under #Section80C of Income Tax Act 1961 in respect of eligible investments or expenditures.

* See Note Ahead

Discussed in detail ■ <https://t.co/a5tbOUJoHQ>

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SECTION 80C Deduction in respect of LIP, PF, PPF, NSC etc

Available to individual, HUF

Eligible Deductions Under Section 80C

Deduction limit upto Rs 1,50,000



Section 80CCC: for Contribution to #PensionFund

A deduction up to Rs 1,50,000 is available under Section 80CCC of #IncomeTax Act 1961 in respect of contributions made by an individual towards specified pension funds.

* See Note Ahead

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Section 80CCD: for Contribution to #PensionFund of Central Govt

A deduction up to Rs 1,50,000 is available under Section 80CCD of Income Tax Act 1961 in respect of contributions made towards National Pension Scheme (NPS) or Atal Pension Yojana (APY)

* See Note Ahead

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*

Note : The deduction limit of Rs 1.5 lakh deduction of Section 80C includes Section 80C, Section 80CCC & Section 80CCD.

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Section 80CCD (1B): for contribution to National Pension Scheme (NPS)

An additional deduction of Rs 50,000 is made available in Budget 2015 through sub-section 1B, thereby raising maximum deduction available under Section 80CCD to Rs. 2,00,000

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Section 80CCF: for Contributions to Long-term Infrastructure Bonds.

A deduction up to Rs 20,000 is available under Section 80CCF of Income Tax Act 1961 in respect of subscription to long-term infrastructure bonds.

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Section 80TTA: for Savings Interest

A deduction up to Rs 10,000 is available under Section 80TTA of Income Tax Act 1961 in respect of interest on deposits in savings account.

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SECTION 80TTA

Deduction on interest earned from
Savings account

AVAILABLE TO

Individual and HUF

01

Interest income on
savings account with

02

• Banks • Post Office • Co-operative Societies

Only applicable to
individual till the age of 59

03



The exemption is allowed for an amount up to Rs10,000

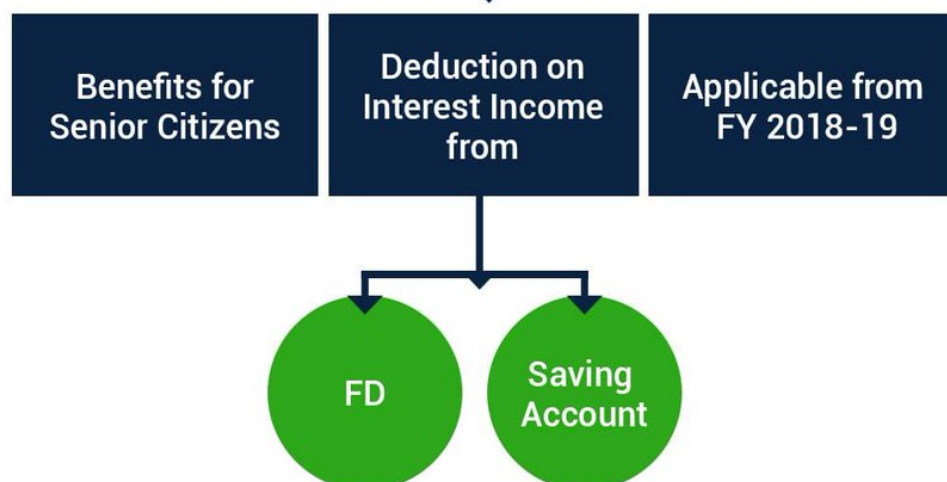
Section 80TTB: Interest Deduction on deposits for Senior Citizens

A deduction up to Rs 50,000 is available (only for senior citizens) under Section 80TTA of Income Tax Act 1961 in respect of interest on both deposits in savings account and fixed deposits in banks.

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SECTION 80TTB

Deduction of interest on deposit in saving account of senior citizen



The Deduction Allowed for an Amount

Up to 50,000

Section 80D: for Medical Insurance Premium

A deduction up to Rs 25,000 (50,000 for senior citizens) is available under #Section80D of #IncomeTax Act 1961 in respect of health insurance premium for self, spouse and dependent children and parents.

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Particulars	Case-1		Case-2		Case-3	
Assessee	Self & Family (none is a senior citizen)	Parents (none is a senior citizen)	Self & Family (none is a senior citizen)	Parents (at least one of them is a senior citizen)	Self & Family (at least one of them is a senior citizen)	Parents (at least one of them is a senior citizen)
Health Insurance premium including sub-limit of Rs. 5,000 for preventive health checkup and contribution to CGHS	25,000	25,000	25,000	50,000	50,000	50,000
Medical Expenditure	NA	NA	NA	50,000	50,000	50,000
Maximum deduction	25,000	25,000	25,000	50,000	50,000	50,000
Aggregate amount of deduction	25,000+25,000=50,000		25,000+50,000= 75,000		50,000+50,000= 1,00,000	

Section 80DD: for Differently abled Dependant

A deduction of Rs 75,000 (Rs 1,25,000 for severe disabilities) is allowed under #Section80DD of Income Tax Act 1961 in respect of maintenance including medical treatment of a dependant who is a person with disability.

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80DD

Deduction of medical treatment of a dependent who is a person with a disability



ELIGIBILITY

- Available to Resident Individual or HUF
- Expenditure incurred for Medical, Training, and Rehabilitation of a dependant
- Submit Form 10-IA with ITR to claim deduction.
- Fixed Deduction and does not depend on actual expenses incurred.



QUANTUM OF DEDUCTION

- In Case of Normal Disability ₹ 75,000
- In Case of Severe Disability ₹ 1,25,000

Section 80DDB: for Treatment of Specified Diseases

A deduction up to Rs 40,000 (1,00,000 for senior citizens) is available under #Section80DDB of #IncomeTax Act 1961 in respect of medical treatment of certain specified ailments for self or dependent.

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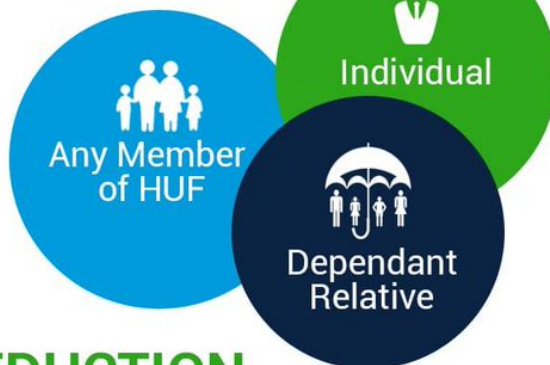
SECTION

80DDB

Deduction in respect of Medical Treatment of Specified Diseases or Ailments [F.Y. 2018-19]



DEDUCTION IS ALLOWED TO



QUANTUM OF DEDUCTION

LESSER OF:- AMOUNT ACTUALLY PAID			
	Age	Category	Deduction Allowed
	OR		
	0-59 Years	Normal Citizen	40,000
	60 Years or above	Senior & Super Senior Citizen	1,00,000

Section 80U: for Individuals with Disability

A deduction of Rs 75,000 (Rs 1,25,000 for severe disabilities) is allowed under #Section80U of Income Tax Act 1961 for people suffering from certain disabilities.

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SECTION 80U

Income Tax Deduction in case of disability

BENEFIT TO

- A Resident Individual with Disability
- Certified with Medical Authority
- Only to Indian Resident

AMOUNT OF DEDUCTION ALLOWED

Disability	Level of Disability	Amount
Normal Disability	40% or above	75,000
Severe Disability	80% or above	1,25,000



DISABILITY INCLUDES-

- Blindness
- Low Vision
- Leprosy Cured
- Hearing Impairment
- Autism
- Locomotor Disability
- Mental Retardation
- Mental illness
- Cerebral Palsy

Section 80GG: for Rent paid

A deduction up to Rs 60,000 per year is allowed under #Section80GG of #IncomeTax Act 1961 in respect of rents paid when HRA is not received.

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SECTION

80GG

Deduction where House Rent is Paid
and HRA not Received



Available to

- ▶ Individual
- ▶ For House Rent paid
- ▶ Individual not taking benefit of either
 - ▶ HRA (House Rent Allowance)
 - ▶ RFA (Rent Free Accommodation)

Deduction Allowed for an Amount Lesser of

- ▶ ₹ 5000 per month
- ▶ 25% of Adjusted Total Income or
- ▶ Excess of rent paid over 10% of Adjusted Total Income



**ADJUSTED
TOTAL INCOME =**

Gross Total Income $-$ Capital Gains $-$ Deductions

Section 80E: for Interest on Education Loan

A deduction (without any maximum limit) is available under #Section80E of #IncomeTax Act 1961 in respect of interest paid for a period of 8 years on loan taken for higher education.

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SECTION

80E

Deduction for interest paid
on Education loan taken for higher education



ESSENTIAL CONDITION



Deduction Allowed

- Any amount of interest paid
- No Minimum or maximum Limit

Education Loan for

Self

Spouse

Child

By a legal guardian

Loan Taken from

Financial Institution or

Approved Charitable Institution

The Benefit can be Taken for 8 Assessment year

Section 80EE: for First Time Home Buyer

A deduction up to Rs 50,000 is available under #Section80EE of Income Tax Act 1961 in respect of interest on loan taken for residential house property.

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SECTION

80EE

Deduction for interest paid
on home loan

BENEFIT TO



Individual

A

Amount of Loan is
up to ₹ 35,00,000

C

It Shall be Your First House
Property Purchased

E

B

For Loan Sanctioned Between
1-4-2016 to 31-3-2017

D

Value of House Property is
up to ₹ 50,00,000

Deduction Upto ₹ 50,000 for
every assessment year (from 1-4-2017)
until the loan is repaid.

Section 80EEB: for Purchase of Electric Vehicle

A deduction up to Rs 1,50,000 is available under #Section80EEB of Income Tax Act 1961 in respect of interest paid on loan taken for purchase of an electric vehicle for personal or business use.

#EV #ElectricVehicle #TaxSaving

Section 80G: for Donation to Charitable Organisations

A 50% or 100% deduction (without any maximum limit) is available under #Section80G of #IncomeTax Act 1961 in respect of donations to certain funds, charitable institutions, etc.

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SECTION

80G

Deduction in respect of donation to funds, charitable institutions, etc.

Deduction to

- ▶ All Assesseees
 - ▶ Individual ▶ HUF
 - ▶ Company etc
- ▶ No Restriction on the Amount of donation
- ▶ Paid to Specified Funds / Institutions
- ▶ Cash Donation is Allowed upto Rs.2000/-
- ▶ Proper Proofs of Payment are required



Deduction under 80 G

- ▶ Donations without Qualifying limit
 - ▶ Deduction = 100% of donation
 - ▶ Deduction = 50% of donation
- ▶ Donations with Qualifying limit
 - ▶ Deduction = 100% of donation with subject to Qualifying limit
 - ▶ Deduction = 50% of donation with subject to Qualifying limit



→ **Qualifying Limit = 10% of Adjusted GTI**

Section 80GGB: for Donation to Political Parties (deduction for companies)

A deduction (without any maximum limit) is available to companies under Section 80GGB in respect of contributions given by companies to political parties.

Section 80GGC: for Donation to Political Parties (deductions for individuals)

A deduction (without any maximum limit) is available to individuals under #Section80GGB of #IncomeTax Act 1961 in respect of contributions given by individuals to political parties.

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■Important Note & Disclaimer ■

I am not a qualified C.A. This thread is to provide only basic idea about common tax deductions.

For more details, it is advisable to contact your C.A and discuss with C.A about various #TaxDeductions whose benefit you can claim.

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