

SRES – NFIR

OPTION FORM FOR INCOME TAX DEDUCTION

- **TWO TYPES OF OPTION FORMS ARE GIVEN FOR RECOVERY OF INCOME TAX FOR THE FINANCIAL YEAR 2020-21.**
- **EMPLOYEES SHOULD OPT ANY ONE OPTION BEFORE 17.07.2020. OPTION ONCE EXERCISED IS FINAL.**
- **OPTION FORM IS UPLOADED IN SRES WEBSITE (Flash News).**
- **RENT, LTC, HBA INTEREST AND ALSO THE FOLLOWING EXEMPTIONS ARE GIVEN FOR OPTION NO.2 (FORM NO.12BB)**

- 1) **80C :** Deduction in respect of life insurance premium, deferred annuity, contributions to provident fund (PF) subscription to certain equity shares or debenture, etc. The deduction limit is Rs.1.5 lakhs together with section 80CCC and section 80CCD(1).
- 2) **80CCC :** Deduction in respect of contribution to certain pension funds. The deduction limit is Rs 1.5 lakhs together with section 80C and section 80CCD(1).
- 3) **80E :** Deduction in respect of interest on loan taken for higher education without any upper limit.
- 4) **80G :** Donations to certain funds, charitable institutions, etc. Depending on the nature of the donee, the limit varies from 100 per cent of total donation, 50 per cent of total donation or 50 per cent of donation with a cap of 10 per cent of gross income.
- 5) **80TTA :** Deductions in respect of interest on savings bank accounts up to Rs 10,000 in case of assessee other than Resident senior citizens.

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