

# SRES – NFIR

## INCOME TAX CIRCULAR WITH OPTION FORM

### DEDUCTION OF INCOME TAX – WHICH REGIME IS BEST

Employees are requested to exercise an option before 10.04.2023 for the deduction of TDS under Old / New Regime once for this current year 2023-24.

Option 1 (Old Regime) staff has to submit Form No.12BB-enclosed.  
Option 2 (New Regime) staff has to submit Annexure 'A' - enclosed.

Tax Rebate under 80C – EPF, PPF, FD, Mutual Fund, Tuition / Medical Fees, Insurance, Home Loans, etc. – Old Regime.

#### Example :

- 1) If employee's salary is Rs.7 Lakhs – New Tax regime will be benefitted.
- 2) If employee's salary is Rs.10 Lakhs – The Old Tax Regime will be benefitted if you have tax saving investment (other than SD) over 2.62 Lakhs, if less than 2.62 Lakhs the New Tax Regime is better.
- 3) If 12 Lakhs salary – Old Tax Regime is good if you invest more than 3.2 Lakhs, if less than 3.2 Lakhs the New Tax Regime is better.

Tax Rate (Old Regime) All Saving included			Tax Rate (New Regime) Only Standard Deduction is included		
Upto Rs.2.5 L	NIL	Gross Salary only upto 5L – Nil tax (Section 87A Rebate applied)	Upto Rs.3L	Nil	Gross Salary only upto 7L – Nil tax (Section 87A Rebate applied)
From > 2.5L to 5L	5%		From > Rs.3L to Rs.6L	5%	
From > Rs.5L to Rs.10L	20%		From > Rs.6L to Rs.9L	10%	
Above Rs.10L	30%		From > Rs.9L to Rs.12L	15%	
			From > Rs.12L to Rs.15L	20%	
			Above Rs.15L	30%	