

SRES – NFIR

EXERCISE OPTION FOR INCOME TAX 2024 - 25

DEDUCTION OF INCOME TAX – WHICH REGIME IS BEST?

Employees are requested to exercise their option for the deduction of TDS under Old / New Regime.

Option 1 (Old Regime) staff has to submit Form No.12BB.

Option 2 (New Regime) staff has to submit Annexure 'A'.

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 – 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 employee's salary is 12 Lakhs – 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%	