

MOST IMMEDIATE

No. A/40303/IT/2020-21/CAO/A-2(B)

MINISTRY OF DEFENCE
Office of the JS & CAO

DEDUCTION OF INCOME-TAX AT SOURCE FOR
THE FINANCIAL YEAR 2020-2021

1. In continuation to this office note of even number dated 14 May 2020.
2. As per the Govt. orders, the recovery of tax, as due, from the Pay and Allowances of the employees is required to be ensured by the respective DDOs. As prescribed under Income-Tax Act, the deduction of tax every month on proportionate basis is being made by the Admin sections for the current financial year 2020-21 in majority of cases. Further recoveries if any, are to be regulated in respect of each employee in the ensuing months i.e. in Pay bills for the months of Dec 2020 to Feb 2021.
3. From 1st Apr 2020 onwards, a new tax regime under section 115BAC is introduced to provide for a concessional rate of tax on the total income for the Financial Year 2020-21. In addition to that, the income tax rates prevailing in the Financial Year 2019-20 will continue to exist in this Financial Year. Hence, for the Financial Year 2020-21 (Assessment Year 2021-22) there are two operative tax regimes and the officials have to choose between old rates and new rates for the purpose of Income Tax deduction from pay and allowances. The rates of Income Tax for the FY 2020-21 (AY 2021-22) are furnished below:-

Taxable Income Slabs	Tax Rate under Old Tax Regime	Tax Rate under New Tax Regime
Upto Rs. 2,50,000	Nil	Nil
From Rs.2,50,001 to 5,00,000	5%	5%
From Rs.5,00,001 to 7,50,000	20%	10%
From Rs.7,50,001 to 10,00,000	20%	15%
From Rs.10,00,001 to 12,50,000	30%	20%
From Rs.12,50,001 to 15,00,000	30%	25%
Above Rs.15,00,00	30%	30%


4. The officials opting for the New Tax Regime will have to forego the exemption/deductions such as Standard Deduction, HRA Exemption, Loss from House Property and deductions granted under the provisions of Chapter VI-A (except deduction under sub section (2) of Section 80 CCD) etc.
5. Accordingly, necessary instructions have been issued to the environment vide this office note of even number dated 14 May 2020 and asked the officials to exercise the option, in writing to choose between old or new income tax rates for the financial year 2020-21. However, it is observed that in most of the cases, the requisite option has not been received in the concerned admin sections till date.

6. Therefore, all the officials are once again requested to submit their option, in writing, to the concerned admin sections **latest by 30 Nov 2020** positively.

7. Further, officials willing to remain the Old Tax Regime are requested to furnish their details of savings except GPF/NPS contribution as per Proforma enclosed to their respective Admin sections **latest by 30 Nov 2020** positively along with relevant documents failing which the tax will be calculated by this office and recovered from Regular Pay Bills of Dec 2020 to Feb 2021.

8. **It is compulsory for all whose income under Sec192 of IT Act is above taxable limit to furnish PAN to the deductor even though the tax payable is NIL.** Such employees, who have not yet obtained the PAN should apply for the same immediately and intimate their PAN as early as possible. It may be noted that a penalty of Rs. 10,000/- has been prescribed under Income Tax Act for willfully intimating a false PAN. If an employee fails to furnish his/her PAN to the deductor, TDS will be deducted at higher rates.

9. The contents of this note may be disseminated to all concerned for information and strict compliance.


(Pawan Kumar Tiwari)
SAO, CAO/A-2
04 Nov 2020

All Branches/Dtes of IHQ of MoD (Army) & ISOs
(through Admin Sections)

Copy to:-

1. Sr PPS to JS & CAO
2. PS to All Directors
3. PA to All Dy CAO's
4. All Sections of Admin Gp of CAO's Office
5. CAO/EDP Cell : for uploading on the CAO's website.

**PARTICULARS FOR CALCULATION OF INCOME TAX FOR THE FINANCIAL YEAR 2020-2021
ASSESSMENT YEAR (2021-2022)**

1	Name of Employee (in Block Letters)	:	
2	Employee ID	:	
3	Designation	:	
4	Present Posting	:	
5	Permanent A/c No. (PAN)	:	
6	Mobile No.	:	
7	Aadhaar No.	:	
8	E-Mail ID	:	
9	Residential address	:	
10	If staying in rented house, furnish the monthly Rent Receipt	:	
11	Income from other sources (Attach proof)	:	
	(a) Income from House Property	:	
	(b) Other Income (if any)	:	
	(c) Loss of property (interest on housing loan) for self occupied property only (Attach proof)	:	
	(i) Date of possession of house property for rebate of interest on Housing Loan	:	
	(ii) Accrued interest if any (on Housing Loan)	:	
12	Deduction under Section 80 (attach proof)	:	
	(a) Savings/Investments under Section 80 (c)	:	
	(i) Premium of LIC policies (including pension scheme)	:	
	(ii) Deposits in PPF Accounts /Purchase of NSC	:	
	(iii) ULIP/Tax Saving Mutual Funds/ELCS	:	
	(iv) Principal Component of HBA/Housing Loan	:	
	(v) Deposits in Sukanya Samriddhi Account Scheme	:	
	(vi) Tax Saving Long Terms Fixed Deposits for a minimum of 5 yrs in Public Sector/Bank	:	
	(vii) Any other investment u/s 80 (C)	:	
	Total of (a) (i) to (vii) restricted to Rs.1,50,000/- which includes GPF, CGEGIS & Payment of Tution Fee	:	
	(b) Addl deduction u/s 80 CCD(1)(b)	:	
	(i) individual contribution to New Pension Scheme (upto Rs.50000/-)	:	

- (c) **Deduction under an equity saving scheme (u/s 80 CCG)**
- (i) 50% of amount invested in equity scheme (Max Rs.25000/-) _____
- (d) **Mediclaime u/s 80(D)**
- (i) Medical Claim/Contribution to CGHS/other similar scheme (80-D) (limited to Rs.25,000/-) _____
- (ii) For parents who are Sr. Citizens (admissible Rs. 50,000/-) _____
- (e) **Deduction u/s 80 (DD)**
- (i) On incurring any expenditure for medical treatment of dependent who is a person with disability (admissible Rs.1,25,000/-) _____
- (f) **Deduction under Section 80 (E)**
- (i) Interest on loan taken for higher education of the assessee, assessee's spouse or children _____
- (g) **Deduction under Section 80 (G)**
- (i) Donation to PMNRF/CMRF/LGRF _____
- (h) **Deduction under Section 80 TTA**
- (i) Interest on deposit in saving accounts (upto Rs.10,000/-) _____
- (j) **Deduction under Section 80 (U)**
- (i) Assessee with disability more than 40% but less than 80% (admissible Rs. 75,000/-) _____
- (ii) Assessee with disability of 80% or more (admissible Rs.1,25,000/-) _____

Certified that the information furnished above is correct to the best of my knowledge. Income Tax so worked out on the basis of above information may be deducted accordingly. Proof of savings and rebates required are enclosed herewith. In case of failure in submission of remaining proof of the above said savings /rebates before 31 Jan 2020 tax may be calculated and deducted according to the proof already submitted.

/ / 2020

Signature : _____

Name : _____