

DEDUCTIONS AND EXEMPTIONS

DEDUCTIONS

SECTION	DESCRIPTION	LIMIT
Section 10	Standard deduction for salaried individuals	Flat Rs.50,000
24B	Municipal taxes and interest on home loan	Rs.2,00,000
80C	<u>Investments</u> Public Provident Fund National Savings Certificate Interest earned on NSC National Pension Scheme Employees' Provident Fund Tuition fees Post Office tax saving deposits of five year Bank deposit of 5 years Life Insurance Premium Equity Linked Saving Schemes Principal repayment of home loan Sukanya Samriddhi Account Deposit Scheme Post Office Senior Citizens Savings Scheme	Rs.1,50,000
80CCC	Contribution made to annuity plan of a life insurance provider for the purpose of obtaining pension from the fund - Premium paid towards Pension funds	within limit of 80C
80CCD	Contribution to the Atal Pension Yojana and National Pension Scheme and allows a deduction of a contribution up to 10% of the total salary of salaried employees and 20% of the gross income of non-salaried to the government-notified pension schemes	within limit of 80C
Section 80CCD (1B)	National Pension Scheme	Upto Rs.50,000 for Tier 1 contribution
80CCG	Equity saving schemes	50% of amount invested subject maximum of ₹ 50,000
80CCF	Long term infrastructure bonds	Up to ₹ 20,000
80D	Medical Insurance premium- Self, spouse and dependent children Parents Preventive medical checkup also covered upto Rs.5,000	Upto Rs.25,000 if all are not senior citizens Upto Rs.50,000 if any one is a senior citizen

80DD	Medical treatments of dependents	Where the disability is more than 40% and less than 80%: Rs 75,000 Where the disability is more than 80%: Rs 1,25,000
80DDB	Medical expenditure on self or dependent relative for specified critical ailments	Upto INR 40,000 for below 60 years of age Upto INR 1 lakh for 60 years and above
80E	Interest on Education Loan for self, spouse, children	No limit
80EEE	Interest on home loan for first time home buyers	upto INR 50,000 for loan amount upto Rs.35 lakh and property value of upto Rs.50 lakhs. The loan must be sanctioned between 01.04.2016 to 31.03.2017
80G	General donations of any recognized society (only if paid by cheque or bank mode)	Differs with the amount of donation
80GGA	Donations to Scientific Research or Rural development	100% deduction
80GG	Rent paid if HRA is not received	₹ 5,000 per month or 25% of total income whichever is less
80TTA	Interest earned on savings account in bank, post office or co-operative society (non-senior citizen assessee)	Upto INR 10,000 for below 60 years
80TTB		Upto INR 50,000 for Senior Citizens
80U	Physically and mentally challenged self	Flat INR 75,000 for 40%-80% disability Flat INR 1,25,000 for >80% disability

EXEMPTIONS

Section	Heading	Rules	Eligibility
Chapter 10	House Rent Allowance	Actual rent paid to landlord	Salaried individuals who receive HRA from employer
	Leave Travel Allowance	twice in four years by rail or by air for self and family members	Salaried individual

u/s 10	Interest on Post Office Saving Bank A/c	Individual account - Interest exempt u/s10 upto Rs.3,500, Joint account - Interest exempt u/s 10 upto Rs.7,000. Any higher interest amount received can be claimed as deduction u/s80TTA upto Rs.10,000, and upto Rs.50,000 in case of senior citizen.	Any individual
u/s 10	Interest on PPF		Exempt
u/s 10	Agricultural Income		Exempt
u/s 10	Dividend from Indian Company	Taxable in hands of individual at income tax slab rates	
	Dividend received from mutual fund	Dividends received on mutual funds are taxed at the respective income tax slab rate. Dividends received in excess of Rs 5,000 are subject to tax deduction at source (TDS) at 10%	