



GOVERNMENT OF KERALA
FINANCE (ACCOUNTS-A) DEPARTMENT

No. 89/2015/Fin.

Dated, Thiruvananthapuram, 20-11-2015.

CIRCULAR

Sub : - Finance Department - Tax Deduction at Source - Deduction of advance tax component from Salary - Detailed statement of anticipatory income called for - Reg.

Ref : - 1. Circular No.110/2014/Fin. Dated 23-12-2014.
2. Circular No.70/Estt-C3/14/Fin. Dated 24-07-2014.

Section 192 of the Income tax Act lays down the broad scheme of TDS deduction from salaries under which DDO has been made responsible for deduction of tax from payment of salaries on average basis at the time of each payment, whereby makes it necessary for the undersigned to take following measures to be followed while disbursing the monthly salary.

If the total income tax liability of any tax payer is more than Rs.10,000/- in a financial year, he is liable to pay such tax in instalments during the tenure itself rather than paying the tax at the fag end of the financial year. All prospective tax payers are requested to compute / recalculate their anticipated tax in the format made available with the Finance (Accounts-A) department, and submit it back to the accounts department, which is necessary for regulating the deduction of balance tax from the salary drawn for next four months (i.e from the salaries drawn for the months of Nov., Dec., Jan., and Feb. 2015-16). Based on this, those who are making underpayments towards advance tax are requested to revise their monthly instalment , as per this statement, which should be submitted on or before 25-11-2015. The tax liability shall be computed by each prospective tax payer, by availing concerned provisions of all eligible deductions, exemptions and reliefs. The tax liability of those who wouldn't submit the self assessment statement, will be computed by the accounts section, without any consideration to eligible deductions, exemptions, and reliefs based on the gross salary drawn by the employee, and this shall be deducted in equal remaining monthly instalments, without any further notice.

The prospective tax payers are hereby requested to submit their final statement in the format provided, with full supporting proofs in original by the end of first week of Feb. 2016, without fail, which is necessary for the final calculation of income tax liability for the financial year 2015-16 (assessment year 2016-17). It may please be noted that, photo copies of proofs shall not be accepted, except for cases where it is necessary to do so. It is hereby bring to the notice of all tax payers that, If a person furnishes incorrect information in the statement in respect of tax deducted at source on or after 1-7-2012, he shall be liable to pay penalty which shall not be less than Rs. 10,000/- but which may extend upto Rs. 1,00,000/-.


A. ABDUL SALAM

Deputy Secretary to Government and D.D.O
FINANCE (ACCOUNTS) DEPARTMENT.

To

All Sections / Officers Concerned,
The Nodal Officer, www.finance.kerala.gov.in,
✓ Notice Board, Stock File / Office Copy.
Stock File / Office Copy.

ANTICIPATORY INCOME TAX CALCULATION – ASSESSMENT YEAR 2016-17

SALARY INCOME FOR THE FINANCIAL YEAR 2015-16

Name of Employee :		PAN :
Designation & Name of Office :		PEN :
1-(a)	Gross Salary Income (includes Pay, DA, HRA, CCA, IR,DA/PR Arrear etc.)	
(b)	Leave Surrender	
(c)	Festival Allowance/Bonus/Ex-gratia and incentive.	
(d)	Total Salary Income (a+b+c)	
2-	Deduct: HRA in the case of persons who actually incur expenditure by way of rent:	
(I)	Actual HRA received during the year	
(II)	Actual rent paid in excess of 1/10th of the salary.	
(III)	50% of the salary	
	(I) to (III) whichever is least is exempted.	
3-	Balance (1-2)	
4-	Deduct:	
(a)	Entertainment Allowance	
(b)	Professional Tax	
5-	Net salary income (3-4)	
6-	Deduct interest on HBA.(Max. Rs.30000 before1-4-99 or 2 Lakh Sec.24(b)	
7-	Any other income (Business, Capital gains,Bank Interest or Other Sources)	
8-	Gross Total Income (5-6+7)	
9-(a)	80D-Health Insurance -Mediclaime (Family Max. 15000 + Parents15000 / 20000)	
(b)	80DD-Expense on treatment of mentally or physically handicapped dependents(see Limit)	
(c)	80DDB-Expenditure incurred on medical treatment of the employee for specified deceases.	
(d)	80E-Interest paid for educational loan taken for higher education of self or dependent children	
(e)	80EE-New House purchase loan2013-14 Interest bal 2014-15(see conditions)	
(f)	80CCG-Notified Equity Savingscheme-Rajiv Gandhi Equity Saving(see Limit)	
(g)	80U-For Employee with disability (Rs 50000 or If >80% disability 1L)	
(h)	80G-Donations to notified Funds and charitable institutions(see conditions)	
(I)	80TTA-Deduction for Income from Bank Interest (Max. 10000)	
	Deduct: Total of 9	
10-	Deduction under Ch VIA- (Maximum Rs. 150000) (1)Sec. 80C	
(a)	Life Insurance Premia of self, spouse and children (salary deduction)	
(b)	Contribution towards GPF/KASEPF	
(c)	Contribution towards SLI,GIS,FBS,PLIC (salary deduction)	
(d)	Other	
(e)	Contribution made ULIP,UTI,LIC (other than salary deduction)	
(f)	Tax saver in scheduled bank / Post Office for a period of not less than 5 years	
(g)	Purchase of NSC / tax saving units of Mutual Fund / UTI	
(h)	Contribution to any deposit scheme or pension fund setup by NHB	
(I)	Tution fees for the fulltime education of any two children.	
(j)	Principal part of HBA Repayment & stamp duty paid or purchase of property	
(k)	Subscription to equity shares , debentures of an eligible issue.	
(l)	Subscription to eligible units of mutual fund,Infrastructure bonds ICICI,IDBI etc.,	
(m)	Any other deduction Ch VIA/80C	

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2-(n)	80CCC-Payment for annuity plan of the LIC or any other insurer.		
3-(o)	80CCD-Contribution of employee to PPF/NPS (see conditions)		
11-	Total income rounded of to nearest multiple of ten rupees (8-9-10) Sec 288A		
12-	Tax on Total Income.		
13-	Add: Surcharge @ 10% if the total income exceeds Rs. 10,00,0000.		
14-	Income Tax and Surcharge payable.(12+13)		
15-	Less: Relief for income upto 5 Lakhs u/s 87A (Max.2000)		
16-	Total Tax Payable (14-15)		
17-	Educational Cess [@2%+1% of (16)]		
18-	Less: Relief for arrears of salary u/s 89(1) [Use form 10E]		
19-	Anticipatory Tax Payable (17-18)		
20-	No. of Monthly Installments tax to be deducted		
21-	Amount of Income tax to be deducted Monthly (Roundedup 10)		

Place:

Date:

Name and Designation.

DECLARATION

(Cases in which the amount of HRA drawn is excluded from the Gross Salary)

I,.....do hereby declare that I am actually incurring expenditure towards payment of rent of my residential accommodation to House No.....Place..... is Rs.....

Place:

Date:

Name, Designation and Office.

Financial Year 2015-16

A. Tax Rates For Individuals (Men & Women), Hindu Undivided Families, Association of Persons and Body of Individuals

Total Income (Rs.)	Tax Rate (%)
Upto Rs. 250,000*	Nil.
250,000 to 500,000	10
500,001 to 10,00,000	20
Above Rs. 10,00,000	30

*In the case of a resident individual of sixty years or more but less than eighty years, the basic exemption limit is Rs. 300,000

*Relief for Taxpayers in the first bracket of '250000' to '500000'. A Tax credit of 2000 to every person with total income upto 5,00,000'

The category of women below the age of 65 years has been removed.