

DEDUCTIONS FROM GROSS TOTAL INCOME

1. Deductions in respect of certain investments, contributions, subscriptions etc. (Sec. 80C)

(Any individual or HUF can claim deduction under this section)

Qualifying Amount: The sum total of the amount of investment or deposit in any one or more of the following items:

- 1) Own contribution towards a R.P.F. or Statutory P.F.
- 2) Any premium paid on L.I.P. by the assessee for his own life, life of the spouse, children etc.

Period of issue of Policy	Maximum Qualifying Limit
Upto 31.03.2012	20% of Policy Value
01.04.2012-31.03.2013	10% of Policy Value
On or after 01.04.2013	10% of Policy Value

- 3) Own contribution to P.P.F in the name of the assessee, spouse and children.
- 4) Own contribution to an approved superannuation fund.
- 5) Subscription to N.S.C (VIII or IX Issue)
- 6) Payment for purchase or construction of a residential house property.
- 7) Subscription to notified equity linked saving scheme of notified mutual fund or U.T.I.
- 8) Sum paid as tuition fees, at the time of admission or thereafter, to any university, college, or other educational institution situated in India for the whole time education of the children of the assessee.
- 9) Contribution for participation in the ULIP of the UTI or LIC Mutual Fund notified under section 10(23D) (Dhanraksha plan of LIC Mutual Fund).
- 10) Payment to effect or keep in force a contract for notified annuity plan of the LIC or any other insurer.(New Jeevan Dhara and New Jeevan Akshay)
- 11) Subscription to any deposit scheme or contribution to any pension fund set up by the National Housing Bank.
- 12) Sum deposited in the name of girl child in Sukanya Samridhhi A/C Scheme.
- 13) Subscription to Senior Citizens Savings Scheme.
- 14) Subscription to 5-year time deposit scheme in Post-office (cumulative Time Deposit)

=>Amount of deduction (least of two)

- i. Gross Qualiifying Amount
- ii. Rs.1,50,000.

2.Deduction in respect of contribution to Pension Fund (Jeevan Suraksha) of LIC [Sec.80CCC]

=>Amount of deduction (least of two)

- i. Actual amount of deposit.
- ii. Maximum limit Rs.1,50,000.

3.Deduction in respect of contribution to Pension scheme of Central Government (Sec.80CCD)

(In case of individual employed by the Central Government on or after 1.1.04)

=>Amount of deduction

In case of employee's contribution	In case of employer's contribution
Least of two:	Least of two:
(i) Amount deposited by employee	(i) Amount deposited by employer
(ii) 10% of salary (Basic+ D.A.)	(ii) 14% of salary (Basic+ D.A.)

4.Limit on Deductions u/s 80C, 80CCC and 80CCD (Sec 80CCE)

⇒ Aggregate amount of deductions under sections 80C, 80CCC and 80CCD shall not exceed Rs.1,50,000.

5.Deduction in respect of Medical Insurance Premia (Mediclaim policy)[Sec 80D]

[(1). The scheme of insurance should be of GIC of India. (2) The policy should be taken on the health of assessee, his spouse, dependent parents, and dependent children. (3) The payment should be made by cheque.]

=>Amount of deduction

Category of Assessee	Premium on the health of assessee, his spouse, and dependent children.	Premium on the health of parents (dependent or not)	Preventive health check up	Maximum limit
Mode of payment	Cheque	Cheque	Cash or Cheque or both	
Age below 60 years(Assessee & Parent)	Maximum ` 25,000	Maximum ` 25,000	Maximum ` 5,000	` 50,000
Assessee(less than 60 years) and Parent(Senior or super senior citizen)	Maximum ` 25,000	Maximum ` 50,000	Maximum ` 5,000	` 75,000
Both Assessee & Parent(60 years or more)	Maximum ` 50,000	Maximum ` 50,000	Maximum ` 5,000	` 100,000

6. Deductions in respect of Medical treatment of dependent relative with disability [Sec 80DD]**=>Amount of deduction**

Fixed Rs. 75,000 (Rs.1,25,000 in case of severe disability i.e. 80% or more)

[Dependent relatives includes spouse, children, parents, brothers and sisters of the assessee.

Disability means (40% or more but below 80%) (i) blindness, low vision, leprosy-cured, hearing impairment, mental retardation, mental illness, locomotor disability.]

7. Deductions in respect of Medical treatment of specified disease (AIDS, Chronic renal failure, Cancer, Hemophilia, Thalassaemia and Certain neurological diseases) for himself or his dependent relative [Sec 80DDB]**=>Amount of deduction**

Amount actually paid or Rs. 40,000 (In case of senior citizen Rs. 1,00,000), whichever is less.

8. Deductions in respect of interest paid on a loan taken for pursuing higher education (Sec 80E)

[The deduction shall be allowed for eight years beginning from the year in which payment of interest on the loan begins.]

⇒ Amount of deduction

Entire amount of interest paid.

9. Deduction in respect of Donation to Certain Funds, Charitable Institutions etc. (Sec 80G)

Donation	Qualifying Amount	Rate of deduction
A. No limit donation		
1) To P.M .National Relief Fund.	100%	100%
2) To National Defence Fund	100%	100%
3) To Armenia Earthquake Relief Fund.	100%	100%
4) To National Foundation of Communal Harmony.	100%	100%
5) To National Children's Fund.	100%	100%
6) To C.M. Earthquake Relief Fund Maharashtra.	100%	100%
7) To National Illness Assistance Funds.	100%	100%
8) To C.M. Relief Fund.	100%	100%
9) To Gujrat Government earthquake relief fund	100%	100%
10) To Africa Fund	100%	100%
11) To Zilla Saksharata Samiti	100%	100%
12) To approved university or educational institution of national eminence	100%	100%
13) To National or State Blood Transfusion Council	100%	100%
14) To State Government for medical relief to the poor	100%	100%
15) To Army/Air Force Central Welfare Fund	100%	100%

16) To Indian Naval Benevolent Fund	100%	100%
17) To Lieutenant Governor's Relief Fund	100%	100%
18) To National Sport's Fund.	100%	100%
19) To National Cultural Fund.	100%	100%
20) To Andhra Pradesh C.M. Cyclone Relief fund.	100%	100%
21) To Fund for Technology Development and application	100%	100%
22) To National Trust for welfare of persons with autism	100%	100%
23) To Cerebral Palsy, Mental Retardation and Multiple Disabilities	100%	100%
24) To Swachh Bharat Kosh set up by the Central Government	100%	100%
25) To Clean Ganga Fund set up by the Central Government	100%	100%
26) To National Fund for control of drug abuse	100%	100%
27) To P.M. Drought Relief Fund.	100%	100%
28) To Jawaharlal Nehru memorial fund.	100%	100%
29) To Indira Gandhi Memorial Trust	100%	100%
30) To Rajiv Gandhi foundation.	100%	100%
B. With limit donation		
1) To state government	Actual total of 1 to 9 or 10% of Adjusted Gross Total Income, whichever is less is Q.A.	Out of Q.A. 100% of Donation for family planning and Olympic Association and balance Q.A. 50%
2) To local authority		
3) To any authority constituted in India for the purpose planning, development or improvement of cities, towns and villages, or both		
4) To charitable institution.		
5) To Indian Olympic Association		
6) To corporation set up to protect the interests of minorities		
7) To a place of art, public worship or historical importance (for renovation or repair)		
8) To an institution or association engaged in promotion of family planning in India.		
9) Any other fund or any institution which satisfies conditions mentioned in Sec 80G(5)		

1. Adjusted Gross Total Income = Gross Total Income - (Long Term Capital Gain+ All other Deductions u/s 80).

2. No deduction is available if the same is made ((i) in kind (ii) to any political party (iii) for religious purpose (iv) to poor students (v) to handicapped persons (vi) to unapproved or unrecognized authority or institutions (vii) to a particular community (viii) cash donation in excess of ` 2000.

10. Deduction in respect of house rent paid [Sec 80GG]

=> **Amount of deduction** (least of the following)

- 1.Rs. 5,000 per month i.e. Rs. 60,000 per annum.
- 2.25% of Adjusted Gross Total Income.
- 3.Rent paid -10% of Adjusted Gross Total Income.

11. Deduction in respect of certain donations for scientific research or rural development (social science or statistics) (Sec. 80GGA)

(An Assessee whose Gross Total Income does not include income chargeable under the head "Profits and Gains of Business or Profession" can claim deduction)

⇒ **Amount of deduction**

100% of the amount of donation

12. Deduction in respect of Contributions given by any person other than Indian company(except local authority and artificial juridical person wholly or partly funded by Government) to Political Parties (Sec 80GGC)

=> **Amount of deduction**

100% of sum contributed to any registered political party.

13. Deduction in respect of interest on deposits in savings account (Sec. 80TTA)

[An individual ((other than senior citizen) or HUF can claim deduction]

=> **Amount of deduction** (least of the following):

- (i) Actual amount of interest on deposits
- (ii) ` 10,000

14. Deduction in respect of interest in case of senior citizens (Sec. 80TTB)

=> **Amount of deduction** (least of the following):

- (i) Actual amount of interest on deposits in savings account
- (ii) ` 50,000

15. Deduction in case of a person with disability (Sec 80U)

=> **Amount of deduction**

Fixed ` 75,000 for disability to the extent of 40% or more but less than 80% (` 1,25,000 in case of severe disability i.e. to the extent of 80% or more)