



PUNJAB STATE TRANSMISSION CORPORATION LIMITED
(Regd. Office: PSEB, Head Office, The Mall, Patiala-147001, Punjab, India)
Corporate Identity Number - U40109PB2010SGC033814,
Office of CFO, AO/Taxation, Shakti Sadan, Patiala
E-mail: ao-taxation@pstcl.org, Tel/Fax No. 0175-2203637

Taxation Circular No.5/2015

To

1. All Addl. SEs/Sr. Xens under PSTCL
2. All Accounts Officers under PSTCL

Memo No: - 1214-1268/CFO/Taxation/11

Dated: - 05/06/2015

Subject: - Amendments made in Income Tax Act, 1961 vide Finance (No. 20) Act, 2015 for the FY 2015-16.

In order to compliance of various provisions of Income Tax Act, 1961 following amendments made in Income Tax Act, 1961 vide Finance (No. 20) Act, 2015 are informed as under:-

1) Income Tax Rate Chart for FY 2015-16 (AY 2016-17)

For Individuals below 60 years age (including Woman Assesses):

Income	Tax Rate
Upto 250,000	Nil
250,000 to 500,000	10.30% of the amount exceeding 250,000
500,000 to 1,000,000	Rs.25,000 + 20.60% of the amount exceeding 500,000
1,000,000 & above	Rs.125,000 + 30.90% of the amount exceeding 1,000,000

For Individuals aged 60 years and above but below 80 years (Senior Citizen):

Income	Tax Rate
Upto 300,000	Nil
300,000 to 500,000	10.30% of the amount exceeding 300,000
500,000 to 1,000,000	Rs.20,000 + 20.60% of the amount exceeding 500,000
1,000,000 & above	Rs.120,000 + 30.90% of the amount exceeding 1,000,000

For Individuals aged 80 years and above (Very Senior Citizen):

Income	Tax Rate
Upto 500,000	Nil
500,000 to 1,000,000	20.60% of the amount exceeding 500,000
1,000,000 & above	Rs.100,000 + 30.90% of the amount exceeding 1,000,000

- Surcharge has been increased from 10% to 12% in case of total income exceeds Rs. 1 crore.
- Resident individual having Total Income less than Rs. 500000/- is eligible to claim Tax Rebate u/s 87A, Being lower of tax on Total Income or Rs. 2000.
- Tax Rates are inclusive of Education Cess and Secondary Higher Education Cess @2% and 1% respectively.

Amendments in deductions under chapter VI-A for Individuals/HUFs is as under:-

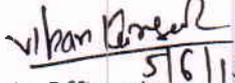
S. No.	Section	Particulars	Existing Limit (Rs.)	New Limit (Rs.)
1	80C	Payment of Life Insurance Premium etc.	150000	150000
2	80CCC	Contribution to certain Pension Funds	100000	150000
3 (i)	80CCD (1)	Contribution to Notified Pension Scheme (employee contribution & others)	10% of Salary or Gross Total Income (upto Rs. 100000)	10% of Salary or Gross Total Income
3 (ii)	80CCD (2)	Contribution to Notified Pension Scheme (employer contribution)	10% of salary	10% of Salary
3 (iii)	80CCD (1B)	Contribution to Notified Pension Scheme	-----	Additional deduction upto Rs. 50000 on payment in excess of 10%
4	80CCE	Overall ceiling limit for S.No. 1,2 & 3(i)	150000	150000*
5	80D	Health Insurance Premium for Individual/HUF	**See separate table below	
6	80DD	Maintenance /medical treatment of disable dependent		
		-Disabled	50000	75000
		-Severely disabled	100000	125000
7	80DDB	Medical Treatment for specified disease		
		-Individual	40000	40000
		-Senior Citizen	60000	60000
		-Very Senior Citizen	60000	80000
8	80U	Deduction in case of person with Disability		
		-Disabled	50000	75000
		-Severely disabled	100000	125000

***Note: - Employer contribution towards NPS under Section 80CCD (2) is outside the monetary limit Rs. 150000/- under Section 80CCE.**

****Deduction under Section 80D:-**

S. No.	Particulars	Self , Spouse & Dependent Children		Parents whether dependent or not	
		Existing limit (Rs.)	New limit (Rs.)	Existing limit (Rs.)	New limit (Rs.)
1.	Below the age of 60 Years	15000	25000	15000	25000
2.	Above the age of 60 years	20000	30000	20000	30000

- 2) **Section 192A:-** Under the existing provisions of Section 10(12) withdrawal of accumulated balance by an employee from recognised Provident Fund is exempt from tax, provided the employee has rendered continues service with the employer for more than 5 years. As per Finance Act, 2015 in case of pre-mature withdrawal (i.e. before 5 years) the exemption is withdrawn and the entire amount is taxable and TDS is required to be deducted @ 10% where *the amount of withdrawal is Rs. 30000/- or more*. If the person does not provide the PAN card the tax is deducted at maximum marginal rate.
- 3) **Section 194C:-** Earlier as per section 194C (6) w.e.f. from 01.10.2009 no tax was required to be deducted from any sum paid to a transport contractor provided such contractor furnishes his PAN. Now as per Finance Act, 2015 this benefit is restrict to only those Transport Contractors who owns 10 or less goods carriages at any time during the previous year and a declaration to this effect is furnished.
- 4) **Amendment in Rule 2BB in Respect of Transport Allowance:-** CBDT vide notification no. 39/2015 dated 13.04.2015 amended Rule 2BB w.e.f. from 1st April, 2015. Accordingly, the transport allowance which can be claimed as an exemption by an employee to meet his expenditure for the purpose of commuting between place of his residence and place of his duty has been increased from Rs. 800 p.m. to Rs. 1600 p.m. In case of blind or orthopedically handicapped employee with disability of lower extremities the upward revision is from Rs. 1600 p.m. to Rs. 3200 p.m.

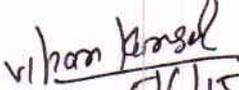

5/6/15
Accounts Officer/ Taxation
PSTCL, Patiala.

Endst No: - 1269-1287/CFO/Taxation/11

Dated: - 05/06/2015

Copy of the above is forwarded to the following for information please.

1. All Engineer-in –Chief/ Chief Engineer in PSTCL
2. Financial Advisor PSTCL, Patiala
3. Company Secretary PSTCL, Patiala
4. All Dy. CEs/SEs under PSTCL
5. All Dy. CAOs/ Dy. FAs under PSTCL
6. SE/IT, PSTCL, Patiala with a request to upload the circular on PSTCL website


5/6/15
Accounts Officer/ Taxation
PSTCL, Patiala.

CC:

Sr. PS to Director/F&C, PSTCL, Patiala for kind information of Director, please.