

No.1/1/2011-DDO-I
Government of India
Ministry of Water Resources
Central Water Commission
(Accounts-III Section)

Room No.705, Sewa Bhawan,
R.K. Puram, New Delhi-110 066

Dated: 19-10-2011

CIRCULAR

Subject:- Information regarding deduction of Income Tax at source for the Financial Year 2011-2012 (Assessment Year 2012-2013).

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 required under Income-Tax Act, the deduction of tax every month on proportionate basis is being made by the respective Accounts Sections for the current Financial Year i.e., 2011-2012 in majority of cases. Further recoveries, if any, is to be regulated in respect of each employee in the ensuing months i.e., in Pay bills for the remaining months of November 2011 to February, 2012.

2. According to the Finance Act, 2011, Income is required to be deducted from the income for the Financial Year 2011-2012 (Assessment Year 2012-2013) at the following rates:-

(1) For Individual, Hindu Undivided Family, Association of Persons, Body of Individuals:-

Income Range	Rate of Income Tax
Upto Rs.1,80,000/-	Nil
Rs.1,80,001/- to Rs.5,00,000/-	10%
Rs.5,00,001/- to Rs.8,00,000/-	Rs.32,000/- + 20% of the amount by which the total income exceeds Rs.5,00,000/-.
Above Rs.8,00,000/-	Rs.92,000/- + 30% of the amount by which the total income exceeds Rs.8,00,000/-.

(2) For women resident in India and below the age of 60 years at any time during the previous year:-

Income Range	Rate of Income Tax
Upto Rs.1,90,000/-	Nil
Upto Rs.1,90,001/- to Rs.5,00,00/-	10%
Rs.5,00,001/- to Rs.8,00,000/-	Rs.31,000/- + 20% of the amount by which the total income exceeds Rs.5,00,000/-.
Above Rs.8,00,000/-	Rs.91,000/- + 30% of the amount by which the total income exceeds Rs.8,00,000/-.

Contd...2/-

- (3) For senior citizens, age of 60 years or more but less than 80 years at any time during the previous year:-

Income Range	Rate of Income Tax
Upto Rs.2,50,000/-	Nil
Rs.2,50,001/- to Rs.5,00,000/-	10% of the amount by which the total Income exceeds Rs.2,50,000/-.
Rs.5,00,001/- to Rs.8,00,000/-	Rs.25,000/- + 20% of the amount which the total income exceeds Rs.5,00,000/-
Rs.8,00,000/-	Rs.85,000/- + 30% of the amount by which the total income exceeds Rs.8,00,000/-.

- (4) For senior citizens, age of 80 years or more at any time during the previous year:-

Income Range	Rate of Income Tax
Upto Rs.5,00,000/-	Nil
Rs.5,00,001/- to Rs.8,00,000/-	20% of the amount by which the total Income exceeds Rs.5,00,000/-
Above Rs.8,00,000/-	Rs.60,000/- + 30% of the amount by which the total income exceeds Rs.8,00,000/-.

- (5) Surcharge on Income-tax has been abolished during the Financial Year 2011-12.
 (6) Education Cess @ 2% on Income-tax and an additional levy of Secondary and Higher Education Cess @ 1% stands continued.

HOW TO CALCULATE TAX FOR FINANCIAL YEAR 2011-2012 (ASSESSMENT YEAR 2012-2013):

Income Tax on the salary of an individual is to be calculated in four steps:-

- I. Calculate the total income for the year from 1st April to 31st March. This should include all receipts during the year viz., Salary, Allowances, Honorarium, Bonus, Interest on Bank Deposits etc. Exemption should be given to the admissible limit of House Rent Allowance. Balance will be the total income.
- II. Calculate the deduction admissible i.e., Professional Tax, Entertainment Allowance and deductions Under Sections 80-C, 80-CCC, 80-CCD, 80-D, 80-E, 80-CCF, etc., of the Act, viz., for maintenance of Handicapped dependent, medical insurance premia, CGHS contribution, subscription to long-term Infrastructure bonds, donation to charitable trusts, savings etc.
- III. I minus II is the taxable income. Calculate the Income-Tax on this amount at the prescribed rates.
- IV. Add 3% Education Cess on the Income-Tax.

3. **Exemptions:** All exemptions for the year 2010-11 are applicable subject to the Finance Act, 2011/ CBDT instructions 2011.

4. **Proof of Savings:** All the concerned employees may please be advised to furnish the requisite proof of documents and proposed savings by the target date mentioned below in order to claim exemption, deduction and relief from the DDO. Thereafter, in the absence of the requisite proof documents, Income-Tax will be deducted at source without exemption, deduction and relief to the Assessee.

Investment made upto January 2012:- 10th February 2012.

5. **Submission of assessment proforma:** All officers/officials whose income exceeds Rs.1,80,000/- (for male) or Rs.1,90,000/- (for female) as the case may be during the financial year 2011-2012 are required to submit the enclosed proforma complete in all respects to their respective Accounts Sections **latest by 30th November 2011** along with supporting documents failing which recovery will be calculated by this office and recovery of tax will be made from Regular Pay Bills of November 2011 to February 2012.
6. All employees **must indicate their PAN** in the income-tax statement. As per Section 206AA (requirement to furnish Permanent Account Number), (1) Notwithstanding anything contained in any other provision of this Act, any person entitled to receive any sum or income or amount, on which tax deductible under Chapter-XVIIIB (hereafter referred to as deductee) shall furnish his Permanent Account Number to the person responsible for deducting such tax (hereafter referred to as deductor), failing which tax shall be deducted at the higher of the following rates, viz., (i) at the rate specified in the relevant provision of this Act; or (ii) at the rate or rates in force; or (iii) at the rate of 20%. Further, where the PAN provided to the deductor is invalid or does not belong to the deductee, it shall be deemed that the deductee has not furnished his PAN to the deductor and the provisions of sub-section (1) shall apply accordingly.
7. This issues **pending receipt of instructions from CBDT. On receipt of the same, changes if any will be intimated.**
8. **The contents of this note may be disseminated to all concerned for their information and strict compliance.**

This issues with the approval of Chief Engineer(HRM), CWC.



(Virender Pal)
Drawing and Disbursing Officer-I

All Directorates/Establishments/Accounts Sections, CWC, Sewa Bhawan, R.K. Puram, New Delhi.

Copy to:-

1. PSO to Chairman, CWC.
2. PS to Member(D&R/WP&P/RM), CWC.
3. PS to Chief Engineer(HRM)/Secretary, CWC.
4. All Chief Engineers/Directors, CWC Sewa Bhawan, R.K. Puram, New Delhi.

P.B.R. No. _____

PROFORMA

PARTICULARS REQUIRED FOR CALCULATION OF INCOME TAX FOR THE FINANCIAL YEAR 2011-2012

1.	NAME AND DESIGNATION	
2.	PERMANENT ACCOUNT (PAN) NO. (A photo-copy of the PAN card may be furnished.)	
3.	OFFICIAL ADDRESS & TELE. NO.	
4.	RESIDENTIAL ADDRESS & TELE. NO.	
5.	If rented, details thereof (with address of owner)	
6.	Details of HBA Loan (if rebate is required) a) Date of grant of loan b) Repayment of HBA loan c) Interest on HBA loan	
7.	Total Salary Income (Excluding Transport Allowance of Rs.9,600/-)	
8.	Whether rebate on HRA claimed (Yes/No) If Yes, Exemption of HRA Lease of (a), (b) & (c) (a) Actual HRA received (b) Rent paid in excess of 10% salary (c) 50% of salary (A copy of residence proof may be furnished.)	
9.	Total emoluments after deduction of rebate on HRA (7 - 8)	
10.	Less Interest on borrowed capital/HBA (self-occupied property only)	
11.	Net income under the head 'Salaries' (9-10)	
12.	Income under any head other than 'Salaries'	
13.	Gross Total Income (11+12)	

Contd...ii/-

14.	<p>Deductions under Chapter VI-A</p> <p>Savings (Section 80-C)</p> <p>(a) GPF Rs. _____</p> <p>(b) CGEGIS Rs. _____</p> <p>(c) HBA Recovery Rs. _____</p> <p>(d) NSC Rs. _____</p> <p>(e) PPF Rs. _____</p> <p>(f) LIC Premium Rs. _____</p> <p>(g) PLI Rs. _____</p> <p>(h) Interest on NSC Rs. _____</p> <p>(i) ULIP Rs. _____</p> <p>(j) Approved Mutual Funds Rs. _____</p> <p>(k) Tuition Fee Rs. _____</p> <p>(l) Pension Fund(80-CCC) Rs. _____</p> <p>(m) Contribution to New Pension Scheme(80CCD) Rs. _____</p> <p>(n) Bank Fixed Deposits (minimum 5 years) Rs. _____</p> <p>Total of above Rs. _____</p>	
15.	<p>Infrastructure Bonds(80-CCF) (Subscription to long-term infrastructure bonds Subject to a maximum of Rs.20,000/- [Rupees Twenty Thousand only]).</p>	
16.	<p>Other Sections(80-G, 80-D etc.) under Chapter VI-A</p> <p>i) Mediciam (80D)</p> <p>ii) CGHS contribution(80-D)</p> <p>iii) Donations(80-G)</p> <p>iv) Others(please specify)</p>	
17.	<p>Aggregate of deductible amount under Chapter VI-A (14+15+16)</p>	
18.	<p>Net Taxable Income (13-17)</p>	
19.	<p>Tax Payable</p>	
20.	<p>Add Education Cess (3% of Col.18)</p>	
21.	<p>Total tax payable(18+19)</p>	
22.	<p>Income tax already recovered upto October 2011</p>	
23.	<p>Balance Income-tax to be deducted</p>	
24.	<p>Rate of recovery of balance tax due</p> <p align="right">Nov., 2011 Dec., 2011 Jan., 2012 Feb., 2012</p>	
25.	<p>Date:</p>	<p>Signature</p>
	<p>Office/Section/Directorate</p>	<p>BPL No.</p>