

"OLD TAX  
is better."



"NEW TAX  
works for  
me"

**Which 'tax regime'  
should you  
choose?**



**Let's Know  
About  
Income Tax (Salaried)  
For FY24**

Amit Kumar Rath  
Date: 22.03.2023



# Revised Tax Slabs under New Tax Regime

Persons in the new tax regime, with income up to Rs.7 lakh will not have to pay any tax.

Salaried individuals and pensioners would be eligible to **switch between new tax regime and old tax regime** as per their convenience **every year**, provided they don't have business income. However, new tax regime will be the **default tax regime** from the financial year 2023-24

# Most common Exemptions and Deductions availed by Indian taxpayers (Old Regime)

House  
Rent  
Allowance

Life  
Insurance  
Premium

Mobile and  
Internet  
Reimbursement

Public  
Provident  
Fund

Standard  
Deduction

ELSS  
(Equity  
Linked  
Saving  
Scheme)

Employee  
Provident  
Fund

Education  
Loan  
Interest

Principal and  
Interest  
component of  
Home Loan

Children  
Tuition  
Fees

Health  
Insurance  
Premiums

Saving  
Account  
Interest

Investment  
in NPS

## Tax Saving Sections (Old Regime)

Investments &  
Expenditure

Maximum Rs 1.5 Lakh Deduction from Income combining these 3 Sections

### Section 80C

Lots of Options like PPF,  
ELSS, FD, etc.

### Section 80CCC

Pension Products

### Section 80CCD

Central Government  
Employee Pension  
Scheme

NPS

### Section 80CCD(1B)

Additional exemption of Rs 50,000 for investment in **NPS**

# Tax Saving Sections (Old Regime)

## Health and Well Being

### Section 80 D

Medical Insurance for Family and Parents

Deduction Up to Rs 1,00,000

### Section 80DD

Maintenance & medical treatment of disabled dependent

Deduction Up to Rs 1.25 Lakh

### Section 80DDB

Treatment of certain Disease/ Ailment

Deduction Up to Rs 1,00,000

### Section 80U

Physically Disabled Assesse

Deduction Up to Rs 1.25 Lakh

## Loans

### Section 80E

Interest payable on Education Loan

No Limit for Deduction

### Section 24

Interest payable on Housing Loan & Home Improvement Loan

Deduction Up to Rs 2 Lakh for Home Loan including Rs 30,000 for Home Improvement Loan

## Tax Saving Sections (Old Regime)

### Donations

#### Section 80G

Donation to certain charitable funds, charitable institutions, etc.

#### Section 80GGA

Donations for scientific research or rural development

#### Section 80GGC

Donation to political parties

### Others

#### Section 80GG

For Paying Rent in case of no HRA

Deduction Up to Rs 60,000

#### Section 80TTA

Interest received in Saving Account

Deduction Up to Rs 10,000

#### Section 80TTB

Interest Income for Senior Citizens only

Deduction Up to Rs 50,000

# TAX RATES UNDER NEW REGIME

Income Tax Slab for FY24 (Taxable Income)	New Tax Regime
Up to ₹3,00,000	Exempt
₹3,00,001 – ₹6,00,000	5%
₹6,00,001 – ₹9,00,000	10%
₹9,00,001 – ₹12,00,000	15%
₹12,00,001 – ₹15,00,000	20%
Above ₹15,00,000	30%



Income Tax Slab for FY24 (Taxable Income)	Old Tax Regime*
Up to ₹2,50,000	Exempt
₹2,50,001 – ₹5,00,000	5%
₹5,00,001 – ₹ 10,00,000	20%
Above ₹10,00,000	30%

# TAX RATES UNDER OLD REGIME

\*Age up to 60 years

# **NEW TAX REGIME**

**Health and Education cess @4% will be added to the income tax liability in all cases.**

**Individuals having taxable income of up to Rs 7 lakh will be eligible for tax rebate under section 87A up to ₹ 25,000**

**Surcharge is levied on income above Rs 50 lakh.**

**An individual is eligible for deduction under section 80CCD (2). This section allows deduction on the employer's contribution to the NPS account for maximum of 10 per cent of the employee's salary (salary here means basic plus dearness allowance).**

## 9 exemptions and deductions that taxpayers will have to **forgo** if they opt for the new regime.

01

Leave travel allowance exemption which is currently available to salaried employees twice in a block of four years.

02

House rent allowance claimed as tax exempt upto specified limits if the individual was staying in rented accommodation

03

Tax break on interest applied on Home Loan - section 24, Sec 80EE, Sec 80EEA

04

Deduction available under section 80TTA/80TTB

05

The most commonly claimed deductions under section 80C

## 9 exemptions and deductions that taxpayers will have to **forgo** if they opt for the new regime.

06

The deduction claimed for medical insurance premium under section 80D

07

Tax benefits for disability under sections 80DD and 80DDB

08

Tax break on interest paid on education loan -section 80E

09

Tax break on donations to charitable institutions available under section 80G

## 9 income tax exemptions and deductions to **continue** under the new tax regime for FY 2023-24

01

Withdrawal by an employee from the Employees' Provident Fund (EPF) is not taxable after 5 years of continuous service.

02

The amount received on the maturity of PPF (Public Provident Fund) account and the yearly interest credited to the PPF balance.

03

Withdrawal from National Pension Scheme on maturity or premature closure up to 40% of the amount received on such withdrawal remains tax free for all.

04

Under Section 10 (10D) of the Income Tax Act, the sum assured and any bonus paid on maturity or surrender of the life insurance plan is tax free.

05

The maturity amount including interest received on the Sukanya Samridhi Yojana will not attract any tax.

## 9 income tax exemptions and deductions to **continue** under the new tax regime for FY 2023-24

06

Conveyance Allowance granted to meet expenditure incurred on conveyance in performance of duties of an office.

07

Leave encashment received at the time of resignation or retirement up to ₹25 lakh.

08

Any scholarship granted to meet education costs is tax exempt under Section 10 (16) of the Income Tax Act.

09

Gratuity received from the employer up to ₹20 lakh after rendering 5 years of continuous service.



**Let's  
See  
some  
illustrations**



**Annual Income of ₹ 7,50,000  
(Without exemption)  
Only Standard Deduction ₹ 50,000**

Old Regime (Taxable Income- ₹7,00,000)				New Regime(Taxable Income- ₹7,00,000)			
	Amount	Rate	Tax		Amount	Rate	Tax
Upto ₹2,50,000	₹2,50,000	0%	0	Upto ₹3,00,000	0	0	0
₹2,50,001-₹5,00,000	₹2,50,000	5%	₹12,500	₹3,00,001-₹6,00,000	0	5%	0
₹5,00,001-₹10,00,000	₹2,00,000	20%	₹40,000	₹6,00,001-₹9,00,000	0	10%	0
above ₹10,00,000		30%	0	₹9,00,001-₹12,00,000	0	15%	0
				₹12,00,001-₹15,00,000	0	20%	0
				above ₹15,00,000	0	30%	0
Total			₹52,500	Total			0

Under Old Regime, NIL tax if taxable income is upto ₹5,00,000  
Under New Regime, NIL tax if taxable income is upto ₹7,00,000



# Annual Income of ₹ 7,50,000 (Salaried with exemption)

Standard Deduction- ₹ 50,000

80 C- ₹ 1,50,000 lacs, 80CCD (1B) - ₹ 50,000

Old Regime(Taxable Income- ₹5,00,000)				New Regime(Taxable Income- ₹7,00,000)			
	Amount	Rate	Tax		Amount	Rate	Tax
Upto ₹2,50,000	0	0%	0	Upto ₹3,00,000	0	0	0
₹2,50,001-₹5,00,000	0	5%	0	₹3,00,001-₹6,00,000	0	5%	0
₹5,00,001-₹10,00,000	0	20%	0	₹6,00,001-₹9,00,000	0	10%	0
above ₹10,00,000	0	30%	0	₹9,00,001-₹12,00,000	0	15%	0
				₹12,00,001-₹15,00,000	0	20%	0
				above ₹15,00,000	0	30%	0
Total			0	Total			0

Under Old Regime, NIL tax if taxable income is upto ₹5,00,000

Under New Regime, NIL tax if taxable income is upto ₹7,00,000

**Annual Income of ₹ 10,00,000  
(Without exemption)  
Only Standard Deduction ₹ 50,000**

Old Regime(Taxable Income- ₹9,50,000)				New Regime(Taxable Income- ₹9,50,000)			
	Amount	Rate	Tax		Amount	Rate	Tax
Upto ₹2,50,000	₹2,50,000	0%	0	Upto ₹3,00,000	₹3,00,000	0	0
₹2,50,001-₹5,00,000	₹2,50,000	5%	₹12,500	₹3,00,001-₹6,00,000	₹3,00,000	5%	₹15,000
₹5,00,001-₹10,00,000	₹4,50,000	20%	₹90,000	₹6,00,001-₹9,00,000	₹3,00,000	10%	₹30,000
above ₹10,00,000		30%	0	₹9,00,001-₹12,00,000	₹50,000	15%	₹7,500
				₹12,00,001-₹15,00,000	0	20%	0
				above ₹15,00,000	0	30%	0
Total			₹1,02,500	Total			₹52,500

# Annual Income of ₹ 10,00,000 (Salaried with exemption)

Standard Deduction- ₹50,000, 80 C- ₹ 1,50,000,  
80CCD (1B) - ₹ 50,000, 80D- ₹ 25,000

Old Regime(Taxable Income- ₹7,25,000)				New Regime(Taxable Income- ₹9,50,000)			
	Amount	Rate	Tax		Amount	Rate	Tax
Upto ₹2,50,000	₹2,50,000	0%	0	Upto ₹3,00,000	₹3,00,000	0	0
₹2,50,001-₹5,00,000	₹2,50,000	5%	₹12,500	₹3,00,001-₹6,00,000	₹3,00,000	5%	₹15,000
₹5,00,001-₹10,00,000	₹2,25,000	20%	₹45,000	₹6,00,001-₹9,00,000	₹3,00,000	10%	₹30,000
above ₹10,00,000	0	30%	0	₹9,00,001-₹12,00,000	₹50,000	15%	₹7,500
				₹12,00,001-₹15,00,000	0	20%	0
				above ₹15,00,000	0	30%	0
Total			₹57,500	Total			₹52,500

**Annual Income of ₹ 12,50,000  
(Without exemption)  
Only Standard Deduction ₹ 50,000**

Old Regime (Taxable Income- ₹12,00,000)				New Regime(Taxable Income- ₹12,00,000)			
	Amount	Rate	Tax		Amount	Rate	Tax
Upto ₹2,50,000	₹2,50,000	0%	0	Upto ₹3,00,000	₹3,00,000	0	0
₹2,50,001-₹5,00,000	₹2,50,000	5%	₹12,500	₹3,00,001-₹6,00,000	₹3,00,000	5%	₹15,000
₹5,00,001-₹10,00,000	₹5,00,000	20%	₹1,00,000	₹6,00,001-₹9,00,000	₹3,00,000	10%	₹30,000
above ₹10,00,000	₹2,00,000	30%	₹60,000	₹9,00,001-₹12,00,000	₹3,00,000	15%	₹45,000
				₹12,00,001-₹15,00,000	0	20%	0
				above ₹15,00,000	0	30%	0
Total			₹1,72,500	Total			₹90,000

# Annual Income of ₹ 12,50,000 (Salaried with exemption)

Standard Deduction- ₹ 50,000

80 C- ₹ 1,50,000

Home Loan Interest (Sec 24)- ₹ 50,000

Old Regime (Taxable Income- ₹10,00,000)				New Regime(Taxable Income- ₹12,00,000)			
	Amount	Rate	Tax		Amount	Rate	Tax
Upto ₹2,50,000	₹2,50,000	0%	0	Upto ₹3,00,000	₹3,00,000	0	0
₹2,50,001-₹5,00,000	₹2,50,000	5%	₹12,500	₹3,00,001-₹6,00,000	₹3,00,000	5%	₹15,000
₹5,00,001-₹10,00,000	₹5,00,000	20%	₹1,00,000	₹6,00,001-₹9,00,000	₹3,00,000	10%	₹30,000
above ₹10,00,000	0	30%	0	₹9,00,001-₹12,00,000	₹3,00,000	15%	₹45,000
				₹12,00,001-₹15,00,000	0	20%	0
				above ₹15,00,000	0	30%	0
Total			₹1,12,500	Total			₹90,000

**Annual Income of ₹15,00,000  
(Without exemption)  
Only Standard Deduction ₹ 50,000**

Old Regime (Taxable Income- ₹14,50,000)				New Regime(Taxable Income- ₹14,50,000)			
	Amount	Rate	Tax		Amount	Rate	Tax
Upto ₹2,50,000	₹2,50,000	0%	0	Upto ₹3,00,000	₹3,00,000	0	0
₹2,50,001-₹5,00,000	₹2,50,000	5%	₹12,500	₹3,00,001-₹6,00,000	₹3,00,000	5%	₹15,000
₹5,00,001-₹10,00,000	₹5,00,000	20%	₹1,00,000	₹6,00,001-₹9,00,000	₹3,00,000	10%	₹30,000
above ₹10,00,000	₹4,50,000	30%	₹1,35,000	₹9,00,001-₹12,00,000	₹3,00,000	15%	₹45,000
				₹12,00,001-₹15,00,000	₹2,50,000	20%	₹50,000
				above ₹15,00,000	0	30%	0
Total			₹2,47,500	Total			₹1,40,000

# Annual Income of ₹ 15,00,000 (Salaried with exemption)

Standard Deduction- ₹ 50,000, 80 C- ₹1,50,000, 80D- ₹ 25,000  
80CCD (1B) - ₹ 50,000, 80G- ₹ 25,000, Home Loan Int- ₹2,00,000

Old Regime (Taxable Income- ₹10,00,000)				New Regime (Taxable Income- ₹14,50,000)			
	Amount	Rate	Tax		Amount	Rate	Tax
Upto ₹2,50,000	₹2,50,000	0%	0	Upto ₹3,00,000	₹3,00,000	0	0
₹2,50,001-₹5,00,000	₹2,50,000	5%	₹12,500	₹3,00,001-₹6,00,000	₹3,00,000	5%	₹15,000
₹5,00,001-₹10,00,000	₹5,00,000	20%	₹1,00,000	₹6,00,001-₹9,00,000	₹3,00,000	10%	₹30,000
above ₹10,00,000	0	30%	0	₹9,00,001-₹12,00,000	₹3,00,000	15%	₹45,000
				₹12,00,001-₹15,00,000	₹2,50,000	20%	₹50,000
				above ₹15,00,000	0	30%	0
Total			₹1,12,500	Total			₹1,40,000

**Annual Income of ₹ 20,00,000  
(Without exemption)  
Only Standard Deduction ₹ 50,000**

Old Regime (Taxable Income- ₹19,50,000)				New Regime(Taxable Income- ₹19,50,000)			
	Amount	Rate	Tax		Amount	Rate	Tax
Upto ₹2,50,000	₹2,50,000	0%	0	Upto ₹3,00,000	₹3,00,000	0	0
₹2,50,001-₹5,00,000	₹2,50,000	5%	₹12,500	₹3,00,001-₹6,00,000	₹3,00,000	5%	₹15,000
₹5,00,001-₹10,00,000	₹5,00,000	20%	₹1,00,000	₹6,00,001-₹9,00,000	₹3,00,000	10%	₹30,000
above ₹10,00,000	₹5,50,000	30%	₹2,85,000	₹9,00,001-₹12,00,000	₹3,00,000	15%	₹45,000
				₹12,00,001-₹15,00,000	₹3,00,000	20%	₹60,000
				above ₹15,00,000	₹4,50,000	30%	₹1,35,000
Total			₹3,97,500	Total			₹2,75,000



## Annual Income of ₹ 20,00,000 (Salaried with exemption)

Standard Deduction- ₹50,000

80 C- ₹ 1,50,000 including HL Principal repayment

80CCD (1B) - ₹ 50,000

80D- ₹ 25,000

80G- ₹ 25,000 (under 100% tax exemption),

Home Loan Int- ₹ 2,00,000

Education Loan Interest- ₹ 30,000

# Annual Income of ₹ 20,00,000 (Salaried with exemption)

Old Regime (Taxable Income- ₹14,70,000)				New Regime (Taxable Income- ₹19,50,000)			
	Amount	Rate	Tax		Amount	Rate	Tax
Upto ₹2,50,000	₹2,50,000	0%	0	Upto ₹3,00,000	₹3,00,000	0	0
₹2,50,001-₹5,00,000	₹2,50,000	5%	₹12,500	₹3,00,001-₹6,00,000	₹3,00,000	5%	₹15,000
₹5,00,001-₹10,00,000	₹5,00,000	20%	₹1,00,000	₹6,00,001-₹9,00,000	₹3,00,000	10%	₹30,000
above ₹10,00,000	₹4,70,000	30%	₹1,41,000	₹9,00,001-₹12,00,000	₹3,00,000	15%	₹45,000
				₹12,00,001-₹15,00,000	₹3,00,000	20%	₹60,000
				above ₹15,00,000	₹4,50,000	30%	₹1,35,000
Total			₹2,53,500	Total			₹2,75,000

# House Rent Allowance



The exemption on HRA is calculated as per 2A of the Income Tax Rules and the least of the following is exempted from salary under Section 10(13A) and does not form part of the taxable income.

- a. Actual HRA received from the employer
- b. For those living in metro cities: 50% of (Basic salary + Dearness allowance)
- c. For those living in non-metro cities: 40% of (Basic salary + Dearness allowance)
- d. Actual rent paid minus 10% of (Basic salary + Dearness allowance)

Mr X, employed in Mumbai, has taken up an accommodation on rent for which he pays a monthly rent of ₹ 25,000/-. He receives a Basic Salary of ₹ 45,000/- monthly along with DA of ₹ 7,000/- monthly which forms a part of the salary. He also receives HRA of ₹ 1 lakh from his employer during the year.

**SCAN THE QR CODE FOR HRA CALCULATOR**

SR NO.	PARTICULARS	AMOUNT
1	Actual HRA received	₹ 1,00,000/-
2	50% of $[(45,000+7,000)*12]$	₹ 3,12,000/-
3	Actual rent ₹ 3,00,000 minus 10% of $[(45,000+7,000)*12]$	₹ 2,37,600/-
4	HRA deduction = Least of 1, 2, 3	₹ 1,00,000/-



**SCAN ME**

Hence, ₹ 1,00,000/- would be exempt from salary under Section 10(13A).

# Tax Calculator



**SCAN ME**



*Disclaimer: Its an attempt to make the Income Tax simpler for salaried persons. In case of any suggestion(s), please feel free. Decide Before you choose the Regime (Old or New ) with your own calculations depending on the exemptions and deduction. Refer Income Tax Department Site for more details and updates.*



*Thank  
you*

## Contact



9937375635



@AmitKumarRath7



[www.facebook.com/rishi.lucy/](http://www.facebook.com/rishi.lucy/)

