

EXEMPTIONS & DEDUCTION
IN
INCOME TAX
FY: 2022-23



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Section 10(13A)

Deduction towards rent paid for house.

Least of the following shall be allowed as deduction:

Actual amount of HRA received	Actual Rent paid reduced by 10% of Salary	50% of Salary (Mumbai, Kolkata, Delhi or Chennai) 40% of Salary (other places)
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Note: Salary = Basic Pay + DA

Section 10(14) Rule 2BB

Children Education Allowance

Rs. 100 per month per child for 2 children (*Max. Rs. 2,400*)

Hostel Subsidy

Rs. 300 per month per child for 2 children (*Max. Rs. 7,200*)

Transport allowance granted to an employee, who is **blind** or **deaf and dumb** or **orthopedically handicapped** with **disability of lower extremities**

Rs. 3200 per month (*Max. Rs. 38,400*)

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Section 16

16(ia)	Standard Deduction	Rs. 50,000
16(ii)	Entertainment Allowance	1/5th of salary, or Rs. 5,000 whichever is less
16(iii)	Professional Tax	Actual amount

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Section 24(b)

Deduction on **interest** paid on **housing loan** and **housing improvement loan**.

Nature of Property	Purpose of loan	Maximum limit allowed
Self-Occupied	Construction or purchase of house property	Rs. 2,00,000
	For Repairs of house property	Rs. 30,000
Let Out	Construction or purchase of house property	Actual value without any limit

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Section 80C, 80CCC, 80CCD(1)

80C	Life Insurance Premium, Provident Fund (GPF, EPF, PPF), CGEGIS contribution, Subscription to certain equity shares, Tuition Fees, National Savings Certificate, Housing Loan Principal, Sukanya Samriddhi Yojna, Other various items
80CCC	Annuity plan of Pension Scheme
80CCD(1)	Employee contribution in National Pension Scheme (NPS)

NOTE: Combined deduction limit of 80C, 80CCC & 80CCD(1) is Rs. **1,50,000**

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Section 80CCD(1b)

Deduction towards payments made to National Pension Scheme, **excluding deduction claimed under 80CCD(1)**

Deduction limit
₹ **50,000**

Section 80CCD(2)

Deduction towards contribution made by an employer to the National Pension Scheme of Central Government

If Employer is **Central Government** or
State Government

Deduction limit
14% of salary

For **Other** Employers

Deduction limit
10% of salary

Section 80D

Deduction towards Health Insurance Premium & Preventive Health check up

For Self / Spouse or
Dependent Children **Rs. 25,000**
Rs. 50,000 (if any person is above 60 years)

For Parents **Rs. 25,000**
Rs. 50,000 (if any person is above 60 years)

Preventive Health Check Up **Rs. 5,000** (included in above limits)

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Section 80DD

Deduction towards payments made towards Maintenance or Medical treatment of a Disabled Dependent, or Paid / Deposited any amount under relevant approved scheme

Flat deduction of Rs. **75,000** available for a person with Disability, **irrespective of expense incurred**

The deduction is Rs. **1,25,000** if the person has Severe Disability (**80% or more**)

Section 80DDB

Deduction towards payments made towards **Medical treatment** of **Self or Dependant** for **specified diseases**

Deduction limit

Rs. **40,000**

Rs. **1,00,000** (if Senior Citizen)

Section 80E

Deduction towards **interest** payments
made on **Loan for Higher Education** of
Self or **relative**

Total amount paid towards
Interest on Loan taken

Section 80EE

Deduction towards **interest** payments made on **loan** taken for acquisition of **Residential House Property**

where the loan is sanctioned between **1st April 2016 to 31st March 2017**

Deduction limit

Rs. **50,000**

Section 80EEA

Deduction available only to individuals towards **interest** payments made on **loan** taken for acquisition of residential house property **for the first time** where the loan is sanctioned between **1st April 2019 to 31st March 2022** and **deduction should not have been claimed u/s 80EE**

Deduction limit

Rs. **1,50,000**

Section 80EEB

Deduction towards **interest** payments made on Loan
for purchase of **Electric Vehicle**

where the Loan is sanctioned between

1st April 2019 to 31st March 2023

Deduction limit

Rs. **1,50,000**

Section 80G

Deduction towards **Donations** made to prescribed Funds, Charitable Institutions, etc. Donation are eligible for deduction under the below categories:

Without any limit	100% deduction	Note: No deduction shall be allowed under this section in respect of donation made in cash exceeding Rs. 2000/-
	50% deduction	
With qualifying limit	100% deduction	
	50% deduction	

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Section 80GG

Deduction towards rent paid for house & applicable to only those who are **Self-employed** or for whom **HRA is not part of Salary**.

Least of the following shall be allowed as deduction:

Rent paid reduced by 10% of Total Income	Rs. 5,000/- per month	25% of Total Income (excluding long term capital gains, short term capital gains)
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Note: Form **10BA** to be filled for claiming this deduction.

Section 80TTA & 80TTB

80TTA	Deduction on interest received on saving bank accounts by Non-Senior Citizens	Deduction limit Rs. 10,000
80TTB	Deduction on interest received on deposits by Senior Citizens	Deduction limit Rs. 50,000

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Section 80U

Deduction for a **person with Disability**,
irrespective of expense incurred

Deduction Limit
Flat Rs. **75,000/-**

Deduction for a **person with Severe Disability**
(**80% or more**), irrespective of expense incurred

Deduction Limit
Flat Rs. **1,25,000/-**