

PPT ON DEDUCTIONS UNDER SECTION 80C TO 80U(Unit – 4)
BCOM 6TH SEM

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Deduction covered under sec.80C to 80U

- Deduction refers to one must account their income then through the income he do get the benefit by allowing deduction ,which are covered under deduction chapter VI- A under section 80C to 80U.
- Deductions are also benefits in 2 way
- First one on **Expenditure**
- Second one on **Income** eg. 80I series (I –refers to Income)

Deduction 80C

- Amount paid or deposited towards **life insurance, contribution to Provident Fund set up by the Government, recognized Provident Fund, contribution by the assessee to an approved superannuation fund, subscription to National Savings Certificates, tuition fees, payment/ repayment for purposes of purchase or construction of a residential house and many other investments.** For full list, please refer to section 80C of the Income-tax Act. (The aggregate amount of deduction under section 80C, 80CCC and 80CCD(1) shall not exceed Rs. 1,50,000/-)

Deduction 80CCC

- Deduction in respect of Payment of premium for **annuity plan of LIC or any other insurer**. Deduction is available upto a maximum of Rs. 150,000/-.
- The premium must be deposited to keep in force a contract for an annuity plan of the LIC or any other insurer for receiving pension from the fund.

Deductions 80CCD

- Deduction for contribution in pension scheme notified by the Government to the extent of **10% of salary in case of employees and 10% of total income in case of others.**
- Maximum Deduction of Rs. 50,000/- for contribution in National Pension Scheme. The deduction is in addition to the maximum
- deduction of Rs. 1,50,000/- available under
- 80C, 80CCC and 80CCD(1)
- Contribution by employer in pension scheme
- notified by the Government to the extent of 10% of salary

Deduction 80CCG

- Deduction is available upto 50% of the amount invested.
- (Maximum Deduction available Rs. 25,000/-)
- Under this deduction person can claim benefit subject to investment made in **Rajiv Gandhi equity linked scheme**

Deduction 80D

- Deduction in respect of **Medical Insurance Premium for Self and family members.** (Maximum Deduction available Rs. 30,000/- for Senior Citizens and Rs. 25,000/- for others.)
- Deduction in respect of Medical Insurance Premium for Parents (Father or mother or both).
- (Maximum Deduction available Rs. **30,000/-**
- for **Senior Citizens** parents and Rs. **25,000/- in other cases.**)

Deduction 80DD AND 80DDB

- 80DD-Deduction in respect of **maintenance including medical treatment of dependent who is a person with disability.** (Maximum deduction Rs. 100,000/- in case of **severe disability** (more than **80%**) and Rs.50,000/- in other cases.)
- 80DDB-Deduction to the extent of Rs. 40,000/- or the amount actually paid, whichever is less for expenditure actually incurred on self or dependent relative for medical treatment of **specified disease or ailment.**
- **List of ailment covered under IT – ACT only**

Deduction 80E

- Deduction in respect of interest on **loan taken for pursuing higher education**. The deduction is also available for the purpose of higher **education of a relative**.
- Only interest on Loan but **Not the principal Amount** .
- Deduction allowed upto 8 years from date of repayment.

Deduction 80G,GG,GGA,GGC

- Deduction in respect of **donations** to certain funds, charitable institutions, etc. The various donations specified in Sec. 80G are eligible for deduction upto either 100% or 50% with or without restriction as provided in Sec. 80G
- Deduction in respect of House Rent Paid. (Maximum Deduction Rs. 24000/-) in sec.80GG
- Deduction in respect of certain **donations for scientific research or rural development** in sec.80GGA
- Deduction in respect of contributions given by **any person to political parties** in sec 80GGC

Deduction 80RRB,QQB,TTA AND U

- Deduction in respect of **royalty on patents**. (Maximum Deduction Rs. 3,00,000/-)
- Deduction in respect of **royalty on Books**. (Maximum Deduction Rs. 3,00,000/-)
- Deduction in respect **interest on Savings accounts**. (Maximum Deduction Rs. 10,000/-)
- Deduction in case of a **person with disability**. (Maximum Deduction: General disability - Rs. 50,000/-, Severe disability - Rs. 1,00,000/- .)