

TIME BOND
30.09.2020

OFFICE OF THE COMMISSIONER OF INDUSTRIES
(ACCOUNTS BRANCH)
GOVERNMENT OF NCT OF DELHI
PLOT NO.419, FIE, PATPARGANJ, DELHI

No.F.CI/Accounts/IT/18-19/ 432-436

Dated:- 13/8/2020

CIRCULAR

Sub:- Exercising of option for deduction of Tax at source under old or new rates for the Financial year 2020-21 (ASSEMENT YEAR 2021-2022) and saving during 2020-2021.

As per the provisions for the Income Tax Act' 1961 any income chargeable under the Head "Salary is subject to deduction of Income Tax at source at the rate appropriate to the estimated salary of the relevant year. Further, the orders on the subject stipute that tax should be deducted proportionately by the Drawing & Disbursing Officer.

A new tax regime has been inserted in the Income Tax Act-1961, which provides that a person being an individual having income other than "Income from Business or Profession", may opt to pay tax from the Financial Year 2020-2021 onwards either as per old tax regime or new tax regime, which ever is beneficial.

As per new tax regime, from the Financial Year 2020-21 (Assessment Year 2021-22), total taxable income shall be computed without considering any exemption/deduction such as Standard Deduction, HRA Exemption, loss from house property, deduction granted under the provisions of Chapter VI.A (expect deduction under sub section (2) of Section 80CCD) at the following rated:-

Sl No.	Taxable Income	Tax Rates	Tax rate (now Scheme)
1.	Up to Rs. 2,50,000	Nil	Nil
2.	From Rs. 2,50,000 to 5,00,000	5%	5%
3.	From Rs. 5,00,000 to 7,50,000	20%	10%
4.	From Rs. 7,50,000 to 10,00,000	20%	15%
5.	From Rs.10,00,000 to12,50,000	30%	20%
6.	From Rs.12,50,000 to15,00,000	30%	25%
7.	Above Rs.15,00,000	30%	30%

Moreover, Income tax rates prevaled in the Financial Year 2019-2020 will continue to exit and the individual has the option to choose between old and new rates for the purpose of monthly Income tax recovery from pay and allowances.

Therefore, all officers/officials drawing salary from Industries are requested to exercise their option, in writing, and choose either old or new income tax structure for the Financial Year 2020-2021 (Assessment Year 2021-22) for the purpose of monthly income tax deduction from pay & allowances. This option should be forwarded to DDO (Industries) latest by **30.09.2020 positively**.

The option for opt of new regime of tax or saving during 2020-21 in case of old regime latest by **30.09.2020 positively**, failing which necessary deduction Income tax will be made as per old regime and saving provided or in PBR.

THIS MAY BE TREATED AS MOST URGENT.

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Copy to: 1. PS to Secretary-cum-Commissioner (Industries), Industries Department.

2. All Branch Incharge with the request to circulate the circular to all officer/officials under his control.

3. System Analyst, with the request to upload the circular on the website of Industries Department.

4. DCA/DDO, Industries Department.

5. Guard File.

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