

A brief guidance on various Tax Saving Investments for FY 2018-19

Deduction under section 80C

S.No	Category	Maximum Limit	In whose name document can be submitted for Tax Rebate	Documents Required	Other Important points
1	Life Insurance Premium (LIC)	It is part of Section 80C with a aggregate maximum limit of Rs. 1,50,000	Self, Spouse, Children	Photocopy of receipt of Premium paid on or after 01.04.2018	1. Maximum ceiling: (a) if policy is issued before April 1,2012 --- 20% of the sum assured (b) if policy is issued on or after April 1,2012-- -10% of the sum assured 2. In case where any premium is due after 5-Jan-19 , then please prepay them and provide us the receipt of the same. If it is not possible then you need to submit the actual proofs in the next cycle in February 19. Please note that in case if you don't submit the actual proofs in next cycle- Benefit of the same will be removed in March Salary
2	Contribution towards 15 Years Public Provident Fund (PPF)	It is part of Section 80C with a aggregate maximum limit of Rs. 1,50,000	Self, Spouse, Children	Photocopy of PPF Passbook and Copy of PPF Challans	
3	Subscription to National Saving Certificates (NSC)	It is part of Section 80C with a aggregate maximum limit of Rs. 1,50,000	Self	Photocopy of NSC	
4	Interest on National Saving Certificates	It is part of Section 80C with a aggregate maximum limit of Rs. 1,50,000	Self	Photocopy of NSC purchased after 01.04.2013	
5	ULIP	It is part of Section 80C with a aggregate maximum limit of Rs. 1,50,000	Self, Spouse, Children	Photocopy of receipts of amount paid or copy of ULIP	
6	Tax Saving Fixed Deposit of 5 years with Scheduled Bank (FD)	It is part of Section 80C with a aggregate maximum limit of Rs. 1,50,000	Self	Photocopy of Deposit Receipt	This receipt must have the stamp of 80C or the Tax Saving Scheme or the Lock in period of 5 years etc. to claim the tax benefit. Normal FD which can be broken even before the maturity is not eligible for this benefit.
7	Children Education Tuition Fees	It is part of Section 80C with a aggregate maximum limit of Rs. 1,50,000	Children	Photocopy of receipt of fees paid	Payment towards development fees/donation etc are not eligible for this rebate. Deduction will be allowed for full time education of any 2 children of individual. The amount allowable shall include any payment of fee to any university, college, school or other educational institution in India. Full time education also includes play school activities, pre nursery & nursery classes.
8	Equity Linked Saving Schemes (Tax Saving Mutual Funds) ELSS	It is part of Section 80C with a aggregate maximum limit of Rs. 1,50,000	Self	Photocopy of receipts of amount paid or copy of certificate	
9	Repayment of Housing Loan Principal	It is part of Section 80C with a aggregate maximum limit of Rs. 1,50,000	Self	Bank Certificate for repayment of loan	Ownership must be in the name of employee
10	Stamp Duty Paid for Purchase of House Property	It is part of Section 80C with a aggregate maximum limit of Rs. 1,50,000	self	Copy of registration deed along with the payment proof	This would be available only in that case when it is not financed by the Bank
11	Amount deposited in Five years Time deposited Scheme in Post office	It is part of Section 80C with a aggregate maximum limit of Rs. 1,50,000	self	Photocopy of Deposit Receipt	
12	Deduction in respect of contribution to pension fund (80CCC)	It is covered u/s 80CCC but is a part of aggregate maximum limit of Rs. 1,50,000 with section 80C deductions.	self	Photocopy of receipt of Premium paid	
13	Contribution to National Pension System-Section 80CCD1	Rs 1.5 lacs including 80C & 80CCC	self	Photocopy of payment receipts	NPS Contribution to the extent of 10% of the Basic salary will only be counted for the purpose of overall limit of Rs. 1,50,000/-
14	Additional Employee's Contribution to NPS u/s 80CCD(1B)	Rs 50,000	self	Photocopy of payment receipts	1. Contributions to Atal Pension Yojana are also eligible under section 80CCD (1B) 2. The additional deduction of Rs.50,000/- will be available whether or not any claim under sub-section (1) of section 80CCD has been made

Deduction under section 80D to 80U

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1	MEDICALINSURANCE PREMIUM - Section 80D	Rs.25,000/- for Self, Spouse & children. Another 25,000/- for parents. An additional Rs.25,000/- if premium is paid for any senior citizen of the above	Self/spouse/Dependent children/parents	Copy of premium receipt or Certificate given by insurance provider for the purpose of 80D	1. Payment on account of preventive health check is also allowed upto Rs 5000 but this would be a part of the overall limit of Section 80D 2. Payment should be made by any mode other than cash . However, payment on account of preventive health check-up can be made by any mode (including cash)
2	Deduction in respect of Medical Treatment of handicapped dependent- Section - 80DD	Rs. 75,000 in normal case and Rs 1,25,000 in case of severe disability (severe disability means 80% or above	spouse/child/parents/ brothers or sisters	Original medical expenses bills along with Form-10 IA (certificate) duly signed by a authorized doctor.	Certifying Doctor should be a neurologist having a degree of MD or a Civil Surgeon or Chief Medical Officer in a Govt. Hospital
3	Deduction in respect of Medical Treatment - Section - 80DDB	Rs 40,000 in normal case and Rs 1,00,000 in case of suffering person is senior citizen	Self/spouse/child/parents/ brothers or sisters	Original medical expenses bills alongwith Form-10 I (certificate)/Medical Prescription duly signed by a authorized doctor.	Certifying Doctor should be a neurologist, an oncologist, a urologist, a haematologist,an immunologist or such other specialist as may prescribed.
4	Interest on Education Loan - Section - 80E	No limit	Self, Spouse or any child	1. Bank Certificate for interest payment 2. Bank statement of showing payment of interest	Without bank statement benefit will not be allowed as this benefit allowed on payment basis only.
5	Interest on housing loan for First home buyers-Section80EE	Rs 50000	Self	Bank certificate for interest & Self declaration (Form 12C)	1. Loan is taken for acquisition of Residential Property. 2. Loan has been sanction during the financial year 2016-17. 3. The amount of Loan sanctioned doesnot exceed Rs 35 lacs. 4. The Value of house property does not exceed Rs 50 lacs. 5. the Assessee does not own any residential house property on the date of sanction of loan.
6	Deduction in case of a person with disability - Section - 80U	Rs. 75000 in normal case and Rs 125000 in case of severe disability (severe disability means 80% or above	Self	Form-10 IA (certificate) duly signed by a authorized doctor.	Certifying Doctor should be a neurologist having a degree of MD or a Civil Surgeon or Chief Medical Officer in a Govt. Hospital
7	Deduction in respect of interest in saving account-Section80TTA	Rs 10000	Self	Self declaration	The amount of saving account interest declared by the employee will be added to his taxable income first being taxable interest and then deduction of the same shall be given under this section. So ultimately there will be no tax benefit to the employee under this head.

Interest on Housing Loan (Section - 24 B

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1	if property is in single name (Employee's Name)	Set off of Losses from all house property against salary income is restricted upto Rs 2 lacs irrespective of the fact that whether house is self occupied or Let out.	Self	Bank certificate for interest, Ownership & possession proof of the house & Self declaration (Form 12C)	
2	if property is in Joint Name	Set off of Losses from all house property against salary income is restricted upto Rs 2 lacs irrespective of the fact that whether house is self occupied or Let out.	Self	Bank certificate for interest, Ownership & possession proof of the house & Self declaration (Form 12C)	Deduction in this case will be available if you are paying the EMI from your income. If EMI is being paid by your co-owner then no benefit will be available to you. If EMI is being paid by both then proportionate benefit would be available.
3	if Property is in Single Name and Home Loan is on Joint Name	Set off of Losses from all house property against salary income is restricted upto Rs 2 lacs irrespective of the fact that whether house is self occupied or Let out.	Self	Bank certificate for interest, Ownership & possession proof of the house & Self declaration (Form 12C)	Benefit in this case would be available if house is in the name of the employee and EMI is also being paid by the employee only.
4	if Property is on Joint Name and Home Loan is on Single Name	Set off of Losses from all house property against salary income is restricted upto Rs 2 lacs irrespective of the fact that whether house is self occupied or Let out.	Self	Bank certificate for interest, Ownership & possession proof of the house & Self declaration (Form 12C)	Deduction in this case will be available if you are paying the EMI from your income. If EMI is being paid by your co-owner then no benefit will be available to you. If EMI is being paid by both then proportionate benefit would be available.

Note:

Ownership Proofs :- Copy of electricity bills, house tax payment receipt, water bills, property Registration Document

Possession proof :- Copy of electricity bills, house tax payment receipt, water bills, possession letter etc.