



F. No./I. Tax/Adm. III/2021-22
Date: 08/09/2021

CIRCULAR

Sub: - Deduction of Income Tax at source under Section 192 of Income Tax Act for the financial year 2021-22

As per Income Tax Act, Income Tax is levied annually for each financial year commencing on the 1st day of April and ending on the 31st March following. In the case of salaries, payment of tax is effected by deduction at source. Under section 192 of Income Tax Act 1961, it is the duty of any person responsible for paying any income chargeable under the Head "Salaries" to deduct the tax at the rate appropriate to the estimated salary of the year after allowing the permissible deduction.

1. As per Sec 115BAC inserted by **Finance Act, 2020**. Option has been given to pay tax as per new slab rates (Optional tax regime) on total income computed without claiming any deductions/exemptions applicable from FY 2020-21 (AY 2021-22). Below table summarizes tax rates as per optional tax regime Vs old rates:-

Total Income (Rs.)	New Regime Tax Rate (%)	Old Regime Tax Rate (%)
Up to 2,50,000	Nil	Nil
From 2,50,001 to 5,00,000	5	5
From 5,00,001 to 7,50,000	10	20
From 7,50,001 to 10,00,000	15	20
From 10,00,001 to 12,50,000	20	30
From 12,50,001 to 15,00,000	25	30
Above 15,00,000	30	30

2. Further, the basic exemption limit for senior citizen remains unchanged at Rs.3.00.000 together with rebate of income tax (i.e. up to Rs. 12,500 if total income does not exceed Rs.5.00.000) and Health & Education cess @ 4% also remains unchanged and equally applicable even if employee choose to opt for new tax regime(Optional). Some of the salient points of new tax regime (Optional) are mentioned below:-

- a. At the start of each financial year, the employee will have to submit option to choose either the existing income tax regime or new tax *regime* (optional).
- b. Option once exercised cannot be modified during that year. However, it can be modified at the start of next financial year.
- c. All deductions allowed under Chapter VI-A (except the deduction under Section 80 CCD (2)) and deductions allowed under Section 10(13A) HRA and under Section 24(Interest on borrowed capital/income from House property) etc. will have to forgo.
- d. Various allowances/investments will not be eligible for claiming deduction/exemption.

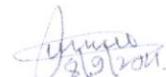
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3. It is also worthwhile to mention that in case Option Form not received by the due date in respect of any employee, it shall be presumed that such employee is not willing to opt for new tax regime and **Income tax will be deducted as per tax slab meant for existing income tax regime.**

4. Therefore, the Heads/Incharge of all Division/Section/Cell/Unit are requested that contents of this may be disseminated to all concerned posted under command and send their duly signed and verified **Option form** (whichever beneficial) so as to reach this office **Latest by 20th Sep.-2021**, enabling this office to deduct the tax from the monthly salary of employees as per option exercised by them in proportion to the estimated salary of the year. Apart from above, it is also requested that the employees who want to continue with existing tax regime may be informed to submit their details of tax saving and investment etc. if any, with the copies of supporting documents in due course of time.

5. It is also mentioned that under section 206-AA, it is compulsory for all to furnish PAN to the deductor even though the tax payable is NIL. Such employee, who have not yet obtained PAN should apply for it immediately and intimate same as early as possible. It may be noted that if an employee fails to furnish his/her PAN, TDS will be deducted at higher rate.

Format of Income Tax Declaration application (Annexure A) and Old & New Tax Slab Rate (Annexure B & Annexure C) is enclosed herewith. Each employee must send signed copy of Annexure A and one from Annexure B &C as per their option.



Drawing & Disbursing Officer

સંગ્રહ વિભાગ અધિકારી

Drawing & Disbursing Officer

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CAZRI, CHHOTAHALAOH, JODHPUR-342 003

Distribution:-

1. All the Head of Div. I/II/III/IV/V/VI/AINP-VPM (Rodent).
2. All the Head of RRS Pali/Bikaner/Bhuj/Jaisalmer/Leh/KVK-Jodhpur/KVK-Pali/KVK-Bhuj.
3. The Chief Finance and Accounts Officer/AF & AO Audit-I/II/III, CAZRI, Jodhpur.
4. The Chief Adm. Officer, CAZRI, Jodhpur.
5. The Adm. Officer, CAZRI, Jodhpur.
6. The AAO Adm. I/II/III/IV/V, CAZRI, Jodhpur.
7. The Incharge PME Cell/Library/Maintenance Section/CR Farm/Security Section/Guest House/Hostel/AKMU Cell.
8. P. S. to Director /P. S. to CAO.
9. Notice Board.

ANNEXURE-A

**FORMAT OF SIMPLE APPLICATION BY EMPLOYEE
TO EMPLOYER REGARDING INTIMATION FOR
OPTING OLD/NEW TAX SLAB RATE:-**

The Drawing and Disbursing Officer,
Adm. III (Bill Section),
CAZRI, Jodhpur

Ref: PAN-

Sub: Intimation for deduction of TDS as per New/Old tax rate slab for
FY: 2021-22.

Dear Sir,

With reference to the captioned subject matter I would like to request
you to deduct TDS as per New/Old tax slab rate for the FY: 2021-22 and
oblige.

Thanking You

Yours Faithfully

Annexure- B

Taxation Slab Rates as per Finance Act, 2020: -
Under OLD Tax Regime (B): -

Income	Tax Rates
Up to Rs. 2,50,000	NIL
Rs. 2,50,001 to Rs. 5,00,000	5%
Rs.5,00,001 to Rs.10,00,000	Rs. 12,500 + 20% of total income exceeding Rs. 5,00,000
Above Rs.10,00,000	Rs. 1,12,500 + 30% of total income exceeding Rs.10,00,000

Annexure- C

Taxation Slab Rates as per Finance Act, 2020: -
Under NEW Tax Regime (C):

Income	Tax Rates for FY 2020-21
Up to Rs 2.5 lakh	Nil
Rs 2.5 lakh to Rs 5 lakh	5% of the total income that is more than Rs.2.5 lakh
Rs 5 lakh to Rs 7.5 lakh	10% of the total income that is more than Rs.5 lakh
Rs 7.5 lakh to Rs 10 lakh	15% of the total income that is more than Rs.7.5 lakh
Rs 10 lakh to Rs 12.5 lakh	20% of the total income that is more than Rs.10 lakh
Rs 12.5 lakh to Rs 15 lakh	25% of the total income that is more than Rs.12.5 lacs
Rs 15 lakh and above	30% of the total income that is more than Rs.15 lakh