

Sec. 115BAC – New Tax Regime applicable only for Individuals / HUF w.e.f 1-Apr-2020**Option Exercising:**

1. Individuals / HUFs having no Business / Profession income – to be exercised along with filing of the return – Shall be exercised every year
2. Individuals / HUFs having Business/ Profession income – On or before the due-date for filing of the return – Can be exercised only once and once exercised shall continue to be under the New Tax Regime
 - Option withdrawal – Only once and once withdrawn cannot opt the new tax regime again unless where he ceases to have Business / Profession income

Concessional Tax Rates:

Sl No	Total Income	Rate of Tax
1	Upto Rs.2,50,000	Nil
2	Rs.2,50,001 to Rs.5,00,000	5%
3	Rs.5,00,001 to Rs.7,50,000	10%
4	Rs.7,50,001 to Rs.10,00,000	15%
5	Rs.10,00,001 to Rs.12,50,000	20%
6	Rs.12,50,001 to Rs.15,00,000	25%
7	Above Rs.15,00,000	30%

Specified Deductions not allowed:

1. Leave Travel Concession – Sec.10(5)
2. House Rent Allowance – Sec.10(13A)
3. Allowances under Sec.10(14) {*Transport allowance to divyang employees, conveyance allowance, Travelling allowance, Daily allowance – Rule 2BB*}
4. Exemption towards Free/Concessional Food & beverage through vouchers – Rule 3
5. Allowances to MP/MLAs – Sec.10(17)
6. Exemption towards Minor's income being clubbed – Sec.10(32)
7. Exemption with respect to SEZ – Sec.10AA
8. Standard Deduction, Entertainment allowance and professional tax deduction – Sec.16
9. Interest deduction under Sec.24 (Housing Loan Interest) if the house is self-occupied or un-occupied house as specified in Sec.23(2)(b)
 - a. Loss under the Income from House Property of a rented house can only be carried forwarded and cannot be set-off
10. Business/Profession related deductions which are not allowed:
 - a. Additional depreciation under Sec.32(1)(iia)
 - b. Deductions under Sections 32AD, 33AB, 33ABA
 - c. Deduction towards Scientific Research as per Sec.35(1)(ii), (iia), (iii) or Sec.35(2AA)
 - d. Deduction under Sec.35AD or 35CCC
11. Other deductions which are not allowed:
 - a. Deduction from Family Pension – Sec.57(iia)
12. Any deduction under Chapter VI-A *except*
 - under Sec.80CCD(2) {Employer contribution in notified pension schemes} &
 - under Sec.80JJAA {Deduction for new employees}