



CMA Sivakumar A

Assistant Professor of Commerce,
Sree Neelkanta Govt. Sanskrit College, Pattambi, Kerala

SPECIAL POINTS TO BE CONSIDERED BY SALARIED PERSONS AND PENSIONERS WHILE PREPARING INCOME TAX FINAL STATEMENTS IN FEBRUARY 2022

You may be either a salaried person or a pensioner. But you have to understand about the Finance Act 2021 and latest notifications and circulars of CBDT and other regulators before preparing your income tax Final statement.

Following are the important changes you have to be noted before giving Income Tax Final Statement in Feb 2022 .You have to give the Final statement to the DDO or the pension disbursing Authority.

1. If you are pensioner of age 75 or more ,you have to understand section 194 P of the income Tax Act (Newly inserted section as per the finance Act of 2021)
2. No Changes in Income Tax Rates in the A.Y 2022-2023.The Income Tax Rates are as same as the Income Tax Rates of the A.Y 2021-2022.
3. You can either opt New Option or the Old Option. Please Compute your Income Tax Liability as per the both sections and decide which option is more beneficial to you. You can claim Rs 50000 as standard deduction and Sec 24 b deduction (Interest on borrowed capital with respect to your house property) and Chapter VI A deductions if you opt section 115 BAC
4. Please understand Sec 234 B and Sec 234 C of income Tax Act and calculate the exact tax payable. If you are a senior citizen, you do not worry about Sec 234 B. If you are person with advance tax liability ,you have to pay at least 90 % of Assessed tax before 31/03/2022.Besides, to avoid interest under section 234 C, you have to pay advance tax as follows:-

15/06/2021-15% of assessed tax liability

15/09/2021-45% of assessed tax liability

15/12/2021-75% of assessed tax liability

15/03/2022-100% of assessed tax liability

If you fails to comply either Section 234 B or Section 234 C, you will have to pay interest. Therefore, you have to extremely careful. You have to check your 26 AS and understand your other incomes and ascertain your tax liability considering your income from all sources. You may have income from the following sources.

- i. Interest Income from banks
 - ii. Interest Income from Treasury Accounts
 - iii. Income from shares or mutual funds etc
6. Please check your 26 AS before computing your Total Income .CBDT has directed to expand the scope of information reported in New Form 26 AS to include Mutual Fund Transaction, Foreign remittances etc
 8. You can Claim Deduction in respect of interest on loan taken for certain house property as per Sec 80 EEA in the Assessment year 2022-2023 subject to the conditions specified in the sec.