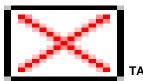


## **Chapter VIA Compliance for Planned Tax Reduction**

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payer looks for proper tax planning so as to reduce his tax liability to minimum. The objectives of tax planning include minimum litigation; increase the income by suitable investment plan, reduction of tax liability, proper growth of economy, maximized retirement income etc. Tax planning sometimes is hundred percent permissive and sometimes based on loopholes or interpretation of law.

Chapter VIA of Income Tax Act, 1961 gives amble opportunity for taxpayer for proper planning so as to meet the above objectives. But if the assessees claiming deductions under this chapter, fails to check/comply to certain conditions attached to each of sections under this chapter, will leave himself in trouble, that is if conditions are not complied, deductions cannot be claimed.

The Chapter VIA deduction has various parts. This article is to put different parts of the chapter in a table format for comparison between each part. There are certain aspects in common and others with differences.

For the benefit of claiming the legitimate deductions given under Chapter VIA, table below gives a bird's eye view.

Chapter VIA								
Divisions	PART A	PART B	PARTC	PART CA	PART D			
Sections Covered	80A and 80B	80C to 80GGC	80H to 80RRB	80TTA-80TTB	80U			
Deduction Dealt with	General	Payments	Income	Income	Disability of Person			
Filing of return and Eligibility	Section 80AC	Eligibl <b>e</b> olaineve infetur file afteaduela	t <b>èlel</b> igib <b>té</b> aiumle <b>se</b> tu <b>fié</b>	<b>difiligibts</b> ai <b>ev</b> ertufile	d <b>féligibles</b> ai <b>evel</b> tulfile	<b>xiteluda</b> to		
Maximum Amount of Deduction		Amount paid subject to limits specified in that section.	Income derived in the sections limited to Gross total income	Lower of Deduction permissible or Gross Total Income	Rs.75,000/- or Rs.1,25,000/- depending on extent of disability subject to gross total income			

Specific Conditions	Deduction under requires certifical medical authority 80G for donation recipient has appauthorities.		Audit report in prescribed form depending on section under which deduction claimed and to be filed before the due date prescribed under Section 44AB.	80TTB can be claimed by Senior citizens only	Certificate from Medical Authority in proof of the disability		
Other requirements		Payments to be made before the close of the previous year or within the extended time if any.80C not available against capital gain.	Inter division transfer to be at Market value for the purpose of claiming deduction s under this part	Deduction under section 80TTA is limited to Rs.10,000/- and that under section 80TTB is up to Rs. 50,000/-	Deduction subject to disability		
Deduction based on on disallowance	enhanced profit	If the eligible income increased due to any disallowance or exemption , deductions are permissible on enhanced amount -circular-47/2016					
If gross total Income	is Nil	No deduction under Chapter VIA					
No double deduction		If any deduction under the sections of this chapter ,no further deduction admissible under the Income tax under any other section					
Members eligibility		Members of association or body cannot claim deduction in respect of the amount for which deduction already claimed by association or body.					
Subsidy		If any subsidy is received, the same is considered as income for the computation of deductions under this chapter.					
Company assesses of Section 115BAA/115		Deduction under section 80JJA on new employment and 80M on Inter Corporate dividend only permitted					
If section 115 BAC is regime)	s opted (new tax	Deduction under section 80JJA on new employment generation and 80CCD(2) on investment in national pension scheme only permitted					
Claim even if Gross t	otal is nil	It is advisable to disclose the eligible deductions under this chapter in the return even if loss to safeguard the situation that in scrutiny any loss is converted to income.					
Set off of losses		All the losses which are eligible to set off are to be set off and then the deduction under this chapter is calculated from resulting Gross Total Income					
Carry forward of loss	es	The deduction under this chapter is restricted to gross total Income which is arrived at after setting off carry forward losses .					

## [The views expressed are strictly personal.]

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