



**WBSEDCL**

**WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LTD.**  
(A Govt. of West Bengal Enterprise)  
**Registered Office: Vidyut Bhavan: Bidhannagar: Kolkata – 700 091.**  
Corporate Identification Number(CIN) – U40109WB2007SGC113473  
Website: [www.wbsedcl.in](http://www.wbsedcl.in)

Office Order No.: 1838

Dated: 20-07-2020

**Sub: Declaration by Pensioner in context of Tax deduction at sources from Pension.**

As per section 192(1) of income tax Act. 1961 D.D.O is bound to deduct income tax on the estimated income of the Pensioner under the head of Pension at the average of Income tax computed on the basis of rate in force for the year of commencement from April and ending on March in which the payment is made.

A reduced tax rates have been enacted in Finance Act 2020 in respect of an individual and HUF who opts to not to claim any exemption or deduction by introducing a new Section 115BAC.

As a result Pensioner has to opt one tax rate structure out of followings for the FY 2020-2021.

1. Pensioner who is of the age of 60 years or more but less than 80 years at any time during the previous year:

Taxable income	Tax Rate (Existing Scheme)	Tax Rate
		(New Scheme)
Up to Rs. 2,50,000	Nil	Nil
Rs. 2,50,001 to Rs. 3,00,000	Nil	5%
Rs. 3,00,001 to Rs. 5,00,000	5%	5%
Rs. 5,00,001 to Rs. 7,50,000	20%	10%
Rs. 7,50,001 to Rs. 10,00,000	20%	15%
Rs. 10,00,001 to Rs. 12,50,000	30%	20%
Rs. 12,50,001 to Rs. 15,00,000	30%	25%
Above Rs. 15,00,000	30%	30%

2. Pensioner who is of the age of 80 years or more at any time during the previous year:

Taxable income	Tax Rate (Existing Scheme)	Tax Rate (New Scheme)
Up to Rs. 2,50,000	Nil	Nil
Rs. 2,50,001 to Rs. 5,00,000	Nil	5%
Rs. 5,00,001 to Rs. 7,50,000	20%	10%
Rs. 7,50,001 to Rs. 10,00,000	20%	15%
Rs. 10,00,001 to Rs. 12,50,000	30%	20%
Rs. 12,50,001 to Rs. 15,00,000	30%	25%
Above Rs. 15,00,000	30%	30%

To make understanding of all pensioner of WBSEDCL about the tax liabilities as per tax rate of 1<sup>st</sup> schedule of Finance Act 2020 and new section 115BAC a comparative analysis of alternate tax rate with regular tax rates has been given in the below table for pensioner who are claiming deduction of Rs. 50,000, Rs. 1,00,000, Rs. 1,50,000 etc

Total Income of the assessee before availing deductions/exemptions	Tax liability under the tax rates specified in First Schedule to the Finance Act 2020 (with benefit of deductions and exemptions)		Tax liability under the proposed new section 115BAC of the Act (without benefit of deductions and exemptions)	
	Taxable Income	Total Tax	Total Tax (on total income)	
A	B = A – deduction amount	C = Tax on B	D = Tax on A	
<b>I. Case where deduction or exemption to the tune of Rs. 50,000 is being availed.</b>				
500,000	450,000	–	–	
600,000	550,000	23,400	23,400	
850,000	800,000	75,400	54,600	
900,000	850,000	85,800	62,400	
1,225,000	1,175,000	171,600	124,800	
1,300,000	1,250,000	195,000	143,000	
1,500,000	1,450,000	257,400	195,000	
1,700,000	1,650,000	319,800	257,400	


<b>II. Case where deduction or exemption to the tune of Rs. 1,00,000 is being availed.</b>				
500,000	400,000	-	-	-
600,000	500,000	-	10,400	
650,000	550,000	23,400	28,600	
700,000	600,000	33,800	33,800	
850,000	750,000	65,000	54,600	
900,000	800,000	75,400	62,400	
1,225,000	1,125,000	156,000	124,800	
1,300,000	1,200,000	179,400	143,000	
1,500,000	1,400,000	241,800	195,000	
1,700,000	1,600,000	304,200	257,400	
<b>III. Case where deduction or exemption to the tune of Rs. 1,50,000 is being availed.</b>				
500,000	350,000	-	-	
600,000	450,000	-	10,400	
850,000	700,000	54,600	54,600	
900,000	750,000	65,000	62,400	
1,225,000	1,075,000	140,400	124,800	
1,300,000	1,150,000	163,800	143,000	
1,500,000	1,350,000	226,200	195,000	
1,700,000	1,550,000	288,600	257,400	

Hence all pensioners are hereby requested to submit their option that which scheme of tax rate they want to avail.

1. If pensioner wanted to opt for tax rate of 1<sup>st</sup> Schedule of Finance Act 2020 he has to forward his signed option along with declaration of proposed investment for FY 2020-2021 through email by 15<sup>th</sup> August 2020 and verification of such declaration need to be completed by 15<sup>th</sup> January 2021 positively.
2. If pensioner wanted to opt for availing new tax rates as per Section 115BAC of the Income tax Act 1961, he has to forward only his signed option through email.

Considering COVID 19 pandemic Pensioner should forward their signed option stating PPO number therein through email [wbsedcl.pension@gmail.com](mailto:wbsedcl.pension@gmail.com) by 15<sup>th</sup> August 2020. If any pensioner fails to submit/ forward his option by 15<sup>th</sup> August 2020 by email, he will be treated as an optee for Section 115 BAC of the IT Act 1961.

All concerned are advised to comply with the above instruction scrupulously.

  
(Sujay Sarkar)  
Director (HR)

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