

INCOME TAX SLABS under NEW REGIME for the F.Y. 2026-27(Tax Year-2026-27):

Net Income Range	Income Tax Rate
Up to Rs.4,00,000/-	Nil
From Rs.4,00,001/- to Rs.8,00,000/-	5% of income exceeds Rs.4,00,000/-
FromRs.8,00,001/- to Rs.12,00,000/-	20000/- + 10% of income exceeds Rs.8,00,000/-
From Rs.12,00,001/- to Rs.16,00,000/-	60000/- + 15% of income exceeds Rs.12,00,000/-
From Rs.16,00,001/- to Rs.20,00,000/-	120000/- + 20%of income exceeds Rs.16,00,000/-
From Rs.20,00,001/- to Rs.24,00,000/-	200000/- + 25%of income exceeds Rs.20,00,000/-
Above Rs.24,00,000/-	300000/- + 30% of income exceeds Rs.24,00,000/-
Note: Health and Education Cess @ 4% of income tax . Surcharge @ 10% of income tax if Taxable income exceeds Rs.50 Lakhs.	

Permissible Exemptions from Income (under New regime)

- i) No Income Tax on the Income upto 12.00 lakhs, a rebate of maximum Rs. 60,000/- is allowed under section 87A.
- ii) Standard Deduction under section 16(ia): Rs. 75,000/- applicable to all employees and pensioners under New Regime.
- iii) Employer Contribution to Contributory Pension Scheme up to 10% salary (Pay+DA) u/s 80CCD2.
- iv) EPFO Employer contributions.

BRIEF GUIDELINES UNDER DIFFERENT SECTIONS OF IT

UNDER OLD REGIME- Tax Rates applicable for the F.Y. 2026-27(Tax Year-2026-27):

Net Income Range	Income Tax Rate
UP TO 60 YEARS	
Up to Rs.2,50,000/-	Nil
Rs.2,50,001/- to Rs.5,00,000/-	5% of income exceeds Rs.2,50,000/-
Rs.5,00,001/- to Rs.10,00,000/-	Rs.12500/- + 20% of income exceeds Rs.5,00,000
Above Rs.10,00,000/-	Rs.112500 + Rs.30% of income exceeds Rs.10,00,000
BETWEEN 60 YEARS TO 80 YEARS (Senior Citizens)	
Up to Rs.3,00,000/-	Nil
Rs.3,00,001/- to Rs.5,00,000/-	5% of income exceeds Rs.3,00,000/-
Rs.5,00,001/- to Rs.10,00,000/-	Rs.10,000/- + 20% of income exceeds Rs.5,00,000
Above Rs.10,00,000/-	Rs.110000/- + 30% of income exceeds Rs.10,00,000
ABOVE 80 YEARS (Super Senior Citizens)	
Up to Rs.5,00,000/-	Nil
Rs.5,00,001/- to Rs.10,00,000/-	20% of income exceeds Rs.5,00,000
Above Rs.10,00,000/-	Rs.100000/- + 30% of income exceeds Rs.10,00,000
Note: Health and Education Cess @ 4% of income tax . Surcharge @ 10% of income tax if Taxable income exceeds Rs.50 Lakhs.	

Permissible Exemptions from Income (only under OLD REGIME)

- i) In Old regime if the taxable income is less than or equal to 5.00 lakhs, then there is a rebate of a maximum Rs. 12,500/- under section 87A.
- ii) Standard Deduction under section 16(ia): Rs. 50,000/- applicable to all regular and service pensioners under Old Regime.
- iii) Employee Contribution to Contributory Pension Scheme up to 10% salary (Pay+DA) under **80CCD under old the regime.**
- iv) An additional tax deduction of Rs.50,000/- is allowed for Employee Contribution to Contributory Pension Scheme(in addition to Rs.1,50,000/- under 80C) under **80CCD1B under old tax regime** to the employees covered under NPS Scheme.
- v) Employer Contribution to Contributory Pension Scheme up to 10% salary (Pay+DA) under 80CCD2.
- vi) Medical Insurance - Any premium paid towards Medical Insurance subject to a maximum of Rs. 25,000/- for self-family and Children and for with parents Rs.50000/- u/s **80D**. If the assessee and parents are above 60 years of age, the exemption will be upto Rs.1,00,000/- under old regime.
- vii) Handicapped Dependant - If any expenditure is incurred towards Treatment/Maintenance/ Rehabilitation of a Physically Handicapped/Blind/Mentally Retarded Dependent Relative, Subject to maximum of Rs. 75,000/- (40% disability) or Rs.1,25,000/- (80% disability) u/s **80DD** under old regime.
- viii) Handicapped Assessee: - In the Old regime if the employee is a person with disability, an amount of Rs. 75,000/- (40% disability) or Rs.1,25,000/- (80% disability) in case of severe disability shall be deducted from the total income u/s **80U** under old regime.
- ix) Education Loan - If an assessee has paid any amount by way of repayment of loan taken for purpose of his Higher Education. It is available only for 8 years starting from the year in which you start repaying the loan or until the interest is fully repaid whichever is earlier. The total interest paid will be allowed as a deduction. No Tax benefit is allowed for the principal repayment under section **80E** in old regime.
- x) Donations - Donations for charitable purposes fall under two categories in old regime, **80G** (A) Those which can be taken into account by the disbursing officer and (B) Those for which assesses can get refund only through their annual income tax return from the concerned.

- xi) 80GG provides tax relief of maximum Rs. 60,000/- p.a. to those individuals who do not received any house rent allowance but are paying House Rent in old regime.
- xii) In case of family pensioners, a maximum deduction of Rs.15,000/- or 1/3 of the uncommuted pension under section 57(iia) whichever is less.

Details of Income Exemption with regard to House Loan and House Rent - From Tax Under Sections:

- xiii) U/S24 interest on H.B.L: - The limit for deduction of Interest on borrowed capital in respect of self occupied property, prior to 1-4-1999 was a maximum of Rs. 30,000 this limit was rise to Rs.2,00,000/- in cases where loan was obtained after 1-4-1999. If the loan is sanctioned jointly, kindly certify that the exemption is not claimed by the co-applicant. If not so the exemption is limited to 50% of the interest and principle.

House Rent Allowances Exemption Limited To: - (self-attested PAN CARD OF THE HOUSE OWNER IS TO BE ENCLOSED WHEREVER THE ANNUAL RENT EXCEEDS Rs.1,00,000). A declaration of the House Owner is to be submitted where the annual rent is less than 1,00,000/- and has no PAN CARD. The exemption will be allowed as under.

- a) Actual HRA Received --Or—
- b) Rent paid in excess of 10% of salary(PAY+DA)--or--
- c) 40% of salary (PAY+DA) if the employee is working other than Chennai, Mumbai, Delhi and Kolkata-----whichever is lessU/S10(13A)

TO WHOMSOEVER IT MAY CONCERN

Sri/Smt _____ Son/Daughter/ _____ wife
of _____, working as _____ in Dr. B.R. Ambedkar
Open University, Jubilee Hills, Hyderabad is residing in my House bearing H.No.

_____ He is paying rent to me @ Rs.
_____ per month for the period from **March 2026** to
February 2027. He has paid a total amount of Rs. _____
during the financial year 2026-27 towards House Rent.

DECLARATION

I declare that I have **no PANCARD** issued by the Income Tax Department. I
received the above amount from Sri/Smt _____ an employee of
Dr.BRAOU

(OR)

My PAN card No. _____. I am enclosing a self-attested
copy of the same. I received the above amount from Sri/Smt _____
an employee of Dr.BRAOU towards rent for residing in my house at the above
address.

Revenue

Signature of the house owner

Stamp

Name: _____

(in block letters)

The House rent @ Rs. _____ per month is being paid by me.

Signature of the employee _____

Employee No. _____