HIMACHAL PRADESH STATE ELECTRICITY BOARD LIMITED

(A State Govt. undertaking)

Registered office: Vidyut Bhawan, HPSEBL, Shimla-171004(H.P)
(CIN): U40109HP2009SGC31255
GST No. 2 AACCH4894EHZB
Telephone No. 0177-2803600, 2801675 (Office), 2658984(Fax)
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आज़ादी का अमृत महोत्सव

No. HPSEBL/F&A/A-4/Admn-I/2023-24-217-345 Dated:- 19/04/2023
To

All The Drawing & Disbursing Officer's
Himachal Pradesh State Electricity Board Ltd.
Himachal Pradesh.

Sub: Submission of option form for opting Old/ New Tax Regime for Tax deduction at source FY 2023-24 (AY 2024-25) to the Employees as well as Pensioners of HPSEBL

It is intimated that Income Tax department, Govt. of India introduced New Tax Regime for the FY 2023-24 (AY2024-25) as per the Income Tax Act 1961. In this regard HPSEBL have also to introduce the changes in SAP ERP (HR) module so that TDS will be deducted/ calculated accordingly. As per the guidelines old Tax Regime will be available along with New Tax Regime for all as per the option.

Hence w.e.f. 1.4.2023 individual can opt New or Old Tax Regime as per the suitability. Hence, all the DDO's are hereby directed to ensure to take the option from each individual and accordingly amend the changes in HR module through **T-code PC00_m40_ TXMT** for bulk as well as to the individual. In this regard option form as well as the guidelines to be taken into account while computation of Income Tax on salary and Tax Deduction at Source (TDS) on salary from individual is attached in **Annexure-A** for ready reference.

Further, it is conveyed that New Tax Regime will be the default Regime in SAP ERP (HR) module w.e.f. 1.4.2023 and for individual to opt Old

Regime they have to submit the option by 25th of April 2023 so that necessary amendments will be carried on by the DDO's .

Hence all are requested to do the needful within stipulated time period and ensure submission of option form and thereupon amendment in SAP / ERP system (HR) module so that Tax at source for each and every employee/Pensioner will be deducted as per the guideline of Income Tax Act, 1961.

DA- As Above

Kapil Shinta

Chief Accounts Officer
F&A Wing HPSEBL Shimla-4

Copy to the followings for information please:-

1. All the Chief Engineers, HPSEBL for information please.
2. All the Superintending Engineers, HPSEBL for information please.
3. All the Sr. Executive Engineers, HPSEBL for information please.
4. PS to the Director (F&A) HPSEBL Shimla-4.
5. PS/ PA to CA/ Dy. CA F&A Wing HPSEBL Shimla-4.
6. Copy to IT Cell HPSEBL Shimla-4 for uploading in the website and if possible have message facility through system.
7. Accounts Officer (PG)/ Pension F&A Wing HPSEBL Shimla-4 to ensure circulation of aforesaid guidelines among all employees / pensioners of HPSEBL.
8. Mr. Ravi Awasthi, CA-cum= Consultant HPSEBL Kumar house Shimla-4.

Kapil Shinta

Chief Accounts Officer
F&A Wing HPSEBL Shimla-4

Option to opt Old / New Tax Regime for the Tax deduction at source for the FY 2023-24 (AY 2024-25

I ______________ Designation ____________ Vendor No. /PPO NO.______________

do hereby opt for the New Old Tax Regime for the FY 2023-24 (AY 2024-25).(Tick the Appropriate Box)

Signature

Date: -

O/O/Address

____

____

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For Circulation in HPSEBL

We have compiled changes made in Finance bill 2023 which got ascent of President on 31/03/2023 and, effective from 01/04/2023 ,applicable for FY 2023-24 (AY 2024-25).

Computation of Income Tax on Salary and tax deduction at source(TDS) on Salary.

There are no Changes in rate of taxes , exemptions and deductions etc on computation of tax on salaries in "**old regime"**

Major Changes in Computation of Income from Salary applicable from 01/04/2023

Change in tax slab of 'New Tax Regime

'Increase in the rebate limit to Rs 7 lakh in the 'New Tax Regime'

Extend the benefit of standard deduction to the 'New Tax Regime'

Reduce the Highest surcharge rate from 37% to 25% in 'New Tax Regime'

Making 'New Tax Regime' as default tax regime option

New Tax Regime for Individual u/s. 115BAC for FY 2023-24 (AY 2024-25)

Rates for Individual, u/s. 115BAC i.e. New Tax Regime.

Total Income (Rs.)	Rate
Upto 300000	Nil
300000 to 600000	5%
600000 to 900000	10%
900000 to 1200000	15%
1200000 to 1500000	20%
Above 1500000	30%

- **Tax rebate on an income of up to Rs. 7 lakhs** has been introduced under the new tax regime. This means that taxpayers with an income of up to 7 lakhs will not have to pay any tax at all! ,
- **Standard deduction:**

- **Salary income: Rs. 50,000** standard deduction under the new tax regime as well.

Effectively, 7.5 lakhs is your tax-free income under the new regime

Following chart explains difference between New Tax Regime from AY 2024-25 V/s. New Tax Regime for AY 2021-22 to AY 2023-24.

PARTICULARS	New Tax Regime for AY 2021-22 to 2023-24	New Tax Regime for AY 2024-25 onwards
No. of Slabs	Six	Five
Basic Tax exemption	Rs. 2,50,000	Rs. 3,00,000
Default Regime	Old Regime	New Regime
Standard Deduction of Rs. 50000	Not available	Available
Rebate u/s 87A	Up to 5,00,000	Up to 7,00,000
Maximum rebate u/s 87A	12,500	25,000
Highest surcharge rate	37%	25%
Education Cess	4%	4%

Surcharge and Health & Education Cess:

Same as Rates applicable to Individuals given above. Except for the fact, Budget 2023 reduced the highest surcharge rate from 37 per cent to 25 per cent in the new tax regime.

- **Leave Encashment:** The exemption threshold for Leave encashment has been increased to □25 lakh from □3 lakh for non-government employees. Thus, at the time of retirement, leave encashment of up to Rs 25 lakhs for a maximum period of 10 months is tax-free under Section 10(10AA).

Tax Rates applicable to Individuals (Resident / Non Resident) for FY 2023-24 (AY 2024-25)

Following Tax Rates are applicable for assessee opting for 'Old Tax Regime'

a. Income Tax

Net Income Range	Rate
1.1 Individuals (Other than Senior and super senior Citizen	
Upto Rs.250000	Nil
Rs. 250000 to 500000	5%
Rs. 500000 to1000000	20%
Above Rs. 1500000	30%

Net Income Range	Rate
1.2 Individuals (senior Citizens)	
Upto Rs.300000	Nil
Rs. 300000 to 500000	5%
Rs. 500000 to1000000	20%
Above Rs. 1500000	30%

Net Income Range	Rate
1.3 Individuals (Super senior Citizens)	
Upto Rs.500000	Nil
Rs. 500000 to1000000	20%
Above Rs. 1500000	30%

b) Surcharge: Surcharge is levied on the amount of income-tax at following rates if total income of an assessee exceeds specified limits:-

Range of Income	Rs. 50lakh- Rs. 1Crore	Rs. 1Crore to Rs. 2Crore	Rs. 2crore to Rs.5 Crore	Exceeding Rs. 5Crore
Surcharge Rate	10%	15%	25%	37%

Notes:

1. Necessary changes with respect to Taxation on Salary applicable from 01/04/2023 have been duly incorporated in SAP.
2. Before applying deduction of Tax at source from salaries in “SAP”, declaration / undertaking in writing may be obtained from each employee for opting old / new regime for Taxation .
3. If no undertaking/ declaration is received with in specified time (no of days / date may be mentioned ….) by default , TDS under new tax regime would bw made applicable.
4. Format of declaration / undertaking attached for ready reference .
5. For any clarification , may contact …

CAO

To,

TDS Rate Chart for the FY 2023-24 (AY 2024-25)

Section		**Deductee**	**Nature of Transaction**	**Threshold Limit**	**TDS Rate**
192		R, NR	Payment of salary	Basic exemption limit of employee	Normal Slab Rates
193		R	Interest on securities	Debentures- 5,000 8% Savings (Taxable) Bonds 2003 or 7.75% Savings (Taxable) Bonds 2018- 10,000 Other securities- No limit	10% Budget 2023: Exemption of TDS on interest from listed debentures has been removed. Therefore, tax has to be deducted on interest on such specified securities.
194		R	Payment of any dividend	5000	10%
194A		R	Interest from other than interest from securities (from deposits with banks/post office/co-operative society)	Senior Citizens- 50,000 Others- 40,000	10%
194A		R	Interest from other than interest on securities u/s 193 and interest from banks/post office/co-operative society. For e.g., interest from friends and relatives	5000	10%
194C		R	Payment to contractor/sub-contractor:-	Single transaction- 30,000 Aggregate transactions- 1,00,000	
			a) Individuals/HUF	1%	
			b) Other than Individuals/HU	2%	
194D		R	Insurance Commission to		
			a) Domestic Companies	15000	10%
			b) Other than companies	15000	5%
194H		R	Commission or brokerage	15000	5%

194I		R	Rent		
			194-I(a) Rent on plant and machinery	240000	2%
			194-I(b) Rent on land/building/furniture/fitting	240000	10%
194-IA		R	Payment in consideration of transfer of certain immovable property other than agricultural land.	5000000	1%
194-1B		R	Rent payment by an individual or HUF not covered u/s. 194-I	50000 pm	5%
194J		R	Any sum paid by way of fee for professional services	30000	10%
194J		R	Any sum paid by way of remuneration/fee/commission to a director	30000	10%
194J		R	Any sum paid for not carrying out any activity concerning any business;	30000	10%
194J		R	Any sum paid for not sharing any know-how, patent, copyright, etc.	30000	10%
194J		R	Any sum paid as a fee for technical services	30000	2%
194J		R	Any sum paid by way of royalty towards the sale or distribution, or exhibition of cinematographic films	30000	2%
194J		R	Any sum paid as fees for technical services, but the payee is engaged in the business of operation of the call center.	30,000	2%
194K		R	Payment of any income for units of a mutual fund, for example, dividend	No Limit	10%
194-LA		R	Payment in respect of compensation on acquiring certain immovable property	2,50,000	10%
194M		R	Certain payments by Individual/HUF not liable to deduct TDS under Section 194C, 194H, and 194J	50,00,000	5%
194N		R,NR	Cash withdrawal exceeding a	Co-operative	2%

			certain amount	society: 3 Crore Others: 1 crore	
194N		R,NR	Cash withdrawal in case person not filing ITR for last three years and the original ITR filing due date expired	- 20 lakh to 1 crore -1 crore	2% 5% *If cash is withdrawn by a co-operative society the limit shall be Rs 3 Crore instead of Rs 1 Crore
194O		R	Payment for the sale of goods or provision of services by the e-commerce operator through its digital or electronic facility or platform.	5,00,000	1% 5% in case PAN is not furnished
194P		R	Payment of pension or interest to specified senior citizens of age 75 years or more	Basic exemption limit of senior citizens or super senior citizens	Normal tax slab rates
194Q		R	Payments for the purchase of goods	50,00,000	0.10%
206 AB		R	Payment to non-filers, i.e. those who have not filed their income tax return in the last year **Budget 2023:** Non filers do not include: - People who are not required to file their ITRs - NRs who do not have a PE in India	No Limit	- 2 times the rate given in the Income Tax Act or Finance Act or - 5%, whichever is higher
206AA		R , NR, FC	TDS rate in case of Non availability of PAN	No Limit	Rates specified above or 20%, whichever is higher

"R" denotes Resident,
"FC" denotes Foreign company, and
"NR" denotes Non-Resident.

TCS Rate Chart for the FY 2023-24 (AY 2024-25)

Section	For Payment of	Threshold Limit	Rate
206C(1)	Sale of Scrap	NA	1%
206C(1)	Sale of Tendu leaves	NA	5%
206C(1)	Sale of Timber obtained under a forest lease or other mode	NA	2.5%
206C(1)	Sale of any other Forest produce not being timber or tendu leaves	NA	2.5%
206C(1)	Sale of Minerals, coal, lignite, iron ore by a trader	NA	1%
206C(1)	Sale of Alcoholic liquor for human consumption	NA	1%
206C(1C)	Lease or license of the parking lot, toll plaza, mining & quarrying.	NA	2%
206C(1F)	Sale of value of motor vehicle whether in cheque or in any other mode of receipt.	Rs. 10lakh per transaction	1%
206C(1G)	Foreign remittance through liberalized remittance scheme (LRS) of exceeding Rs. 7 lakh in a FY if remitted amount is out of loan obtained from any financial institution u/s 80E to pursue any education.	NA	0.5%
206C(1G)	Selling of overseas tour package	NA	20%
206C(1H)	Sale of goods (other than those being exported) of value **“exceeding RS. 50Lakh”** where total sales/ gross receipt / turnover from business exceeds Rs. 10 crore during immediately preceding financial year.	NA	0.1%
206CC(1)	Non-Filer of ITR	NA	Twice the TCS rate or 5% whichever is higher (Maximum rate will not increase 20%