


<p>From</p> <p>Indian Overseas Bank HRMD – Pension Cell Central Office, 762, Anna Salai Chennai – 600 002.</p>		<p>To</p> <p>All Indian Branches/ Regional Offices/ Zonal Offices/ Inspectorates and Other Offices</p>
<p>TRANSIENT SERIES FILE 7(F) CIRCULAR No. 36/2020-21</p>		<p>DATE : 12.06.2020</p>

TDS on Pension Payments to Retired IOB Staff

For the current financial year 2020-21, we propose to deduct TDS amount proportionately from the pension payable from the month of July 2020 onwards. All Pensioners, including Family Pensioners are requested to submit details about their savings/Investments already made/proposed to be made for the current financial year well before 31/07/2020 in the Retirees portal in IOB-Online. The original proof of investments has to be submitted and approved by the pension drawing Branch or any branch nearby. In case, no declaration is made, the same will be treated as NIL and TDS will be calculated accordingly.

We have enabled IT declaration menu for the Financial Year 2020-21 in **IOB Online -> Retirees Portal** for the selection of Income Tax regime for the current financial year.

Pensioners are advised to select any one of the following two options.

1. **Old Tax Regime**
(Tax exemptions and deductions will be available under this option).
- (Or)
2. **New Tax Regime**
(Tax exemptions and deductions will no longer be available under this option).

Members are advised to declare their option, **If no option is exercised by a Pensioner, then by default, the TDS on pension will be deducted based on New Tax Regime for the FY 2020-2021.**

Pensioners are further required to submit to their Pension drawing branch the proof of their savings/Investments declared in the Online Portal by 25/01/2021 and get the same approved by the Branch Officials without fail. In case proof is not submitted/approved by 25/01/2021, the declaration for Savings/Investments will not be considered for



calculation of TDS for the financial year and tax due will be deducted in 2 equal monthly instalments from the Pension payable for the months of January and February, 2021.

TDS is calculated only for the Pension paid by the Bank and if the Pensioner is having any other income, he has to take care of it separately. Form 16 will be issued from Central Office for the TDS deducted on Pension Payment only.

However, for staff members who retire during the current financial year, the salary drawn during the year will be included and TDS will be arrived at for the total amount of salary and Pension put together for that particular year. Hence, such staff members are advised to give their declaration for Savings/Investments in CHRIS-3 during the period of their service and in Retirees portal for the subsequent period.

The IOB staff Pensioners may verify their pension details in the Retirees Portal in IOB Website. Pensioners are advised to ensure that the **PAN** number is updated, if not done already without fail.

The details of the **OLD REGIME** and **NEW REGIME** of the Income Tax slabs are displayed as an Annexure to this circular for the ready reference of IOB Pensioners.

(D.PALANISAMY)
GENERAL MANAGER

Annexures: I & II



Annexure - I

OLD TAX REGIME - Rates of Income Tax

A. All Individuals for Men & Women who is of the age of sixty years or more but less than Eighty years at any time during the financial year.	
(i) Where the taxable income does not exceed Rs.3,00,000/-	Nil
(ii) Where the taxable income exceeds Rs.3,00,000/- but does not exceed Rs.5,00,000/-.	5% of the amount by which the taxable income exceeds Rs.3,00,000/-.
(iii) Where the taxable income exceeds Rs.5,00,000/- but does not exceed Rs.10,00,000/-	Rs.10,000/- + 20% of the amount by which the taxable income exceeds Rs.5,00,000/-
(iv) Where the taxable income exceeds Rs.10,00,000/-	Rs.1,10,000 + 30% of the amount by which the taxable income exceeds Rs.10,00,000/-

Rebate : U/S 87 A rebate on income tax in case of individual where taxable income up to Rs.5,00,000/- there will not be any income tax liability.

OLD TAX REGIME - Rates of Income Tax

A. All Individuals for Men & Women who is of the age of Eighty years or more at any time during the financial year.	
(i) Where the taxable income does not exceed Rs.5,00,000/-	Nil
(ii) Where the taxable income exceeds Rs.5,00,000/- but does not exceed Rs.10,00,000/-.	20% of the amount by which the taxable income exceeds Rs.5,00,000/-
(iii) Where the taxable income exceeds Rs.10,00,000/-	Rs.1,00,000 + 30% of the amount by which the taxable income exceeds Rs.10,00,000/-



Annexure - II

NEW TAX REGIME - Rates of Income Tax

A. All Individuals for Men & Women	
i) Where the taxable income does not exceed Rs.2,50,000/-	Nil
ii) Where the taxable income exceeds Rs.2,50,000/- but does not exceed Rs.5,00,000/-	5% of the amount by which the taxable income exceeds Rs.2,50,000/-
iii) Where the taxable income exceeds Rs.5,00,000/- but does not exceed Rs.7,50,000/-	Rs.12,500 + 10% of the amount by which the taxable income exceeds Rs.5,00,000/-
iv) Where the taxable income exceeds Rs.7,50,000/- but does not exceed Rs.10,00,000/-	Rs.37,500 + 15% of the amount by which the taxable income exceeds Rs.7,50,000/-
v) Where the taxable income exceeds Rs.10,00,000/- but does not exceed Rs.12,50,000/-	Rs.75,000 + 20% of the amount by which the taxable income exceeds Rs.10,00,000/-
vi) Where the taxable income exceeds Rs.12,50,000/- but does not exceed Rs.15,00,000/-	Rs.1,25,000 + 25% of the amount by which the taxable income exceeds Rs.12,50,000/-
vii) Where the taxable income exceeds Rs.15,00,000/-	Rs.1,87,500 + 30% of the amount by which the taxable income exceeds Rs.15,00,000/-

Rebate: U/s 87A, rebate on income tax in case of individual where total income up to Rs. 5,00,000/- there will not be any income tax liability

In this New Tax regime, No Deductions and Exemptions are allowed. The Total Income will be taken for Tax calculation.

