



**UNIVERSITY OF HYDERABAD  
FINANCE AND ACCOUNTS**



**UH/F&A/INCOME TAX/ 2022-23**

**Dt: 10/08/2022**

**CIRCULAR**

**Subject: Deduction of TDS from salaries during the F.Y. 2022-23 (A.Y. 2023-24)**

All the Faculty, Officers, Staff and Pensioners of the University are requested to furnish particulars of their incomes, eligible savings, etc. in the enclosed Pro-forma to enable the Pay Bills Section to recover the income tax liability for the remaining months of the Financial Year 2022-23. All are requested to submit the duly filled in and signed Declaration Form as per the Annexure-II, along with the proof of documents for claiming exemptions, in the Income Tax Cell, Ground Floor, Finance &Accounts. Further, if required, Annexure-III and Annexure-IV forms duly filled needs to be attached.

Physical copy of declaration form duly filled&signed has to be submitted in the IT Cell, F&A OR duly signed may be scanned and forward to the mail id [itcell@uohyd.ac.in](mailto:itcell@uohyd.ac.in) on or before **31/08/2022**. Ensure yourself about reaching of your declaration to the cell before the due date. Failing which, based on available records, assessed Income Tax would be recovered from Sept,2022 and onwards without any further notice.

From the last Financial year, One has to **opt** either existing tax rate system (**Option-A**), where exemptions & deductions are allowed to claim **OR** New tax regime (**Option-B**), where the tax rates are lower, but without any deductions. The details about these two tax regimes have been explained in the annexure (I) to this circular, which may not be exhaustive but made efforts to give an understanding in opting out either of these two. For more information, please visit the income tax official website <https://www.incometax.gov.in/iec/foportal/help/individual/return-applicable-1#taxslabs>.

***If a concerned person is failed to submit declaration from within the due date OR though submitted but not opted for any option, then the university would consider option "A" as default option to calculate the income tax and University will not be held responsible for any excess/less recovery of the TDS.***

Further, this is to inform that all the tax deducted at source has to be deposited to Income Tax department immediately and it may not be possible to refund of the excess TDS if made in whatsoever conditions/situations. In such cases, refunds are to be claimed from the Income Tax Department only.

Tax assessment will be done as per the declaration of the employee and as per the F&A's circular dated 12/08/2021 (copy attached).

Other income, if any declared by the employees/pensioners, will be taken into account to assess the total tax and to deduct tax at source (TDS). However, it is not feasible to take the TDS made by other organizations. Deductions will be considered/allowed strictly in accordance with the Income Tax Rules. Further, if less/more deduction is allowed by F&A, the ultimate responsibility vests with the individual concerned to rectify those deductions and to adjust/pay tax suitably, while submitting their IT returns.

To

All the Concerned

Webmaster – with a request to upload this Circular on **UoH website** and **F&A webpage**  
Director, CC & CNF – with a request to forward this Circular to all the concerned

University of Hyderabad, IT circular-2022-23

**FINANCE OFFICER**

**Finance Officer**  
**University of Hyderabad**  
**Central University P.O.**  
**Hyderabad - 500 046.**

**Comparison of Old Tax Regime (Option-A) with New Tax Regime (Option-B):**

*Below is the table with the old and new tax rate as applicable on the annual taxable income:*

Annual Taxable Income (Rs.)	Old Tax Regime (Option-A)			New Tax Regime (Option-B)
	Below 60 years of Age	Above 60 years Below 80 years of age	80 years of Age and above	
Up to Rs 2.5 lakhs	Nil	Nil	Nil	Nil
Up to Rs. 3 lakhs	5%	Nil	Nil	Nil
Rs. 2.5 lakhs to Rs. 5 lakhs	5%	5%	Nil	5%
Rs. 5 lakhs to Rs, 7.5 lakhs	20%	20%	20%	10%
Rs. 7.5 lakhs to Rs. 10 lakhs	20%	20%	20%	15%
Rs. 10 lakhs to Rs. 12.5 lakhs	30%	30%	30%	20%
Rs. 12.5 lakhs to 15 lakhs	30%	30%	30%	25%
Rs. 15 lakhs and above	30%	30%	30%	30%
<b>Deductions Allowed</b>	All the existing deductions under various sections are allowed i.e. u/s 10-Transport allowance, HRA exemptions, retirement benefits, Leave Travel concession, 16-Standard Deduction of Rs.50,000/-, 80C, 80CCC, 80CCD(1A) Chapter VIA deductions like 80CCD(1B), 80CCD(2), 80D, 80DD, 80GGA, 80E, 80EE, 80EEA, 80G, 80TTA, 80TTB, 80U etc. and Interest on self-occupied house up to 2 lakhs (u/s.24b) & rebate u/s.87A upto 12500 if income does not exceed 5 lakhs.			No deduction is allowed except a few i.e. Retirement Benefits (u/s.10), Pension contribution for NPS. 80CCD (2), Transport allowance (PHC) (u/s.10).

An additional 4% Health & education cess would apply on the tax amount calculated as above in both the options.

Note: 1) Basically, if you have more investments & exemptions apart from the standard deduction, it is better to opt for the old tax regime.

- 2) Option 'A' or 'B' can be exercised every year, and any beneficial regime can be adopted by the individual (except for those who have income from business or profession).
- 3) Individuals who have income from business or profession cannot switch between the new and old tax regimes every year. If they opt for the new taxation regime, such individuals get only one chance in their lifetime to go back to the old regime.
- 4) This is not an exhaustive document of all the Income Tax Rules and incase if any Found or rules not mentioned in this circular, then the appropriate rules of Income tax Act shall be applied

**Declaration regarding Annual Income and tax-saving investments to be made during the year 2022-23 for monthly TDS deduction from salary.**

I hereby declare that to the best of my knowledge and belief, my annual income inclusive of all known sources during the financial year 2022-23 other than monthly Pay & Allowances as drawn by Pay Bill Section, F&A, UoH is as under.

**I Incomes:**

Sl. No.	Particulars	Amount (Rs.) Per annum	
1	Salaries & Allowances etc. u/s. 17(1)	Actuals as paid by UoH	
2	Amount of Perquisites u/s.17(2)		
3	Other income if any (from the university sources) (Pl. Specify): where the TDS is not deducted (if any)	Particulars	Amount
4	Any other income reported by the employee (other than from UoH)		
<b>TOTAL INCOME</b>			

**II DEDUCTIONS: (please give details/tick mark ☒ in the appropriate box)**

1) Are you Seeking HRA Exemption	Yes [ ] / NO [ ]
2) If Yes, Please mention your Residential Address	_____ _____ _____
3) If 'Yes', Have you attached Rent receipt (no exemption will be allowed if no receipt) (Annexure-III is attached <input checked="" type="checkbox"/> )	Yes [ ], Rs. _____ per annum (PAN of landlord is must. Without which no exemption will be given) NO [ ]
4) Do you have any other income from house property?	Yes [ ] / NO [ ] If Yes Enclose Annexure-III✓[ ] ✗[ ] (Otherwise, it will not be considered)
5) if 'Yes' whether attached calculation sheet along with certificates for exemptions u/s.24 (Interest on HBA loan/standard deduction for repairs etc.)	Yes [ ] / NO [ ] / NA [ ]
6) (a) Did you availed loan for the first house? (b) If no, have you declared the deemed income from all other houses except one for self-occupied purpose?	(a) YES [ ] / NO [ ] / NA [ ] (b) YES [ ] / NO [ ] / NA [ ] If Yes Enclosed Annexure-IV✓[ ] ✗[ ] (Otherwise, it will not be considered)
7) If the loan is availed for the first time during 01/04/2018 to 31/03/2019 OR 01/04/2021 to 31/03/2022? How much loan availed during the year (doc. proofs have to be attached) for sec. 80EE & 80EEA	i) Loan Availed for the first time: (Pl. Tick) Yes [ ] / NO [ ] / NA [ ] ii) Loan Availed on: _____ ii) Do You have any House Property earlier to this: Yes [ ] / NO [ ] / NA [ ] iii) The Amount of Loan Availed: Rs. _____ & Stamp Duty Value: Rs. _____

The following amounts are invested during the Year 2022-23 under tax-saving investments / payments i.e. LIC, PPF, NSC, repayment of Home Loan(principal) School Tuition Fees, SSA, Med claim Policy, etc :( use separate sheets if required). Use Annexure V for availing Education Loan Interest Deduction

Sl. No.	Particulars/Investment details	Amount Invested	Exempted Under section**	Proof enclosed
1				
2				
3				
4				
5				

#### DECLARATION

- I) I, \_\_\_\_\_ (name) do hereby declare that what is stated above is true to the best of my knowledge and belief.
- II) I hereby undertake that any other amounts which are not included in the above statement/Form16, will be taken into account while filing returns and the University of Hyderabad will not be held responsible for any queries raised by the Income Tax department at a later date regarding any lapses/omissions on account of incomes & savings declared as mentioned above.
- III) As per the above details, Income Tax may please be deducted at source without giving any further information to the undersigned.
- IV) Selection of Tax Regimes: [please Tick ☒ in the box]

Old Tax Regime: OPTION – A

☐

NEW Tax Regime: OPTION – B

☐

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name & ID No: \_\_\_\_\_

Designation: \_\_\_\_\_

Dept.Name: \_\_\_\_\_ Extn. Ph. No. \_\_\_\_\_

PAN No.: \_\_\_\_\_

Mobile No.: \_\_\_\_\_ Email Id.: \_\_\_\_\_

Address: \_\_\_\_\_

- Note:** 1) If require you may use separate sheet for your calculations and attach herewith the declaration mentioning the totals in the declaration form.
- 2) No declaration will be accepted without PAN no./ Proof of PAN Applied
- 3) No declaration will be accepted without proper signature of the individual
- 4) If any doubts/clarifications you may contact Income Tax cell, F&A
- 5) Each page of declaration and attached documents needs to be signed by the individual
- 6) Mention property address on HBA Claims.

**Annexure – III**  
**{APPLICABLE ONLY FOR TAX OPTION-A}**

**RECEIPT OF HOUSE RENT**  
**(Under Section 1(13-A) of Income Tax Act)**

Received a Sum of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_  
\_\_\_\_\_) towards House Rent @Rs. \_\_\_\_\_ (Rs. \_\_\_\_\_  
\_\_\_\_\_) per month from \_\_\_\_\_ to  
\_\_\_\_\_ from Sri/Smt \_\_\_\_\_ in respect of  
House NO. \_\_\_\_\_ situated at \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Affix Revenue Stamp of Rs.1/-)

Signature of the House Owner



Date: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

PAN No: \_\_\_\_\_

Note:

1. PAN of the Owner is mandatory.

2. Revenue stamp necessary for Transaction more than Rs.5000/-.

**Annexure - IV**

**COMPUTATION OF INCOME FROM "LET-OUT PROPERTY" :**

Property Name: \_\_\_\_\_

Housing Loan Rs. \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

FORMAT FOR COMPUTATION OF INCOME FROM LET-OUT HOUSE PROPERTY IS SHOWN BELOW:		
(i). ANNUAL VALUE OF THE PROPERTY	Rs.	
(ii). Less: Municipal Taxes actually paid		
( - )	Rs.	
Annual value of the property ( i – ii )		
Less: Allowable Deduction U/s 24:		
(a) Repairs Charges Restricted to 30% Annual Value of the Property Irrespective of amount spent or not	Rs.	
(b) Interest on Borrowed Capital for House Construction (Not more than Rs.2,00,000/- is allowed) *	Rs.	_____
Taxable Property Income		Rs.

**Note:**\* attach proof of documents

**\*\*\*Use Separate sheet for More Than One House Property.**

**Signature of the Employee**

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Emp Id: \_\_\_\_\_

**Annexure – V**  
**{APPLICABLE ONLY FOR TAX OPTION-A}**

**(For availing Exemption U/s 80E Interest on Education Loan)**

**Name of the Employee:** \_\_\_\_\_

**Loan Availed to meet the Expenses of** \_\_\_\_\_  
\_\_\_\_\_

<b>Date of Acquiring the Education Loan</b>	<b>Approval copy</b>	<b>Availing Year (Maximum 8 Years only)</b>	<b>Interest Amount paid during the year</b>	<b>Proof of Interest Paid is Enclosed or Not</b>

**I hereby declare that claiming exemption u/s. 80E from the financial year \_\_\_\_\_**  
**And not exceeded 8 years as per the rules.**

**Signature of the Employee**

**Name:** \_\_\_\_\_

**Designation:** \_\_\_\_\_

**Emp Id:** \_\_\_\_\_

## Explanatory note for Annexure - IV

### COMPUTATION OF INCOME FROM “LET-OUT PROPERTY” :

After arriving at Rentable Value and Annual Value, if the property is let-out (given for rent / lease), the following deductions for which the owner is eligible :

1. Repair Charges (restricted to 30% of Annual Value of the Property).
2. Interest on borrowed capital for the purpose of acquisition, construction, re-construction, repairs, renovation etc.

Format for Computation of Income from Let-Out Property is shown below :		
<b>Ratable (Gross Annual) Value of the Property</b>	***	
LESS: Municipal Taxes actually paid, like :	***	***
➤ Water Benefit Tax, Sewerage Benefit Tax		***
<b>Annual Value of the Property</b>		
LESS : <b>Allowable Deductions u/s 24</b>		
➤ Repairs / Collection Charges restricted to 30% of Annual Value of the Property irrespective of amount spent or not	*** ***	*** *****
➤ Interest on loan borrowed for construction (Not more than 2 lakhs from all let out properties)		
<b>Taxable Property Income</b>		

### GROSS ANNUAL VALUE [ Sec. 23(1)]

Gross Annual Value is determined as follows—

<i>Step 1</i>	Find out reasonable expected rent of the property
<i>Step 2</i>	Find out Rent actually received or receivable after excluding unrealized rent but before deducting loss due to vacancy which shall be calculated as below
<i>Step 3</i>	Find out which one is higher – amount computed in Step 1 & Step 2
<i>Step 4</i>	Find out Loss because of Vacancy
<i>Step 5</i>	Step 3 <i>minus</i> Step 4 is Gross Annual Value

**Step-1: Find out reasonable expected Rent of the Property :**

The reasonable expected Rent under will be computed on the basis of 3 factors, namely---

**a. Municipal Rental Value (MRV) :** For collecting Municipal Taxes, Local Authorities i.e. Municipal Corporation / Committee etc. conducts a periodical survey of the house properties in their local limits. On the basis of such survey the Rental Value are fixed which serves as the basis for levying tax. The Rental Value so fixed is called **Municipal Rental Value ( M.R.V.)**.

**b. Fair Rental Value ( FRV ) :** Fair Rent of the Property can be determined on the basis of Rent fetched by a similar property in the same or similar locality. It is based on the principle that Rent prevailing in same locality for similar sized property is almost the same . Such Rental Value is called **Fair Rental Value ( F.R.V.)**

**c. Standard Rent of the Property (SR) :** Standard Rent is the maximum rent which a person can legally recover from his tenant under a Rent Control Act. If other words, if a property is covered under this Rent Control Act, its reasonable expected Rent cannot exceed the standard Rent fixed or determined under the Rent Control Act.

The higher of (MRV) and (FRV), subject to maximum of (SR) is reasonable expected Rent.

**Step-2: Find out Rent actually received or receivable :**

Find out Rent actually received or receivable after excluding unrealized rent but before deducting loss due to vacancy which shall be calculated as below :

Rent of the previous year ( or that part of the pervious year) for which the property is available for letting out	Xxxx
Less : Unrealized Rent of a few conditions are satisfied	Xxxx
Rent received / receivable before deducting Loss due to Vacancy	xxxx

The following points should be noted ---

1. Loss due to vacancy shall not be deducted.
2. Occupier's or tenant's share of municipal tax realized from the tenant cannot be added to Actual Rent received or receivable.
3. If the tenant has undertaken to bear the cost of repairs, the amount spent by the tenant cannot be added to rent received or receivable.
4. A non-refundable security will be added in rent received or receivable on *pro rata* basis.
5. A refundable security cannot be included in rent received or receivable.
6. Advance rent can not be rent received / receivable of the year of receipt.
7. Commission paid by the owner of a property to a broker for rental income is not deductible.

## DEDUCT MUNICIPAL TAX

From Gross Annual Value computed above, deduct Municipal Taxes ( including Service Tax) levied by any local authority in respect of the house property. Municipal Taxes are deductible only if..

1. these taxes are borne by the owner , and
2. are actually paid by him during the previous year.

Municipal taxes, levied by local authority but not paid by the assessee during the previous year are not deductible.

The remaining amount left after deduction of Municipal Taxes is Net Annual Value (NAV)

## DEDUCTION UNDER SECTION 24

The following 2 Deductions are available under section 24---

- a. Standard Deduction ; and
- b. Interest on borrowed capital

In other words, no deductions can be claimed in respect of that expenditure which is not specified in Sec. 24. For instance, no deduction can be claimed in respect of expenses on insurance, ground rent, land revenue, repairs, collection charges, electricity, water supply, salary of liftman, etc.

**A. Standard Deduction [ Sec. 24(a)] :** 30% of net annual value is deductible irrespective of any expenditure incurred by the taxpayer.

**B. Interest on Borrowed Capital [ Sec. 24(b)] :** Interest on borrowed capital is allowable as deduction, if capital is borrowed for the purpose of purchase, construction, repair, renewal or reconstruction of the property.

The following points should be kept in view :-

1. If capital is borrowed for the purpose of purchasing a plot of land, interest liability is deductible even if construction is financed out of own funds.
1. Interest on borrowed capital is deductible on “accrual” basis. It can be claimed as deduction on yearly basis, even if the interest is not actually paid during the year.
1. Interest on unpaid interest is not deductible.
1. No deduction is allowed for any brokerage or commission for arranging loan.
1. Interest on a fresh loan, taken to repay the original loan raised for the aforesaid purposes , is allowable as deduction.
1. Interest on borrowed capital is deductible fully without any maximum ceiling in case of let-out property.



**Finance & Accounts  
University of Hyderabad**

12<sup>th</sup> August, 2021

**C I R C U L A R**

Sub: Deduction of Tax U/s 194J – reg.

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All the Deans of the Schools, Heads of the Departments / Centres / Academic / Administrative Units are hereby informed the following:

Any payment made to those outside UoH for such services as thesis evaluation, professional or technical fee, honorarium, consultation fee, sitting fee, guest lecture honorarium, visiting faculty honorarium, honorarium for handling training sessions, etc. shall be subjected to TDS under Section 194J (at the present rate of 10% or at an applicable rate as might change from time to time).

In case of the University employees (faculty / officers / staff) the following may be noted.

1. For availing such services as thesis evaluation, professional or technical fee, honorarium, consultation fee, sitting fee, guest lecture honorarium, visiting faculty honorarium, honorarium for handling training sessions, etc. **while paying from the project grants, funds of independent units (like HRDC, CDVL, Remedial Coaching, Self-financing courses, training programmes, etc.)** the honorarium shall be subjected to TDS under Section 194J (at the present rate of 10% or at an applicable rate as might change from time to time) as against Section 192 (at the present rates of 5 to 30% or as per the applicable slabs that might change from time to time).
2. However, for availing such services as thesis evaluation, professional or technical fee, honorarium, consultation fee, sitting fee, guest lecture honorarium, visiting faculty honorarium, honorarium for handling training sessions, etc. **while paying from UGC grants under OH-36 (Salary Budget) and OH-31 (Maintenance Budget)**, the honorarium is subjected to TDS under Section 192 (at the present rates of 5 to 30% or as per the applicable slabs that might change from time to time).

Further, while paying to those outside the University or to those within the University, all academic and administrative units are advised to **raise only direct payment bills** (by obtaining the PAN Nos. and bank account details of the payees) to enable F&A to take care of the TDS (a statutory obligation).

In case of non-availability of PAN Nos. it may be noted that the TDS will be deducted at the rate of 20% (or at an applicable rate that might change from time to time).

(Authority: Vice-Chancellor's Orders dt. 10.8.2021)

Finance Officer /c

To

1. All the Schools / Departments / Centres / Sections  
- to circulate among their faculty, officers and staff
2. Webmaster – to upload on UoH website

  
12/8/21  
वित्त अधिकारी / Finance Officer  
हैदराबाद विश्वविद्यालय / University of Hyderabad  
केन्द्रीय विश्वविद्यालय डा. ब. University P.O.  
हैदराबाद / Hyderabad-500 046. Telangana