

Arts and Commerce

College, Vadaj

Name. Pawar Sugar sunil.

Bcom III Sem VI

Roll NO. 344

sub. Account II.
2016-17.

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Income From Salary

Que 1 Mr. Pawar is employed in a company at Mumbai and he gives the following Particular income for the financial year 2018-19

Basic Salary ₹ 15,000 per Month

Dearness allowance ₹ 6000 Per month [2000 for retirement benefit]

Education allowance ₹ 300 per Month for his two children

Bonds ₹ 40,000

Entertainment allowances ₹ 1000 per month

Hospital bill paid by the employer ₹ 16,000.

Employers Contribution RPF at 15% of salary.

Interest on RPF at 13% at ₹ 39,000

Professional tax paid ₹ 2500

Compute his taxable income from salary
From the assessment year 2019-2020

Ans - Working Note - I

RPF at 15% on Salary

Salary = Basic Salary + Dearness allowance (Retirement benefit + Commission on Sale

= 1,80,000 + 2000 + Nil

= 1,82,000

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RPF = 1,82,000

Less - exam upto 12%

on Salary 21840

1,61,160

RPF = 1,61,160

Working Note - II

RPF interest = 39000

- exam upto 9.5 % of interest 28500

$\left[\frac{39000 \times 9.5}{100} \right]$ 10500

Compute salary income of Mr. Pawar for the assessment Year 2019-20

Particulars	Amount	Amount
Basic Salary		1,80,000
Dearness allowance		72,000
Education Allowances	7200	
Less - exam up to	2400	4800
Bonds		40,000
Entertainment allowances		12,000
Medical bill	16000	
Less - exam up to	15,000	1000
RPF [Refer Working Note I]		1,60,160

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RPF interest [Refer Working Note II]

10,500

Gross Salary

4,80,460

Less - Professional tax

2,500

Net Salary

4,77,960