



Tax Benefits for Senior Citizens in India

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Tax Benefit for Senior Citizens in India

- Clinical Protection
- Stipend on the Treatment of Determining Illnesses
- Advantage of Elementary Exemption
- Personal Assessment form Benefits
- Benefit on Salary
- No Duty Under the Home Buyback Plan
- No Development Assessment
- Standard Allowances from Annuity Salary

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The Indian government has granted the significance of backing out the monetary weight of those in their retirement years. This has been reflected in the spending recommendations of 2018 and 2019, the two of which have presented a few changes that just offer [tax reduction to senior citizens](#).

For annual duty purposes, those over the age of 60 and fewer than 80 years are named senior citizens while those over 80 years old are named as very senior citizens.

To begin with, it is significant to completely comprehend the qualification in tax breaks for senior and very senior citizens.

In the Association Spending plan 2020-2021, another expense system for citizens was reported by the legislature of India. The Legislature of India gives citizens the decision to pick between the current assessment structure and the upgraded one when recording charges from FY2020-21 onwards.

New Income Tax Slab for Individual (New Regime)

Income Tax Slab	Tax Rate
Up to Rs. 2.5 Lakh	No Tax
Between Rs. 2.5 Lakh to 5 Lakh	5% (tax rebate of Rs. 12,500 is under section 87A)
Between Rs. 5 Lakh to 7.5 Lakh	10%
Between Rs. 7.5 Lakh to 10 Lakh	15%
Between Rs. 10 Lakh to 12.5 Lakh	20%
Between Rs.12.5 Lakh to 15 Lakh	25%
Above Rs. 15 Lakh	30%

Under this new duty system, there is no higher assessment exclusion limit for senior citizens (between the age of 60 and 80) or for very senior citizens (over the age of 80).

Income Tax Slabs For Senior Citizens for Financial Year 2019–20

Income Tax Slabs	Rate of Tax Health and Education Cess	
Income up to Rs.3 Lakh	No Tax	NA
Income between Rs.3 Lakh to Rs.5 Lakh	5%	4% of Income Tax
Income between 5 Lakh to Rs.10 Lakh	20%	4% of Income Tax
Income that exceeds Rs.10 Lakh	30%	4% of Income Tax

Income tax slabs for super senior citizens (more than 80 years of age) for FY 2020-2021

Income Tax Slabs	Rate of Tax Health and Education Cess	
Income up to Rs.5 Lakh	No Tax	NA
Income between Rs.5 Lakh to Rs.10 Lakh	20%	4% of Income Tax
Income that exceeds Rs.10 Lakh	30%	4% of Income Tax

INCOME TAX BENEFITS FOR SENIOR CITIZENS

1. Clinical Protection

The senior citizens are offered an advantage by virtue of installment of the medical coverage expense up to Rs.50, 000 Prior, this constraint of allowance for wellbeing premium installment was Rs.30, 000 for senior citizens.

For super citizens, under segment 80 D, the derivation for the installment of clinical premium just as the real costs caused on their treatment are permitted.

2. Advantage of Elementary Exemption

Each person in India, who falls under the level of pay to settle charge, is taken into account some rudimentary waivers. While for the senior citizens, the administration has set up this essential exception limit up to Rs.3 lakhs.

For the following 3 lakhs-5 lakhs piece, a senior resident should pay an expense of 5%. Super citizens get a higher bit of leeway, thinking about their pay and age. For them, this waiver is of up to Rs.5, 00,000 in one money related year. Other than the senior or super citizens, this exception for conventional citizens is up to Rs.2, 50,000/ - just which drives them to cover more charges.

3. Benefit on Salary

The senior citizens who are inhabitants of India should pay no duty on their advantage earned up to Rs.50, 000 in a budgetary year. Appropriate under area 80 TTA of Annual Expense, this will consider premium earned in the reserve funds ledger, stores in a bank, as well as stores in the mail center.

When documenting their Annual Assessment form, the senior citizens should fill the structure 15H. The measure of premium earned over Rs.50, 000/ - would pull in the assessment according to the section pace of senior citizens.

4. No Development Assessment

While customary people need to cover a development charge if their duty obligation is Rs.10, 000/ - or more in a budgetary year, senior citizens are liberated from this weight except if they make a salary from business or calling. Those not possessing a business just need to pay the Self-Appraisal Duty.

Advance Duty is a sum paid ahead of time to the Indian Government which all citizens will undoubtedly pay. Getting senior citizens a similar section isn't basically reasonable.

5. Stipend on the treatment of determining illnesses

The Administration of India gives a stipend to its common citizens to not make good on a charge if the expense of treatment is near Rs.40,000/ -

Under area 80DDB of the Annual Assessment, senior citizens get an allowance breaking point of Rs.1 lakh on the off chance that they attempt any treatment for determining ailment/basic disease in a budgetary year.

6. Personal Assessment form benefits

Too Senior Citizens (people over 80 years) can petition for their Annual Expense form through either Sahaj (ITR 1) or Sugam (ITR 4). They can decide to do it either physically or electronically.

7. No duty under the Home buyback Plan

A senior resident may invert contract any of his convenience to make month to month income. The responsibility for property stays with the senior resident and they are given regularly scheduled installments for it. The sum paid in portions to the proprietor is excluded from the Annual Expense.

8. Standard Allowances from Annuity Salary

Senior citizens are permitted a standard allowance of Rs.50,000 because of their annuity salary.

Source: <https://imperialfin.com/blog/tax-benefits-for-senior-citizens-in-india>