

• Basic Salary	(6750*12)	81000
• Dearness Allowance	(500*12)	6000
• Bonus	(700*12)	8400
• Medical Allowance		
(Fixed)	(200*12)	2400
• Excess of contribution to provident fund by Employer[11286-(12% of 12*(6750+30% of 500)]		1350
• (see note in the previous slide)		
• Interest on interest free loan		
(95000*10.75%)		<u>10213</u>
NET SALARY		<u>109363</u>
Add: income from other sources		<u>1247660</u>
TOTAL INCOME		<u>1357660</u>
Deduction U/S 80C:		<u>11,286</u>
Taxable salary		13,46,374
ROUNDED OFF		13,46,370

Exercise-1

Mrs. Sneha (Age 49 yrs) is a part time lecturer in a college Chennai University. The details of her salary and other income for the previous year **2018-19** are as follows:

Basic Salary	80,000
Dearness allowance (forming part of salary)	3,600
Education allowance for 2 children (exp being Rs. 900)	5,100
Hostel expenditure allowance for 1 child (expenditure being 8000)	7,200
HRA	10,400
Remuneration from Bangalore University for Being as examiner	75,650
Allowance for research which is to be completed during Dec-April 2008(actual exp being : up to March 31-08 Rs. 2000, during April 08 Rs. 4500)	8000