List of Tax Free Incomes

Section	Nature of Exemption	Who are entitled	Relevant Rule
(1)	(2)	(3)	(4)
10(1)	Agricultural income	Any assessee	7, 7A, 7B, 8
10(2)	Amount received out of family income, or in case of impartible estate, amount received out of income of family estate	Individual as member of HUF	
10(2A)	Partner's share in total income of firm	Partner of a firm	
10(4)(i)	Interest on securities or bonds notified before 1-6-2002 by the Central Government including premium on redemption of such bonds	Non-resident	
10(4)(ii)	Interest received on Non-resident (External) Account	Person resident outside India (as defined in FEMA) and person who has been permitted to maintain said account by RBI	
10(4B)	Interest on notified savings certificates issued before 1-6-2002 by the Central Government and subscribed to in convertible foreign exchange	Individual (Indian citizen or person of Indian origin, who is a non-resident)	
10(5)	Leave travel concession or assistance (subject to prescribed conditions and limited to amount actually spent)	Individual – Salaried Employee	2B
10(6)(ii)	Remuneration received by specified diplomats and their staff	Individual (non-citizen of India)	
10(6)(vi)	Remuneration received as employee of foreign enterprise for services rendered during stay in India (subject to certain conditions)	Individual – Salaried employee (non-citizen of India)	
10(6)(viii)	Remuneration received for services rendered in connection with employment on a foreign ship (subject to certain limits)	Individual – Salaried employee (non-resident, non-citizen of India)	
10(6)(xi)	Remuneration received as employee of foreign Government in connection with his training in Government offices/ statutory undertakings etc.	Individual – Salaried employee (foreign citizen)	
10(6A)	Tax paid by Government or Indian concern on royalty/ fees for technical services from Government or Indian concern under agreement made before 1-6-2002 which either relates to a matter included in the industrial policy of the Government and is in accordance with that policy or is approved by Central Government	Foreign Company	

10(6B)	Tax paid by Government or Indian concern under terms of agreement entered into before 1-6-2002 by Central Government with Government of foreign state or international organisation on income derived from Government or Indian concern, other than income by way of salary, royalty or fees for technical services	Non-resident (other than company) or foreign company	
10(6BB)	Tax paid by Indian company, engaged in the business of operation of aircraft, who has acquired an aircraft or its engine on lease, under an approved (by Central Government) agreement entered into between 31-3-1997 and 1-4-1999, or after 31-3-2007, on lease rental/ income	Government of foreign state or foreign enterprise	
10(6C)	Income by way of royalty or fees for technical services rendered in India or abroad in projects connected with security of India pursuant to agreement with Central Government	Notified foreign company	
10(7)	Foreign allowances or perquisites paid or allowed by Government to its employees posted abroad	Individual – Salaried employee (Indian citizen)	
10(8)	Foreign income and remuneration received from foreign Government for services rendered in connection with any co-operative technical assistance programmes and projects in accordance with agreement entered into by Central Government and foreign Government (subject to certain conditions)	Individual	
10(8A)	Foreign income and remuneration received by consultant (agreement relating to his engagement must be approved) out of funds made available to an international organisation (agency) under a technical assistance grant agreement between that agency and the Government of a foreign State	Non-Indian citizen/ Indian citizen who is not ordinarily resident in India/ non-resident, engaged by the agency for rendering technical services in India	
10(8B)	Foreign income and remuneration received by an employee of the consultant referred to in Section 10(8A)	Non-Indian citizen/ Indian citizen who is not ordinarily resident in India (contract of service must be approved by the prescribed authority before commencement of service)	

10(9)	Income of any member of family of any individual [referred to in section 10(8), 10(8A) or 10(8B)] which accrues or arises outside India and is not deemed or accrue or arise in India and which is subject to tax in that foreign country	Individual	
10(10(i)	Death-*cum*-retirement gratuity received by Government servants	Individual – Salaried employee	
10(10(ii)	Gratuity received under the Payment f Gratuity Act, 1972 (maximum Rs. 3,50,000)	Individual – Salaried employee	
10(10(iii)	Any other gratuity received by employee/ legal heirs on retirement, termination of services, death, etc., limited to half month's salary for each year of completed service (subject to certain conditions) [maximum limit Rs. 3,50,000]	Individual – Salaried employee	
10(10A)	Payment in commutation of pension received from Government/ Private employer (subject to certain limits)/ LIC Fund u/s 10(23AAB)	Individual – Salaried employee	
10(10AA)	Amounts by way of encashment of unutilized earned leave on retirement limited to 10 months' salary (subject to certain conditions) [maximum limit Rs. 3,00,000 (in case of retirement after 1-4-1998)]	Individual – Salaried employee	
10(10B)	Retrenchment compensation [maximum limit under proviso (ii) is Rs. 5,00,000]	Individual – Workman	
10(10BB)	Payments made under Bhopal Gas Leak Disaster (Processing of Claims) Act, 1985 and any scheme framed thereunder (subject to certain conditions)	Any assessee	
10(10BC)	Compensation on account of any disaster received/ receivable from Government/ local authority (subject to certain conditions)	Individual or his legal heir	
10(10C)	Payment received or receivable (not exceeding Rs. 5,00,000) on voluntary retirement in accordance with scheme framed in accordance with prescribed guidelines	Individual – Employee of a public sector company, any other company, an authority established under a Central, State or Provincial Act, a local authority, co-operative societies, universities, IITs, any State Government, Central Government, notified institution having importance throughout India or in any State or States, or notified institutes of management	2BA

10(10CC)	Tax paid by employer on perquisite (not provided for by way of monetary payment) given to employees	Individual – Salaried employee	
10(10D)	Any sum received under a life insurance policy including bonus on such policy but excluding sums received u/s 80DDA(3) and under a Keyman Insurance policy	Any assessee	
10(11)	Payment from Public provident fund/ statutory provident fund	Individual/ Hindu undivided family	
10(12)	Accumulated balance payable to employee participating in recoginsed provident fund (subject to certain conditions)	Individual – Salaried employee	
10(13)	Payment from approved superannuation fund in specified circumstances and subject to certain limits	Individual	
10(13A)	House rent allowance (subject to certain limits)	Individual – Salaried employee	2A
10(14)	Prescribed allowances or benefits	Individual – Salaried employee	2BB
10(15)(i)	Interest, premium on redemption, or other payment on notified securities, bonds, certificates, and deposits, etc. (subject to notified conditions and limits)	All assessees	
10(15)(iib)	Interest on notified Capital Investment Bonds notified prior to 1-6-2002	Individual/ HUF	
10(15(iic)	Interest on notified Relief Bonds	Individual/ HUF	
10(15(iid)	Interest on notified bonds (notified prior to 1-6-2002) purchased in foreign exchange (subject to certain conditions)	Individual – NRI/ nominee or survivor of NRI/ individual to whom bonds have been gifted by NRI	
10(15)(iii)	Interest on securities	Issue Department of Central Bank of Ceylon	
10(15)(iiia)	Interest on deposits made with scheduled bank with approval of RBI	Bank incorporated abroad	
10(15)(iiib)	Interest payable to Nordic Investment Bank	Nordic Investment Bank	
10(15)(iiic)	Interest payable to the European Investment Bank on loan granted by it in pursuance of framework-agreement dated 25-11-1993 for financial corporation between Central Government and that Bank	European Investment Bank	
10(15)(iv)(a)	Interest received from Government or from local authority on moneys lent to it before 1-6-2001 or debts owed by it before 1-6-2001, from sources outside India	All assessees who have lent money etc., from sources outside India	
10(15)(iv)(b)	Interest received from industrial undertaking in India on moneys lent to it under a loan agreement entered into before 1-6-2001	Approved foreign financial institution	

10(15)(iv)(c)	Interest at approved rate received from Indian industrial undertaking on moneys lent or debt incurred before 1-6-2001 in a foreign country in respect of purchase outside India or raw materials, components or capital plant and machinery, subject to certain limits and conditions	All assessees who have lent such money, or in favour of whom such debts has been incurred	
10(15)(iv)(d)	Interest received at approved rate from specified financial institution in India on moneys lent from sources outside India before 1-6-2001	All assessees who have lent such moneys	
10(15)(iv)(e)	Interest received at approved rate from other Indian financial institutions or banks on moneys lent for specified purposes from sources outside India before 1-6-2001 under approved loan agreement	All assessees who have lent such moneys	
10(15)(iv)(f)	Interest received at approved rate from Indian industrial undertaking on moneys lent in foreign currency from sources outside India under loan agreement approved before 1-6-2001	All assessees who have lent such moneys	
10(15)(iv)(fa)	Interest payable by scheduled bank, on deposits in foreign currency when acceptance of such deposits by bank is approved by RBI	Non-resident or individual/ HUF who is not ordinarily resident in India	
10(15)(iv)(g)	Interest received at approved rate, from Indian public companies eligible for deduction under section 36(1)(viii) and formed with main object of providing long-term housing finance, on moneys lent in foreign currency from sources outside India under loan agreement approved before 1-6-2003	All assessees who have lent such moneys	
10(15)(iv)(h)	Interest received from any public sector company in respect of notified bonds or debentures and subject to certain conditions	All assessees	
10(15)(iv)(i)	Interest received from Government on deposits in notified scheme out of moneys due on account of retirement	Individual – Employee of Central Government/ State Government/ Public Sector company	
10(15)(v)	Interest on securities helf in Reserve Bank's SGL A/c No. SL/DH-048 and Deposits made after 31-3-1994 for benefit of victims of Bhopal Gas Leak Disaster held in such account with RBI or with notified public sector bank	Welfare Commissioner, Bhopal Gas victims, Bhopal	

10(15)(vi)	Interest on Gold Deposit Bonds issued under the Gold Deposit Scheme, 1999 notified by Central Government	All Assessees	
10(15)(vii)	Interest on notified bonds issued by a local authority/ State Pooled Finance Entity	All assessees	
10(15)(viii)	Interest on deposit made on or after 1-4-2005 in an Offshore Banking Unit referred to in section 2(u) of the Special Economic Zone, 2005	Non-resident or person who is not ordinarily resident	
10(15A)	Any payment made by an Indian company, engaged in business of operation of aircraft, to acquire an aircraft or an aircraft engine on lease from the Government of a foreign State or a foreign enterprise (person who is non-resident) under approved agreement entered into on or after 1-4-1999 but before 1-4-2007. However, payment made for providing spares, facilities or services in connection with operation of leased aircraft is excluded	Foreign State/ Enterprise	
10(16)	Educational scholarship	Individual	
10(17)(i)	Daily allowance	Individual – Member of Parliament/ State Legislature/ Committee thereof	
10(17)(ii)	Any allowance received by MP under Members of Parliament (Constituency Allowance) Rules, 1986	Member of Parliament	
10(17)(iii)	Any constituency allowance received	Individual – Member of State Legislature	
10(17A)(i)	Amount received in pursuance of award (whether in cash or kind) instituted in public interest by Central/ State Government or approved award instituted by other body	Any assessee	
10(17A)(ii)	Reward (whether in cash or kind) received from Central/ State Government for approved purposes in public interest	Any assessee	
10(18)	Pension received by an individual who has won specified/ notified gallantry awards and family pension received by any family member of such individual	Individual – Central/ State Government employee or his family member	
10(19)	Family pension received by a widow, children or nominated heirs of a member of the armed forces (including para military forces) where death of such member has occurred in the course of operational duties (subject prescribed conditions and circumstances)	Individual (widow, children or nominated heirs of member of armed forces)	2BBA

10(19A)	Notional annual value of any one palace occupied by former ruler)	Individual	
10(20)	Specified incomes of a local authority	Local authority	
10(21)	Income of approved scientific research association subject to certain conditions	Scientific Research Association	
10(22B)	Income of notified news agency set up in India solely for collection and distribution of news (subject to certain conditions)	News agencies	
10(23A)	Income of approved professional bodies other than income from house property, income received fro rendering specific services and income by way of interest or dividends (subject to certain conditions)	Professional associations	
10(23AA)	Income received on behalf of regimental fund or non-public fund established by armed forces	Regimental fund or non-public fund	
10(23AAA)	Income of approved fund established for notified purposes for welfare of member employees or their dependents (subject to certain conditions)	Approved fund	
10(23AAB)	Income of fund set up by LIC or any other insurer under an approved pension Scheme (subject to certain conditions)	Fund set by LIC or any other insurer	
10(23B)	Income of institution existing solely for development of khadi or village industries (subject to certain conditions)	Public charitable trust/ registered society	
10(23BB)	Income of authority established for development of khadi or village industries	Authority established under State or Provincial Act	
10(23BBA)	Income of a body or authority established for administration of public religious or charitable trusts or endowments, etc.	Body/ Authority established, constituted or appointed under Central, State or Provincial Act	
10(23BBB)	Income of EEC from interest, dividends or capital gains from investment of funds under specified scheme	European Economic Community	
10(23BBC)	Income of SAARC Fund for Regional Projects set up by Colombo Declaration issued on 21-12-1991	SAARC Fund for Regional Projects	
10(23BBD)	Any income of the Secretariat of the Asian Organisation of the Supreme Audit Institutions registered as ASOSAI – Secretariat under the Societies Registration Act, 1860 for a period of 10 assessment years relevant to assessment years beginning on 1-4-2001	Secretariat of the Asian Organisation of the Supreme Audit Institutions registered as ASOSAI – Secretariat	

10(23BBE)	Income of Insurance Regulatory and Development Authority (IRDA)	IRDA	-
10(23BBF)	Income of North-Eastern Development Finance Corporation Limited (subject to certain limits)	North-Eastern Development Finance Corporation Limited	
10(23BBG)	Income of Central Electricity Regulatory Commission	Central Electricity Regulatory Commission	
10(23C)(i) to (iiia)	Income received by any person on behalf of specified Prime Minister's Funds or National Foundation for Communal Harmony	Any person concerned	
10(23C)(iiiab)	Income of any university or other educational institution existing solely for educational purposes and not for purposes and not for purposes of profit, and which is wholly or substantially financed by the Government	University/ other educational institution	
10(23C)(iiiac)	Income of any hospital or other medical treatment institution existing solely for philanthropic purposes and not for purposes of profit, and which is wholly or substantially financed by the Government	Hospital/ Nursing Home, etc.	
10(23C)(iiiad)	Income of any university or other educational institution existing solely for educational purposes and not for purposes of profit, if the aggregate annual receipts do not exceed one crore rupees	University/ other educational institution	2BC
10(23C)(iiiae)	Income of any hospital or other medical treatment institution existing solely for philanthropic purposes and not for purposes of profit, if the aggregate annual receipts do not exceed one crore rupees	Hospital/ Nursing home, etc.	2BC
10(23C)(iv)/ (v)	Income received by any approved charitable fund or institution and approved public religious/ charitable trust or institution (subject to certain conditions)	Charitable/ Religious trusts and institutions	16CC
10(23C)(vi)	Income of any university or other educational institution existing solely for educational purposes and not for purposes of profit, other than those mentioned in section 10(23C)(iiiad) and which is approved by the prescribed authority (subject to certain conditions)	University/ other educational institution	2CA/ 16CC

10(23C)(via)	Income of any hospital or other medical treatment institution existing solely for philanthropic purposes and not for purposes of profit, other than those mentioned in section 10(23C)(iiiac) and 10(23C)(iiiae) and which is approved by the prescribed authority (subject to certain conditions)	Hospital/ Nursing Home, etc.	2CA/ 16CC
10(23D)	Income fo Mutual Fund registered under SEBI Act, 1992 and notified Mutual Fund set up by public sector bank or public financial institution or authorised by RBI, subject to notified conditions and provisions of Chapter XIIE	Mutual Fund registered under SEBI Act, 1992, and Notified Mutual Fund set up by public sector bank or financial institution or authorised by RBI	
10(23EA)	Income, by way of contributions received from recognised stock exchanges and members thereof, of notified Investor Protection Fund set up by recognised stock exchanges in India either jointly or separately (subject to certain conditions)	Investor Protection Fund	
10(23EB)	Income of Credit Guarantee Fund Trust for Small Industries created by Government of India and SIDBI	Credit Guarantee Trust Fund	
10(23EC)	Contributions received from commodity exchanges and members thereof (subject to certain conditions)	Notified Investor Protection Funds set up by Commodity Exchanges in India	
10(23F)	Dividends or long-term capital gains of approved venture capital fund/ venture capital company from investments made before 1-4-1999 by way of equity shares in a venture capital undertaking (subject to certain conditions)	Approved venture capital fund/ venture capital company	2D
10(23FA)	Any income by way of dividends (other than dividends referred to in section 115-O), or long-term capital gains of approved venture capital gains of approved venture capital funds and venture capital companies from investments made by way of equity shares in a venture capital undertaking (subject to certain conditions) (exemption is not available in respect of investments made after 31-3-2000)	Approved venture capital funds/ venture capital company	2DA
10(23FB)	Income of a venture capital company or venture capital fund from investment in a venture capital undertaking	Venture capital company/ fund	

10(24)	Income of trade union under the heads 'Income from house property' and 'Income from other sources'	Registered trade union/ associations of registered trade unions	
10(25)	Interest on securities and capital gains on sale of securities held by provident fund to which Provident Funds Act, 1925 applies/ income received by trustees on behalf of recognised provident fund, approved superannuation fund, approved gratuity fund and deposit linked insurance fund in certain cases	Retirement benefit funds	
10(25A)	Income of ESI Fund set up under ESI Act, 1948	Employees' State Insurance Fund	
10(26)	Specified income of member of specified Scheduled Tribes residing in specified areas	Individual (member of specified Scheduled Tribe)	
10(26AAA)	Income from any source in the State of Sikkim or income by way of dividend or interest on securities (subject to certain conditions)	Sikkimese individual (other than Sikkimese woman who, after 31-3-2008, marries non-Sikkimese)	
10(26B)	Income of Central/ State corporation or Government financed body, institution or association established for promoting interests of members of Scheduled Castes, Scheduled Tribes and/ or Backward Classes	Government corporation/ body, institution or association wholly financed by Government	
10(26BB)	Income of corporation established by Government for promoting interests of members of minority community	Government corporation	
10(26BBB)	Income of corporation established by Central, State or Provincial Act for welfare and economic upliftment of Indian Ex-servicemen who are citizens of India	Government corporation	
10(27)	Income of certain co-operative societies formed for promoting the interests of Scheduled Castes/ Scheduled Tribes members	Co-operative societies	
10(29A)	Income accruing or arising to the Coffee Board, the Rubber Board, the Tea Board, the Tobacco Board, the Marine Products Export Development Authority, the Agricultural and Processed Foods Products Export Development Authority, the Spices Board and the Coir Board	Respective Boards and Authorities	
10(30)	Subsidy received from or though Tea Board under notified scheme for replantation/ replacement of tea bushes, etc. (subject to certain specified conditions)	All assessees (engaged in business of growing/ manufacturing tea in India)	

10(31)	Subsidy received from or through concerned Board under notified scheme for replantation/ replacement of rubber/ coffee/ cardamom plants, etc. (subject to certain specified conditions)	All assessees (engaged in business of growing/ manufacturing rubber/ coffee etc., in India)	
10(32)	Income fo minor child clubbed u/s 64(1A) to the extent of Rs. 1,500 per child	Any individual	
10(33)	Any income arising from the transfer of a capital asset (long-term/ short-term) being a unit of US 64 [referred to in Schedule I of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002] and where the transfer of such assets takes place on or after 1-4-2002	All assessees	
10(34)	Income by way of dividends referred to in section 115-O	All assessees	
10(35)	Income received in respect of (a) units of a mutual fund specified under section 10(23D), (b) units from the Administrator of the specified undertaking as defined in UTI (Transfer of Undertaking & Repeal) Act, 2002, or (c) units from the specified company as defined in above UTI Repeal Act, 2002 (however, income arising from transfer of units of the Administrator of specified undertaking or of specified company/ mutual fund, is not exempt)	All assessees	
10(36)	Income arising from transfer of a long-term capital asset being an eligible capital asset being an eligible equity share in a listed company purchased on or after 1-3-2003 but before 1-3-2004 and held for a period of 12 months or more	All assessees	
10(37)	Any income chargeable under the head 'capital gains' arising from transfer of agricultural land situate in an urban area mentioned in Section 2(14)(iii)(a)/ (b) where transfer by way of compulsory acquisition or consideration for transfer is determined/ approved by Central Government/ RBI and income has arisen from compensation or consideration for such transfer received by such assessee on or after 1-4-2004 (subject to certain conditions)	Individual/ HUF	

10(38)	Any income arising from the transfer of a long-term capital asset, being an equity share in a company or unit of an equity oriented fund where the transaction of sale is entered on or after the date on which Chapter VII [Securities Transaction Tax] of the Finance (No. 2) Act, 2004 comes into force (1-10-2004) and such transaction is chargeable to securities transaction tax under that Chapter	All assessees	
10(39)	Specified income arising from any notified international sporting event held in India (subject to certain conditions)	Notified persons	
10(40)	Income of subsidiary company by way of grant or otherwise received from an Indian holding company engaged in business of generation or transmission or distribution of power if receipt of such income is for settlement of dues in connection with reconstruction or revival of existing business of power generation (subject to certain conditions)	Company	
10(41)	Income arising from transfer of capital asset of undertaking engaged in business of generation or transmission or distribution of power where such transfer is effected on or before 31-3-2006 to Indian company notified under section 80-IA(4)(v)(a)	Any assessee	
10(42)	Specified income arising to a body or authority which (a) has been established/ constituted/ appointed under a treaty or agreement entered into by Central Government with two or more countries or a convention signed by Central Government, (b) is established/ constituted/ appointed not for the purposes of profit, (c) is notified by the Central Government for purposes of this clause	Body of authority	
10(43)	Amount received as loan, either in lump sum or in installments, in transaction of reverse mortgage referred to in section 47(xvi)	Any individual	

10A	Profits of undertakings situated in free trade zones, electronic hardware technology parks or software technology part or any special economic zone from export of articles or things or computer software (subject to certain conditions and clarifications)	All assessees	16D, 16DD
10AA	100% of profits from export of articles/ things/ services for 5 consecutive assessment years beginning with assessment year relevant to previous year in which the unit begins to manufacture or produce article or things or provide service and 50% of profits for next 5 assessment years and up to 50% of profits for next 5 assessment years as is debited to P&L account and credited to 'Special Economic Zone Re-investment Reserve Account' (subject to certain conditions)	Entrepreneur referred to in section 2(j) of Special Economic Zones Act, 2005 who begins to manufacture/ produce article/ thing or provide any service on or after 1-4-2006.	
10B	Profits derived by a 100 percent export-oriented undertaking (subject to certain specified conditions)	All assessees	16E
10BA	Profits of an undertaking from export of hand made articles of artistic value which requires the use of wood as the main raw material (subject to certain conditions)	All assessees	16F
11	Income from property held for charitable or religious purposes (subject to certain conditions)	Charitable/ religious trust/ institution	17C
13A	Specified income of political parties	Registered political parties	