SECTION NUMBER	PARTICULARS	DISCREPTION
10(1)	Agriculture Income.	Totally exempt from tax (Treatment is discussed later)
10(2)	Sum received by a member of HUF.	Totally Exempt (any sum received)
10(2A)	Share of profit of a partner of a Firm (including LLP).	Share in the Total Income shall be exempt from tax.
10(4)	Interest on securities or bonds held by a non resident/interest on Non- resident (external) Account.	In case of individual assessee any income by way of interest on money standing to his credit in Non – Resident (External) Account in any bank in India shall also be exempt if certain condition are satisfied.
10(5)	Travel concession or assistance received by an individual from his employer.	Discussed Under the Head Salary.
10(6)	Remuneration to certain persons who are not citizen of India.	Remuneration from the following is exempt: • Received by Diplomats. • Received by a foreign national as employee of foreign enterprise. • Nonresident employee on a foreign ship. • Remuneration received by employee of foreign Government during his training in India.
10(7)	Allowance or Perquisites outside India.	If paid by Govt. of India for rendering services out side India.
10(10)	Death-cum-retirement gratuity received by an employee.	Discussed Under the Head Salary.
10(10A)	Payment in commutation of Pension received by the employees.	Discussed Under the Head Salary.
10(10AA)	Leave encashment	Discussed Under the Head Salary.
10(10B)	Compensation on retrenchment	Discussed Under the Head Salary.
10(10BB)	Payment under Bhopal Gas Leak Disaster (Processing of Claims) Act, 1985	Any payment made under this act or any scheme made there under shall be completely exempt in the hands of recipient of compensation.
10(10BC)	Compensation received or receivable on account of any disaster.	Any amount received or receivable from the **Central** or **State Government** or **local authority** by an individual or his legal heir shall be completely exempt.
10(10C)	Amount received on voluntary retirement.	Discussed Under the Head Salary.
10(10CC)	Tax on non-monetary perquisite paid by employer.	Tax paid by employer on non - monetary perquisites by the employer shall be totally exempt (Fringe Benefit Tax.)
10(10D)	Amount received under Life Insurance Policy.	Sum received under Insurance Policy + bonus exempt. Following are not exempt: • Any sum referred under section 80DD(3). • Any sum under Keyman Insurance Policy. • Any sum received under insurance policy after 1.4.2003 but issued before 31.03.2012 in respect

		of which the premium payable for any year during the terms of policy exceeds 20% of the actual capital sum assured (but if received on death it shall be completely exempt.) • **Any sum received under insurance policy after 01.04.2012 in respect of which the premium payable for any year during the terms of policy exceeds 10% of the actual capital sum assured (but if received on death it shall be completely exempt.) Sum Assured shall mean the actual sum assured at the time of taking the policy not variable sum assured which is declared every year to adjust the same in the given %. – (Amend by FA 2012)**
10(11)	Provident Fund.	Discussed Under the Head Salary.
10(12)	Payment from Recognized Provident Fund.	Discussed Under the Head Salary.
10(13)	Any payment from an approved Superannuation Fund.	Discussed Under the Head Salary.
10(13A)	House Rent Allowance.	Discussed Under the Head Salary.
10(14)	Notified Special Allowance	Discussed Under the Head Salary.
10(15)	Interest, premium or bonus specified investments.	Discussed Under the Head Other Sources.
10(16)	Scholarship granted to meet the cost of education.	Totally exempt.
10(17)	Daily and constituency allowance, etc. received by MP and MLAs.	Totally exempt.
10(17A)	Awards or Rewards.	Totally exempt if: • In pursuance of any award instituted by C.G. or any State Govt. or instituted by any other body and approved by Central Govt. in this behalf. • As a reward by C.G. or any S.G. for such purpose as may be approved by C.G. in this behalf in the public interest.
10(18)	Pension received by certain awardees/any member of their families.	Totally exempt if received by receiver of: • Param Vir Chakra • Maha Vir Chakra • Vir Chakra • Or any such other gallantry award as may be notified.
10(19)	Family pension received by the family members of armed forces (including para military force)	It is exempt only when death occur while operational duties or in such circumstances & condition as may be prescribed.

	personnel killed in action.	
10(19A)	Annual value of one palace of ex-rulers	Discussed Under the Head House Property.
10(20)	Income of Local Authority.	Following Income is exempt: • Income Under the Head House Property. • Income Under the Head Capital Gain. • Income Under the Head Other Sources. • Income from a trade or business carried on by it accrues or arises from the supply of: o Water or electricity within or outside its own jurisdictional area or o Any other commodity or services within its own jurisdictional area.
10(21)	Income of Approved Scientific Research Association.	Totally exempt if certain conditions are satisfied.
10(22B)	Income of specified news Agency.	Any income of such news agency, setup in India solely for collection & distribution of new, as the Central Government may notify, in this behalf, is totally exempt provided that it is applies its income or accumulates it for application solely for collection
10(23A)	Income of professional association/institution.	Any income derived by shall be exempt on satisfying certain conditions except: • Income under the Head House Property • Any income received for rendering any specific services or income by way of interest or dividend from the investment.
10(23BBH)	**Income of Prasar Bharti (Broadcasting of India)**	**Prasar Bharti (Broadcasting of India) established under sub – section (1) of section 3 of Prasar Bharti (Broadcasting Corporation of India) Act, 1990 shall be exempt. (F.Y. 2012)**
10(23C)	Income of certain funds of national importance.	Any income received by any person on behalf of the following shall be exempt: ❖ The Prime Minister's National Relief Fund, ❖ The Prime Minister's Fund (Promotion of Folk Art), ❖ The Prime Minister's Aid to Student Fund, ❖ The National Foundation for Communal Harmony, ❖ Any university or other educational institution existing solely by the educational purpose and not for purpose of profit, ❖ Any hospital or other institution for the reception and treatment of person ➢ Suffering from Illness ➢ Mental defectives ➢ During convalescence

		➢ Requiring medical attention or rehabilitation, existing solely for philanthropic purpose and not for profit purpose of profit Charitable Purpose: Section 2(15): Charitable purpose Include relief to the Poor, Education, Medical Relief, Preservation of Monuments or place or object of artistic or historic Interest, **Preservation of Wildlife & forest (including watershed)** and Advancement of any other object of general public utility. But advancement of any other object of general public utility shall not be included in definition if it is involves the carrying on any activity in the nature of trade, commerce or business, or any activity of rendering any service in relation to any trade, commerce or business for a cess or fees or any other consideration, irrespective of the nature of use or application, or retention, of income from such activity if such cess or fee exceeds **₹ 25,00,000/- (Amd. By FY 2012)** in aggregate during the year.
10(23D)	Income of notified Mutual Fund.	Income of following Mutual Fund shall be exempt: ❖ A Mutual Fund registered under SEBI Act, 1992 or regulation made thereunder. ❖ Any other notified Mutual Fund set up by a public sector bank, or a **scheduled banks** or a public financial institution or authorized by RBI & subject to such conditions as may be prescribed by the Central Government.
10(23FB)	Income of Venture Capital Company or Venture Capital Fund from Investment or Venture Capital Undertaking.	**<u>Venture Capital Undertaking (defined by F.A. 2012):</u>** **Means a Venture Capital undertaking referred to in Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 made under the Securities & Exchange Board of India Act, 1992.**
10(24)	Income of a Trade Union.	Following income is exempt: ❖ Income under the head House Property ❖ Income under the other source
10(26)	Income of member of Schedule Tribe residing in specified areas.	Income is exempt if the ST is residing in specified area or in the following state: ❖ Arunachal Pradersh ❖ Manipur ❖ Mizoram ❖ Or in Ladakh of J&K if certain conditions are satisfied.
10(26AAA)	Income of Sikkimese.	Following income is exempt:

		❖ Income from any source in Sikkim ❖ Income by way of dividend or interest on security. However the exemption is not allowed to a Sikkimese woman who on or after 01.04.2008 marries a non-sikkimese individual.
10(32)	Income of minor clubbed in the hands of a parents.	Discussed in Clubbing & Setoff (1500/- per minor child is exempt.)
10(34)	Dividend to be exempt in the hands of shareholder.	Exempt (tax is levied under section 115O)
10(35)	Income from units to be exempt in the hands of unit-holders.	Income from UTI & Mutual Fund u/s 10(23D) unit is exempt.
10(37)	Capital gains on compensation received on compulsory acquisition of agricultural land situated within specified urban limits.	Discussed Under the head Capital Gain
10(38)	Capital gain Arising from sale of shares and units.	Discussed Under the head Capital Gain
10(39)	Exemption of specified income from international Sporting events held in India.	It is exempt if: ❖ Approved by international body regulating that sports ❖ Has participation of more than 2 country ❖ It is notified by CG in its official Gazette.
10(43)	Amount received by an individual as loan under reverse mortgage.	Discussed Under the head Capital Gain
10(44)	Income received by any person or on behalf of New Pension System Trust (NPST).	It is exempt.
10(45)	Notified allowances or perquisites paid to Chairman/member or retired of UPSC	Discussed Under the head Salary.
10(46)	Specified income arising to a notified body/ authority/board/trust/commission.	It is totally exempt on fulfilling certain conditions. C.G. Notified that the following income of National Skill Development Center (NSDC), a body constituted by the Central Government between FY 2011-12 to FY 2015-16 shall be exempt: • Long term or Short term Capital Gain out of investments in an organization for skill development. • Dividend and royalty from skill development venture supported or funded by NSDC. • Interest on loans to Institutions for skill development. • Interest earned on fixed deposit with banks &

		• Amount received in the form of Government grants. Exemption is allowed only when: • The activities & the nature of specified income of NSDC remains unchanged throughout financial year. • NSDC files return of income in accordance with section 139(4C)(g).
10(47)	Income of an Infrastructure Debt Fund.	w.e.f. 01.06.02011 any income of an Infrastructure Debt fund is exempt.
10 (48)	***Certain Income of Foreign Companies.***	**Foreign Company received in India in Indian Currency on account of sale of crude oil to any person in India subject to the following Condition:** **a. The receipt of money is under agreement or an arrangement which is either entered into by C.G. or approved by it.** **b. The Foreign Company, and the arrangement or agreement has been notified by the C.G. having regard to the national interest in this behalf.** **c. The receipt of money is the only activity carried out by the Foreign Company in India.** **(Inserted by FA 2012)**
10AA	Special Provisions in respect of newly established Unit in Special Economic Zone (SEZ).	For 1st 5 Years – 100% Next consecutive 5 assessment years - 50% Next consecutive 5 assessment years – Such amount not exceeding 50% of the Profit as is debited to Profit & Loss Account of the Previous Year in respect of which the deduction is to be allowed and credited to SEZ Reinvestment Reserve to be created & utilized for the purpose of the business of the assessee in the manner laid down in sub – section (2) below.
11	Income from Property held for Charitable or religious purpose.	a. Income from a property held under trust wholly for charitable & religious trust. b. Property held under trust which applied in part only for charitable or religious purpose. c. Property held under trust which is applied for charitable purposes outside India. d. Voluntary contribution forming part of corpus.
12	Income of Trusts or Institutions	Voluntary Contribution received by a trust/ institution

	from contributions	wholly for religious purpose shall deemed to be income derived from property held under trust wholly for charitable or religious purpose.
12A	Registration of Trust.	Trust has to be registered with commissioner of income tax.
12AA	Procedure of Trust.	12AA(3) after grant of registration it can be cancelled by Commissioner if he is satisfied the activity of trust or institution are not genuine. But no cancellation without giving an opportunity of being heard.
13	Section 11 & 12 not to apply in certain Cases.	1. Property held for religious purpose dose not ensure benefit of public. 2. Any income of Trust / Institution established for charitable purpose after 1/04/1962 if it is for the benefit of any particular religion or community. But exception is given to a charitable trust or institution created or established before 01/04/1962 for the benefit of a particular religion or community. 3. Established after 1/4/1962 if the terms of trust or rules governing the institution, any part of the income ensure directly or indirectly for the benefit of any person referred to in sub-section 13(3). Any anonymous donation received is taxable @ 30%. But following shall not be covered: a. Wholly religious Institution shall remain exempt from tax. b. In case of Partly religious & Partly Charitable institutions, anonymous donation directed towards medical or educational institution run by such entities shall be taxable @ 30% on the aggregate of anonymous donation received in excess of the following : i. 5% of total donation received by the assessee or ii. ₹ 1,00,000/- c. In case of wholly Charitable institutions, anonymous donation shall be taxable @ 30% on the aggregate of anonymous donation received in excess of the following : iii. 5% of total donation received by the assessee or **iv.** ₹ 1,00,000/- **For Changes In Charitable purpose Refer Section 10(23C)**

13A	a. Income of Political Parties.	Following income Exempt: a. "Income under the head House Property" b. "Income under the head Other Source" c. Any income by way of voluntary contribution from any person. d. "Income under the head Capital Gain". Condition: a. Maintain & keep Books if account & other document as enable the Assessing Officer to properly deduce its income. b. Maintain Records of person contributing in excess of ₹ 20,000/-.(Name & Address). c. Audit by C.A. d. Submit record under section 29C(3) of Representation of People Act, 1951.
13B	b. Electoral Trust	Any Voluntary contribution received by a electoral trust shall be treated as income of electoral trust. However it shall be exempt if the following conditions are satisfied: a. It distribute such income to any political party, registered under section 29A of the Representation of People Act, 1951, during the Previous year **95%** of the aggregate donation received by it during the said previous year along with the surplus, if any, bought forward from earlier previous year & b. It functions in accordance with the rule made in this regard by the Central Government.