Salaries

10 October 2021 09:43

Taxability of PF

Types of funds - PF ⇒ Points of Tax.

AY 2022-23 | PY 2021-22

Particulars.	Public Provident fund (PPF)	Statutory PF	Recognized PF	Unrecognized PF
	open for Genral public (A)	Provident funds Act, 1925 (B)	by - Income Tax Act - Employees PF & Misc. Provisions Act 1952 (C)	Not Recognized by Income Tax Dept (D)
1 Employee's own contribution	A1 • Deductions u/s 80C. max 150000 pa.	B1 • Deductions u/s 80C. max 150000 pa.	C1 • Deductions u/s 80C. max 150000 pa.	D1 No Deductions.
2 Interest credited on Employee's contribution	A2 Fully Exempt	B2 • Exempt upto cealing	C2 * (#) upto 9.5% int. Exempt. Amt in excess of 9.5% pa is Taxable as salary u/s 17(1) ( )	D2 (Timing difference) • Not Taxable at the time of due or accrual.
3 Employer's contribution	A3 — NA —	B3 Fully Exempt.	C3 (HRA के जैसे) * • max 12% pa of Salary. will be exempt (above / in excess 12% will be Taxable u/s 17(1) - salaries) Salary - (HRA wala) Basic + DA(Retirement) + Comm % T/O	D3 (Timing diff) • NOT Taxable at the time of contribution.
4. Int on Employer's contribution.	A4 — NA —	B4 Fully Exempt	C4 (same as C2) (#) upto 9.5% int. Exempt. Amt in excess of 9.5% pa is Taxable (as salary u/s 17(1)	D4 (Timing difference) • Not Taxable at the time of due or accrual.
5. Amt withdrawn at Retirement Terminaⁿ	A5 Fully Exempt u/s 10(11)	B5 Fully Exempt u/s 10(11)	C5 * ~~Exempt~~ u/s 10(12) ↓ see chart 2 below.	D5 * D1 - Not Taxable (Employees contr.) D2 - Int. on Employees Contribuⁿ ⇒ Other sources (in genral ब्याज int मिला तो...) D3 & D4. Employer's contribution & Int. thereon ↓

DURING THE Employment

Terminaⁿ/Retirement

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Int. thereon

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Salary

u/s

17(3)