CENTRAL POLLUTION CONTROL BOARD, DELHI
(F&A DIVISION)

C-101/ACO/2025-2026/ Dated April 1th 2025

CIRCULAR

Subject: Deduction of Income Tax at Source under section 192 of Income Tax Act for the Financial Year (Tax Year) 2025-2026, Assessment Year (Subsequent Tax Year) 2026-2027

The pre-filled estimated salary Income which will be disbursed by CPCB including respective individual's annual increment (July or January) during the Financial Year (Tax Year) 2025-2026 is being sent to all the employees of HO-Delhi in hard copy individually and for employees posted in Regional Directorate through soft copy through Regional Directors of the respective RDs. Presently DA is being paid @55% since January 2025 to all employees. The DA rate w.e.f. July 2025 has been kept tentatively @58% for tax calculation purposes. The estimated salary income is subject to change as per administrative orders issued from time to time for re-pay fixation due to promotions, transfers and annual increments etc.

2. 'Income Tax' is liable to be deducted at source on monthly basis by DDO, while disbursing salary to the employees.

3. As per Finance Bill, 2020 a new section 115BAC (The new tax regime) had been inserted to provide concessional slab rates of tax for individuals and HUFs. Please note that Financial Year (Tax Year) 2023-2024 onwards, the **new tax regime is the default tax regime** having 7 tax slabs as compared to last year 6 tax slabs. There is no change in the old tax regime. Taxpayers can opt wisely between the old tax regime and the new tax regime as per their choice.

4. The option for choosing **the old tax regime** is to be given to F&A Division, CPCB, HO-Delhi at the beginning of the Financial Year (Tax Year) 2025-2026 by all the officials of CPCB. Also, please note that once the choice of tax regime has been communicated to the F&A Division, CPCB, HO-Delhi, the employee cannot change the option of tax regime during the Financial Year (Tax Year) and due tax will be deducted and deposited as per the options received. If no option is opted, tax will be calculated as per the New Tax Regime. However, an employee will have the option to switch the tax regime at the time of filing Income Tax Return (ITR). **Flat standard deduction of Rs 50,000/- under old tax regime and Rs. 75,000/- under New Tax Regime to salaried employees under section 16(ia) is now available in this Financial Year (Tax Year).**

5. To avail the benefit of concessional rate as per new tax regime, **certain deduction/exemptions will not be available** to the employees, which are available in old tax slab. So before opting between the two, the following needs to be seen, checked, and satisfied. Although the conditions are very exhaustive and not all are relevant to salary class employees, hence, only the relevant portions of the conditions which one salaried person must forego as per new tax regime and only those are relevant to CPCB officials are reproduced below: -

a) Leave Travel Concession (Section 10(5))
b) House Rent Allowance (Section 10(13A))

c) Allowances mentioned in Section 10(14)-detailed separate list enclosed.
d) Deduction of professional tax (Section 16 (iii))
e) Deduction of interest on housing loans in case of self-occupied house properties. (Section 24(b))
f) Exemption of Rs 1,500/- in respect of clubbing of minor child's income (Section 10(32))
g) Deduction in respect of family pension (Section 57(iia))
h) Deduction under **section 80C to 80U**. However, deduction in respect of employer contribution to employees' u/s 80CCD (2) can be availed.

6. However, the following deductions and exemptions are available under new tax regime: -

a) Transport allowances in case of an especially abled person.
b) Conveyance allowance received to meet the conveyance expenditure incurred as part of the employment.
c) Any compensation received to meet the cost of travel on tour or transfer.
d) Daily allowance received to meet the ordinary regular charges or expenditure incurred on account of absence from his regular place of duty.
e) Perquisites for official purposes
f) Exemption on voluntary retirement 10(10C), gratuity u/s 10(10) and Leave encashment u/s 10(10AA)
g) Interest on Home Loan on let-out property (Section 24b)
h) Gifts up to Rs 5,000
i) Deduction for employer's contribution to NPS account [Section 80CCD (2)]
j) Deduction for additional employee cost (Section 80JJA)
k) Budget 2025 has introduced a standard deduction of Rs 75,000 under New Tax Regime too applicable from FY 2025-26 onwards.
l) Deduction under Section 57(iia) of family pension income to the extent of ₹15,000/-.
m) Deduction of amount paid or deposited in the Agniveer Corpus Fund under Section 80CCH (2)

7. The following is a comparative table of tax rates as per new tax regime and old tax regime: -

Sl. No.	Total Income (in ₹)	Tax slab as per old tax regime	Tax slab as per new tax regime
(A)	(B)	(C)	(D)
1	₹ 0 – ₹ 2,50,000	0%	0%
2	₹ 2,50,010 – ₹ 3,00,000	5%	0%
3	₹ 3,00,000 – ₹ 4,00,000	5%	0%
4	₹ 4,00,010 – ₹ 5,00,000	5%	5%
5	₹ 5,00,010 – ₹ 8,00,000	20%	5%
6	₹ 8,00,010 – ₹ 10,00,000	20%	10%
7	₹10,00,010 – ₹ 12,00,000	30%	10%
8	₹ 12,00,010 – ₹ 16,00,000	30%	15%
9	₹ 16,00,010 – ₹ 20,00,000	30%	20%
10	₹ 20,00,010 – ₹ 24,00,000	30%	25%
11	₹ 24,00,010 and above	30%	30%

An additional 4% Health & education cess will be applicable on the tax amount calculated as above, 10% of income tax, where total income exceeds Rs.50 lakh up to Rs.1 crore and 15% of income tax, where the total income exceeds Rs.1 crore.

8. In old tax regime, there will be **no income tax** on employees whose **taxable income** after all exemption, deductions & rebate fall below ₹**5,00,000/-** during the Financial Year (Tax Year) 2025-2026. Consequently, Individuals having income more than ₹**5,00,000/-** may have more tax liability as per above table in point no. 7 column (C).

9. In new tax regime, which is a default regime too, there will be **no income tax** on employees whose **taxable income** after eligible deductions (as listed above in point no. 6) fall below ₹**12,00,000/-** during this Financial Year (Tax Year) 2025-2026. Individuals having income more than ₹**12,00,000/-** may have tax liability as per above table in point no. 7 column (D). However, marginal tax relief will be available to those employees whose salary income exceeds the basic exemption limit and tax will be limited to the increased part in the basic exemption limit.

10. Once income tax is deducted and deposited, no refund can be made at our end as provided under Income Tax Act. Eligible refund of Income Tax, if any, can be claimed only from Income Tax Department directly by filing income tax return by due date which is presently 31st July every year.

11. Previous Financial Year (Tax Year) 2024-2025 savings have not been considered while calculating the Proposed Income Tax as mentioned separately in individual's income detail format at point no. 2. It is requested that if opting for optional old tax regime in the aforesaid format, then only submit details of eligible savings for deductions and exemptions in the enclosed pre-filled format as per point 5. ***No proofs of savings are to be submitted at this stage***. In case, opting for old tax regime, the anticipated tax saving declaration is not received **by 11th April 2025**, default tax regime i.e. new tax regime will be applied and tax will be deducted accordingly **as per point no. 3** of the enclosed income format.

(**Vipin Goel**)
Accounts Officer

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1. PS to CCB: For kind information to CCB please.
2. PS to MS: For kind information to MS please.
3. Divisional Heads – CPCB HO: For circulate among officers in Division please.
4. Regional Director: For circulate among officers in Division please.
5. Notice Board
6. Hindi Division: For Hindi translation and afterwards sending to IT Division for publishing on CPCB Intra portal.
7. IT Division: For uploading on CPCB Intra portal please.
8. Master File