



ERNAKULAM BRANCH OF **SICASA**

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA



MEERAKI Environment Day

**80C SERIES OF
INCOME TAX ACT**
AMIT KEDIA



JUNE 2022
E - NEWSLETTER



Table of Contents

03	CHAIRMAN'S MESSAGE
04	REPORTS OF SECRETARY AND VICE-CHAIRMAN
05	EDITORS' NOTE
06	SECTION 80C SERIES OF INCOME TAX ACT
08	CA-RTOON CORNER
09	FLASHBACK APRIL '22
10	GOOGLE CLASSROOM

CHAIRMAN'S MESSAGE

Dear Students,

The auspicious month of June has arrived, filled with new beginnings. Schools, colleges, and so on. We, SICASA Ernakulam, pledged to Go-Green this month, by acknowledging June 5 - World Environment Day. I hope the students will find this edition of Meraki a valuable Read.

CRET and the way forward

Our institute has constituted a non-standing committee called the committee for review of Education and Training (CRET) under the Board of Studies. The scope of the committee is to recommend changes in training and education patterns of CA courses. CRET's latest recommendations are path-breaking and commendable in every respect. The objective is to make our CA course contemporary and at par with global standards. Major recommendations are changes in syllabi in tune with global standards and current industry requirements. The incorporation of a paper on case studies is commendable and intends to make our students competent enough to meet any industry requirement. Change in the period of article ship to 2 years from current 3 years and articleship commences only after passing both groups of intermediate examination are intended to impart

more practical insight to students. Also, a senseless article ship for 2 years without any study time in between will give students more leg room in training and learning.



CA SURESH G

Trust a key factor

Students are custodians of trust in relation to parents and their principals. Parents repose faith in students that they will crack the CA exams in time and principals expect them to execute the work assigned to them in a professional and ethical manner. As such it is the responsibility of each student to satisfy the trust others expect of them. Students need to prepare in a meticulous and professional manner when approaching examinations or executing a professional assignment. They must take all efforts to bring out their full might whether in studies or in the execution of professional assignments.

Planning for Encore

I know a great amount of preparation is going on for the forthcoming CA student's art festival "Encore", which happens on 24th July 2022. I wish all success for the programme and expect participation from a large chunk of students. As always, I end with a quote by Benjamin Disraeli,

"Through perseverance, many people win success out of what seemed destined to be certain failure."

Happy reading!

SECRETARY'S REPORT

We began this fun-filled month by acknowledging the importance of the environment, and by celebrating Environment Day on June 5. We conducted a Mini-Marathon and distributed saplings. "Best-from-Waste" event was conducted in connection with World Environment Day, encouraging students from all over to make items of utility out of recyclable material.



Our Indoor Games event, Mini Impetus, was kicked off with Chess Competition and Carroms Competition held physically at the branch. The legendary cultural event for CA Students, "Encore", was launched. We also started our "Meet a Chartered Accountant" series where we introduce to the students, different Chartered Accountants from across the Nation who have ventured into a different field or a complementary field.

Several much-awaited events will happen in the month of July. So stay tuned!

VICE CHAIRMAN'S REPORT



BINJOEL JOHN
SRO 0680795

At the end of June, we will complete the first half of 2022. Here at Ernakulam SICASA, the past month has been full of activities. Since the conclusion of the exam season, we started out the month with our World Environment Day Celebrations. Students and members of the Institute ran a Mini-Marathon for the Environment and also distributed saplings afterwards.

After that, we conducted a part of our Mini Impetus which was our Chess Competition and Carroms Competition held offline at the branch. We also launched "Encore" our cultural event. Keeping in mind to provide more platforms to display the oratory skills in the students, we also conducted a "Just-a-Minute" competition, where students were given topics and asked to speak for a minute without hesitation, repetition, and deviation, which was participated by many number of students. We also celebrated International Yoga Day along with the members by performing the Asanas with serenity. With this, we intend to show the students the different opportunities available to them after graduating. Wishing you all a marvelous July!



DEVIKA NISHU



ANOOP V A



SUMI SUNNY



SHOAIB SHOUKATH



SRUTHI RAMANATHAN



ALBIN ANTONY

EDITORS' NOTE

The month of June is the beginning of everything. Beginning of schools, colleges, rains, and so on. It is also known because of environment day, on June 5, which reminds us every year to make efforts to save our planet.

The June Edition of Meraki is revolving around our mother earth. The rains leave us the fresh smell of the earth, which makes human beings love nature even more. As a part of SICASA Ernakulam's efforts to promote green earth, we, the editorial committee, are also moving with them.

Enjoy this edition of Meraki, filled with words and paintings, to enlighten you, and which will put you in a more relaxed mood. Happy Reading!

SECTION 80C SERIES OF INCOME TAX ACT

Amit Kedia - ERO 0218465

After the end of every Financial Year, i.e. after 31st March Income Tax Department under the guidance of the Finance Ministry of GOI issues different Income Tax Returns for every class of assessee. In total 7 different ITRs have been notified by the Income Tax so far.

As per the requirement, different ITRs have a different deadline until and unless extended by the Finance Department of GOI.

In this article, we shall discuss the section 80C series and see how it works and the motive of the Finance Department behind giving such a deduction to the assessee. Chapter VIA of the Income Tax Act contains all the deductions which an assessee can claim while filing the Income Tax return.

The following clears the subsections of 80C which we will discuss:

- 80C – Investment in LIP, Deposit in PPF/SPF/RPF etc
- 80CCC – Contribution to certain Pension Fund
- 80CCCD(1) – Contribution to NPS of Government.
- 80CCE – Aggregate deduction allowed
- 80CCD(1B) – Contribution to NPS notified by the Central Government
- 80CCD(2) – Contribution by Employer to NPS of its Employee.

In a Financial year on the earnings of the assessee a particular ITR is filled and on the Gross Total Income determined in computation he is required to pay Income Tax. But here Govt gives an opportunity to the assessee to claim deduction only and only if he has made some investment in the particular Financial Year of which computation is being made. The said Investment up to a certain limit gets deducted from the Gross Total Income (GTI) and tax liability gets reduced which ultimately gives a relief to the assessee.

Here we take a look at the 80C series:

1. Section 80C: The following investment if done by the assessee then the same is eligible for 80C –

- Life Insurance Premiums paid for Self, Spouse, Dependent Children etc
- Deposit to Public Provident Fund
- NABARAD Rural Bond
- Unit Linked Insurance Plans (ULIPs)
- National Savings Certificate
- Tax Saving Fixed Deposit (Min Lock - in Period = 5 Years)
- Employee Provident Fund
- Infrastructure Bonds (Min Amount invested if Greater than Rs. 20,000 than eligible)
- Equity Linked saving Scheme (3 Year lock-in Period)

- Senior Citizens Savings Scheme
- Principal repayment made towards home Loan
- Stamp duty and registration Charges
- Sukanya Samridhi Yojana

The Maximum Limit all together an assessee can claim is – Rs. 1,50,000

2. Section 80CCC: Few Pensions Fund has been listed, if an assessee is investing or renewing the same fund then the assessee is eligible to claim a deduction in the said section.

The Maximum Limit all together an assessee can claim is – Rs. 1,50,000

3. Section 80CCD(1): If the assessee in the financial year invests in a Specified Pension Fund then a limit of the investment deductions can be claimed. As of now, Atal Pension Yojana (APY) has been notified by the government.

- If the individual is employed by the Central Govt on or after 01.04.2004
- An individual is employed by any other employer
- Any other individual – 20% of GTI

4. Section 80CCE: This section provides an aggregate deduction which is
80C + 80CCC + 80CCD(1) = Maximum Deduction can be allowed is Rs. 1,50,000

5. Section 80CCD(1B): Provides additional deduction to assessee other than 80CCE if assessee invests in National Pension Scheme notified by Central Government.

The Maximum Limit all together an assessee can claim is – Rs.50,000

6. Section 80CCD(2): Two cases stated which are:

- If the contribution is done by the Central Government to its NPS of their employees: The deduction will be 14% of the Salary.
- If the contribution is done by any other employee to its NPS of their employees: The deduction will be 10% of the salary.

If we see after a discussion max deduction which can be claimed by an assessee is:

- 80CCE = Rs. 1,50,000 (+)
- 80CCD(1B) = Rs. 50,000 (+)
- 80CCD(2) = 14% or 10% of the Salary as the case may be

Till now we have discussed the Benefit of an assessee if proper tax planning is done by him. Now if we see from the Government's point of view why such deductions are provided by the government, the answer might be as follows:

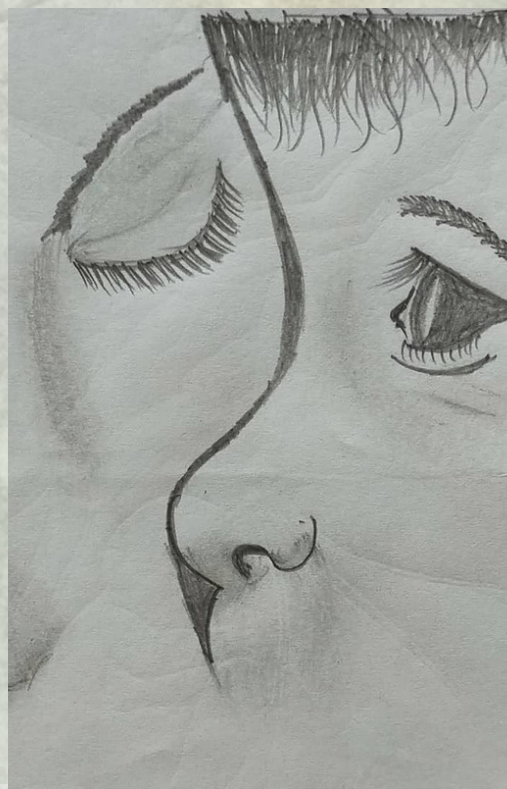
1. To claim such deduction an assessee needs to invest in the schemes, hence with the help of the above investments Banking sector received money which is used for re-investment on which further income is generated in the form of Interest Income.
2. The same invested money Govt will put in infrastructure plans and will get benefited from completion.
3. Due to this cycle of circulation of money, the economy of the country gets a positive effect and moves upward way.

CONTINUE READING HERE


CARTOON CORNER



Anjana J Pillai - SRO0596087



**Noman Ahmad Ansari-
CRO0571998**



FLASHBACK- JUNE 2022

EVENTS IN JUNE 2022

DATE	ACTIVITY
June 5	Mini-Marathon
June 11	Chess Tournament Carroms Tournament
June 21	International Yoga Day Event
June 23	Just-A-Minute Competition
June 30	Meet A Chartered Accountant

GOOGLE CLASSROOM

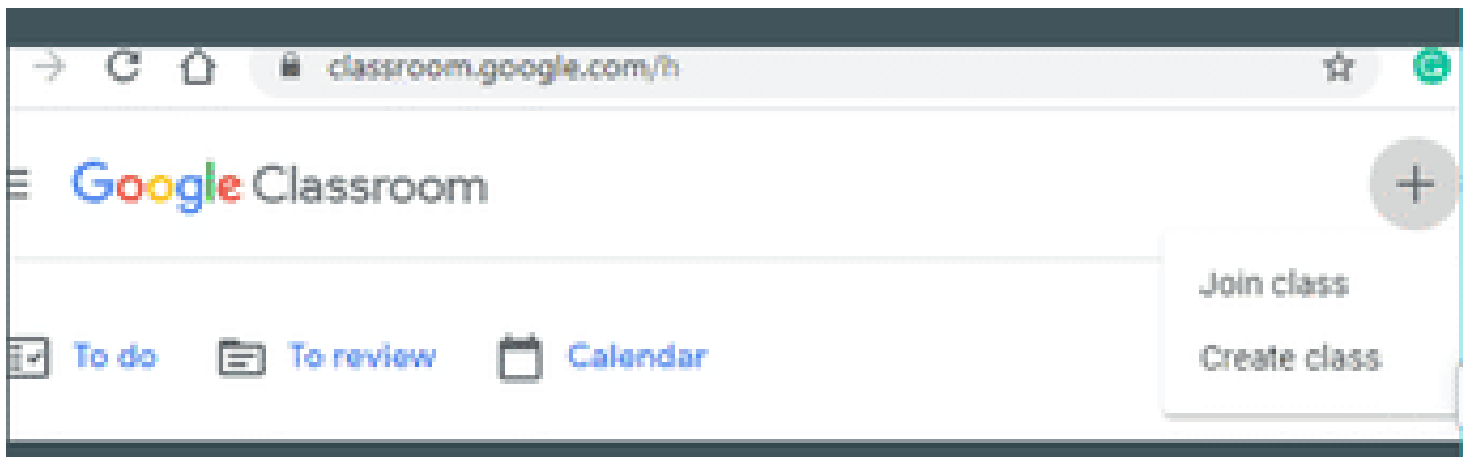
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