

# ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

O/o the VC & MD Audit Wing  
Musheerabad Hyderabad

No PA3/PA4/201(l)/2003 AD

Date 27<sup>th</sup> Aug 2003

The Dy CAOs and AOs of  
All the Zonal Offices and Regional Offices  
A P S R T Corporation

Sub INCOME TAX - Computation of Salary Income and effecting TDS for the  
FY 2003 04 - Reg

We have recently convened Meetings of Dy CAOs AOs and System Supervisors of VZM VJA NLR CDP and KRMR Zones at Vijayawada Tirupati and Warangal for detailed discussion on the Software Program developed for the above purpose We shall convene similar Meeting for Hyderabad Zone in the first week of Sep 03 In order to collect details of Rent paid specified savings qualifying for Sec 88 Rebate etc from individual Employees we have since got Employee s Declaration Forms printed in Telugu language Based on the requirement assessed by us we are despatching the following number of packets (each containing 200 Forms) to the Dy CAOs of Zonal Offices

Hyd Zn-3	HCR-23	RR-8	MBNR-11	NLG-10	MDK- 9	Tot-64
KR Zn-3	KRMR-14	WL-11	NZB-9	ADB-8	KMM-8	Tot-53
VJA Zn-3	KRI-20	WG-11	GNT 15			Tot-49
VZM Zn-3	VZM-8	VSP 12	EG-13	SKLM-7		Tot-43
CDP Zn-3	CDP-14	KRNL-14	ATP-13			Tot-44
NLR Zn-3	NLR-12	PRKM-11	CTR-17			Tot 43

The Dy CAOs and AOs of all the Regional Offices are requested to collect their allotment from their respective Zonal Offices and provide one packet to each of their Depots and use the remaining packets to meet balance requirements

In this connection we request you to note the following

- 1 Besides the packets containing Declaration Forms in Telugu we are also providing 400 copies of Income Tax Referencer for APSRTC Employees for FY 2003 04 giving a gist of Tax provisions in English These may please be provided sto all Officers and Staff of the entire Zone involved in computation of Income Tax
- 2 Date of Birth The Program estimates Salary Income upto Feb In case of employees retiring during the course of the year there is a need to restrict the scope of Estimate upto the month of retirement only For this purpose Date of Birth has to be furnished
- 3 No of Months for Rent In respect of specified savings for claiming Rebate under Sec 88 as well as Deductions under Chapter VI A all figures to be furnished are for full year But in case of employees residing in rented accommodation rental expenditure has to be furnished per month only Since rental expenditure is furnished per month only number of months for which rent is paid has to be recorded
- 4 NSC Interest Software Program considers the amount shown as NSC Interest under caption Other Income for the purpose of allowing Rebate under Sec 88
- 5 Recovery of HBA through Salary Bill The Program captures PF VPF LIC CTD etc recovered through Salary Bills But the Program does not capture recoveries through Salary Bill towards H B A Hence the Employee has to furnish amount recovered towards recovery of HBA Principal through Salary Bill Correctness of this figure has to be verified in Office It should be clearly noted that recovery of Principal only qualifies for the purpose but not Interest recovery
- 6 Repayment of HBA directly made In few cases Employee may be repaying HBA Principal to any Bank of Institution directly that is otherwise than by way of recovery through Salary Bill Employee has to furnish such amount under the caption Direct Savings In such cases Certificate obtained and furnished by the Employee should clearly show Principal and Interest separately
- 7 Deductions under Chapter VI A In cases where Employees claim Deduction under Chapter VI A the Units have to produce the Certificates furnished by he Employees to the Audit Officer for verification to make sure that all eligibility criteria are satisfied

- 8 Loss from House Property Let Out
- (a) Property Tax is deducted from Annual Let Out Value on actual payment basis only as in case of specified savings for Rebate under Sec 88
  - (b) Item Insurance shown under Deductions u/s 24 caption has to be ignored because deduction is NOT allowed for Insurance of the House Property from FY 2001 02 This was inadvertently printed in the Form
  - (c) Interest on borrowed capital is allowed on accrual basis
- 9 Loss from House Property Self Occupied Interest on borrowed capital is allowed on "accrual basis

10 General

- (a) Software Program is designed keeping requirements for computation for most of the Employees in general If the same is not found suitable for any specific case computation has to be done manually Similarly if items and space provided in the Declaration Form are not found suitable use separate paper
- (b) The Dy CAOs and AOs of Regional Offices are requested to convene Meetings of their Depot Accounts Supervisors to discuss about collection of Declaration Forms data entry effecting Income Tax recoveries and filing Returns etc to fulfill the statutory obligations

Sd/ (K Nageswara Rao)

DY CHIEF ACCOUNTS OFFICER (S P & A)

Copies submitted to all the Regional Managers with a request to ensure compliance of the statutory requirements