

Punjab Government
Finance Department
(Tax Planning Cell)

From

Additional Secretary (Finance),
Government of Punjab.

To


Deputy State Tax Commissioner (GST),
Patiala.

No.6/79/2020-TPC/115
Dated, Chandigarh the 24/07/2020

Subject:- Clarification regarding Punjab State Development Tax Act, 2018.

In reference to your letter no. GST-1/2020/450, dated 17/07/2020, on the subject cited above.

2. In this regard, the clarification sought by you on the subject matter is attached herewith in tabulated form for further necessary action.


For Advisor, Income
Tax, Punjab.

Subject: Clarification regarding Punjab State Development Tax Act, 2018

In reference to the clarification sought by the Department of Excise and Taxation, a tabulated reply to the queries is as follows:

Sr. No.	Query raised by Department of Excise and Taxation	Reply of Department of Finance
A.	What is the threshold limit of income for levying Tax under the PSDT Act, 2018 for the year 2018-19, 2019-20 and 2020-21?	Table A below
B.	Whether the threshold income should be calculated before allowing the permissible deductions or after allowing such deductions under IT Act?	Section 4(3) of the PSTD Act, 2018 states that " <i>the tax under this Act shall be levied on the persons in the categories mentioned in Schedule only if they are income tax payees i.e. the tax shall be payable under this Act only by those persons whose taxable income for the same financial year, before allowing deduction on account of tax levied under this Act, exceeds the maximum amount which is not chargeable to Income Tax.</i> " Thereby meaning that for eligibility purpose, a person's taxable income should be calculated after taking into consideration all deductions as allowed under the Income Tax Act (Professional tax should not be deducted from Total Income at this stage) and if such taxable income exceeds the threshold limits as stated in Sr. No. A and C, the person shall be liable to pay the Professional Tax as stated under the PSDT Act, 2018.
C.	What is the threshold limit of income for the senior citizens for the year 2018-19, 2019-20 and 2020-21?	Table A below

Table A: Various Threshold Limits under the Income Tax Act

Sr. No.	Particulars	Threshold Limits		
		FY 2018-19 AY 2019-20	FY 2019-2020 AY 2020-21	FY 2020-21 AY 2021-22
1.	Maximum amount of income which is not chargeable to Income-tax in case of Individual, HUF/ AOP/ BOI/ Artificial Juridical Person	Rs. 2,50,000	Rs. 2,50,000	Rs. 2,50,000* Rs. 2,50,000#

Sub

2.	Maximum amount of income which is not chargeable to Income-tax in the hands of a resident senior citizen (who is at least 60 Years of age at any time during the previous year but less than 80 Years of age on the last day of the previous year)	Rs. 3,00,000	Rs. 3,00,000	Rs. 3,00,000* Rs. 2,50,000#
3.	Maximum amount of income which is not chargeable to Income-tax in the hands of a resident super senior citizen (who is at least 80 Years of age at any time during the previous year)	Rs. 3,00,000	Rs. 5,00,000	Rs. 5,00,000* Rs. 2,50,000#
Source: https://www.incometaxindia.gov.in/charts%20%20tables/threshold limits.htm *Under existing Tax Scheme # Under New Tax Scheme				

Handwritten signature