

NON TAXABLE ELEMENTS OF PAY

<u>Ser No</u>	<u>Elements of Pay</u>	<u>Auth</u>	<u>Limit of Exemption</u>
1.	Gallantry Award	AO 46/79 U/S 10(18) (i) of IT Acts wef 1947	Fully Exempt
2.	Entertainment Allowance	U/S 16(ii) of IT Act wef 01 Apr 1981	A sum equal to 1/5 th of salary (excl any allowance/ benefit) or Rs 5000/- per annum whichever is less
3.	Leave Travel Concession (LTC)	U/S 10(5) of IT Act wef 01 Apr 1989	Actual Expenditure upto the limit of entitlement
4.	Foreign Allowance	U/S 10(7) of IT Act	Fully Exempt
5.	Bhutan Compensatory Allowance (BCA)	AO 395/74 and U/S 10(7) of IT Act	Fully Exempt
6.	Servant Wages Allowance alongwith BCA	AO 395/74 and U/S 10(7) of IT Act	Fully Exempt
7.	Purchase of Crockery/ Cutlery/ Glassware	U/S 10(7) of IT Act	Fully Exempt
8.	Outfit Allowance on posting to Embassy	U/S 10(7) of IT Act	Fully Exempt
9.	Arrears of Cash Grant – Foreign Allowance (Nepal)	U/S 10(7) of IT Act	Fully Exempt
10.	Myanmar Allowance	U/S 10(7) of IT Act	Fully Exempt
11.	Representation Grant for use of crockery set	U/S 10(7) of IT Act	Fully Exempt
12.	Encashment of Leave on retirement whether on superannuation/ voluntary retirement/ release/ invalidment etc	U/S 10 (10AA) (i) of IT Act wef 01 Apr 1978	Fully Exempt
13.	House Rent Allowance/ House Rent Reimbursement (HRA/HRR)	U/S 10(13A) of IT Act wef 06 Oct 1964; Limit of exemption as per Rule 2A of IT Rules	<p>Quantum of exemption is least of the following:-</p> <p><u>For Mumbai/ Kolkata/ Delhi/ Chennai:-</u></p> <ul style="list-style-type: none"> ➤ Allowance actually received. ➤ Rent paid in excess of 10% of salary. ➤ 50% of salary. <p><u>For other cities:-</u></p> <ul style="list-style-type: none"> ➤ Allowance actually received. ➤ Rent paid in excess of 10% of salary. ➤ 40% of salary.

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14.	Children Edn Allce	U/S 10 (14) (ii) of IT Act and Rule 2BB (2) – Table Ser No 5 of the IT Rules	Rs 100/- per month per child upto a max of 2 children.
15.	Hostel Subsidy	U/S 10 (14) (ii) of IT Act and Rule 2BB (2) – Table Ser No 6 of the IT Rules	Rs 300/- per month per child upto a max of 2 children.
16.	Siachen Allce	U/S 10 (14) (ii) of IT Act and Rule 2BB (2) – Table Ser No 1 (II) of the IT Rules	Rs 7000/- per month wef 01 Aug 1997
17.	Spl Compensatory (Remote Locality) Allce	U/S 10 (14) (ii) of IT Act and Rule 2BB (2) – Table Ser No 2 of the IT Rules	Cat I – SCA 'A' – Rs 1300/- per month Cat III – SCA 'B' – Rs 1050/- per month Cat IV – SCA 'C' – Rs 750/- per month Cat VI – SCA 'D' – Rs 200/- per month
18.	Compensatory Field Area Allce (CFAA)	U/S 10 (14) (ii) of IT Act and Rule 2BB (2) – Table Ser No 7 of the IT Rules	Rs 2600/- per month wef 01 May 1999
19.	Compensatory Mod Fd Area Allce (CMFAA)	U/S 10 (14) (ii) of IT Act and Rule 2BB (2) – Table Ser No 8 of the IT Rules	Rs 1000/- per month wef 01 May 1999
20.	Any Spl Allce in the nature of Counter Insurgency Allce (SCCIA)	U/S 10 (14) (ii) of IT Act and Rule 2BB (2) – Table Ser No 9 of the IT Rules	Rs 3900/- per month wef 01 May 1999
21.	Tpt Allce gtd to meet expdr for the purpose of commuting between place of residence and duty	U/S 10 (14) (ii) of IT Act and Rule 2BB (2) – Table Ser No 10 of the IT Rules	For whole of India – Rs 1600/- per month
22.	Tpt Allce gtd to a blind or orthopedically handicapped emp with disability of lower extremities, to meet expdr for the purpose of commuting between place of residence and duty	U/S 10 (14) (ii) of IT Act and Rule 2BB (2) – Table Ser No 11 of the IT Rules	For whole of India – Rs 3200/- per month
23.	High Altitude Uncongenial Climate Allce (HAUCA)	U/S 10 (14) (ii) of IT Act and Rule 2BB (2) – Table Ser No 13 of the IT Rules	For area of (a) Altitude of 9000 to 15000 ft (HAUCA 'I') – Rs 1060/- per month wef 01 May 1999. (b) Altitude above 15000/- ft (HAUCA 'II' & 'III') Rs 1600/- per month wef 01 May 1999.

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24.	Highly Active Fd Area Allce (HAF)	U/S 10 (14) (ii) of IT Act and Rule 2BB (2) – Table Ser No 14 of the IT Rules	Rs 4200/- per month
25.	Island (duty) Allce gtd to the members of Armed Forces	U/S 10 (14) (ii) of IT Act and Rule 2BB (2) – Table Ser No 15 of the IT Rules	For Andaman & Nicobar and Lakshadweep group of Islands – Rs 3250/- per month inserted wef 29 Feb 2000
26.	Outfit Allce (Initial / Renewal)	U/S 10 (14) (i) of IT Act and Rule 2BB 1 (f) of the IT Rules	Fully Exempt
27.	Compensation for the change of uniform	U/S 10 (14) (i) of IT Act and Rule 2BB 1 (f) of the IT Rules	Fully Exempt
28.	Kit Maint Allce	U/S 10 (14) (i) of IT Act and Rule 2BB 1 (f) of the IT Rules	Fully Exempt
29.	Uniform Allce (MNS)	U/S 10 (14) (i) of IT Act and Rule 2BB 1 (f) of the IT Rules	Fully Exempt
30.	Spl Winter Uniform Allce	U/S 10 (14) (i) of IT Act and Rule 2BB 1 (f) of the IT Rules	Fully Exempt
31.	Reimbursement of Medical Expenses	U/S 17 (2) (viii) (v) of IT Act	Actual expdr upto Rs 15000/- per annum
32.	Any payment from provident Fund	U/S 10 (11) of IT Act	Fully Exempt
33.	Payment of Compensation – Disability Pension	CBDT F No 200/51/99-ITA 1 dt 02 Jul 2001	Fully Exempt

Authentic Sources: PRI 2013, Income Tax Act 1961, PCDA(P) Circular No. 188 (dated 06 Feb 2017)

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