

कार्यालय, रक्षा लेखा नियंत्रक गुवाहाटी, उदयन विहार, नारंगी, गुवाहाटी 781171-  
**Office of the Controller of Defence Accounts**  
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No-AN/III/111/P&A/Corr/Vol-IV

Date: 25/02/2022

To,  
All Sections of M.O. CDA Guwahati  
All Sub Offices  
CDA Guwahati

**Subject: Calculation of Income Tax on Interest of GPF-Regarding**

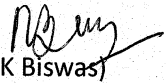
**Reference: HQ letter no AT/Army/BR/FC/4462/E-1754, dated-18/02/2022**

It is intimated by the HQrs Office, CGDA New Delhi vide their letter cited under reference that MOF, Department of Revenue, Central Board of Direct Taxes (CBDT) vide notification no. 95/2021/F. No. 370142/36/2021-TPL (copy enclosed) has amended the Income Tax rule regarding deduction of IT on interest of GPF subscription above Rs. 5 lakhs during FY 2021-22.

The provisions of the ibid notification and action thereof :-

- (i) CBDT has inserted Rule 9D, Income Tax (25th Amendment) Rule 2021 after Rule 9C of Income Tax Rule 1962 which stipulates calculation of taxable interest relating to contribution in a provident fund as recognized provident fund, exceeding specified limit of Rs 5 lakhs.
- (ii) The interest earned on contribution above Rs 5 lakhs during FY 2021-22 should be treated as income from other sources for the FY 2021-22 (AY 2022-23) and income tax should be deducted from salary paid during the FY 2021-22 itself. Same should be reflected in Form-16 of FY 2021-22 (AY 2022-23) accordingly.
- (iii) Action on the part of DDO & Fund Manager: Deduction of tax will be done by DDO in consultation with Fund manager and where Fund manager and DDO are separate bodies the Fund manager will calculate the interest earned on contribution as per ibid rules and inform the DDO for adjustment of tax deduction from the salary of concerned individual.

The CBDT notification mentioned above may be implemented w.e.f 01 April, 2022.

  
(N K Biswas)  
Dy Controller.

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(Local) :-

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— sd —  
(B Rajbongshi)  
SAO (Admin Pay & Medical)