

GOVERNMENT MAKES NEW TAX REGIME MORE ATTRACTIVE

STANDARD REDUCTION INCREASED FROM ₹ 50,000 TO
₹ 75,000

SALARIED EMPLOYEE STANDS TO SAVE UP TO ₹ 17,500

Posted On: 23 JUL 2024 1:14PM by PIB Delhi

Several attractive benefits to provide tax relief to salaried individuals and pensioners opting for the new tax regime were announced by the Union Finance and Corporate Affairs Minister Smt. Nirmala Sitharaman while presenting the Union Budget 2024-25 in the Parliament today.

Finance Minister proposed to increase the standard deduction for salaried employees from ₹50,000 to ₹75,000. Also, deduction on family pension for pensioners is proposed to be enhanced from ₹15,000 to ₹25,000 under the new tax regime. This will provide relief to about four crore salaried individuals and pensioners.

Smt. Sitharaman proposed to revise the tax rate structure in the new tax regime, as follows:



Tax Relief and Revised Tax Slabs in New Tax Regime

0-3 lakh rupees	Nil
3-7 lakh rupees	5 per cent
7-10 lakh rupees	10 per cent
10-12 lakh rupees	15 per cent
12-15 lakh rupees	20 per cent
Above 15 lakh rupees	30 per cent

- Income tax saving of up to ₹ 17,500/- for salaried employee in new tax regime

Income Tax Relief for around Four Crore Salaried Individuals and Pensioners

- Standard deduction for salaried employees to be increased from ₹ 50,000/- to ₹75,000/-
- Deduction on family pension for pensioners to be increased from ₹ 15,000/- to ₹ 25,000/-

As a result of these changes, a salaried employee in the new tax regime stands to save up to ₹ 17,500 annually in income tax.

NB/KSY/ST/RK/AS

(Release ID: 2035605) Visitor Counter : 4310

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