

SALARY PART 2

PERQUISITES

- The value of rent-free accommodation provided to the assessee by his employer;
- the value of any concession in the matter of rent respecting any accommodation provided to the assessee by his employer;
- the value of any benefit or amenity granted or provided free of cost or at concessional rate;
- any sum paid by the employer in respect of any obligation which, but for such payment, would have been payable by the assessee;

- any sum payable by the employer, whether directly or through a fund, to effect an assurance on the life of the assessee or to effect a contract for an annuity;
- The value of any specified security or sweat equity shares allotted or transferred, directly or indirectly, by the employer, or former employer, free of cost or at concessional rate to the assessee;
- The amount of any contribution to an approved superannuation fund by the employer in respect of the assessee, to the extent it exceeds one lakh rupees;

- The value of any other fringe benefit or amenity as may be prescribed.

Interest-free or Concessional loans to employees

- Loan exceeding Rs.20,000/- received from your employer(either interest-free or at a concessional rate) is taxable Perk.

Exception: Loan given for medical treatment of specified diseases

- The value shall be determined as the sum equal to the interest computed at the rate charged per annum by the State Bank of India, as on the 1st day of the relevant previous year in respect of loans

for the same purpose advanced by it on the maximum outstanding monthly balance as reduced by the interest, if any, actually paid by him or any such member of his household.

Perk value of Free Food & Domestic Help

- Free food and non-alcoholic beverages provided by such employer during working hours at office or business premises or through paid vouchers which are nontransferable and usable only at eating joints, to the extent the value thereof either case does not exceed fifty rupees per meal or to

tea or snacks provided during working hours.

- The value of benefit to the employee or any member of his household resulting from the provision by the employer or services of a sweeper, a gardener, a watchman or personal attendant, shall be the actual cost to the employer.

Use of Movable Asset

- The value of benefit to the employee resulting from the use by the employee or any member of his household of any movable asset (other than assets already specified in this rule and other than laptops and computers)

belonging to the employer or hired by him shall be determined at 10% per annum of the actual cost of such asset or the amount of rent or charge paid or payable by the employer, as the case may be, as reduced by the amount, if any, paid or recovered from the employee for such use.

Profits in lieu of Salary

1. The "profits in lieu of salary" includes –the amount of any compensation due to or received by an assessee from his employer in connection with the termination of his employment or the modification of the terms and conditions relating thereto.

2. any payment due to or received by an assessee from an employer or a former employer or from a provident or other fund any sum received under a Keyman insurance policy including the sum allocated by way of bonus on such policy .

3. any amount due to or received - before his joining any employment with that person; or after cessation of his employment with that person.