

South Eastern Railway

**Office of the
Sr.Divl.Personnel Officer
Ranchi.**

No:-SER/P-RNC/Bill/IPAS/TAX//2020

Date: 17.11.2020

Sub:- Exemption of Arrear KMA amount under section 10(14) of Income Tax Act.1961.

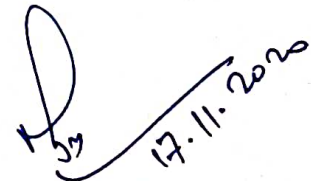
Railway Board,New Delhi vide letter No.E(P&A)II-2013/RS-14,dt.28.05.2019(RBE No.85/2019) communicated rates of Kilometrage allowance (KMA) payable to running staff w.e.f 01.07.2017 in the Railway Service (Revised) Rules,2016.In pursuance of RBE No.85/2019.arrear KMA & ALK (arisen due to retrospectively revision of KMA rate w.e.f 01.07.2017) was paid to the running staff in the salary month of November'19 and onwards during the financial year 2019-2020

As per section 10(14) of Income Tax act,1961,70% of paid KMA to Individual salaried employee up to maximum of Rs 10000/-(Ten Thousand only)per month is exempted from Income tax. The arrear amount is spread over three financial years i.e 2017-2018,2018-2019, and 2019-2020 Accordingly, the admissible of exemption is recalculated and uploaded in the Railway website:www.ser.indianrailways.gov.in (Division>Ranchi>Department>Personnel>.

As per Income tax rules,the salary arrears paid during 2019-20 is allowed tax relief under section 89(1) read along with Rule 21A.

In view of the above,all running staff may be advised to download the copy and claim refund of excess Income Tax deducted at source by filing Income Tax Return (ITR) as admissible.

Encl: As above.

Handwritten signature and date: 17.11.2020

**Asst.Personnel officer
For Sr.Divl.Personnel Officer
S.E.Railway,Ranchi.**