

SOUTH EASTERN RAILWAY

Office of the
Sr. Divl. Personnel Officer
Chakradharpur
Date: 01.03.2019

No. SER/P-CKP/Ruling/Policy/HRA/2018-19

To
All Concerned,
S.E.Railway, Chakradharpur.

Sub.: Policy on admissibility of House Rent Allowance, Procedure for drawl of House rent allowance and Exemption of House Rent Allowance for the purpose of Income Tax under Section 10(13A) of Income Tax Act, 1961.

The instruction issued by the Railway Board from time to time on the subject of admissibility of House Rent Allowance, Procedure for drawl of House rent allowance and Exemption of House Rent Allowance by Income tax department for the purpose of Income Tax under Section 10(13A) of Income Tax Act, 1961 are contained in several letter.

Accordingly, it has now been decided by the Divisional Railway Manager to issue a consolidated guideline/procedure for payment of House Rent Allowance to eligible railway employees.

As such, the following guidelines/procedure/policy as furnished hereunder incorporating all the instructions issued so far on the subject are issued for strict compliance of the same during allotment of Railway accommodation, sanction of House Rent Allowance and exemption of House Rent for the purpose of Income Tax under the Section 10(13A) of Income Tax Act, 1961.

1. Every employee on his initial appointment or transfer to a new station must apply for railway accommodation. The applicant may apply for any specific quarter number but he/she should not be rigid about the choice. The applicant should apply in prescribed format (**Annexure-A**).
2. After receiving the application for allotment of Railway quarter, Railway Quarter Allotment Authority will ensure that railway accommodation is still fit for occupation before allotment of Railway accommodation to eligible railway employee. The pool holder shall make every effort to allot a suitable railway quarter.
3. If an employee is allotted a quarter, one type below his/her eligibility he cannot refuse such allotment [In terms of RBE No.23/2017, the employee can be allotted a quarter one type below the eligibility as per his/her Pay Level (Grade Pay)].
4. Only in case of non availability of railway quarter as described above, the employee can apply for HRA in the prescribed format through concerned Chairman, Railway Quarter Committee which is enclosed at **Annexure-B**.
5. The concerned Chairman, Railway Quarter Committee/Quarter Allotment Authority shall forward the application to Personnel Branch putting his/her clear remarks whether any vacant

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railway quarter at the station where the employee is posted is available or not as per his/her eligibility.

6. After scrutiny of application, Bill Clerks of concerned Bill Unit will put up the application to the Competent Authority as per Model SOP'2018 for sanction of HRA.
7. The HRA will be paid from the date of claim submitted by the employee.
8. For all those employees who are currently drawing House rent Allowance, they have to submit their application in prescribed format within two months from the date of issue of this order and their claim shall be scrutinised. During scrutiny if any, employee is found ineligible for getting House Rent Allowance, his/her House Rent allowance shall be stopped from immediate effect.

Admissibility of House Rent Allowance :

1. All regular Railway employees are eligible for House Rent Allowance subject to fulfilment of terms and conditions. Casual labour, Substitute, TADK are also eligible for House Rent allowance from the date on which they have been granted temporary status subject to fulfilment of other terms & conditions. (Estt. Srl. No. 51/1991).
2. Railway employee living in Sleeper Hut, Tent, Barracks and Wagon Bodies are entitled for HRA subject to fulfilment of other terms & conditions. (Estt Sl. 68/1991).
3. If husband/wife Railway/Central/State Government employees and is living in private accommodation, hired/owned by the spouse. In such cases they are admissible to grant normal amount of House rent allowance subject to fulfilment of other terms and conditions and subject to production of certificate that they are incurring some expenditure towards House Rent/Maintenance of own house. (Estt Sl. No. 30/1989).
4. If a female unmarried Railway employee is residing with her brother who is an allottee of railway quarter no permission is required by her for sharing the said railway accommodation and the female unmarried railway employee is eligible to draw HRA. (Estt Sl. No- 48/1990).
5. In the event of surrender of quarter by Railway staff the case shall be dealt in accordance with Board's Letter No.E(P&A)II-87/HRA-15 dtd.16.05.1988.

Conditions for in-eligibility for House Rent allowance (Para 1706 of IREC):

1. He/she does not incur any expenditure on rent for his/her accommodation.
2. He/she occupies accommodation provided by the government.
3. He/she shares government accommodation allotted rent free to another government employee.
4. He/she resides in accommodation allotted to his her/her parents/son/daughter by the Central Government/State Government, an autonomous public undertaking or Semi-Government organisation such as a Municipality, Port Trust, nationalise Banks, life insurance Corporation of India etc.
5. If the Railway employee is residing in Government owned or leased accommodation, which is allotted to him/her as Government accommodation, the other spouse will not, however, be eligible to draw house rent allowance, as per the extant orders.

6. His wife/her husband has been allotted accommodation at the same station by the Central Government/State Government, an autonomous public undertaking or semi- Government organisation such as municipality, port trust etc. whether he/she resides in that accommodation or he/she resides separately in accommodation rented by him/her (Estt. Srl. No.30/2002).
7. In case a railway employee after allotment of railway quarter which is according to his/her entitlement at the station where he/she works refuse to occupy the accommodation or surrendered the railway quarter House Rent Allowance will not be admissible.
8. Further, refusal by Railway employee of an accommodation of different class from that for which he/she is eligible shall not constitute refusal for the purpose of these order unless he has the option to apply for accommodation of a class next below the one to which he is entitled by virtue of his/her emoluments and he refuse such accommodation when allotted on the basis of his application.(RBE 32/2002).
9. Moreover, House Rent Allowance will not be admissible to employees in the event of surrender, refusal etc. for whom accommodation is specifically earmarked or to those whose occupation of railway quarter is essential for easy accessibility during emergencies and efficient discharge of duties etc.
10. In case at any point of time it transpires that some accommodation is likely to remain vacant /un-occupied due to lack of demand, it will be made compulsory to submit application for such type where there is surplus accommodation, and consequently, the employee entitled for such type quarter would not be eligible to draw House rent allowance (RBE-05/18).

Rebate of House Rent Allowance under section :

House Rent Allowance is part of salary and taxable income. Exemption with respect to House Rent Allowance is covered under Section 10(13A) of Income tax act, 1961. If any Railway employees receive House Rent Allowance as part of salary and live in a rented accommodation, then they can claim full or partial House Rent exemption under section 10(13A). However, House rent Allowance is fully taxable if Railway employees live in own house or non- rented accommodation.

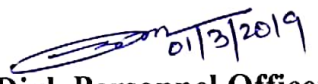
- Note:**
1. As per Section 10(13A) it is important to note that where rent paid is 10% or less than 10% of salary (means Basic Pay including DA and taxable allowances), no exemption will be admissible. Again exemption is denied where an employee lives in his/her own house, or in a house for which he/she does not pay rent.
 2. For claiming House Rent Allowance exemption from Income Tax under Section 10(13A) of IT Act, the following valid documents are required along-with claim :
 - (a) Valid Rent Agreement between renter and landlord. The rent agreement must mention all the relevant details such as amount of monthly rent, time period of rent agreement, any utility bill to be paid by renter etc.
 - (b) Valid rent receipt.
 3. The Central Board of Direct Tax (CBDT) has made it mandatory to declare the landlord's PAN details if the annual rent paid exceed Rs. 01 lakh or Rs. 8333/- per month. Hence, if claim of exemption is of more than 01 lakh annually rent paid, the PAN details of Landlord is mandatory.

For existing employees currently drawing House Rent Allowance (HRA):

As a one time exercise, all the employees who are currently drawing HRA have to submit a fresh application in prescribed format (Annexure 'B') for drawal of HRA to their respective Chairman of Quarter Committee within two months of issue of this letter. The respective Chairman of Quarter Committee will scrutinise these application in light of availability of quarters in their pool. On this basis, the Chairman of Quarter Committee will recommend the applications for drawal of HRA if there are no sufficient number of quarters and forward the same to concern Bill Dealers for taking approval of Competent Authority. During scrutiny, if any employee is found ineligible for HRA, his /her HRA shall be stopped immediately.

It is uploaded at *ser.indianrailways.gov.in*.

Encl: As above.


1 Sr. Divl. Personnel Officer
Chakradharpur

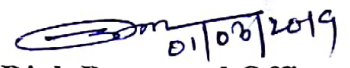
Copy to: OS(G) to DRM for kind information of DRM/CKP.

Copy to: Ch.OS to ADRM for kind information of ADRM/CKP.

Copy to: All Branch Officers for kind information and necessary action.

Copy to: All Chairman/Railway Quarter Committees, Chakradharpur Division, Dy. CE/WS/Sini, XEN/FBWP/JSG, AEN/TMO/Sini, Principal/ZRTI/Sini for information and necessary action.

Copy to: Divl. Co ord/SERMC/CKP, Divl. Secy. AIOBCREA & Divl. Secy. AISCSTREA for information.


1 Sr. Divl. Personnel Officer
Chakradharpur

APPLICATION FOR ALLOTMENT /CHANGE OF QUARTERS

1. Name :
2. i) Designation :
- ii) Office :
3. i) PF No. :
- ii) B.U.No. :
- iii) Department. :
4. Caste (if, SC/ST copy of certificate duly attested by Officer to be enclosed) :
5. i) Scale of pay :
- ii) Grade Pay :
6. Date of appointment :
7. Date of Birth :
8. Nature of allotment of Railway Quarters :
 - i) Initial :
 - ii) Change over (applicable within the department pool and same area) :
 - (a) For same type of quarters :
 - (b) For higher type of quarters :
 - iii) General Pool :
9. Present requirement (indicate type and area desired with three options) :
- 10 (a) In the event of transfer from out station :

I hereby certify that I have vacated Railway Quarter consequent on my transfer to area on and a certificate copy of vacation memo issued by is enclosed.

(b) In case of headquarter :

I hereby certify that I have vacated / not vacated Railway Quarter which was in my occupation at area at the time of my transfer to out station from headquarter area on

I am aware that the above allotment if made to me is for my personal occupation and I will not sub-let to any one else and if I do not observe this, I am liable for action under DAR.

Signature of the employee

Note: Incomplete application will not be considered for registration and employee will not have any to claim for their seniority.

Date:

To,
The Sr. Divisional Personnel Officer,
South Eastern Railway, Chakradharpur.

(Through proper channel)

Sub.: Sanction of House Rent Allowance

I am a railway employee of Chakradharpur division of South Eastern Railway and posted at or I have been transferred from station and posted at under w.e.f..... My service particulars are as under:

1. Name :
2. PF/Employee No. :
3. Department. :
4. Designation :
5. Posting station :
6. Working under :
7. Present Grade Pay & Pay Band (6th PC)(Substantive) :
8. Pay Level as per 7th PC :
9. Date of appointment/Posting at present station :
10. Details of quarter vacated, if any :
 - (a) Railway Quarter No :
 - (b) Type of quarter :

I certify that

1. I have applied for allotment of Railway Quarter but not allotted to me by the competent authority.
2. I have/have not refused to occupy railway quarter allotted to me or I have /have not surrendered allotted quarter at the station wherein I am posted.
3. I am residing in hired private accommodation and incurring an expenditure of Rs. towards rent for my accommodation.(Details of private accommodation where residing.....)
.....)
4. I am residing in my own house and incurring expenditure towards maintenance. (if not applicable strike off and if applicable details of own house)
.....
.....

5. I have not occupied any accommodation provided by the Government.
6. I am not sharing Government accommodation allotted rent free to another government employee.
7. I do not reside in accommodation allotted to my parents/son/daughter by the Central Government/State Government, an autonomous public undertaking or Semi-Government organisation such as a Municipality, Port Trust, Nationalised Banks, Life Insurance Corporation of India etc.
8. My wife/husband has not been allotted accommodation at the same station by the Central Government/State Government, an autonomous public undertaking or semi- Government organisation such as municipality, Port Trust etc.
9. I am living in Sleeper Hut/Tent/Barracks /Wagon Bodies due to non-allotment of railway quarter (If not applicable strike off).
10. I am living / not living in private accommodation hired/owned by my spouse. (Strike off which is not applicable) (if applicable details of Private/hired/Own accommodation)
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11. I am unmarried female and reside with my brother whose Railway Quarter No. (strike off, if not applicable)
12. The Railway quarter is not available in terms of RBE No.23/17.

Date:..... Full signature of applicant
(Putting on date is necessary)

Forwarded to Chairman, Quarter Committee/Quarter Allotment Authority for necessary action.

Forwarded by..... (Signature and Seal of Immediate Supervisor)

Remarks of Chairman, Quarter Committee/Quarter Allotment Authority

Remarks:.....
.....
.....

Forwarded to Sr. DPO/CKP for necessary action:

Signature of the Chairman of Concerned Quarter Committee/Quarter Allotment Authority (with seal)

