the previous year [2001-2002 (or onwards)
and ~~[illegible]~~ subsequently, any part of such unrealised rent is realised, the amount so realised will be made taxable under the head "Income from house property" in that previous year in which it is realised.

Taxation of arrears of rent in the year of receipt

Where the assessee has received any amount by way of arrears of rent from house property not charged to tax earlier the amount so received (after deducting a sum equal to 30 per cent of such amount) will be made taxable under the head "Income from house property" in the previous year in which it is received.

Determination of taxable income from a let-out house

(A) **House which is let out throughout the previous year:**

Gross annual value
i.e. higher of the following:
(a) Expected rent
(being municipal value or fair rental value, whichever is higher but subject to a maximum of standard rent, if applicable)

(b) Actual rent received or receivable (excluding unrealised rent)

Gross AV

Less municipal taxes paid by the landlord**

Net annual value

Less Deductions u/s 24:

(i) Standard deduction*** @ 30% of NAV

(ii) Interest on borrowed capital****

Income from house property

(B) House which is let out and was vacant during the whole or part of the previous year

(1) Where the rent actually received or receivable (i.e. (a)), is more than expected rent (i.e. (b)) :- If (a), after excluding unrealised rent and rent pertaining to vacancy, is more than (b), then the gross annual value is taken as equal to (a).

(2) Where the rent actually received or receivable (i.e. (a)) is less than expected rent (i.e. (b)) :

(i) If (a), after excluding unrealised rent and the rent of the vacant period, is lower than (b) only because of vacancy, then the ~~the~~ gross annual value is equal ~~equal~~ to (a). (10)

(ii) If (a) as stated above is lower than (b) partly because of vacancy and partly because of other factors then the gross annual value is taken as equal to (b) minus the loss due to vacancy.

(iii) If (a) as stated above is lower than (b) only because of factors other than vacancy, then the gross annual value is taken as equal to (b).

Taxable income from a house which is self-occupied

Nature of house property (1)	Annual value (2)	Deductions available u/s 24 (3)
— If the property is self-occupied (it is neither let out nor any other benefit is derived therefrom)	Nil	Only interest on borrowing is deductible u/s 24 upto Rs 30,000 / Rs 200000

Nature of house property	Annual value	Deductions available U/s (24)
— If more than one house is self-occupied :		
(a) Any one such house (as the assessee may choose)	Nil	Only interest on borrowing is deductible U/s (24) upto Rs 30,000/Rs 2,00,000.
(b) Other such houses (known as deemed to be let-out houses)	Annual value of each other such house is calculated as if it is let out (its gross annual value being taken as equal to its expected rent)	Both the deductions U/s 24 are available.
— If the property is not actually occupied by the assessee due to his employment, business or profession at some other place, and he had to reside at such other place in a building not belonging to him.	Nil	Only interest on borrowing is deductible U/s 24 upto Rs 30,000/ Rs 2,00,000.

Nature of house property	Annual value	Deductions available U/s (24)
— If a part of the house is self-occupied and a part is let out:		
(a) Unit which is self-occupied	Nil	Only interest on borrowing is deductible U/s (24) upto Rs 30,000/Rs 2,00,000.
(b) Units which are let out	Annual value of each other such unit will be calculated as if in the case of let-out houses (in the manner explained in Case 1 and Case 2)	Both the deductions U/s 24 are available.
— If the house is self-occupied for a part of the previous year and for the remaining part, it is let out	Annual value of the entire house will be calculated as if it is let out. (In calculating the gross annual value of the house, actual rent will be considered for the let-out period while expected rent will be taken for the whole of the previous year.)	Both the deductions U/s (24) are available