

Ques. Basic Salary Rs. 5000 per month
(Increment of Rs. 500 in basic salary w.e.f 1.2.2020)

DA 100% of basic salary
(50% of which is included in salary as per terms of employment)

HRA Rs. 3000 per month
(Increased to Rs. 3500 per month w.e.f 1.1.2020)

Rent paid :

April & May, 2019 → NIL, as he stayed with his parents

June to Oct., 2019 → Rs. 3000 per month (Ghaziabad)

Nov. 2019 to March 2020 → Rs. 4000 per month (Delhi)

FIND OUT GROSS SALARY

Sol.

Particulars	Amt.	Amt.
Basic Salary (5000 × 10 + 5500 × 2)		61000
DA (100% of basic)		61000
HRA (3000 × 9 + 3500 × 3)	37500	
Less: Exempt (WN 1)	(26850)	10650
GROSS SALARY		132650

WN 1: Exempted value of HRA

Particulars	2 months (April & May)	5 months (June to Oct 19)	2 months (Nov. & Dec. 19)	1 month (Jan 2020)	2 months (Feb & Mar. 20)
1. HRA Received	↑	15000	6000	3500	7000
2. Rent paid - 10% of Salary	NIL	15000 - 3750	8000 - 1500	4000 - 750	8000 - 1650
		= 11250	= 6500	= 3250	= 6350
3. 50% or 40% of Salary	↓	15000	7500	3750	8250
* SALARY	↓	(5000 × 5) + (25000 × 50%) = 37500	15000	7500	16500
			(5000 × 2) + 10000 × 50%		

Ques.

Basic Salary	Rs. 30,000 per month
DA	Rs. 6000 per month
(40% of which forms part of retirement benefit)	
HRA	Rs. 12000 per month
Rent paid in Delhi	Rs. 14000 per month

Find out Gross Salary

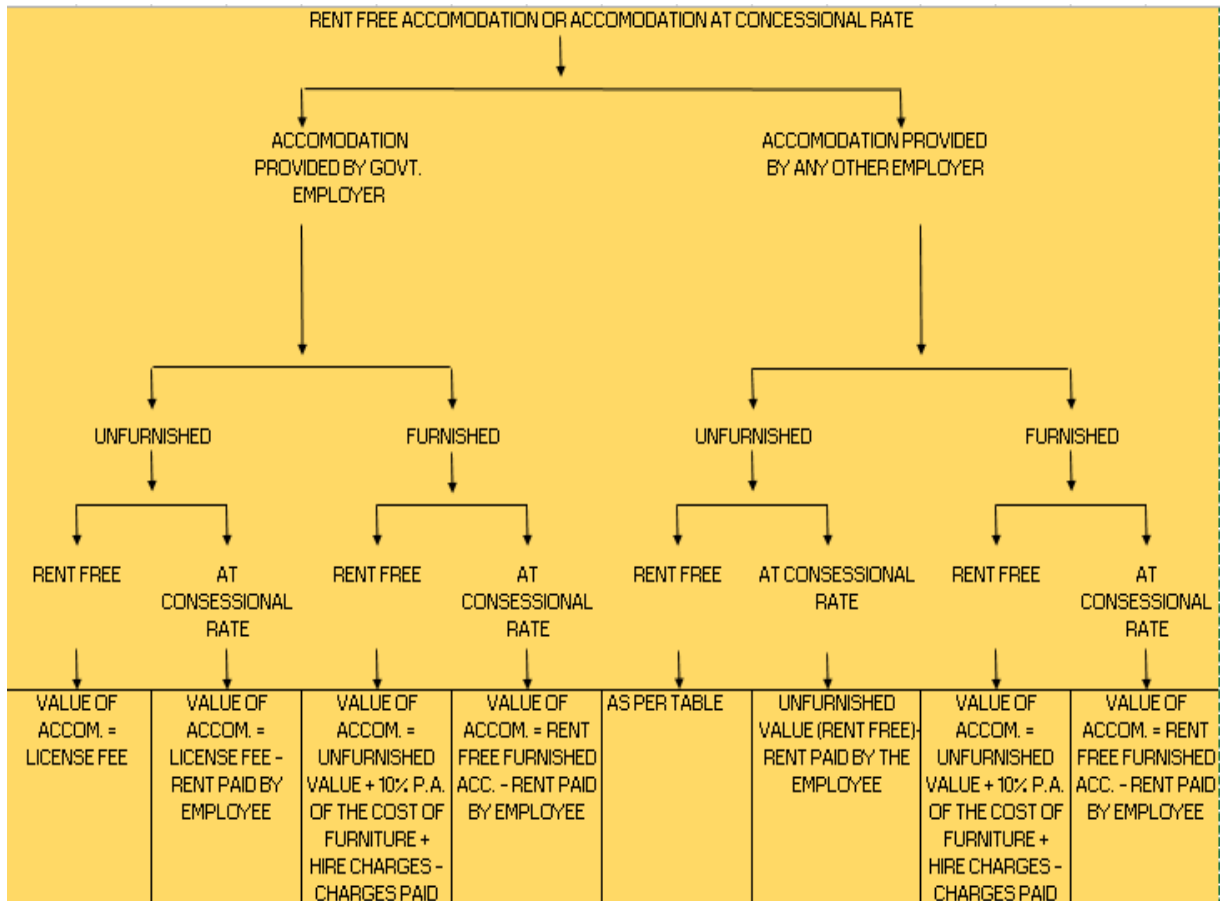
Sol.

Particulars	Amt.	Amt.
Basic Salary (30000 x 12)		360000
DA (6000 x 12)		72000
HRA (12000 x 12)	1,44,000	
Less: exempt (WN1)	(1,29,120)	14,880
GROSS SALARY		446880

WN1: Calculation of exempted value of HRA

1. Actual HRA Received	1,44,000	
2. Rent paid - 10% of Salary (14000 x 12) - 10% of 3,88,800 168000 - 38880	1,29,120	← Exempted value of HRA
3. 50% of salary 50% of 3,88,800	1,94,400	

* Salary = Basic + DA (forming part) + Comm. (fixed %.)
 = 3,60,000 + 28800
 = 3,88,800



RENT FREE UNFURNISHED ACCOMODATION

NATURE OF ACC.	POPULATION EXCEEDS 25 LAKHS	POPULATION EXCEEDS 10 LAKHS BUT NOT EXCEEDS 25 LAKHS	POPULATION UPTO 10 LAKHS
A) ACCOMODATION IS OWNED BY EMPLOYER	15% OF SALARY	10% OF SALARY	7.5% OF SALARY
B) ACCOMODATION IS TAKEN ON LEASE/RENT BY EMPLOYER	<div style="border: 1px solid black; padding: 5px; display: inline-block; width: 80%; margin: 0 auto;"> ←—————→ RENT PAID BY EMPLOYER OR 15% OF SALARY (WHICHEVER IS LESS) </div>		

SALARY= BASIC SALARY+DA (RB)+BONUS+COMMISSION+ALL TAXABLE ALLOWANCES