

INCOMETAX SPECIAL

IMMEDIATE

TAMIL NADU GENERATION AND DISTRIBUTION CORPORATION LIMITED
(ACCOUNTS BRANCH)

From K.Malarvizhi, B.A (Corp.) ACA., PGDHRM.,
Chief Financial Controller/General,
144, Anna Salai, Chennai-600 002.. To
All Superintending Engineers
All Financial Controllers
All Drawing&Disbursing
Officers/HQs

Circular No.CFC/GL/FC/Tax/AAO/Tax/E.TDS Recvy/D.22/2023dt.26.05.2023

Sir,

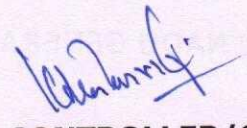
Sub: TANGEDCO Taxation Division - Financial Year 2023-24 -
Notification increasing exemption on leave encashment
paid to retired non-government salaried employees
Communication of CBDT's Circular – Instructions issued
to all Circles - reg.

- Ref: (1) Central Board of Direct Taxes, New Delhi's CIRCULAR
No.24/2022 [F.No.275/15/2022-TT(B)],DT.07-12-2022
(2) Circular No.CFC/GL/FC/Tax/AAO/Tax/E.TDS
Recvy/D.135/2023, dt.27.02.2023.
(3) GOI/CBDT's Circular No.04 of 2023 dated 5.04.2023
(4) GOI/CBDT's Circular No.31/2023 dated 24.05.2023.

It is informed that Earned Leave encashment exemption limit has
been raised from Rs.3 lakhs to Rs.25 lakhs as per reference 4th cited.
Accordingly, all the TANGEDCO Units are informed that the tax exemption on
leave encashment paid on retirement whether on superannuation or not is
enhanced from Rs.3 lakhs to Rs.25 lakhs.

All Units may also note that the option for deducting the TDS under old or
new regime shall be obtained (only once in a Financial Year) from all the employees
having taxable income and that the new tax regime is the default tax scheme in case no

option is exercised (ref 3rd above). Last but not the least it is reiterated that the Income Tax has to be deducted from the estimated salary and the amount of tax as arrived shall be deducted every month in equal instalments as referred in reference 2nd cited above.



CHIEF FINANCIAL CONTROLLER/GL (FAC)

Encl: 1. CBDT Circlular No.31 of 2023 dated 24.05.2023.

Copy to all Chief Engineers concerned- for perusal.

Copy to all Chief Financial Controllers / TANGEDCO.