

**CBDT notifies Rule for declaration to be made by senior citizens above 75 years of age exempt from filing income tax return**

*Section 194P of the Income-tax Act, 1961 was introduced by Finance Act 2021 to put in a place a tax deduction mechanism for specified senior citizens, pursuant to which the said senior citizens were exempt from the requirement of filing income-tax return.*

*As per section 194P, in case of senior citizens aged 75 years or more having only pension and interest income (in accounts maintained in the same bank), the bank would compute their total taxable income after giving effect to deductions under Chapter VI-A and rebate under section 87A, and deduct tax thereon.*

*For enabling the banks to comply with the above provision, CBDT has notified (vide Notification no. 99/2021 dated 2 September 2021) Rule 26D and Form 12BBA for this purpose. As per the Rule, specific senior citizens willing to avail of the mechanism under section 194P are required to submit Form 12BBA (a declaration) to their bank. CBDT has also notified appropriate changes in Form 16 and the relevant TDS return and challan.*