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INCOME-TAX ACT, 2025

F: Income from other sources

Section 93 - Deductions.

(1) The income chargeable under the head “Income from other sources” shall be computed after making the following deductions:—

(a) for interest on securities, any reasonable sum paid as commission or remuneration to a banker or any other person for the purpose of realising such interest on behalf of the assessee; [1]

(b) for income of the nature referred to in section 92(2)(c), so far as may be, an amount as per section 29(1)(e);

(c) for income of the nature referred to in section 92(2)(f) and (g), so far as may be, an amount as per section 28(1)(a), (b), (d), section 33, and subject to the provisions of section 28(2);

(d) for income in the nature of family pension (a regular monthly amount payable by the employer to a family member of an employee upon the death of such employee),––

(i) an amount equal to one-third of such income or ₹ 25000, whichever is less, where income-tax is computed under section 202(1); and

(ii) an amount equal to one-third of such income or ₹ 15000, whichever is less, in any other case;

(e) any other expenditure (not being in the nature of capital expenditure) laid out or expended wholly and exclusively for making or earning such income;

(f) for income of the nature referred to in section 92(2)(i), an amount equal to 50% of such income and no other deduction shall be allowed under this section;

(g) for income in the nature of commutation of pension received from a fund as specified in Schedule VII (Table: Sl. No. 3), the entire amount;

(h) for income in the nature of gratuity as referred in section 19(2)(g), received on the death of the employee, the entire amount.

(2) In respect of––

(a) dividend income of the nature referred to in section 2(40)(f), no deduction shall be allowed;

(b) Irrespective of anything contained in sub-section (1), in respect of any dividend income or income from units of a Mutual Fund specified under Schedule VII (Table: Sl. No. 20 or 21) or income from units of a specified company as referred to in section 2(h) of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002, no deduction shall be allowed. [2]

1. Substituted by The Finance Act, 2026 for :

(a) for dividends [excluding those referred to in section 2(40)(f)] or interest on securities, any reasonable

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sum paid as commission or remuneration to a banker or any other person for the purpose of realising such dividend or interest on behalf of the assessee;

2. Substituted by The Finance Act, 2026 for:

(b) any other dividend income [other than in clause (a)], or income from units of a Mutual Fund specified under Schedule VII (Table: Sl. No. 20 or 21) or income from units of a specified company as referred to in section 2(h) of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002, only deduction allowed shall be interest expense which, for any tax year, shall be limited to 20% of such income (included in the total income for that year, without deduction under this section).

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