

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1428
ANSWERED ON:05.03.2010
EXTENSION OF RELIEF TO BANK DEPOSITORS
Mahto Shri Baidyanath Prasad;Sharma Shri Jagdish

Will the Minister of FINANCE be pleased to state:

- (a) whether any tax related incentive is extended by the Government to depositors with the banks; and
- (b) If so, the details thereof alongwith the details of plan for increase or decrease in the amount of relief in future?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE:(SHRI S.S. PALANIMANICKAM)

(a) Yes, Sir.

(b) Deduction under section 80C(2)(xxi) of the Income-tax Act, 1961 is available in computing the total income of an individual or a Hindu undivided family. The deduction available is of an amount upto a maximum limit of one lakh rupees which is paid or deposited in the previous year on account of term deposit for a fixed period of not less than five years with a scheduled bank. There is currently no plan for increase or decrease in the amount of relief.