

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5070
ANSWERED ON:24.04.2015
TAX RELIEF TO FAMILY MEMBERS OF DIFFERENTLY ABLED
Sreeramulu Shri B.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to provide tax relief/exemption to the family members taking care of the persons with disabilities;
- (b) if so, the details thereof; and
- (c) the steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA)

(a,b&c) Section 80DD of the Income-tax Act, 1961, inter alia, provides for a deduction to an individual or HUF, who is a resident in India, and

(i) incurs expenditure for the medical treatment (including nursing), training and rehabilitation of a dependant, being a person with disability; or

(ii) pays any amount to LIC or any other insurer in respect of a scheme for the maintenance of a disabled dependant.

The section provides for a deduction of fifty thousand rupees if the dependant is suffering from disability and one hundred thousand rupees if the dependant is suffering from severe disability.

"Dependant" in the case of an individual, has been defined to mean the spouse, children, parents, brothers and sisters of the individual or any of them, and in the case of a Hindu undivided family, a member of the Hindu undivided family, if such person is dependant wholly or mainly on such individual or Hindu undivided family for his support and maintenance.

In view of the rising cost of medical care and special needs of a differently abled person, Finance Bill, 2015 proposes to amend section 80DD of the Income-tax Act so as to raise the limit of deduction in respect of a person with disability from fifty thousand rupees to seventy five thousand rupees and in respect of a person with severe disability, from one hundred thousand rupees to one hundred and twenty five thousand rupees.