

Karim City College, Jsr.

Faculty Of Commerce

Class : B.Com Sem-III

Subject : Income Tax

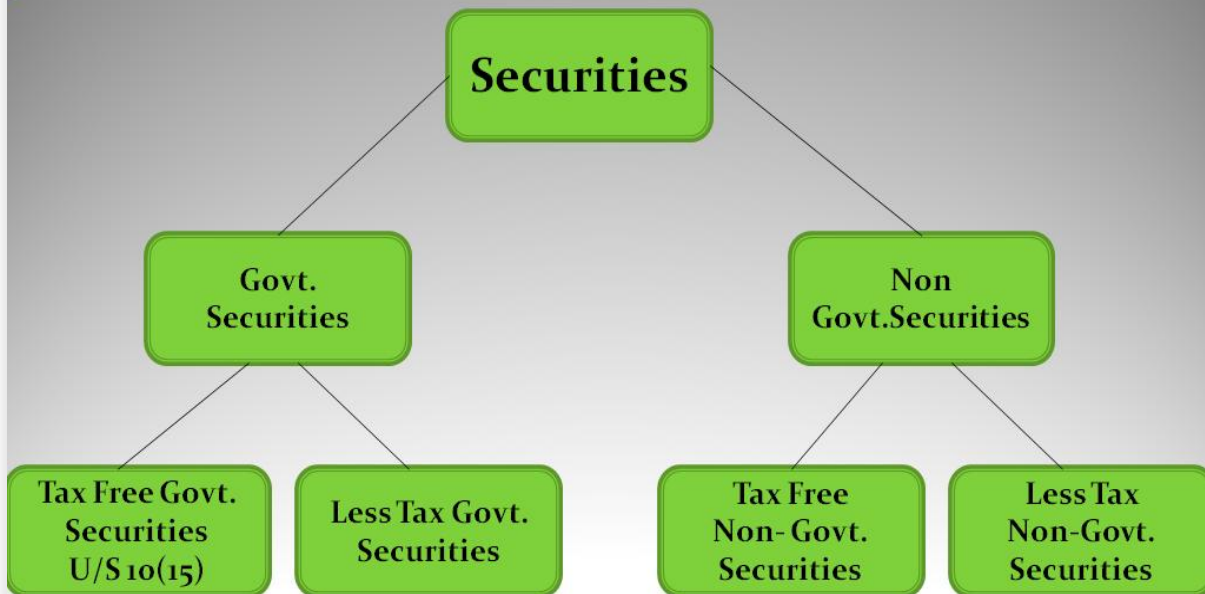
Topic : Income From Other Sources

By

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Interest on Securities



In my today's lecture I want to define Tax Free Government Securities and Casual Income

Tax Free Government Securities

These securities are those, the interest on which is fully exempt from tax under section 10(15). These are as under:

- 12 years national savings annuity certificates.
- National defense gold bond, 1980.
- Special bearer bonds, 1991.
- Treasury savings deposit certificate (10 years).
- Post office cash certificate (5 years)
- National plan certificate (10 years)
- National plan savings certificate (12 years)
- Post office (P.O) National savings certificate (12 years/7 years)
- P.O. Savings Bank Accounts:
 - a) Individual account - Max limit of exemption Rs 3500.
 - b) Joint account - Max limit of exemption Rs 7000.
- P.O Cumulative Time Deposit Account (15 years).etc.

Casual income

- Winning from lottery.
- Winning from horse race.
- Card Games.
- Gambling.
- Betting.
- Crossword Puzzles.etc.

$$\textbf{Gross up} = \textbf{Received Amount} \times 100 / 70$$