

**TO BE PUBLISHED IN THE GAZETTE OF INDIA EXTRAORDINARY PART-II  
SECTION 3, SUB-SECTION (II) DATED 13.5.98**

*F.No. 142/18/98-TPL*  
**Government of India**  
**Ministry of Finance**  
 Department of Revenue  
*(Central Board of Direct Taxes)*  
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S.O. 395(E)-In exercise of the powers conferred by section 295 of the Income Tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1961, namely:—

- (1) These rules may called the Income-tax (Seventh Amendment) Rules, 1998.
- (2) They shall be deemed to have come into forced on the 1st day of August, 1997,

2. In the Income-tax Rules, 1962 in rule 2BB, in sub-rule (2), in the Table, after serial number 9, the following serial number and entries relating thereto shall be inserted, namely:—

S.No.	Name of allowance	Place of which allowance is exempt.	Extent to which allowance is exempt
1.	2.	3.	4.
"10	Transport allowance granted to an employee to meet his expenditure for the purpose of commuting between the place of his residence and the place of his duty.	whole of India	Rs.800 per month

Sd/-  
**(S. BALASUBRAMANIAN)**  
*Under Secretary (TPL-III)*

[Explanatory Notes—The Central Government have, on the recommendations of the Fifth Pay Commission, given to officers and employees of the Central Government, with effect from the 1st day of August, 1997, a transport allowance of an amount not exceeding Rs.800/- per month, in accordance with their entitlement. The officers of the rank of Joint secretary and above in the Central Government are entitled for official vehicles for the purpose of their journeys from home to office and back in lieu of the

transport allowance which is not treated as a perquisite and is not taxed under the Income-tax Act, 1961. But, the transport allowance given to,—

- (a) the officers of the rank of Joint Secretary and above who opt for transport allowance in lieu of the said facility of availing vehicle; and
- (b) all other officers and employees, including Group "C" and "D" officials.

for the same purpose is liable to Income-tax.

2. To remove the above anomaly and treat all the persons equally in the matter of taxation of transport allowance, the Central Board of Direct Taxes has decided to exempt with retrospective effect, that is, with effect from the 1st day of August, 1997 the transport allowance equal to an amount not exceeding Rs.800 per month drawn by any officer or employee working under the central Government or State Governments or any establishment other than Central Government or State Governments, under the Income-tax Act, 1961.

3. It is, therefore, proposed to amend rule 2BB of the Income Tax Rules, 1962 with effect from the 1st day of August, 1997 to give effect to the said proposal.

4. It is certified that the retrospective effect to the proposed amendment to the said Rule 2BB shall not prejudicially affect the interest of [assesseees].

**"FORM NO. 10BA  
(See rule 11B)**

**DECLARATION TO BE FILED BY THE ASSESSEE  
CLAIMING DEDUCTION U/S 80GG**

I/We .....  
 (Name of the assessee with permanent account number)  
 do hereby certify that during the previous Year ..... I/we had occupied  
 the premise ..... (full address of the  
 premise) for the purpose of my/our own residence for a period of .....  
 months and have paid Rs. .... in cash/through crossed  
 cheque, bank draft towards payment of rent to Shri/Ms/M/s .....  
 ..... (name and complete address of the landlord).

It is further certified that no other residential accommodation is owned by

- (a) me/my spouse/my minor child/our family (in case the assessee is HUF), at  
 ..... where I/we ordinarily reside/perform duties of officer  
 or employment or carry on business or profession, or
- (b) me/us at any other place, being accommodation in my occupation, the value  
 of which is to be determined u/s 23(2)(a)(i) or u/s 23(2)(b)."

F.No. 142/47/98-TPL  
 NOTIFICATION NO. 10722

Sd/-  
**(SUNITI SRIVASTAVA)**  
*Under Secretary to the Govt. of India*

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The principal rules were published vide notification No.S.O., 969 (E) dated 26.3.1962  
 and were last amended vide notification No. SO. 897 (E) dated 12.10.98.