

## **Did you know: 15 tax trivia**

**Balwant Jain**

1. You can not claim tax benefits on payment of life insurance premium of your parents even if they are financially dependent on you.
2. You can claim tax benefits for payment of life insurance premium under Section 80 C for your children even if they are not financially dependent on you.
3. You can pay medical insurance premium of your parents and claim tax benefits even if they are financially not dependent on you.
4. You can claim tax benefit of medical insurance premium for your child only if the child is financially dependent on you.
5. For one self occupied house property you can claim deduction in respect of interest upto Rs. 1.5 lacs per annum but in respect of let out property you can claim full interest paid.
6. You are entitled to claim interest on loan taken even from your relatives and friends for residential and commercial property.
7. Deduction under Section 80 C for repayment of home loan is available only for a residential house property.
8. The holding period is 12 months for certain financial assets but for other class of assets it is 36 month to avail benefits of long term capital gains.
9. If you tender listed shares in the open offer, you have to pay tax even if you have held the shares for twelve months or more. But there is no tax liability on long-term capital gains arising from the sale of listed shares sold through broker of a stock exchanges.
10. Normal short term capital gains is taxable at the slab rate applicable to you but tax on short term capital gains on sale of listed shares through stock broker is taxable @ 15% irrespective of your slab rate.
11. You can claim deduction for payment of tuition fee for only two child under Section 80C. The deduction for tuition fee is not available for your spouse or siblings.
12. Deduction under Section 80 E is available only for interest paid during the year and no tax benefit is available for repayment of principal amount of education loan.
13. Interest accrued on NSC for each of the years except the last year is eligible for deduction under section 80 C even though no fresh investment is made in NSC during these years.

14. You can claim tax benefits of leave travel assistance (LTA) for your spouse, child, parents and siblings. Spouse and child may be financially independent but the parents and siblings have to be dependent on you.

15. LTA benefits can be claimed in respect of two child only if born after 1st October 1998.

*(Money Control)*