

Text of Section 80TTB* of Income Tax Act, 1961 relating to Chapter VI-A Deduction in respect of interest on deposits in case of senior citizens

1) Where the gross total income of an assessee, being a senior citizen, includes any income by way of interest on deposits with: -

(a) a banking company to which the Banking Regulation Act, 1949 (10 of 1949), applies (including any bank or banking institution referred to in section 51 of that Act);

(b) a co-operative society engaged in carrying on the business of banking (including a co-operative land mortgage bank or a co-operative land development bank); or

(c) a Post Office as defined in clause (k) of section 2 of the Indian Post Office Act, 1898 (6 of 1898),

there shall, in accordance with and subject to the provisions of this section, be allowed, in computing the total income of the assessee, a deduction:-

(i) in a case where the amount of such income does not exceed in the aggregate fifty thousand rupees, the whole of such amount; and

(ii) in any other case, fifty thousand rupees.

(2) Where the income referred to in sub-section (1) is derived from any deposit held by, or on behalf of, a firm, an association of persons or a body of individuals, no deduction shall be allowed under this section in respect of such income in computing the total income of any partner of the firm or any member of the association or any individual of the body.

Explanation: For the purposes of this section, “senior citizen” means an individual resident in India who is of the age of sixty years or more at any time during the relevant previous year.

**Section 80TTB has been inserted by the [Finance Act, 2018](#), applicable w.e.f. 01-04-2019.*

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