



Employee Self Service (ESS) – Investment Declaration

User Training Manual

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User / Training Manual

Section: My Finance → My Tax → Investment Declaration

1. Investment Declaration – Overview

The Investment Declaration feature allows employees to declare their planned investments and eligible exemptions for the current financial year under the Old Tax Regime. These declarations are used by the payroll system to compute the correct TDS (Tax Deducted at Source) each month, reducing excess deductions throughout the year.

Investment Declaration is available only to employees who have selected the Old Tax Regime. Employees on the New Tax Regime can still access the Home Loan (Let-Out Property) section.


 **Navigation:** My Finance → My Tax → Investment Declaration

2. Page Layout

The Investment Declaration page is divided into two main tabs at the top:

Tab	Purpose
IT Declaration	Declare planned investments across all eligible sections (HRA, Home Loan, Section 123, Other Sources, etc.)
Proof of Investment	Upload supporting documents for each declared investment and view approval status

Within the IT Declaration tab, a horizontal sub-tab bar lists all investment sections (HRA, Home Loan, 80C Investments, Other Sources of Income, Other Exemptions). Clicking a sub-tab scrolls the page to that section. The active sub-tab is highlighted as you navigate.

 **Tip:** Use the Financial Year selector in the top-right corner to switch between financial years (e.g. Apr 2025 – Mar 2026).

3. Tax Regime Selection

At the beginning of each financial year, after the Payroll Administrator closes the previous year, employees are prompted on their Dashboard to select their preferred tax regime. The prompt disappears once a selection is made.

Regime	Key Characteristics
Old Regime	Allows exemptions and deductions under HRA, LTA, Section 123, Section 126, Section 124(1), Section 129, Section 133, Section 127, Section 128,

	Section 154, Section 22, and other Income Tax Act provisions. Investment declarations and proofs are required to claim these benefits.
New Regime	Lower slab rates with minimal exemptions. Only Let-Out Property (Home Loan interest under Section 22) is accessible under Investment Declaration.

Tax Regime Selection for FY 2026 - 2027

Your total tax for this financial year

Old Regime
 Total Tax : INR 4790879

New Regime
 Total Tax : INR 4550558

Employee	Tax Regime	Plus
EMANU CORNR Support - 1	New Regime	-

NET TAXABLE INCOME INR 1,41,05,004.00	INCOME CHARGEABLE UNDER HEAD SALARIES INR 1,43,21,004.00	TOTAL SURCHARGE & CESS INR 7,47,054.23
NET INCOME TAX PAYABLE INR 45,58,556.00	TAX PAID TILL NOW INR 0.00	REMAINING TAX TO BE PAID INR 45,58,556.44 refund

I acknowledge that I can choose my regime only once for the current financial year.

Cancel Submit

⚠ Important: Once submitted, the tax regime selection applies for the entire financial year and cannot be changed.

4. IT Declaration Tab

The IT Declaration tab displays all investment sections as a single scrollable page. Each section has an Edit (pencil) icon in the Actions column on the right. Clicking it opens a form to enter or update your declared amounts.

4.1 House Rent Allowance (HRA)

The HRA exemption allows employees living in rented accommodation to claim a tax deduction. The system automatically calculates the eligible exemption as the minimum of:

- Actual HRA received from the employer
- Rent paid minus 10% of Basic Salary
- 50% of Basic Salary (metro cities) or 40% (non-metro cities)

The screenshot shows the 'HRA Details' section of the IT Declaration portal. The form is titled 'HRA - House Rent Allowance'. It includes a 'Rental Period' section with 'From' (Apr 2025) and 'To' (Dec 2025) pickers. The 'Rental Amount per Month' is set to 'INR 20000'. The 'Landlord Name' is 'Goutham', 'Landlord PAN' is 'ABCDE1234F', and 'City Type' is 'Metro'. The 'Landlord Address' is 'Chennai'. A sidebar on the right provides information about HRA exemption rules, including that it is calculated as the minimum of actual HRA received, 10% of basic salary, or 25% of salary without DA, and lists required documents like rent receipts and landlord's PAN card copy.

How to Declare HRA

1. Navigate to the HRA section on the IT Declaration page.
2. Click the Edit (✎) icon in the Actions column.
3. Fill in the following fields:
 - – Rental Period (From / To): Select using the month picker. Use the navigation arrows (◀ ▶) in the picker to change year/month; keyboard typing is not supported in this field.
 - – Rental Amount per Month (INR)
 - – Landlord Name
 - – Landlord PAN (format: XXXXX9999X) – validation runs on field exit
 - – City Type: Metro or Non-Metro (affects HRA exemption %)
 - – Landlord Address
4. Click Save. The total declared amount is displayed (Monthly × Months).

Example: Rent INR 25,000/month × 12 months (Apr 2025 – Mar 2026) = INR 3,00,000 total HRA declared.

4.2 Home Loan (Income Under Section 22)

Employees with a home loan can declare interest paid to claim a deduction under Section 22 of the Income Tax Act. Two property types are supported:

Self-Occupied Property

For a self-occupied home, the Net Annual Value (NAV) is zero by definition under Indian tax law (a note is displayed on screen explaining this). The deduction is limited to INR 2,00,000 per year on home loan interest.

- Enter: Lender Name, Loan Account Number, Loan Sanction Date, Interest Amount (INR), Principal Amount (INR)
- Click Save.

Let-Out Property (Rented)

For a let-out (rented-out) property, the system computes taxable income automatically using the following formula:

Calculation	Formula / Notes
Net Annual Value (NAV)	Annual Rent – Municipal Tax paid
Standard Deduction	30% × NAV (flat statutory deduction)
Net Income / Loss	NAV – Standard Deduction – Home Loan Interest

- Enter: Annual Rent Received (INR), Municipal Tax Paid (INR), Home Loan Interest (INR), Lender details
- There is no upper limit on interest deduction for let-out property (Section 22).

- The computed NAV, Standard Deduction, and Net Income/Loss are displayed in real-time as you enter values.

Example: Annual Rent: INR 2,40,000 | Municipal Tax: INR 12,000 → NAV: INR 2,28,000 | Standard Deduction (30%): INR 68,400 | Home Loan Interest: INR 50,000 → Net Income/Loss: INR 1,09,600.

Note: Employees under the New Tax Regime can only access the Let-Out Property section.

4.3 Section 123 Investments

Section 123 allows a maximum deduction of INR 1,50,000 per financial year across all eligible investments combined. The page displays this limit prominently and prevents saving if the total exceeds it.

Investment Type
EPF (Employee Provident Fund)
Repayment of Housing Loan (Principal)
Life Insurance Premium
PPF (Public Provident Fund)
ELSS / Mutual Fund (Tax Saving)
NSC (National Savings Certificate)
Tuition Fees
Sukanya Samriddhi Yojana

Limit: The combined total of all Section 123 declarations (including auto-declared EPF) must not exceed INR 1,50,000. The system will block saving if the limit is exceeded.

The screenshot displays the 'Section 123 Investments' declaration page. On the left, there is a list of investment categories including 'Section 123 Investments', 'Section 123 Exemptions', and 'Other Investments & Exemptions'. The 'Section 123 Investments' category is selected, showing a dropdown menu with 'Children Tuition Fees' and an input field for the amount, currently set to '50000'. A 'Save Declaration Documents' button is visible below the input field. On the right, a 'Section 123' summary table is shown, detailing the overall limit (INR 1,50,000 per financial year) and a list of investment types with their respective deduction limits and required documents.

Investment / Expense	Max Deduction	Proof Documents Required
Life Insurance Premium (Self / Spouse)	Actual Premium Paid	Premium receipt, Statement from insurer
ELSS / Tax Saving Mutual Funds	Actual Amount Invested	Investment statement, Account statement showing purchase
Public Provident Fund (PPF)	Actual Amount Deposited	PPF passbook, Bank statement showing deposit, Post Office receipt
National Savings Certificate (NSC)	Actual Amount Invested	NSC certificate purchased during the financial year

How to Declare Section 123 Investments

- Scroll to the Section 123 Investments section.
- Click the Edit (✎) icon next to the investment category.
- Enter the amount (INR) and click Save.
- Repeat for each applicable category.

4.4 Other Sources of Income

Employees must declare any additional taxable income earned outside their salary during the financial year. This ensures accurate TDS calculation.

Income Type	Examples / Notes
NSC Deposit	Amount deposited into NSC during the year
Other Sources	Any other taxable income (freelance, gifts, etc.)
NSC Interest	Interest accrued on NSC certificates
FD Interest	Interest from Fixed Deposits
Senior Citizen FD Interest	FD interest under senior citizen schemes

Note: Leave fields at 0 if the income type does not apply. All five fields are validated on Save — enter 0 for inapplicable categories rather than leaving them blank. The data saves successfully even if validation highlights appear.

4.5 Other Exemptions

This section covers additional deductions available beyond Section 80C:

Section	Deduction
Section 124(3)	Additional contribution to NPS – National Pension Scheme (up to INR 50,000 over the 80C limit)
Section 126	Medical insurance premium for self, spouse, children, and parents
Section 129	Interest on education loan (no upper limit; available for 8 years)
Section 133	Donations to approved funds/institutions

5. Proof of Investment Tab

After declaring investments in the IT Declaration tab, employees must upload supporting documents. Proof requirements depend on the payroll deadlines configured by the administrator.

5.1 Uploading Proof

1. Click the Proof of Investment tab at the top of the page.
2. Locate the investment row for which you want to upload proof.
3. Click the Edit (✎) icon in the Actions column — a modal opens showing the declared amount, a Document field, and a Comment field.
4. Click the paperclip (📎) icon inside the Document field to browse and select your file.
5. Optionally add a Comment explaining the document.
6. Click Save. The Save button is only active once a file has been attached.

File Requirements: Accepted formats: .png, .jpg, .jpeg, .pdf | Maximum size: 3 MB per file.

⚠ Important: The Save button is disabled until a document is attached. If Save appears greyed out, ensure a file has been selected using the paperclip icon.

5.2 Proof Status & Approval

Once proof is uploaded, the HR/Payroll team reviews and approves or rejects it. Status is visible in the Status column:

Status	Meaning
Declared	Investment declared but proof not yet uploaded
Approved	Proof reviewed and approved by payroll team
Rejected	Proof rejected — re-upload with correct documentation

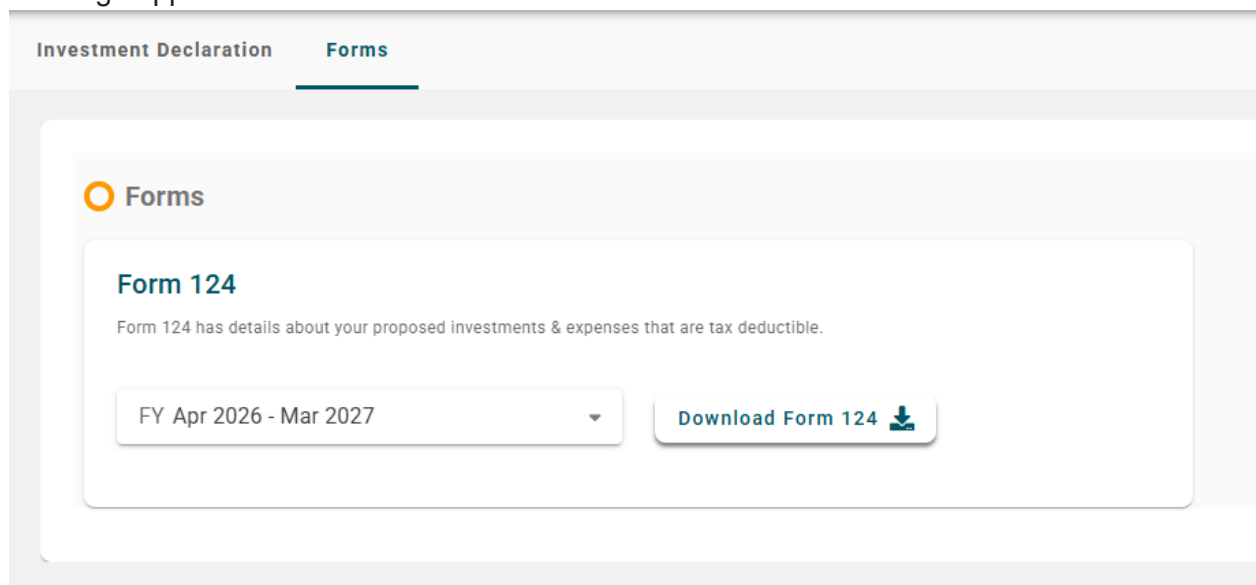
5.3 Comments


The Comments column shows a speech-bubble icon with a count badge if there are comments from the payroll/HR team on a specific investment row. Click the icon to view the full comment thread with timestamps.

6. Form 124

Form 124 is the official declaration form submitted to the employer containing all investment declarations. It is required under Rule 26C of the Income Tax Rules.

1. Click the Forms tab (next to Investment Declaration at the top).
2. Click the Download button next to Form 124.
3. The file will download via your browser. Check your Downloads folder if no confirmation message appears.



 **Tip:** Download and retain a copy of Form 12BB for your personal tax records and to share with your chartered accountant if needed.

7. End-to-End Checklist

Use this checklist to complete your Investment Declaration for the financial year:

Step	Action
1	Select your Tax Regime (Old / New) from the Dashboard prompt at the start of the FY
2	Navigate to My Finance → My Tax → Investment Declaration
3	On IT Declaration tab: declare HRA (if applicable)
4	Declare Home Loan details (Self-Occupied or Let-Out, if applicable)
5	Declare Section 123 investments (Life Insurance, PPF, ELSS, Housing Loan Principal, etc.)
6	Declare Other Sources of Income (NSC interest, FD interest, etc.)
7	Declare Other Exemptions
8	Switch to the Proof of Investment tab and upload supporting documents
9	Download Form 12BB from the Forms tab and retain for records
10	Monitor proof approval status — re-upload if rejected

8. Frequently Asked Questions


Q: Can I change my tax regime after selecting it?

A: No. The regime applies for the full financial year. Contact your Payroll Administrator if a correction is needed.

Q: Why is the 123 total limited to INR 1,50,000?

A: Section 123 of the Income Tax Act sets a statutory cap of INR 1,50,000 per financial year for all qualifying investments combined (including EPF).

Q: The Save button in the Proof of Investment upload modal is greyed out — why?

A: The Save button becomes active only after a document file has been attached. Click the paperclip () icon in the Document field to browse and attach a file first.

Q: I cannot type a date in the HRA Rental Period field — what should I do?

A: The month-year date picker does not accept keyboard input. Use the back/forward arrows (< >) in the calendar popup to navigate to the correct month and year, then click the month name to select it.

Q: What happens if I do not submit proof before the deadline?

A: If proof is not submitted (especially for employees leaving the organisation mid-year), all declared exemptions may be rejected and TDS will be deducted without considering those exemptions in the final payrun.

Q: What is the HRA exemption calculation?

A: The exempt amount is the LOWEST of: (a) Actual HRA received, (b) Rent paid – 10% of Basic Salary, (c) 50% of Basic Salary (metro) or 40% (non-metro). The system calculates this automatically.

Q: Can I declare both Self-Occupied and Let-Out properties?

A: Old Regime employees can declare either a self-occupied or a let-out property under Section 22. New Regime employees can only access Let-Out Property.