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Azadi Ka  
Amrit Mahotsav



केन्द्रीय भण्डारण निगम  
(भारत सरकार का उपक्रम)

CENTRAL WAREHOUSING CORPORATION

(A Govt. of India Undertaking)

जन-जन के लिए भण्डारण/Warehousing for Everyone



No: CWC CO-FD0TAX/159/2020-FIN

Dated: 15-09-2023

### TAXATION CIRCULAR NO. 56

**Subject: Changes in Rules regarding value of residential accommodation provided by employer to employee ...reg.**

- Ref. :** 1. Gazette Notification dated 18.08.2023 issued by Ministry of Finance  
2. Corrigendum dated 29.08.2023 to the Gazette Notification  
3. Press release dated 19.08.2023 issued by Ministry of Finance

The Central Government vide gazette notification and press release under reference has revised the rules in respect of calculation of residential accommodation provided by employer to the employee.

2. With effect from 01.09.2023, the value of residential accommodation provided by the employer, for the purpose of sub-clauses (i) and (ii) of sub-section (2) of section 17, during the previous year shall be determined on the basis provided in the table I given in reference notification.

Sl. No.	Circumstances	Where accommodation is unfurnished	Where accommodation is furnished
1	2	3	4
(1)	Where the accommodation is provided by the Central Government or any State Government to the employees either holding office or post in connection with the affairs of the Union or of such State.	License fee determined by the Central Government or any State Government in respect of accommodation in accordance with the rules framed by such Government as reduced by the rent actually paid by the employee.	The value of perquisite as determined under column (3) and increased by 10% per annum of the cost of furniture (including television sets, radio sets, refrigerators, other household appliances, air-conditioning plant or equipment) or if such furniture is hired from a third party, the actual hire charges payable for the same as reduced by any charges paid or payable for the same by the employee during the previous year.
(2)	Where accommodation is provided by any other employer		
a)	Where Accommodation is owned by the employer	10% of salary in cities having population exceeding 40 lakhs as per 2011 census 7.5% of salary in cities having population exceeding 15 lakh but not exceeding 40 lakhs as per 2011 census 5% of salary in other areas, in respect of period during which the said accommodation was occupied by the employee during the previous year	The value of perquisite as determined under column (3) and increased by 10% per annum of the cost of furniture (including television sets, radio sets, refrigerators, other household appliances, air-conditioning plant or equipment or other similar appliances or gadgets) or if such furniture is hired from a third party, by the actual hire charges payable for the same as reduced by any charges paid or payable

निगमितका0: 4/1, सीरीइंस्टीट्यूशनलएरिया,अगस्तक्रांतिमार्ग, हौज़ख़ास,नईदिल्ली-110016 CO: 4/1, Siri Institutional Area,

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जन जन के लिए भण्डारण – WAREHOUSING FOR EVERYONE



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		as reduced by the rent, if any actually paid by the employee.	for the same by the employee during the previous year.
	b) Where the accommodation is taken on lease or rent by the employer.	Actual amount of lease rental paid or payable by the employer or 10% of salary, whichever is lower, as reduced by the rent, if any, actually paid by the employee.	The value of perquisite as determined under column (3) and increased by 10% per annum of the cost of furniture (including television sets, radio sets, refrigerators, other household appliances, air-conditioning plant or equipment or other similar appliances or gadgets) or if such furniture is hired from a third party, by the actual hire charges payable for the same as reduced by any charges paid or payable for the same by the employee during the previous year.
3	Where the accommodation is provided by the employer specified in serial number (1) or (2) in a hotel (except where the employee is provided such accommodation for a period not exceeding in aggregate fifteen days on his transfer from one place to another).	Not applicable	24% of salary paid or payable for the previous year or the actual charges paid or payable to such hotel, which is lower, for the period during which such accommodation is provided as reduced by the rent, if any, actually paid or payable by the employee:

**Provided further** that where on account of his transfer from one place to another, the employee is provided with accommodation at the new place of posting while retaining the accommodation at the other place, the value of perquisite shall be determined with reference to only one such accommodation which has the lower value with reference to the Table above for a period not exceeding ninety days and thereafter the value of perquisite shall be charged for both such accommodations in accordance with the Table.

**Provided also** that where the accommodation is owned or taken on lease or rent by the employer and the same accommodation is continued to be provided to the same employee for more than one previous year, the amount calculated in accordance with SL. No.2(a) or 2(b) shall not exceed the amount so calculated for the first previous year, as multiplied by the amount which is a ratio of the Cost Inflation Index for the previous year for which the amount is calculated and the Cost Inflation Index for the previous year in which the accommodation was initially provided to the employee.

Explanation 1.- For the purposes of this sub-rule, where the accommodation is provided by the Central Government or any State Government to an employee who is serving on deputation with any body or undertaking under the control of such Government,-

(i) the employer of such an employee shall be deemed to be that body or undertaking where the employee is serving on deputation; and



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(ii) the value of prerequisite of such an accommodation shall be the amount calculated in accordance

with Sl. No. (2)(a) of Table- I, as if the accommodation is owned by the employer.

**Explanation 2.**— For the purposes of third proviso,-

(i) “Cost Inflation Index” means the index notified by the Central Government in Official Gazette under clause (v) of Explanation to section 48;

(ii) “first previous year” means the previous year 2023-2024, or the previous year in which the accommodation was provided to the employee, whichever is later.;

*(ii) in the Explanation, for clause (v), the following clause shall be substituted, namely:-*

*‘(v) “remote area”, for purposes of proviso to sub-rule(1) means any area other than an area which is located-*

*(a) within the local limits of ; or*

*(b) within a distance, measured aerially, of 30 kilometers from the local limits of, any municipality*

*or a cantonment board having a population of 1,00,000 or more based on the 2011 census’;*

3. As per table –I of gazette notification, Point no. 1 is not applicable on Central Warehousing Corporation whereas point no. 2 & 3 are applicable on the Corporation.

4. In this connection all Regional Accounts Heads are advised to ensure compliance to the notification and provide correct details regarding residential accommodation provided to the employees by the Corporation, while submitting the salary details to Corporate Office.

5. The Salary section of corporate office and all regional offices should ensure compliance.

(RR Aggarwal)  
GGM (Fin.)

**Copy to:**

1. All Accounts Head / Regional Managers of all Regional Offices
2. GGM(MIS)/GM(Fin), for ensuring incorporation of the above changes in HRMS module for preparation of Salary
3. GM(Pers.)/DGM(Pers), CWC Corporate Office New Delhi
4. Manager (Salary) to ensure that the CPI Data is properly shared with the vendor on timely basis so that necessary compliance could be ensured

**Copy for information to:**

1. MD / Dir(M&CP), CWC Corporate Office New Delhi
2. Director (Finance), CWC Corporate Office New Delhi
3. Director (Personnel), CWC Corporate Office New Delhi
4. All HoDs, CWC Corporate Office New Delhi



# भारत का राजपत्र The Gazette of India

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EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)  
PART II—Section 3—Sub-section (i)

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वित्त मंत्रालय  
(राजस्व विभाग)  
(केन्द्रीय प्रत्यक्ष कर बोर्ड)  
अधिसूचना

नई दिल्ली, 18 अगस्त, 2023

आयकर

सा.का.नि. 615(अ).—केन्द्रीय प्रत्यक्ष कर बोर्ड, आय-कर अधिनियम, 1961 (1961 का 43) की धारा 295 के साथ पठित धारा 17 के खंड (2) के उपखंड (i) और उपखंड (ii) के स्पष्टीकरण द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, आय-कर नियम, 1962 का और संशोधन करने के लिए, निम्नलिखित नियम बनाता है, अर्थात् :--

1. संक्षिप्त नाम और प्रारंभ—(1) इन नियमों का संक्षिप्त नाम आय-कर (अठारहवाँ संशोधन) नियम, 2023 है।

(2) ये 1 सितंबर, 2023 से प्रवृत्त होंगे।

2. आय-कर नियम, 1962 के नियम 3 में,—

(i) उपनियम (1) के स्थान पर, निम्नलिखित रखा जाएगा, अर्थात् :--

'(1) धारा 17 की उपधारा (2) के उपखंड (i) और उपखंड (ii) के प्रयोजन के लिए, नियोजक द्वारा पूर्व वर्ष के दौरान उपलब्ध कराई गई वास सुविधा के मूल्य का अवधारण नीचे दी गई सारणी 1 में उपबंधित आधार पर किया जाएगा:

## सारणी 1

क्र.सं .	परिस्थितियां	जहां वास सुविधाएं सुसज्जित नहीं हैं	जहां वास सुविधाएं सुसज्जित हैं
(1)	(2)	(3)	(4)
(1)	जहां वास सुविधा केन्द्रीय सरकार या किसी राज्य सरकार द्वारा अपने उन कर्मचारियों को उपलब्ध कराई जाती है, जो या तो संघ या ऐसे राज्य के कार्यकलापों के लिए पदधारण किए हों।	केन्द्रीय सरकार या किसी राज्य सरकार द्वारा वास सुविधा के बारे में उस सरकार द्वारा बनाए गए नियमों के अनुसार अवधारित वह अनुज्ञप्ति फीस, जो कर्मचारी द्वारा वास्तव में संदत्त किराए से घटाकर आए।	स्तंभ (3) के अधीन यथा अवधारित परिलब्धि का मूल्य और जिसमें फर्नीचर की (जिसके अंतर्गत टेलीविजन सेट, रेडियो सेट, रेफ्रिजरेटर, अन्य घरेलू साधित्र, वातानुकूलन संयंत्र उपस्कर भी है) लागत का 10% वार्षिक बढ़ा दिया गया हो और यदि ऐसा फर्नीचर किसी तीसरे पक्षकार से किराए पर लिया गया है तो उसके लिए वास्तव में संदेय वह किराया प्रभार, जो कर्मचारी द्वारा पूर्ववर्ष के दौरान उसके लिए संदत्त या संदेय किन्ही प्रभारों को घटाकर आए।
(2)	जहां वास सुविधा किसी अन्य नियोजक द्वारा उपलब्ध कराई जाए, और  (क) जहां वास-सुविधा नियोजक के स्वामित्वाधीन हो, या	(i) उन शहरों में, जिनकी जनसंख्या 2011 की जनगणना के अनुसार 40 लाख से अधिक है, वेतन का 10 प्रतिशत ;  (ii) उन शहरों में, जिसकी जनसंख्या 2011 की जनगणना के अनुसार 15 लाख से अधिक है, किंतु 40 लाख से कम है, वेतन का 7.5 प्रतिशत ;  (iii) अन्य क्षेत्रों में, वेतन का 5 प्रतिशत, उस अवधि के दौरान, जिसको पूर्व वर्ष के दौरान उक्त वास सुविधा कर्मचारी के अधिभोग में थी, कर्मचारी द्वारा वास्तव में संदत्त किराया, यदि कोई हो, घटा कर आए।	स्तंभ (3) के अधीन यथा अवधारित परिलब्धि का मूल्य और जिसमें फर्नीचर की (जिसके अंतर्गत टेलीविजन सेट, रेडियो सेट, रेफ्रिजरेटर अन्य घरेलू साधित्र वातानुकूलन संयंत्र या उपस्कर या अन्य वैसे ही साधित्र या गैजेट भी है) लागत का 10 प्रतिशत वार्षिक बढ़ा दिया गया हो और यदि ऐसा फर्नीचर किसी अन्य पक्षकार से किराए पर लिया गया हो तो उसके लिए वास्तव में संदेय वह किराया प्रभार, जो कर्मचारी द्वारा पूर्व वर्ष के दौरान उसके लिए किसी अन्य संदत्त या संदेय किन्ही प्रभारों को घटाकर।
	(ख) जहां वास सुविधा नियोजक द्वारा पट्टे या किराए पर ली गई हों	नियोजक द्वारा संदत्त या संदेय पट्टा किराए की वास्तविक रकम अथवा वेतन का 10 प्रतिशत, इनमें से जो भी कम हो, जो कर्मचारी द्वारा वास्तव में संदत्त किराया, यदि कोई हो, घटाकर आए	स्तंभ (3) के अधीन यथा अवधारित परिलब्धि का मूल्य और जिसमें फर्नीचर की (जिसके अंतर्गत टेलीविजन सेट, रेडियो सेट रेफ्रिजरेटर अन्य घरेलू साधित्र वातानुकूलन संयंत्र या उपस्कर या अन्य वैसे ही साधित्र या गैजेट भी है) लागत का 10 प्रतिशत वार्षिक बढ़ा दिया गया हो या यदि ऐसा फर्नीचर किसी तीसरे पक्षकार से किराए पर लिया गया हो, तो उसके लिए वास्तव में संदेय वह किराया प्रभार, जो कर्मचारी द्वारा पूर्व वर्ष के दौरान उसके लिए किसी अन्य संदत्त या संदेय किन्ही प्रभारों को घटाकर।

(3)	जहां वास-सुविधा क्रम संख्यांक (1) या (2) में विनिर्दिष्ट नियोजक द्वारा किसी होटल में उपलब्ध कराई जाती है (उसके सिवाए जहां कर्मचारी को ऐसी वास- सुविधा एक स्थान से उसका दूसरे स्थान पर स्थानांतरण होने पर कुल मिलाकर 15 दिन से अनधिक अवधि के लिए उपलब्ध कराई जाती है	लागू नहीं होता	पूर्व वर्ष के लिए संदत्त या संदेय वेतन का 24 प्रतिशत अथवा ऐसे होटल को उस अवधि के लिए जिसके दौरान ऐसी वास- सुविधा उपलब्ध कराई जाती है या संदेय वे वास्तविक प्रभार इनमें से जो भी कम हो जो कर्मचारी द्वारा वास्तव में संदत्त या संदेय किराया, यदि कोई हो, घटा कर आए :
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परंतु इस उपनियम की कोई बात ऐसी कर्मचारी को अस्थायी रूप से उपलब्ध कराई गई वास सुविधा को लागू नहीं होगी, जो किसी खनन स्थल पर या अग्रतटीय तेल खोज स्थल पर या किसी परियोजना निष्पादन स्थल पर या किसी बांध स्थल पर या विद्युत जनन स्थल पर या किसी अपतटीय स्थल पर कार्य कर रहा हो,--

- (i) जिनका कुर्सी क्षेत्र 1,000 वर्ग फुट से अधिक नहीं हो और किसी नगरपालिका अथवा छावनी बोर्ड की स्थानीय सीमाओं से कम से कम आठ किलोमीटर दूर स्थित हो ; या
- (ii) जो किसी दूरस्थ क्षेत्र में स्थित हो :

परंतु यह और कि जहां कर्मचारी को, उसका एक स्थान से दूसरे स्थान पर स्थानांतरण होने के कारण, तैनाती के नए स्थान पर, जबकि दूसरे स्थान पर स्थित वास-सुविधा को रखता है, वास-सुविधा उपलब्ध कराई जाती है वहां परिलब्धि के मूल्य का अवधारण केवल एक ऐसी वास-सुविधा के प्रति निर्देश करते हुए, जिसका उपरोक्त सारणी के प्रति निर्देश करते हुए कम मूल्य है, 90 दिन से अनधिक अवधि के लिए किया जाएगा और उसके पश्चात् परिलब्धि का मूल्य सारणी के अनुसार ऐसी दोनों वास-सुविधाओं के लिए प्रभारित किया जाएगा :

परंतु यह भी कि जहां वास-सुविधा का स्वामित्व नियोजक के पास है तथा वही वास-सुविधा एक पूर्ववर्ष से एक अधिक समय से उसी कर्मचारी को निरंतर प्रदान की जाती है, क्रम सं0 2(क) या 2(ख) के अनुसार संगणित रकम पहले पूर्ववर्ष के लिए इस प्रकार संगणित रकम से अधिक नहीं होगी, जो उस रकम द्वारा गुणा की जाती है, जो पूर्ववर्ष के लिए लागत मुद्रास्फीति सूचकांक का एक अनुपात है, जिसके लिए रकम की संगणना की जाती है और पूर्ववर्ष के लिए लागत मुद्रास्फीति सूचकांक, जिसमें कर्मचारी को प्रारंभ में वास-सुविधा प्रदान की गई थी ।

**स्पष्टीकरण 1-** उस उपनियम के प्रयोजनों के लिए, जहां केन्द्रीय सरकार या किसी राज्य सरकार द्वारा वास-सुविधा ऐसे कर्मचारी को प्रदान की जाती है, जो ऐसी सरकार के नियंत्रणाधीन किसी निकाय या उपक्रम में प्रतिनियुक्ति पर है,--

- (i) ऐसे किसी कर्मचारी का नियोजक को वह निकाय या उपक्रम समझा जाएगा जहां कर्मचारी प्रतिनियुक्ति पर सेवा कर रहा है; और
- (ii) ऐसी किसी वास-सुविधा की परिलब्धि का मूल्य सारणी 1 के क्रम सं. (2)(क) के अनुसार रकम संगणित की जाएगी मानो वास-सुविधा, नियोजक के स्वामित्व में हो।

**स्पष्टीकरण 2—** तीसरे परंतुक के प्रयोजनों के लिए,--

- (i) “लागत मुद्रास्फीति सूचकांक” से केन्द्रीय सरकार द्वारा धारा 48 के स्पष्टीकरण के खंड (v) के अधीन राजपत्र में अधिसूचित सूचकांक अभिप्रेत है ; और
  - (ii) “पहले पूर्ववर्ष” से 2023-24 पूर्ववर्ष, या वह पूर्ववर्ष, जिसमें कर्मचारी को वास-सुविधा प्रदान की गई थी, जो भी पश्चात्पूर्ती हो, अभिप्रेत है ।’;
- (ii) स्पष्टीकरण में खंड (v) के स्थान पर, निम्नलिखित खंड रखा जाएगा, अर्थात् :--

‘(v) उपनियम (1) के परंतुक के प्रयोजनों के लिए, “दूरस्थ क्षेत्र” से वह कोई क्षेत्र अभिप्रेत है, जो, 2011 की जनगणना के आधार पर, 1,00,000 या अधिक की जनसंख्या वाले किसी नगरपालिका या छावनी बोर्ड की--

(क) स्थानीय सीमाओं के भीतर ; या

(ख) स्थानीय सीमाओं से, आकाशीय रूप से मापी गई, तीस किलोमीटर की दूरी के भीतर, अवस्थित क्षेत्र से भिन्न है ;’।

[अधिसूचना सं. 65/2023/फा.सं.370142/21/2023-टीपीएल भाग (1)]

अमृत प्रीतम चेतिया, अवर सचिव

**टिप्पण :** मूल नियम, भारत के राजपत्र, असाधारण, भाग II, खंड 3, उपखंड (ii) में अधिसूचना सं. का.आ. 969(अ), तारीख 26 मार्च, 1962 द्वारा प्रकाशित की गई थी और अधिसूचना संख्या सा.का.नि 607(अ), तारीख 17 अगस्त, 2023 द्वारा अंतिम बार संशोधित की गई थी ।

## MINISTRY OF FINANCE

(Department of Revenue)

(CENTRAL BOARD OF DIRECT TAXES)

### NOTIFICATION

New Delhi, the 18th August, 2023

### INCOME-TAX

**G.S.R. 615(E).**—In exercise of the powers conferred by sub-clause (i) and *Explanation* to sub-clause (2) of section 17 read with 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, 1962, namely:—

**1. Short title and commencement.**— (1) These rules may be called the Income tax (Eighteenth Amendment), Rules, 2023.

(2) They shall come into force with effect from the 1<sup>st</sup> day of September, 2023.

**2. In the Income-tax Rules, 1962, in rule 3,—**

(i) for sub-rule (1), the following shall be substituted, namely: -

‘(1) The value of residential accommodation provided by the employer, for the purpose of sub-clauses (i) and (ii) of sub-section (2) of section 17, during the previous year shall be determined on the basis provided in the table I given below:

**TABLE-I**

Sl. No.	Circumstances	Where accommodation is unfurnished	Where accommodation is furnished
(1)	(2)	(3)	(4)
(1)	Where the accommodation is provided by the Central Government or any State Government to the employees either holding office or post in connection with the affairs of the Union or of such State.	License fee determined by the Central Government or any State Government in respect of accommodation in accordance with the rules framed by such Government as reduced by the rent actually paid by the employee.	The value of perquisite as determined under column (3) and increased by 10% per annum of the cost of furniture (including television sets, radio sets, refrigerators, other household appliances, air-conditioning plant or equipment) or if such furniture is hired from a third party, the actual hire charges payable for the

			same as reduced by any charges paid or payable for the same by the employee during the previous year.
(2)	Where the accommodation is provided by any other employer and—		
	(a) where the accommodation is owned by the employer, or	(i) 10% of salary in cities having population exceeding 40 lakhs as per 2011 census; (ii) 7.5% of salary in cities having population exceeding 15 lakhs but not exceeding 40 lakhs as per 2011 census; (iii) 5% of salary in other areas, in respect of the period during which the said accommodation was occupied by the employee during the previous year as reduced by the rent, if any, actually paid by the employee.	The value of perquisite as determined under column (3) and increased by 10% per annum of the cost of furniture (including television sets, radio sets, refrigerators, other household appliances, air-conditioning plant or equipment or other similar appliances or gadgets) or if such furniture is hired from a third party, by the actual hire charges payable for the same as reduced by any charges paid or payable for the same by the employee during the previous year.
	(b) where the accommodation is taken on lease or rent by the employer.	Actual amount of lease rental paid or payable by the employer or 10% of salary, whichever is lower, as reduced by the rent, if any, actually paid by the employee.	The value of perquisite as determined under column (3) and increased by 10% per annum of the cost of furniture (including television sets, radio sets, refrigerators, other household appliances, air-conditioning plant or equipment or other similar appliances or gadgets) or if such furniture is hired from a third party, by the actual hire charges payable for the same as reduced by any charges paid or payable for the same by the employee during the previous year.
(3)	Where the accommodation is provided by the employer specified in serial number (1) or (2) in a hotel (except where the employee is provided such accommodation for a period not exceeding in aggregate fifteen days on his transfer from one place to another).	Not applicable	24% of salary paid or payable for the previous year or the actual charges paid or payable to such hotel, which is lower, for the period during which such accommodation is provided as reduced by the rent, if any, actually paid or payable by the employee:

**Provided** that nothing contained in this sub-rule shall apply to any accommodation temporarily provided to an employee working at a mining site or an on-shore oil exploration site or a project execution site, or a dam site or a power generation site or an off-shore site—

- (i) which, having plinth area not exceeding 1000 square feet, is located not less than eight kilometres away from the local limits of any municipality or a cantonment board; or
- (ii) which is located in a remote area:

**Provided further** that where on account of his transfer from one place to another, the employee is provided with accommodation at the new place of posting while retaining the accommodation at the other place, the value of perquisite shall be determined with reference to only one such accommodation which has the lower value with reference to the Table above for a period not exceeding ninety days and thereafter the value of perquisite shall be charged for both such accommodations in accordance with the Table:



**Provided also** that where the accommodation is owned by the employer and the same accommodation is continued to be provided to the same employee for more than one previous year, the amount calculated in accordance with SL. No.2(a) or 2(b) shall not exceed the amount so calculated for the first previous year, as multiplied by the amount which is a ratio of the Cost Inflation Index for the previous year for which the amount is calculated and the Cost Inflation Index for the previous year in which the accommodation was initially provided to the employee.

**Explanation 1.-** For the purposes of this sub-rule, where the accommodation is provided by the Central Government or any State Government to an employee who is serving on deputation with any body or undertaking under the control of such Government,-

- (i) the employer of such an employee shall be deemed to be that body or undertaking where the employee is serving on deputation; and
- (ii) the value of perquisite of such an accommodation shall be the amount calculated in accordance with Sl. No. (2)(a) of Table- I, as if the accommodation is owned by the employer.

**Explanation 2.—** For the purposes of third proviso,-

- (i) “Cost Inflation Index” means the index notified by the Central Government in Official Gazette under clause (v) of *Explanation* to section 48;
- (ii) “first previous year” means the previous year 2023-2024, or the previous year in which the accommodation was provided to the employee, whichever is later.;

(ii) in the *Explanation*, for clause (v), the following clause shall be substituted, namely:-

‘(v) “remote area”, for purposes of proviso to sub-rule(1) means any area other than an area which is located-

- (a) within the local limits of ; or
- (b) within a distance, measured aerially, of 30 kilometers from the local limits of, any municipality or a cantonment board having a population of 1,00,000 or more based on the 2011 census’;

[Notification No. 65/2023/F. No. 370142/21/2023-TPL Part (1)]

AMRIT PRITOM CHETIA, Under Secy.

**Note:** The principal rules were published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), vide notification number S.O. 969 (E) dated the 26th March, 1962 and was last amended vide notification number G.S.R. 607(E) dated 17 August, 2023.

**Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Direct Taxes**

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New Delhi, 19<sup>th</sup> August, 2023

**PRESS RELEASE**

**CBDT notifies Rule for determination of value of perquisite in respect of residential accommodation provided by employer**

Finance Act, 2023 brought in an amendment for the purposes of calculation of “perquisite” with regard to the value of rent-free or concessional accommodation provided to an employee, by his employer. Accordingly, CBDT has modified Rule 3 of the Income-tax Rules, 1961 to provide for the same.

The categorization and the limits of cities and population have now been based on the 2011 census as against the 2001 census earlier. The revised limits of population are 40 lakh in place of 25 lakh and 15 lakh in place of 10 lakh. The earlier perquisite rates of 15%, 10% and 7.5% of the salary have now been reduced to 10%, 7.5% and 5% of the salary respectively in the amended Rule. This is summarized as under:

<b>Previous Categorisation and Rates</b>		<b>New Categorisation and Rates</b>	
<b>Population</b>	<b>Perquisite Rate</b>	<b>Population</b>	<b>Perquisite Rate</b>
More than 25 lakh	15%	More than 40 lakh	10%
Between 10 lakh and 25 lakh	10%	Between 15 lakh and 40 lakh	7.5%
Less than 10 lakh	7.5%	Less than 15 lakh	5%

The Rule has also been further rationalized so as to compute a fair tax implication of the same accommodation being occupied by an employee for more than one previous year.

Notification No. 65/2023 dated 18<sup>th</sup> August, 2023 has been published and is available at <https://egazette.nic.in>.

**(Surabhi Ahluwalia)  
Pr. Commissioner of Income Tax  
(Media & Technical Policy) &  
Official Spokesperson, CBDT**

**MINISTRY OF FINANCE**  
**(Department of Revenue)**  
**(CENTRAL BOARD OF DIRECT TAXES)**

**CORRIGENDUM**

New Delhi, the 29th August, 2023

**(INCOME-TAX)**

**G.S.R. 636(E).**—In the notification of the Government of India, Ministry of Finance, Department of Revenue (Central Board of Direct Taxes) No. 65/2023 dated 18<sup>th</sup> August, 2023, published vide No. G.S.R. 615(E), dated 18.08.2023 in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (i), —

- (i) In line 1 of page 6 of the Gazette Notification G.S.R. No. 615 (E) dated 18.08.2023, after the words “Provided also that where the accommodation is owned” and before the words “by the employer and the same accommodation is”, the words “or taken on lease or rent” shall be inserted.

[Notification No. 72/2023/F. No.370142/21/2023-TPL Part(1)]

AMRIT PRITOM CHETIA, Under Secy.