

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION No. 3975**

**TO BE ANSWERED ON FRIDAY, THE 10TH AUGUST, 2018
19, SHRAVANA, 1940 (SAKA)**

TAX RELAXATION ON NPS MATURITY VALUE

3975. SHRI KONAKALLA NARAYANA RAO:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is contemplating to give tax rebate on the maturity value of the amount deposited under National Pension Scheme (NPS) like Public Provident Fund and if so, the details thereof;
- (b) whether the Securities and Exchange Board of India has also recommended to this tax relaxation in the recently held Financial Stability and Development Council meeting and if so, the details thereof; and
- (c) the stand of the Government in this regard?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI SHIV PRATAP SHUKLA)

- (a) No Madam. Currently, Government is not contemplating to give any tax rebate on the maturity value of the amount deposited under National Pension Scheme (NPS) like Public Provident Fund. In this context, it may be noted that under the existing provisions of the Income tax Act, 1961 the following payments from the National Pension System Trust are exempt:
 - (i) up to 40% of the total amount payable to an assessee on closure of his account or on his opting out of a Pension Scheme; and
 - (ii) partial withdrawal by an employee from NPS up to 25% of own contribution.
- (b) No.
- (c) Does not arise.
