

Advance Tax



To be paid by any individual whose tax liability is more than Rs 10,000/- in a financial year

Only applicable for income other than salary income



To be paid on current estimated income

Needs to be paid every quarter, instead of a lumpsum at the end of the year



While calculating advance tax,

- Deductions like Sec 80C, etc can be considered
- Adjustments can also be made for TDS deducted

15th December is the deadline for paying third installment of advance tax



Failure to pay advance tax liability will attract interest of 3% per quarter for first 3 quarters and 1% for final quarter

Finsafe Tips: Estimate and calculate advance tax liability and pay it on time to avoid interest liability.