

Subject: As efforts by AIRF Loco Traffic Running Staff Tax Free Mileage Limit increased to Rs.10000 per month retrospectively wef 1-9-2008

Dear Comrades,

As efforts by AIRF

 **Running Staff Tax Free Mileage Limit increased to Rs.10000/- w.e.f. 01-09-2008**

Personal expenditure Allowance to transport system employee's exemption Increased As per Income tax Act section 10(14) exemption limit of various allowances has been prescribed under rule 2BB of income tax rules. One of them is allowance to transport system employee to meet personal expenditure during his duty performance.

Present rule is given as under

Allowance description: Any allowance granted to an employee working in any transport system to meet his personal expenditure during his duty performed in the course of running of such transport from one place to another place, provided that such employee is not in receipt of daily allowance

Exempted Amount :70 % of the allowance subject to ` .6000/- Maximum

Now as per Income-tax (Eighth Amendment) Rules, 2010 - Amendment in Rule 2BB vide NOTIFICATION NO. 85/2010 [F. NO. 149/45/2010-SO (TPL)], DATED 22-11-2010 the maximum amount has been increased to ` 10000/- with effect from 01.09.2008 (retrospectively effected)

complete Notification is given below:

Income-tax (Eighth Amendment) Rules, 2010 - Amendment in Rule 2BB
NOTIFICATION NO. 85/2010
[F. NO. 149/45/2010-SO (TPL)], DATED 22-11-2010

In exercise of the powers conferred by section 295 read with clause (14) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rule further to amend Income-tax Rules, 1962, namely :—

1. (1) These Rule may be called the Income-tax (Eighth Amendment) Rules, 2010.
- (2) They shall be deemed to have come into force [retrospectively with effect from 1st day of September, 2008.](#)
2. In the Income-tax Rules, 1962, in rule 2BB, in sub-rule (2), in the Table, against serial number 4, in column 4, for letters, figures and words “` . 6,000 per month” the letters, figures and words, “` . 10,000 per month” shall be substituted.

Salil Lawrence
AGS/AIRF