

EPFO Rate of Interest for FY 21-22 @ 8.1%

As per the announcement made by our Finance Minister Nirmala Sitharaman on 21st March '2022, interest rate on employees Provident Fund for FY 21-22 has been slashed to 8.1% by the Central Board of Trustees of EPFO. Rate of Interest has been reduced from 8.5% to 8.1% in comparison to the last financial year. This interest rate is the lowest in the last four decades, which is being offered to almost 6 million PF subscribers. Attached EPF circular dated 03.06.2022 for member's reference.

EPF Online E- Nomination Process Flow.

Step 1: -

Click EPFO Website www.epfindia.gov.in >>> Services >>>

Step 2: -

For Employees >>> Click Members UAN / Online Services >>>

Step 3: -

Login with UAN & Pass >>> Select E-Nomination under Manage Tab>

Step 4: -

"Provide Details" Tab will appear and Click Save >>>

Step 5: -

Click "Yes" to update Family Declaration>>>

Step 6: -

Click "Add Family Details" (More than one nominee can be added)>>>

Step 7: -

Click "Nomination Details" to declare total amount of share >>>

Step 8: -

Click Save EPF Nomination >>>

Step 9: -

Click E-Sign to generate OTP & Feed in OTP Details.

PF deposit limit increased: Big News! Now PF deposit limit can be increased for tax free interest, will get so much benefit, know updates

Tax benefit on investment and interest in EPF;

Investment in EPF gets the benefit of tax deduction under section 80C of the Income Tax Act. That is, deduction up to Rs 1.50 lakh can be claimed in a financial year. The maturity amount received from EPF and withdrawal made after completion of 5 years of service is not tax deductible. However, the rules regarding tax on interest have changed now.

It is noteworthy that every company in the organized sector coming under the purview of EPFO is required to give the benefit of EPF (Employee Provident Fund) to its employees. EPF is contributed by both the employer and the employee, which is 12-12 per cent of the basic salary + DA of the employee. However, out of 12 per cent of the employer's contribution, 8.33 per cent goes to the Employee Pension Scheme (EPS), and the rest to the employee's PF

At present, this limit for private sector employees is Rs 2.5 lakh per financial year, while for government employees the maximum is Rs 5 lakh per year.

Experts say that in view of the demand arising from various segments, the limit of tax-free contribution to the Employees Provident Fund has also been increased for the salaried employees of the private sector at par with government employees i.e. Rs 5 lakh per year can go.

In Budget 2021, Finance Minister Nirmala Sitharaman proposed that the tax exemption be limited to Rs 2.5 lakh per annum contribution in case of interest income on employee contribution to various PFs. That is, only the interest received on annual contribution up to 2.5 lakh rupees in one's EPF and VPF account should be tax free. Interest earned on contributions above this limit is taxable. This threshold limit of Rs 2.5 lakh is for non-government employees. For government employees, interest earned on annual contribution up to Rs 5 lakh in EPF and VPF account has been made tax free.

The new rule has come into effect from April 1 2021;

This rule has come into effect from 1st April 2021 and is valid for PF contributions made on or after 1st April 2021. CBDT notified this in

August 2021. This new rule will directly affect those employees, whose income is high and they get huge tax free interest income through Voluntary Provident Fund.

Contributions made in EPF and VPF accounts till March 31, 2021 will not be affected by this new rule

Shop & Offices in Mumbai to use Marathi Signboards in Devanagari script.

Maharashtra Shop & Establishment Act as per Rule 35 of the Act has made it mandatory to use Marathi Signboards in Devanagari script / language. Also while using more than one script / language, the Marathi Devanagari script font has to be bigger in size in comparison to another script. Members are requested to make a note of the same and do the needful.

(Web Circulation)



ईपीएफओ, मुख्य कार्यालय
श्रम एवं रोजगार मंत्रालय, भारत सरकार
भविष्य निधि भवन, 14, भीकाजी कामा प्लेस, नई दिल्ली 110066



EPFO, HEAD OFFICE
MINISTRY OF LABOUR & EMPLOYMENT, GOVERNMENT OF INDIA
BHAVISHYA NIDHI BHAWAN, 14, BHIKAJI CAMA PLACE, NEW DELHI 110066
www.epfindia.gov.in

No. INV-11/2/2021-INV/4670

Date: 03.06.2022

03 JUN 2022

To,

All ACC (HQ)/ ACC- In-charge of Zonal Offices
All RPFC-I/ Officers-In-Charge, Regional offices.

Subject: Declaration of Rate of Interest for the Employees' Provident Fund Members Account for the year 2021-22- regarding

Sir,

The Ministry of Labour and Employment, Government of India, has conveyed the approval of the Central Government under para 60(1) of Employees' Provident Fund Scheme, 1952 to credit interest @ 8.10 % for the year 2021-22 to the account of each member of the EPF Scheme as per the provisions under Para 60 of EPF Scheme, 1952.

2. You are, accordingly, requested to issue necessary instructions to all the concerned for crediting the said interest to the members' accounts.

(Authority: - Ministry of Labour and Employment letter no. R-11018/01/2022-SS-II dated 31.05.2022.)

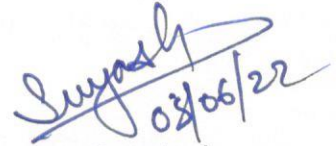
Yours' faithfully,

(Abhay Ranjan)

Addl. Central P. F. Commissioner (Investment)

Copy to:

1. PPS to Secretary, Ministry of Labour & Employment - for information
2. PPS to AS, Ministry of Labour & Employment - for information
3. PPS to AS&FA, Ministry of Labour & Employment - for information
4. OSD to Central Provident Fund Commissioner - for information
5. PS to Central Provident Fund Commissioner - for information
6. PPS to FA&CAO and CVO - for information
7. All CBT Members.
8. All ACC (HQ), Head Office
9. Director, PDNASS, New Delhi
10. All Zonal Dy. Directors (Vig.)/ All Zonal Audit Officers.
11. Addl. Central P. F. Commissioner (HQ)/ (IS) - for information & necessary action
12. Addl. Central P. F. Commissioner (HQ)/(Exemption) - for information and necessary action
13. Addl. Central P.F. Commissioner (F&AWSU/CAIU) - for information and necessary action
14. Officer-in-Charge, ZTI, Kolkata, Ujjain, Faridabad & Chennai & Sub-ZTI, Shillong
15. All officers in Head office.
16. Central organisation of Employers - CCI, CII, ASSOCHAM, FI CCI & PHO.
17. Central Organisations of Employees - All Central Trade Unions.
18. Director (SS-II), Ministry of Labour & Employment, New Delhi
19. Director (Budget), Ministry of Finance, D/o Economic Affairs, Budget Division, New Delhi.
20. RPF-C-I (In-Charge), National Data Centre, for uploading the orders on the EPFO website.


02/06/22

(Suyash Pandey)

Regional P. F. Commissioner - II (Investment)