

## **Additional Deduction of Interest upto Rs.1 Lakh on Home Loan for First Home Buyer**

The Finance Bill 2013-14 proposes additional tax benefit to the first – home buyer who takes a loan for an amount not exceeding Rs.25 lakh.

Presenting the Union Budget in the Lok Sabha today, the Finance Minister Shri P.Chidambaram proposed that a person taking a loan for his first home from a bank or a housing finance corporation upto Rs.25 lakh during the period 1.4.2013 to 31.3.2014 will be entitled to an additional deduction of interest of Rs.1 lakh.

The Finance Minister hoped that this will promote home-ownership and give a filip to a number of industries like steel, cement, brick, wood, glass etc besides jobs to thousands of construction workers.

This deduction will be over and above the deduction of Rs.1.50 lakh allowed for self-occupied properties under Section 24 of the Income Tax Act. If the limit is not exhausted, the balance may be claimed in AY 2015-16.

**\_PIB**