



Income Tax Department

Government of India

Deduction in respect of health insurance premia.

80D. (1) In computing the total income of an assessee, being an individual or a Hindu undivided family, there shall be deducted such sum, as specified in sub-section (2) or sub-section (3), payment of which is made by any mode as specified in sub-section (2B), in the previous year out of his income chargeable to tax.

(2) Where the assessee is an individual, the sum referred to in sub-section (1) shall be the aggregate of the following, namely:—

- (a) the whole of the amount paid to effect or to keep in force an insurance on the health of the assessee or his family or any contribution made to the Central Government Health Scheme or such other scheme as may be notified by the Central Government in this behalf or any payment made on account of preventive health check-up of the assessee or his family as does not exceed in the aggregate twenty-five thousand rupees; and*
- (b) the whole of the amount paid to effect or to keep in force an insurance on the health of the parent or parents of the assessee or any payment made on account of preventive health check-up of the parent or parents of the assessee as does not exceed in the aggregate twenty-five thousand rupees;
- (c) the whole of the amount paid on account of medical expenditure incurred on the health of the assessee or any member of his family as does not exceed in the aggregate fifty thousand rupees; and
- (d) the whole of the amount paid on account of medical expenditure incurred on the health of any parent of the assessee, as does not exceed in the aggregate fifty thousand rupees:

Provided that the amount referred to in clause (c) or clause (d) is paid in respect of a senior citizen and no amount has been paid to effect or to keep in force an insurance on the health of such person:

Provided further that the aggregate of the sum specified under clause (a) and clause (c) or the aggregate of the sum specified under clause (b) and clause (d) shall not exceed fifty thousand rupees.

Explanation.—For the purposes of clause (a), "family" means the spouse and dependant children of the assessee.

(2A) Where the amounts referred to in clauses (a) and (b) of sub-section (2) are paid on account of preventive health check-up, the deduction for such amounts shall be allowed to the extent it does not exceed in the aggregate five thousand rupees.

(2B) For the purposes of deduction under sub-section (1), the payment shall be made by—

- (i) any mode, including cash, in respect of any sum paid on account of preventive health check-up;
- (ii) any mode other than cash in all other cases not falling under clause (i).

(3) Where the assessee is a Hindu undivided family, the sum referred to in sub-section (1), shall be the aggregate of the following, namely:—

- (a) whole of the amount paid to effect or to keep in force an insurance on the health of any member of that Hindu undivided family as does not exceed in the aggregate twenty-five thousand rupees; and
- (b) the whole of the amount paid on account of medical expenditure incurred on the health of any member of the Hindu undivided family as does not exceed in the aggregate fifty thousand rupees:

Provided that the amount referred to in clause (b) is paid in respect of a senior citizen and no amount has been paid to effect or to keep in force an insurance on the health of such person:

Provided further that the aggregate of the sum specified under clause (a) and clause (b) shall not exceed fifty thousand rupees.

(4) Where the sum specified in clause (a) or clause (b) of sub-section (2) or clause (a) of sub-section (3) is paid to effect or keep in force an insurance on the health of any person specified therein, and who is a senior

citizen, the provisions of this section shall have effect as if for the words "twenty-five thousand rupees", the words "fifty thousand rupees" had been substituted.

Explanation.—[***]

(4A) Where the amount specified in clause (a) or clause (b) of sub-section (2) or clause (a) of sub-section (3) is paid in lump sum in the previous year to effect or to keep in force an insurance on the health of any person specified therein for more than a year, then, subject to the provisions of this section, there shall be allowed for each of the relevant previous year, a deduction equal to the appropriate fraction of the amount.

Explanation.—For the purposes of this sub-section,—

- (i) "appropriate fraction" means the fraction, the numerator of which is one and the denominator of which is the total number of relevant previous years;
 - (ii) "relevant previous year" means the previous year beginning with the previous year in which such amount is paid and the subsequent previous year or years during which the insurance shall have effect or be in force.
- (5) The insurance referred to in this section shall be in accordance with a scheme made in this behalf by—
- (a) the General Insurance Corporation of India formed under section 9 of the General Insurance Business (Nationalisation) Act, 1972 (57 of 1972) and approved by the Central Government in this behalf; or
 - (b) any other insurer and approved by the Insurance Regulatory and Development Authority established under sub-section (1) of section 3 of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999).

Explanation.—For the purposes of this section,—

- (i) "senior citizen" means an individual resident in India who is of the age of sixty years or more at any time during the relevant previous year;
- (ii) [***]