

FEDERATION OF SBI PENSIONERS' ASSOCIATIONS

(Regn.No.5/17025 of 1986 Under Societies Act 1860(Delhi)

ADMINISTRATIVE OFFICE, BENGALURU

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President

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G.D.Nadaf

General Secretary

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Ref No. FSBIPA/ 3 /2025

Date: 09-09-2025

The Deputy Managing Director & Corporate Development Officer,
State Bank of India,
Corporate Centre,
State Bank Bhavan,
Mumbai

Dear Sir,

Tax Liability on Perquisite Value of Staff Loans for Pensioners: Issues and Resolutions Sought

We express our gratitude for the Bank's decision to bear the income tax on the perquisite value of "Staff Housing Loans," "Staff Car Loans," and "Staff Education Loans" for FY 2024-2025 and 2025-26. However, we would like to bring to your kind attention a pressing issue affecting our pensioner members.

2.As per Circular No. CDO/P&HRD-PM/77/2024-25 dated 15.03.2025, the Bank will bear the income tax on the perquisite value of specified loans, covering all employees who are in service or drawing pension as on 31.03.2025. However, we have noticed a disparity in treatment between serving employees and pensioners. While the bank has paid tax on perquisites for serving employees, it hasn't done so for pensioners.

3. It was reported by our affiliates that the issue is more specific in the case of pensioners who have not submitted an Investment Declaration on Form (IDF). As the circular was issued on 15th March 2025, there was no scope for pensioners to declare this amount in their IDF. Due to the bank's non-payment of TDS on perquisites, many pensioners' income exceeded the threshold limit, resulting in additional tax liability.

Ex: Total Pension Income (AY 2025-26): ₹6,93,213

Perquisite Value: ₹1,14,080

Total Income: ₹8,07,293

Tax Liability: ₹19,770

Reason: Bank has not paid TDS on the perquisite value.

4. Given the bank's technological capabilities and access to pensioner account data, we request that the Bank address this issue, especially with the deadline for filing income tax returns for AY 2025-26 being 15.09.2025. If this is not possible, we request that the bank reimburse the tax paid by pensioners on the perquisite amount for the previous year based on the production of payment of income tax by the pensioner. For the current year, we request that the bank treat both serving and retired employees at par regarding payment of tax on perquisites.

5. We bring to your kind notice that many pensioners have raised their grievances through the 'Sanjeevani' Portal but without any response. Considering the last date of filing income tax returns is 15th September 2025, we once again seek your immediate attention and look forward to an urgent resolution.

Best Regards,

Yours faithfully,

A handwritten signature in black ink, appearing to be 'G.D. NADAF', is written over a light yellow rectangular background.

(G.D. NADAF)
General Secretary