

Section 80TTA vs 80TTB: Key Differences, Benefits and How to Claim

Description

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Quick summary

- Section 80TTA gives individuals and HUFs a deduction of up to ?10,000 on savings account interest.
- Section 80TTB gives resident senior citizens (age 60 or more) up to ?50,000 on interest from savings accounts, fixed deposits and recurring deposits. A senior citizen cannot claim 80TTA.
- Both are available only in the old tax regime, and both appear as section 153 of the Income-tax Act, 2025 from Tax Year 2026-27.
- The deduction is not automatic: enter it in your return.

Section 80TTA and section 80TTB give a deduction on interest earned from bank and post office deposits. They are alternatives. 80TTA is for everyone else and is smaller, while 80TTB is only for senior citizens and is wider and larger. Both are available only in the old tax regime.

What is section 80TTA?

Section 80TTA allows an individual or HUF a deduction of up to ?10,000 (or the actual interest, if less) on interest from a savings account with a bank, a co-operative bank or a post office. It does not cover interest on fixed deposits or recurring deposits. A senior citizen who claims section 80TTB cannot claim 80TTA.

What is section 80TTB?

Section 80TTB allows a resident senior citizen a deduction of up to ?50,000 (or the actual interest, if less) on interest from savings accounts and time deposits, including fixed deposits and recurring deposits, with a bank, a co-operative bank or a post office.

A senior citizen here means a resident individual who is 60 or more at any time during the year.

Key differences

Basis	Section 80TTA	Section 80TTB
Who can claim	Individuals and HUFs (not senior citizens claiming 80TTB)	Resident senior citizens, age 60 or more
Maximum deduction	?10,000 or actual interest, whichever is less	?50,000 or actual interest, whichever is less
Interest covered	Savings account	Savings account, fixed deposit, recurring deposit
Institutions	Bank, co-operative bank, post office	Bank, co-operative bank, post office
Regime	Old regime only	Old regime only

Example

Mr B is 59 years old on 01/04/2025 and turns 60 on 15/01/2026. In FY 2025-26 he earns ?7,000 as savings account interest and ?20,000 as FD interest.

- Because he is 60 at some point during FY 2025-26, he is a senior citizen for that year. He can claim 80TTB on the full ?27,000 (below the ?50,000 limit).
- If he were still under 60 throughout the year, he could claim only 80TTA on the ?7,000 savings interest, and nothing on the FD interest.

New regime

Neither section is available if you choose the new tax regime. Interest income is then simply taxed at slab rates.

Income-tax Act, 2025

From Tax Year 2026-27 both deductions are found in section 153 of the Income-tax Act, 2025, with the same limits. Budget 2025 raised the TDS threshold on interest (?50,000 for others and ?1,00,000 for senior citizens), but that only affects when TDS is deducted. It does not change the 80TTA and 80TTB limits.

How to claim

The deduction is not given automatically. Check your interest in the bank statements and the Annual Information Statement (AIS), then enter the amount in the deductions schedule of your return. Keep the interest certificates from the bank or post office.

Frequently asked questions

Who can claim section 80TTA?

Individuals and HUFs who are not claiming section 80TTB, up to ?10,000 on interest from savings accounts with a bank, co-operative bank or post office.

Who can claim section 80TTB?

Only resident individuals aged 60 or more at any time during the year, up to ?50,000 on interest from savings and time deposits.

Can a senior citizen claim both?

No. A senior citizen claims 80TTB and cannot claim 80TTA.

Is FD interest covered by section 80TTA?

No. Only savings account interest is covered. FD and RD interest qualifies only for senior citizens under 80TTB.

Are these deductions available in the new regime?

No. Both are available only in the old tax regime.

Official sources

- Income Tax Department: Section 153, Income-tax Act 2025
- Income Tax Department: e-Filing portal
- Union Budget: official website

Related reading

- How to Save Tax Other Than 80C: Deductions and Exemptions for 2026-27

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