

# Kerala Professional Tax

Kerala professional tax is levied by Government on salaried individuals, working in Government or Non-Government entities or of any profession, including Chartered Accounts and Lawyers or persons carrying out some form of business. Kerala Government has conferred the power of levelling professional tax under the Kerala Municipality Act, 1994. The professional tax rates are based on the Income slabs set by the State Government. The total amount of professional tax paid during the year is allowed as a Deduction under the Income Tax Act. In this article, we will look at the Kerala Professional Tax in detail.

## Kerala Municipality Act

As per the Kerala Municipality Amended Act, 2015 it is mandatory for all employees who are drawing a half-yearly salary of more than Rs. 12,000 to pay Kerala professional tax. This form of tax is to be paid to the respective municipal corporation in which the company or firm is situated. The professional tax slab is mentioned in the below table.

## Kerala Professional Tax Slab

The professional tax slab in Kerala is tabulated here:

S.No	Half Yearly Income	Half Yearly Professional Tax
1	Up to Rs.11999	Nil
2	Rs.12000 to Rs.17999	Rs.120
3	Rs.18000 to Rs.29999	Rs.180
4	Rs.30000 to Rs.44999	Rs.300
5	Rs.45000 to Rs.59999	Rs.450
6	Rs.60000 to Rs.74999	Rs.600

7	Rs.75000 to Rs.99999	Rs.750
8	Rs.100000 to Rs.124999	Rs.1000
9	Rs.125000 and above	Rs.1250

## Calculation of Salary for Professional Tax

For the calculation of salary for Professional tax includes Basic, Special Allowance, Dearness Allowance, Bonus, Extra Income (arrears, leave surrender etc. if any).

## Penalty for Non-Payment of Kerala Professional Tax

The delayed payment of professional tax will attract a penalty at the rate of 1% per month. Also for the non- payment, the profession tax will charge a fine of Rs. 5000.