

Small Saving Schemes

SENIOR CITIZENS SAVINGS SCHEME (SCSS)

The account may be opened by an individual,

- Who has attained age of 60 years or above on the date of opening of the account.
- Who has attained the age 55 years or more but less than 60 years and has retired under a Voluntary Retirement Scheme or a Special Voluntary Retirement Scheme on the date of opening of the account within three months from the date of retirement.
- No age limit for the retired personnel of Defence services provided they fulfill other specified conditions.
- The account may be opened in individual capacity or jointly with spouse.
- Non-resident Indians (NRIs) and Hindu Undivided Family (HUF) are not eligible to open an account.

Deposit Limit

- Maximum limit is Rs.15 lakhs per account.
- The individual may open one or more account in the multiple of Rs.1000/-, Further, more than one account cannot be opened in the same post office during a calendar month.

Tenure of the scheme

- Scheme duration is 5 years
- No withdrawal shall be permitted before the expiry of a period of five years from the date of opening of the account.
- The depositor may extend the account for a further period of 3 years.

Premature closure of account is permitted

- After one year but before 2 years on deduction of 1 ½ % of the deposit.
- After 2 years but before date of maturity on deduction of 1% of the deposit.
- In case of death of the depositor before maturity, the account shall be closed and deposit refunded without any deduction along with interest.

Interest

- Interest @ 9% per annum from the date of deposit on quarterly basis. Interest can be automatically credited to savings account provided both the accounts stand in the same post office.
- Interest rounded off to the nearest multiple of rupee one.
- Tax will be deducted at source

Post Maturity Interest

At the rate applicable to the deposits under Post Office Savings Accounts from time to time is admissible for the period beyond maturity.

Nomination facility is available in the Scheme.

Income Tax benefit : Investment is eligible for deduction u/s 80C. while interest earned is chargeable under Income Tax Act. Interest earned is liable for TDS.

Wealth Tax : No Wealth Tax rebate and/or exemption is admissible under the scheme.

Point of sale : 24 Nationalised banks, one private sector bank and post offices are allowed to offer this scheme to eligible investors.