

SENIOR CITIZEN SAVINGS SCHEME (SCSS)

RATES & INTERESTS

- From 1.10.2016, interest rates are as follows:-
 - 8.5% per annum, payable from the date of deposit of 31st March/30th Sept/31st December in the first instance & thereafter, interest shall be payable on 31st March, 30th June, 30th Sept and 31st December.
- There shall be only one deposit in the account in multiple of INR.1000/- maximum not exceeding INR 15 lakh.
- Account can be opened by cash for the amount below INR 1 lakh and for INR 1 Lakh and above by cheque only.
- Premature closure is allowed after one year on deduction of an amount equal to 1.5% of the deposit & after 2 years 1% of the deposit.
- TDS is deducted at source on interest if the interest amount is more than INR 10,000/- p.a.

BENEFITS

- An individual of the Age of 60 years or more may open the account.
 - An individual of the age of 55 years or more but less than 60 years who has retired on superannuation or under VRS can also open account subject to the condition that the account is opened within one month of receipt of retirement benefits and amount should not exceed the amount of retirement benefits.
 - Maturity period is 5 years.
 - A depositor may operate more than one account in individual capacity or jointly with spouse (husband/wife).
 - In case of cheque, the date of realization of cheque in Govt. account shall be date of opening of account.
 - Nomination facility is available at the time of opening and also after opening of account.
 - Account can be transferred from one post office to another
 - Any number of accounts can be opened in any post office subject to maximum investment limit by adding balance in all accounts.
 - Joint account can be opened with spouse only and first depositor in Joint account is the investor.
 - Interest can be drawn through auto credit into savings account standing at same post office, through PDCs or Money Order.
 - In case of SCSS accounts, quarterly interest shall be payable on 1st working day of April, July, October and January. It will be applicable at all CBS Post Offices.
- *Quarterly interest of SCSS accounts standing at CBS Post offices can be credited in any savings account standing at any other CBS post offices.
- After maturity, the account can be extended for further three years within one year of the maturity by giving application in prescribed format. In such cases, account can be closed at any time after expiry of one year of extension without any deduction.

Investment under this scheme qualifies for the benefit of Section 80C of the Income Tax Act, 1961 from 1.4.2007.