

What is “Gross Earnings” and how is it computed?

Gross earnings, for individuals, refer to the **total income earned** prior to the application of any tax deductions or adjustments.

“**Gross Earnings**” for any month roughly is that Earning arrived by considering the prorated Annual earnings and Perks minus section 17 components; plus any variable payments in that month.

And it should be noted this is NOT the monthly salary as per the payslips for that month.

How it is computed in application for quarter wise filling

Illustration 1:

Components	April	Remarks
Standard Annual Earnings	8,50,800	A
Variable Pay for this month	9,870	B
Perquisites	-	C
Standard Earnings + Perquisites	8,50,800	D (A+C)
Section 17 components	7,500	E
Standard Earnings + Perquisites - Sec 17	8,43,300	F (D-E)
Previous month VP	-	Not Applicable
Gross + Previous Month VP	8,43,300	F
Earnings filed till last month	-	Not Applicable
Total - Already filed amount	8,43,300	F
Prorate the above	70,275	G (F/12)
Gross Earnings	80,145	H (G+B)

Components	May	Remarks
Standard Annual Earnings	8,50,800	I
VP for this month	-	J
Perquisites	-	C
Standard Earnings + Perquisites	8,50,800	K ((I+C)
Section 17 components	7,500	L
Standard Earnings + Perquisites - Sec 17	8,43,300	M (K-L)
Previous month VP	9,870	B
Gross + Previous Month VP	8,53,170	N (M+B)
Earnings filed till last month	80,145	H
Total - Already filed amount	7,73,025	O (N-H)
Prorate the above	70,275	P (O/11)
Gross Earnings	70,275	Q (P+J)

Components	June	Remarks
Standard Annual Earnings	8,50,800	R
VP for this month	11,850	S
Perquisites	-	C
Standard Earnings + Perquisites	8,50,800	T (R+C)
Section 17 components	7,500	U
Standard Earnings + Perquisites - Sec 17	8,43,300	V (T-U)
Previous month VP	9,870	W (B+J)
Gross + Previous Month VP	8,53,170	X (V+W)
Earnings filed till last month	1,50,420	Y (H+Q)
Total - Already filed amount	7,02,750	Z (X-Y)
Prorate the above	70,275	AA (Z/10)
Gross Earnings	82,125	AB (AA+S)