



དངུལ་རྩིས་ལྷན་ཁག།

ROYAL GOVERNMENT OF BHUTAN

MINISTRY OF FINANCE

TASHICHHO DZONG

THIMPHU

དངུལ་རྩིས་ལྷན་པོ།

FINANCE MINISTER

F/MoF/DNB-Rules/2019-20/153

7th August 2019

NOTIFICATION

Subject: Clarification on Discretionary Allowance

As per the Notification on Revision of Allowances & Benefits of Public Servants dated 8th July 2019, the payment of the discretionary allowance shall be pro-rated on a monthly basis. In this regard, the Ministry of Finance would like to clarify as follows:

1. Upon request, payment of the full discretionary amount per annum can be considered by the respective agencies;
2. The earlier entitlement of 'Discretionary Grant' has been brought in line with Section 23 of the Parliamentary Entitlements Act of the Kingdom of Bhutan 2008 and converted to 'Discretionary Allowance' in the Pay Revision Act of Bhutan 2019;
3. For the purpose of taxation, discretionary allowance shall be dealt as per the taxation acts and in line with Section 5.1, Chapter 3, Part III of the Income Tax Act 2001 and Section 2 (2.1), Part III of the Rules on the Income Tax Act 2001, discretionary allowance is taxable.

(Namgay Tshering)

Copy to:

1. The Hon'ble Prime Minister, Office of the Prime Minister, Gyalyong Tshokhang, Thimphu
2. Dasho Zimpon, Office of the Gyalpo Zimpon, Thimphu
3. Ministers/Ministry/Constitutional Bodies/ Autonomous Agencies/ Dzongkhags/ Thromdes/Gewogs



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FINANCE MINISTER

4. The Cabinet Secretary, Cabinet Secretariat, Tashichho Dzong, Thimphu
5. The Auditor General, Royal Audit Authority, Thimphu
6. The Chairperson, Royal Civil Service Commission, Thimphu
7. The Administrator, MoF Website for posting on the website