

## PROVIDENT FUND (PF) WITHDRAWALS



## How to withdraw PF online | Know EPFO rules (4 mins read)

### Description

Emergencies do not come to us knocking on the door. Situations wherein we face unemployment for a longer time, Pandemic conditions such as Covid-19, House Construction/Repair, Medical Emergency, Marriage, Repayment of High-interest paying loans, etc. wherein we have to survive financially for our own good, Withdrawal of Provident Fund (PF) amount from Employees' Provident Fund Organization (EPFO) can give us some relief during these tough times. So, let's look at different types of PF withdrawal present under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, and the step-by-step guide on how to withdraw PF online without too much hassle.

# PROVIDENT FUND (PF) WITHDRAWALS



## Different types of PF withdrawal in India

### 1. Non-receipt of wages (>2 months)

You can withdraw 100% of your EPF amount (Employee's share with interest) after 2 months of unemployment.

### 2. Natural Calamities

If your property is damaged by natural calamities like earthquakes, floods, etc. then you can apply for PF withdrawal and get INR 5000 or 50% of your contribution, whichever is lower.

### 3. Illness



The amount you can withdraw PF against Illness is 6 months' basic wages and Dearness Allowance (DA) or Employee Share with interest whichever is least.

#### **4. Power Cut**

On account of Power Cut, you can seek for an amount of INR 300 or amount of wages for a month or Employee's Contribution with interest thereon, whichever is less.

Only one advance is admissible under this paragraph.

#### **5. Purchase of Handicap Equipment**

For the purchase of handicap equipment to minimize the hardship, you can withdraw PF amount of 6 months' basic wages and Dearness Allowance (DA) or Employee Share with interest or Cost of

equipment, whichever is least.

Second Advance is allowed after 3 years from the date of payment of the first advance under this paragraph.

## 6. Outbreak of Covid-19 (Pandemic)

Under the Covid-19 pandemic PF withdrawal rule, you can seek to withdraw PF advance of up to 75% of the PF balance (Employee share and Employer share) or 3 months of your basic salary and dearness allowance (DA), whichever is lower, from Employees' Provident Fund Organization India.

Only two advances are admissible under this paragraph.

## 7. 90% withdrawal before retirement



You can withdraw up to 90% of EPF balance (Member's share, Employer's Share, and Interest) after attainment of 54 years of age or within 1 year before actual retirement on superannuation, whichever is later.

## 8. Advance for continuous unemployment for above one month (Date of Exit should be available in the last employment)

You can withdraw 75% of the EPF corpus after 1 month of unemployment. The remaining 25% can be transferred to a new EPF account after gaining new employment.

## 9. Marriage or Higher Education

You can withdraw up to 50% of the amount (Employee's share of contribution with interest) from the EPF account for your own marriage, the marriage of your daughter, son, sister, or brother, or for the



post-matriculation education of your son or daughter. However, you should have completed your contribution to EPF for seven (7) years.

Only three (3) advances are admissible under this paragraph.

## **10. Purchase of Site for Construction of Dwelling House**

For the purpose of purchase of a site for the construction of the house, you can withdraw the PF amount of your basic wages and dearness allowance for twenty-four (24) months or own share of contributions with the employer's share of contributions with interest or the actual cost towards the acquisition of the dwelling site, whichever is the least. You can withdraw this PF fund only when you have completed at least 5 years of membership with the fund.

## **11. Purchase of House / Flat / Construction including acquisition of site**



For the purpose of purchase of a ready built house/flat or for construction of a house/flat, you can withdraw the PF amount of your basic wages and dearness allowance for thirty-six (36) months or the member's own share of contributions with the employer's share of contributions with interest, or the

total cost of construction, whichever is the least. You can also withdraw this PF fund only when you have completed at least 5 years of membership with the fund.

But, it is important to note that you can make PF withdrawal only once either for home loan repayment or house construction, or purchase of plot/site during your period of service.

## **12. Additions / Alterations of House**

On account of additions/alternations/improvement/repair of the dwelling House, you can withdraw the PF amount of 12 months' basic wages and DA or Employee Share with interest or Cost, whichever is least, provided your total service as an EPFO member should be at least 5 years.

You can withdraw 1st advance after 5 years from the completion of House and 2nd after 10 years from the 1st advance receipt.

## **13. Withdrawal from the Fund for repayment of loans in special cases**

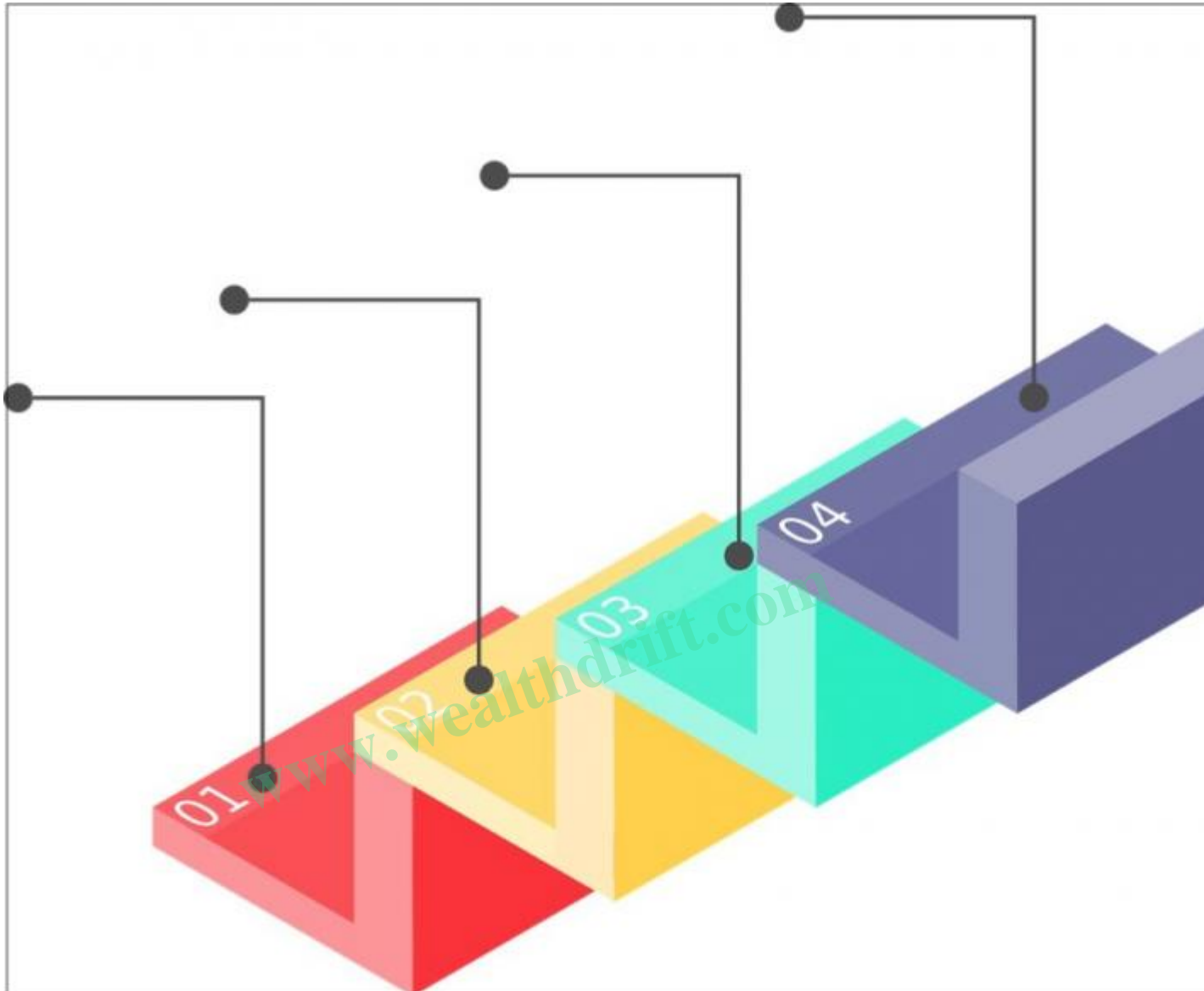
The PF amount you can withdraw under this paragraph is your basic wages and dearness allowance for 36 months or your own share of contributions together with the employer's share of contributions with interest or the amount of outstanding principal and interest of the said loans, whichever is least. For this withdrawal, you should have 10 years membership of the Fund and the payment of the withdrawal under this paragraph shall be made directly to such agency on receipt.

## **Tax on Withdrawal of PF amount**



- No income tax on withdrawal of PF amount on account of medical emergencies and Covid-19 PF advance.
- All PF withdrawals claimed before completion of 5 years of continuous service are subject to tax. However, after the completion of 5 years of continuous service in the EPF, withdrawal is tax-free.
- If you make a withdrawal before the completion of 5 continuous years in the scheme, the principal amount, as well as the interest accrued, is subject to tax. And, the amount will be taxable in the current financial year.

## Step-by-Step Process for Online EPF Withdrawal in India



1. Login to the [EPFO website e-SEWA portal](#) with your UAN (Universal Account Number) (*You can find your UAN on your salary slips provided by your employer*).
2. Click on Claim (FORM-31, 19, 10C & 10D) under Online Services Section
3. Enter the bank account number for verification as seeded against UAN
4. After verification of the bank account number, click on Proceed for Online Claim Button at the bottom of the page.
5. Select PF ADVANCE (FORM-31) option and choose the type of PF withdrawal (For e.g. Non-receipt of Wages (>2 months), Illness, etc.)
6. Enter the Amount of PF advance required, Employee Address Details, and Upload a Scanned copy of the cheque/passbook
7. Confirm terms & conditions and click on the Get Aadhaar OTP button
8. Enter Aadhaar OTP for the final submission of the application.



You can track the claim status on the EPFO website e-SEWA portal. After verification of your claim, EPFO shall credit the amount to your bank account (Claim Settlement Time – 3 to 20 days)

You may also make a call at employees' provident fund organization customer care toll-free number: **1800118005**.

**Ending note:** PF is the fund that is totally meant for your retirement as EPF is a long-term retirement savings scheme, therefore, it is always strictly advised not to withdraw PF amount when the withdrawal is not deemed necessary and you have tried all the way out there to arrange the funds for your emergencies.

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### Category

1. General

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