

SLAB RATES UNDER OPTIONAL SCHEME

(1) Individual/ HUF/AOP/BOI/AJP (Resident/Non-Resident)

Total Income upto 2,50,000	Nil
Total Income > 2,50,000 upto 5,00,000	5%
Total Income > 5,00,000 upto 10,00,000	20%
Total Income > 10,00,000	30%

(2) Senior Citizen (Resident Individual of Age 60 or more)

Total Income upto 3,00,000	Nil
Total Income > 3,00,000 upto 5,00,000	5%
Total Income > 5,00,000 upto 10,00,000	20%
Total Income > 10,00,000	30%

(3) Super Senior Citizen (Resident Individual of Age 80 or more)

Total Income upto 5,00,000	Nil
Total Income > 5,00,000 upto 10,00,000	20%
Total Income > 10,00,000	30%

Note: A Resident Individual whose 60th/80th birthday falls on 1st April, 2025, would be treated as 60/80 years in the PY 2024-25, and would be eligible for higher basic exemption limit of 3 lakh/5 lakh in computing his tax liability for AY 2025-26

SLAB RATES under DEFAULT TAX REGIME u/s 115BAC(1A)

Total Income	0 - 3,00,000	Nil
	3,00,001 - 7,00,000	5%
	7,00,001 - 10,00,000	10%
	10,00,001 - 12,00,000	15%
	12,00,001 - 15,00,000	20%
	15,00,001 & Above	30%

Note: For Individual above 60/80 yrs of age, same slab rate shall be applicable.

↳ Benefit of 3L/5L Not available.

(4) FIRM / LLP / LOCAL AUTHORITY
ON THE WHOLE OF TOTAL INCOME - 30%

(5) CO-OPERATIVE SOCIETY

Total Income upto 10,000	10%
Total Income > 10,000 upto 20,000	20%
Total Income > 20,000	30%

(6) COMPANY - DOMESTIC

(i) If TOTAL T/O or Gross Receipts in PY 2022-23 is upto Rs. 400 cr	25%
(ii) In any other case	30%

(7) COMPANY - FOREIGN (General Rate) 35%

SURCHARGE

(1) Individual/HUF/AOP/BOI/AJP under Default Scheme i.e. 115BAC(1A)

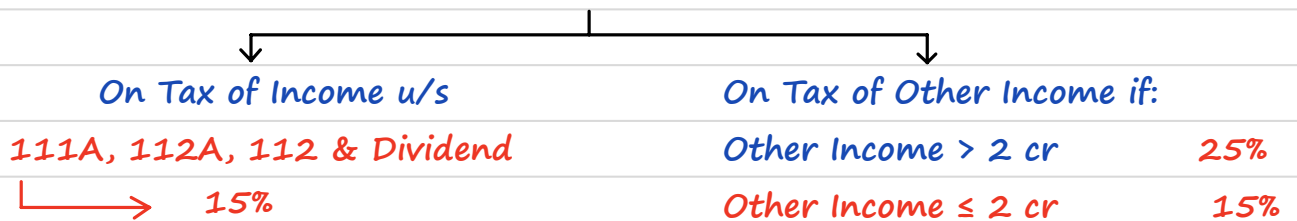
→ When Total Income (TI) does NOT include Income u/s 111A, 112A, 112 & Dividend

Total Income > 50 lakh upto 1 crore	10%
Total Income > 1 cr upto 2 cr	15%
Total Income > 2 cr	25%

→ When Total Income (TI) INCLUDES income u/s 111A, 112A, 112 & Dividend

Total Income > 50 lakh upto 1 crore	10%
Total Income > 1 cr upto 2 cr	15%

If Total Income > 2 cr:



Note: Other Income means → (Total Income - 111A, 112A, 112 & Dividend)

Imp Note: Under 115BAC(1A) (New Default Scheme) Max Surcharge Applicable is 25%.

(2) Individual/HUF/AOP/BOI/AJP under Optional Scheme i.e. Old Tax Regime

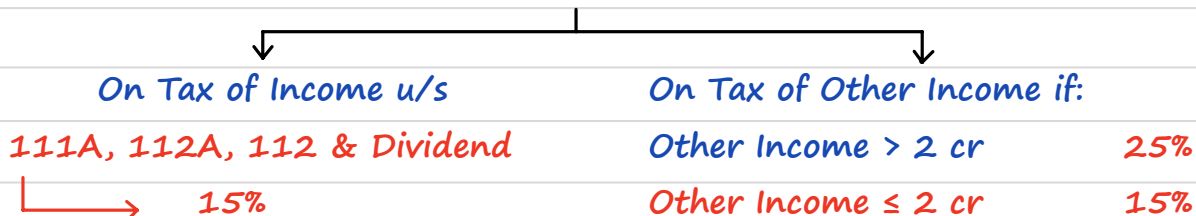
→ When Total Income (TI) **does NOT** include Income u/s 111A, 112A, 112 & Dividend

Total Income > 50 lakh upto 1 crore	10%
Total Income > 1 cr upto 2 cr	15%
Total Income > 2 cr upto 5 cr	25%
Total Income > 5 cr	37%

→ When Total Income (TI) **INCLUDES** income u/s 111A, 112A, 112 & Dividend

Total Income > 50 lakh upto 1 crore	10%
Total Income > 1 cr upto 2 cr	15%

If Total Income > 2 cr:



Note: Other Income means → (Total Income - 111A, 112A, 112 & Dividend)

If Total Income > 5 cr:



Note: Other Income means → (Total Income - 111A, 112A, 112 & Dividend)

(3) FIRM/LLP/LOCAL AUTHORITY

→ When the TOTAL INCOME > Rs. 1cr 12%

(4) CO-OPERATIVE SOCIETY:

If Total Income > 1 cr upto 10 cr	7%
If Total Income > 10 cr	12%
If Exercised option u/s 115BAD & 115BAE	10%

(5) COMPANY

TOTAL INCOME	Foreign Co.	Domestic Co.
If Total Income > 1 cr upto 10 cr	2%	7%
If Total Income > 10 cr	5%	12%
If Exercised option u/s 115BAA & 115BAB		10%

(6) AOP having only Companies : Max Surcharge will be 15% even if Income exceeds 2cr/5cr (irrespective of old/new regime)

SPECIAL RATES OF TAX

(1) Sec 115BB

30%

Tax on Winnings, lotteries, Card game, Horse Race

(2) Sec 115BBE

UNEXPLAINED money, investment, exp etc. (Sec 68 - 69D)

Tax 60%

- No basic Exemption, No expenditure allowed.

+ Surcharge 25%

- No set off of loss allowed against such income

+ cess 4%

Effective Rate 78%

(3) Sec 115 BBF

10%

Royalty Income from Patent developed & registered in India

• Developed in India- 75% Exp incurred in India

• No expense allowed.

(4) Sec 115 BBG

10%

Income from transfer of Carbon Credits

• No Exp Allowed

(5) Sec 115BBJ

30%

Net Winnings from Online Games

RATES OF CAPITAL GAINS TAX

Section	Nature of Asset	Rate Applicable upto 22/07/2024	Rate Applicable from 23/07/2024
111A STCG	Equity Share in a Company Unit of Equity Oriented Fund Unit of Business Trust	15%	20%
Other STCG	All transfers other than mentioned in Section 111A	Normal Tax Rates	Normal Tax Rates
112A LTCG	Equity Share in a Company / Unit of Equity Oriented Fund Unit of Business Trust	10% on LTCG exceeding Rs. 1,25,000	12.5% on LTCG exceeding Rs. 1,25,000
112(1) (a) & (b)	Listed Securities (other than a Unit) / Zero Coupon Bonds	<u>Lower of</u> 20% with Indexation 10% without Indexation	12.5%
112	All long term transfers other than mentioned above	20%	12.5%

Note for Resident Individuals and HUF

Tax Rate on Capital Gain Arising from transfer of Land or Building or Both acquired **BEFORE 23/07/2024** shall be **LOWER** of :

- (1) 12.5% without Indexation
- (2) 20% after Indexation



Note: This Option is only used at the time of Tax Payment. For Computing Total Income, you have to calculate **Capital Gain without Indexation**.

REBATE u/s 87A

Available to Resident Individual only

Under Old Optional Tax Regime

When **Net** Total Income does not exceed Rs. 5,00,000

Rs. 12,500 or Tax

w.e. is lower

↳ After VI-A Dedn

Under Default Tax Regime u/s 115BAC

When **Net** Total Income does not exceed Rs. 7,00,000

Rs. 25,000 or Tax

w.e. is lower

↳ After VI-A Dedn

When Net Total Income > Rs. 7,00,000

&

Income Tax payable > (NTI-7,00,000), the rebate would be as follows:

Step 1 - Calculate (A). (A) = Total income - 7 lakhs

Step 2 - Calculate (B). (B) = Compute Income-tax liability on total income

Step 3 - If $B > A$, Rebate under section 87A would be a $B - A$.

Conclusion: Rebate u/s 87A will be $(B-A)$ or Tax w.e. is Lower

Notes :

This is Just like Marginal Relief, think it in that way.

Rebate u/s 87A is not available on Tax payable on LTCG u/s 112A.

Health & Education cess

Rate of Health and Education Cess

4%

Notes:

→ Deduction u/s VI-A **not available** against above special Income

→ Basic Exemption not available against above Income **except 112,112A,111A** in case of resident Individual & HUF.

Concept of Marginal Relief

- Applicable to all Assesseees
- Applicable Where **Surcharge** is Applicable
- This Concept is applicable when Income is Slightly higher than the threshold for Surcharge.
- For Eg:

For Ind/HUF/AOP/BOI/AJP
> 50L, 1Cr, 2Cr, 5Cr

Firm/Local Auth
> 1Cr

Company/Co-op Society
> 1Cr/10Cr

Conclusion of Difference Between Old & New Tax Regime

Old Tax Regime

→ Before FA 2023, It was Default, Now Its Optional.

→ Above 60/80 Years, Benefit of **3L/5L** is available.

→ Max Surcharge applicable is 37% above 5 Cr.

→ Rebate

Limit: 5,00,000

Max Amount: 12,500

New Tax Regime(115BAC)

→ From FA 2023, **Sec 115BAC** is default Tax Regime

→ No Extra Benefit **above 60/80** Years. Tax Rates are same for All.

→ Max Surcharge applicable is 25% above 2 Cr.

→ Rebate

Limit: 7,00,000

Amount: 25,000

Sec 115BAC(1A) - Default Tax Regime

APPLICABLE TO- Individual / HUF (R, NR-Both)

NORMAL SLAB RATES (Optional)	SLAB RATES u/s 115BAC(1A) (Default Tax Scheme)
0 - 2,50,000 - Nil	0 - 3,00,000 Nil
2,50,000 - 5,00,000 - 5%	3,00,001 - 7,00,000 5%
5,00,000 - 10,00,000 - 20%	7,00,001 - 10,00,000 10%
Above 10,00,000 - 30%	10,00,001 - 12,00,000 15%
	12,00,001 - 15,00,000 20%
	15,00,001 & Above 30%
	Note: For Individual above 60/80 yrs of age, same slab rate is applicable.
	Benefit of 3L/5L Not available.

Some Notes for Sec 115BAC

Opt Out Option:

- Assessee not having PQBP Income:

→ Every year, before filing Return, you can choose an option, between Default Tax Regime u/s 115BAC(1A) or Old Slab Rates.

- Assessee having PQBP Income:

If You opt out of 115 BAC, then in subsequent years also,



↳ You have to pay tax at Old Slab Rates

If in any future year, if you opt for 115BAC, then you can not opt out of 115BAC for lifetime.

Other Notes:

→ How will Employer deduct TDS of Employees?

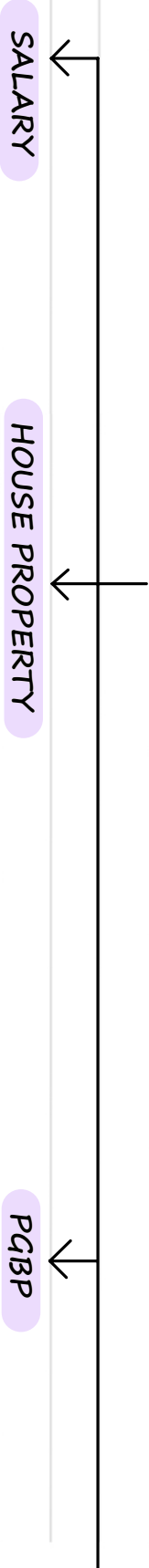
Employee will give declaration to Employer in the beginning of the year.

Declaration given - 115BAC & Return filed - Normal Slab Rates

↳ Is It Possible? → YES

→ Standard Deduction of 75,000 from Salary is allowed u/s 115BAC(1A)

CONDITIONS BENEFITS / EXEMPTIONS / DEDUCTIONS NOT AVAILABLE u/s 115BAC(1A)



SALARY

HOUSE PROPERTY

PGBP

Sec 10(15) - LTC

Sec 24 - Interest on SOP

Sec 32(i)(iia) - Additional Dep

Sec 10(13A) - HRA

(30,000 / 2,00,000)

Sec 35AB, 35ABA - Tea, Coffee, Rubber

Sec 10(17) - Allowance to MP/ MLA

Exceptions - LOP / DLOP

Donation to Scientific Research

Sec 10(32) - Parents Minor's Income

Exceptions - Interest is Allowed

Sec 35(1)(ii) - Institute/ Research Assoc

1,500 p.a.

HP Losses (LOP/ DLOP)

35(1)(iia) - College, Uni → Social/ Statistical Research

Sec 16 - Profession Tax

Set Off against Other

35(iii) - Indian Co. Engaged in R&D

Entertainment allowance

Head is NOT Allowed

35(2AA) - IIT/ National Lab

Sec 10(14) - Allowances

10AA - SEZ
35AD - Specified Business
35CCC - Agri Extension Project

Exceptions -

- Daily Allowance
- Transport Allowance
- Conveyance Allowance
- Travel on Tour Allowance

Others

Any Deduction u/Chapter VI-A

Exceptions -

- (i) Sec 80JAA
- (ii) Sec 80CCD(2)
- (iii) 80CCH(2)

SEC 115BAA & BAB

Particulars	SEC 115BAA	SEC 115BAB
1) Applicable to	Domestic Companies	New Domestic Manufacturing Companies
2) Set up date	Any time	On or after 01/10/2019 before 31/03/2024
3) Tax Rate	22%	15%
4) Surcharge	10%(mandatory)	10%(mandatory)
5) Effective Tax Rate	25.168%	17.16%
6) Exempt from MAT?	YES	YES
7) Tax Rates for Special Rates Income (111A,112, 112A)	Special Rate + 10% Surcharge + 4% cess	Special Rate + 10% Surcharge + 4% cess
8) Tax Rates for House property & IFOS Income	25.168% (22% + 10% + 4%) (Sec 24 & Sec 57 Dedn allowed)	25.168% (22% + 10% + 4%) (Sec 24 & Sec 57 Dedn not allowed)
9) When option under this section can be exercised?	On or before due date of 139(1) for relevant P.Y. (Can't be withdrawn, once exercised)	On or before due date of 139(1) for First P.Y. (Can't be withdrawn, once exercised)
10) Company cannot claim deduction under chapter VI-A except	80 JJAA 80 LA 80 M	80 JJAA 80M

Space for Notes:

SEC 115BAD & BAE

Particulars	SEC 115BAD	SEC 115BAE
1) Applicable to	Resident Co-operative Societies	Resident Co-operative Societies engaged in Mfg/Generation of Electricity
2) Set up date	Any time	On or after 01/04/2023 before 31/03/2024
3) Tax Rate	22%	15%
4) Surcharge	10%(mandatory)	10%(mandatory)
5) Effective Tax Rate	25.168%	17.16%
6) Exempt from AMT?	YES	YES
7) Tax Rates for Special Rates Income (111A,112, 112A)	Special Rate + 10% Surcharge + 4% cess	Special Rate + 10% Surcharge + 4% cess
8) Tax Rates for House property & IFOS Income	25.168% (22% + 10% + 4%) (Sec 24 & Sec 57 Dedn allowed)	25.168% (22% + 10% + 4%) (Sec 24 & Sec 57 Dedn not allowed)
9) When option under this section can be exercised?	On or before due date of 139(1) for relevant P.Y. (Can't be withdrawn, once exercised)	On or before due date of 139(1) for First P.Y. (Can't be withdrawn, once exercised)
10) Co-op Society can not claim deduction under chapter VI-A except	80 JJAA 80 LA	80 JJAA

Common Deductions under above 4 Sections which the Assesseees can not claim:

- Sec 10AA → SEZ
- Additional Depreciation → Sec 32(1)(iia)
- Sec 32 AD → Investment allowance (not relevant anymore)
- Sec 33AB/33ABA → Tea Coffee Rubber

- Scientific Research → Donation to

35(1)(ii) Institute, Research Assoc,	<div style="display: flex; align-items: center;"> <div style="font-size: 2em; margin-right: 5px;">}</div> <div style="display: flex; flex-direction: column; gap: 5px;"> Scientific Research Social/ Statistical </div> </div>
35(1)(iia) College, University	
35(iii) Indian Co. eng. in R&D	
35 (2AA) IIT & National laboratory.	

- MAT/AMT is not applicable so MAT/AMT Credit will lapse.
- Sec 35C2AB) → Company engaged in Biotech or Mfg. Business(In-house research) (BAA/BAB)
- Sec 35AD → Specified Business.
- Sec 35CCC Agriculture Extension Project
- Sec 35CCD- Skill Development project(115BAA/BAB)
- No Deduction under chapter VI-A except → check point 10

Tax Rates u/s 115BAB & BAE

Income from Manufacturing	15%
Income from Non- manufacturing Activity	22%
STCG on Depreciable Assets	15%
STCG on Non- depreciable Assets	22%
Special Tax Income	special rates

Some Notes for Sec 115BAB & BAE

- It should be set up on or after 1st Oct 2019(BAB)/1st Apr 2023 (BAE)
- It should have commenced manufacturing on or before 31/03/2024
- It shall not be formed by splitting up a reconstruction of existing business.
- It shall use New Plant & Machinery
 - 20% Old is allowed
 - Imported is considered New
- It shall not use Building which was previously used as Hotel/Convention Centre.
- Businesses which are not considered as manufacturing for 115BAB/BAE:
 - Development of Computer Software
 - Mining
 - Printing of Books
 - Bottling of Gas into Cylinder
 - Conversion of Marble Blocks into Slabs
 - production of Films
- If a Company/Co-operative Society which is engaged in manufacturing(115BAB/BAE) enters into a Specified Domestic Transaction with Enterprises they have close connection with, the AO shall Compute their Income with regards to ALP.
Any Excess Income, computed at price above ALP shall be taxable at 34.32% (30%+10%+4%)

Taxation in the case of Buy Back

IN CASE OF FOREIGN COMPANY		IN CASE OF DOMESTIC CO. (LISTED or UNLISTED) (Upto 30/9/24)	
In hands of company	In hands of Shareholders	In hands of company	In hands of Shareholders
No Tax Treatment	Sec 46A: Capital Gain is applicable in hands of shareholders	Domestic co. shall pay tax @ 23.296% (20% + 12% + 4%) on distributed Income (Sec 115QA)	Exempt u/s 10(34A)
	FVOC(Buy Back Price) xxx		
	(-) COA/ICOA xxx		
	STCG/LTCG xxx		
	POH= Date of Acquisition to Date of Buy Back		
		Distributed Income= Buyback Price-Issue Price(incl. premium)	

Notes:

- Redemption of preference shares → also amounts to Buy Back of Shares
 - Tax on Buyback shall be paid to Govt → within 14 days of Buy Back
 - Sec 115 QB/QC:- Interest @1% pm or part From 15th day Till Actual payment of Tax
- Buy Back is taxable in the hands of Shareholders as Deemed Dividend u/s 2(22)(f) on or after 1.10.24

ANONYMOUS DONATION

Section 115BBC: Taxable @ 30%

Whole Anonymous donation is not taxable @ 30%, some amount is deducted from it →

↑ Higher of -

(i) 5% of TOTAL DONATION → All donations - Corpus, Anonymous and Government Grant

(ii) Rs. 1,00,000

→ Anonymous donation received by wholly Religious trust - Not Taxable

→ The amount which is deducted from anonymous donation → This is added with normal donation - and it is taxed at normal rates.

(Note: Govt Grant is not included in Total Donation as per ICAI, But as per ITR, it is included. So in Exams, try to solve both the alternatives)

Section 115BBI - Tax on Specified Incomes of Trust

Tax Rate - 30%

Deductions Allowed - No Deduction allowed

EXIT TAX

The "Accreted income" of trust registered under section 12AA/12AB/10(23C) shall be taxable at MMR 34.944% (30% +12% +4%)

Sec 115JB - Minimum Alternate Tax

Companies have to pay tax at:

- ↑ (i) Tax computed as per Normal provisions of Income tax
- OR
- ↑ (ii) 15% of Book Profit (MAT)

WHICHEVER IS HIGHER

Note: If Company is located in IFSC, MAT Rate is 9% instead OF 15%.

↳ Income of Co. must be in Convertible Foreign Exchange

→ MAT is Not Applicable to Companies Opting Sec 115BAA & 115BAB

→ Surcharge & Cess is applicable on MAT(Same as Normal Companies) :

TOTAL INCOME	Foreign Co.	Domestic Co.
1 cr < Total Income ≤ 10 cr	2%	7%
Total Income > 10 cr	5%	12%
+ Cess@ 4%		

Sec 115JC - ALTERNATE MINIMUM TAX

→ AMT is applicable to all Assessee except Companies

→ AMT shall not be applicable if ATI is upto 20 lakhs

↳ Individual/HUF/AOP/BOI/AJP

→ If unit is located in IFSC, AMT is applicable at 9% → Instead of 18.5 %

→ In Case of Co-operative Society, AMT Applicable @ 15% → Instead of 18.5%

Tax Rates for Investment Fund

Tax Rates for Securitisation Trust

If Investment Fund is:

Company- 25%/30% (Based on Turnover)

Firm → 30%

Others- MMR

Unit Holders → Normal Tax Rates

→ Investment fund has to deduct TDS

u/s 194LBB while paying to Unit Holder:

Resident- 10%

NR/FC- Rate in force

Securitization Trust has to deduct

TDS u/s 194LBC while paying to

Unit Holders:

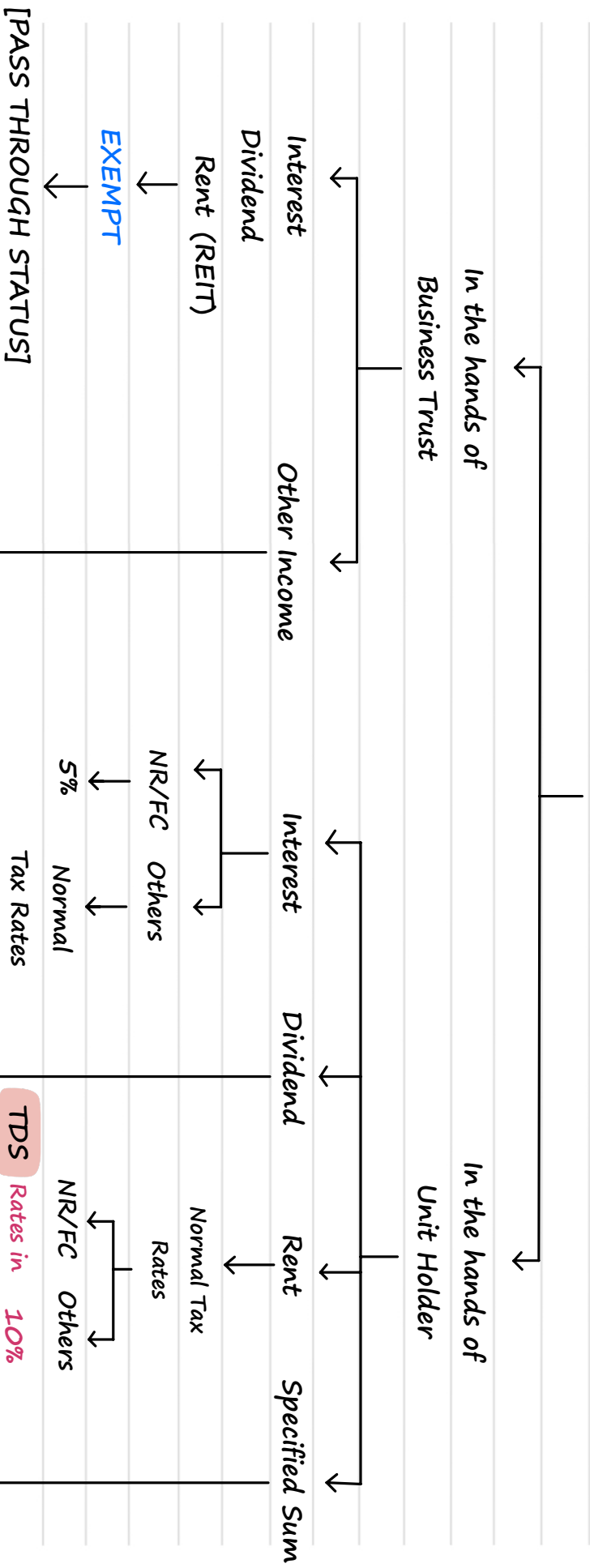
Resident: Ind/HUF - 25%

Others - 30%

NR/FC → Rates in force

Space for Notes

Business Trust
TAXABILITY



Category	Sub-category	Rate	Notes
Bef 23/07/2024	LTCG u/s	20%	
	STCG u/s	15%	
	All Other Income	MMR	
Aft 23/07/2024	LTCG u/s	12.5%	
	STCG u/s	20%	Old Scheme 30 + 37 + 4 %
	All Other Income	MMR	New Scheme 30 + 25 + 4 %
SPV paid Tax	u/s 115BAA	10%	Normal
	Others	10%	Tax Rates
SPV paid Tax	u/s 115BAA	10%	Normal
	Others	10%	Tax Rates
Taxable under IFOS	At Normal	10%	Normal
	At Normal	10%	Tax Rates

TONNAGE TAXATION

Sec 115VG - COMPUTATION OF TONNAGE INCOME

Income = Daily Tonnage Income x No. of days ship is operated in a P. Y.



We have to calculate this now.

QUALIFYING SHIP HAVING NET TONNAGE	DAILY TONNAGE INCOME
Tonnage upto 1000	Rs. 70 for each 100 tons
> 1000 upto 10,000	Rs. 700 + Rs. 53 for each 100 tons
> 10,000 upto 25000	Rs. 5470 + Rs. 42 for each 100 tons
> 25000	Rs. 11,770 + Rs. 29 for each 100 tons

Notes:

- Tonnage shall be rounded off to nearest multiple of 100
- Tax Rate will be @ 30% + surcharge + cess (if applicable)
- MAT not applicable
- No Deductions/set off of losses allowed against Tonnage Income.

Tonnage Tax Reserve A/c

→ Minimum 20% of Book Profit shall be transferred to Tonnage Tax Reserve A/c in every P.Y.

→ Reserve Amount should be utilised for

Purchase of ship within 8 years

Business of operating ships

Shortfall in Reserve

Taxable Amount = Relevant Shipping Income \times $\frac{\text{Shortfall}}{\text{Minimum Reserve to be created}}$

Mis-utilization/ Non-Utilization of Reserve

Taxable Amount = Relevant Shipping Income \times $\frac{\text{Amount Mis-utilized/Un-utilized}}{\text{Total Reserve created during Year}}$

TAXATION OF AOP/BOI

(1) When Shares of Members are Known: -

All members having **NTI**
upto **Basic Exemption***

↓
Tax at slab Rate*

One or more members have
NTI > basic exemption

↓
Tax on Entire Income @ **MMR**

→ If Income of any member is taxable at Rate higher than MMR, then:

- His Share of Income will be taxable at Higher Rate
- Balance Income of AOP/BOI will be taxable at MMR

(2) When Shares of Members are UNKNOWN:-

Tax Entire Income @MMR

If Income of One Member is taxable at rate higher than MMR, then whole Income of AOP/BOI will be taxable at such higher rate.

Note: While calculating **NTI** (Net Total Income) of member share from AOP/BOI will not be included.

If AOP/BOI has paid tax at MMR, then share from AOP/BOI will be Exempt in the hands of members

Sec 40 (ba)

Interest, Salary, Bonus/Commission paid by AOP/BOI → shall be disallowed While Computing PGBP Income OF AOP/BOI.

IF AOP/ BOI $\xleftrightarrow{\text{Interest}}$ Members

paid Interest too

↓
Only **Net Interest** paid by AOP/BOI shall be **disallowed**

→ **Loss OF AOP/BOI** shall be **carried/forward** by AOP/BOI only.

Rates of Depreciation

10%	15%	20%	25%	30%	40%
					Elec. Vehicles
Building	Plant & Machinery**, Motor Vehicle(Normal)	SHIPS	Intangible Assets	Motor Vehicle used for Hire	Computer/Laptop Aircraft Books-any Pollution control equipments
Furniture	Oil wells Windmills installed before 1- 4. 14.				Temporary Building Windmills inst. on or after 1.4.14.

****New Pl & Mach installed to mfg any article/ thing using technology/ knowhow developed in OR article/ thing invented in lab owned/ financed by Govt or recognised by Govt — Dep @ 40%**

Notes:

(i) Motor Vehicles:

- Business of running them on hire → 30%
Acquired & put to use between 23/08/19- 31.3.20 → 45%.
- Other Vehicles → 15 %
Acquired & put to use between 23/08/19- 31.3.20 → 30%.

- (ii) Buildings: Residential → 5%
General → 10%
Temporary → 40%.

(iii) Mobile/ EPABx → Not computer - 15%

(iv) UPS/ Printer/Scanner & other Accessories (Computers) - 40%

(v) Plant & machinery



(vi) If Asset is used for less than 180 days → Half Rate depreciation is allowable
→ cut off date:- 03rd October → Asset purchased on or after 4th Oct , half rate of depreciation will be allowable.

VIRTUAL DIGITAL ASSETS

Sec 115BBH - Tax on Income from VDA

Tax Rate : **30%** On Income (Consideration - COA) → [Taxable under Capital Gain]

Applicable on:

- Cryptocurrency
- NFT
- Any Other Digital Asset notified by Govt.

Not Applicable on:

- Gift Card, Discount Vouchers eg: paytm gift card, amazon gift card etc.
- Reward Points, loyalty points redeemable on next purchase eg: Big Bazaar cards, lifestyle cards, pantaloons card.
- Subscription eg: Amazon Prime, Netflix
- NFT whose transfer results in transfer of underlying Tangible Assets

Deduction, Losses Allow-ability :

Expenses: **No Deduction Allowed**

Losses: **No Setoff** against any Income or Carry Forward allowed for such losses

Note: VDA can be a Capital Asset or not, but its transfer will always be Taxable.
Sec 56(2)(X) is also applicable on Gifting of VDA.

Sec 194S - TDS on Payment on Transfer of VDA

TDS Rate: **1%** of Consideration

Time Of Deduction: Payment or Credit w.e. is earlier

TDS Deduction Limit: TDS not applicable upto

50,000	10,000
(1) Ind/HUF who have No PGBP Income or (2) Ind/HUF whose last year T/O \leq 1 cr in case of Business G/R \leq 50 lacs in case of profession.	All Others
TDS Remittance Date: 30 days from end of month of deduction In form 26QE	7th of Next Month

234A	234B	234C
Interest for delayed filing of Return	Interest for non/short payment of advance tax	Interest on delay in Instalments
Tax as per ROI [after adj. of TDS, TCS, adv tax etc]	Adv. Tax Short paid/not paid	Deferred Amount
x	x	x
1% per month or part	1% per month or part	1% per month or part
x	x	x
From due date u/s 139(1) to actual date of filing return	From 1st April of A.Y to Date of Assessment u/s 143(1)/143(3)	month 15/06 15% 3M 15/09 45% 3M 15/12 75% 3M 15/03 100% 1M

Note: 1) No Interest u/s 234C if Assessee paid 12% & 36% in 1st & 2nd Instalments Respectively.
2) No Interest u/s 234B if Assessee paid upto 90% or more of Advance Tax.

BLOCK ASSESSMENT

Assessment of Income & Tax Calculation:

Total Income of Search/Reqn Year
(excl. Undisclosed Income)

Taxable under Regular Provisions of the Act

Undisclosed Income of Block Period(6 Yrs)

Taxable at 60%+ Surcharge + cess

(irrespective of the years to which the income relates)

→ Interest for Delay in Filing Return of Total Income(incl. Undisclosed Income) in response to Notice u/s 158BC: 1.5% per month or part

→ Penalty for Undisclosed Income determined by the AO u/s 158BC - 50% of Tax