

Section	Income	Tax		Surcharge									
115BAC Default	Individual, HUF, BoI, AoP	upto 4 Lac	NIL	< 50 Lac	NIL								
		4 - 8 Lac	5%			50 Lac - 1 cr.	10%						
		8 - 12 Lac	10%					1 cr. - 2 cr.	15%				
		12-16 Lac	15%							>2 cr.	25%		
		16-20 Lac	20%										
		20-24 Lac	25%										
		>24 Lac	30%										
Individual Regular	Where total income:		Rate of Tax	< 50 Lac	NIL								
	<= Rs. 250,000		Nil			50 Lac - 1 cr.	10%						
	> 250,000 but <= 500,000		5%					1 cr. - 2 cr.	15%				
	> 500,000 but <= 10,00,000		20%							2 cr. - 5 cr.	25%		
	> 10,00,000		30%									>5 cr.	37%
Firms	30%		<= 1 cr.	Nil									
			>1cr.	12%									
Co-operative Society	upto 10,000	10%	< 1 cr.	NIL									
	10,000 - 20,000	20%	1-10 cr	7%									
	>20,000	30%	> 10cr.	12%									
Domestic Companies	Turnover		Rate	< 1 cr.	NIL								
	<= 400 cr. in PY 23-24		25%	1-10 cr.	7%								
	> 400 cr.		30%	>10cr.	12%								
Foreign Companies	35%		< 1 cr.	NIL									
			1-10 cr.	2%									
			>10cr.	5%									
115BAA	Domestic Co.	22%		10%									
115BAB	New Domestic Manufacturing Co.	15%		10%									
115JC	AMT on Adjusted Total Income	Co-Op Soc.	15%	Applicable									
		IFSC	9%										
		Others	18.5%										
115JB	MAT on Book Profit	IFSC	9%	Applicable									
		Others	15%										

Section	Income	Tax		
Capital Gains Tax Rates				
112	LTCG	12.5%		
112A	LTCG - Listed Shares & EOMF	12.5% and upto 1.25 lacs exempt		
111A	STCG - Listed Shares & EOMF	20%		
Capital gain tax for NR/NRI/FC/FII				
STCG on Specified Assets u/s 111A		20%		
Other STCG		For FII: 30%, For Others: General Rate		
LTCG on Specified Assets u/s 112A		Upto 1.25 lacs Exempt, Excess @ 12.5% [In case of NRI opting for Chapter XII-A, exemption of 1.25 lacs is not available]		
Other LTCG u/s 112		12.5%		
Special Tax Rates for Certain Incomes				
Section	Income	Tax	Surcharge	Notes
115ACA	Resident individual who is employee of Indian co. engaged in specified knowledge-based industry or service.	Dividends and LTCG on GDRs : 10%		
115BBF	Royalty w.r.t. patent developed and registered in India	10%		No deduction of any expense
115BBG	Transfer of carbon credits	10%		
115BBE	Tax liability on cash credits or unexplained income	60%	25%	
115BB	Lottery, Crossword, Race horse	30%		
115BBH	Income from Transfer of VDA	30%		No deduction (except CoA) or set off of any loss.
115BBJ	Winnings from Online Gaming	30%		
Special Rates for Trusts, etc.				
115BBI	Specified income in hands of trust	30%		200% for subsequent violation

115BBC	Anonymous donation to Charitable Trusts	30%			
115TD	Tax on Accreted Income of Trust	30%		12%	
115UB	Tax on income of investment Fund	Company	25/30%		
		Firm	30%		
		others	42.744%		
Assessment Related Tax Rates					
140B	Additional Income Tax on Updated Return	Furnished in	Rate		
		12m	25%		
		12-24m	50%		
		24-36m	60%		
		36-48m	70%		
115BBA	Block Assessment	60%			on undisclosed income
Black Money Act Section 3 undisclosed foreign income & asset of PY		30%			
NR Taxation					
115BBA	NR sportsmen or sport association	20%			
115A	Tax on dividends, royalty and technical service fees in the case of foreign companies.	Refer Table Below			
115E	Tax on investment income and LTCG by NRI u/c XII	Interest	20%		112A - 1,25,000 Indexation Unexhausted BEL
		Dividend			
		LTCG	12.5%		
		111A	Yes		
		Others	Slab		
115AB	Overseas Financial Org.	Refer Table Below			
115AC	Bonds/ GDRs				
115AD	FII or Specified Fund				
92CE	Secondary Adjustment	18%	12%		If not opted to repatriate

Remember:-

Health & Education Cess of 4% Always Applies!

Maximum rate of surcharge on dividend income, Sec 111A, 112 and 112A income shall be **15%**.

IF DTAA provides for a more favourable rate, it should be considered.

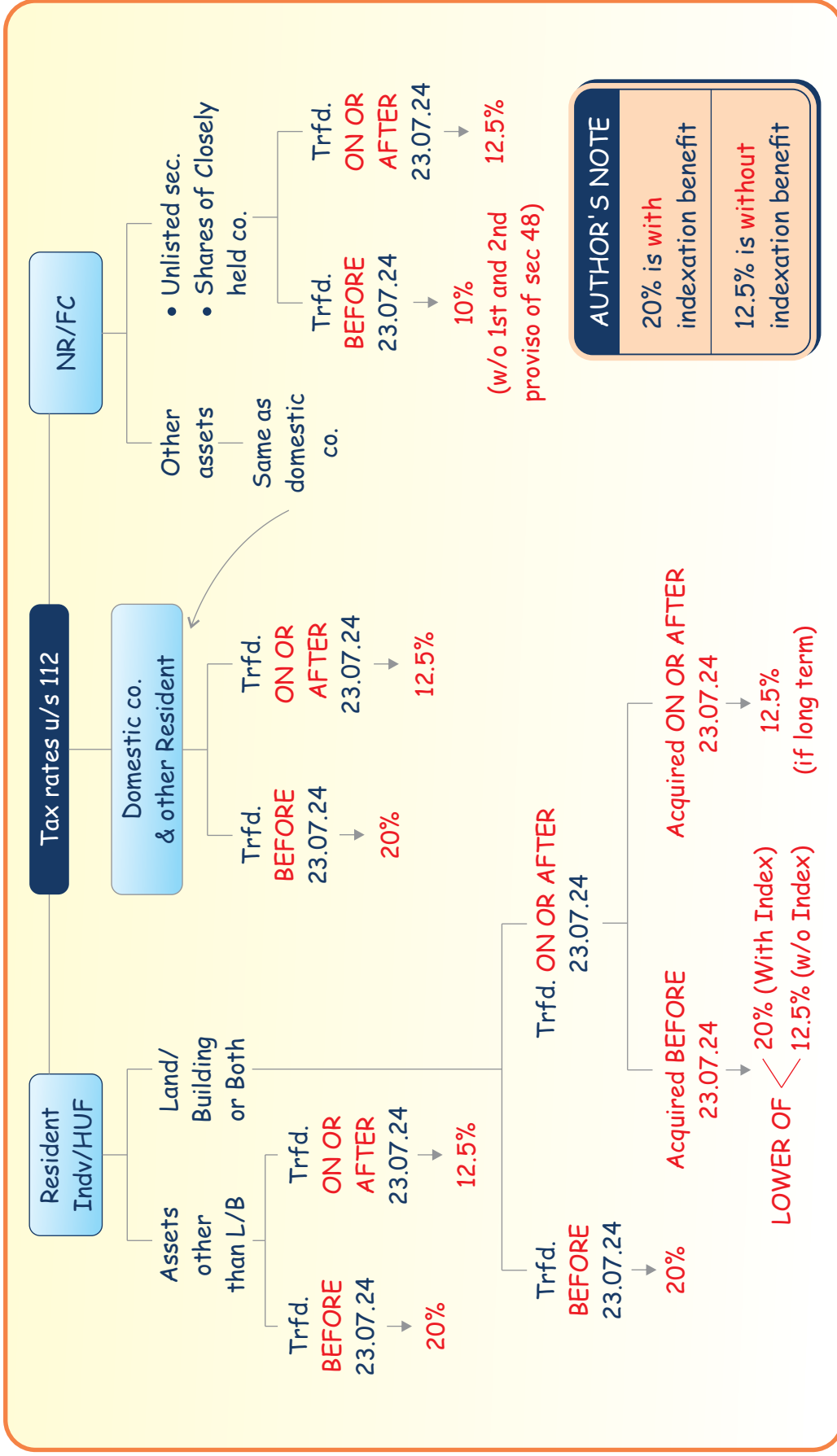


Section 115BAA and 115BAB

Section	115BAA	115BAB						
Eligible Assessee	Any domestic company	New mfg. domestic co. (incl. business of generation of electricity) [Set up after 1/10/19 and commenced mfg. before 31/3/24]						
Additional condition	-	<ul style="list-style-type: none"> ⇒ Not formed by splitting up or reconstruction ⇒ Does not use used P&M. [Refer exception in Sec 35AD] ⇒ No use of building previous used as hotel or convention centre and deduction u/s 80-ID claimed. ⇒ Not engaged in business other than mfg./power generation. <p><u>Note:</u> Business of mfg. or production does NOT include:</p> <ul style="list-style-type: none"> ◆ Printing of books or production of cinema films ◆ Development of computer software ◆ Mining, conversion of marble blocks, bottling of gas. 						
Tax Rate	22%	15% (only for income derived from manufacturing or electricity gen) 22% (income not derived from manufacturing & having no special rate. No deduction allowed) 30% Profit in excess of profit determined by AO - Deemed income.						
LTCG or STCG	Taxable u/s 111A, 112, 112A only. Surcharge 10%.	Taxable u/s 111A, 112, 112A only. STCG from transfer of non-depreciable capital asset - Tax @ 22% (e.g., STCG on unlisted equity share - 22%) Surcharge @ 10%.						
Deduction disallowed	Deduction disallowed in either case: <table border="1" style="width: 100%; text-align: center;"> <tr> <td>10AA</td> <td>32(1)(iia) Addition al Dep.</td> <td>33AB 33ABA</td> <td>35(ii), (iia), (iii), (2AA), (2AB)</td> <td>35AD 35CCC 35CCD</td> <td>Chapter VIA Except 80JJAA and 80M & 80LA</td> </tr> </table> <p>B/f losses and UAD - Deemed to be given effect and no further deduction allowed.</p>		10AA	32(1)(iia) Addition al Dep.	33AB 33ABA	35(ii), (iia), (iii), (2AA), (2AB)	35AD 35CCC 35CCD	Chapter VIA Except 80JJAA and 80M & 80LA
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Surcharge	Flat 10% irrespective of total income							
Cess	4%							
MAT	Set off of MAT credit is not applicable . Taxation as per MAT is also not applicable							
Opt in	Once opted in for special tax u/s 115BAA and 115BAB, cannot opt out subsequently.							
When to opt in	Sec 115BAB - Very first year in which eligible co. is set up , failing which it cannot exercise such option in future years. Sec 115BAA - Assessee can opt in any AY (not necessarily in the first year)							
Failure	In case of failure to comply with relevant conditions, option to exercise concession rate - Invalid for that AY and subsequent AY . Normal provisions apply.							
Important	Where in case of sec 115BAB , the above additional conditions are breached - Co. may opt for sec 115BAA . (vice -versa not possible)							



Particulars	Section 111A	Section 112 ⁸ ¹¹ ¹² ¹⁶	Section 112A ³⁵
Nature of CG	Short term	Long Term	Long Term
Capital Asset	STCA being: <ul style="list-style-type: none"> ➤ Eq. shares ➤ Units of EOF ➤ Units of BT 	Any capital other than 112A	(Listed) LTCA being: <ul style="list-style-type: none"> ➤ Eq. shares ➤ Units of EOF ➤ Units of BT
STT related condition	STT is charged on acquisition or transfer thereof.	No such condition	STT is paid: <ul style="list-style-type: none"> ➤ Eq. shares - on acquisition and trf. ➤ Units of EOF/BT - only on transfer.
STT exception	N.A. if sale undertaken in RSE located in IFSC and consideration in FC	No such condition	N.A. if sale undertaken in RSE located in IFSC and consideration in FC
Tax Rate	20%	Refer chart below	12.5% Exemption - Rs. 1.25 lakhs (for whole PY irrespective of trf date)
Indexation	N.A. (cause short term)	Not available w.e.f. 23.7.24	Not available (Sec 48)
Benefit of BEL	Available only to Resident Indv/HUF		
Chapter VI-A	Deduction not allowed against this gain.		
Section 87A (for default tax regime)	Not allowed		



As per FA 2024, for individuals or HUFs or companies transferring land or buildings or both acquired before 23rd July 2024, and transferred on or after 23rd July 2024, the LTCG tax rate will be the lower of:

- ➡ 20% with indexation benefit, or
- ➡ 12.5% without indexation.

Note: There is a dual condition - Acquired before 23.07.24 AND transferred on or after 23.07.24

It may be noted that this benefit to a resident individual or HUF is to be given only while computing tax on LTCG under section 112 on transfer of land or building or both & not while computing Income under the head "Capital Gains" which would form part of gross total income/total income.

Thus, for computing income under the head "Capital Gains" to be included in gross total income, indexation benefit is not to be given even in case of resident individual/HUF transferring land or building or both on or after 23.7.2024 which was acquired before 23.7.2024.



Section 194LC: Concessional Rate of TDS on interest on FC Long term bonds from Indian co.

Payer	Indian company or Business Trust
Payee	Non-Resident or Foreign Co.
Tax Rate	5% - In general 4% or 9% - IFSC
When?	At the time of credit or payment, whichever is earlier.
Income and TDS Rate?	Interest income in respect of borrowings from a source outside India: (i) In foreign currency: (a) Under loan agreement before 1/7/2023 (b) By issue of long-term bond incl. long term infra bond before 1/7/23 as approved by CG in this behalf - 5% (ii) By issue of RDB before 1/7/23 - 5% (iii) By issue of long-term bond or RDB which is listed on RSE located in IFSC: · Before 1/7/2023 - 4% · On or after 1/7/2023 - 9% Provided that the rate of interest on such bond <= Rate specified by CG.



Section 194LD: Concessional Rate of TDS on interest on certain bonds and Govt securities

Payer	Any person
Receiver	FII or Qualified Foreign Investor
Tax Rate	5%
When?	At the time of credit or payment, whichever is earlier.
Income?	Interest payable before 1/7/2023: (a) W.r.t. investment made in RDB of Indian company or Govt. securities. (b) W.r.t. Investment made by payee in municipal debt securities. Provided that the rate of interest on such bond <= Rate specified by CG.



Sec 10(15)(ix) Income by way of interest payable to NR by a unit located in IFSC - Exempt

Section 194LBA: Certain income from units of business trust - Refer chapter - Business Trust.

Summary of TDS on interest rate:

Sec 115A(1)(a)	(ii)	(iia)	(iiaa)	(iiab)
Payee	NR/FC	NR/FC	NR/FC	FII/QFIs
Payer	Govt/Indian concern	Infra Debt Fund u/s 10(47)	Indian company or Business Trust	Any person
Tax Rate	20%	5%	[5% or 4/9%]	194LD - 5%
Income	Interest income for loan in foreign currency	Interest income for loan in any currency.	Interest income on RDB or borrowing in foreign currency	Interest income on RDB of Indian co. or Govt sec. or municipal debt



Foreign Currency	Yes	Any	Yes/No (RDB)	No
TDS u/s	195	194LB	194LC	194LD
TDS Rate	20%	5%	5% - General 4%/9% - IFSC	5%
No deductions	No deduction of PGBP or IFOS . No deduction of UAD .			
Set off?	Set off and carry forward is applicable .			
Chapter VI-A	Not available (except sec 80LA).			
RoI	Not necessary - If interest income is only income + TDS @ 115A (not less).			

Sec 10(4C) - Exemption on intt. income on RDB u/s 194LC issued during **17.09.2018 to 31.03.2019**



Section 115A: Tax on dividend:

Dividend income (other than dividend u/s 115-O) in hands of NR/FC shall be taxable at **20%**.
 Provided that - Tax on dividend income from units in IFSC u/s 80LA shall be 10%.


Section 115AB, 115AC and 115AD:

Particulars	Sec 115AB	Sec 115AC	Sec 115AD
Assessee	Overseas Financial Org. (Offshore Fund) [E.g., Sequoia Capital]	Non - Resident (NR)	Specified Funds or FII
Assets	Units of MF/UTI purchased in foreign currency .	Bonds of Indian co. or public sector co. or GDRs purchased in foreign currency .	Securities (sec.) No restriction of foreign currency.
Income & Tax Rate	<ul style="list-style-type: none"> ⇒ Income received from such units - 10% ⇒ Long Term CG on transfer of such units <ul style="list-style-type: none"> ◆ 12.5% [trf on or after 23.07.24] ◆ 10% [trf before 23.07.24] Note: No threshold of Rs. 1.25L u/s 115AB.	<ul style="list-style-type: none"> ⇒ Interest on such bonds or dividend on GDRs - 10% ⇒ LTCG on transfer of such bond or GDR: <ul style="list-style-type: none"> ◆ 12.5% [trf on or after 23.07.24] ◆ 10% [trf before 23.07.24] 	<ul style="list-style-type: none"> ⇒ Income from sec. FII - 20% Fund - 10% ⇒ LTCG - 12.5%. If 112A applies (in excess of Rs. 1.25L): <ul style="list-style-type: none"> ◆ 12.5% [trf on or after 23.07.24] ◆ 10% [trf before 23.07.24] ⇒ STCG - 30% If 111A applies, <ul style="list-style-type: none"> ◆ 20% [trf on or after 23.07.24] ◆ 15% [trf before 23.07.24]
TDS	<u>Sec 196B:</u> 10% - Income from units 10% - LTCG before 23.07.24 12.5% - LTCG on or after 23.07.24	<u>Sec 196C:</u> 10% - Interest income 10% - LTCG before 23.07.24 12.5% - LTCG on or after 23.07.24	20% or 10% - 196D
Sec 28 to 44C and 57	Not allowed	Not allowed	Not allowed
Chp VI-A	Not allowed.	Not allowed.	Not allowed
Losses	Set off & C/F - Available .	Set off and c/f - Available	Set off & c/f - Available
NR benefit (First proviso to Sec 48)	Not allowed	Not allowed	Not allowed
No ROI	No such provision	If TI consists of only interest and dividend income + TDS deducted.	No such provision
Note:	CG on transfer of Debt oriented MF is always Short-term [Sec 50AA]	Sec 47 exempts CG in case of transfer of GDR of LISTED eq. shares from NR to NR.	Interest u/s 115A shall be taxed at 5% .

