

— Special Tax Rate — [Income Tax Act, 1961]

| Sec | Particulars | Tax Rate |
|-----------|--|---|
| sec 112 | Long term capital gain (LTCG) | |
| | → Asset Transfer before 23/7/24 | 20%. |
| | → Asset Transfer on or after 23/7/24 | 12.5%. |
| sec 112A | Long term capital gain on sale of Share / MF | |
| | → Asset Transfer before 23/7/24 | 10% } In excess of |
| | → Asset Transfer on ^{or} after 23/7/24 | 12.5% } of 125000 |
| sec 111A | Short term capital gain on sale of share / MF | |
| | → Asset Transfer before 23/7/24 | 15%. |
| | → Asset Transfer on or after 23/7/24 | 20%. |
| sec 115BB | winnings from lottery, game show, card games etc | 30%. |
| sec 115BB | winnings from online games (Dream 11) | 30%. |

LTCG

NOTE: In case of, 112, LTCG 112A, STCG ~~111A~~ 11A and dividend income, Maximum surcharge rate applicable is 15% on taxes.

Ex 1:- From the following information, compute the tax liability of ^{MS.} Anushri as per default tax Regime u/s 115BAC for AY 26-27

| | |
|---------------------------------------|----------------|
| Income from House Property (computed) | 1500000 |
| Income from Business | 700000 |
| Income from Capital Gain | |
| → LTCG on transfer of land | 1000000 |
| → STCG on transfer of shares | 1500000 |
| Income from other sources | |
| → Interest income | 700000 |
| → Dividend income | 500000 |
| → winnings from online game | 900000 |
| GTI/NTI | 6800000 |

computation of Tax liability

| S.No. | Income | Tax Rate | Income ₹ | Tax ₹ |
|-------|---------------|---------------------|------------------------|---------|
| (1) | LTCG u/s 112 | 12.5% | 1000000 | 125000 |
| (2) | STCG u/s 111A | 20% | 1500000 | 300000 |
| (3) | winnings | 30% | 900000 | 270000 |
| (4) | Bal. NTI | Slab Rate Note 1 | 3400000 | 600000 |
| | | | 6800000 | 1295000 |
| | | | Add:- Surcharge 10% | 129500 |
| | | | | 1424500 |
| | | | Add:- HEC @ 4% | 56980 |
| | | | NTL | 1481480 |

Note 14- Tax on 3400000

| | | |
|--------------------|-----|---------------|
| upto 400000 | — | — |
| > 4l upto 8l | 5% | 20000 |
| > 8l upto 12l | 10% | 40000 |
| > 12l upto 16l | 15% | 60000 |
| > 16l upto 20l | 20% | 80000 |
| > 20l upto 24l | 25% | 100000 |
| > 24l upto 3400000 | 30% | 300000 |
| | | <u>600000</u> |

MR.

Exc 2:- Compute Tax liability, Dhairya (Age 32 yrs)
 for AY 26-27

Assume Assessee opted out from sec 115BAC

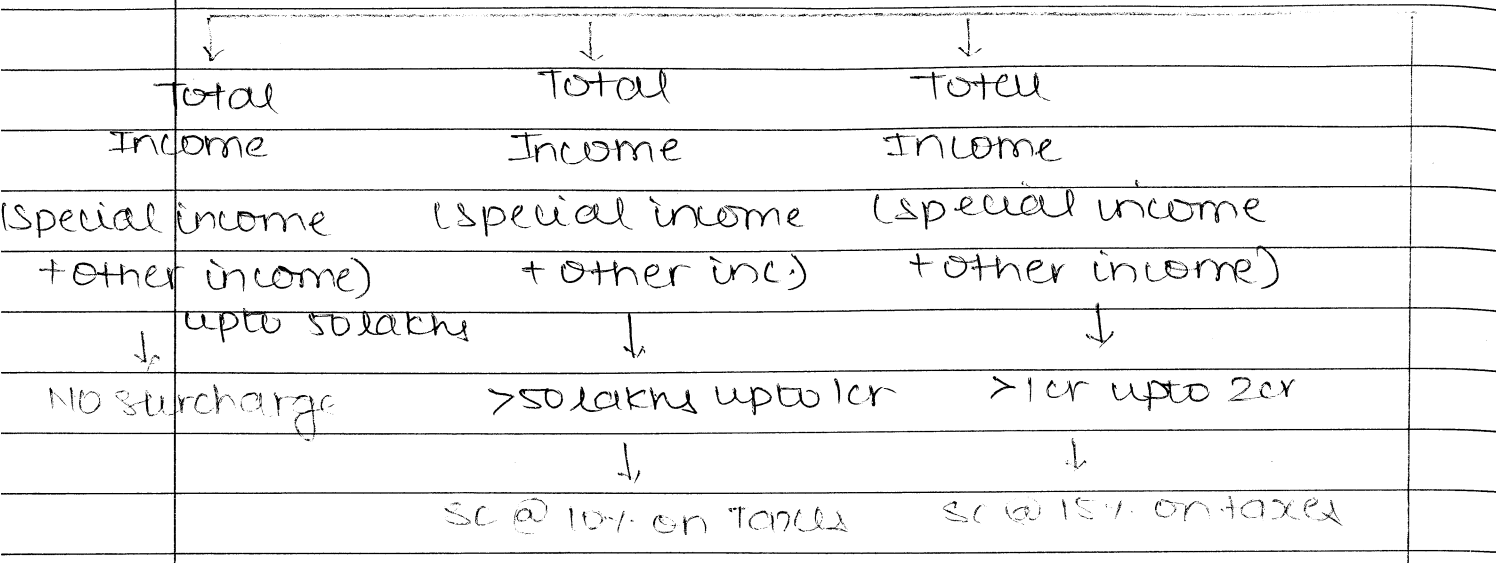
| | |
|-------------------------------|--------------------|
| Income from salary (computed) | 4000000 |
| Income from House Property | 1000000 |
| Income from capital gain | |
| → LTCG u/s 112 | 2500000 |
| → LTCG u/s 112A | 1500000 |
| → STCG u/s 111A | 700000 |
| Income from other sources | 1000000 |
| Bank Interest | 1000000 |
| Income from card games | 1200000 |
| | 11900000 |

| SR NO | Income | Tax Rate | Income ₹ | Tax ₹ |
|-------|----------------------|------------------------|----------------|---------|
| (1) | LTCG u/s 112 | 12.5% | 2500000 | 312500 |
| (2) | LTCG u/s 112A | 12.5% excess of 125000 | 1500000 | 171875 |
| (3) | STCG u/s 111A | 20% | 700000 | 140000 |
| (4) | winings from card g. | 30% | 1200000 | 360000 |
| | Bal NTI | Slab Rate <u>N1</u> | 6000000 | 1612500 |
| | | | 11900000 | 2596875 |
| | | | Add:- SC @ 15% | 389531 |
| | | | | 2986406 |
| | | | Add:- HEC @ 4% | 119456 |
| | | | | 3105863 |

i.e 3105860

Note 1:-

| | | | |
|----------------------|-----|----------------|---|
| upto 250000 | — | — | 1 |
| > 250000 upto 500000 | 5% | 12500 | |
| > 5L upto 10L | 20% | 100000 | |
| > 10L upto 6000000 | 30% | 1500000 | |
| | | <u>1612500</u> | |



Total Income (sp income + other income)

> 2 crores

Tax on special income

Tax on other income

Max surcharge @ 15%

upto 2 cr

> 2 cr upto 5 cr

> 5 cr

SC @ 15% on taxes

SC @ 25% on taxes

SC @ 37% on taxes

Ex 11 - From following information, compute tax liability of Ms Diksha for AY 26-27

| | |
|-------------------------------|----------------|
| Income from salary (computed) | 6000000 |
| Income from House Property | 2000000 |
| Income from Business | 15000000 |
| Income from Capital gain | |
| → LTCG 112 | 2500000 |
| → LTCG 112A | 1000000 |
| → STCG 11A | 1500000 |
| | <u>5000000</u> |
| | 28000000 |

Assume Assessee pay tax as per sec 115BA

| SNO | Income | Tax Rate | Income ₹ | Tax ₹ |
|-----|---------------|---|----------|----------------|
| (1) | LTCG U/S 112 | 12.5% | 2500000 | 312500 |
| (2) | LTCG U/S 112A | 12.5% (excess of 125000) | 1000000 | 109375 |
| (3) | STCG U/S 111A | 20% | 1500000 | 300000 |
| (4) | Balance NTI | slab rate | 23000000 | 6480000 |
| | | Total income | 28000000 | 7201875 |
| | | Add: SC @ 15% on capital gain (721875 x 15%) | | 108281 |
| | | Add: 30% @ 25% on Bal Tax (6480000 x 25%) | | 1620000 |
| | | 23000000 | | <u>8930156</u> |

| | | | | |
|----------------------|-----|---------|--------|-------------|
| Note 1: upto 400000 | — | — | Add | 357206 |
| > 4 l upto 8 l | 5% | 20000 | Hec 4% | |
| > 8 l upto 16 l | 10% | 40000 | | 9287362 |
| > 12 l upto 16 l | 15% | 60000 | | i.e 9287360 |
| > 16 l upto 20 l | 20% | 80000 | | |
| > 20 l upto 24 l | 25% | 100000 | | |
| > 24 l upto 23000000 | 30% | 6180000 | | |

| Exe 2:- Self Income | Tax Rate | Income ₹ | Tax ₹ |
|--------------------------------|------------------------------|----------|-------------|
| (1) LTCY U/S 112-A | 12.5% in excess of 125000 | 10000000 | 1234375 |
| (2) LTCY U/S 112 | 12.5% | 6000000 | 750000 |
| (3) STCY U/S 111A | 20% | 20000000 | 4000000 |
| (4) Other income | slab rate (NOTE 1) | 10000000 | 2812500 |
| | Total income | 46000000 | 8796875 |
| | Add: SE @ 15% on LTCY & STCY | | 897656 |
| | Add: SE @ 15% on balance tax | | 421875 |
| | | | 10116406 |
| | Add: HEC 4% | | 404656 |
| | | | 10521062 |
| | | | i.e 1052160 |

NOTE 1:- 10000000

| | | |
|-------------------------|-----|---------|
| upto 250000 | | |
| > 250000 upto 500000 | 5% | 12500 |
| > 500000 upto 1000000 | 20% | 100000 |
| > 1000000 upto 10000000 | 30% | 2700000 |
| | | 2812500 |

HW

Mr. SK (Age 64 yrs NR)

| S.No | Income | Tax Rate | Income | Tax |
|------|---------------------------------|---------------------------|----------|----------|
| (1) | LTCG U/s 112A | 12.5% in excess of 125000 | 150000 | 3125 |
| (2) | LTCG U/s 112 | 12.5% | 170000 | 21250 |
| (3) | STCG U/s 111A | 20% | 410000 | 82000 |
| (4) | Other Income | Slab Rate (Note 1) | 9900000 | 2782500 |
| | | Total Income | 10630000 | 2888875 |
| | Add :- 30% @ 15% on LTCG & STCG | | | +6433331 |
| | | | | 3322206 |
| | Add :- HEC @ 4% | | | 3132888 |
| | | | | 3455094 |

Note 1 :- 9900000
upto 250000

| | | |
|------------------------|-----|---------|
| > 250000 upto 500000 | 5% | 12500 |
| > 500000 upto 1000000 | 20% | 100000 |
| > 1000000 upto 9900000 | 30% | 2670000 |
| | | 2782500 |

(Mr. Dev, 28 years)

| | Income | Tax rate | Income | Tax |
|-----|------------------------------|--------------------------|----------|----------|
| (1) | LTCG u/s 112A | 2.5% in excess of 125000 | - | |
| (2) | LTCG u/s 112 | 12.5% | 19000000 | 2375000 |
| (3) | STCG u/s 111A | 20% | 70000000 | 14000000 |
| (4) | Other Income | Slab Rate (Note 1) | 6000000 | 1612500 |
| | | Total Income | 95000000 | 17987500 |
| | Add: sc @ 15% on LTCG & STCG | | | 2456250 |
| | Add: sc @ 15% on Bal Tax | | | 241875 |
| | Add: HEC @ 4% | | | 20685625 |
| | | | | 827425 |
| | | | | 21513050 |

Note 1:- 6000000
 upto 250000 — — — — —
 >250000 upto 500000 5% 12500
 >500000 upto 1000000 20% 100000
 >1000000 upto 6000000 30% 1500000
 1612500

1006
2011
Mr. Ritesh kumar a Resident individual (Age 35 yrs).
His income is as follows. Calculate Tax liability for
AY 20-27 as per sec 115BAC

| | |
|----------------------|-------------------------|
| (i) LTCG u/s 112A | 200000 |
| (ii) LTCG u/s 112 | 100000 |
| (iii) STCG u/s 111A | 300000 |
| (iv) Dividend income | 1300000 |
| (v) Other Income | 33400000 |
| | <u>GTI/NTI 35300000</u> |

Calculation of Tax liability

| Sr No | Income | Tax Rate | Income ₹ | Tax ₹ |
|-------|--|---------------------------|----------|-----------------|
| (1) | LTCG u/s 112A | 12.5% in excess of 125000 | 200000 | 9375 |
| (2) | LTCG u/s 112 | 12.5% | 100000 | 12500 |
| (3) | STCG u/s 111A | 20% | 300000 | 60000 |
| (4) | Balance NTI | Slab Rate | 34700000 | 9990000 |
| | | | 35300000 | 10071875 |
| | Add:- Surcharge on capital gain (81875 × 15%) | | | 12281 |
| | Add:- SC on tax on dividend (374265 × 15%) | | | 56140 |
| | Add:- SC on Bal tax (9990000 - 374265) | | | 2403934 |
| | (9615735 × 25%) | | | |
| | A | | | 12544230 |
| | Add:- HEE 4% | | | 501769 |
| | | | | <u>13046000</u> |