5) Deduction u/c VI A
a) Dedn u/s 10AA (SEZ)
b) Any dedn u/c VI A [80C to 80U]
(Except 80CCD(2), 80CCH(2), 80JJAA)

— Note -
1) Assessee cannot set off and carry forward any brought forward losses or unabsorbed depn attributable to dedn referred above

2) Sec 115BAC is a Default Tax Regime however Assessee can take the benefit of normal (regular/old) tax regime by opt out from sec 115BAC
a) Assessee doesnot have PGBP → Option of Normal / old tax regime must be exercised upto due date u/s 139(1) for every PY.

b) Assessee having PGBP → Option of Normal/old tax reg. must be exercised upto due date u/s 139(1) & this option shall be applied for subsequent years also. However if Assessee withdraw from Normal / old tax reg. in any PY then he shall never be eligible for Normal / old tax reg. till the time he is having Business Income

3) If Assessee pay tax as per sec 115BAC then AMT Not Appl.

4) If Assessee pay tax as per sec 115BAC then max depn rate is @ 40%.

Note:- Rebate u/s 87A available only against tax calculated as per sec 115BAC. This rebate not available against Tax calculated as per special Rate

Rebate u/s 87A :- If Assessee pay Tax as per sec 115BAC

for Resident Individual having Total Income upto ₹ 1200000

Rebate Amt
(i) Tax Amt xx
(ii) 60000 xx
whichever is lower xx

- Note -
1) If total income is more than 12L but does not exceed 12,70,585, tax on such income cannot be exceed the amt by which the total income exceed by 12L. However marginal relief not available in old/Normal tax reg.

Ex Mr BB (age 35 yrs) is a Resident Ind. His total Income for AY 26-27 is ₹ 1200000 or ₹ 12,30,000 or ₹ 1260,000 or ₹ 12,90,000. Assume Assessee don't have any special rate of Income. Assessee not opted regular tax reg. Calculate Tax liab.

Total Income	1200000	1230000	1260000	1290000
Tax as per sec 115BAC	60000	64500	69000	73500
(-) Rebate u/s 87A				
a) 100% of tax payable; or				
b) 60000	60000	NIL	NIL	NIL
	NIL	64500	69000	73500
~~Restricted to:~~ Tax on 12 lakhs + (NTI-12L)	NIL	30000	60000	90000
Add:- Health & Edu. cess 4%	NIL	1200	2400	2940
Net Tax Liability	NIL	31200	62400	76440
Marginal Relief	—	34500	9000	—

Ex 1 :-

Total Income of Mr. Jaanu is ₹ 1,01,25,000. Calculate Tax liability as per Default Taxation regime under Sec 115BAC.

Calculation of Tax liability

upto 400000	—	—
>400000 upto 800000	5%	20000
> 800000 upto 1200000	10%	40000
> 1200000 upto 1600000	15%	60000
> 1600000 upto 2000000	20%	80000
>2000000 upto 2400000	25%	100000
> 2400000 upto 10125000	30%	2317500
		2617500
Add:- surcharge @ 15%		392625
		30,10,125

Rest. to

Tax on 1cr + (NTI − 1cr)
(Note 1)

2838000 + 125000	2963000
	2963000
Add:- HEC @ 4%	118520
	3081520

Note 1 :- ~~₹~~ 10000000

upto 400000	—	—
>400000 upto 800000	5%	20000
>800000 upto 1200000	10%	40000
>1200000 upto 1600000	15%	60000
>1600000 upto 2000000	20%	80000
> 2000000 upto 2400000	25%	100000
>2400000 upto 10000000	30%	2280000
		2580000

~~A~~ SC 10% → 2580000 = 2[illegible]8000

Ex 1:-

Total Income of Mr. Jaanu is ₹1,01,25,000. calculate Tax liability as per Default Taxation regime under sec 115BAC.

Calculation Of Tax liability

upto 400000	—	—
>400000 upto 800000	5%	20000
>800000 upto 1200000	10%	40000
>1200000 upto 1600000	15%	60000
>1600000 upto 2000000	20%	80000
>2000000 upto 2400000	25%	100000
>2400000 upto 10125000	30%	2317500
		2617500
Add:- surcharge @ 15%		392625
		30,10,125

Rest. to

Tax on 1cr + (NTI - 1cr)
(Note 1)

2838000 + 125000	2963000
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>1200000 upto 1600000	15%	60000
>1600000 upto 2000000	20%	80000
>2000000 upto 2400000	25%	100000
>2400000 upto 10000000	30%	2280000
		2580000

SC 10% → 2580000 = 2838000

II Tax Rates for company

		Tax Rate	Surcharge	
A)	Domestic company		Total income >1cr upto 10cr	TI >10cr
(i)	Total T/o / Gross Receipts of PY 23-24 is upto ₹400cr	25%	→ 7%	12%
(ii)	Otherwise	30%		
B)	Foreign company	35%	2%	5%

* Health and Education cess @ 4% always on taxes (+surcharge if any)

Ex 1 Compute Tax liability of BBVPL a Domestic co. for AY 26-27 (T/O of PY 23-24 was 70 crore)

	A	B	C
Total Income	7000000	10100000	100280000

(A) Calculation of Tax liability

	₹
Tax on Total Income (7000000 × 25%)	1750000
+ SC	—
	1750000
+ HEC 4%	70000
	1820000

(B) Calculation of Tax liability

Tax on Total income [10100000 x 25%]		2525000
+ SC 7%		176750
		2701750
	MR	
Restricted to	101750	
Tax on 1cr + (NTI − 1cr)		
2500000 + 100000 =		2600000
		2600000
Add:- HEC @ 4%		104000
		2704000

(C) Calculation of Tax liability

Tax on Total Income [100280000 x 25%] =		25070000
+ SC 12%		3008400
		28078400
Restricted to	MR	*
Tax on 10 cr + (NTI − 10 cr)	1048400	
25cr + 7% SC		
26750000 + 280000 =		27030000
		27030000
Add:- HEC @ 4%		1081200
		28111200

III Tax Rate for Partnership firm / LLP / Local Authority

Tax Rate 30%.

* surcharge applicable @ 12% If Total income is > 1 crore.

* Health and Education cess @ 4%. (Always) on taxes + surcharge (if any)

IV Tax Rate for Co-op society

	Tax Rate
Total Income upto 10000	10%
>10000 upto 20000	20%
> 20000	30%

* surcharge applicable @ 7% If Income > 1 cr upto 10 cr.
@ 12% ⟶ > 10 cr.

* Health and Education cess @ 4% [Always] on taxes + surcharge [if any]

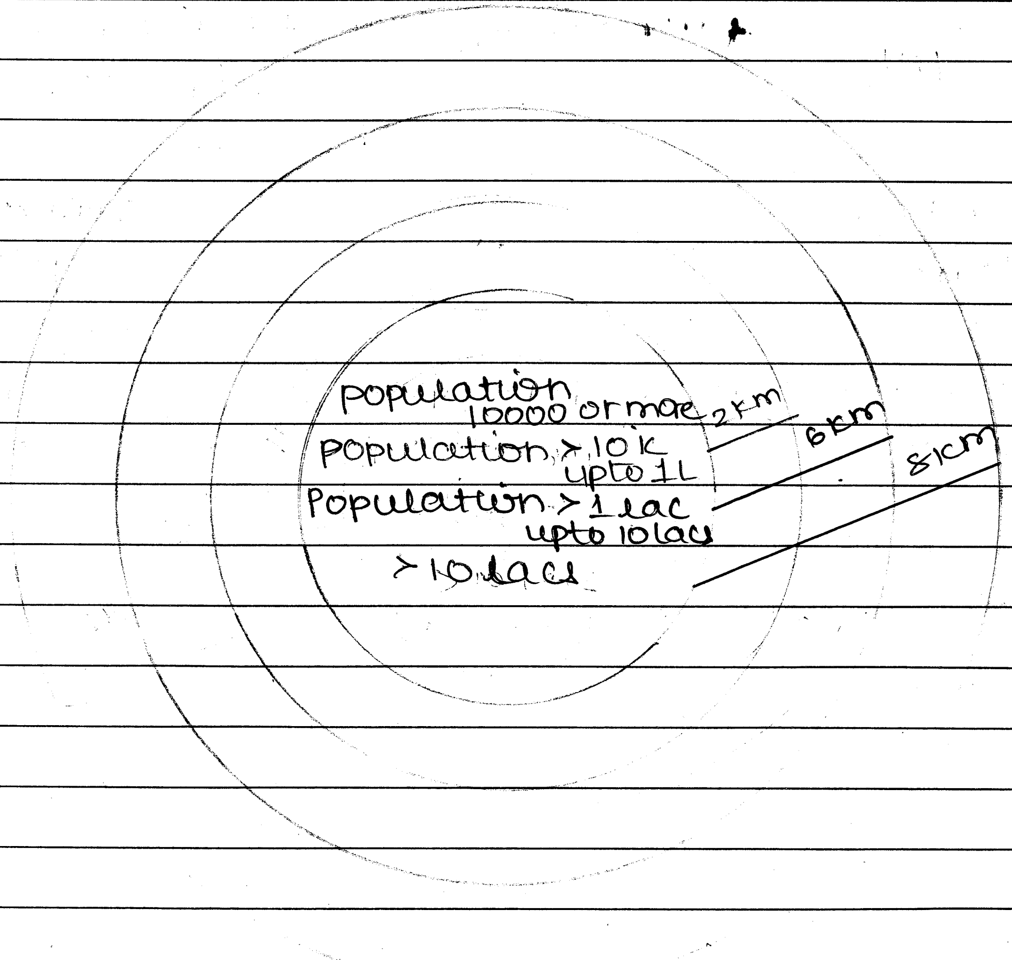
* Agriculture Income *

Agriculture Income from Agriculture land in India shall be exempt (non taxable) u/s 10(1)

* Meaning of Agriculture Income

1) Income from sale of Agriculture produce. (Grown and sale)
2) Rent of Agricultural land which is used by Tenant for the Agriculture purpose
3) Rent of farmhouse located in Rural Area (used as store house or dwelling unit)
4) Income from Nursery.

* Meaning of Urban Area



Ex 1:- Mr. Saiyam produced 1000 tons of potatoes (cost 70000)

- 200 tons potatoes sold in raw form
  - SP = ₹130000
- 800 tons potato further processed
  - process cost 300000
  - chips sale 1500000

Calculate :- (i) Net Agriculture Income
(ii) Net Business Income

Rule No:-7 :- Sale of Agriculture produce

- Sale in Raw form
  - Total Agriculture income
  - (SP − cost)
  - (130000 − 14000)
  - = 116000
- Sale after further process
  - If process is compulsory for sale
    - Total Agri income
  - Process optional

Ex 1:- Mr. Saiyam produced 1000 tons of potatoes (cost 70000)

200 tons potatoes sold in raw form

↓

SP = ₹130000

800 tons potato further processed

↓

process cost 300000

↓

chips sale 1500000

Calculate :- (i) Net Agriculture Income

(ii) Net Business Income

Rule No:-7 :- Sale of Agriculture produce

Sale in Raw form

↓

Total Agriculture income

↓

(SP − cost)

(130000 − 14000)

= 116000

Sale after further process

If process is compulsory for sale

↓

Total Agri income

Process optional

(1000 : 70000)

200 ?

Process optional

Agriculture income

Fmv of Agri produce	$\frac{(130000 \times 800 \text{ ton})}{200 \text{ tons}}$	
further process		520000
(-) cost of Agr. prod.		(56000)
Agriculture income	:-	464000

(1000 : 70000
800 : ?)

Business Income

sale of chips	1500000
(-) Process cost	(300000)
(-) FMV of Agri.	(520000)
PGBP	680000

Total Agriculture Income :- (116000 + 464000)
= 580000

PGBP :- 680000