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Mr Naveen: PY 25-26 AY 26-27

A) 10000 shares of Y Ltd @ 650 per share on 5/4/2025

Computation of capital Gain

			₹
FVOC			6500000
(-) Transfer expense			—
Net consideration			6500000
(-) COA (WN1)			(3000000)
LTCG 112A			3500000

WN1

(i) cost		100
(ii) a) FMV 31/1/18	300	
b) FVOC	650	300
		300

B) 1000 unit of AB mutual fund @ 50 per unit on 20/5/25

FVOC (1000×50)	50000
(-) Transfer expense	—
Net consideration	50000
(-) COA (WN2)	50000
	NIL

WN2

(i) cost		10
(ii) a) FMV 31/1/18	55	
b) FVOC	50	50
		50

c) Sale of shares of C Ltd on 27/5/25 @ 200 (unlisted shares)

			₹
RVOC (200×100)			20000
(−) COA			
(i) Cost	NIL		
(ii) FMV 1/4/01	50	(50×100)	(5000)
		LTCG u/s 112	15000

Calculation of Tax liability

a) LTCG u/s 112A taxable @ 12.5% in excess of 125000

(3500000 − 125000)

= 3375000 × 12.5% = 421875

b) LTCG u/s 112 taxable @ 12.5%

(15000 × 12.5%) 1875

— Special Tax Rate — [Income Tax Rate 1961]

Sec	Particular	Tax Rate
112	LTCG	12.5%.
112A	LTCG on shares/ MF	12.5%. in exce of 125000
111A	STCG on shares/ MF	20%.
115BB	Winnings from lottery, game show, card game	30%.
115BBJ	Winnings from online games (Dream11)	30%.
115BBE	Deemed Income (68, 69, 69A, 69B, 69C 69, D)	60%.

Eg :- Mr BB is a Resident Individual (Age 35yrs) compute Tax as per Default tax regime u/s 115BAC as well as Normal Tax Regime.

PGBP	120000
LTCG u/s 112	50000
LTCG u/s 112A	1500000
STCG u/s 111A	70000
winnings	80000
GTI/NTI	1820000

— As per Default tax Regime 115BAC —

S.NO.	Nature of Income	Rate	Income (₹)	Tax (₹)
1)	LTCG 112	12.5%	50000 - 50000	
2)	LTCG 112A	12.5% in excess of 125000	1500000 - 160000	
3)	STCG 111A	20%		
4)	winnings	30%		
5)	Bal NTI	Slab Rate		

(2) As per Default Tax Regime 115BAC

SNo	Nature of Income	Rate	Income (₹)	Tax (₹)
1	LTCG 112	12.5%	50000 – 50000	—
2	LTCG 112A	12.5% in excess of 125000	1500000 – 160000 (1340000 – 125000)	151875
3	STCG 111A	20%	70000 – 70000	—
4	winnings	30%	80000	24000
5.	BalNTI	slab Rate	120000 + 280000	—
			1820000	175875
			Add:- HEC 4%	7035
			Net Tax liability	182910

Tax as per Normal Prov (opt out from sec 115BAC)

S No	Nature of Income	Rate	Income (₹)	Tax (₹)
1	LTCG 112	12.5%	50000 - 50000	—
2.	LTCG 112A	12.5% in excess of 125000	1500000 - 10000 [1490000 - 125000]	170625
3.	STCG 111A	20%	70000 - 70000	—
4.	winnings	30%	80000	24000
5.	Bal NTI	slab Rate	120000 + 130000	—
			1820000	194625
			Add :- HEC 4%	7785
			Net tax liability	202410

— Benefit of Basic exemption against special income —

In case of Res. Ind and HUF if Balance total Income (other than special Rate Income) is less then Basic exemption then unutilized basic exemption would be set off against LTCG 112, LTCG 112A and STCG 111A, never against winning or deemed income.

Sec 10(37) :- Exemption for capital gain urban Agriculture land.

STCG/LTCG compulsory acquisition of urban agriculture land will be exempt if following conditions are satisfied :-

1) Assessee should be Individual/HUF
2) such agriculture land used by Assessee or his parents for agriculture purpose for 2 years before the date of transfer.
3) consideration is determined by RBI or central government.

Note:- If bonus share alloted before 1/2/2018 and if section 112A applies then FMV as on 31/1/18 benefit is available in case of Bonus shares also.

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Mr Selvan PY 25-26 AY 26-27

FVOC		7500000
SP 7500000		
SDV 8000000		
[Since SDV is not more than 110% of consideration, so consideration is treated as FVOC]		
(-) Transfer expense		—
Net consideration		7500000
(-) COA		(1000000)
(-) COI		(200000)
Gross LTCG		6300000
Less:- Exemption u/s 54		
(i) Capital Gain	6300000	
(ii) Cost of Net Asset	2500000	(2500000)
Net LTCG		3800000

Exemption u/s 54EC is not available because Assessee acquired bonds after period of six months from the date of transfer.

[Jan 26 to March 27]

PY 26-27 AY 27-28

Computation of capital Gain on Transfer of HP

FVOC	4000000
(-) Trf expenses	—
Net consideration	4000000
(-) COA [cost - Exemption claimed earlier]	NIL
STCG	4000000

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Mr shiva

			₹
FVOC			
(i) SP	3050000		
(ii) SDV on date of Agreement	3900000		3900000
(-) Transfer expenses (3050000 x 1%)			(30500)
Net consideration			3869500
(-) COA			
(i) Actual cost (324000 + 35000)	359000		
(ii) a) FMV as on 1/4/1	1185000		
b) SDV on 1/4/1	1070000	1070000	(959000)
(1070000 - 111000) Adv money before 1/4/14			
(-) COI			(390000)
LTCG			2820500

Notes :- As per sec 50C if SDV is more than 110% of consideration then such SDV is treated as full value of consideration. Normally SDV consider on the date of registration but if date of registration and Agreement are not same, then SDV can be considered on the date of Agreement, if assessee recived any consideration or part there of upto the date of agreement by account pay cheque or account pay demand draft or any mode of electronic clearing system.

INCOME FROM OTHER SOURCES

Any income which is not taxable under the head salary, house property, PGBP or capital gain that income shall be taxable under the head Income from other sources.

Taxation of gift

a) If any employee recived gift from employer then it is taxable under the head salary in hands of employee
   - Money :- fully taxable
   - In kind :- Value of 5000 or more → Taxable

b) Any gift received due to business or profession is taxable under the head PGBP.
   Eg :- gift from supplier

c) Other gift :-

→

Notes 1 :-

1) S.S :- Shares and Security
2) J :- Jewellary
3) D :- Drawings
4) P :- Paintings
5) S :- Sculpture
6) A :- Archaeological collection
7) O :- Any other work of Art.
8) B :- Bullion
9) V :- Virtual Digital Assets

Note 2 :- M.R.I.D.H.U.T.LA.I.T.C

1) M :- On the Occasion of Marriage
2) R :- from Relative
3) I :- Inheritance
4) D :- In contemplation of Death
5) H :- from Hospitals or medical Institutions
6) U :- from university or educational institution
7) T :- from or by any Trust
8) LA :- from Local Authority
9) I :- From Individual by Trust and Trust for benefit of relative of Individual
10) T :- By Hospital, university, Trust, medical institution.
11) C :- certain transaction reffered u/s 47 (partition of HUF, Holding to 100% subsidiary, amalgamation and demerger.

Note 4 :- Any Asset received as gift or acquired for low consideration if assessee paid taxes, FMV/SDV u/s 56(2)(x) IFOS such FMV/SDV treated as COA of such Asset.