

Tax Reckoner 2021-22

The rates are as per the Finance Act, 2021. The same is applicable for the financial year 2021-22.

Tax Implications on distributed income (hereinafter referred to as either 'dividend' or 'capital gains') by Mutual Funds to be received by Unit holders

Dividend Taxation (in case of Income Distribution Cum Capital Withdrawal option)

	Resident Individual/ HUF [§]	Domestic Company [@]	Non Resident Individuals ^{§/c}
Dividend			
All schemes	30% [^] + Surcharge as applicable + 4% Cess	30% + Surcharge as applicable + 4% Cess 25% ^{^^} + Surcharge as applicable + 4% Cess 22% [^] + 10% Surcharge [^] + 4% Cess 15% [^] + 10% Surcharge [^] + 4% Cess	20% + Surcharge as applicable + 4% Cess
	= 42.744% or 39% or 35.88% or 34.32%	= 34.944% or 33.384% = 29.120% or 27.820% = 25.17% = 17.16%	= 28.496% or 26% or 23.92% or 22.88%
Tax Deducted at Source[!]			
All schemes	10% (if dividend income exceeds INR 5,000 in a financial year)	10% (if dividend income exceeds INR 5,000 in a financial year)	=28.496% or 26% or 23.92% or 22.88%

Capital Gains Taxation

	Individual/ HUF [§]	Domestic Company [@]	Non Resident Individuals ^{§/#}
Long Term Capital Gains^{##}			
Equity oriented schemes^{**/^^}	Units held for more than 12 months		
	10% without indexation + Surcharge as applicable + 4% Cess	10% without indexation + Surcharge as applicable + 4% Cess	10% without indexation and foreign currency fluctuation benefits + Surcharge as applicable + 4% Cess
	= 11.96% or 11.44%	= 11.648% or 11.128%	= 11.96% or 11.44%
Other than equity oriented schemes	Units held for more than 36 months		
Listed	20% with indexation + Surcharge as applicable + 4% Cess	20% with indexation + Surcharge as applicable + 4% Cess	20% with indexation + Surcharge as applicable + 4% Cess
	= 28.496% or 26% or 23.92% or 22.88%	= 23.296% or 22.256%	= 28.496% or 26% or 23.92% or 22.88%
Unlisted	20% with indexation + Surcharge as applicable + 4% Cess	20% with indexation + Surcharge as applicable + 4% Cess	10% without indexation and foreign currency fluctuation benefits + Surcharge as applicable + 4% Cess
	= 28.496% or 26% or 23.92% or 22.88%	= 23.296% or 22.256%	= 14.248% or 13% or 11.96% or 11.44%
Short Term Capital Gains			
Equity oriented schemes^{**}	Units held for 12 months or less		
	15%+ Surcharge as applicable + 4% Cess	15% + Surcharge as applicable + 4% Cess	15% + Surcharge as applicable + 4% Cess
	= 17.94% or 17.16%	= 17.472% or 16.692%	= 17.94% or 17.16%
Other than equity oriented schemes	Units held for 36 months or less		
	30% [^] + Surcharge as applicable + 4% Cess	30% + Surcharge as applicable + 4% Cess 25% ^{^^} + Surcharge as applicable + 4% Cess 22% [^] + 10% Surcharge [^] + 4% Cess 15% [^] + 10% Surcharge [^] + 4% Cess	30% [^] + Surcharge as applicable + 4% Cess
	= 42.744% or 39% or 35.88% or 34.32%	= 34.944% or 33.384% = 29.120% or 27.820% = 25.17% = 17.16%	= 42.744% or 39% or 35.88% or 34.32%

Tax Deducted at Source (Applicable only to NRI Investors) ^{S/#!/<}		
	Short term capital gains	Long term capital gains
Equity oriented schemes	17.94% or 17.16%	11.96% or 11.44%
Other than equity oriented schemes (Listed)	42.744% or 39% or 35.88% or 34.32%^	28.496% or 26% or 23.92% or 22.88%
Other than equity oriented schemes (Unlisted)	42.744% or 39% or 35.88% or 34.32%^	14.248% or 13% or 11.96% or 11.44%

^^ Long term capital gains arising from transfer of a long term capital asset being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust shall be taxed at 10% without indexation and without foreign currency fluctuation benefit of such capital gains exceeding one lakh rupees. The concessional rate of 10% shall be available only if securities transaction tax (STT) has been paid on both acquisition and transfer in case of equity shares and on transfer in case of units of equity-oriented mutual funds or units of business trust. Further, grandfathering benefit has been provided for long term capital gains upto January 31, 2018.

** STT will be deducted on equity-oriented scheme at the time of redemption/ switch to the other schemes/ sale of units. Mutual Fund would also pay securities transaction tax wherever applicable on the securities sold.

† Section 194K provides for withholding tax of 10% on any income (excluding the income in the nature of capital gains) exceeding INR 5,000 in aggregate for the financial year in respect of units of mutual fund in case of residents.

Short term/ long term capital gain tax will be deducted at the time of redemption of units in case of NRI investors only. However, as per section 196A of the Act withholding tax of 20% (plus applicable surcharge and cess) is applicable on any income in respect of units of mutual fund in case of non-residents. Hence, based on language provided in said section, it seems that apart from any income distributed to NRI, withholding tax at 20% (plus applicable surcharge and cess) may be applicable on capital gains notwithstanding that such capital gains are taxable at a rate lower than 20% (plus applicable surcharge and cess).

< As per the provisions of section 196A which is specifically applicable in case of non-resident unitholders, the withholding tax rate of 20% (plus applicable surcharge and cess) on any income in respect of units of a Mutual Fund credited / paid to non-resident unitholders shall apply, as section 196A does not make reference to “rates in force” but provide the withholding tax rate of 20% (plus applicable surcharge and cess). The non-resident unitholders may offer the income in respect of units of mutual fund to tax in their income-tax return at a lower tax rate by claiming the benefit under relevant tax treaty, if any, subject to eligibility and compliance with applicable conditions.

As per the provisions of section 196D of the Act which is specifically applicable in case of FPI/FII, the withholding tax rate of 20% (plus applicable surcharge and cess) on any income in respect of securities referred to in section 115AD(1)(a) credited / paid to FII shall apply. The Finance Act, 2021 inserted a proviso to section 196D(1) of the Act to grant relevant tax treaty benefits with effect from 1 April 2021 at the time of withholding tax on income with respect to securities of FPIs, subject to furnishing of tax residency certificate and such other documents as may be required. As per section 196D(2) of the Act, no TDS shall be made in respect of income by way of capital gain arising from the transfer of securities referred to in section 115AD of the Act.

@ Surcharge at the rate of 7% is levied for domestic corporate unit holders where the income exceeds Rs. 1 crore but less than Rs. 10 crores and at the rate of 12% where income exceeds Rs 10 crores.

§ Surcharge for the purpose of TDS and advance tax as per First Schedule Part II and III of the Finance Act, 2021 for Individual, HUF, AOP, BOI, AJP (other than FPIs):

- Taxable income less than 50,00,000 – 0%
- Taxable income more than 50,00,000 upto 1,00,00,000 (including income by way of dividend⁺ or capital gains on securities covered u/s 111A and 112A) – 10%
- Taxable income more than 1,00,00,000 upto 2,00,00,000 (including income by way of dividend⁺ or capital gains on securities covered u/s 111A and 112A) – 15%
- Taxable income more than 2,00,00,000 upto 5,00,00,000 (excluding income by way of dividend⁺ or capital gains on securities covered u/s 111A and 112A) – 25%
- Taxable income more than 5,00,00,000 (excluding income by way of dividend⁺ or capital gains on securities covered u/s 111A and 112A) – 37%
- Taxable income more than 2,00,00,000 (including income by way of dividend⁺ or capital gains on securities covered u/s 111A and 112A) but is not covered under iv and v above – 15%. Provided surcharge not to exceed 15% in case of income by way of dividend⁺ or capital gains on securities covered u/s 111A and 112A included in such total income

+Income distribution by mutual fund is technically not regarded as dividend

Surcharge for the purpose of TDS on income other than dividend⁺ and capital gains as per the Finance Act, 2021 in case of FPIs:

- Taxable income less than 50,00,000 – 0%
- Taxable income more than 50,00,000 upto 1,00,00,000 – 10%
- Taxable income more than 1,00,00,000 upto 2,00,00,000 – 15%
- Taxable income more than 2,00,00,000 upto 5,00,00,000 – 25%
- Taxable income more than 5,00,00,000 – 37%

+Income distribution by mutual fund is technically not regarded as dividend

Surcharge for the purpose of advance tax under section 2(9) of the Finance Act, 2021 in case of Individual, AOP, BOI or AJP FPIs

- Taxable income less than 50,00,000 – 0%
- Taxable income more than 50,00,000 upto 1,00,00,000 (including capital gains on all securities) – 10%

- iii. Taxable income more than 1,00,00,000 upto 2,00,00,000 (including capital gains on all securities) – 15%
- iv. Taxable income more than 2,00,00,000 upto 5,00,00,000 (excluding capital gains on all securities) – 25%
- v. Taxable income more than 5,00,00,000 (excluding capital gains on all securities) – 37%
- vi. Taxable income more than 2,00,00,000 (including capital gains on all securities) but is not covered under iv and v above – 15%. Provided surcharge not to exceed 15% in case of capital gains on all securities included in such total income

^ Assuming the investor falls into highest tax bracket.

^^ The Finance Act, 2021 provide that in case of domestic company, the rate of income-tax shall be 25% if its total turnover or gross receipts in the financial year 2019-20 does not exceed Rs. 400 crores.

& The corporate tax rates for domestic companies (not claiming specified incentives and deductions) at the rate of 22% under section 115BAA and domestic manufacturing companies (not claiming specified incentives and deductions) set-up and registered on or after 1 October 2019 at the rate of 15% under section 115BAB. The tax computed in case of domestic companies whose income is chargeable to tax under section 115BAA or section 115BAB shall be increased by a surcharge at the rate of 10%.

The base year for indexation purpose has been shifted from 1981 to 2001 to calculate the cost of acquisition or to take fair market value of the asset as on that date. Further, it provides that cost of acquisition of an asset acquired before 1 April 2001 shall be allowed to be taken as fair market value as on 1 April 2001.

Health and Education Cess shall be applicable at 4% on aggregate of base tax and surcharge.

Domestic companies may be subject to minimum alternate tax which is not specified in above tax rates.

Transfer of units upon consolidation of mutual fund schemes of two or more schemes of equity-oriented fund or two or more schemes of a fund other than equity-oriented fund in accordance with SEBI (Mutual Funds) Regulations, 1996 is exempt from capital gains.

Transfer of units upon consolidation of plans within mutual fund schemes in accordance with SEBI (Mutual Funds) Regulations, 1996 is exempt from capital gains.

The cost of acquisition of the units in the consolidated plan / scheme shall be the cost of units in consolidating plan / scheme of mutual fund and period of holding of the units of consolidated plan / scheme shall include the period of holding for which the units in consolidating plan / scheme of mutual fund were held.

In case of mutual fund portfolio segregation, the period of holding of segregated units shall be counted from date of holding of original units and the cost of acquisition of segregated units shall be apportioned between original units and segregated units based on net asset value prevailing immediately before segregation.

In relation to payments in the nature of interest, royalty, fees for technical services and payments on transfer of any capital assets, relaxation has been provided to non-residents from deduction of tax at higher rate of 20% in the absence of PAN subject to them providing specified information and documents (like Tax Residency Certificate (TRC), Tax Identification Number, etc.)

The Finance Act, 2021 inserted a new section 206AB w.e.f. 1 July 2021 which would apply on any sum or income or amount paid, or payable or credited, by a person (herein referred to as deductee) to a specified person, as defined. This section shall not apply where the tax is required to be deducted under sections 192, 192A, 194B, 194BB, 194LBC or 194N of the Act. The TDS rate in this section is higher of the followings rates:

- twice the rate specified in the relevant provision of the Act; or
- twice the rate or rates in force; or
- the rate of five per cent.

It is also provided that if the provision of section 206AA of the Act is applicable to a specified person, in addition to the provision of this section, the tax shall be deducted at higher of the two rates provided in this section and in section 206AA of the Act. 'Specified person' means a person (excluding non-residents who do not have a permanent establishment in India) who has not filed income-tax returns for the two preceding years and aggregate of TDS and TCS in his case is INR 50,000 or more in each year.

Bonus Stripping: The loss due to sale of original units in the schemes, where bonus units are issued, will not be available for set off; if original units are: (A) bought within three months prior to the record date fixed for allotment of bonus units; and (B) sold within nine months after the record date fixed for allotment of bonus units. However, the amount of loss so ignored shall be deemed to be the cost of purchase or acquisition of such unsold bonus units.

General Anti Avoidance Rule ('GAAR'): GAAR provisions are applicable w.e.f. 1 April, 2017. The objective is to deny tax benefits to an arrangement which has been entered into with the main purpose of obtaining tax benefits and which lacks commercial substance or creates rights and obligations which are not at arm's length principle or results in misuse of tax law provisions or is carried out by means or in a manner which are not ordinarily employed for bona fide purposes. The over-arching principal of GAAR provisions is "substance over form".

1. Income Tax Rates

Option A

For Individuals, Hindu Undivided Family, Association of Persons, Body of Individuals and Artificial Juridical Persons (current tax regime)

Total Income	Tax Rates
Up to Rs. 250,000 ^{(a)(b)}	NIL
Rs. 250,001 to Rs. 500,000 ^{(c)(d)}	5%
Rs. 500,001 to Rs. 1,000,000 ^(d)	20%
Rs. 1,000,001 and above ^{(d)(e)}	30%

- (a) In the case of a resident individual of the age of 60 years or above but below 80 years, the basic exemption limit is Rs. 300,000.
- (b) In case of a resident individual of age of 80 years or above, the basic exemption limit is Rs 500,000.
- (c) Rebate of lower of actual tax liability or Rs. 12,500 (against earlier rebate of Rs. 2,500) in case of resident individuals having total income not exceeding Rs. 5,00,000.
- (d) Health and Education cess shall be applicable @ 4% on aggregate of base income tax plus surcharge.
- (e) Surcharge for the purpose of TDS and advance tax as per First Schedule Part II and III of the Finance Act, 2021 for Individual, HUF, AOP, BOI, AJP (other than FPIs):

- Taxable income less than 50,00,000 – 0%
- Taxable income more than 50,00,000 upto 1,00,00,000 (including income by way of dividend⁺ or capital gains on securities covered u/s 111A and 112A) – 10%
- Taxable income more than 1,00,00,000 upto 2,00,00,000 (including income by way of dividend⁺ or capital gains on securities covered u/s 111A and 112A) – 15%
- Taxable income more than 2,00,00,000 upto 5,00,00,000 (excluding income by way of dividend⁺ or capital gains on securities covered u/s 111A and 112A) – 25%
- Taxable income more than 5,00,00,000 (excluding income by way of dividend⁺ or capital gains on securities covered u/s 111A and 112A) – 37%
- Taxable income more than 2,00,00,000 (including income by way of dividend⁺ or capital gains on securities covered u/s 111A and 112A) but is not covered under iv and v above – 15%. Provided surcharge not to exceed 15% in case of income by way of dividend⁺ or capital gains on securities covered u/s 111A and 112A included in such total income

**Income distribution by mutual fund is technically not regarded as dividend*

- Surcharge for the purpose of TDS on income other than dividend⁺ and capital gains as per the Finance Act, 2021 in case of FPIs:

- Taxable income less than 50,00,000 – 0%
- Taxable income more than 50,00,000 upto 1,00,00,000 – 10%
- Taxable income more than 1,00,00,000 upto 2,00,00,000 – 15%
- Taxable income more than 2,00,00,000 upto 5,00,00,000 – 25%
- Taxable income more than 5,00,00,000 – 37%

**Income distribution by mutual fund is technically not regarded as dividend*

- Surcharge for the purpose of advance tax under section 2(9) of the Finance Act, 2021 in case of Individual, AOP, BOI or AJP FPIs:

- Taxable income less than 50,00,000 – 0%
- Taxable income more than 50,00,000 upto 1,00,00,000 (including capital gains on all securities) – 10%
- Taxable income more than 1,00,00,000 upto 2,00,00,000 (including capital gains on all securities) – 15%
- Taxable income more than 2,00,00,000 upto 5,00,00,000 (excluding capital gains on all securities) – 25%
- Taxable income more than 5,00,00,000 (excluding capital gains on all securities) – 37%
- Taxable income more than 2,00,00,000 (including capital gains on all securities) but is not covered under iv and v above – 15%. Provided surcharge not to exceed 15% in case of capital gains on all securities included in such total income

- (f) Standard deduction of up to Rs. 50,000 or the amount of salary received, whichever is less to the salaried taxpayers.

Option B

For Individuals and Hindu Undivided Family (new tax regime)

Total Income	Tax Rates
Up to Rs. 250,000	NIL
Rs. 250,001 to Rs. 500,000	5%
Rs. 500,001 to Rs. 750,000	10%
Rs. 750,001 to Rs. 1,000,000	15%
Rs. 1,000,001 to Rs. 1,250,000	20%

Rs. 1,250,001 to Rs. 1,500,000	25%
Rs. 1,500,001 and above	30%

- (a) Section 115BAC provides an option to Individuals and HUF to apply lower tax rates under the new tax regime. Certain exemptions / deductions shall not be available while computing the taxable income, including but not limited to the following –
- Leave Travel Allowance u/s 10(5)
 - House Rent Allowance u/s 10(13A)
 - Specific Allowances u/s 10(14) as prescribed
 - Allowance for income of minor u/s 10(32)
 - Standard Deduction, entertainment allowance and profession tax u/s 16
 - Interest on housing loan for self-occupied property and losses under the head 'income from house property'
 - Deduction under Chapter VIA (viz. life insurance premium, medical insurance premium, provided fund contribution, etc.) other than deduction for employer's contribution to NPS or section 80JJAA
- (b) The option between the current tax regime and new tax regime shall be exercised at the time of filing of return of income. The option shall be exercised for every previous year where the Individual or the HUF has no business income, and in other cases the option once exercised for a previous year shall be valid for that previous year and all subsequent years.
- (c) Individuals and HUF having business income who have opted for such a regime can opt out only once and would not be eligible to exercise such an option again, unless the Individual ceases to have business income

2. Securities Transaction Tax (STT)

STT is levied on the value of taxable securities transactions as under.

Transaction	Rates	Payable by
Purchase/ Sale of equity shares	0.1%	Purchaser/ Seller
Purchase of units of equity oriented mutual fund (delivery based)	Nil	Purchaser
Sale of units of equity oriented mutual fund (delivery based)	0.001%	Seller
Sale of equity shares, units of equity oriented mutual fund (non-delivery based)	0.025%	Seller
Sale of an option in securities	0.05%	Seller
Sale of an option in securities, where option is exercised ^(a)	0.125%	Purchaser
Sale of a futures in securities	0.010%	Seller
Sale of units of an equity oriented fund to the Mutual Fund	0.001%	Seller
Sale of unlisted equity shares under an offer for sale	0.2%	Seller
Sale of units of business trust under an offer for sale	0.2%	Seller

- (a) STT shall be levied only on the difference between the settlement price and the strike price in case of exercise of option in securities w.e.f. 1 September 2019.

3. Special rates for non-residents

- (1) The following incomes in the case of non-resident are taxed at special rates on gross basis:

Transaction	Rates ^(a)
Dividend	20%
Interest received on loans given in foreign currency to Indian concern or Government of India (not being interest referred to in section 194LB or section 194LC)	20%
Income received in respect of units purchased in foreign currency of specified Mutual Funds / UTI	20%
Royalty or fees for technical services ^(b)	10%
Interest income from a notified infrastructure debt fund, specified loan agreement, specified long-term bonds, rupee denominated bonds and business trust	5%
Interest on FCCB, FCEB / Dividend on GDRs	10%

- (a) These rates will be further increased by applicable surcharge and cess.
- (b) In case the non-resident has a Permanent Establishment (PE) in India and the royalty/ fees for technical services paid is effectively connected with such PE, the same could be taxed at 40% (plus applicable surcharge and education cess) on net basis.
- (2) Tax on non-resident sportsmen or sports association on specified income @ 20% plus applicable surcharge and education cess

4. Capital Gains^{(d) / s}

Transaction	Short-term capital gains ^(a)	Long-term capital gains ^{(a)(b)}
Sale transactions of equity shares and unit of an equity oriented fund both of which attract STT.	15%	10%*
Sale transaction other than those mentioned above:		
Individuals (resident and non-residents)	Progressive slab rates	20% / 10% ^(c)
Partnerships (resident and non-residents)	30%	
Resident companies	30% ^(e) /25% ^(f) /22% ^(g) /15% ^(g)	
Overseas financial organizations specified in section 115AB	40% (corporate) 30% (non corporate)	10%
FII's	30%	10%
Other Foreign companies	40%	20% / 10% ^(c)
Local authority	30%	20% / 10%
Co-operative society rates	Progressive slab or 20% ^(h)	

* - Under section 112A long term capital gains arising from transfer of a long term capital asset being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust shall be taxed at 10% without indexation and without foreign currency fluctuation benefit of such capital gains exceeding one lakh rupees. The concessional rate of 10% shall be available only if STT has been paid on both acquisition and transfer in case of equity shares and on transfer in case of units of equity-oriented mutual funds or units of business trust. Further, grandfathering benefit has been provided for long term capital gains upto January 31, 2018.

^s Under section 115QA, the distributed income on buyback of shares (listed as well as unlisted) shall be taxed at 20% (plus applicable surcharge and health and education cess) and consequential income arising in the hands of shareholders shall be exempt under section 10(34A).

- (a) These rates will further be increased by applicable surcharge and cess.
- (b) Indexation benefit, as applicable.
- (c) Long term capital gains arising to a non-resident from transfer of unlisted securities or shares of a company, not being a company in which the public are substantially interested, subject to 10% tax (without benefit of indexation and foreign currency fluctuation).
- (d) The base year for indexation purpose has been shifted from 1981 to 2001 to calculate the cost of acquisition or to take fair market value of the asset as on that date.
- (e) This rate applies to companies other than companies engaged in manufacturing business who shall be taxed at lower rate subject to fulfillment of certain conditions.
- (f) The Finance Act, 2021 provide that in case of domestic company, the rate of income-tax shall be 25% if its total turnover or gross receipts in the financial year 2019-20 does not exceed Rs. 400 crores.
- (g) The corporate tax rates for domestic companies (not claiming specified incentives and deductions) is 22% under section 115BAA and domestic manufacturing companies (not claiming specified incentives and deductions) set-up and registered on or after 1 October 2019 is 15% under section 115BAB. The tax computed in case of domestic companies whose income is chargeable to tax under section 115BAA or section 115BAB shall be increased by a surcharge at 10%.
- (h) Co-operative societies have the option to be taxed at progressive slab rates or 20% subject to fulfillment of certain conditions as provided in section 115BAD.

**Comparative tax liabilities at varying levels of income.
Personal Tax scenarios (Amount in Rupees)**

Individual	Income Level					
Gross Total Income	500,000	750,000	1,000,000	1,500,000	2,500,000	5,000,000
Less: Specified Deductions / Exemptions	-	(100,000)	(150,000)	(300,000)	(450,000)	(650,000)
Net Taxable Income	-	650,000	850,000	1,200,000	2,050,000	4,350,000
Tax under current tax regime	-	44,200	85,800	179,400	444,600	1,162,200
Tax under new tax regime	-	39,000	78,000	195,000	507,000	1,287,000
Additional Tax Burden / (Savings)	-	(5,200)	(7,800)	15,600	62,400	124,800
Additional Tax Burden / (Savings) %	-	(11.76)	(9.09)	8.70	14.04	10.74

Resident senior citizen (age of 60 years but below 80 years)	Income Level					
Gross Total Income	500,000	750,000	1,000,000	1,500,000	2,500,000	5,000,000
Less: Specified Deductions / Exemptions	-	(100,000)	(150,000)	(300,000)	(450,000)	(650,000)
Net Taxable Income	-	650,000	850,000	1,200,000	2,050,000	4,350,000
Tax under current tax regime	-	41,600	83,200	176,800	442,000	1,159,600
Tax under new tax regime	-	39,000	78,000	195,000	507,000	1,287,000
Additional Tax Burden / (Savings)	-	(2,600)	(5,200)	18,200	65,000	127,400
Additional Tax Burden / (Savings) %	-	(6.25)	(6.25)	10.29	14.71	10.99

Resident very senior citizen at the age of 80 years and above	Income Level					
Gross Total Income	500,000	750,000	1,000,000	1,500,000	2,500,000	5,000,000
Less: Specified Deductions / Exemptions	-	(100,000)	(250,000)	(300,000)	(450,000)	(650,000)
Net Taxable Income	-	650,000	750,000	1,200,000	2,050,000	4,350,000
Tax under current tax regime	-	31,200	52,000	166,400	431,600	1,149,200
Tax under new tax regime	-	39,000	78,000	195,000	507,000	1,287,000
Additional Tax Burden / (Savings)	-	7,800	26,000	28,600	75,400	137,800
Additional Tax Burden / (Savings) %	-	25.00	50.00	17.19	17.47	11.99

- (a) It is assumed that the amount of deductions / exemptions availed by the individual assessee increase as the income level increases. The above illustrations are based on various assumptions and should not form the basis of decision making for opting the current or new tax regime. Investors are requested to undertake a detailed analysis before deriving any conclusions.
- (b) Marginal relief as applicable would be available

Notes:

- The tax rates mentioned above are those provided in the Income tax Act, 1961 and amended as per the Finance Act, 2021 applicable for the financial year 2021-22 relevant to assessment year 2022-23. In the event of any change, we do not assume any responsibility to update the tax rates consequent to such changes. The tax rates mentioned above may not be exhaustive rates applicable to all types of assesseees / taxpayers.*
- The tax rates mentioned above are only intended to provide general information and are neither designed nor intended to be a substitute for professional tax advice. Applicability of the tax rates would depend upon nature of the transaction, the tax consequences thereon and the tax laws in force at the relevant point in time. Neither HDFC Mutual Fund nor HDFC Asset Management Company Limited nor any person connected with it accepts any liability arising from the use of this information. Users are advised that before making any decision or taking any action that might affect their finances or business, they should take professional advice.*
- A non-resident tax payer has an option to be governed by the provisions of the Income tax Act, 1961 or the provisions of the relevant DTAA, whichever is more beneficial. As per the provisions of the Income tax Act, 1961, submission of TRC along with Form No. 10F will be necessary for granting DTAA benefits to non-residents. A taxpayer claiming DTAA benefit shall furnish a TRC of his residence obtained by him from the Government of that country or specified territory. Further, in addition to the TRC, the non-resident may be required to provide such other documents and information subsequently, as may be prescribed by the Indian Tax Authorities.*

Disclaimer: The information set out in the Tax Reckoner 2021-22 ('the document') is for general purposes only and is not an offer to sell or a solicitation to buy/sell any units of schemes of mutual fund. The information set out is neither a complete disclosure of every material fact of the Income-tax Act, 1961 nor does it constitute tax or legal advice. Investors should be aware that the fiscal rules/ tax laws may change and there can be no guarantee that the current tax position may continue indefinitely. In view of the individual nature of the tax consequences, each investor is advised to consult his/ her own professional tax advisor. The information/ data herein alone is not sufficient and shouldn't be used for the development or implementation of an investment strategy and should not be construed as investment advice. Investors alone shall be fully responsible / liable for any decision taken on the basis of this document. Neither HDFC Mutual Fund nor HDFC Asset Management Company Limited nor any person connected with it accepts any liability arising from the use of this information. The investors should before investing in the Scheme(s) of HDFC Mutual Fund make his/their own investigation and seek appropriate professional advice.

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.