

Tax Reckoner – 2019-20

		Resident Individuals/ HUF ^	Domestic Corporates ^^		NRI ^/\$
<u>DIVIDEND DISTRIBUTION TAX (DDT) *</u>					
Equity-oriented schemes #		11.648%	11.648%		11.648%
Other than equity-oriented schemes #		29.120%	34.944%		29.120%
<u>SHORT TERM CAPITAL GAINS TAX ('STCG')</u>					
Equity-oriented schemes (Period < 12 months) (Both Listed and Unlisted)	Effective Tax Rate ¹	17.940% or 17.160% or 15.600%	17.472% or 16.692% or 15.600%		17.940% or 17.160% or 15.600%
Other than equity-oriented schemes (Period < 36 months) (Both Listed and Unlisted)	Effective Tax Rate ^{2 & 3}	35.880%** or 34.320%** or 31.200%**	34.944% or 33.384% or 31.200%	29.120% ³ or 27.820% ³ or 26.000% ³	35.880%** or 34.320%** or 31.200%**
<u>LONG TERM CAPITAL GAINS TAX ('LTCG')</u>					
Equity-oriented schemes (Period > 12 months) (Both Listed and Unlisted)	Effective Tax Rate ⁴	11.960% or 11.440% or 10.400%	11.648% or 11.128% or 10.400%		11.960% or 11.440% or 10.400%
Other than equity-oriented schemes (Period > 36 months) (Both Listed and Unlisted)	Effective Tax Rate ⁵	23.920% or 22.880% or 20.800%	23.296% or 22.256% or 20.800%	23.920% or 22.880% or 20.800%	11.960% or 11.440% or 10.400%
				Listed (with Indexation)	Unlisted (Without Indexation)

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Dividend distribution tax is to be paid by the mutual fund after grossing-up income distributed to the investor. Surcharge at 12% and Health & education cess at 4% is included in DDT rate. Details provided for funds other than Infrastructure debt funds.

*Dividends received by unitholders are tax free.

^Surcharge at 15% on base tax is applicable where income of Individual/HUF unit holders exceeds Rs. 1 crore and at 10% where income exceeds Rs. 50 lakhs but does not exceed Rs. 1 crore.

^^Surcharge at 7% on base tax is applicable where income of domestic corporate unit holders exceeds Rs 1 crore but does not exceed 10 crores and at 12% where income exceeds 10 crores.

**Highest tax slab rate assumed for Individuals/HUF

\$Short term/ long term capital gains tax will be deducted at source at the time of redemption of units in case of NRI investors only.

1 STCG effective tax rates on equity-oriented schemes -15% + Surcharge as applicable^{^/^^} + 4% Health & education cess

2 STCG effective tax rates on other than equity-oriented schemes - 30% + Surcharge as applicable^{^/^^} + 4% Health & education cess

3 STCG effective tax rates on other than equity oriented schemes in case of domestic corporates whose total turnover or gross receipts during previous year 2017-18 does not exceed Rs. 250 crores - 25% + Surcharge as applicable^{^/^^} + 4% Health & education cess.

4 LTCG effective tax rates on equity oriented schemes - 10% + Surcharge as applicable^{^/^^} + 4% Health & education cess. (without indexation). LTCG arising from transfer of units of equity oriented schemes exceeding Rs 1 lac shall be chargeable to tax under the provisions of sec 112A provided transfer of such units is subject to STT.

5 LTCG effective tax rates on other than equity oriented schemes - 20% with indexation + Surcharge as applicable^{^/^^} + 4% Health & education cess.

For NRIs:

Listed 20% + Surcharge as applicable^{^/^^} +4% Health & education Cess (with indexation)

Unlisted 10% + Surcharge as applicable^{^/^^} + 4% Health & education Cess (without indexation)

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

In case of an equity-oriented fund, STT at 0.001% is payable on sale (redemption) of units. No STT is payable on sale (redemption) of units of a fund other than an 'equity oriented fund'.

DISCLAIMER: The information given here is neither a complete disclosure of every material fact of Income-tax Act 1961 nor does it constitute tax or legal advice. Investors are requested to review the prospectus carefully and obtain expert professional advice with regard to specific legal, tax and financial implications of the investment/participation in the scheme

Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.