

# TAX RECKONER FOR FINANCIAL YEAR 2015-16

|  | Individual /HUF  | Domestic Company   | NRI   |
|--|--|--|---|
| <b>Long Term***</b>  | <b>Capital Gain Taxation</b>                               |  |   |
| <b>Equity schemes (Listed)</b>                                       | Nil  | Nil  | Nil   |
| <b>Equity schemes (unlisted, exit by way of redemption of units)</b> | Nil  | Nil  | Nil   |
| <b>Debt schemes (Listed)</b>   | 20% with indexation + 12% surcharge** + 3% Cess = 23.0720% | 20% with indexation + 12% surcharge** + 3% Cess = 23.0720% | 20% with indexation + 12% surcharge** + 3% Cess = 23.0720%    |
| <b>Debt Schemes (Unlisted)</b>                                       | 20% with indexation + 12% surcharge** + 3% Cess = 23.0720% | 20% with indexation + 12% surcharge** + 3% Cess = 23.0720% | 10% without indexation + 12% surcharge** + 3% Cess = 11.5360% |

| <b>Short Term***</b>  |  |   |  |
|---|--|---|--|
| <b>Equity schemes (if equity schemes are unlisted, exit is by way of redemption of units)</b> | 15% + 12% surcharge** + 3% Cess = 17.3040%     | 15% + 12% Surcharge* + 3% Cess = 17.3040% | 15% + 12% surcharge** + 3% Cess = 17.3040%     |
| <b>Debt schemes</b>   | As per Slab rates# + 12% surcharge** + 3% cess | 30% + 12% surcharge* + 3% Cess            | As per Slab rates# + 12% surcharge** + 3% cess |

| <b>Dividend Distribution Tax<sup>§</sup></b> |                               |                                |                               |
|--|-------------------------------|--------------------------------|-------------------------------|
| <b>Equity schemes</b>                        | Nil                           | Nil                            | Nil                           |
| <b>Debt schemes</b>                          | 25% + 12% Surcharge + 3% Cess | 30% + 12 % Surcharge + 3% Cess | 25% + 12% Surcharge + 3% Cess |

| <b>Tax Deducted at Source (Applicable to NRI Investors)</b>                   |  |  |   |
|---|--|--|---|
|   | Short Term Capital Gains                   |  | Long Term Capital Gains                                       |
| <b>Equity oriented schemes (Listed)</b>                                       | 15% + 12% Surcharge** + 3% Cess = 17.3040% |  | Nil   |
| <b>Equity oriented schemes (Unlisted, exit by way of redemption of units)</b> | 15% + 12% Surcharge** + 3% Cess = 17.3040% |  | Nil   |
| <b>Other than equity oriented schemes (Listed)</b>                            | 30% + 12% Surcharge** + 3% Cess = 34.6080% |  | 20% with Indexation + 12% Surcharge** + 3% Cess = 23.0720%    |
| <b>Other than equity oriented schemes (Unlisted)</b>                          | 30% + 12% Surcharge** + 3% Cess = 34.6080% |  | 10% without Indexation + 12% Surcharge** + 3% Cess = 11.5360% |

| <b>#Income-tax rates for Individual/HUF</b> |                  |                              |               |
|---|------------------|------------------------------|---------------|
| Total Income                                | Tax Rates (c)    | Total Income                 | Tax Rates (c) |
| Up to INR 250,000 (a) & (b)                 | Nil <sup>@</sup> | INR 500,001 to INR 1,000,000 | 20%           |
| INR 250,001 to INR 500,000 <sup>¶</sup>     | 10%              | INR 1,000,001 and above      | 30%           |

\*Surcharge at the rate of 12% is applicable on domestic companies where the income exceeds INR 10 Crores and where income exceeds 1 crore but is less than 10 crores surcharge of 7% is applicable. \*\*Surcharge at the rate of 12% is applicable on Individuals/HUF having total income exceeding INR 1 Crore. (a) In the case of a resident individual of the age of 60 years or more but less than 80 years, the basic exemption limit is INR 300,000. (b) In the case of a resident individual of the age of 80 years or more, the basic exemption limit is INR 500,000. (c) Education cess is applicable at the rate of 2% on income-tax and secondary and higher education cess at the rate of 1% on income-tax. \*\*\* In order to qualify as long-term capital asset, the units of mutual funds (other than units of an equity oriented fund) should be held for a period of more than 36 months. In the case of units of equity oriented funds, units would qualify as long-term capital assets if held for more than 12 months. @ In cases where the taxable income, reduced by long term capital gains of a resident individual/HUF is below the basic exemption limit, the long term capital gain will be reduced to the extent of this shortfall and only the balance of the long term capital gain is chargeable to income tax. The benefits of this provision are not available to NRIs. § For the purposes of determining the dividend distribution tax payable, the amount of distributed income shall be increased to such amount as would, after reduction of the dividend distribution tax on such increased amount at the specified tax rates, be equal to the amount of income distributed by the Mutual Fund. ¶ Rebate of upto INR 2,000 available for resident individuals whose total income does not exceed INR 500,000. **Source: Budget document.**

Note: (1) The equity schemes qualify as "equity oriented funds" defined under Explanation to section 10(38) of the Income-tax Act, 1961. (2) The rates above are based on the proposals in the Finance Bill, 2015. They will become a law once passed by both the Houses of Parliament and when they receive the assent of the President. (3) The above rates are based on the assumption that the units are held by the investors as capital assets and not as stock in trade.

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