



Income Tax Rates

- FY 2020-21 (AY 2021-22)
- FY 2021-22 (AY 2022-23)





What is Income Tax Rates?

- Different rates for different categories of taxpayers and for different sources of Income.
- Individuals/HUF/BOI/AOP are taxed at slab rates.
- However Companies, Partnership Firm, LLP, Cooperative Societies are taxed at fixed rate.



Existing Slab Rate

- Individual (Below 60 Years)
- HUF
- AOP
- BOI
- AJP

Income Range	Tax
0 - ₹ 2,50,000	0
₹ 2,50,001 - ₹ 5,00,000	5%
₹ 5,00,001 - ₹ 10,00,000	20%
₹ 10,00,001 & Above	30%



● Senior
Citizens

(60 years &
above)

Income	Tax
0 - ₹ 3,00,000	0
₹ 3,00,001-5,00,000	5%
₹ 5,00,001 - ₹ 10,00,000	20%
₹ 10,00,001 & above	30%



- Super Senior Citizens

(80 years & above)

Income	Tax
0 - ₹ 5,00,000	0
₹ 5,00,001-10,00,000	20%
₹ 10,00,001 & above	30%

New Tax Regime



- Individual
- HUF

Income Range	Tax
0 - ₹ 2,50,000	0
₹ 250001 - ₹ 500000	5%
₹ 5,00,001 - ₹ 7,50,000	10%
₹ 7,50,001 - ₹ 10,00,000	15%
₹ 10,00,001 - ₹ 12,50,000	20%
₹ 12,50,001 - ₹ 15,00,000	25%
₹ 15,00,001 & above	30%

Following Exemptions & Deductions not allowed



- Leave Travel Exemption
- Standard Deduction
- Relocation Allowance
- Chapter VI A Deductions
- Children Education Allowance
- Daily Expenses in course of employment
- Helper Allowance
- Special Allowance
- Interest on housing loan
- House Rent Allowance
- Conveyance
- Professional Tax

How to Compute Slab Rate ?



Income Range	Tax
0 - ₹ 2,50,000	0
₹ 2,50,001 - ₹ 5,00,000	5% of (Income - 2,50,000)
₹ 5,00,001 - ₹ 10,00,000	20% of (Income - 5,00,000) + 12,500
₹ 10,00,001 & Above	30% of (Income - 10,00,000) + 1,12,500



Example for comparison between old & new tax regime

Particulars	Old Tax Regime	New Tax Regime
Gross Total Income	10,00,000	10,00,000
Deductions	1,50,000	0
Net Total Income	8,50,000	10,00,000
Tax at Slab Rate	82500	75000
Health & Education Cess	3300	3000
Total Tax	85800	78000



Rebate u/s 87A

- Available to Individual Resident
- Total Income upto ₹ 5,00,000.
- Rebate i.e. a discount on tax available upto ₹ 12,500.
- Rebate cannot exceed Tax amount.

Surcharge



Total Income	Income from Capital Gain u/s 111A/112A or Dividend Income	Other Income
Up to ₹ 50 Lakh	Nil	Nil
₹ 50 Lakh to ₹ 1 Crore	10%	10%
₹ 1 Crore to ₹ 2 Crore	15%	15%
₹ 2 Crore to ₹ 5 Crore	15%	25%
₹ 5 Crore & above	15%	37%

Type of Short Term / Long Term Capital Gain taxable at specified fixed rates



- Partnership Firm

- LLP

- Local Authority

Tax Rate	30%
Surcharge (If Total Income is more than ₹ 1 Crore)	12%

Domestic Companies



Particulars	Rate
Total Turnover/Gross Receipts in last to last Financial Year does not exceed ₹ 400 Crore.	25%
The domestic company engaged in manufacturing/ production set up or registered on or after 01.03.2016	25%
The domestic company engaged in manufacturing/ production set up or registered on or after 01.03.2016	22%
The domestic company engaged in manufacturing/ production set up or registered on or after 01.10.2019	15%
Any other domestic company	30%

All Domestic companies

Surcharge- Domestic Companies



Opted for Section 115BAA/115BAB	Rate
Any Income	10%
If not opted for Section 115BAA/115BAB	
Total Income	Rate
Up to ₹ 1 Crore	Nil
₹ 1 Crore to ₹ 10 Crore	7%
₹ 10 Crore & above	12%

Foreign Companies



Particulars	Rate
Any Income	40%

Surcharge

Total Income	Rate
Up to ₹ 1 Crore	Nil
₹ 1 Crore to ₹ 10 Crore	2%
₹ 10 Crore & above	5%

Tax Rates of Cooperative Societies



Particulars	Rate
If opted for Section 115BAD	22%
If not opted for Section 115BAD	
Up to ₹ 10,000	10%
₹ 10,001 to ₹ 20,000	20%
₹ 20,001 & above	30%

Surcharge of Cooperative Societies



Particulars	Rate
If opted for Section 115BAD	10%
If not opted for Section 115BAD and income > ₹ 1 Crore	12%



Health & Education Cess

- On all Taxes + Surcharge above Health & Education Cess @ 4% is charged.

- Example

Tax	200000
Surcharge	<u>20000</u>
Tax + Surcharge	220000
Add: HEC @ 4%	<u>8800</u>
Total Tax	<u>228800</u>

Extra Coverage

Rounding off Income/Tax



- The total income computed as per various sections of this act, shall be rounded off to the nearest ₹10.
- Less than 5, lower number.
- 5 or more than 5, next higher number

Maximum Marginal Rate



	TAX	SURCHARGE	EFFECTIVE	CESS	TOTAL
Individual/HUF/AOP /BOI/AJP	30	11.1	41.1	13	42.74
Firm /LLP	30	3.6	33.6	1.344	34.944
Cooperative Society	30	3.6	33.6	1.344	34.944
Domestic Company	25	3	28	1.12	29.12
Domestic Company	30	3.6	33.6	1.344	34.944
Foreign Company	40	2	42	1.68	43.68