

Snapshot of Tax Rates specific to Mutual Funds - FY 2019-20 AY 2020-21

Tax Implications on Dividend in the hands of Unitholder.			
	Individual/ HUF\$	Domestic Company@	NRIs\$#
Equity oriented schemes	Nil	Nil	Nil
Other than Equity oriented schemes	Nil	Nil	Nil

Tax rate on dividend (to be deducted and payable by the scheme)			
Equity oriented schemes **	11.648%	11.648%	11.648%
Money market and Liquid schemes	29.12%	34.94%	29.12%
Debt schemes (other than Infrastructure Debt Fund)	29.12 %	34.94%	29.12%
Infrastructure Debt Fund	29.12 %	34.94%	5.824%

Capital Gains Taxation

EQUITY ORIENTED SCHEMES**			
	Individual/ HUF\$	Domestic Company@	NRIs # \$
Short term capital gains (units held for 12 months or less)	15%	15%	15%
Long term capital gains (units held for more than 12 months) ^^	10%	10%	10%

OTHER THAN EQUITY ORIENTED SCHEMES			
	Individual/ HUF\$	Domestic Company@	NRIs # \$
Short term capital gains (units held for 36 months or less)	30%^	30%^ / 25^	30%^
Long term capital gains (units held for more than 36 months)	20% with indexation	20% with indexation	Listed - 20% with indexation Unlisted - 10% without indexation

Tax Deducted at Source (Applicable only to NRI investors)\$#		
	Equity oriented schemes**	Other than equity oriented schemes
Short term capital gains	15%	30%^
Long term capital gains	10%	Listed - 20% with indexation Non - listed - 10% without indexation

Short term/ long-term capital gain tax will be deducted at the time of redemption / switch out of units in case of NRI investors only. Where the gains are long term in nature, the deduction of tax will be after providing the indexation benefit.

\$ Surcharge @ 10% of the tax payable to be levied on individuals /HUFs or AOP's or BOIs whose total income exceeds Rs 50 lakhs but does not exceed Rs 1 crore. Thereafter surcharge @15% would continue to be applicable on total income exceeding Rs 1 crore.

@ Surcharge at 7% to be levied for domestic corporate unit holders where income exceeds Rs 1 crore but less than Rs. 10 crores and at 12%, where income exceeds Rs. 10 crores.

** Securities transaction tax (STT) will be deducted on equity funds at the time of redemption / switch out to the other schemes.

^ Assuming the investor falls into highest tax bracket

^^ LTCG in excess of Rs 1 lakh is taxable at the rate of 10% without the benefit of indexation

Additional notes:

- In case of consolidation of plans within a scheme of mutual fund (not regarded as a taxable transfer):
 - Cost of acquisition of units in the consolidating plan deemed to be cost of acquisition of the units in the consolidated plan.
 - Period of holding of units in the consolidated scheme to include the period of holding of units in the consolidating scheme
- Deduction not available to new retail investors for investment in listed equity shares or listed units of an equity-oriented fund under the Rajiv Gandhi Equity Savings Scheme from AY 2018-19. New retail investors who have claimed deduction for AY 2017-18 or prior years entitled to deduction till AY 2019-20, if otherwise eligible.



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MUTUALFUNDS *Sahi Hai*

