

# PROPOSED TAX RATES FOR FINANCIAL YEAR 2017-18

	Resident 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, provides STT paid at the time of redemption)</b>	Nil	Nil	Nil
<b>Debt schemes (Listed)</b>	20% with indexation + 15% surcharge** + 3% Cess = 23.690%	20% with indexation + 12% surcharge* + 3% Cess = 23.0720%	20% with indexation + 15% surcharge** + 3% Cess = 23.690%
<b>Debt Schemes (Unlisted)</b>	20% with indexation + 15% surcharge** + 3% Cess = 23.690%	20% with indexation + 12% surcharge* + 3% Cess = 23.0720%	10% without indexation + 15% surcharge** + 3% Cess = 11.8450%
<b>Short Term***</b>			
<b>Equity schemes (listed and if unlisted, exit by way of redemption of units, provided STT paid at the time of redemption)</b>	15% + 15% surcharge** + 3% Cess = 17.7675%	15% + 12% Surcharge* + 3% Cess = 17.3040%	15% + 15% surcharge** + 3% Cess = 17.7675%
<b>Debt schemes</b>	As per Slab rates# + 15% surcharge** + 3% cess	30% + 12% surcharge* + 3% Cess = 34.608%##	As per Slab rates# + 15% surcharge** + 3% cess

### Dividend Distribution Tax<sup>§</sup>

	Resident Individual /HUF	Domestic Company	NRI
<b>Equity schemes</b>	Nil	Nil	Nil
<b>Debt schemes (other than infrastructure debt fund scheme)</b>	25% + 12% Surcharge + 3% Cess	30% + 12% Surcharge + 3% Cess	25% + 12% Surcharge + 3% Cess

### Tax Deducted at Source (Applicable to NRI Investors)

	Short Term Capital Gains	Long Term Capital Gains
<b>Equity oriented schemes (Listed)</b>	15% + 15% Surcharge** + 3% Cess = 17.7675%	Nil
<b>Equity oriented schemes (Unlisted, exit by way of redemption of units)</b>	15% + 15% Surcharge** + 3% Cess = 17.7675%	Nil
<b>Other than equity oriented schemes (Listed)</b>	30% + 15% Surcharge** + 3% Cess = 35.5350%	20% with Indexation + 15% Surcharge** + 3% Cess = 23.690%
<b>Other than equity oriented schemes (Unlisted)</b>	30% + 15% Surcharge** + 3% Cess = 35.5350%	10% without Indexation + 15% Surcharge** + 3% Cess = 11.8450%

### #Income-tax rates for Individual/HUF

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>	5%	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 crores but is less than 10 crores surcharge of 7% is applicable. \*\*Surcharge at the rate of 15% is applicable on Individuals/HUF having total income exceeding INR 1 Crore and where income exceeds 50 lakhs but is less than 1 crore surcharge of 10% is applicable. (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 surcharge and secondary and higher education cess at the rate of 1% on income-tax and surcharge. \*\*\* 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 2,500 available for resident individuals whose total income does not exceed INR 350,000. ## The Finance Bill proposes corporate tax at the rate of 25% (+12% Surcharge + 3% cess) for the financial year 2017-18 in the case of domestic companies having total turnover or gross receipts in the financial year 2015-16 does not exceed INR 50 crores. Source: [indiabudget.nic.in](http://indiabudget.nic.in).

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, 2017. 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.

**Disclaimer:** The above is provided only for general information purpose. In view of the different nature of tax benefits, each investor is advised to consult with his or her own tax consultant with respect to the specific tax implications arising out of their participation in the schemes. ICICI Prudential Asset Management Company Ltd. (including its affiliates), ICICI Prudential Mutual Fund and any of its officers directors, personnel and employees, shall not be liable for any loss, damage of any nature, including but not limited to direct, indirect, punitive, special, exemplary, consequential, as also any loss of profit in any way arising from the use of this material in any manner. The recipient alone shall be fully responsible/are liable for any decision taken on the basis of this material.

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