

## Tax Structure

### Tax Rates

**1. In case of an Individual (resident or non-resident) or HUF or Association of Person or Body of Individual or any other artificial juridical person**

*Assessment Year 2017-18*

Taxable income	Tax Rate
Up to Rs. 2,50,000	<i>Nil</i>
Rs. 2,50,000 to Rs. 5,00,000	10%
Rs. 5,00,000 to Rs. 10,00,000	20%
Above Rs. 10,00,000	30%

*Less: Rebate under Section 87A [see Note]*

*Add: Surcharge and Education Cess [see Note]*

*Assessment Year 2018-19*

Taxable income	Tax Rate
Up to Rs. 2,50,000	<i>Nil</i>
Rs. 2,50,000 to Rs. 5,00,000	5%
Rs. 5,00,000 to Rs. 10,00,000	20%
Above Rs. 10,00,000	30%

*Less: Rebate under Section 87A [see Note]*

*Add: Surcharge and Education Cess [see Note]*

**2. In case of a resident senior citizen (who is 60 years or more at any time during the previous year but less than 80 years on the last day of the previous year)**

*Assessment Year 2017-18*

Taxable income	Tax Rate
Up to Rs. 3,00,000	<i>Nil</i>
Rs. 3,00,000 - Rs. 5,00,000	10%
Rs. 5,00,000 - Rs. 10,00,000	20%
Above Rs. 10,00,000	30%

*Less: Rebate under Section 87A [see Note]*

*Add: Surcharge and Education Cess [see Note]*

*Assessment Year 2018-19*

Taxable income	Tax Rate
Up to Rs. 3,00,000	<i>Nil</i>
Rs. 3,00,000 - Rs. 5,00,000	5%

Rs. 5,00,000 - Rs. 10,00,000	20%
Above Rs. 10,00,000	30%

*Less: Rebate under Section 87A [see Note]*

*Add: Surcharge and Education Cess [see Note]*

**3. In case of a resident super senior citizen (who is 80 years or more at any time during the previous year)**

*Assessment Year 2017-18*

<b>Taxable income</b>	<b>Tax Rate</b>
Up to Rs. 5,00,000	<i>Nil</i>
Rs. 5,00,000 - Rs. 10,00,000	20%
Above Rs. 10,00,000	30%

*Add: Surcharge and Education Cess [see Note]*

*Assessment Year 2018-19*

<b>Taxable income</b>	<b>Tax Rate</b>
Up to Rs. 5,00,000	<i>Nil</i>
Rs. 5,00,000 - Rs. 10,00,000	20%
Above Rs. 10,00,000	30%

*Add: Surcharge and Education Cess [see Note]*

*Note:*

*Assessment Year 2017-18*

- a) *Surcharge:* The amount of income-tax shall be increased by a surcharge at the rate of 15% of such tax, where total income exceeds one crore rupees. However, the surcharge shall be subject to marginal relief (where income exceeds one crore rupees, the total amount payable as income-tax and surcharge shall not exceed total amount payable as income-tax on total income of one crore rupees by more than the amount of income that exceeds one crore rupees).
- b) *Education Cess:* The amount of income-tax and the applicable surcharge, shall be further increased by education cess calculated at the rate of two per cent of such income-tax and surcharge.
- c) *Secondary and Higher Education Cess:* The amount of income-tax and the applicable surcharge, shall be further increased by secondary and higher education cess calculated at the rate of one per cent of such income-tax and surcharge.
- d) *Rebate under Section 87A:* The rebate is available to a resident individual if his total income does not exceed Rs. 5,00,000. The amount of rebate shall be 100% of income-tax or Rs. 5,000, whichever is less.

*Assessment Year 2018-19*

- a) *Surcharge:*
  - i) The amount of income-tax shall be increased by a surcharge at the rate of 10% of such tax, where total income exceeds fifty lakh rupees but does not exceed one crore rupees. However, the surcharge shall be subject to marginal relief (where income exceeds fifty lakh rupees, the total amount payable as income-tax and surcharge shall not exceed total amount payable as income-tax on total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees).
  - ii) The amount of income-tax shall be increased by a surcharge at the rate of 15% of such tax, where total income exceeds one crore rupees. However, the surcharge shall be subject to marginal relief (where income exceeds one crore rupees, the total amount payable as income-tax

and surcharge shall not exceed total amount payable as income-tax on total income of one crore rupees by more than the amount of income that exceeds one crore rupees).

- b) **Education Cess:** The amount of income-tax and the applicable surcharge, shall be further increased by education cess calculated at the rate of two per cent of such income-tax and surcharge.
- c) **Secondary and Higher Education Cess:** The amount of income-tax and the applicable surcharge, shall be further increased by secondary and higher education cess calculated at the rate of one per cent of such income-tax and surcharge.
- d) **Rebate under Section 87A:** The rebate is available to a resident individual if his total income does not exceed Rs. 3,50,000. The amount of rebate shall be 100% of income-tax or Rs. 2,500, whichever is less.

#### **4. Partnership Firm**

For the Assessment Year 2017-18 and 2018-19, a partnership firm (including LLP) is taxable at 30%.

*Add:*

- a) **Surcharge:** The amount of income-tax shall be increased by a surcharge at the rate of 12% of such tax, where total income exceeds one crore rupees. However, the surcharge shall be subject to marginal relief (where income exceeds one crore rupees, the total amount payable as income-tax and surcharge shall not exceed total amount payable as income-tax on total income of one crore rupees by more than the amount of income that exceeds one crore rupees).
- b) **Education Cess:** The amount of income-tax and the applicable surcharge, shall be further increased by education cess calculated at the rate of two per cent of such income-tax and surcharge.
- c) **Secondary and Higher Education Cess:** The amount of income-tax and the applicable surcharge, shall be further increased by secondary and higher education cess calculated at the rate of one per cent of such income-tax and surcharge.

#### **5. Local Authority**

For the Assessment Year 2017-18 and 2018-19, a local authority is taxable at 30%.

*Add:*

- d) **Surcharge:** The amount of income-tax shall be increased by a surcharge at the rate of 12% of such tax, where total income exceeds one crore rupees. However, the surcharge shall be subject to marginal relief (where income exceeds one crore rupees, the total amount payable as income-tax and surcharge shall not exceed total amount payable as income-tax on total income of one crore rupees by more than the amount of income that exceeds one crore rupees).
- e) **Education Cess:** The amount of income-tax and the applicable surcharge, shall be further increased by education cess calculated at the rate of two per cent of such income-tax and surcharge.
- f) **Secondary and Higher Education Cess:** The amount of income-tax and the applicable surcharge, shall be further increased by secondary and higher education cess calculated at the rate of one per cent of such income-tax and surcharge.

#### **6. Domestic Company**

For the Assessment Year 2017-18 and 2018-19, a domestic company is taxable at 30%. For Assessment Year 2017-18, tax rate would be 29% where turnover or gross receipt of the company does not exceed Rs. 5 crore in the previous year 2014-15. However, for Assessment year 2018-19, tax rate would be 25% where turnover or gross receipt of the company does not exceed Rs. 50 crore in the previous year 2015-16.

*Add:*

- a) **Surcharge:** The amount of income-tax shall be increased by a surcharge at the rate of 7% of such tax, where total income exceeds one crore rupees but not exceeding ten crore rupees and at the rate of 12% of such tax, where total income exceeds ten crore rupees. However, the surcharge shall be subject to marginal relief, which shall be as under:
  - (i) Where income exceeds one crore rupees but not exceeding ten crore rupees, the total amount payable as income-tax and surcharge shall not exceed total amount payable as income-tax on

total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

(ii) Where income exceeds ten crore rupees, the total amount payable as income-tax and surcharge shall not exceed total amount payable as income-tax on total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees.

b) *Education Cess*: The amount of income-tax and the applicable surcharge, shall be further increased by education cess calculated at the rate of two per cent of such income-tax and surcharge.

c) *Secondary and Higher Education Cess*: The amount of income-tax and the applicable surcharge, shall be further increased by secondary and higher education cess calculated at the rate of one per cent of such income-tax and surcharge.

## 7. Foreign Company

*Assessment Year 2017-18 and Assessment Year 2018-19*

<b>Nature of Income</b>	<b>Tax Rate</b>
Royalty received from Government or an Indian concern in pursuance of an agreement made with the Indian concern after March 31, 1961, but before April 1, 1976, or fees for rendering technical services in pursuance of an agreement made after February 29, 1964 but before April 1, 1976 and where such agreement has, in either case, been approved by the Central Government	50%
Any other income	40%

*Add:*

a) *Surcharge*: The amount of income-tax shall be increased by a surcharge at the rate of 2% of such tax, where total income exceeds one crore rupees but not exceeding ten crore rupees and at the rate of 5% of such tax, where total income exceeds ten crore rupees. However, the surcharge shall be subject to marginal relief, which shall be as under:

(i) Where income exceeds one crore rupees but not exceeding ten crore rupees, the total amount payable as income-tax and surcharge shall not exceed total amount payable as income-tax on total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

(ii) Where income exceeds ten crore rupees, the total amount payable as income-tax and surcharge shall not exceed total amount payable as income-tax on total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees.

b) *Education Cess*: The amount of income-tax and the applicable surcharge, shall be further increased by education cess calculated at the rate of two per cent of such income-tax and surcharge.

c) *Secondary and Higher Education Cess*: The amount of income-tax and the applicable surcharge, shall be further increased by secondary and higher education cess calculated at the rate of one per cent of such income-tax and surcharge.

## 8. Co-operative Society

*Assessment Year 2017-18 and Assessment Year 2018-19*

<b>Taxable income</b>	<b>Tax Rate</b>
Up to Rs. 10,000	10%
Rs. 10,000 to Rs. 20,000	20%
Above Rs. 20,000	30%

*Add:*

- a) *Surcharge*: The amount of income-tax shall be increased by a surcharge at the rate of 12% of such tax, where total income exceeds one crore rupees. However, the surcharge shall be subject to marginal relief (where income exceeds one crore rupees, the total amount payable as income-tax and surcharge shall not exceed total amount payable as income-tax on total income of one crore rupees by more than the amount of income that exceeds one crore rupees).
- b) *Education Cess*: The amount of income-tax and the applicable surcharge, shall be further increased by education cess calculated at the rate of two per cent of such income-tax and surcharge.
- c) *Secondary and Higher Education Cess*: The amount of income-tax and the applicable surcharge, shall be further increased by secondary and higher education cess calculated at the rate of one per cent of such income-tax and surcharge.