

# Overview

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- Tax advantages for senior citizen
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# Income tax slab rates for FY 2018-19

Income	Individual (Age less than 60 years)	Senior citizen (Age above 60 years)	Super senior citizen (Age above 80 years)
Up to 250000	NIL	NIL	NIL
250000 to 300000	5%	NIL	NIL
300000 to 500000	5%	5%	NIL
500000 to 1000000	20%	20%	20%
Above 1000000	30%	30%	30%

- Health and education cess = 4%
- Rebate u/s 87A = Where taxable income does not exceed Rs. 3,50,000, income tax chargeable on income or Rs. 2500 whichever is lower
- Surcharge of 10% on income tax where total income exceeds Rs. 50 lakhs up to 1 crore, above 1 crore 15%

# Income tax slab rates for FY 2018-19 for Co operative societies

Particulars	Rate
Up to 10000	10%
10001 to 20000	20%
20001 and above	30%

## Standard deduction u/s 16(ia)

- Deduction of forty thousand rupees or the amount of the salary, whichever is less, is allowed for the purpose of computing the income chargeable under the head salary
- Present exemption in respect of Transport Allowance and reimbursement of medical expenses are withdrawn.

## Tax advantages for senior citizen

- Sec 80TTB : All deposits held by senior citizens across both banks and co-operative banks, as well as post offices will be eligible for this exemption. Exemption limit = Rs. 50000
- Sec 80D : Higher limit of deduction for health insurance premium and medical expenditure is available. The amount has been increased from Rs. 30000 to Rs. 50000

# Changes in respect of LTCG for F.Y 2018-19

- Earlier Scenario : Section 10(38) of the Income-tax Act, 1961, provided for an exemption from tax, the Long Term Capital Gains (LTCG) arising on sale of Equity Shares or Units of an Equity Oriented Mutual Fund on which Securities Transaction Tax (STT) is paid.
- New sec 112A: LTCG on sale of Equity shares, units of equity oriented funds or Units of business trusts at a concessional rate of **10%** on **the gains in excess of Rs. 1 lakh without** providing the benefits of **indexation** or the benefit of computation of capital gains in foreign currency in the case of non-residents.
- Grandfathering of investments: Long term capital gains in excess of Rs. 1 lakh is taxed as per sec 112A. Grandfathering of investments is introduced for all investments made on or before 31<sup>st</sup> Jan 2018. Cost of Acquisition of such investments is : Higher of
  - (i) The cost of acquisition of such asset
  - (ii) Lower of (A) 31<sup>st</sup> Jan 2018's high price and (B) Sale price

# Changes in respect of LTCG for F.Y 2018-19

Sl. No	Scenario	Tax implications
1	Purchase and sale before 31/1/2018	Exempt under Section 10(38)
2	Purchase before 31/1/2018 Sale after 31/1/2018 but before 1/4/2018	Exempt under Section 10(38)
3	Purchase before 31/1/2018 Sale on or after 1/4/2018	LTCG taxable <b>Gains accrued before 31/1/2018 exempt</b> Capital Gains computed in the manner as discussed above
4	Purchase after 31/1/2018 Sale on or after 1/4/2018	LTCG taxable Capital Gains computed in the manner as discussed above

## Changes in respect of LTCG for F.Y 2018-19

- The income tax department has vide its FAQs issued dated 4 February 2018, inter alia clarified that LTCL from a transfer made on or after 1 April 2018 will be allowed to be set-off and carried forward in accordance with existing provisions of the Act. Therefore, it can be set-off against any other LTCGs and unabsorbed LTCL can be carried forward to subsequent eight years for set-off against LTCG.

# Other Amendments

- **Long Term Capital Gains Bond only eligible for capital gains from property** : From FY 2018-19, the long term capital gains tax exemption by investing in long term capital gains bond from specified companies (NHAI, REC or PFC) u/s 54EC would only be available for capital gains from sale of property including land, residential or commercial building. Until this year these bonds could be used for **capital gains** arising from sale of any asset.
- **NPS exemption for the self employed** : Till date, only salaried employees were allowed withdraw up to 40% of their total accumulated corpus from the National Pension Scheme (NPS) at maturity or account closure, without any tax implications. But now, self-employed subscribers are also eligible for this benefit.
- **Longer lock-in for bonds under 54EC**: Lock in period has been extended from 3 years to 5 years

# ITR FORMS

Nature of Income	ITR 1 Sahaj	ITR 2	ITR 3	ITR 4
Salary / Pension / Family Pension / IOS (Taxing at Special Rates) (Resident Only)	Yes	Yes	Yes	Yes
Salary / Pension / Family Pension / IOS (Taxing at Special Rates) (Non -Resident)		Yes	Yes	
Individual, Director of Company		Yes	Yes	
Income/Loss from House Property including brought forward loss.		Yes	Yes	
Income From Business and Profession			Yes	
Presumptive Business and Profession u/s 44AD, 44ADA, 44AE. (Only Resident)				Yes
Presumptive Business and Profession u/s 44AD, 44ADA, 44AE. (Non-Resident)			Yes	
Salary, Interest, Commission, bonus, share of profit received by partner from partnership firm.			Yes	

Nature of Income	ITR 1 Sahaj	ITR 2	ITR 3	ITR 4
Taxpayer holding unlisted equity shares at anytime during Previous Year.		Yes	Yes	
Capital Gain/Loss on sale of Investment & Property.		Yes	Yes	
Dividend Income in excess of Rs.10Lakh		Yes	Yes	
Unexplained Income u/s 115BBE taxable @ 60%		Yes	Yes	
Assessee has :- -Income from Foreign Sources -Foreign Asset including Financial Interest in any Foreign Entity. -Signing Authority in any account outside India		Yes	Yes	
Individual has taxable income but TDS in respect of such income has been deducted in the hands of other person		Yes	Yes	

# ITR Forms for Other Assesses

Status of Assessee	ITR 4	ITR 5	ITR 6	ITR 7
Firm (Excluding LLPs) opting for Presumptive Taxation u/s 44AD, 44ADA, or 44AE	Yes			
Firm (Including LLPs)		Yes		
AOP, BOI, LA, AJP.		Yes		
Companies			Yes	
Business Trust		Yes		



THANK YOU