



CAPITAL GAIN

***-- "MAXIMIZE YOUR RETURNS, MINIMIZE YOUR STRESS WITH
CAPITALGAIN!"***

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WHAT IS CAPITAL ASSETS?

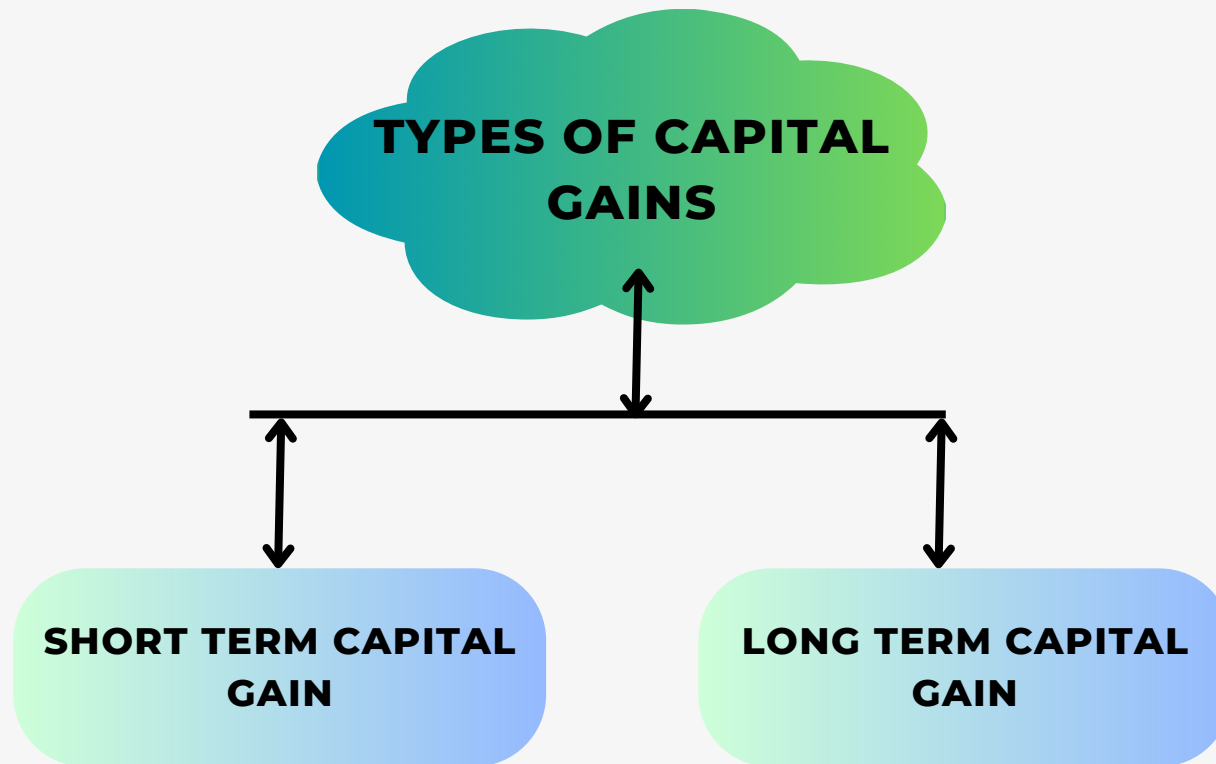


- Land, building, house property, vehicles, patents, trademarks, leasehold rights, machinery, and jewellery are a few examples of capital assets. This includes having rights in or in relation to an Indian company. It also includes the rights of management or control or any other legal right.
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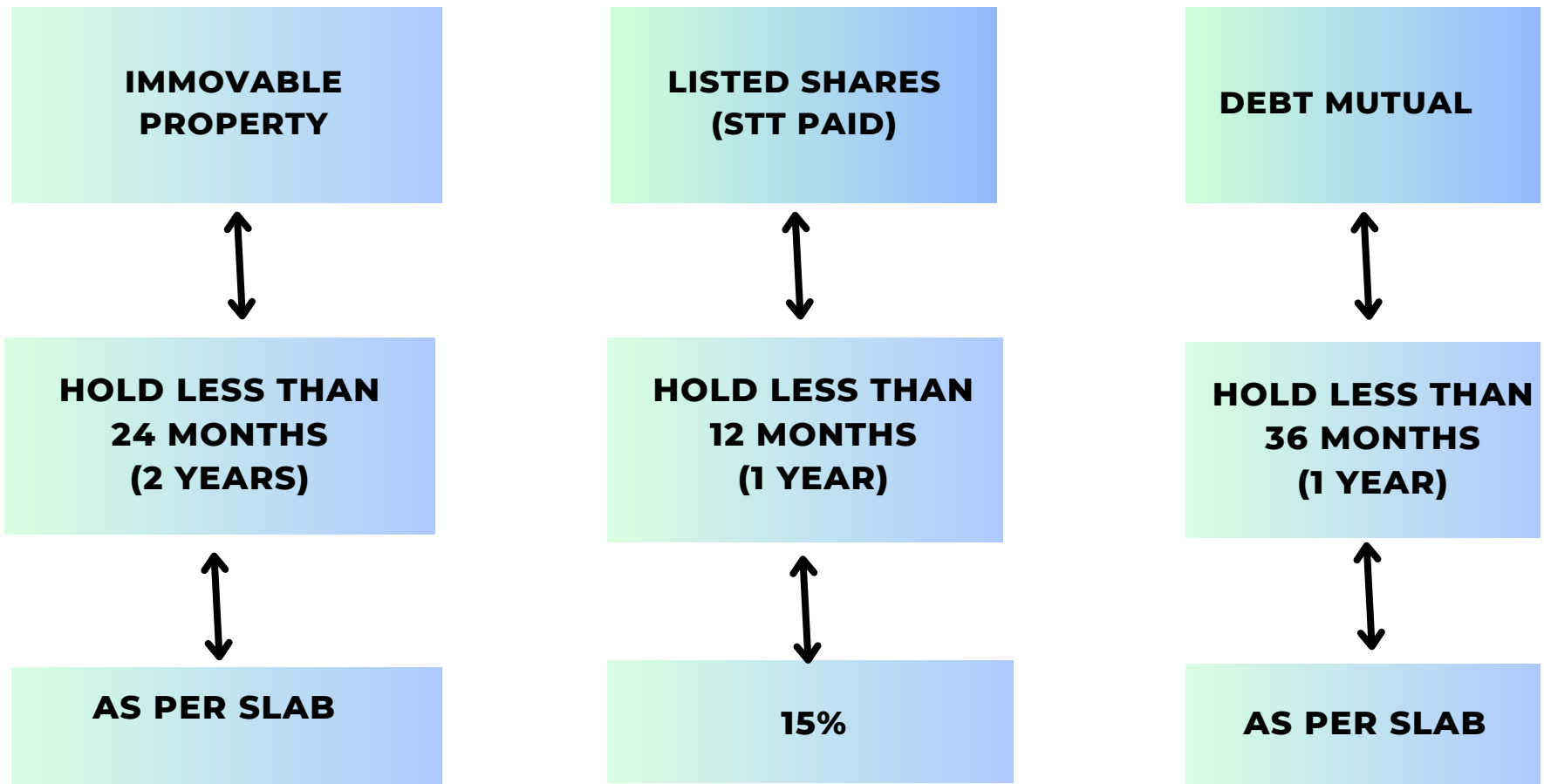
CAPITAL GAIN AND THEIR TYPES



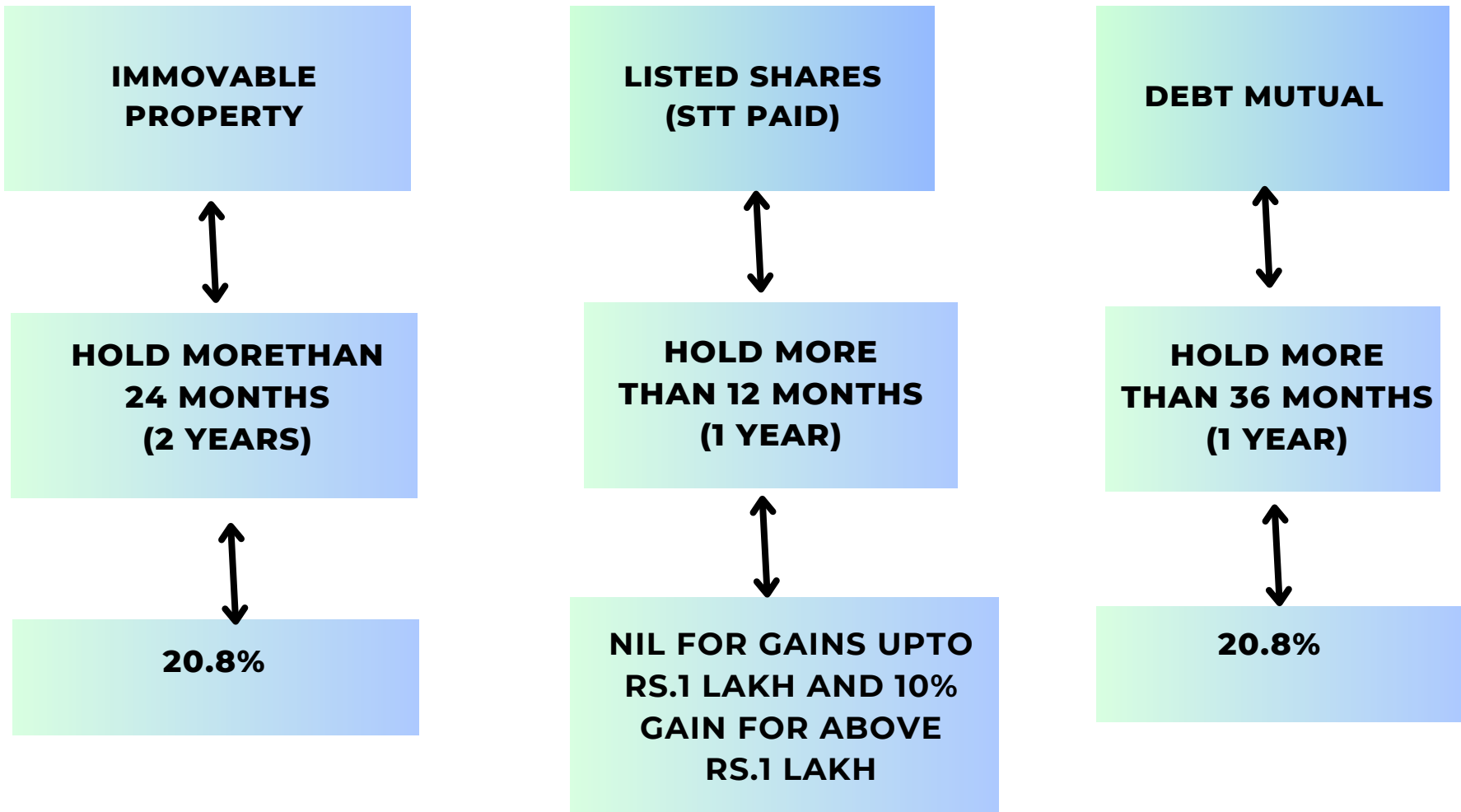
Any profit or gain that arises from the sale of a 'capital asset' is known as 'income from capital gains'. Such capital gains are taxable in the year in which the transfer of the capital asset takes place. This is called capital gains tax.



SHORT TERM CAPITAL GAIN



LONG TERM CAPITAL GAIN



**SHORT
TERM
CAPITAL
ASSET**

- **STCG = SALE PROCEEDS -
(COST OF PURCHASE +
COST OF IMPROVEMENT
+COST OF TRANSFER)**

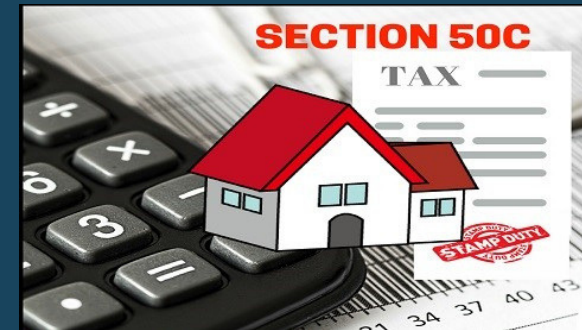
**LONG
TERM
CAPITAL
ASSET**

- **LTCG = SALE PROCEEDS -
(INDEXED COST OF
PURCHASE + INDEXED
COST OF IMPROVEMENT
+COST OF TRANSFER)**

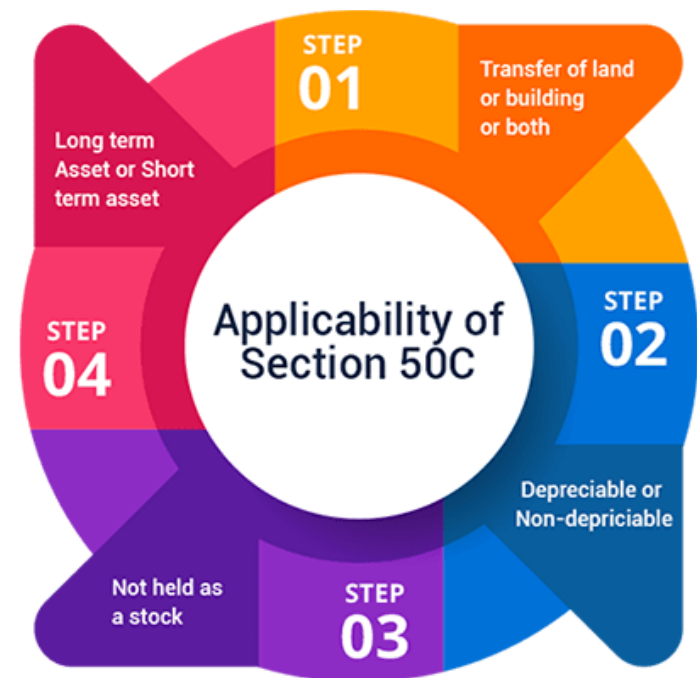
CAPITAL ASSET TAX RATE CHART

INVESTMENT	STOCK EQUITY - ORIENT ED FUNDS	UNLISTED SHARES	DEBT - HYBRID FUNDS	BONDS AND DEBENTURES	GOLD, JEWELLERY, BONDS AND FUNDS	IMMOVABLE PROPERTY
LTCG WHEN AFTER SOLD	1 YEAR	2 YEARS	3 YEARS	1 YEAR	3 YEARS	2 YEARS
STCG TAX RATE	15 %	TAX SLAB RATE	TAX SLAB RATE	TAX SLAB RATE	TAX SLAB RATE	TAX SLAB RATE
LTCG TAX RATE	10% ON GAIN BEYOND Rs. 1 lakh	20% after Indexation	20% after Indexation	10% after Indexation	20% after Indexation	20% after Indexation

WHETHER 50C SECTION IS APPLICABLE IN CASE OF COMPULSORY ACQUISITION OF LAND AND BUILDING



- Section 50C deals with the computation of capital gain on the sale of land or building or both, which is held as capital assets. As per this section, the value of sale consideration should not be less than the stamp duty value as assessed by the Stamp Valuation Authority.



TDS APPLICABILITY ON SALE OF IMMOVABLE PROPERTY



FOR NRI'S

PARTICULATS	LESS THAN 50 LAKHS	50 LAKHS TO 1 CRORE	ABOVE 1 CRORE
LONG TERM CAPITAL GAINS TAX	20%	20%	20%
SURCHARGE	NIL	10% OF ABOVE	15% OF ABOVE
TOTAL TAX (incl Surcharge)	20%	22%	23%
Health & educational Cess	4% of above	4% of above	4% of above
APPLICABLE TDS RATE (incl Surcharge and cess)	20.80%	22.88%	23.92%

FOR RESIDENT,

- THE BUYER HAS TO DEDUCT TDS AT 1% OF THE TOTAL SALE CONSIDERATION.
- TDS IS REQUIRED TO BE DEDUCTED ONLY IF TOTAL SALE PRICE IS RS 50 LAKH OR MORE.

REINVESTMENT

LONG TERM CAPITAL GAINS TAX EXEMPTIONS ON SALE OF PROPERTY

PARTICULARS	SECTION 54	SECTION 54F	SECTION 54EC
WHO CAN CLAIM THE EXEMPTION ?	INDIVIDUAL/HUF	INDIVIDUAL/HUF	ANY PERSON
ASSETS SOLD/TRANSFERRED	RESIDENTIAL PROPERTY	LAND/PLOT (OTHER THAN RESIDENTIAL HOUSE)	ANY LONG TERM CAPITAL ASSET
HOLDING PERIOD OF AN ORIGINAL ASSET	2 YEARS	2 YEARS	2 YEARS
NEW ASSET TO BE ACQUIRED	RESIDENTIAL HOUSE	RESIDENTIAL HOUSE	NOTIFIED BONDS
TIME LIMIT FOR NEW INVESTMENT	PURCHASE 1 YEAR BACKWARD OR 1 YEAR FORWARD CONSTRUCTION : 3 YEARS FORWARD	PURCHASE 1 YEAR BACKWARD OR 1 YEAR FORWARD CONSTRUCTION : 3 YEARS FORWARD	WITHIN 6 MONTHS
EXEMPTION AMOUNT	INVESTMENT IN THE NEW ASSET OR CAPITAL GAIN, WHICHEVER IS LOWER.	(LONG TERM CAPITAL GAIN *AMOUNT INVESTED IN NEW HOUSE) DIVIDED BY SALE PROCEEDS OF ORIGINAL ASSET i.e, NEW CONSIDERATION	INVESTMENT IN THE NEW ASSET OR CAPITAL GAIN, WHICHEVER IS LOWER (Max 50 Lakh)

THANK YOU!

