



**KNOW YOUR
INCOME TAX RATES**
For
**Corporate/ Co-Op Society
& Local Authority**
For
ASSESSMENT YEAR 2019-20



Income Tax Department

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**INCOME TAX RATE FOR A.Y. 2019-20
COMPANY**

Domestic Company	Rate of income tax
Total turnover or gross receipt for F.Y. 2016-17 \leq ₹ 250 crore	25%
Total turnover or gross receipt for F.Y. 2016-17 $>$ ₹ 250 crore	30%
Foreign Company	
[A](i) Income from Royalty from Government/ Indian concern in pursuance of an agreement (Approved by the Central Government) made by it with the Indian concern between 01.04.1961 to 31.03.1976	50%
(ii) Income from fees for technical services rendered in pursuance of an agreement approved by Central Government made after February 29, 1964 but before April 01, 1976.	50%
[B] Other income of foreign company	40%

Surcharge

	If net income does not exceeds ₹ 1 crore	If net income exceeds ₹ 1 crore but does not exceed ₹ 10 crore	If net income exceeds ₹ 10 crore
Domestic Company	NIL	7%*	12%**
Foreign Company	NIL	2%*	5%**

* Marginal relief – Total income exceeding ₹ 1 crore but not exceeding ₹ 10 crore, the amount payable as income tax and surcharge shall not exceed the total amount payable as income tax on total income of ₹ 1 crore by more than the amount of income that exceeds ₹ 1 crore.

** Marginal relief – Total income exceeding ₹ 10 crore, the amount payable as income tax and surcharge shall not exceed the total amount payable as income tax on total income of ₹ 10 crore more than the amount of income that exceeds ₹ 10 crore.

Health & Education cess – @4 % of (income-tax and surcharge).

Minimum Alternate Tax for Assessment year 2019-20 – Period of carried forward of MAT credit has now been increased from 10 years to 15 years in Finance Act 2017. The following rate of Minimum Alternate Tax shall be applicable:

	If book profit does not exceed ₹ 1 crore		If book profit is in the range of ₹ 1 crore - ₹ 10 crore		If book profit exceeds ₹ 10 crore	
	Domestic Company	Foreign Company	Domestic Company	Foreign Company	Domestic Company	Foreign Company
IT	18.5	18.5	18.5	18.5	18.5	18.5
SC	-	-	1.295	0.37	2.22	0.925
H&EC	0.74	0.74	0.7918	0.7548	0.8288	0.777
Total	19.24	19.24	20.688	19.6248	21.5488	20.202

CO-OPERATIVE SOCIETY

	Total Income	Tax Rate
i.	upto ₹10,000/-	10%
ii.	₹10,000/- to ₹ 20,000/-	₹1,000/- + 20% on income in excess of ₹10,000/-
iii.	Above ₹ 20,000/- amount	₹3,000/- + 30% on income in excess of ₹20,000/-

- **Surcharge:** @12% of tax where total income > ₹ 1 crore. (Subject to marginal relief)
- **Health & Education Cess:** @4% of (Income Tax & Surcharge).

LOCAL AUTHORITIES

- ◆ Local authorities are taxable at the rate of 30 per cent.
- ◆ **Surcharge:** @12% of tax where total income > ₹ 1 crore. (Subject to marginal relief)
- ◆ **Health & Education Cess:** @4% of (Income Tax & Surcharge).

SPECIAL TAX RATES UNDER CHAPTER XII

Section	Applicable To	Particulars of Income	Rate
111A	All Categories of Tax Payers	Short Term Capital Gain arising on transfer of equity share, equity oriented fund, unit of a business trust on or after 01.04.2005 which have been charged to Security Transaction Tax.	15%

112	All Taxpayers except Non-residents	Capital Gain arising on transfer of Long Term Capital Assets	20%
112	Non-residents	Capital Gain arising on transfer of Long Term Capital Assets: (i) In case the long term capital asset includes unlisted securities or shares of a private company then LTCG is chargeable at. (ii) Otherwise LTCG is chargeable at	10% 20%
112A	All categories of Tax payers	w.e.f. 01.04.2019, Capital Gain arising on transfer of Long Term Capital Assets (being equity share, equity oriented fund, unit of a business trust upon which Security Transaction Tax is paid) if it exceeds Rs. one lakh, then it is taxable at	10%
115A	Non-Residents	(i) Dividend [other than dividend referred in Section 115(O)]	20%
		(ii) Interest received from Govt. of India/Indian Concern in foreign currency	20%
		(iii) Interest received from Infrastructure Debt Fund referred in Section 10(47)	5%
		(iv) Interest on money borrowed in foreign currency by an Indian Company or the business trust	5%
		(v) Distributed income being interest received by a unit holder from a business trust specified in section 10(23FC) or (FCA) of the Income Tax Act	5%
		(vi) Income received in respect of units purchased in foreign currency, of a Mutual Fund specified u/s 10(23D) or UTI	20%
		(vii) Royalty/Fees for Tech. Services (other than as specified u/s 44DA(1) received from Govt. of India/ Indian concern in pursuance of an agreement	10%
		Note: (i) No deduction, expenditure or allowance is allowed u/s 28 to 44C and 57 of the Income Tax Act, 1961. (ii) The person is not required to file return of income if total income consists of only incomes stated above and correct TDS is made on such income.	

Section	Applicable To	Particulars of Income	Rate
115B	All categories of Tax payers	Profit & Gain arising from life Insurance business.	12.50%
115BB	All categories of Tax payers	Income from winning of lottery, crossword puzzle, race, horse race, card or other games, gambling/ betting of any nature	30%
115 BBE	All categories of Tax payers	Income referred to in Sec 68,69,69A,69B, 69C and 69D declared in return of income or added by the Assessing Officer Note: <i>No deduction, expenditure, allowance, set off of loss is allowed on such income</i>	60%
115BBG	All categories of Tax payers	Income by way of transfer of "Carbon Credit" Note: <i>No deduction in respect of any expenditure or allowance is allowed while computing such income</i>	10%
115AD	Foreign Institutional Investors	(i) Income from securities, (other than dividend referred u/s 115-O)	@ 20% Note: (@ 5% on interest income referred u/s 194LD)
		(ii) Short term and long term capital gain arising on transfer of such securities	Short term capital gain @ 30% Long term capital gain @10%
		(iii) Long term capital gain on transfer of asset referred in section 112A	@10% on income exceeding ₹ 1 lakh
		Note: (i) No deduction u/s 28 to 44C, 57(i), and (iii) or chapter VIA is allowed on income from securities (ii) No benefit of conversion of foreign currency and the benefits of indexation of cost are allowed on such capital gain .	

115BA	Domestic company, which is (i) registered after 28.02.2016, (ii) engaged in manufacture, production, research and distribution of any article. (iii) The total income has been computed as mentioned in 115BA(2)(c).	All Income	25%
	Note: (i) An option needs to be exercised in the prescribed manner (form 10-IB) along with return of income. (ii) Applicable with effect from 01.04.2017		
115BBD	Indian Company	Dividend received from a foreign company in which the Indian company holds 26% or more in nominal value of equity share capital Note: No other deduction under Income Tax Act is allowable	



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DIRECTORATE OF INCOME TAX
(Public Relations, Publications & Publicity)
6th Floor, Mayur Bhawan, New Delhi

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This brochure should not be construed as an exhaustive statement of the law. For details - reference should always be made to the relevant provisions in the Acts and the Rules.