



# Income Tax Department

Government of India

## 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

| Individuals   |                         |                         |
|---|-------------------------|-------------------------|
| <i>(Other than senior and super senior citizen)</i>                         |                         |                         |
| Net Income Range  | Rate of Income-tax      |                         |
|   | Assessment Year 2022-23 | Assessment Year 2021-22 |
| Up to Rs. 2,50,000  | -                       | -                       |
| Rs. 2,50,000 to Rs. 5,00,000  | 5%                      | 5%                      |
| Rs. 5,00,000 to Rs. 10,00,000   | 20%                     | 20%                     |
| Above Rs. 10,00,000   | 30%                     | 30%                     |
| Senior Citizen  |                         |                         |
| <i>(who is 60 years or more at any time during the previous year)</i>       |                         |                         |
| Net Income Range  | Rate of Income-tax      |                         |
|   | Assessment Year 2022-23 | Assessment Year 2021-22 |
| Up to Rs. 3,00,000  | -                       | -                       |
| Rs. 3,00,000 to Rs. 5,00,000  | 5%                      | 5%                      |
| Rs. 5,00,000 to Rs. 10,00,000   | 20%                     | 20%                     |
| Above Rs. 10,00,000   | 30%                     | 30%                     |
| Super Senior Citizen  |                         |                         |
| <i>(who is 80 years or more at any time during the previous year)</i>       |                         |                         |
| Net Income Range  | Rate of Income-tax      |                         |
|   | Assessment Year 2022-23 | Assessment Year 2021-22 |
| Up to Rs. 5,00,000  | -                       | -                       |
| Rs. 5,00,000 to Rs. 10,00,000   | 20%                     | 20%                     |
| Above Rs. 10,00,000   | 30%                     | 30%                     |
| Hindu Undivided Family (Including AOP, BOI and Artificial Juridical Person) |                         |                         |
| Net Income Range  | Rate of Income-tax      |                         |
|   | Assessment Year 2022-23 | Assessment Year 2021-22 |
| Up to Rs. 2,50,000  | -                       | -                       |
| Rs. 2,50,000 to Rs. 5,00,000  | 5%                      | 5%                      |
| Rs. 5,00,000 to Rs. 10,00,000   | 20%                     | 20%                     |
| Above Rs. 10,00,000   | 30%                     | 30%                     |

#### Add:

**a. Surcharge :** Surcharge is levied on the amount of income-tax at following rates if total income of an assessee exceeds specified limits:-

| Rate of Surcharge       |                |                 |                 |                  |                         |                |                 |                 |                  |
|-------------------------|----------------|-----------------|-----------------|------------------|-------------------------|----------------|-----------------|-----------------|------------------|
| Assessment Year 2022-23 |                |                 |                 |                  | Assessment Year 2021-22 |                |                 |                 |                  |
| Range of Income         |                |                 |                 |                  | Range of Income         |                |                 |                 |                  |
| Rs. 50 Lakhs to         | Rs. 1 Crore to | Rs. 2 Crores to | Rs. 5 crores to | Exceeding Rs. 10 | Rs. 50 Lakhs to         | Rs. 1 Crore to | Rs. 2 Crores to | Rs. 5 crores to | Exceeding Rs. 10 |

| <i>Rs. 1 Crore</i> | <i>Rs. 2 Crores</i> | <i>Rs. 5 Crores</i> | <i>Rs. 10 Crores</i> | <i>Crores</i> | <i>Rs. 1 Crore</i> | <i>Rs. 2 Crores</i> | <i>Rs. 5 Crores</i> | <i>Rs. 10 Crores</i> | <i>Crores</i> |
|--------------------|---------------------|---------------------|----------------------|---------------|--------------------|---------------------|---------------------|----------------------|---------------|
| 10%                | 15%                 | 25%                 | 37%                  | 37%           | 10%                | 15%                 | 25%                 | 37%                  | 37%           |

However, marginal relief is available from surcharge in following manner-

- i. in case where net income exceeds Rs. 50 lakh but doesn't exceed Rs. 1 Crore, the amount payable as income tax and surcharge shall not exceed the total amount payable as income tax on total income of Rs 50 Lakh by more than the amount of income that exceeds Rs 50 Lakhs.
- ii. in case where net income exceeds Rs. 1 crore but doesn't exceed Rs. 2 crore, marginal relief shall be available from surcharge in such a manner that the amount payable as income tax and surcharge shall not exceed the total amount payable as income-tax on total income of Rs. 1 crore by more than the amount of income that exceeds Rs. 1 crore.
- iii. in case where net income exceeds Rs. 2 crore but doesn't exceed Rs. 5 crore, marginal relief shall be available from surcharge in such a manner that the amount payable as income tax and surcharge shall not exceed the total amount payable as income-tax on total income of Rs. 2 crore by more than the amount of income that exceeds Rs. 2 crore.
- iv. in case where net income exceeds Rs. 5 crore, marginal relief shall be available from surcharge in such a manner that the amount payable as income tax and surcharge shall not exceed the total amount payable as income-tax on total income of Rs. 5 crore by more than the amount of income that exceeds Rs. 5 crore.

**b. Health and Education Cess:** Health and Education Cess is levied at the rate of 4% on the amount of income-tax plus surcharge.

**Note:** A resident individual (whose net income does not exceed Rs. 5,00,000) can avail rebate under [section 87A](#). It is deductible from income-tax before calculating education cess. The amount of rebate is 100 per cent of income-tax or Rs. 12,500, whichever is less.

### 1. Special tax Rate for Individual and HUFs

The Finance Act, 2020, has provided an option to Individuals and HUF for payment of taxes at the following reduced rates from Assessment Year 2021-22 and onwards:

| <b>Total Income (Rs)</b>    | <b>Rate</b> |
|-----------------------------|-------------|
| Up to 2,50,000              | <i>Nil</i>  |
| From 2,50,001 to 5,00,000   | 5%          |
| From 5,00,001 to 7,50,000   | 10%         |
| From 7,50,001 to 10,00,000  | 15%         |
| From 10,00,001 to 12,50,000 | 20%         |
| From 12,50,001 to 15,00,000 | 25%         |
| Above 15,00,000             | 30%         |

**Add:**

**a. Surcharge:** Surcharge is levied on the amount of income-tax at following rates if total income of an assessee exceeds specified limits:-

| <b>Assessment Year 2022-23</b>     |                                    |                                     |                                      |                                |
|------------------------------------|------------------------------------|-------------------------------------|--------------------------------------|--------------------------------|
| <b>Range of Income</b>             |                                    |                                     |                                      |                                |
| <i>Rs. 50 Lakhs to Rs. 1 Crore</i> | <i>Rs. 1 Crore to Rs. 2 Crores</i> | <i>Rs. 2 Crores to Rs. 5 Crores</i> | <i>Rs. 5 crores to Rs. 10 Crores</i> | <i>Exceeding Rs. 10 Crores</i> |
| 10%                                | 15%                                | 25%                                 | 37%                                  | 37%                            |

However, marginal relief is available from surcharge in following manner-

- i. in case where net income exceeds Rs. 50 lakh but doesn't exceed Rs. 1 Crore, the amount payable as income tax and surcharge shall not exceed the total amount payable as income tax on total income of Rs 50 Lakh by more than the amount of income that exceeds Rs 50 Lakhs.
- ii. in case where net income exceeds Rs. 1 crore but doesn't exceed Rs. 2 crore, marginal relief shall be available from surcharge in such a manner that the amount payable as income tax and surcharge shall not exceed the total amount payable as income-tax on total income of Rs. 1 crore by more than the amount of income that exceeds Rs. 1 crore.

- iii. in case where net income exceeds Rs. 2 crore but doesn't exceed Rs. 5 crore, marginal relief shall be available from surcharge in such a manner that the amount payable as income tax and surcharge shall not exceed the total amount payable as income-tax on total income of Rs. 2 crore by more than the amount of income that exceeds Rs. 2 crore.
- iv. in case where net income exceeds Rs. 5 crore, marginal relief shall be available from surcharge in such a manner that the amount payable as income tax and surcharge shall not exceed the total amount payable as income-tax on total income of Rs. 5 crore by more than the amount of income that exceeds Rs. 5 crore.

**b. Health and Education Cess:** Health and Education Cess is levied at the rate of 4% on the amount of income-tax plus surcharge.

**Note 1:** A resident individual (whose net income does not exceed Rs. 5,00,000) can avail rebate under [section 87A](#). It is deductible from income-tax before calculating education cess. The amount of rebate is 100 per cent of income-tax or Rs. 12,500, whichever is less.

**Note 2:** The option to pay tax at lower rates shall be available only if the total income of assessee is computed without claiming specified exemptions or deductions: