



M/s PRANJAL JOSHI & CO
CHARTERED ACCOUNTANTS

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**A. Alternative Income Tax Rates for Non resident Individuals
FY 2020-21 (AY 2021-22)**

Individual and HUF Tax Rates Option 1 -

(1) where the total income does not exceed Rs. 2,50,000	Nil;
(2) where the total income exceeds Rs. 2,50,000 but does not exceed Rs. 5,00,000	5 per cent. of the amount by which the total income exceeds Rs. 2,50,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs.12,500 plus 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 10,00,000	Rs. 1,12,500 plus 30 per cent. of the amount by which the total income exceeds Rs.10,00,000.

Individual and HUF Option 2 -

The tax rate applicable, shall be as under, if an individual and HUF exercises an option to not to claim various exemptions or deductions under the Act:-

Total Income	Rate of Tax
Upto Rs.2,50,000	Nil
From Rs.2,50,001 to Rs.5,00,000	5%
From Rs.5,00,001 to Rs.7,50,000	10%
From Rs.7,50,001 to Rs.10,00,000	15%
From Rs.10,00,001 to Rs.12,50,000	20%
From Rs.12,50,001 to Rs.15,00,000	25%
Above Rs.15,00,000	30%

Any individual or HUF who exercises such option shall not be eligible to claim various exemptions or deductions available under the Act including the following:-

(i) Standard deduction of Rs.50,000

(ii) Leave Travel Allowance under Section 10(5)

(iii) House Rent Allowance under Section 10(13A)

(iv) Certain allowances under Section 10(14) as will be prescribed

(v) Deduction of interest in respect of self occupied property.

(vi) Deduction of 1/3rd of family pension allowable under Section 57(ia)

(vii) All deductions allowed under Chapter VI-A (except the deduction under Section 80 CCD (2) and Section 80 JJAA)

(viii) Allowance for Minor Child Income u/s 10(32) on clubbing of minor income



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- (ix) Exemption for SEZ Unit under Section 10AA
- (x) Additional initial depreciation in respect of plant and machinery u/s 32(1)(ia)
- (xi) Investment allowance in respect of new plant and machinery in notified backward areas u/s 32AD
- (xii) Tea/Coffee/Rubber development benefit under Section 33AB
- (xiii) Site restoration benefit under Section 33ABA
- xiv) Various deductions for donation for expenditure on scientific research or social sciences research under section 35(1)(ii), section 35(1)(ia), section 35(1)(iia) or under section 34(2AA)
- (xv) Accelerated capital deduction for specified businesses under Section 35AD (xvi) Expenditure on agricultural extension project under Section 35CCC

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall be increased by a surcharge—

total income exceeding fifty lakh rupees but not exceeding one crore rupees	@ 10% of such income-tax
total income exceeding one crore rupees, but not exceeding two crore rupees	@ 15% of such income-tax
total income exceeding exceeding two crore rupees but not exceeding five crore rupees	@ 25% of such income tax
total income exceeding five crore rupees	@ 37% of such income tax

Provided that in case where the total income includes any income chargeable under section 111A and section 112A of the Income-tax Act, the rate of surcharge on the amount of income-tax computed in respect of that part of income shall not exceed fifteen per cent

Further marginal benefit shall also be available.