



RESIDENT INDIVIDUAL/ HUF – TAXATION RATES

	Equity Oriented Schemes	Other than Equity Oriented Schemes (Both Listed and Unlisted Schemes)
Short Term Capital Gain - Equity oriented scheme : Holding period \leq 12 months - Other scheme : Holding period \leq 36 months; <i>Period to be seen immediately preceding date of transfer</i>	15% + Applicable Surcharge (refer note 1) + 4% Health & Education Cess	Rates as otherwise applicable to the Investor + applicable surcharge (refer note 1) + 4% Health & Education Cess.
Long Term Capital Gain	10% without indexation & without foreign currency conversion benefit + (Applicable Surcharge – Note 1) + 4% Health & Education Cess Refer Note 3	20% with Indexation Benefit + (Applicable Surcharge refer note 1) + 4% Health & Education Cess

NON RESIDENT ## - SHORT TERM CAPITAL GAIN TAXATION

	Equity Oriented Schemes (Holding Period of \leq 12 months)	Other Than Equity Oriented Schemes (Both Listed and Unlisted Schemes) (Holding Period of \leq 36 months)
Short Term Capital Gain	15% + (Applicable Surcharge –Refer Note 1) + 4% Health & Education Cess	Rates as otherwise applicable to the Investor + applicable surcharge (refer note 1) + 4% Health & Education Cess
TDS on Short Term Capital Gain	= 15% + (Applicable Surcharge –Refer Note 1) + 4% Health & Education Cess ** 20% if No PAN available or higher rate as calculated above & specified declaration not provided ***	30%/40%^ + (Applicable Surcharge – Refer Note 1) + 4 % Health & Education Cess

NON RESIDENT ## - LONG TERM CAPITAL GAIN TAXATION

	Equity Oriented Schemes (Holding Period of > 12 months)	Other-Than Equity Oriented Schemes Unlisted (Holding Period of > 36 months)	Other Than Equity Oriented Schemes Listed (Holding Period > 36 months)
Long Term Capital Gain	10% without indexation & without foreign currency conversion benefit + (Applicable Surcharge – Refer Note 1) + 4% Health & Education Cess Refer Note 3	10%^ without Indexation & without foreign currency conversion benefit + (Applicable Surcharge – Refer Note 1) + 4% Health & Education Cess	20% with indexation + (Applicable Surcharge – Refer Note 1) + 4% Health & Education Cess
TDS on Long Term Capital Gain	10% plus applicable surcharge (refer note -1) + 4% Health & Education cess. 20% if No PAN available ***	10% without Indexation & without foreign currency conversion benefit + Applicable Surcharge – refer note 1 + 4% Health & Education Cess 20% if No PAN available ***	20% plus applicable surcharge (refer note -1) + 4% Health & Education cess.

DOMESTIC CORPORATE – CAPITAL GAIN TAXATION

	Equity Oriented Scheme	Other Than Equity Oriented Schemes
Short Term Capital Gain - Equity oriented scheme: Holding period \leq 12 months - Other scheme: Holding period \leq 36 months; <i>Period to be seen immediately preceding date of transfer</i>	15% + Applicable Surcharge – Refer Note 1 + 4% Health & Education Cess	30% + Applicable Surcharge – Refer Note 1 + 4% Health & Education Cess
Long Term Capital Gain	10% without indexation & without foreign currency conversion benefit + Applicable Surcharge – Refer Note 1 + 4% Health & Education Cess	20% with Indexation + Applicable Surcharge – Refer Note 1 + 4% Health & Education Cess

TAX IMPLICATION ON DIVIDEND RECEIVED BY UNIT HOLDERS

Categories of Unit Holders	Threshold	TDS Rate	Taxation Rate
Resident Unit Holders	Rs. 5,000	7.50% (Refer Note 4)	Slab rates plus applicable surcharge and cess (Refer Note 1)
Non-Resident Unit Holders (subject to DTAA benefits, in case applicable)			
(1) FII/FPI	NILs	20% plus applicable surcharge and cess (Refer note 1)	20% plus applicable surcharge and cess (Refer Note 1)
(2) Foreign company/corporates			
Purchase in Indian Rupees	NIL	20% plus applicable surcharge and cess (Refer note 1)	40% plus applicable surcharge and cess (Refer Note 1)
Purchase in Foreign Currency	NIL	20% plus applicable surcharge and cess (Refer note 1)	20% plus applicable surcharge and cess (Refer Note 1)
(3) Others			
Purchase in Indian Rupees	NIL	20% plus applicable surcharge and cess (Refer note 1)	At slab rates applicable plus applicable surcharge and cess (Refer Note 1)
Purchase in Foreign Currency	NIL	20% plus applicable surcharge and cess (Refer note 1)	20% plus applicable surcharge and cess (Refer Note 1)

Note 1 –

A) In case of foreign companies;

- 2% where the total income exceeds Rs. 10,000,000 but less than / equal to Rs. 100,000,000
- 5% where the total income exceeds Rs. 100,000,000

B) In case of resident domestic corporate unit holders ;

- 7% where the total income exceeds Rs. 10,000,000 but less than / equal to Rs. 100,000,000 or
- 12% where the total income exceeds Rs. 100,000,000
- 10% where domestic company is eligible & exercises the option granted u/s 115BAA or 115BAB of the Act.

C) In case of non-corporate resident unit holders being partnership firms covered under Indian Partnership Act, 1932/ Limited liability partnership covered under Limited Liability Partnership Act, 2008:

- 12% where the total income exceeds Rs.10,000,000

D) In case of resident and non-resident non-corporate unit holders being individual, HUF, AOP, BOI and artificial juridical person;

Income		Surcharge Rates	
Total Income	Other Income (i.e Income other than Capital gains covered under section 111A, section 112A, 115AD(1)(b) & company dividend) i.e income from Dividend distribution and Capital gains other than on equity oriented fund	Other Income (i.e Income other than Capital gains covered under section 111A, section 112A, 115AD(1)(b) & company dividend). i.e income from Dividend distribution and Capital gains other than on equity oriented fund	Capital gains covered under section 111A, section 112A & 115AD(1)(b) & company dividend. i.e capital gains on equity oriented fund
Upto 50Lakh		Nil	Nil
More than 50Lakh up to 1 Cr		10%	10%
More than 1 Cr but up to 2Cr		15%	15%
More than 2 Cr	Up to 2 cr	15%	15%
	More than 2 cr but up to 5 cr	25%	15%
	More than 5Cr	37%	15%

Note 2 – W.e.f 01.04.2020, as per Section 115R, no additional income tax payable on amount of distributed income on or after 01.04.2020.

Note 3 - Section 112A r.w.s section 55(ac) levies capital gains tax @ 10% on Long Term Capital Gains arising on units of equity oriented funds earned by investors. The salient features of the new tax regime are as under:

- Any transfer of equity oriented fund units on or after 1 April 2018, shall not be exempt under section 10(38)
- Long term capital gains in excess of Rs. 1 lakh shall be taxable @ 10% plus surcharge (if any, as applicable) plus health & education cess @ 4%.
- The capital gain will be computed without giving effect to the 1st and 2nd proviso to section 48 in the manner laid down under the section i.e. without indexation benefit and without foreign currency conversion benefit
- Cost for units acquired prior to 1 Feb 2018 and sold on or after 1 April 2018 will be computed as under:
 - o **Higher of:**
 - Cost of acquisition or
 - **Lower of:**
 - FMV of asset on 31 Jan 2018
 - Full value of consideration accruing as a result of transfer

Note 4 –TDS rates on distribution of dividend by MF are reduced from 10% to 7.5% w.e.f. 14th May 2020 till 31st March, 2021.

Money Market / Liquid Fund: Kotak Liquid, Kotak Overnight Fund

Other than Equity Oriented Fund: Kotak Money Market Fund, Kotak Dynamic Bond Fund, Kotak Bond, Kotak Bond Short Term, Kotak Savings Fund, Kotak Gilt Investment, Kotak Credit Risk Fund, Kotak Debt Hybrid, Kotak Banking and PSU Debt, Kotak Medium Term, Kotak Low Duration, Kotak Corporate Bond, Kotak Floating Rate Fund, Kotak Asset Allocator Fund (Fund of Fund scheme), Kotak Gold Fund (Fund of Fund scheme)

Equity Oriented Fund: Kotak Bluechip Fund, Kotak Small Cap, Kotak Equity Opportunities, Kotak Standard Multicap, Kotak India EQ Contra Fund, Kotak Tax Saver, Kotak Equity Arbitrage, Kotak Emerging Equity, Kotak Global Emerging Equity, Kotak Equity Hybrid, Kotak Balanced Advantage Fund, Kotak Equity Savings, Kotak Infrastructure and Economic Reform Fund, Kotak Focused Equity Fund, and Kotak Pioneer Fund.

SECURITIES TRANSACTION TAX

Money Market or Liquid Fund	Other Than Equity Oriented Fund	Equity Oriented Fund
Nil	Nil	0.001% of Redemption Value on sale of units of an equity oriented scheme to the mutual fund. 0.001% on Sale of Units of equity oriented mutual fund (Delivery Based) on recognized stock exchange.

Listed Schemes include: Kotak Gold ETF, Kotak Sensex ETF, Kotak PSU Bank ETF, Kotak Nifty ETF, Fixed Maturity Plans, Kotak NV 20 ETF, Kotak Banking ETF, Kotak India Growth Fund – Series 4, Kotak India Growth Fund – Series 5 and Kotak India Growth Fund – Series 7.

Unlisted Schemes include: All Equity and Debt Kotak Mutual Fund Schemes other than Listed Schemes.

Kotak Sensex ETF, Kotak PSU Bank ETF, Kotak Nifty ETF, Kotak NV 20 ETF, Kotak Banking ETF schemes, Kotak India Growth Fund – Series 4, Kotak India Growth Fund – Series 5 and Kotak India Growth Fund – Series 7 are considered as Equity Oriented Schemes. Kotak Gold ETF, Fixed Maturity Plans, are considered as Other Than Equity Oriented schemes for the purpose of levying Tax.

^ Assuming investor falls in Highest Tax Bracket.

** Subject to NRI having Permanent Account Number (PAN) in India.

*** These are tax rates applicable to Capital Gains only, in case the tax rate is lower than 20% as per DTAA or Income Tax Act and if the non-resident does not have a PAN, then for the purpose of TDS, the withholding tax rate would be 20%. However the higher rate of 20% shall not be applicable if the investor furnishes to the deductor a declaration containing specified details mentioned therein (Rule 37BC of the Income-tax Rules, 1962).

^^ As per Finance Act 2012, in case of transfer of unlisted securities by Non-resident, the tax rate in case of Long Term Capital Gain shall be 10% (plus surcharge and health and edu. cess) without indexation.

The tax rates are subject to DTAA benefits available to NRI's. As per the Finance Act 2013, submission of tax residency certificate ("TRC") will be necessary for granting Double Taxation Avoidance Agreement ("DTAA") benefits to non-residents. A Taxpayer claiming DTAA benefit shall furnish a TRC of his residence obtained by him from the Government of that country or specified territory. Further, in addition to the TRC, the non-resident shall also provide Form 10F and such other documents/information, as may be prescribed by the Indian Tax Authorities and Kotak Mahindra Mutual Fund or Kotak Mahindra Asset Management Company Ltd. Further investor needs to certify in its No PE declaration that the one of the principle purpose of investment is not to avail the treaty benefits & the investment asset & investment income are beneficial hold by the investor claiming DTAA benefits.

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