

Equity Oriented Scheme Taxation*

	Individual/ HUF	Domestic Company	NRI
Dividend			
In the hands of the investors	Nil	Nil	Nil
Dividend Distribution Tax (DDT) (Paid by the scheme)	Nil	Nil	Nil
Capital Gains&			
• Long Term Capital Gains—units held for more than 12 months • Short Term Capital Gains—units held for 12 months or less			
Short Term	15%^	15%#	15%^
Long Term	Nil	Nil	Nil

Non Equity Oriented Scheme Taxation

	Individual/ HUF	Domestic Company	NRI
Dividend			
In the hands of the investors	Nil	Nil	Nil
Dividend Distribution Tax (DDT) (Paid by the scheme)	28.84%	34.61%	28.84%+
Capital Gains&			
• Long Term Capital Gains—units held for more than 36 months • Short Term Capital Gains—units held for 36 months or less			
Short Term	At marginal tax rate applicable to the assessee^ #		
Long Term	20%^\$	20%#\$	Listed—20%^\$ Unlisted—10%^

Tax Deductions at Source Rates^(For NRI investors)

	Short Term Capital Gains	Long Term Capital Gains
Equity Oriented Schemes	15%	Nil
Non Equity Oriented Schemes	30%	Listed—20%\$ Unlisted—10%

* Securities transaction tax (STT) will be deducted on equity funds at the time of redemption/ switch to the other schemes/ sale of units.

^ Surcharge at 15% to be levied in case of individual/ HUF unit holders where their income exceeds Rs 1 crore.

Surcharge at 7% to be levied for domestic corporate unit holders where income exceeds Rs 1 crore but less than Rs. 10 crores and at 12%, where income exceeds Rs. 10 crores.

\$ After providing for indexation.

& Education surcharge—At 3% on Tax plus Surcharge amount

+For NRI, DDT for Infrastructure Debt Fund is 5.77%. For other non equity oriented schemes DDT is 28.84%

Mutual Fund investments are subject to market risks, read all scheme related documents

Tax Rates for Individual/ HUF

Total Income	Tax Rate
Upto Rs. 2,50,000	Nil
Rs. 2,50,001 to Rs. 5,00,000	5%
Rs. 5,00,001 to Rs. 10,00,000	20%
Rs. 10,00,001 & above	30%

In the case of a resident individual of the age of 60 years or above but below 80 years, the basic exemption limit is Rs 3,00,000

In case of a resident individual of age of 80 years or above, the basic exemption limit is Rs 5,00,000.

Surcharge @ 15% is applicable where income of Individual / HUF unit holders exceed Rs 1 crore. As per Finance Bill, 2017, surcharge @10% to be levied in case of Individual / HUF unit holders where income of such unit holders exceed Rs 50 lakhs but does not exceed Rs 1 crore. Further, Education cess @ 3% will continue to apply on aggregate of tax and surcharge.

Education cess is applicable @ 3% on income tax plus surcharge

Securities Transaction Tax (STT)

Transaction	Rate	Payable by
Purchase/ Sale of equity shares	0.10%	Purchaser/ Seller
Purchase of units of equity oriented mutual funds	Nil	Purchaser
Sale of units of equity oriented mutual fund by investors (including ETF units on stock exchange)	0.001%	Seller
Sale of equity shares, units of equity-oriented mutual fund (non-delivery based)	0.025%	Seller

Some important taxation provisions related to mutual funds

Dividend Stripping: As per section 94(7) of the Act, in computing the income of an assessee, loss arising on sale of units, which have been bought within 3 months prior to the record date (i.e. the date fixed by the Mutual Fund for the purposes of entitlement of the unit holders to receive the income) and sold within 9 months of the record date, shall be ignored to the extent of income on such units (such income being tax exempt).

Bonus Stripping: As per section 94(8) of the Act, the loss arising on sale of original units (wholly or partly), which were bought within a period of 3 months prior to the record date (i.e. the date fixed by the Mutual Fund for the purposes of entitlement of bonus units to the unit holders) and sold within 9 months of the record date, shall be ignored for the purpose of computation of income chargeable to tax. However, such loss shall be considered as the cost of acquisition of the 'bonus shares' of the unit holders.

Disclaimer: The information set out above is included for general information purposes only and does not constitute a legal or tax advice. In view of the individual nature of the tax consequences, each investor is advised to consult his or her own tax consultant with respect to specific tax implications before making any investment in any Scheme (s). Any action taken by you on the basis of the information contained herein is your responsibility alone. SBI Mutual Fund/ SBI Funds Management Pvt. Ltd./ SBI Mutual Fund Trustee Company Pvt. Ltd. will not be liable in any manner for the consequences of such action taken by you.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.