

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% + Surcharge @ 10%* / 15%# + 4% Health & Education Cess = 17.16% / 17.94%	Rates as otherwise applicable to the Investor
Long Term Capital Gain	10% without indexation & without foreign currency conversion benefit + Surcharge @10%* / 15%# + 4% Health & Education Cess = 11.44% / 11.96% Refer Note 1	20% with Indexation Benefit + Surcharge @ 10%* / 15%# + 4% Health & Education Cess = 22.88% / 23.92%

NON RESIDENT INDIVIDUAL## - 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% + Surcharge @10%* / 15%# + 4% Health & Education Cess = 17.16% / 17.94%	Rates as otherwise applicable to the Investor
TDS on Short Term Capital Gain	= 17.16% / 17.94%** 20% if No PAN available & specified declaration not provided ***	30%^ + 10%* / 15%# Surcharge + 4 % Health & Education Cess = 34.32% / 35.88%

NON RESIDENT INDIVIDUAL## - 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 + Surcharge @ 10%* / 15%# + 4% Health & Education Cess = 11.44% / 11.96% Refer Note 1	10%^ without Indexation + Surcharge @ 10%* / 15%# + 4% Health & Education Cess = 11.44% / 11.96%	20% with indexation + Surcharge @ 10%* / 15%# + 4% Health & Education Cess = 22.88% / 23.92%
TDS on Long Term Capital Gain	11.44% or 11.96% 20% if No PAN available ***	10% without Indexation + 10%* / 15%# Surcharge + 4% Health & Education Cess = 11.44% / 11.96% 20% if No PAN available ***	= 22.88% / 23.92%

Note 1 – Finance Act 2018 has introduced 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) 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

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 preceeding date of transfer</i>	15% + Surcharge as applicable \$\$ + 4% Health & Education Cess = 16.692% or 17.472%	30% + Surcharge as applicable \$\$ + 4% Health & Education Cess = 33.384% or 34.944%
Long Term Capital Gain	10% without indexation & without foreign currency conversion benefit + Surcharge \$\$ + 4% Health & Education Cess = 11.128% / 11.648%	20% with Indexation + Surcharge as applicable \$\$ + 4% Health & Education Cess = 22.256% or 23.296%

TAX IMPLICATION ON DIVIDEND RECEIVED BY UNIT HOLDERS

	Resident Individual/ HUF	Others
Equity Oriented Scheme	Tax Free	Tax Free
Other Than Equity Schemes	Tax Free	Tax Free

DIVIDEND DISTRIBUTION TAX DETAILS

Money Market or Liquid Fund	Other Than Equity Oriented Fund	Equity Oriented Fund
Individual / HUF - 25% Others - 30% (+ 12% Surcharge and 4% Health & Edu. Cess) Refer Note 2	Individual / HUF 25% Others - 30% (+ 12% Surcharge and 4% Health & Edu. Cess) Refer Note 2	10% (+ 12% Surcharge and 4% Health & Edu Cess) Refer Note 2

Note 2 - As per Finance (No. 2) Act 2014, for the purpose of determining the additional income tax payable, the amount of distributed income shall be increased to such amount as would, after reduction of the additional income tax on such increased amount at the rate, be equal to the amount of Income distributed by the Mutual Fund.

Money Market / Liquid Fund: Kotak Overnight Fund, Kotak Liquid, Kotak Floater Short Term.

Other than Equity Oriented Fund: Kotak Flexi Debt, Kotak Savings Fund, Kotak Low Duration Fund, Kotak Bond Short Term Plan, Kotak Medium Term Fund, Kotak Bond, Kotak Dynamic Bond Fund, Kotak Corporate Bond Fund, Kotak Credit Risk Fund, Kotak Banking and PSU Debt Fund, Kotak Mahindra Gilt Unit Scheme – 98 Investment Plan, Kotak Debit Hybrid, Kotak Asset Allocator Fund (Fund of Fund scheme), Kotak World Gold Fund (Fund of Fund scheme), Kotak US Equity (Fund of Fund scheme), Kotak Gold Fund (Fund of Fund scheme)

Equity Oriented Fund: Kotak Standard Multicap Fund, Kotak Bluechip Fund, Kotak Equity Opportunites Fund, Kotak Emerging Equity Scheme, Kotak Small Cap Fund, Kotak India EQ Contra Fund, Kotak Infrastructure & Economic Reform Fund, Kotak Tax Saver, Kotak Equity Hybrid, Kotak Balanced Advantage Fund, Kotak Equity Savings Fund, Kotak Equity Arbitrage Scheme, Kotak Global Emerging Market 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 Capital Protection Oriented Scheme – Series 3, Kotak Capital Protection Oriented Scheme – Series 4, 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, Kotak Capital Protection Oriented Scheme – Series 3, Kotak Capital Protection Oriented Scheme – Series 4 are considered as Other Than Equity Oriented schemes for the purpose of levying Tax.

** Surcharge at the rate of 10% shall be applicable where the total income of the individual / HUF unit holder exceeds Rs. 50 lakhs but less than or equal / Rs. 1 Crore. Surcharge at the rate of 15% shall be levied in case of Individual/HUF unit holders where the income exceeds Rs.1 Crore.

^ 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, in case the tax rate is lower than 20% and if NRI 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.

\$\$ Surcharge at the rate of 7% where total Income of domestic corporate unit holder exceeds Rs.1 Crore but less than Rs.10 Crore and Surcharge at the rate of 12% where income exceeds Rs.10 Crores.

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