

## Mutual Fund Tax Update Post Union Budget 2024

Scheme Category	STCG	Period of holding for LTCG	LTCG
Equity Mutual Funds/ Equity Index Fund / Equity ETF / Equity FoF / BAF / Equity Savings / Arbitrage / Aggressive Hybrid*	20%	12 Months	12.50%

\* We understand that STT is applicable on these funds as >=65% is invested in domestic equity shares and sale is after July 22, 2024.

BAF is considered here as in most cases BAF schemes maintain gross exposure of 65% or more to equity and equity related instruments.

Debt Oriented Fund (>= 65% in SEBI Regulated Debt and Money Market Instruments)	Investment prior to April 1, 2023 & redemption upto July 22, 2024		Investment prior to April 1, 2023 & redemption on or after July 23, 2024		Investment on or after April 1, 2023 & redeemed anytime
	< 36	> 36	< 24	> 24	
Period of Holding (Months)	< 36	> 36	< 24	> 24	Any period
Type of Gain	Short-term	Long-term	Short-term	Long-term	Deemed Short-term
Rate of Tax	As per slab rate	20% with indexation	As per slab rate	12.50%	As per slab rate

Hybrid Mutual Fund (>35% and < 65% in SEBI Regulated Debt and Money Market Instruments)	Investment prior to April 1, 2023 & redemption upto July 22, 2024		Investment prior to April 1, 2023 & redemption on or after July 23, 2024		Investment after April 1, 2023 & redemption upto March 31, 2025	Investment after April 1, 2023 & redemption on or after April 1, 2025	
	< 36	> 36	< 24	> 24		< 24	> 24
Period of Holding (Months)	< 36	> 36	< 24	> 24	Any period	< 24	> 24
Type of Gain	Short-term	Long-term	Short-term	Long-term	Deemed Short-term	Short-term	Long-term
Rate of Tax	As per slab rate	20% with indexation	As per slab rate	12.50%	As per slab rate	As per slab rate	12.50%

Other Mutual Funds (Gold ETFs / Silver ETFs/ FoF/ Multi Asset Allocation, International FoFs, Hybrid Mutual Fund with <=35% investment in equity Instruments)	Investment prior to April 1, 2023 & redemption upto July 22, 2024		Investment prior to April 1, 2023 & redemption on or after July 23, 2024		Investment after April 1, 2023 & redemption upto March 31, 2025	Investment after April 1, 2023 & redemption on or after April 1, 2025	
	< 36	> 36	< 24	> 24		< 24	> 24
Period of Holding (Months)	< 36	> 36	< 24	> 24	Any period	< 24	> 24
Type of Gain	Short-term	Long-term	Short-term	Long-term	Deemed Short-term	Short-term	Long-term
Rate of Tax	As per slab rate	20% with indexation	As per slab rate	12.50%	As per slab rate	As per slab rate	12.50%

STCG - Short Term Capital Gain, LTCG - Long Term Capital Gain, ETF - Exchange Traded Fund, FoF - Fund of Fund, BAF - Balanced Advantage Fund, STT - Securities Transaction Tax.

**Source** - Memorandum explaining the provisions in Finance Bill 2024, Finance Bill 2024. <https://www.indiabudget.gov.in/>

**Disclaimer** - The above table incorporates the changes made in Finance Bill 2024. Investors should note that certain changes apply from July 23, 2024, while others apply from April 01, 2025 onwards as indicated in the table. The above illustration is meant for Resident Individual, Hindu Undivided Family (HUF), Association of Persons (AOP), Body of Individuals (BOI). Tax is subject to applicable Surcharge and Health & Education Cess at the rate of 4%. The surcharge rate applicable to capital gains taxable under section 112, 112A and 111A of the Act is capped to 15%. The above table is only for illustration purpose. Please consult your Tax Advisor before making any investment.

Before making any investments, the readers are advised to seek independent professional advice, verify the contents in order to arrive at an informed investment decision. None of the Sponsors, the Investment Manager, the Trustee, their respective directors, employees, affiliates or representatives shall be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including on account of lost profits arising from the information contained in this material.

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