

Income Tax Rates: For AY 2021-22 (New) & A.Y. 2020-21 (Old)

As per New Tax Payers Regime a taxpayer can now choose to opt for the new tax slab for FY 2020-21 AY 2021-22 or Existing (old) Tax Slabs for FY 2019-20 AY 2020-21

1. Income Tax Slab Rate for AY 2021-22 & AY 2020-21 for Individuals:

1.1 Individual (resident or non-resident), who is of the age of less than 60 years on the last day of the relevant previous year:

Net income range	Income-Tax rate AY 2021-22 (With no deductions allowed)	Income-Tax rate AY 2020-21 * (With all existing deductions allowed)
Up to Rs. 2,50,000	Nil	Nil
Rs. 2,50,000- Rs. 5,00,000	5%	5%
Rs. 5,00,000 – 7,50,000	10%	20%
Rs. 7,50,000- Rs. 10,00,000	15%	20%
Rs. 10,00,000- Rs. 12,50,000	20%	30%
Rs.12,50,000 - Rs.15,00,000	25%	30%
Above Rs.15,00,000	30%	30%

1.2 Resident senior citizen, i.e., every individual, being a resident in India, who is of the age of 60 years or more but less than 80 years at any time during the previous year:

Net income range	Income-Tax rate AY 2021-22	Income-Tax rate AY 2020-21
Up to Rs. 3,00,000	5% of income in excess of Rs. 2,50,000	Nil
Rs. 3,00,000- Rs. 5,00,000	5% of income in excess of Rs. 3,00,000	5% of income in excess of Rs. 3,00,000
Rs. 5,00,000 – 7,50,000	10% of income in excess of Rs. 5,00,000	20% of income in excess of Rs. 5,00,000
Rs. 7,50,000- Rs. 10,00,000	15% of income in excess of Rs. 7,50,000	20% of income in excess of Rs. 5,00,000
Rs.10,00,000 - Rs.12,50,000	20% of income in excess of Rs. 5,00,000	30% of income in excess of Rs. 1,00,000
Rs. 12,50,000 - Rs. 15,00,000	25% of income in excess of Rs. 5,00,000	30% of income in excess of Rs. 10,00,000
Above Rs.15,00,000	30% of income in excess of Rs. 5,00,000	30% of income in excess of Rs. 10,00,000

1.3 Resident super senior citizen, i.e., every individual, being a resident in India, who is of the age of 80 years or more at any time during the previous year:

	Income-Tax rate AY 2021-22	Income-Tax rate AY 2020-21
Up to Rs. 5,00,000	5% of income in excess of Rs. 2,50,000	Nil
Rs. 5,00,000 – 7,50,000	10% of income in excess of Rs. 5,00,000	20,8% of income in excess of Rs. 5,00,000
Rs. 7,50,000- Rs. 10,00,000	15% of income in excess of Rs. 2,50,000	20,8% of income in excess of Rs. 5,00,000
Rs.10,00,000 - Rs.12,50,000	20% of income in excess of Rs. 5,00,000	30% of income in excess of Rs. 10,00,000
Rs. 12,50,000 - Rs. 15,00,000	25% of income in excess of Rs. 5,00,000	30% of income in excess of Rs. 10,00,000
Above Rs.15,00,000	30% of income in excess of Rs. 5,00,000	30% of income in excess of Rs. 10,00,000

(See Page 2 for further details)

Plus: - Surcharge: - 10% of income tax where total income exceeds Rs. 50,00,000.

15% of income tax where total income exceeds Rs. 1,00,00,000.

Health and Education cess: - 4% of income tax and surcharge.

Note: - A resident individual is entitled for rebate under section 87A if his total income does not exceed Rs. 5,00,000.

*** If you go by new slab rates as announced in the Budget 2020 then, you will not be eligible to claim the following tax benefits:**

1. Leave travel concession as contained in clause (5) of section 10;
2. House rent allowance as contained in clause (13A) of section 10;
3. Some of the allowance as contained in clause (14) of section 10;
4. Standard deduction of Rs. 50,000 u/s 16;
5. Employment/professional tax deduction as contained in section 16;
6. Interest under section 24 in respect of self-occupied or vacant property referred to in sub-section (2) of section 23. (Loss under the head income from house property for rented house shall not be allowed to be set off under any other head and would be allowed to be carried forward as per extant law);
7. Any deduction under chapter VI-A ; [except 80CCD(2) - NPS Contribution by the employer]
8. Others as prescribed

The option shall be exercised for every previous year where the individual or the HUF has no business income, and in other cases the option once exercised for a previous year shall be valid for that previous year and all subsequent years.