

New Income Tax Slabs FY 2023-24 (AY 2024-25) / FY 2022-23 (AY 2023-24)

New Income Tax Slabs FY 2023-24 (AY 2024-25) / FY 2022-23 (AY 2023-24) – New Tax Rates for FY 2022-23/ FY 2021-22

Finance Budget 23-24 New Income Tax Regime

The most of the common people thought, The budget tax rate effect for FY22-23 , but it not correct it Effect only FY 2023-24 (AY 2024-25)

New IT rate for the income range wise:

Income range	Income tax rate
Upto Rs.3,00,000	Nil
Rs. 3,00,000 to Rs.6,00,000	5% on income which exceeds Rs 3,00,000
Rs. 6,00,000 to Rs.9,00,000	Rs.15,000 + 10% on income which exceeds Rs 6,00,000
Rs. 9,00,000 to Rs.12,00,000	Rs.45,000 + 15% on income which exceeds Rs 9,00,000
Rs. 12,00,000 to Rs.15,00,000	Rs.90,000 + 20% on income which exceeds Rs 12,00,000
Above Rs.15,00,000	Rs.1,50,000 + 30% on income which exceeds Rs 15,00,000

Income tax is levied on the income earned by all the individuals, HUF, partnership firms , LLPs and Corporates as per the Income tax Act of India. In the case of individuals, tax is levied as per the slab system if their income is above the minimum threshold limit (known as basic exemption limit).

Income tax slab rate FY 2021-22 (AY 2022-23) – Applicable for New Tax regime:

Income Tax Slab	New Regime Income Tax Slab Rates FY 2021-22(Applicable for all individuals & HUF)
Rs.0.00 –Rs.2.5Lakhs	Nil
Rs.2.5Lakhs to Rs.5.00Lakhs	5% (Tax rebate u/s 87A is available)
Rs.5.00Lakhs to Rs.7.5Lakhs	10%
Rs.7.5Lakhs to Rs.10.00Lakhs	15%
Rs.10.00Lakhs to 12.50Lakhs	20%
Rs.12.5Lakhs to Rs.15.00Lakhs	25%
Above Rs.15Lakhs	30%

NOTE:

Please note that the tax rates in the New tax regime is the same for all categories of Individuals, i.e Individuals & HUF upto 60 years of age, Senior citizens above 60 years upto 80 years , and Super senior citizens above 80 years. Hence no increased basic exemption limit benefit will be available to senior and super senior citizens in the New Tax regime.

Individuals with Net taxable income less than or equal to Rs 5 lakh will be eligible for tax rebate u/s 87A i.e tax liability will be nil of such individual in both – New and old/existing tax regimes.

- Basic exemption limit for NRIs is of Rs 2.5 Lakh irrespective of age.
- Additional Health and Education cess at the rate of 4 % will be added to the income tax liability in all cases. (increased from 3% since FY 18-19)
- Surcharge applicable as per tax rates below in all categories mentioned above:

1. 10% of Income tax if total income > Rs.50 lakh

2.15% of Income tax if total income > Rs.1 crore

3.25% of Income tax if total income > Rs.2 crore

4. 37% of Income tax if total income > Rs.5 crore.

New Tax regime on interest earned from deposits

Income tax deduction on interest on bank deposits

What tax deduction specified in the FY 22-23 which you continue the same for FY 23-24, In additional to that the tax slab rate would be high from 2.5 to 3 lac and rebate u/s 87A from 5 to 7 lac .

Section 80TTB – allows tax benefits on interest earned from deposits with banks, post office copt bank. It is allowed for a maximum interest income of up to ₹ 50,000 earned by

the Senior Citizen. Both the interest on saving deposits and fixed deposits are eligible for deduction under this provision.

Tax Slabs for AY 2022-23:-

Senior and Super Senior Citizens can opt for the Existing Tax Regime or the New Tax Regime with lower rate of taxation (u/s 115 BAC of the Income Tax Act)

The taxpayer opting for concessional rates in the New Tax Regime will not be allowed certain exemptions and deductions (like 80C, 80D, 80TTB, HRA) available in the Existing Tax Regime.