



Illustration of Tax Credit as per Annexure 3

Annexure

Salaried Individual

S.No	Annual Taxable Income (ATI) (Rs.)	Tax Amount (Rs.)	Effective Tax Rate %	Maximum Investment for Tax Credit (Rs.)		Tax Credit (Rs.)		Total Tax Credit (Rs.)
				Mutual Fund (20% of ATI)	Pension Fund (20% of ATI)	Through Mutual Funds (as per sec 62) $H = F \times E$	Through Pension Fund (as per sec 63) $I = G \times E$	
1	1,200,000	30,000	2.50%	240,000	240,000	6,000	6,000	12,000
2	1,800,000	90,000	5.00%	360,000	360,000	18,000	18,000	36,000
3	2,500,000	195,000	7.80%	500,000	500,000	39,000	39,000	78,000



S.No	Annual Taxable Income (ATI) (Rs.)	Tax Amount (Rs.)	Effective Tax Rate %	Maximum Investment for Tax Credit (Rs.)		Tax Credit (Rs.)		Total Tax Credit (Rs.)
				Mutual Fund (20% of ATI)	Pension Fund (20% of ATI)	Through Mutual Funds (as per sec 62) $H = F \times E$	Through Pension Fund (as per sec 63) $I = G \times E$	
4	3,500,000	370,000	10.57%	700,000	700,000	74,000	74,000	148,000
5	5,000,000	670,000	13.40%	1,000,000	1,000,000	134,000	134,000	268,000
6	8,000,000	1,345,000	16.81%	1,600,000	1,600,000	269,000	269,000	538,000
7	12,000,000	2,345,000	19.54%	2,000,000	2,400,000	390,833	469,000	859,833



Other Than Salaried Class

S.No	Annual Taxable Income (ATI) (Rs.)	Tax Amount (Rs.)	Effective Tax Rate %	Maximum Investment for Tax Credit (Rs.)		Tax Credit (Rs.)		Total Tax Credit (Rs.)
				Mutual Funds (20% of ATI)	Pension Fund (20% of ATI)	Through Mutual Funds (as per sec 62) H = F x E	Through Pension Fund (as per sec 63) I = G x E	
1	600,000	10,000	1.67%	120,000	120,000	2,000	2,000	4,000
2	1,200,000	70,000	5.83%	240,000	240,000	14,000	14,000	28,000
3	2,400,000	250,000	10.42%	480,000	480,000	50,000	50,000	100,000
4	3,000,000	370,000	12.33%	600,000	600,000	74,000	74,000	148,000



S.No	Annual Taxable Income (ATI) (Rs.)	Tax Amount (Rs.)	Effective Tax Rate %	Maximum Investment for Tax Credit (Rs.)		Tax Credit (Rs.)		Total Tax Credit (Rs.)
				Mutual Funds (20% of ATI)	Pension Fund (20% of ATI)	Through Mutual Funds (as per sec 62) H = F x E	Through Pension Fund (as per sec 63) I = G x E	
5	4,000,000	620,000	15.50%	800,000	800,000	124,000	124,000	248,000
6	6,000,000	1,220,000	20.33%	1,200,000	1,200,000	244,000	244,000	488,000
7	10,000,000	2,620,000	26.20%	2,000,000	2,000,000	524,000	524,000	1,048,000
8	20,000,000	6,120,000	30.60%	2,000,000	4,000,000	612,000	1,224,000	1,836,000