SaRJu Pandey
He can be reached at sarjuvpandey@gmail.com

Section 56(2)(vii)

Any Sum of Money or Value of Property received

- without consideration or
- value of property, other than immovable property, received for inadequate consideration
- to be subject to tax in the hands of the recipient, **BEING an INDIVIDUAL OR a HUF**

The table below summarizes the scheme of *TAXABILITY OF GIFTS*

	Nature Of Asset	**Examples of Gifts**	**Mode of GIVING GIFT**	**Whether taxable or not**	**Conditions for TAXABILITY OR NON- TAXABILITY**	**Taxable value**
1	Money	Money	Without Consideration	Taxable	If The Same Exceeds Rs.50000	THE WHOLE AMOUNT
2	Money	Money	Without Consideration	Not Taxable	If less than Rs.50000 or equal to Rs.50000	Nil
3	Immovable Property	Land Or Building Or Both	Without Consideration	Taxable	If The STAMP DUTY VALUE of the property exceeds Rs.50000	STAMP DUTY VALUE
4	Immovable Property	Land Or Building Or Both	Inadequate Consideration	Not Taxable	Specifically excluded	Nil
5	Movable Property	Shares, Securities, Jewellery, Archaeological-Collections, Drawings, Paintings, Sculptures, Any Work Of Art, Bullion	Without Consideration	Taxable	If The Aggregate Fair Market Value Of The Property Exceeds Rs.50000	The Aggregate Fair Market Value Of The Property
6	Movable Property	Ditto as above	Without Consideration	Not Taxable	If The Aggregate Fair Market Value Of The Property is less than Rs.50000 or equal to Rs.50000	NIL
7	Movable Property	Ditto as above	Inadequate Consideration	Taxable	If the difference between The Aggregate Fair Market Value And The Consideration exceeds Rs.50000.	The Difference Between The Aggregate Fair Market Value And The Consideration

SaRJu Pandey
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	Nature Of Asset	**Examples of Gifts**	**Mode of GIVING GIFT**	**Whether taxable or not**	**Conditions for TAXABILITY OR NON- TAXABILITY**	**Taxable value**
8	Movable Property	Ditto as above	Inadequate Consideration	Not Taxable	If the difference between The Aggregate Fair Market Value And The Consideration is less than Rs.50000 or equal to Rs.50000	Nil

However, any sum of money or value of property received in the hands of the recipient, BEING an INDIVIDUAL OR a HUF

- From **ANY RELATIVE** **would be outside** the ambit of section 56(2)(vii) or
- on the OCCASION OF THE MARRIAGE of the individual **would be outside** the ambit of section 56(2)(vii) or
- under A WILL or by way of INHERITANCE **would be outside** the ambit of section 56(2)(vii) or
- in CONTEMPLATION OF DEATH of the payer or donor as the case may be **would be outside** the ambit of section 56(2)(vii) or
- from ANY LOCAL AUTHORITY as defined in the Explanation to section 10(20) **would be outside** the ambit of section 56(2)(vii).; or
- from any FUND OR FOUNDATION OR UNIVERSITY OR OTHER EDUCATIONAL INSTITUTION OR HOSPITAL OR OTHER MEDICAL INSTITUTION OR ANY TRUST OR INSTITUTION referred to in section 10(23C) **would be outside** the ambit of section 56(2)(vii).; or
- From ANY TRUST OR INSTITUTION registered under section 12AA would **be outside** the ambit of section 56(2) (vii)