

18.5% of Book profits

MAT (Minimum Alternate tax) u/s 115JB

Surcharge, EC, SHEC Extra

DATE

Book Profit = Net Profit in the P&L A/c

ADDITION(+)

ITax ✓
CDT ✓
Intt. ✓
EC&SHEC ✓
CTT ✗
W-tax ✗
STT ✗
Penalties ✗
Intt. under W-tax ✗

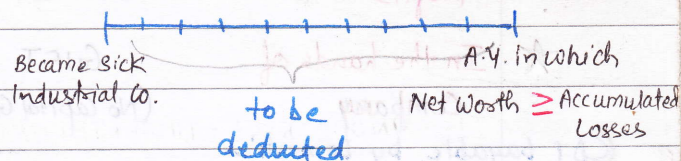
REDUCTION(-)

- * Income tax paid or payable
- * Reserves (Excess Provisions) are also reserves
- * Provisions for meeting unascertained liabilities
- * Losses of subsidiary companies { Provision as well as actual loss }
- * Dividend paid or proposed (Prof + Equity)
- * Expenditure related to exempt u/s 10, 11 & 12 (except 10(38))
- * Amt. of deferred tax & provision
- * Depreciation Amount (including depreciation on revalued assets)
- * Provision for diminution in the value of any asset
 - Provision for bad & doubtful debts
 - Provision for diminution in investment
- * Amount standing in revaluation reserve related to revalued asset on the retirement/disposal of such asset, if such amount is not credited to Profit & Loss A/c. (Amendment)

- * Amount transfer from Reserves to Profit & Loss A/c, if reserves created after debiting to Profit & Loss A/c
- * Income exempt u/s 10, 11, 12 { except 10(38), 10AA, 80-IA/80-IAB/80-IB/80-IC/80-ID/80-IE }
- * Depreciation debited to Profit & Loss A/c (excluding Depn on account of revaluation of assets)
- * Amt. withdrawn from revaluation reserve and credited to P&L A/c to the extent of depn on account of revaluation of assets
- * Brought forward or Unabsorbed Loss (excl. dep.) Depreciation whichever is less **

- (a) loss shall not include depreciation
- (b) If B/F loss or Unabsorbed depn is Nil, then nothing to be deducted

- * Amt. of Deferred tax, if any credited
- * Amount of profits of Sick Industrial Co.



POINTS TO REMEMBER

- Co. can carry forward losses and depreciation
- Co. liable to pay advance tax, Intt. u/s 23A, 234B & 234C, Penalty for concealment
- MAT Credit shall be allowed to be carry forward & set off upto 10 A.Y.s
- **MAT Credit Available = Tax paid u/s 115JB - Tax payable under Normal provisions**

- Mat Credit allowed in AY in which **Tax payable under the normal provisions $>$ Tax payable u/s 115JB**

- MAT Credit to be allowed shall be **(Tax payable under the normal provisions of Act - Tax payable u/s 115JB)**

- MAT Credit available in hands of company shall **not** be allowed to LLP.