INCOME UNDER THE HEAD CAPITAL GAINS

LTCG arising from the transfer of RHP and is reinvested in new RHP(exemption u/s 54)

Name of the assessee :
Status :
PY :
AY :
Computation of LTCG :

Sale consideration **RHP**			XXXX
Less: i) expenses on transfer		XXX	
ii) ICOA		XXX	
iii) ICOI		XXX	XXXX
LTCG before exemption u/s 54			XXXX
Less : Exemption u/s 54 :			
A) LTCG before exemption u/s 54		XXX	
Or			
B) a) amount invested New **RHP**	XXX		
b) amount deposited in Capital Gains			
Account Scheme[CGAS]	XXX	XXX	
A or **B** whichever is less is exempt			XXXX
Taxable LTCG			XXXX

Consequences if the new RHP is transferred within three years
Name of the Assessee:
Status :
PY :
AY :
computation of STCG on transfer of new RHP

Sale consideration of new **RHP**			XXXX
Less: i) expenses on transfer		XXX	
ii) COA			
Original cost of new **RHP**	XXX		
Less : exemption given earlier u/s 54	XXX	XXX	XXXX
STCG			XXXX

What happens if the amount deposited in capital gains deposit account scheme is not fully utilised ?

If the amount deposited is not utilized fully for the purchase or construction of new **RHP** within stipulated period, then amount not so utilized shall be treated as **LTCG** of the previous year in which the period of 3 years from the date of transfer of original assets expires.

What happens if the assesses dies before the expiry of the stipulated period ?

If the assessee dies before the expiry of stipulate period (for purchasing the new **RHP** and later on the unutilized amount is refunded to the legal heirs, body of the opinion that in such cases **the said amount can not be taxed in the hands of the deceased.**

This amount is not taxable in the hands of the legal heirs also as the unutilized portion of the deposit does not take part of the character income in their hands but is only a part of the estate devolving upon them.

LTCG OR STCG arising from the transfer of Agricultural Land[AL] and is reinvested in New Agricultural Land[NAL] (exemption u/s 54B)

Name of the assessee :
Status :
PY :
AY :

Computation of STCG

Sale consideration **AL**			XXXX
Less: i) expenses on transfer		XXX	
ii) COA		XXX	
iii) COI		XXX	XXXX
STCG before exemption u/s 54B			XXXX
Less : Exemption u/s 54B :			
A)STCG before exemption u/s 54B		XXX	
Or			
C) a) amount invested new **AL**	XXX		
b) amount deposited in capital gains deposit			
account scheme	XXX	XXX	
A or **B** whichever is less is exempt			XXXX
Taxable STCG			XXXX

Consequences if the new AL is transferred within three years
Name of the Assessee:
Status :
PY :
AY :
Calculation of STCG on transfer of new AL

Sale consideration of new **AL**			XXXX
Less: i) expenses on transfer		XXX	
ii) COA			
Original COA of new **AL**	XXX		

Less : exemption given earlier u/s 54 B	XXX	XXX	XXXX
STCG			XXXX

NOTE (1); if the new **AL** is situated in a rural area, the gain arising on its transfer is not chargeable to tax as an **AL** situated in rural area is not a "Capital asset" **u/s 2(14).**

NOTE (2): if it is transfer by way of compulsory acquisition, one may claim exemption **u/s 10(37)**.

Name of the assessee :
Status :
PY :
AY :
Computation of LTCG or LTCL

Sale consideration			XXXX
Less: i) expenses on transfer		XXX	
ii) ICOA		XXX	
iii) ICOI		XXX	XXXX
LTCG before exemption u/s 54**B**			XXXX
Less : Exemption u/s 54B :			
A)LTCG before exemption u/s 54B		XXX	
Or			
B) 1) amount invested new AL	XXX		
2) amount deposited in capital gains deposit			
account scheme	XXX	XXX	
A or **B** whichever is less is exempt			XXXX
Taxable LTCG or(LTCL)			XXXX

Consequences if the new AL is transferred within three years
Name of the Assessee:
Status :
PY :
AY :
Computation of STCG on transfer of new AL

Sale consideration of new AL			XXXX
Less: i) expenses on transfer		XXX	
ii) COA			
Original COA of new RHP	XXX		
Less : exemption given earlier u/s 54B	XXX	XXX	XXXX
STCG			XXXX

What happens if the amount deposited in capital gains deposit account scheme is not fully utilized ?

If the amount deposited is not utilized fully for the purchase of new **AL** within stipulated, then amount not so utilized shall be treated as **STCG** or **LTCG** depending up on the **ORIGINAL CAPITAL GAIN** of the previous year in which the period of 2 years from the date of transfer of original assets expires.

What happens if the assesses dies before the expiry of the stipulated period ?

If the assessee dies before the expiry of stipulate period (for purchasing the new **AL** and later on the unutilized amount is refunded to the legal heirs, body of the opinion that in such cases **the said amount can not be taxed in the hands of the deceased.**

This amount is not taxable in the hands of the legal heirs also as the unutilized portion of the deposit does not take part of the character income in their hands but is only a part of the estate devolving upon them.

STCG or LTCG on compulsory acquisition of Land and Building, forming part of industrial undertaking and is reinvested in purchase of any other Land or Building or construction of a Building to be used for the purpose of shifting or reestablishing the said undertaking or setting up of another industrial undertaking.(Exemption u/s 54D)

W.NOTE **SITUATION ONE** : **Computation of COA when WDV is zero Section 50(1)**

WDV at the beginning of the PY	XXX
Add : cost of asset falling in the block acquired during the PY	XXX
Add : Expenses on transfer	XXX
COA	XXX

SITUATION TWO : Computation of COA when block is empty (Section 50(2))

WDV at the beginning of the PY	XXX
Add : cost of asset falling in the block acquired during the PY	XXX
COA	XXX

SITUATION THREE : Computation of COA in the case of depreciable asset in a power unit as per **Section 50A**

Step-1 computation of WDV at the beginning of the PY.

Actual cost	XXX
Less : depreciation up to the beginning of the PY	XXX
WDV at the beginning of the PY	XXX

STEP-2: **Computation of surplus or terminal depreciation (i.e deficit)**

S.No.	Particualrs	Rs.
A	Sale proceeds of **Land &Building or Building**	XXXX
B	Add : Scrap value (if any)	XXXX
C		XXXX
D	Less : WDV at the beginning of the PY	XXXX
E	Surplus or (Terminal Depreciation)	XXXX

Note 1) ***Balancing charge :*** surplus [i.e. (sale proceeds add scrap value *) minus* WDV at the beginning of the PY] which is equal to the amount of depreciation already claimed is known as balancing charge.

STEP-3; Computation of Balancing Charge :

S.No.	Particualrs	Rs.
A	Surplus (as above)	XXXX
	Or	
B	Depreciation already claimed	XXXX
C	Whichever is less = **Balancing charge**	XXXX

2] Terminal depreciation : if the WDV at the beginning of the PY is more than the sale proceeds *plus* scrap value (if any) is known as terminal depreciation.

STEP-4 ; Computation of COA as per Section 50A

WDV at the beginning of the PY	XXX
Add : balancing charge	XXX
Less; terminal depreciation	XXX
COA	XXX

STEP-5 :

Name of the asseesee:

Status:

PY:

AY

Computation of STCG

Sale proceeds of **Land &Building or Building**		XXX
Less : COA as per Section 50		XXX
STCG or (STCL) before exemption u/s 54D		XXX
Less : Exemption u/s 54D ;		
A) STCG before exemption u/s 54D	XXX	
Or		
B) i) amount invested in new Land and Buildings XXX		
ii) amount deposited in capital gains deposit		
account scheme XXX	XXX	
A or **B** whichever is less is exempt		XXX
Taxable STCG or (STLC)		XXX

Name of the assessee :
Status :
PY :
AY :

Computation of STCG

Sale consideration **land** (if it is STCA)		XXXX
Less: i) expenses on transfer	XXX	
ii) COA	XXX	
iii) COI	XXX	XXXX
STCG before exemption u/s 54D		XXXX
Less : Exemption u/s 54B :		
A)STCG before exemption u/s 54D	XXX	
Or		
A) a) amount invested new **Land &Building** xxx		
b) amount deposited in capital gains deposit		
account scheme XXX	XXX	
A or **B** whichever is less is exempt		XXXX

Taxable STCG or STCL		XXXX

Name of the assessee :
Status :
PY :
AY :
Computation of LTCG :

Sale consideration **Land(if it is LTCA)**		XXXX
Less: i) expenses on transfer	XXX	
ii) ICOA	XXX	
iii) ICOI	XXX	XXXX
LTCG before exemption u/s 54D		XXXX
Less : Exemption u/s 54 D:		
A) LTCG before exemption u/s 54D	XXX	
Or		
B) a) amount invested new **Land &building** xxx		
b) amount deposited in capital gains deposit		
account scheme XXX	XXX	
A or **B** whichever is less is exempt		XXXX
Taxable LTCG or LTCL		XXXX

Note : As tax incidence is higher in the case of STCG, the exemption is first utilized against STCG. Then against LTCG.

Consequences if the new land and building is transferred within the three years.

Sale proceeds of new land and building		XXX
Less : COA :		
Original COA of the new land and building	XXX	
Less : Exemption given earlier u/s 54D	XXX	XXX
Taxable STCG (or STCL)		XXX

What happens if the amount deposited in capital gains deposit account scheme is not fully utilized ?

If the amount deposited is not utilized fully for the purchase or construction of new land and building within stipulated, then amount not so utilized shall be treated as **STCG** or **LTCG** depending up on the **ORIGINAL CAPITAL GAIN** of the previous year in which the period of 2 years from the date of transfer of original assets expires.

LTCG arising on transfer of any LTCA and is reinvested in certain Specified Bonds (Exemption u/s 54EC)

Name of the assessee :
Status :
PY :
AY :
Computation of LTCG :

Sale consideration of RHP		XXXX	
Less: i) expenses on transfer	XXX		
ii) ICOA	XXX		
iii) ICOI	XXX	XXXX	
LTCG before exemption u/s 54		XXXX	
Less : Exemption u/s 54 :			
A)LTCG before exemption u/s 54	XXX		
Or			
B)a) amount invested new RHP XXX			
b) amount deposited in capital gains deposit			
account scheme xxx	XXX		
A or **B** whichever is less is exempt		XXXX	
Taxable LTCG			**XXX**
Sale consideration of AL		XXXX	
Less: i) expenses on transfer	XXX		
ii) ICOA	XXX		
iii) ICOI	XXX	XXXX	
LTCG before exemption u/s 54B		XXXX	
Less : Exemption u/s 54B :			
A)LTCG before exemption u/s 54B	XXX		
Or			
B) 1) amount invested new AL XXX			
2) amount deposited in capital gains deposit			
account scheme XXX	XXX		
A or **B** whichever is less is exempt		XXXX	
Taxable LTCG			**XXX**
Sale proceeds of Bonus shares		XXX	
Less :1) Expenses on transfer	XXX		
2] ICOA	NA	XXX	
Taxable LTCG			**XXX**
Sale proceeds of Gold		XXX	
Less : 1) Expenses on transfer	XXX		
2] ICOA	XXX		
3] ICOI	XXX	XXX	

Taxable LTCG			**XXX**
Sale proceeds of Silver		XXX	
Less : 1) Expenses on transfer	XXX		
2] ICOA	XXX		
3] ICOI	XXX	XXX	
Taxable LTCG			**XXX**
Sale proceeds of Diamond		XXX	
Less : 1) Expenses on transfer	XXX		
2] IC1OA	XXX		
3] ICOI	XXX	XXX	
Taxable LTCG			**XXX**
TOTAL LTCG BEFORE EXEMPTION U/S 54EC			**XXXX**
Less : Exemption u/s 54EC			
A] Total LTCG before exemption u/s 54EC		XXX	
Or			
B] Amount invested in specified assets ;			
i] bonds of NHAI	XXX		
ii] bonds of REC Ltd.	XXX	XXX	
Or **C]** Maximum limit		**50 lakh**	
A, B or **C** whichever is less is exempt u/s 54EC			XXXX
TOTAL TAXABLE LTCG			**XXXX**

Consequences if the new asset is transferred within three years :

The amount of exemption given earlier u/s 54EC will be deemed to be the income by way of **LTCG** of the previous year in which specified assets are transferred or converted into money or any loan/advance is taken on the security of specified assets.

LTCG arising on transfer of any LTCA other than a RHP & is reinvested in RHP.(Exemption u/s 54F)

Name of the assessee :
Status :
PY :
AY :
Computation of LTCG :

Sale consideration of other than RHP		XXXX
Less: expenses on transfer		xxx
Net sale consideration		**xxxx**

Less i) ICOA	XXX	
ii)ICOI	XXX	XXXX
LTCG before exemption u/s 54F		XXXX
Less :Exemption u/s 54F		
$\frac{\text{LTCG before exemption/s 54F}}{\text{Net sale consideration}} \times$ Cost of new house & Amount deposited		XXX
Taxable LTCG		XXXX

NOTE: the tax payer has to submit his return of income on or before the due date of submission of return of income (i e, generally July 31 or September 30 of the **AY)**

What happens if the amount deposited in capital gains deposit account scheme is not fully utilised ?

If the amount deposited is not utilized fully for the purchase or construction of new **RHP** within stipulated, then amount not so utilized shall be treated as **LTCG** of the previous year in which the period of 3 years from the date of transfer of original assets expires

Unutilized amount in the deposit account in respect of which exemption was claimed under section 54F but which is not utilized within the specified time limit for purchasing/constructing a residential house. X $\frac{\text{Amount of original capital gain}}{\text{Net sale consideration}}$

LTCG or STCG arising on the transfer of assets (being Plant, Machinery, Land or Building or any right in land or building) in case of shifting of industrial undertakings from urban area and is reinvested in purchase of new machinery or plant or building or land for the purpose of industrial undertaking. (Exemption u/s 54G)

W.NOTE **SITUATION ONE** : **Computation of COA when WDV is zero Section 50(1)**

WDV at the beginning of the PY	XXX
Add : cost of asset falling in the block acquired during the PY	XXX
Add : Expenses on transfer	XXX
COA	XXX

SITUATION TWO : Computation of COA when block is empty (Section 50(2))

WDV at the beginning of the PY	XXX
Add : cost of asset falling in the block acquired during the PY	XXX
COA	XXX

SITUATION THREE : Computation of COA in the case of depreciable asset in a power unit as per **Section 50A**

Step-1 computation of WDV at the beginning of the PY.

Actual cost	XXX
Less : depreciation up to the beginning of the PY	XXX
WDV at the beginning of the PY	XXX

STEP-2: **Computation of surplus or terminal depreciation (i.e deficit)**

S.No.	Particualrs	Rs.
A	Sale proceeds	XXXX
B	Add : Scrap value (if any)	XXXX
C		XXXX
D	Less : WDV at the beginning of the PY	XXXX
E	Surplus or (Terminal Depreciation)	XXXX

Note 1) ***Balancing charge :*** surplus [i.e. (sale proceeds add scrap value) *minus* WDV at the beginning of the PY] which is equal to the amount of depreciation already claimed is known as balancing charge.

STEP-3; Computation of Balancing Charge :

S.No.	Particualrs	Rs.
A	Surplus (as above)	XXXX
	Or	
B	Depreciation already claimed	XXXX
C	Whichever is less = **Balancing charge**	XXXX

2] Terminal depreciation : if the WDV at the beginning of the PY is more than the sale proceeds *plus* scrap value (if any) is known as terminal depreciation.

STEP-4 ; Computation of COA as per Section 50A

WDV at the beginning of the PY	XXX
Add : balancing charge	XXX
Less; terminal depreciation	XXX
COA	XXX

STEP-5 :

Name of the asseesee:

Status:

PY:

AY

Computation of STCG

Sale proceeds of **Plant, Machinery, Land &Building or Building**		XXX
Less : COA as per Section 50		XXX
STCG before exemption u/s 54G		XXX
Less : Exemption u/s 54D ;		
A) STCG before exemption u/s 54G	XXX	
Or		
B) i) amount invested in new Plant, Machinery, Land &Building or Building xxx		
ii) amount deposited in capital gains deposit		
account scheme XXX	XXX	
A or **B** whichever is less is exempt		XXX
Taxable STCG or (STCL)		XXX

NOTE: the tax payer has to submit his return of income on or before the due date of submission of return of income (i e, generally July 31 or September 30 of the **AY)**

Name of the assessee :
Status :
PY :
AY :

Computation of STCG

Sale consideration **land** (if it is STCA)		XXXX
Less: i) expenses on transfer	XXX	
ii) COA	XXX	
iii) COI	XXX	XXXX
STCG before exemption u/s 54G		XXXX
Less : Exemption u/s 54G:		
A)STCG before exemption u/s 54G	XXX	
Or		
B) a) amount invested new **Plant, Machinery, Land or Building** XXX		
b) amount deposited in capital gains deposit		
account scheme XXX	XXX	
A or **B** whichever is less is exempt		XXXX
Taxable STCG or STCL		XXXX

Name of the assessee :
Status :
PY :

AY :

Computation of LTCG :

Sale consideration of **Land(if it is LTCA)**		XXXX
Less: i) expenses on transfer	XXX	
ii) ICOA	XXX	
iii) ICOI	XXX	XXXX
LTCG before exemption u/s 54G		XXXX
Less : Exemption u/s 54 G:		
C) LTCG before exemption u/s 54G	XXX	
Or		
D) a) amount invested new **plant, Machinery, land and building or Building** xxx		
b) amount deposited in capital gains deposit		
account scheme XXX	XXX	
A or **B** whichever is less is exempt		XXXX
Taxable LTCG or LTCL		XXXX

Note : As tax incidence is higher in the case of STCG, the exemption is first utilized against STCG. Then against LTCG.

Consequences if the new plant, Machinery, land and building is transferred within the three years.

Sale proceeds of new **plant, Machinery, land and building or Building**		XXX
Less : COA :		
Original COA of the new land and building	XXX	
Less : Exemption given earlier u/s 54G	XXX	XXX
Taxable STCG (or STCL)		XXX

What happens if the amount deposited in capital gains deposit account scheme is not fully utilized ?

If the amount deposited is not utilized fully for the purchase or construction of new land and building within stipulated, then amount not so utilized shall be treated as **STCG** or **LTCG** depending upon the **ORIGINAL CAPITAL GAIN** of the previous year in which the period of 2 years from the date of transfer of original assets expires.