Business Trust.

~~SPV~~ Unit holders ⟶ BT ⟶ SPV.

Int → (T)   Int → (E)

Exempt income to BT (IRDA)

→ Interest from SPV only [10(23FC)](a)
(Int from other source – Taxable)

→ Rental income [10(23FCA)]

→ Dividend from SPV [10(23FC)](b)

Taxability of ~~Exempt~~ income to unit holders

			Tax rates	TDS
→ Taxable	R		R/F	10%
	N/R		5%	5%
→ Taxable	R		Normal TR	10
	N/R		Normal TR	R/F
→ Exempt				

Exempt section → 10(23FD)
to SH/unit holders

TDS section → 194 LBA

other income taxable @

MMR → 35.535%.

Investment fund

Unit holder $\xrightarrow{\text{investment}}$ IF

$\xleftarrow{\text{income}}$

PGBP → Exempt (10 (23FBB))

other income → Taxable

Taxable*

Exempt.

10 (23FBA)

TDS (194LBB)

- Resident
  - 10%
- others
  - R/F

Exempt sections

- IF
  - 10 (23FBA)
- Unit holder
  - 10 (23FBB)

Tax rates for IF

- CO
  - 30%
- others
  - MMR

Securitisation Trust

Investor → Securitisation Trust

- Investor ↓ All income taxable
- Securitisation Trust ↓ Exempt u/s 10(23DA)

TDS LBC

Resident Ind/HUF	Other Resident	N/R & FCO
25%	30%	RIF