YOUR QUERIES: INCOME TAX

If total tax liability above ₹10k, pay tax on STCG in advance

NEERAJ AGARWALA

●I have gained around ₹2 lakh after selling shares with a holding period of six months. Do I have to pay the capital gains now or can I pay at the time of filing returns?

—Manoj Sharma

Since your holding period is six months, the capital gains will be classified as short-term capital gains (STCG). STCG on equity shares is taxed at 15% for any transfer before July 23, 2024 and 20% for any transfer thereafter. While you can report and pay the capital gains tax when you file your returns by July next year, if your total tax liability for the year exceeds ₹10,000 (after considering TDS and TCS), you have to pay advance tax in applicable instalments. Failing to do so may attract interest under Sections 234B and 234C at the time of filing your income tax return.

●My wife and I jointly own a flat and have put it on rent. The amount is credited to our joint account. How do we calculate the tax on the rental income? Also, will that be possible in the new tax regime?

—Shiv Kumar Joshi

If you and your wife own the flat equally, the rental income will be split in the same proportion. If the ownership ratio is different, the income will be divided according to that ratio. Each person's share of the rental income will be added to their respective total income under the head "Income from House Property" in their tax return. You can claim a standard deduction of 30% on the rental income, and you can also deduct any interest paid on a home loan (if applicable) related to the property. This deduction will be eligible under both the old tax and new tax regime.

●I got an electronic gadget from my company and the value is reflected in my AIS. Can I ignore it as a gift and not pay any tax?

—Name withheld

If the value of the electronic gadget you received from the company is reflected in your Annual Information Statement (AIS), it is likely that this item has been categorised as a taxable perquisite rather than a gift. Gifts from non-relatives, such as companies, are generally taxable if their value exceeds ₹50,000 in a financial year. In this case, the gadget's value will be considered part of your income under "Income from Business or Profession" or "Income from Other Sources", based on your relation with the company and taxed accordingly.

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