

A wealth opportunity for NRIs with Mutual Funds.



Under the provisions of Foreign Exchange Management Act (FEMA), Non Resident Indians (NRIs) can also make investments in Indian Mutual Funds. Such investments can be made on repatriatable or non-repatriatable basis from NRO or NRE accounts respectively. The only requirement to start investing is KYC compliance.

Here's how NRI mutual fund investments are taxed...

Category of Units	Tax rates under the Act	TDS Rates under the Act
Short Term Capital Gain*		
Listed Units of Non-Equity Oriented Scheme	Taxable at normal rates of taxes applicable to the assessee	30% + applicable surcharge + Health and Education cess
Listed Units of Equity Oriented Scheme	15% on redemption of units where STT is payable on redemption	15% + applicable surcharge + Health and Education cess
Long Term Capital Gains*		
Listed Units of a Non-Equity Oriented Scheme	20% with indexation	20% + applicable surcharge + Health and Education cess
Unlisted Units of Non-Equity Oriented Scheme	10% with no indexation	10% + applicable surcharge + Health and Education cess
Listed Units of an Equity Oriented Scheme	Capital Gains exempt up to Rs 1 lakh in case of redemption of units and where STT is payable. Tax @ 10% (without indexation) will be charged on capital gains exceeding Rs. 1 lakh	10% + applicable surcharge + Health and education cess in case of capital gains exceeding Rs. 1 lakh
Dividend*		
	Taxable at normal rates of taxes, as applicable to the assessee.	20% + applicable surcharge + Health and Education cess

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Capital gains tax and Dividend tax on Mutual Funds in India for FY 2021-22. *Subject to relief, if any available under applicable tax treaty.

Investors should consult their financial advisers/tax consultant if in doubt about whether the product is suitable for them.

Investors should deal only with Registered Mutual Funds, to be verified on SEBI website under "Intermediaries / Market Infrastructure Institutions". Refer www.ltfs.com for details on completing one-time KYC (Know Your Customer) process, change of details like address, phone number etc. and change of bank details etc. For complaints redressal, either visit <https://www.ltfs.com> or SEBI's website www.scores.gov.in

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

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