



SMART TAX CHART

**Legal Services Department
Business & Sector Development Services Division
Small and Medium Enterprises Development Authority (SMEDA)**

SMART TAX CHART
Changes introduced vide Finance Bill 2022

**TAX RATES IMPOSED ON INCOME OF EVERY
INDIVIDUAL (NON-SALARIED) AND
ASSOCIATION OF PERSONS**

S/No.	Table Income	Rate of Tax
1	Where taxable income does not exceed Rs. 600,000	0%
2	Where taxable income exceeds Rs. 600,000 but does not exceed Rs. 800,000	5% of the amount exceeding Rs. 600,000
3	Where taxable income exceeds Rs. 800,000 but does not exceed Rs. 1,200,000	Rs. 10,000 plus 12.5% of the amount exceeding Rs. 800,000
4	Where taxable income exceeds Rs. 1,200,000 but does not exceed Rs. 2,400,000	Rs. 60,000 plus 17.5% of the amount exceeding Rs. 1,200,000
5	Where taxable income exceeds Rs. 2,400,000 but does not exceed Rs. 3,000,000	Rs. 270,000 plus 22.5% of the amount exceeding Rs. 2,400,000
6	Where taxable income exceeds Rs. 3,000,000 but does not exceed Rs. 4,000,000	Rs. 405,000 plus 27.5% of the amount exceeding Rs. 3,000,000
7	Where taxable income exceeds Rs. 4,000,000 but does not exceed Rs. 6,000,000	Rs. 680,000 plus 32.5% of the amount exceeding Rs. 4,000,000
8	Where taxable income exceeds Rs. 6,000,000	Rs. 1,330,000 plus 35% of the amount exceeding Rs. 6,000,000

**TAX RATES WHERE THE INCOME OF AN
INDIVIDUAL CHARGEABLE UNDR THE HEAD
"SALARY" EXCEEDS SEVENTY-FIVE PER CENT OF
HIS TAXABLE INCOME**

S/No.	Table Income	Rate of Tax
1	Where taxable income does not exceed Rs. 600,000	0%
2	Where taxable income exceeds Rs. 600,000 but does not exceed Rs. 1,200,000	Rs. 100
3	Where taxable income exceeds Rs. 1,200,000 but does not exceed Rs. 2,400,000	7% of the amount exceeding Rs. 1,200,000
4	Where taxable income exceeds Rs. 2,400,000 but does not exceed Rs. 3,600,000	Rs. 84,000 plus 12.5% of the amount exceeding Rs. 2,400,000
5	Where taxable income exceeds Rs. 3,600,000 but does not exceed Rs. 6,000,000	Rs. 234,000 plus 17.5% of the amount exceeding Rs. 3,600,000

6	Where taxable income exceeds Rs. 6,000,000 but does not exceed Rs. 12,000,000	Rs. 654,000 plus 22.5% of the amount exceeding Rs. 6,000,000
7	Where taxable income exceeds Rs. 12,000,000	Rs. 2,004,000 plus 32.5% of the amount exceeding Rs.12,000,000

TAX RATES FOR COMPANIES

S/No.	TYPE OF COMPANY	Rate of Tax
1	Small Company	20%
2	Banking Company	42%
3	Other Companies	29%

TAX ON HIGH EARNING PERSONS FOR POVERTY ALLEVIATION

S/No.	INCOME	TAX RATE
1	Where income does not exceed Rs. 300 million	0% of the income
2	Where income exceeds Rs. 300 million	2% of the income

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