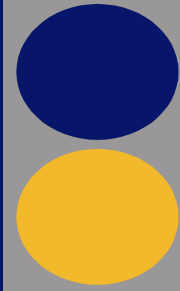


## New Capital Gains Tax Rules for Property : Key Amendments in the Finance Bill You Need to Know



Removal of indexation benefit for long-term capital gains (LTCG) on all assets, except for properties purchased before July 23, 2024.

	Before Budget 2024	After Budget 2024
Indexation benefit	Available	Removed for all assets, except for properties acquired before July 23, 2024
Tax rate	20%	12.50%

1. In case of transfer of land or building **acquired before July 23, 2024**, taxpayers have the option to pay tax at either a rate of 12.5% without indexation benefits or 20% with indexation benefits.
2. On Land or building **purchased on or after 23rd July, 2024**, the tax rate will be 12.5% without indexation benefit, applicable to assets qualified as long term.

This relief is exclusively available to individuals and Hindu Undivided Families (HUFs) with resident status under the Income-tax Act.

### **NRI cannot claim the benefit of indexation on sale of property**

Consequently, non-resident individuals (NRIs) are not eligible for this benefit on properties acquired before July 23, 2024. Additionally, ancestral properties inherited by NRIs will also be subject to taxation without the indexation benefit upon sale.

### **Relief on Long-Term Assets: Does not Cover Gold, Jewelry, Unlisted Shares etc.**

This relief is provided only for calculating tax payable on LTCG from sale of house, land or building and that too, if they were acquired before July 23, 2024 and not on other capital assets.

The new provisions for taxation of capital gains came into force on July 23, 2024 and apply to any transfer made on or after that date.