

TAX CHIT-CHAT : 2

UNION BUDGET 2023

Budget a boon to family trusts

- AOP are now covered under New Tax Regime.
- Presently, private discretionary trust are generally taxed at maximum marginal rate u/s 164 of IT Act.
- Thus, private trusts shall enjoy tax exemption limits and slab rates under new tax regime.
- Does that mean that new family trusts will again start incorporating ?

(Note : Tax Chit-Chat is meant for general awareness. Readers are requested to take specific professional advise before acting on it)