

PF Taxability

When PF is **exempt** vs **taxable** — the full map in one frame.

PF EXEMPTION AVAILABLE UNDER

Sec 10(11)

Covers **SPF** — Govt employees • **PPF** — Self-employed

Sec 10(12)

Covers **RPF** — Private-sector employee

01 / 03

Investment

EMPLOYEE CONTRIBUTION

Application of your own funds

No income

Deduction u/s **80C** (old regime)

EMPLOYER CONTRIBUTION

Up to **₹7.5L** / year

Exempt

Above **₹7.5L** / year

Taxable

perquisite in Salary

02 / 03

Interest

ON EMPLOYEE CONTRIBUTION

₹2.5L — if employer also contributes

₹5L — if no employer contribution

INTEREST ABOVE —

Taxable

Income from
Other Sources

ON EMPLOYER CONTRIBUTION

Interest on taxable component — computed under **Rule 3B**

Taxable

perquisite in Salary



ANNUAL REPORTING RULE

Taxpayer must compute interest **every year**. Within limit → report under **Sec 10(11) / 10(12)**; the excess (taxable PF) → report as **Income from Other Sources**.

03 / 03

Withdrawal

AFTER

5 years

continuous service

Exempt

AT

Retirement

superannuation

Exempt

TERMINATION DUE TO

**Ill-health • employer
shut-down • beyond control**

Exempt

ANY OTHER CASE

**Withdrawal without
above conditions**

Taxable

Share Market Taxation

01

Listed Equity / Equity MF

LTCG **12.5%** after ₹1.25L exemption · STCG **20%**

DIVIDEND Other Sources @ slab rate

02

Unlisted Equity

LTCG **12.5%** · STCG **Slab rate**

DIVIDEND Other Sources @ slab rate

03 · GOLD & SILVER ETF

LTCG **12.5%** · STCG @ slab rate

04

Bonds @ Debentures

CAPITAL GAIN

Zero Coupon Bond — LTCG **12.5%** · STCG slab

Tax-Free Bond — Exempt if originally subscribed; secondary → LTCG **12.5%** · STCG slab

RBI SGB (amended FA 2026) — Exempt if via RBI; secondary → LTCG **12.5%** · STCG slab

Other bonds / debentures — LTCG **12.5%** · STCG slab

INTEREST

Tax-free bonds & ZCBs → No tax. All others → Other Sources @ slab rate

05 · MUTUAL FUND

Equity-oriented → treated as **equity share** · Debt-oriented → treated as **debt**

06

Intraday

SPECULATIVE BUSINESS

@ slab. Loss → only against speculative income. C/F **4 yrs.**

07

F&O

NORMAL BUSINESS

@ slab. Loss → any income except salary. C/F **8 yrs.**



NOTES · INTRADAY & F&O

Turnover = absolute of +ve and -ve diff · Check tax-audit limit · Maintain books of account to claim loss · All biz expenses incl. STT & AMC allowed

08

ESOP / RSU

Grant — No tax

Vest — Perquisite (Salary)

Sale — Capital gain

09

US Stocks

LTCG **12.5%** · STCG slab

Dividend — Other Sources @ slab



COMPLIANCE · RSU & US STOCKS

RSU holders & US-stock investors must file **Schedule FA & Schedule FSI** in ITR