

India	
When will I be taxed in relation to my plan benefits?	<p>Award: No income tax. No social security.</p> <p>Vesting: Income tax. No social security.</p> <p>Transfer to participant: No income tax. No social security.</p> <p>Sale by participant: Capital gains tax on increase in value since vesting. No social security.</p>
What is the maximum rate of income tax payable in relation to my plan benefits?	42.74%/39% (new regime) (2024/25) including maximum surcharge and Health and Education Cess. Any change in tax rates usually takes effect from 1 April.
Income tax rates	<p>Income tax payable at progressive rates up to 30%, adjusted up to 39% under the new tax regime, or up to 42.74% under the old tax regime. Following changes introduced in April 2023, the new tax regime (with no deductions/exemptions) is now the default regime, although taxpayers can elect to be taxed under the old tax regime. The maximum general effective tax rate (ETR) including the maximum surcharge and the Health and Education Cess is either:</p> <ul style="list-style-type: none"> • new tax regime: 39% (maximum surcharge capped at 25%); or • old tax regime: 42.74% (maximum surcharge of 37%). <p>Surcharge: in addition to income tax, taxpayers must contribute a surcharge on the income tax, which is calculated as follows:</p> <ul style="list-style-type: none"> • exceeding INR5million up to INR10million: 10% • exceeding INR10million up to INR20million: 15% • exceeding INR20million up to INR50million: 25% • exceeding INR50million: 37% (old tax regime) or 25% (new tax regime). <p>Health and Education Cess of 4% of the total income tax, plus surcharge, is also payable.</p>
Will my employer withhold income tax in relation to my plan benefits?	Yes
Are my plan benefits subject to social security contributions?	No
Employee social security	<p>Employee social security (max rate): 12%</p> <p>Employee social security (cap): no cap.</p> <p>Note: social security is only paid on salary/wages and is not payable on incentive plan income.</p>

<p>What is the maximum rate of capital gains tax?</p>	<p>Foreign listed shares:</p> <ul style="list-style-type: none"> • Long-term capital gains (shares held for more than 24 months): 12.5%. • Short-term capital gains (shares held for 24 months or less) are treated as ordinary income and taxed at progressive rates of up to 30%. <p>Note:</p> <ul style="list-style-type: none"> • long-term capital gains are subject to a maximum 15% additional surcharge and short-term capital gains are subject to a maximum 25%/37% additional surcharge under new tax regime/old tax regime respectively; • additionally, capital gains are subject to a combined 4% health and education surcharge, which is levied on the tax on capital gains as increased by the surcharge; • a credit may be available for an Indian resident individual under the Income Tax Act 1961 for any taxes paid in a foreign jurisdiction on the sale of foreign listed shares, or for any tax withheld by the buyer in a foreign jurisdiction; and • different time frames and rates apply to shares in unlisted Indian companies and shares listed on an Indian stock exchange.
<p>What is the maximum tax rate payable on dividends?</p>	<p>Up to 35.88%</p> <p>Dividends payment from foreign as well as Indian companies are included in an individual's total income and are charged at the income tax rate applicable to that individual.</p> <p>The enhanced surcharge rates of 25% and 37% are not levied on dividend income. As a result, the maximum rate of surcharge on tax payable on such income will be 15%.</p> <p>In respect of dividends received from a foreign company, such dividends may be subject to tax withholding in a foreign jurisdiction. Such tax withheld may be creditable against any tax liability of an Indian resident individual in accordance with the provisions of the Income Tax Act.</p>
<p>Do I have to report any income in relation to the plan to my local tax authority?</p>	<p>The employee must file an annual tax return. Equity related incentive income is included in the Statement of Perquisites (Form 12BA). The filing is not specific to equity related incentives.</p> <p>The employee must report all worldwide income and foreign assets to the relevant tax authority.</p> <p>Participants should receive a Tax Collected at Source (TCS) certificate from the Authorised Dealer Bank for TCS paid on outward remittances under the Liberalised Remittance Scheme (LRS).</p> <p>Report name: Income Tax Return. The specific tax return will depend on the employee's income. The employee should use the Tax Deducted at Source (TDS) certificate (Form 16) and Form 12BA (statement showing particulars of perquisites, other fringe benefits or amenities and profits in lieu of salary) provided by the employer to complete their annual tax return. Foreign assets and income are reported on Schedule FSI of Form ITR-2.</p> <p>For most individuals, digital filing of income tax returns is mandatory. To file online, individuals must register on the e-filing website of the Income Tax Department and, once registered, the filing process is also through the e-filing website here.</p> <p>Tax period: 1 April to 31 March.</p> <p>Reporting deadline: the employer must deliver Form 16 and Form 12BA to employees by 15 June following the end of the tax year, and individual tax returns must be filed by 31 July.</p> <p>Payment of tax: any unpaid tax must be paid on or before the due date for filing the income tax return.</p>

Tax - Employee Notes - Free shares / RSUs



This summary assumes that you only pay tax in one place. Different rules may apply if you pay tax in different places.

This summary is only a guide. It is limited to a general description of national tax laws and does not address various issues which may impact the tax result, including: local, city, regional, state or other provincial taxes; retention and holding periods; restrictions on the shares; clawback terms and periods; and your own individual circumstances. We do not guarantee any particular tax result. Therefore, we recommend that you consult your own tax advisor regularly to determine your tax position.

The information provided is understood to be correct as of 14 February 2025. Changes in legislation or practice after this date may affect the tax treatment.

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