

Cooperative societies get tax, surcharge relief

Alternate Minimum Tax slashed to 15%

SPECIAL CORRESPONDENT
MUMBAI

The Centre, in the Union Budget 2022-23, has slashed the alternate minimum tax rate and surcharge for cooperative societies to provide them a level-playing field with companies.

Currently, cooperative societies are required to pay Alternate Minimum Tax at the rate of 18.5%. However, companies pay the same at the rate of 15%.

"To provide a level-playing field between co-operative societies and companies, I propose to reduce this rate for the cooperative societies also to 15%," Finance Minister Nirmala Sitharaman said, announcing



The Finance Minister also proposed to reduce surcharge on cooperative societies from 12% to 7%

her Budget proposal on Tuesday.

Ms. Sitharaman also proposed to reduce the surcharge on cooperative societies from the present 12% to 7% for those having a total income of more than ₹1 crore and up to ₹10 crore.

"This would help in enhancing the income of cooperative societies and its members who are mostly from the rural and farming communities," the Finance Minister said.