

New Income Tax Bill 2025

Top 10 Salient Features



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New Income Tax Bill 2025: Salient Features

- 1. Simpler and Concise Income Tax Law** – Bill has been placed before parliament select Committee/ Will go for public comments/ Rules and Forms (ITR/ Tax Audit/PAN-TAN Application/ etc) will be released/ Bill will be enacted and implemented from 1.4.26
- 2. TDS/ TCS** - All in 11 Sections/ Lower TDS deduction Certificate for All provisions/ Provision only for “lower” TDS Deduction applicable provisions as against
- 3. New Tax Year** – May Mean that FY 25-26 would be AY 26-27 as per IT Act 1961 and TY 25-26 for IT Act 2026
- 4. Depreciation** is now a “Deduction” u/c 33 rather than allowance u/s 32. It may have implications u/s 14A of IT Act 1961 for calculating disallowability
- 5. All explanations and provisios have been removed**
- 6. Non Profit Organisations** – All provisions have been consolidated in clauses 334 to 355. Further value of ineligible investments may be taxed
- 7. Non-Residents** – Provisions for determining residency remain the same. However, for determining ALP in cases where there are multiple comparable have been tweaked a little.
- 8. All amendments as per Finance Bill 2025 have been incorporated**, except possibly a drafting error where sunset date for tax neutral relocation certain funds was extended from 31st Mar 25 to 31st Mar 30, has not been incorporated
- 9. Old regime Vs New Regime** – For personal tax both remain; Sec 115BAB for manufacturing companies for which sunset date was 31.3.24 have not been extended. However, those who have already opted will continue to get the benefit.
- 10. All refunds sanctioned in old regime and all other rights of taxpayers will be saved.**

THANK YOU



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