

INCOME TAX ACT

BUDGET ANALYSIS 2020-21

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
2 (13A)	1 st April 2021	Definition of "business trust"	"business trust" means a trust registered as,— (i) an Infrastructure Investment Trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 made under the Securities and Exchange Board of India Act, 1992 (15 of 1992); or (ii) a Real Estate Investment Trust under the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 made under the Securities and Exchange Board of India Act, 1992 (15 of 1992), and	"business trust" means a trust registered as,— (i) an Infrastructure Investment Trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 made under the Securities and Exchange Board of India Act, 1992 (15 of 1992); or (ii) a Real Estate Investment Trust under the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 made under the Securities and Exchange Board of India Act, 1992 (15 of 1992),	Earlier the units of business trust were required to be listed on recognized stock exchange. The requirement of same is removed now for the purpose of definition of Business trust. Scope of definition of <i>business trust</i> has been enhanced so as to include unlisted business trusts' units also.

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			the units of which are required to be listed on recognized stock exchange in accordance with the aforesaid regulations;		
2(42A)	1 st April, 2020	Definition of Capital Asset	New clause	(hh) In the case of a capital asset, being a unit or units in a segregated portfolio referred to in sub-section (2AG) of section 49, there shall be included the period for which the original unit or units in the main portfolio were held by the assessee	In Case unit or units in segregated portfolio it should include the period for which original unit and units were there in the main portfolio.
6(1) 6(6)	1 st April 2021	Changes in Residential status of person	For the purposes of this Act,— (1) An individual is said to be resident in India in any previous year, if he— (a) is in India in that year for a period or periods amounting in all to one hundred and eighty-two days or more ; or (b) [***]	For the purposes of this Act,— (1) An individual is said to be resident in India in any previous year, if he— (a) is in India in that year for a period or periods amounting in all to one hundred and eighty-two days or more ; or (b) [***] (c) having within the four years preceding that year been in India for a period or periods amounting	Any individual will be resident if he was in India for 365 days and more in the previous 4 years or more than 120 days in that year instead of 182 days as per previous provision. This is applicable to citizen of India, or a person of Indian origin. Further following person will be ordinarily non resident:- 1. an individual who has been a non-resident in India in seven out of the ten previous years preceding that year;

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			<p>(c) having within the four years preceding that year been in India for a period or periods amounting in all to three hundred and sixty-five days or more, is in India for a period or periods amounting in all to sixty days or more in that year.</p> <p>Explanation. 1—In the case of an individual,—</p> <p>(a) being a citizen of India, who leaves India in any previous year as a member of the crew of an Indian ship as defined in clause (18) of section 3 of the Merchant Shipping Act, 1958 (44 of 1958), or for the purposes of employment outside India, the provisions of sub-clause (c) shall</p>	<p>in all to three hundred and sixty-five days or more, is in India for a period or periods amounting in all to sixty days or more in that year.</p> <p>Explanation. 1—In the case of an individual,—</p> <p>(a) being a citizen of India, who leaves India in any previous year as a member of the crew of an Indian ship as defined in clause (18) of section 3 of the Merchant Shipping Act, 1958 (44 of 1958), or for the purposes of employment outside India, the provisions of sub-clause (c) shall apply in relation to that year as if for the words "sixty days", occurring therein, the words "one hundred and eighty-two days" had been substituted ;</p> <p>(b) being a citizen of India, or a person of Indian origin within the meaning of Explanation to clause (e) of section 115C, who, being outside India, comes on a visit to India in any previous year, the provisions of sub-clause (c) shall</p>	<p>2. (b) a Hindu undivided family whose manager has been a non-resident in India in seven out of the ten previous years preceding that year.'. </p> <p>Earlier provision required period of 9 years.</p>

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			<p>apply in relation to that year as if for the words "sixty days", occurring therein, the words "one hundred and eighty-two days" had been substituted ;</p> <p>(b) being a citizen of India, or a person of Indian origin within the meaning of Explanation to clause (e) of section 115C, who, being outside India, comes on a visit to India in any previous year, the provisions of sub-clause (c) shall apply in relation to that year as if for the words "sixty days", occurring therein, the words "one hundred and eighty-two days" had been substituted.</p> <p>Explanation 2.—For the purposes of this</p>	<p>apply in relation to that year as if for the words "sixty days", occurring therein, the words "one hundred and Twenty days" had been substituted.</p> <p>Explanation 2.—For the purposes of this clause, in the case of an individual, being a citizen of India and a member of the crew of a foreign bound ship leaving India, the period or periods of stay in India shall, in respect of such voyage, be determined in the manner and subject to such conditions as may be prescribed.</p> <p>“(1A) Notwithstanding anything contained in clause (1), an individual, being a citizen of India, shall be deemed to be resident in India in any previous year, if he is not liable to tax in any other country or territory by reason of his domicile or residence or any other criteria of similar nature.”;</p> <p>(6) A person is said to be “not ordinarily resident” in India in any</p>	

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			<p>clause, in the case of an individual, being a citizen of India and a member of the crew of a foreign bound ship leaving India, the period or periods of stay in India shall, in respect of such voyage, be determined in the manner and subject to such conditions as may be prescribed.</p> <p>(6) A person is said to be "not ordinarily resident" in India in any previous year if such person is—</p> <p>(a) an individual who has been a non-resident in India in nine out of the ten previous years preceding that year, or has during the seven previous years preceding that year</p>	<p>previous year, if such person is— (a) an individual who has been a non-resident in India in seven out of the ten previous years preceding that year; or (b) a Hindu undivided family whose manager has been a non-resident in India in seven out of the ten previous years preceding that year.'</p>	

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			<p>been in India for a period of, or periods amounting in all to, seven hundred and twenty-nine days or less; or</p> <p>(b) a Hindu undivided family whose manager has been a non-resident in India in nine out of the ten previous years preceding that year, or has during the seven previous years preceding that year been in India for a period of, or periods amounting in all to, seven hundred and twenty-nine days or less.</p>		
9(1)		Income deemed to accrue or arise in India	9. (1) The following incomes shall be deemed to accrue or arise in India :—	9. (1) The following incomes shall be deemed to accrue or arise in India :—	In order to arrive at Income deemed to accrue or arise in India, meaning of significant economic presence is added as explanation.

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			<p>(i) all income accruing or arising, whether directly or indirectly, through or from any business connection in India, or through or from any property in India, or through or from any asset or source of income in India, or through the transfer of a capital asset situate in India.</p> <p>Explanation 1.—For the purposes of this clause—</p> <p>(a) in the case of a business of which all the operations are not carried out in India, the income of the business deemed under this clause to accrue or arise in India shall be only such part of the income as is</p>	<p>(i) all income accruing or arising, whether directly or indirectly, through or from any business connection in India, or through or from any property in India, or through or from any asset or source of income in India, or through the transfer of a capital asset situate in India.</p> <p>Explanation 1.—For the purposes of this clause—</p> <p>(a) in the case of a business, other than the business having business connection in India on account of significant economic presence of which all the operations are not carried out in India, the income of the business deemed under this clause to accrue or arise in India shall be only such part of the income as is reasonably attributable to the operations carried out in India ;</p> <p>(b) in the case of a non-resident, no income shall be deemed to accrue or arise in India to him</p>	<p>The same is based on download of significant data and systematic and continuous soliciting of business activities or engaging in interaction with prescribed number of users in India. Further meaning of income attributable to the operations carried out in India has also been elaborated.</p>

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			<p>reasonably attributable to the operations carried out in India ;</p> <p>(b) in the case of a non-resident, no income shall be deemed to accrue or arise in India to him through or from operations which are confined to the purchase of goods in India for the purpose of export ;</p> <p>(c) in the case of a non-resident, being a person engaged in the business of running a news agency or of publishing newspapers, magazines or journals, no income shall be deemed to accrue or arise in India to him through or from</p>	<p>through or from operations which are confined to the purchase of goods in India for the purpose of export ;</p> <p>(c) in the case of a non-resident, being a person engaged in the business of running a news agency or of publishing newspapers, magazines or journals, no income shall be deemed to accrue or arise in India to him through or from activities which are confined to the collection of news and views in India for transmission out of India ;</p> <p>(d) in the case of a non-resident, being—</p> <p>(1) an individual who is not a citizen of India ; or</p> <p>(2) a firm which does not have any partner who is a citizen of India or who is resident in India ; or</p> <p>(3) a company which does not have any shareholder who is a citizen of India or who is resident in India,</p>	

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			<p>activities which are confined to the collection of news and views in India for transmission out of India ;</p> <p>(d) in the case of a non-resident, being—</p> <p>(1) an individual who is not a citizen of India ; or</p> <p>(2) a firm which does not have any partner who is a citizen of India or who is resident in India ; or</p> <p>(3) a company which does not have any shareholder who is a citizen of India or who is resident in India,</p> <p>no income shall be deemed to accrue or arise in India to such</p>	<p>no income shall be deemed to accrue or arise in India to such individual, firm or company through or from operations which are confined to the shooting of any cinematograph film in India;</p> <p>(e) in the case of a foreign company engaged in the business of mining of diamonds, no income shall be deemed to accrue or arise in India to it through or from the activities which are confined to the display of uncut and unsorted diamond in any special zone notified by the Central Government in the Official Gazette in this behalf.</p> <p>Explanation 2.—For the removal of doubts, it is hereby declared that "business connection" shall include any business activity carried out through a person who, acting on behalf of the non-resident,—</p> <p>6[(a) has and habitually exercises in India, an authority to conclude contracts on behalf of the non-</p>	

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			<p>individual, firm or company through or from operations which are confined to the shooting of any cinematograph film in India;</p> <p>(e) in the case of a foreign company engaged in the business of mining of diamonds, no income shall be deemed to accrue or arise in India to it through or from the activities which are confined to the display of uncut and unassorted diamond in any special zone notified by the Central Government in the Official Gazette in this behalf.</p> <p>Explanation 2.—For the removal of doubts, it is hereby declared</p>	<p>resident or habitually concludes contracts or habitually plays the principal role leading to conclusion of contracts by that non-resident and the contracts are—</p> <p>(i) in the name of the non-resident; or</p> <p>(ii) for the transfer of the ownership of, or for the granting of the right to use, property owned by that non-resident or that non-resident has the right to use; or</p> <p>(iii) for the provision of services by the non-resident; or]</p> <p>(b) has no such authority, but habitually maintains in India a stock of goods or merchandise from which he regularly delivers goods or merchandise on behalf of the non-resident; or</p> <p>(c) habitually secures orders in India, mainly or wholly for the non-resident or for that non-resident and other non-residents</p>	

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			<p>that "business connection" shall include any business activity carried out through a person who, acting on behalf of the non-resident,—</p> <p>6[(a) has and habitually exercises in India, an authority to conclude contracts on behalf of the non-resident or habitually concludes contracts or habitually plays the principal role leading to conclusion of contracts by that non-resident and the contracts are—</p> <p>(i) in the name of the non-resident; or</p> <p>(ii) for the transfer of the ownership of, or for the granting of the right to use, property owned by that non-</p>	<p>controlling, controlled by, or subject to the same common control, as that non-resident:</p> <p>Provided that such business connection shall not include any business activity carried out through a broker, general commission agent or any other agent having an independent status, if such broker, general commission agent or any other agent having an independent status is acting in the ordinary course of his business :</p> <p>Provided further that where such broker, general commission agent or any other agent works mainly or wholly on behalf of a non-resident (hereafter in this proviso referred to as the principal non-resident) or on behalf of such non-resident and other non-residents which are controlled by the principal non-resident or have a controlling interest in the principal non-resident or are subject to the same common control as the principal</p>	

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			<p>resident or that non-resident has the right to use; or</p> <p>(iii) for the provision of services by the non-resident; or]</p> <p>(b) has no such authority, but habitually maintains in India a stock of goods or merchandise from which he regularly delivers goods or merchandise on behalf of the non-resident; or</p> <p>(c) habitually secures orders in India, mainly or wholly for the non-resident or for that non-resident and other non-residents controlling, controlled by, or subject to the same common control, as that non-resident:</p>	<p>non-resident, he shall not be deemed to be a broker, general commission agent or an agent of an independent status.</p> <p>Explanation 2A.— For the removal of doubts, it is hereby declared that the significant economic presence of a non-resident in India shall constitute "business connection" in India and "significant economic presence" for this purpose, shall mean— (a) transaction in respect of any goods, services or property carried out by a non-resident with any person in India including provision of download of data or software in India, if the aggregate of payments arising from such transaction or transactions during the previous year exceeds such amount as may be prescribed; or 5 (b) systematic and continuous soliciting of business activities or engaging in interaction with such number of users in India, as may be prescribed: Provided that the transactions or activities shall</p>	

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			<p>Provided that such business connection shall not include any business activity carried out through a broker, general commission agent or any other agent having an independent status, if such broker, general commission agent or any other agent having an independent status is acting in the ordinary course of his business :</p> <p>Provided further that where such broker, general commission agent or any other agent works mainly or wholly on behalf of a non-resident (hereafter in this proviso referred to as the principal non-resident) or on behalf of such non-resident</p>	<p>constitute significant economic presence in India, whether or not— (i) the agreement for such transactions or activities is entered in India; or (ii) the non-resident has a residence or place of business in India; or 10 (iii) the non-resident renders services in India:</p> <p>Provided further that only so much of income as is attributable to the transactions or activities referred to in clause (a) or clause (b) shall be deemed to accrue or arise in India</p> <p>Explanation 3.—Where a business is carried on in India through a person referred to in clause (a) or clause (b) or clause (c) of Explanation 2, only so much of income as is attributable to the operations carried out in India shall be deemed to accrue or arise in India.</p> <p>Explanation 3A.—For the removal of doubts, it is hereby declared that the income attributable to the operations carried out in</p>	

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			<p>and other non-residents which are controlled by the principal non-resident or have a controlling interest in the principal non-resident or are subject to the same common control as the principal non-resident, he shall not be deemed to be a broker, general commission agent or an agent of an independent status.</p> <p>[Explanation 2A.—For the removal of doubts, it is hereby clarified that the significant economic presence of a non-resident in India shall constitute "business connection" in India and "significant economic presence" for this purpose, shall mean—</p>	<p>India, as referred to in Explanation 1, shall include income from— (i) such advertisement which targets a customer who resides in India or a customer who accesses the advertisement through internet protocol address located in India; (ii) sale of data collected from a person who resides in India or from a person who uses internet protocol address located in India; and (iii) sale of goods or services using data collected from a person who resides in India or from a person who uses internet protocol address located in India.”; (iv) after Explanation 3A as so inserted, the following proviso shall be inserted with effect from the 1st day of April, 2022, namely:—</p> <p>“Provided that the provisions contained in this Explanation shall also apply to the income attributable to the transactions or activities referred to in Explanation 2A</p>	

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			<p>(a) transaction in respect of any goods, services or property carried out by a non-resident in India including provision of download of data or software in India, if the aggregate of payments arising from such transaction or transactions during the previous year exceeds such amount as may be prescribed; or</p> <p>(b) systematic and continuous soliciting of business activities or engaging in interaction with such number of users as may be prescribed, in India through digital means:</p> <p>Provided that the transactions or activities shall</p>	<p>Explanation 4.—For the removal of doubts, it is hereby clarified that the expression "through" shall mean and include and shall be deemed to have always meant and included "by means of", "in consequence of" or "by reason of".</p>	

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			<p>constitute significant economic presence in India, whether or not,—</p> <p>(i) the agreement for such transactions or activities is entered in India; or</p> <p>(ii) the non-resident has a residence or place of business in India; or</p> <p>(iii) the non-resident renders services in India:</p> <p>Provided further that only so much of income as is attributable to the transactions or activities referred to in clause (a) or clause (b) shall be deemed to accrue or arise in India.]</p>		

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			<p>Explanation 3.—Where a business is carried on in India through a person referred to in clause (a) or clause (b) or clause (c) of Explanation 2, only so much of income as is attributable to the operations carried out in India shall be deemed to accrue or arise in India.</p> <p>Explanation 4.—For the removal of doubts, it is hereby clarified that the expression "through" shall mean and include and shall be deemed to have always meant and included "by means of", "in consequence of" or "by reason of".</p>		

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9A(3)(c) 9A(3)(j)		Certain activities not to constitute business connection in India.	Provided that if the fund has been established or incorporated in the previous year, the corpus of fund shall not be less than one hundred crore rupees 8[at the end of a period of six months from the last day of the month of its establishment or incorporation, or at the end of such previous year, whichever is later]:	<p>Provided that for the purposes of calculation of the said aggregate participation or investment in the fund, any contribution made by the eligible fund manager during the first three years of operation of the fund, not exceeding twenty-five crore rupees, shall not be taken into account</p> <p>(j) the monthly average of the corpus of the fund shall not be less than one hundred crore rupees:</p> <p>Provided that if the fund has been established or incorporated in the previous year, the corpus of fund shall not be less than one hundred crore rupees 8[at the end of a period of twelve months from the last day of the month of its establishment or incorporation]:</p>	<p>If the contribution made by the eligible fund manager during the first three years of operation of the fund and the fund is not exceeding twenty-five crore rupees then it shall not be taken into account for the calculation of aggregate participation of Investment in the fund.</p> <p>For corpus above 100 Crores the period is increased from 6 months to 12 months.</p>

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10(23C)	1 st June 2020	Incomes not included in total income	<p>Provided that the fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) shall make an application in the prescribed form and manner to the prescribed authority for the purpose of grant of the exemption, or continuance thereof, under sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) :</p> <p>Provided further that the prescribed authority, before approving any fund or</p>	<p>Provided that the exemption to the fund or trust or institution or university or other educational institution or hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) under the respective sub-clauses shall not be available to it unless such fund or trust or institution or university or other educational institution or hospital or other medical institution makes an application in the prescribed form and manner to the Principal Commissioner or Commissioner, for grant of approval,—</p> <p>(i) where such fund or trust or institution or university or other educational institution or hospital or other medical institution is approved under the second proviso [as it stood immediately before its amendment by the Finance Act, 2020], within three months from the date on which this clause has come into force; 15</p> <p>(ii) where such fund or trust or</p>	<p>Trust or institution or university or other educational institution or hospital or other medical institution can claim the benefit of exemption only of specified procedure is followed:-</p> <ol style="list-style-type: none"> 1. Application to be made to Principal Commissioner for approval. <p>Within the prescribed time.</p>

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			trust or institution or any university or other educational institution or any hospital or other medical institution, under sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via), may call for such documents (including audited annual accounts) or information from the fund or trust or institution or any university or other educational institution or any hospital or other medical institution, as the case may be, as it thinks necessary in order to satisfy itself about the genuineness of the activities of such fund or trust or institution or any university or other educational	institution or university or other educational institution or hospital or other medical institution is approved and the period of such approval is due to expire, at least six months prior to expiry of the said period; (iii) where such fund or trust or institution or university or other educational institution or hospital or other medical institution has been provisionally approved, at least six months prior to expiry of the period of the provisional approval or within six months of commencement of its activities, whichever is earlier; 25 (iv) in any other case, at least one month prior to the commencement of the previous year relevant to the assessment year from which the said approval is sought, 30 and the said fund or trust or institution or university or other educational institution or hospital or other medical institution is approved under the second proviso: Provided further that the Principal	

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			<p>institution or any hospital or other medical institution, as the case may be, 14[and the compliance of such requirements under any other law for the time being in force by such fund or trust or institution or any university or other educational institution or any hospital or other medical institution, as the case may be, as are material for the purpose of achieving its objects and the prescribed authority,] may also make such inquiries as it deems necessary in this behalf:</p> <p>Provided also that the fund or trust or institution or any university or other educational institution</p>	<p>Commissioner or Commissioner, on receipt of an application made under the first proviso, shall,— (i) where the application is made under clause (i) of the said proviso, pass an order in writing granting approval to it for a period of five years; 35 (ii) where the application is made under clause (ii) or clause (iii) of the said proviso,— (a) call for such documents or information from it or make such inquiries as he thinks necessary in order to satisfy himself about— 40 (A) the genuineness of activities of such fund or trust or institution or university or other educational institution or hospital or other medical institution; and (B) the compliance of such requirements of any other law for the time being in force by it as are material for the purpose of achieving its objects; and 45 (b) after satisfying himself about the objects and the genuineness of its activities under item (A), and compliance of the requirements under item (B), of</p>	

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			<p>or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via)—</p> <p>(a) applies its income, or accumulates it for application, wholly and exclusively to the objects for which it is established and in a case where more than fifteen per cent of its income is accumulated on or after the 1st day of April, 2002, the period of the accumulation of the amount exceeding fifteen per cent of its income shall in no case exceed five years; and</p> <p>(b) does not invest or deposit its funds, other than—</p>	<p>sub-clause (a),— (A) pass an order in writing granting approval to it for a period of five years; 50 (B) if he is not so satisfied, pass an order in writing rejecting such application and also cancelling its approval after affording it a reasonable opportunity of being heard; (iii) where the application is made under clause (iv) of the said proviso, pass an order in writing granting approval to it provisionally for a period of three years from the assessment year from which the registration is sought, 55</p> <p>11 and send a copy of such order to the fund or trust or institution or university or other educational institution or hospital or other medical institution:</p> <p>Provided also that the fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via)—</p>	

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			<p>(i) any assets held by the fund, trust or institution or any university or other educational institution or any hospital or other medical institution where such assets form part of the corpus of the fund, trust or institution or any university or other educational institution or any hospital or other medical institution as on the 1st day of June, 1973;</p> <p>(ia) any asset, being equity shares of a public company, held by any university or other educational institution or any hospital or other medical institution where such assets form part of the corpus</p>	<p>(a) applies its income, or accumulates it for application, wholly and exclusively to the objects for which it is established and in a case where more than fifteen per cent of its income is accumulated on or after the 1st day of April, 2002, the period of the accumulation of the amount exceeding fifteen per cent of its income shall in no case exceed five years; and</p> <p>(b) does not invest or deposit its funds, other than—</p> <p>(i) any assets held by the fund, trust or institution or any university or other educational institution or any hospital or other medical institution where such assets form part of the corpus of the fund, trust or institution or any university or other educational institution or any hospital or other medical institution as on the 1st day of June, 1973;</p>	

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			<p>of any university or other educational institution or any hospital or other medical institution as on the 1st day of June, 1998;</p> <p>(ii) any assets (being debentures issued by, or on behalf of, any company or corporation), acquired by the fund, trust or institution or any university or other educational institution or any hospital or other medical institution before the 1st day of March, 1983;</p> <p>(iii) any accretion to the shares, forming part of the corpus mentioned in sub-clause (i) and sub-clause (ia), by way of</p>	<p>(ia) any asset, being equity shares of a public company, held by any university or other educational institution or any hospital or other medical institution where such assets form part of the corpus of any university or other educational institution or any hospital or other medical institution as on the 1st day of June, 1998;</p> <p>(ii) any assets (being debentures issued by, or on behalf of, any company or corporation), acquired by the fund, trust or institution or any university or other educational institution or any hospital or other medical institution before the 1st day of March, 1983;</p> <p>(iii) any accretion to the shares, forming part of the corpus mentioned in sub-clause (i) and sub-clause (ia), by way of bonus shares allotted to the fund, trust or institution or any university or other educational institution or any hospital or other medical institution ;</p>	

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			<p>bonus shares allotted to the fund, trust or institution or any university or other educational institution or any hospital or other medical institution ;</p> <p>(iv) voluntary contributions received and maintained in the form of jewellery, furniture or any other article as the Board may, by notification in the Official Gazette, specify,</p> <p>for any period during the previous year otherwise than in any one or more of the forms or modes specified in sub-section (5) of section 11:</p> <p>Provided also that any notification issued by</p>	<p>(iv) voluntary contributions received and maintained in the form of jewellery, furniture or any other article as the Board may, by notification in the Official Gazette, specify,</p> <p>for any period during the previous year otherwise than in any one or more of the forms or modes specified in sub-section (5) of section 11:</p> <p>Provided also that the exemption under sub-clause (iv) or sub-clause (v) shall not be denied in relation to any funds invested or deposited before the 1st day of April, 1989, otherwise than in any one or more of the forms or modes specified in sub-section (5) of section 11 if such funds do not continue to remain so invested or deposited after the 30th day of March, 1993 :</p> <p>Provided also that the exemption under sub-clause (vi) or sub-clause (via) shall not be denied in relation</p>	

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			<p>the Central Government under sub-clause (iv) or sub-clause (v), before the date on which the Taxation Laws (Amendment) Bill, 2006 receives the assent of the President, shall, at any one time, have effect for such assessment year or years, not exceeding three assessment years (including an assessment year or years commencing before the date on which such notification is issued) as may be specified in the notification:</p> <p>Provided also that where an application under the first proviso is made on or after the date on which the</p>	<p>to any funds invested or deposited before the 1st day of June, 1998, otherwise than in any one or more of the forms or modes specified in sub-section (5) of section 11 if such funds do not continue to remain so invested or deposited after the 30th day of March, 2001:</p> <p>Provided also that the exemption under sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) shall not be denied in relation to voluntary contribution, other than voluntary contribution in cash or voluntary contribution of the nature referred to in clause (b) of the third proviso to this sub-clause, subject to the condition that such voluntary contribution is not held by the trust or institution or any university or other educational institution or any hospital or other medical institution, otherwise than in any one or more of the forms or modes specified in sub-section (5) of section 11, after the expiry of one year from the end of the previous year in which such asset is</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>Taxation Laws (Amendment) Bill, 2006 receives the assent of the President, every notification under sub-clause (iv) or sub-clause (v) shall be issued or approval under sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) shall be granted or an order rejecting the application shall be passed within the period of twelve months from the end of the month in which such application was received:</p> <p>Provided also that where the total income, of the fund or trust or institution or any university or other educational institution</p>	<p>acquired or the 31st day of March, 1992, whichever is later:</p> <p>Provided also that nothing contained in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) shall apply in relation to any income of the fund or trust or institution or any university or other educational institution or any hospital or other medical institution, being profits and gains of business, unless the business is incidental to the attainment of its objectives and separate books of account are maintained by it in respect of such business:</p> <p>Provided also that any approval granted under the second proviso shall apply in relation to the income of the fund or trust or institution or university or other educational institution or hospital or other medical institution,— (i) where the application is made under clause (i) of the first proviso, from the assessment year from which approval was earlier</p>	

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			<p>or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via), without giving effect to the provisions of the said sub-clauses, exceeds the maximum amount which is not chargeable to tax in any previous year, such trust or institution or any university or other educational institution or any hospital or other medical institution shall get its accounts audited in respect of that year by an accountant as defined in the Explanation below sub-section (2) of section 288 and furnish along with the return of</p>	<p>granted to it; (ii) where the application is made under clause (iii) of the first proviso, from the first of the assessment years for which it was provisionally approved; (iii) in any other case, from the assessment year immediately following the financial year in which such application is made:</p> <p>Provided also that the order under clause (i), sub-clause (b) of clause (ii) and clause (iii) of the second proviso shall be passed, in such form and manner as may be prescribed, before expiry of the period of three months, six months and one month, respectively, calculated from the end of the month in which the application was received:</p> <p>Provided also that where the total income, of the fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause</p>	

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			<p>income for the relevant assessment year, the report of such audit in the prescribed form duly signed and verified by such accountant and setting forth such particulars as may be prescribed:</p> <p>Provided also that any amount of donation received by the fund or institution in terms of clause (d) of sub-section (2) of section 80G in respect of which accounts of income and expenditure have not been rendered to the authority prescribed under clause (v) of sub-section (5C) of that section, in the manner specified in that clause, or which has been utilized for</p>	<p>(iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via), without giving effect to the provisions of the said sub-clauses, exceeds the maximum amount which is not chargeable to tax in any previous year, such trust or institution or any university or other educational institution or any hospital or other medical institution shall get its accounts audited in respect of that year by an accountant as defined in the Explanation below sub-section (2) of section 288 before the specified date referred to in section 44AB and furnish by that date, the report of such audit in the prescribed form duly signed and verified by such accountant and setting forth such particulars as may be prescribed:</p> <p>Provided also that any amount of donation received by the fund or institution in terms of clause (d) of sub-section (2) of section 80G in respect of which accounts of income and expenditure have not been rendered to the authority</p>	

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			<p>purposes other than providing relief to the victims of earthquake in Gujarat or which remains unutilized in terms of sub-section (5C) of section 80G and not transferred to the Prime Minister's National Relief Fund on or before the 31st day of March, 2004 shall be deemed to be the income of the previous year and shall accordingly be charged to tax:</p> <p>Provided also that any amount credited or paid out of income of any fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or</p>	<p>prescribed under clause (v) of sub-section (5C) of that section, in the manner specified in that clause, or which has been utilized for purposes other than providing relief to the victims of earthquake in Gujarat or which remains unutilized in terms of sub-section (5C) of section 80G and not transferred to the Prime Minister's National Relief Fund on or before the 31st day of March, 2004 shall be deemed to be the income of the previous year and shall accordingly be charged to tax:</p> <p>Provided also that any amount credited or paid out of income of any fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via), to any trust or institution registered under section 12AA, being voluntary contribution made with a specific direction that they shall form part of the corpus of the trust</p>	

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			<p>sub-clause (v) or sub-clause (vi) or sub-clause (via), to any trust or institution registered under section 12AA, being voluntary contribution made with a specific direction that they shall form part of the corpus of the trust or institution, shall not be treated as application of income to the objects for which such fund or trust or institution or university or educational institution or hospital or other medical institution, as the case may be, is established:</p> <p>Provided also that for the purposes of determining the amount of application under item (a) of the third proviso, the</p>	<p>or institution, shall not be treated as application of income to the objects for which such fund or trust or institution or university or educational institution or hospital or other medical institution, as the case may be, is established:</p> <p>15[Provided also that for the purposes of determining the amount of application under item (a) of the third proviso, the provisions of sub-clause (ia) of clause (a) of section 40 and sub-sections (3) and (3A) of section 40A, shall, mutatis mutandis, apply as they apply in computing the income chargeable under the head "Profits and gains of business or profession":]</p> <p>Provided also that where the fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) does not apply its income during</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>provisions of sub-clause (ia) of clause (a) of section 40 and sub-sections (3) and (3A) of section 40A, shall, mutatis mutandis, apply as they apply in computing the income chargeable under the head "Profits and gains of business or profession":]</p> <p>Provided also that where the fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) does not apply its income during the year of receipt and accumulates it, any payment or credit out</p>	<p>the year of receipt and accumulates it, any payment or credit out of such accumulation to any trust or institution registered under section 12AA or to any fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) shall not be treated as application of income to the objects for which such fund or trust or institution or university or educational institution or hospital or other medical institution, as the case may be, is established :</p> <p>Provided also that where the fund or institution referred to in sub-clause (iv) or trust or institution referred to in sub-clause (v) is notified by the Central Government or is approved by the prescribed authority, as the case may be, or any university or other educational institution referred to in sub-clause (vi) or any hospital or other medical institution referred to in sub-clause</p>	

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			<p>of such accumulation to any trust or institution registered under section 12AA or to any fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) shall not be treated as application of income to the objects for which such fund or trust or institution or university or educational institution or hospital or other medical institution, as the case may be, is established :</p> <p>Provided also that where the fund or institution referred to</p>	<p>(via), is approved by the prescribed authority and subsequently that Government or the prescribed authority is satisfied that—</p> <p>(i) such fund or institution or trust or any university or other educational institution or any hospital or other medical institution has not—</p> <p>(A) applied its income in accordance with the provisions contained in clause (a) of the third proviso; or</p> <p>(B) invested or deposited its funds in accordance with the provisions contained in clause (b) of the third proviso; or</p> <p>16[(ii) the activities of such fund or institution or trust or any university or other educational institution or any hospital or other medical institution—</p> <p>(A) are not genuine; or</p>	

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			<p>in sub-clause (iv) or trust or institution referred to in sub-clause (v) is notified by the Central Government or is approved by the prescribed authority, as the case may be, or any university or other educational institution referred to in sub-clause (vi) or any hospital or other medical institution referred to in sub-clause (via), is approved by the prescribed authority and subsequently that Government or the prescribed authority is satisfied that—</p> <p>(i) such fund or institution or trust or any university or other educational institution or any hospital or</p>	<p>(B) are not being carried out in accordance with all or any of the conditions subject to which it was notified or approved; or</p> <p>(iii) such fund or institution or trust or any university or other educational institution or any hospital or other medical institution has not complied with the requirement of any other law for the time being in force, and the order, direction or decree, by whatever name called, holding that such non-compliance has occurred, has either not been disputed or has attained finality,]</p> <p>it may, at any time after giving a reasonable opportunity of showing cause against the proposed action to the concerned fund or institution or trust or any university or other educational institution or any hospital or other medical institution, rescind the notification or, by order, withdraw the approval, as the case may be, and forward a copy of the order</p>	

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			<p>other medical institution has not—</p> <p>(A) applied its income in accordance with the provisions contained in clause (a) of the third proviso; or</p> <p>(B) invested or deposited its funds in accordance with the provisions contained in clause (b) of the third proviso; or</p> <p>16[(ii) the activities of such fund or institution or trust or any university or other educational institution or any hospital or other medical institution—</p> <p>(A) are not genuine; or</p> <p>(B) are not being</p>	<p>rescinding the notification or withdrawing the approval to such fund or institution or trust or any university or other educational institution or any hospital or other medical institution and to the Assessing Officer:</p> <p>Provided also that any anonymous donation referred to in section 115BBC on which tax is payable in accordance with the provisions of the said section shall be included in the total income :</p> <p>Provided also that all applications made under the first proviso [as it stood before its amendment by the Finance Act, 2020] pending before the Principal Commissioner or Commissioner, on which no order has been passed before the date on which the first proviso has come into force, shall be deemed to be an application made under clause (iv) of the first proviso on that date</p> <p>Provided also that the income of a</p>	

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			<p>carried out in accordance with all or any of the conditions subject to which it was notified or approved; or</p> <p>(iii) such fund or institution or trust or any university or other educational institution or any hospital or other medical institution has not complied with the requirement of any other law for the time being in force, and the order, direction or decree, by whatever name called, holding that such non-compliance has occurred, has either not been disputed or has attained finality,]</p> <p>it may, at any time after giving a</p>	<p>trust or institution referred to in sub-clause (iv) or sub-clause (v) shall be included in its total income of the previous year if the provisions of the first proviso to clause (15) of section 2 become applicable to such trust or institution in the said previous year, whether or not any approval granted or notification issued in respect of such trust or institution has been withdrawn or rescinded :</p>	

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			<p>reasonable opportunity of showing cause against the proposed action to the concerned fund or institution or trust or any university or other educational institution or any hospital or other medical institution, rescind the notification or, by order, withdraw the approval, as the case may be, and forward a copy of the order rescinding the notification or withdrawing the approval to such fund or institution or trust or any university or other educational institution or any hospital or other medical institution and to the Assessing Officer:</p>		

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			<p>Provided also that in case the fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in the first proviso makes an application on or after the 1st day of June, 2006 for the purposes of grant of exemption or continuance thereof, such application shall be made on or before the 30th day of September of the relevant assessment year from which the exemption is sought :</p> <p>Provided also that any anonymous donation referred to in section 115BBC on which tax is payable in accordance with the provisions of</p>		

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			<p>the said section shall be included in the total income :</p> <p>Provided also that all pending applications, on which no notification has been issued under sub-clause (iv) or sub-clause (v) before the 1st day of June, 2007, shall stand transferred on that day to the prescribed authority and the prescribed authority may proceed with such applications under those sub-clauses from the stage at which they were on that day:</p> <p>Provided also that the income of a trust or institution referred to in sub-clause (iv) or sub-clause (v) shall be included in its total</p>		

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			<p>income of the previous year if the provisions of the first proviso to clause (15) of section 2 become applicable to such trust or institution in the said previous year, whether or not any approval granted or notification issued in respect of such trust or institution has been withdrawn or rescinded :</p> <p>Explanation.—In this clause, where any income is required to be applied or accumulated, then, for such purpose the income shall be determined without any deduction or allowance by way of depreciation or otherwise in respect of any asset, acquisition</p>		

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			of which has been claimed as an application of income under this clause in the same or any other previous year;		
10(23D)	1 st June 2020	Incomes not included in total income	<p>subject to the provisions of Chapter XII-E, any income of—</p> <p>(i) a Mutual Fund registered under the Securities and Exchange Board of India Act, 1992 (15 of 1992) or regulations made thereunder;</p> <p>(ii) such other Mutual Fund set up by a public sector bank or a public financial institution or authorized by the Reserve Bank of India and subject to such conditions as the Central Government may, by notification in the Official Gazette,</p>	<p>any income of—</p> <p>(i) a Mutual Fund registered under the Securities and Exchange Board of India Act, 1992 (15 of 1992) or regulations made thereunder;</p> <p>(ii) such other Mutual Fund set up by a public sector bank or a public financial institution or authorized by the Reserve Bank of India and subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf.</p> <p>Explanation.—For the purposes of this clause,—</p> <p>(a) the expression "public sector bank" means the State Bank of India constituted under the State</p>	For calculating income from mutual fund and securities the provisions of chapter XII-E has been removed.

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			<p>specify in this behalf.</p> <p>Explanation.—For the purposes of this clause,—</p> <p>(a) the expression "public sector bank" means the State Bank of India constituted under the State Bank of India Act, 1955 (23 of 1955), a subsidiary bank as defined in the State Bank of India (Subsidiary Banks) Act, 1959 (38 of 1959), a corresponding new Bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Under-takings) Act, 1970 (5 of 1970), or under section 3 of the Banking Companies (Acquisition and Transfer of Under-takings) Act, 1980 (40 of 1980) and a bank included in the category "other public sector banks" by the Reserve Bank of India;</p> <p>(b) the expression "public financial institution" shall have the meaning assigned to it in section 4A of the Companies Act, 1956 (1 of 1956);</p> <p>(c) the expression "Securities and Exchange Board of India" shall have the meaning assigned to it in clause (a) of sub-section (1) of section 2 of the Securities and Exchange Board of India Act, 1992 (15 of 1992);</p>	<p>Bank of India Act, 1955 (23 of 1955), a subsidiary bank as defined in the State Bank of India (Subsidiary Banks) Act, 1959 (38 of 1959), a corresponding new Bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Under-takings) Act, 1970 (5 of 1970), or under section 3 of the Banking Companies (Acquisition and Transfer of Under-takings) Act, 1980 (40 of 1980) and a bank included in the category "other public sector banks" by the Reserve Bank of India;</p> <p>(b) the expression "public financial institution" shall have the meaning assigned to it in section 4A of the Companies Act, 1956 (1 of 1956);</p> <p>(c) the expression "Securities and Exchange Board of India" shall have the meaning assigned to it in clause (a) of sub-section (1) of section 2 of the Securities and Exchange Board of India Act, 1992 (15 of 1992);</p>	

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			<p>takings) Act, 1980 (40 of 1980) and a bank included in the category "other public sector banks" by the Reserve Bank of India;</p> <p>(b) the expression "public financial institution" shall have the meaning assigned to it in section 4A of the Companies Act, 1956 (1 of 1956);</p> <p>(c) the expression "Securities and Exchange Board of India" shall have the meaning assigned to it in clause (a) of sub-section (1) of section 2 of the Securities and Exchange Board of India Act, 1992 (15 of 1992);</p>		
10(23FC)	1st Jun 2020	Incomes not included in total income	(23FC) any income of a business trust by way of—	(23FC) any income of a business trust by way of—	Dividend received or receivable from a special purpose vehicle by trust shall not be included in total

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			<p>(a) interest received or receivable from a special purpose vehicle; or</p> <p>(b) dividend referred to in sub-section (7) of section 115-O.</p> <p>Explanation.—For the purposes of this clause, the expression "special purpose vehicle" means an Indian company in which the business trust holds controlling interest and any specific percentage of shareholding or interest, as may be required by the regulations under which such trust is granted registration;</p>	<p>(a) interest received or receivable from a special purpose vehicle; or</p> <p>(b) dividend received or receivable from a special purpose vehicle.</p> <p>Explanation.—For the purposes of this clause, the expression "special purpose vehicle" means an Indian company in which the business trust holds controlling interest and any specific percentage of shareholding or interest, as may be required by the regulations under which such trust is granted registration;</p>	income.
10A(5)		Special provision in respect of	The deduction under this section shall not be admissible for any	The deduction under this section shall not be admissible for any assessment year beginning on or	Furnishing of return of income is necessary for deduction for newly established undertakings

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		newly established undertakings in free trade zone, etc.	assessment year beginning on or after the 1st day of April, 2001, unless the assessee furnishes in the prescribed form, along with the return of income , the report of an accountant, as defined in the Explanation below sub-section (2) of section 288, certifying that the deduction has been correctly claimed in accordance with the provisions of this section	after the 1st day of April, 2001, unless the assessee furnishes in the prescribed form the report of an accountant, as defined in the Explanation below sub-section (2) of section 288 before the specified date referred to in section 44AB , certifying that the deduction has been correctly claimed in accordance with the provisions of this section	
11(7)	1st June 2020	Income from property held for charitable or religious purposes.	Where a trust or an institution has been granted registration under clause (b) of sub-section (1) of section 12AA or has obtained registration at any time under section 12A [as it stood before its amendment by the Finance (No. 2)	Where a trust or an institution has been granted registration under section 12AA or section 12AB or has obtained registration at any time under section 12A [as it stood before its amendment by the Finance (No. 2) Act, 1996 (33 of 1996)] and the said registration is in force for any previous year, then, nothing contained in section 10 [other than clause (1), clause (23C)	Instead of registration under 12AA now registration under section 12 AB is also recognized. Sec 12AA will be redundant after 31 th May 2020.

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			Act, 1996 (33 of 1996)] and the said registration is in force for any previous year, then, nothing contained in section 10 [other than clause (1) and clause (23C) thereof] shall operate to exclude any income derived from the property held under trust from the total income of the person in receipt thereof for that previous year.	and clause (46) thereof] shall operate to exclude any income derived from the property held under trust from the total income of the person in receipt thereof for that previous year. Provided that such registration shall become inoperative from the date on which the trust or institution is approved under clause (23C) of section 10 or is notified under clause (46) of the said section, as the case may be, or the date on which this proviso has come into force, whichever is later:	
12A	1 st June 2020	Conditions for applicability of sections 11 and 12.	Not applicable	(ac) notwithstanding anything contained in clauses (a) to (ab), the person in receipt of the income has made an application in the prescribed form and manner to the Principal Commissioner or Commissioner, for registration of the trust or institution, i) where the trust or institution is registered under section 12A [as it stood immediately before its amendment by the	In furtherance of the E-governance model promotion of the government, online application is to be made by all the trusts registered or seeking registration under various section as per the specified timeline.

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				<p>Finance (No. 2) Act, 1996] or under section 12AA, [as it stood immediately before its amendment by the Finance Act, 2020] within three months from the date on which this clause has come into force;</p> <p>ii) where the trust or institution is registered under section 12AB and the period of the said registration is due to expire, at least six months prior to expiry of the said period;</p> <p>iii) where the trust or institution has been provisionally registered under section 12AB, at least six months prior to expiry of period of the provisional registration or within six months of commencement of its activities, whichever is earlier;</p> <p>iv) where registration of the trust or institution has become inoperative due to</p>	

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				<p>the first proviso to sub-section (7) of section 11, at least six months prior to the commencement of the assessment year from which the said registration is sought to be made operative;</p> <p>v) where the trust or institution has adopted or undertaken modifications of the objects which do not conform to the conditions of registration, within a period of thirty days from the date of the said adoption or modification; 35</p> <p>vi) in any other case, at least one month prior to the commencement of the previous year relevant to the assessment year from which the said registration is sought,</p> <p>and such trust or institution is registered under section 12AB;</p>	
12A	1 st June 2020	Conditions for applicability of	where the total income of the trust or	where the total income of the trust or institution as computed under	Earlier no date was prescribed for submission of Audited accounts for

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		sections 11 and 12.	institution as computed under this Act without giving effect to the provisions of section 11 and section 12 exceeds the maximum amount which is not chargeable to income-tax in any previous year, the accounts of the trust or institution for that year have been audited by an accountant as defined in the Explanation below sub-section (2) of section 288 and the person in receipt of the income furnishes along with the return of income for the relevant assessment year the report of such audit in the prescribed form duly signed and verified by such accountant and setting forth such particulars	this Act without giving effect to the provisions of section 11 and section 12 exceeds the maximum amount which is not chargeable to income-tax in any previous year, the accounts of the trust or institution for that year have been audited by an accountant as defined in the Explanation below sub-section (2) of section 288 <u>before the specified date referred to in section 44AB and the person in receipt of the income furnishes by that date</u> the report of such audit in the prescribed form duly signed and verified by such accountant and setting forth such particulars as may be prescribed;	a trust seeking registration. Now the date is specified as date applicable for audit under section 44AB i.e. 30 th September.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			as may be prescribed;		
12AA	1 st June 2020		New Sub Section	(5) Nothing contained in this section shall apply on or after the 1 st day of June, 2020.	This section shall not be applicable once newly notified section 12 AB is effective.
12AB (New Section)	1 st June 2020	Procedure for fresh registration		(1) The Principal Commissioner or Commissioner, on receipt of an application made under clause (ac) of sub-section (1) of section 12A, shall,— a) where the application is made under sub-clause (i) of the said clause, pass an order in writing registering the trust or institution for a period of five years; b) where the application is made under sub-clause (ii) or sub-clause (iii) or sub-clause (iv) or sub-clause (v) of the said clause,— i) call for such documents or information from the trust or institution or make such inquiries as he thinks necessary in order to satisfy himself about— A) the genuineness of activities of the trust or institution; and (B) the compliance of such requirements of any other law for the time being in force by the trust	Newly inserted section for recognition of previously registered trusts and process for new registrations.

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				<p>or institution as are material for the purpose of achieving its objects; and</p> <p>(ii) after satisfying himself about the objects of the trust or institution and the genuineness of its activities under item (A), and compliance of the requirements under item (B), of sub-clause (i),—</p> <p>(A) pass an order in writing registering the trust or institution for a period of five years;</p> <p>(B) if he is not so satisfied, pass an order in writing rejecting such application and also cancelling its registration after affording a reasonable opportunity of being heard;</p> <p>c) where the application is made under sub-clause (vi) of the said clause, pass an order in writing provisionally registering the trust or institution for a period of three years from the assessment year from which the registration is sought, and send a copy of such order to the trust or institution.</p>	

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				<p>(2) All applications, pending before the Principal Commissioner or Commissioner on which no order has been passed under clause (b) of sub-section (1) of section 12AA before the date on which this section has come into force, shall be deemed to be an application made under sub-clause (vi) of clause (ac) of sub-section (1) of section 12A on that date.</p> <p>(3) The order under clause (a), sub-clause (ii) of clause (b) and clause (c), of sub-section (1) shall be passed, in such form and manner as may be prescribed, before expiry of the period of three months, six months and one month, respectively, calculated from the end of the month in which the application was received.</p> <p>(4) Where registration of a trust or an institution has been granted under clause (a) or clause (b) of sub-section (1) and subsequently, the Principal Commissioner or Commissioner is satisfied that the activities of such trust or institution</p>	

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				<p>are not genuine or are not being carried out in accordance with the objects of the trust or institution, as the case may be, he shall pass an order in writing cancelling the registration of such trust or institution after affording a reasonable opportunity of being heard.</p> <p>(5) Without prejudice to the provisions of sub-section (4), where registration of a trust or an institution has been granted under clause (a) or clause (b) of sub-section (1) and subsequently, it is noticed that—</p> <p>(a) the activities of the trust or the institution are being carried out in a manner that the provisions of sections 11 and 12 do not apply to exclude either whole or any part of the income of such trust or institution due to operation of sub-section (1) of section 13; or (b) the trust or institution has not complied with the requirement of any other law, as referred to in item (B) of sub-clause (i) of clause (b) of sub-section (1), and the</p>	

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				order, direction or decree, by whatever name called, holding that such non-compliance has occurred, has either not been disputed or has attained finality, then, the Principal Commissioner or the Commissioner may, by an order in writing, after affording a reasonable opportunity of being heard, cancel the registration of such trust or institution.	
17 (2)	1 st April 2021	"Salary", "perquisite" and "profits in lieu of salary"	(vii) the amount of any contribution to an approved superannuation fund by the employer in respect of the assessee, to the extent it exceeds one lakh and fifty thousand rupees; and	(vii) the amount or the aggregate of amounts of any contribution made to the account of the assessee by the employer— (a) in a recognized provident fund; (b) in the scheme referred to in sub-section (1) of section 80CCD; and (c) in an approved superannuation fund, to the extent it exceeds seven lakh and fifty thousand rupees in a previous year;	Value of perquisite will include the following amounts paid by employer: - a. In recognized provident fund. b. In pension scheme of Central Government in an approved superannuation fund, above Rs.7,50,000/-
17 (2)	1 st April 2021	"Salary", "perquisite" and "profits in lieu of salary"	New sub clause	the annual accretion by way of interest, dividend or any other amount of similar nature during the previous year to the balance at the credit of the fund or scheme referred to in sub-clause	Interest, dividend or any other amount received from above contribution by the employer shall also be included in the value of perquisite.

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				(vii) to the extent it relates to the contribution referred to in the said sub-clause which is included in total income under the said sub-clause in any previous year computed in such manner as may be prescribed; and”	
32AB (5)	01 st April 2020	Investment deposit account.	(5) The deduction under sub-section (1) shall not be admissible unless the accounts of the business or profession of the assessee for the previous year relevant to the assessment year for which the deduction is claimed have been audited by an accountant as defined in the Explanation below sub-section (2) of section 288 and the assessee furnishes, along with his return of income, the report of such audit in the prescribed form duly signed and	(5) The deduction under sub-section (1) shall not be admissible unless the accounts of the business or profession of the assessee for the previous year relevant to the assessment year for which the deduction is claimed have been audited by an accountant as defined in the Explanation below sub-section (2) of section 288 <u>before the specified date referred to in section 44AB and the assessee furnishes by that date,</u> the report of such audit in the prescribed form duly signed and verified by such accountant.	Deduction on account of deposit of amount in account maintained with Development Bank or utilized for purchase of any new ship, new aircraft, new machinery or plant under this section shall be available only if the accounts are audited before 30 th September i.e. due date of completion of tax audit.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
33AB		Tea development account, coffee development account and rubber development account	verified by such accountant. (2) The deduction under sub-section (1) shall not be admissible unless the accounts of such business of the assessee for the previous year relevant to the assessment year for which the deduction is claimed have been audited by an accountant as defined in the Explanation below sub-section (2) of section 288 and the assessee furnishes, along with his return of income, the report of such audit in the prescribed form duly signed and verified by such accountant	(2) The deduction under sub-section (1) shall not be admissible unless the accounts of such business of the assessee for the previous year relevant to the assessment year for which the deduction is claimed have been audited by an accountant as defined in the Explanation below sub-section (2) of section 288 <u>before the specified date referred to in section 44AB and the assessee furnishes by that date,</u> along with his return of income, the report of such audit in the prescribed form duly signed and verified by such accountant.	assessee carrying on business of growing and manufacturing tea or coffee or rubber in India will get deduction on account of amount deposited in account approved by Tea Board or the Coffee Board or the Rubber Board only if the accounts are audited before 30 th September i.e. due date of completion of tax audit.
33ABA		Site Restoration Fund.	The deduction under sub-section (1) shall not be admissible unless the accounts of	The deduction under sub-section (1) shall not be admissible unless the accounts of such business of the assessee for the previous year	For specified assessee under business of petroleum or natural gas deduction shall be available of amount deposited in specified bank

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			such business of the assessee for the previous year relevant to the assessment year for which the deduction is claimed have been audited by an accountant as defined in the Explanation below sub-section (2) of section 288 and the assessee furnishes, along with his return of income, the report of such audit in the prescribed form duly signed and verified by such accountant.	relevant to the assessment year for which the deduction is claimed have been audited by an accountant as defined in the Explanation below sub-section (2) of section 288 <u>before the specified date referred to in section 44AB and the assessee furnishes by that date,</u> along with his return of income, the report of such audit in the prescribed form duly signed and verified by such accountant.	accounts on if the accounts are audited before 30 th September i.e. due date of completion of tax audit.
35 (1) (iii)	1 st June 2020	Expenditure on scientific research	Explanation.—The deduction, to which the assessee is entitled in respect of any sum paid to a research association, university, college or other institution to which clause (ii) or clause (iii) applies, shall not be	Explanation.—The deduction, to which the assessee is entitled in respect of any sum paid to a research association, university, college or other institution to which clause (ii) or clause (iii) or to a company to which clause (iia), shall not be denied merely on the ground that, subsequent to the payment of such sum by the	Deduction of amount paid to specified company for scientific research shall not be denied on the ground that approval granted to such company has been withdrawn subsequent to payment of amount.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			denied merely on the ground that, subsequent to the payment of such sum by the assessee, the approval granted to the association, university, college or other institution referred to in clause (ii) or clause (iii) has been withdrawn	assessee, the approval granted to the association, university, college or other institution referred to in clause (ii) or clause (iii) or to a company referred to in clause (iia) has been withdrawn.	
35 (1) (iv)	1 st June 2020	Expenditure on scientific research	New Proviso	Provided also that every notification under clause (ii) or clause (iii) in respect of the research association, university, college or other institution or under clause (iia) in respect of the company issued on or before the date on which this sub-section has come into force, shall be deemed to have been withdrawn unless such research association, university, college or other institution referred to in clause (ii) or clause (iii) or the company referred to in clause (iia) makes an intimation in such form and manner, as may be prescribed, to	Association, university, college or other institutions notified under section 35 for accepting any amount for scientific research shall be de-notified unless such institute makes fresh intimation as prescribed within 3 months of proviso coming into force.

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				<p>the prescribed income-tax authority within three months from the date on which this proviso has come into force, and subject to such intimation the notification shall be valid for a period of five consecutive assessment years beginning with the assessment year commencing on or after the 1st day of April, 2021.</p> <p>Provided also that any notification issued by the Central Government under clause (ii) or clause (iia) or clause (iii), after the date on which the Finance Bill, 2020 receives the assent of the President, shall, at any one time, have effect for such assessment year or years, not exceeding five assessment years as may be specified in the notification.;</p>	
35 (1A)	1 st June 2020	Expenditure on scientific research	New Sub Section	“(1A) Notwithstanding anything contained in sub-section (1), the research association, university, college or other institution referred to in clause (ii) or clause (iii) or the company referred to in clause (iia) of sub-section (1) shall not be entitled to deduction under	No specified institute shall be entitled to claim deduction unless it prepares a statement as specified and submits the same to prescribed income tax authority. Further, the institute shall also issue a certificate to donor specifying the amount and format

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				<p>the respective clauses of the said sub-section, unless such research association, university, college or other institution or company—</p> <p>(i) prepares such statement for such period as may be prescribed and deliver or cause to be delivered to the said prescribed income-tax authority or the person authorized by such authority such statement in such form, verified in such manner, setting forth such particulars and within such time, as may be prescribed:</p> <p>Provided that such research association, university, college or other institution or the company may also deliver to the prescribed authority a correction statement for rectification of any mistake or to add, delete or update the information furnished in the statement delivered under this sub-section in such form and verified in such manner as may be prescribed; and</p> <p>(ii) furnishes to the donor, a certificate specifying the amount of donation in such manner,</p>	<p>as prescribed.</p>

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				containing such particulars and within such time from the date of receipt of sum, as may be prescribed.”	
35AD(1)		Deduction in Respect of expenditure on Specified Business.	<p>(1) An assessee shall be allowed a deduction in respect of the whole of any expenditure of capital nature incurred, wholly and exclusively, for the purposes of any specified business carried on by him during the previous year in which such expenditure is incurred by him :</p> <p>Provided that the expenditure incurred, wholly and exclusively, for the purposes of any specified business, shall be allowed as deduction during the previous year in which he commences operations of his</p>	<p>(1) An assessee shall, if he opts shall be allowed a deduction in respect of the whole of any expenditure of capital nature incurred, wholly and exclusively, for the purposes of any specified business carried on by him during the previous year in which such expenditure is incurred by him :</p> <p>Provided that the expenditure incurred, wholly and exclusively, for the purposes of any specified business, shall be allowed as deduction during the previous year in which he commences operations of his specified business, if—</p> <p>(a) the expenditure is incurred prior to the commencement of its operations; and</p> <p>(b) the amount is capitalized in the books of account of the assessee on the date of commencement of</p>	100% capital expenditure deduction is available to Assessee for specified business only If he opts for the scheme Subject to conditions.

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			<p>specified business, if—</p> <p>(a) the expenditure is incurred prior to the commencement of its operations; and</p> <p>(b) the amount is capitalized in the books of account of the assessee on the date of commencement of its operations.</p> <p>(4) No deduction in respect of the expenditure referred to in sub-section (1) shall be allowed to the assessee under any other section in any previous year or under this section in any other previous year.</p>	<p>its operations.</p> <p>(4) No deduction in respect of the expenditure referred to in sub-section (1) shall be allowed to the assessee under any other section in any previous year or under this section “in any other previous year”, the words “, if the deduction has been claimed or opted by the assessee and allowed to him under this section”.</p>	<p>If Assessee opts for deduction under this section, he cannot take deduction under any other Section in any previous year or any other previous year.</p>

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35D(4)	1 st April,2020	Deduction of Preliminary Expenses.	(4) Where the assessee is a person other than a company or a co-operative society, no deduction shall be admissible under sub-section (1) unless the accounts of the assessee for the year or years in which the expenditure specified in sub-section (2) is incurred have been audited by an accountant as defined in the Explanation below sub-section (2) of section 288, and the assessee furnishes, along with his return of income for the first year in which the deduction under this section is claimed, the report of such audit in the prescribed form duly signed and verified by such accountant and setting	(4) Where the assessee is a person other than a company or a co-operative society, no deduction shall be admissible under sub-section (1) unless the accounts of the assessee for the year or years in which the expenditure specified in sub-section (2) is incurred have been audited by an accountant as defined in the Explanation below sub-section (2) of section 288, before the specified date referred to in section 44AB and the assessee furnishes for the first year in which the deduction under this section is claimed, the report of such audit by that date”, the report of such audit in the prescribed form duly signed and verified by such accountant and setting forth such particulars as may be prescribed.	The assessee is eligible to claim the deduction if, the Books of accounts audited Before the Specified date.

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			forth such particulars as may be prescribed.		
35E Clause (6)		Deduction for Expenditure on Prospecting.	(6) Where the assessee is a person other than a company or a co-operative society, no deduction shall be admissible under sub-section (1) unless the accounts of the assessee for the year or years in which the expenditure specified in sub-section (2) is incurred have been audited by an accountant as defined in the Explanation below sub-section (2) of section 288, and the assessee furnishes, along with his return of income for the first year in which the deduction under this section is claimed, the report of such audit in the prescribed form duly signed and	(6) Where the assessee is a person other than a company or a co-operative society, no deduction shall be admissible under sub-section (1) unless the accounts of the assessee for the year or years in which the expenditure specified in sub-section (2) is incurred have been audited by an accountant as defined in the Explanation below sub-section (2) of section 288, "before the specified date referred to in section 44AB and the assessee furnishes for the first year in which the deduction under this section is claimed, the report of such audit by that date" in the prescribed form duly signed and verified by such accountant and setting forth such particulars as may be prescribed	The assessee is eligible to claim the deduction if, the Books of accounts are audited before the Specified date i.e. 30 th September.

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			verified by such accountant and setting forth such particulars as may be prescribed		
43 in clause (5)		Definition of Speculative Transaction	<p>(5) "speculative transaction" means a transaction in which a contract for the purchase or sale of any commodity, including stocks and shares, is periodically or ultimately settled otherwise than by the actual delivery or transfer of the commodity or scrips:</p> <p>Provided that for the purposes of this clause—</p> <p>(a) a contract in respect of raw materials or merchandise entered into by a person in the course of his manufacturing or</p>	<p>(5) "speculative transaction" means a transaction in which a contract for the purchase or sale of any commodity, including stocks and shares, is periodically or ultimately settled otherwise than by the actual delivery or transfer of the commodity or scrips:</p> <p>Provided that for the purposes of this clause—</p> <p>(a) a contract in respect of raw materials or merchandise entered into by a person in the course of his manufacturing or merchanting business to guard against loss through future price fluctuations in respect of his contracts for actual delivery of goods manufactured by him or merchandise sold by him; or</p> <p>(b) a contract in respect of stocks and shares entered into by a dealer or investor therein to guard against</p>	<p>Here the word recognized Association has been replaced with the word recognized stock exchange</p> <p>And the same has been defined for the purpose of Speculative income.</p>

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			<p>merchandising business to guard against loss through future price fluctuations in respect of his contracts for actual delivery of goods manufactured by him or merchandise sold by him; or</p> <p>(b) a contract in respect of stocks and shares entered into by a dealer or investor therein to guard against loss in his holdings of stocks and shares through price fluctuations; or</p> <p>(c) a contract entered into by a member of a forward market or a stock exchange in the course of any transaction in the nature of jobbing or arbitrage to guard against loss which may</p>	<p>loss in his holdings of stocks and shares through price fluctuations; or</p> <p>(c) a contract entered into by a member of a forward market or a stock exchange in the course of any transaction in the nature of jobbing or arbitrage to guard against loss which may arise in the ordinary course of his business as such member; or</p> <p>(d) an eligible transaction in respect of trading in derivatives referred to in clause (ac) of section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956) carried out in a recognized stock exchange; or</p> <p>(e) an eligible transaction in respect of trading in commodity derivatives carried out in a recognized stock Exchange, which is chargeable to commodities transaction tax under Chapter VII of the Finance Act, 2013 (17 of 2013),</p>	

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			<p>arise in the ordinary course of his business as such member; or</p> <p>(d) an eligible transaction in respect of trading in derivatives referred to in clause (ac) of section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956) carried out in a recognized stock exchange; or</p> <p>(e) an eligible transaction in respect of trading in commodity derivatives carried out in a recognized association, which is chargeable to commodities transaction tax under Chapter VII of the Finance Act, 2013 (17 of 2013),</p>	shall not be deemed to be a speculative transaction:	

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			shall not be deemed to be a speculative transaction:		
43CA	1 ST April, 2021	Transfer of Asset other Than Capital Asset.	(1) Where the consideration received or accruing as a result of the transfer by an assessee of an asset (other than a capital asset), being land or building or both, is less than the value adopted or assessed or assessable by any authority of a State Government for the purpose of payment of stamp duty in respect of such transfer, the value so adopted or assessed or assessable shall, for the purposes of computing profits and gains from transfer of such asset, be deemed to be the full value of the consideration received	(1) Where the consideration received or accruing as a result of the transfer by an assessee of an asset (other than a capital asset), being land or building or both, is less than the value adopted or assessed or assessable by any authority of a State Government for the purpose of payment of stamp duty in respect of such transfer, the value so adopted or assessed or assessable shall, for the purposes of computing profits and gains from transfer of such asset, be deemed to be the full value of the consideration received or accruing as a result of such transfer: [Provided that where the value adopted or assessed or assessable by the authority for the purpose of payment of stamp duty does not exceed <u>one hundred and Ten percent of the consideration</u>	In case of transfer of asset Other than capital asset being, land and building or both, the amount received as consideration and the Value Assessed by Authority Should not be more than 10% if the same is not to be deemed as other income.

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			<p>or accruing as a result of such transfer:</p> <p>[Provided that where the value adopted or assessed or assessable by the authority for the purpose of payment of stamp duty does not exceed one hundred and five percent of the consideration received or accruing as a result of the transfer, the consideration so received or accruing as a result of the transfer shall, for the purposes of computing profits and gains from transfer of such asset, be deemed to be the full value of the consideration.]</p>	<p>received or accruing as a result of the transfer, the consideration so received or accruing as a result of the transfer shall, for the purposes of computing profits and gains from transfer of such asset, be deemed to be the full value of the consideration.]</p>	
44AB	1 st April,2020	Audit	(a) carrying on business shall, if his total sales, turnover or gross receipts, as the	(a) carrying on business shall, if his total sales, turnover or gross receipts, as the case may be, in business exceed or exceeds one	Turnover limit has been increased from 1 Cr to 5 Cr for Income Tax Audit.

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			case may be, in business exceed or exceeds one crore rupees in any previous year; or	<p>crore rupees in any previous year;</p> <p>'Provided that in the case of a person whose—</p> <p>(a) aggregate of all amounts received including amount received In section 44AB of the Income-tax Act,—</p> <p>(A) in clause (a),— 50</p> <p>(i) the word “or” occurring at the end shall be omitted;</p> <p>(ii) the following proviso shall be inserted, namely:—</p> <p>'Provided that in the case of a person whose—</p> <p>(a) aggregate of all amounts received including amount received for sales, turnover or gross receipts during the previous year, in cash, does not exceed five per cent. of the said amount; and</p> <p>(b) aggregate of all payments made including amount incurred for expenditure, in cash, during the previous year does not exceed five per cent. of the said payment,</p>	

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				5 this clause shall have effect as if for the words "one crore rupees", the words "five crore rupees" had been substituted; or'; (B) in the Explanation, in clause (ii), after the word "means", the words "date one month prior to" shall be inserted.	
44DA		Computation of income by way of royalties.	Every non-resident (not being a company) or a foreign company shall keep and maintain books of account and other documents in accordance with the provisions contained in section 44AA and get his accounts audited by an accountant as defined in the Explanation below sub-section (2) of section 288 and furnish along with the return of income, the report of such audit in the	Every non-resident (not being a company) or a foreign company shall keep and maintain books of account and other documents in accordance with the provisions contained in section 44AA and get his accounts audited by an accountant as defined in the Explanation below sub-section (2) of section 288, before the specified date referred to in section 44AB and furnish by that date" the report of such audit in the prescribed form duly signed and verified by such accountant.	The assessee is eligible to claim the deduction if, the Books of accounts audited before the Specified date

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			prescribed form duly signed and verified by such accountant.		
49(2AF)	1 ST April, 2020		Not applicable	<p>(2AG) The cost of acquisition of a unit or units in the segregated portfolio shall be the amount which bears, to the cost of acquisition of a unit or units held by the assessee in the total portfolio, the same proportion as the net asset value of the asset transferred to the segregated portfolio bears to the net asset value of the total portfolio immediately before the segregation of portfolios.</p> <p>(2AH) The cost of the acquisition of the original units held by the unit holder in the main portfolio shall be deemed to have been reduced by the amount as so arrived at under sub-section (2AG).</p> <p>Explanation.—For the purposes of sub-section (2AG) and sub-section (2AH), the</p>	Two new sub-section has been introduced for cost of acquisition of units in case of the segregated portfolios.

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				expressions “main portfolio”, “segregated portfolio” and “total portfolio” shall have the meanings respectively assigned to them in the circular No. SEBI/HO/IMD/DF2/CIR/P/2018/160, dated the 28th December, 2018, issued by the Securities and Exchange Board of India under section 11 of the Securities and Exchange Board of India Act, 1992.’.	
50B	01 st April 2020	Special provision for computation of capital gains in case of slump sale.	50B(3) Every assessee, in the case of slump sale, shall furnish in the prescribed form along with the return of income, a report of an accountant as defined in the Explanation below sub-section (2) of section 288, indicating the computation of the net worth of the undertaking or division, as the case	50B(3) Every assessee, in the case of slump sale, shall furnish in the prescribed form a report of an accountant as defined in the Explanation below sub-section (2) of section 288 before the specified date referred to in section 44AB , indicating the computation of the net worth of the undertaking or division, as the case may be, and certifying that the net worth of the undertaking or division, as the case may be, has been correctly arrived at in accordance with the provisions of this section.	Currently audit report has to be filed along with income tax return. So as to enable pre-filing of returns (i.e. in other words, allowing filing of return and audit reports at separate times), changes have been made in this section

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			may be, and certifying that the net worth of the undertaking or division, as the case may be, has been correctly arrived at in accordance with the provisions of this section.		
50C	01 st April 2020	Special provision for full value of consideration in certain cases.	<p>Third Proviso to Sec 50C(1)</p> <p>Provided also that where the value adopted or assessed or assessable by the stamp valuation authority does not exceed one hundred and five per cent of the consideration received or accruing as a result of the transfer, the consideration so received or accruing as a result of the transfer shall, for the purposes of section 48, be deemed to be the full</p>	<p>Third Proviso to Sec 50C(1)</p> <p>Provided also that where the value adopted or assessed or assessable by the stamp valuation authority does not exceed one hundred and ten per cent of the consideration received or accruing as a result of the transfer, the consideration so received or accruing as a result of the transfer shall, for the purposes of section 48, be deemed to be the full value of the consideration.</p>	Value adopted by Stamp Valuation Authority if does not exceed 110% of consideration received, then consideration so received shall be deemed to full value of consideration for purpose of Sec 48. This cap of 110% was earlier only 105%

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			value of the consideration.		
55	1 st April 2021	Meaning of "adjusted", "cost of improvement" and "cost of acquisition"	Newly Inserted	<p>'Provided that in case of a capital asset referred to in sub-clauses (i) and (ii), being land or building or both, the fair market value of such asset on the 1st day of April, 2001 for the purposes of the said sub-clauses shall not exceed the stamp duty value, wherever available, of such asset as on the 1st day of April, 2001</p> <p>Explanation.—For the purposes of this proviso, "stamp duty value" means the value adopted or assessed or assessable by any authority of the Central Government or a State Government for the purpose of payment of stamp duty in respect of an immovable property.'</p>	<p>In case of a capital asset being land or building or both, the fair market value of such asset on the 1st day of April, 2001 for the purposes of the said sub-clauses shall not exceed the stamp duty value, wherever available, of such asset as on the 1st day of April, 2001.</p> <p>It is further proposed to define the expression "stamp duty value" for the purposes of the said proviso to mean the value adopted or assessed or assessable by any authority of the Central Government or a State Government for the purpose of payment of stamp duty in respect of an immovable property.</p>
56	01 st June 2020	Income from other sources	56(2) In particular, and without prejudice to the generality of the provisions of sub-section (1), the following incomes,	56(2) In particular, and without prejudice to the generality of the provisions of sub-section (1), the following incomes, shall be chargeable to income-tax under the head "Income from other sources",	Since new conditions have been specified in Sec 12A subject to fulfillment of which Sec 11 and/or 12 shall be applicable, procedure for grant of registration in such cases has been routed through Sec 12AB.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			shall be chargeable to income-tax under the head "Income from other sources", namely (v) where any sum of money exceeding twenty-five thousand rupees is received without consideration by an individual or a Hindu undivided family from any person on or after the 1st day of September, 2004 but before the 1st day of April, 2006, the whole of such sum : Provided that this clause shall not apply to any sum of money received— (a)... (g) from any trust or institution registered under section 12AA.	namely (v) where any sum of money exceeding twenty-five thousand rupees is received without consideration by an individual or a Hindu undivided family from any person on or after the 1st day of September, 2004 but before the 1st day of April, 2006, the whole of such sum : Provided that this clause shall not apply to any sum of money received— (a)... (g) from any trust or institution registered under section 12AA or Section 12AB	Since, person registered under section 12AB shall be entitled to exemptions under Sec 11/12, it was necessary to amend other provisions of Income Tax Act to be in alignment. Hence, this change.
56	01 st April 2021	Income from other sources	56(1)(x)(b)(B)(ii) for a consideration, the stamp duty value of such property as	56(1)(x)(b)(B)(ii) for a consideration, the stamp duty value of such property as exceeds such consideration, if the amount	If a person has received immovable property for a consideration, where the stamp duty value exceeds such consideration and difference

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>exceeds such consideration, if the amount of such excess is more than the higher of the following amounts, namely:—</p> <p>(i) the amount of fifty thousand rupees; and</p> <p>(ii) the amount equal to five per cent of the consideration:]</p>	<p>of such excess is more than the higher of the following amounts, namely:—</p> <p>(i) the amount of fifty thousand rupees; and</p> <p>(ii) the amount equal to ten percent of the consideration:]</p>	<p>between such value and consideration is more than 10% of consideration, then such excess amount if more than ₹ 50,000 shall be chargeable to tax. Such cap of 10% was earlier only 5%. Hence, this is a taxpayer friendly change.</p>
57	1 st April 2021	Deductions	<p>The income chargeable under the head "Income from other sources" shall be computed after making the following deductions, namely :—</p> <p>(i)in the case of dividends, other than dividends referred to in section 115-O, or interest on securities, any reasonable sum paid by way of commission or remuneration to a</p>	<p>The income chargeable under the head "Income from other sources" shall be computed after making the following deductions, namely :—</p> <p>(i)in the case of dividends, other than dividends referred to in section 115-O, Dividend or interest on securities, any reasonable sum paid by way of commission or remuneration to a banker or any other person for the purpose of realizing such dividend or interest on behalf of the assessee ;</p> <p>“Provided that no deduction shall be allowed from the dividend</p>	<p>Clause (i) of the said section allows deduction of any reasonable sum for the purpose of realizing such dividend except the dividend referred to in section 115-O. It is proposed to omit the reference of dividend referred to in section 115-O.</p> <p>Also no deduction shall be allowed from the dividend income, or income in respect of units of a Mutual Fund specified under clause (23D) of section 10 or income in respect of units from a specified company defined in the</p>

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			banker or any other person for the purpose of realizing such dividend or interest on behalf of the assessee ;	income, or income in respect of units of a Mutual Fund specified under clause (23D) of section 10 or income in respect of units from a specified company defined in the Explanation to clause (35) of section 10, other than deduction on account of interest expense, and in any previous year such deduction shall not exceed twenty per cent. of the dividend income, or income in respect of such units, included in the total income for that year, without deduction under this section.	Explanation to clause (35) of section 10, other than deduction on account of interest expense and in any previous year such deduction shall not exceed twenty per cent of the dividend income, or income in respect of such units, included in the total income for that year without deduction under that section.
72AA	01 st April 2020	Provisions relating to carry forward and set-off of accumulated loss and unabsorbed depreciation allowance in scheme of amalgamation of banking company in certain cases.	72AA. Notwithstanding anything contained in sub-clauses (i) to (iii) of clause (1B) of section 2 or section 72A, where there has been an amalgamation of a banking company with any other banking institution under a scheme sanctioned and brought into force by the Central Government under	'72AA. Notwithstanding anything contained in sub-clauses (i) to (iii) of clause (1B) of section 2 or section 72A, where there has been an amalgamation of— (i) one or more banking company with any other banking institution under a scheme sanctioned and brought into force by the Central Government under sub-section (7) of section 45 of the Banking Regulation Act, 1949; or	Now, carry forward and set off of accumulated losses or unabsorbed depreciation allowance in scheme of amalgamation is now made applicable to insurance companies also in addition to banking companies.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>sub-section (7) of section 45 of the Banking Regulation Act, 1949 (10 of 1949), the accumulated loss and the unabsorbed depreciation of such banking company shall be deemed to be the loss or, as the case may be, allowance for depreciation of such banking institution for the previous year in which the scheme of amalgamation was brought into force and other provisions of this Act relating to set-off and carry forward of loss and allowance for depreciation shall apply accordingly.</p> <p>Explanation.—For the purposes of this section,—</p> <p>(i) "accumulated loss" means so much of the loss of the</p>	<p>(ii) one or more corresponding new bank or banks with any other corresponding new bank under a scheme brought into force by the Central Government under section 9 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 or under section 9 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 or both, as the case may be; or</p> <p>(iii) one or more Government company or companies with any other Government company under a scheme sanctioned and brought into force by the Central Government under section 16 of the General Insurance Business (Nationalisation) Act, 1972,</p> <p>the accumulated loss and the unabsorbed depreciation of such banking company or companies or amalgamating corresponding new</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>amalgamating banking company under the head "Profits and gains of business or profession" (not being a loss sustained in a speculation business) which such amalgamating banking company, would have been entitled to carry forward and set-off under the provisions of section 72 if the amalgamation had not taken place;</p> <p>(ii) "banking company" shall have the same meaning assigned to it in clause (c) of section 5 of the Banking Regulation Act, 1949 (10 of 1949);</p> <p>(iii) "banking institution" shall have the same meaning assigned to it in sub-section (15) of section 45 of the Banking</p>	<p>bank or banks or amalgamating Government company or companies shall be deemed to be the loss or, as the case may be, allowance for depreciation of such banking institution or amalgamated corresponding new bank or amalgamated Government company for the previous year in which the scheme of amalgamation was brought into force and other provisions of this Act relating to set off and carry forward of loss and allowance for depreciation shall apply accordingly.</p> <p>Explanation: For the purpose of this section:</p> <p>(i) (i) "accumulated loss" means so much of the loss of the amalgamating banking company or companies or amalgamating corresponding new bank or banks or amalgamating Government company or companies under the head "Profits and gains of</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			Regulation Act, 1949 (10 of 1949); (iv) "unabsorbed depreciation" means so much of the allowance for depreciation of the amalgamating banking company which remains to be allowed and which would have been allowed to such banking company if amalgamation had not taken place.	business or profession" (not being a loss sustained in a speculation business) which such amalgamating banking company or companies or amalgamating corresponding new bank or banks or amalgamating Government company or companies, would have been entitled to carry forward and set off under the provisions of section 72, if the amalgamation had not taken place (ii) "banking company" shall have the meaning assigned to it in clause (c) of section 5 of the Banking Regulation Act, 1949; (iii) "banking institution" shall have the meaning assigned to it in sub-section (15) of section 45 of the Banking Regulation Act, 1949 (iv) "corresponding new bank" shall have the meaning assigned to it in clause (d) of section 2 of the Banking	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>Companies (Acquisition and Transfer of Undertakings) Act, 1970 or, as the case may be, clause (b) of section (2) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980;</p> <p>(v) “general insurance business” shall have the meaning assigned to it in clause (g) of section 3 of the General Insurance Business (Nationalisation) Act, 1972;</p> <p>(vi) “Government company” means a Government company as defined in clause (45) of section 2 of the Companies Act, 2013, which is engaged in the general insurance business and which has come into existence by operation of section 4 or section 5 or section 16 of the General Insurance Business (Nationalisation) Act, 1972;</p> <p>(vii) “unabsorbed depreciation”</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				means so much of the allowance for depreciation of the amalgamating banking company or companies or amalgamating corresponding new bank or banks or amalgamating Government company or companies which remains to be allowed and which would have been allowed to such banking company or companies or amalgamating corresponding new bank or banks or amalgamating Government company or companies, if the amalgamation had not taken place.'	
80EEA	01 st April 2021	Deduction in respect of interest on loan taken for certain house property.	80EEA (1)... (2) The deduction under sub-section (1) shall not exceed one lakh and fifty thousand rupees and shall be allowed in computing the total income of the	80EEA (2) The deduction under sub-section (1) shall not exceed one lakh and fifty thousand rupees and shall be allowed in computing the total income of the individual for the assessment year beginning on the 1st day of April, 2021 and subsequent assessment years.	Deduction in respect of interest on loan taken for certain house property is extended to 01st April 2021 to provide relief to housing sector.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			individual for the assessment year beginning on the 1st day of April, 2020 and subsequent assessment years.		
80G	01 st June 2020	Deduction in respect of donations to certain funds, charitable institutions, etc.	80G(5)(vi) in relation to donations made after the 31st day of March, 1992, the institution or fund is for the time being approved by the Commissioner in accordance with the rules made in this behalf	80G(5)(vi) in relation to donations made after the 31st day of March, 1992, the institution or fund is for the time being approved by the Principal Commissioner or Commissioner in accordance with the rules made in this behalf	Principal Commissioner has been added along with the Commissioner for getting approval u/s 80G
80G	01 st April 2020	Deduction in respect of donations to certain funds, charitable institutions, etc.	<i>(Newly inserted)</i>	80G(5)(viii) the institution or fund prepares such statement for such period as may be prescribed and deliver or cause to be delivered to the prescribed income-tax authority or the person authorized by such authority such statement in such form and verified in such manner and setting forth such particulars and within such time as may be prescribed: Provided that the institution or	New condition has been inserted for claiming deduction under Sec 80G by donor. -Deduction under section 80G to a donor shall be allowed only if a statement is furnished by the donee who shall be required to furnish a statement in respect of donations received and in the event of failure to do so, fee and penalty shall be levied.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>fund may also deliver to the said prescribed authority a correction statement for rectification of any mistake or to add, delete or update the information furnished in the statement delivered under this sub-section in such form and verified in such manner as may be prescribed; and</p> <p>(ix) the institution or fund furnishes to the donor, a certificate specifying the amount of donation in such manner, containing such particulars and within such time from the date of receipt of donation, as may be prescribed:</p> <p>Provided that the institution or fund referred to in clause (vi) shall make an application in the prescribed form and manner to the Principal Commissioner or Commissioner, for grant of approval,—</p> <p>(i) where the institution or fund is approved under clause (vi) [as it stood immediately before its amendment by the Finance Act, 2020], within three months from the date on which this proviso has</p>	<p>-An entity making fresh application for approval under clause (23C) of section 10, for registration under section 12AA, for approval under section 80G shall be provisionally approved or registered for three years on the basis of application without detailed enquiry even in the cases where activities of the entity are yet to begin and then it has to apply again for approval or registration which, if granted, shall be valid from the date of such provisional registration. The application of registration subsequent to provisional registration should be at least six months prior to expiry of provisional registration or within six months of start of activities, whichever is earlier.</p>

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>come into force;</p> <p>(ii) where the institution or fund is approved and the period of such approval is due to expire, at least six months prior to expiry of the said period;</p> <p>(iii) where the institution or fund has been provisionally approved, at least six months prior to expiry of the period of the provisional approval or within six months of commencement of its activities, whichever is earlier;</p> <p>(iv) in any other case, at least one month prior to commencement of the previous year relevant to the assessment year from which the said approval is sought:</p> <p>Provided further that the Principal Commissioner or Commissioner, on receipt of an application made under the first proviso, shall,—</p> <p>(i) where the application is made under clause (i) of the said proviso, pass an order in writing granting it approval for a period of five years;</p> <p>(ii) where the application is made under clause (ii) or clause (iii) of the said proviso,—</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>(a) call for such documents or information from it or make such inquiries as he thinks necessary in order to satisfy himself about—</p> <p>(A) the genuineness of activities of such institution or fund; and</p> <p>(B) the fulfilment of all the conditions laid down in clauses (i) to (v); and</p> <p>(b) after satisfying himself about the genuineness of activities under item (A), and the fulfilment of all the conditions under item (B), of sub-clause (a),—</p> <p>(A) pass an order in writing granting it approval for a period of five years;</p> <p>(B) if he is not so satisfied, pass an order in writing rejecting such application and also cancelling its approval after affording it a reasonable opportunity of being heard;</p> <p>(iii) where the application is made under clause (iv) of the said proviso, pass an order in writing granting it approval provisionally for a period of three years from the</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>assessment year from which the registration is sought, and send a copy of such order to the institution or fund</p> <p>Provided also that the order under clause (i), sub-clause (b) of clause (ii) and clause (iii) of the first proviso shall be passed in such form and manner as may be prescribed, before expiry of the period of three months, six months and one month, respectively, calculated from the end of the month in which the application was received:</p> <p>Provided also that the approval granted under the second proviso shall apply to an institution or fund, where the application is made under—</p> <p>(a) clause (i) of the first proviso, from the assessment year from which approval was earlier granted to such institution or fund;</p> <p>(b) clause (iii) of the first proviso, from the first of the assessment years for which such institution or fund was provisionally approved;</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				(c) in any other case, from the assessment year immediately following the financial year in which such application is made.”;	
80G	01 st April 2020	Deduction in respect of donations to certain funds, charitable institutions, etc.	<i>(Newly inserted)</i>	Explanation 2A.— For the removal of doubts, it is hereby declared that claim of the assessee for a deduction in respect of any donation made to an institution or fund to which the provisions of sub-section (5) applies, in the return of income for any assessment year filed by him, shall be allowed on the basis of information relating to said donation furnished by the institution or fund to the prescribed income-tax authority or the person authorized by such authority, subject to verification in accordance with the risk management strategy formulated by the Board from time to time.”;	Deduction to donor shall be subject to furnishing of information in prescribed format by the donee institution.
80GGA	01 st June 2020	Deduction in respect of certain donations for scientific research or	(2A) No deduction shall be allowed under this section in respect of any sum exceeding ten thousand rupees unless such sum is paid	(2A) No deduction shall be allowed under this section in respect of any sum exceeding two thousand rupees unless such sum is paid by any mode other than cash.	Deduction of cash donation under section 80GGA shall be restricted to Rs 2,000/- only.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
		rural development.	by any mode other than cash.		
80GGA	01 st June 2020	Deduction in respect of certain donations for scientific research or rural development.	<i>(Newly inserted)</i>	“Explanation.—For the removal of doubts, it is hereby declared that the claim of the assessee for a deduction in respect of any sum referred to in sub-section (2) in the return of income for any assessment year filed by him, shall be allowed on the basis of information relating to such sum furnished by the payee to the prescribed income-tax authority or the person authorized by such authority, subject to verification in accordance with the risk management strategy formulated by the Board from time to time.”	Deduction to payer shall be subject to furnishing of information in prescribed format by the payee institution.
80-IA	01 st April 2020	Deductions in respect of profits and gains from industrial undertakings or enterprises engaged in infrastructure development,	<i>80-IA(7) The deduction under sub-section (1) from profits and gains derived from an undertaking shall not be admissible unless the accounts of the undertaking for the previous year relevant</i>	<i>80-IA(7) The deduction under sub-section (1) from profits and gains derived from an undertaking shall not be admissible unless the accounts of the undertaking for the previous year relevant to the assessment year for which the deduction is claimed have been audited by an accountant, as defined in the</i>	Currently audit report has to be filed along with income tax return. So as to enable pre-filing of returns (i.e. in other words, allowing filing of return and audit reports at separate times), changes have been made in this section

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		etc.	to the assessment year for which the deduction is claimed have been audited by an accountant, as defined in the Explanation below sub-section (2) of section 288, and the assessee furnishes, along with his return of income, the report of such audit in the prescribed form duly signed and verified by such accountant.	Explanation below sub-section (2) of section 288, before the specified date referred to in section 44AB and the assessee furnishes by that Date the report of such audit in the prescribed form duly signed and verified by such accountant.	
80-IAC(2)	01 st April 2021	Special provision in respect of specified business (Eligible Start-ups)	80-IAC (2) The deduction specified in sub-section (1) may, at the option of the assessee, be claimed by him for any three consecutive assessment years out of seven years beginning from the year in which the eligible start-up is incorporated	80-IAC (2) The deduction specified in sub-section (1) may, at the option of the assessee, be claimed by him for any three consecutive assessment years out of ten years beginning from the year in which the eligible start-up is incorporated	Start-ups now can avail 100% exemption of profit and gains in any of 3 consecutive assessment years out of 10 assessment years from the date of being incorporated. This period of 10 years was earlier only 7 years.

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Explanation (ii) to Sec 80-IAC	01 st April 2021	Special provision in respect of specified business (Eligible Start-ups)	Explanation (ii)(b) <i>the total turnover of its business does not exceed twenty-five crore rupees in the previous year relevant to the assessment year for which deduction under sub-section (1) is claimed];</i>	Explanation (ii)(b) <i>the total turnover of its business does not exceed hundred crore rupees in the previous year relevant to the assessment year for which deduction under sub-section (1) is claimed];</i>	In significant boost to eligible start-ups, now start-ups with up to ₹ 100 Cr. of total turnover can avail 100% exemption of profit and gains. Earlier this exemption was limited to start-ups with total turnover up to ₹ 25Cr
Sec 80IB(7A)(b)(iii) Sec 80IB(7B)(b)(iii) Sec 80IB(11B)(iv) Sec 80IB(11C)(iv)	01 st April 2020	Deductions in respect of profits and gains by an undertaking or enterprise engaged in development of Special Economic Zone	(iii) the assessee furnishes along with the return of income, the report of an audit in such form and containing such particulars as may be prescribed, and duly signed and verified by an accountant, as defined in the Explanation below sub-section (2) of section 288, certifying that the deduction has been correctly claimed.	(iii) the assessee furnishes the report of audit in such form and containing such particulars, as may be prescribed, duly signed and verified by an accountant, as defined in the Explanation below sub-section (2) of section 288, before the specified date referred to in section 44AB, certifying that the deduction has been correctly claimed.”;	Currently audit report has to be filed along with income tax return. So as to enable pre-filing of returns (i.e. in other words, allowing filing of return and audit reports at separate times), changes have been made in this section
80-IBA	01 st April 2021	Deductions in respect of profits and	80IBA(2)(a) the project is approved by the competent	80IBA(2)(a) the project is approved by the competent authority after the 1st	Benefit of deduction in respect of profit and gains from housing projects is further extended to 31 st

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		gains from housing projects	authority after the 1st day of June, 2016, but on or before the 31st day of March, 89 [2019]	day of June, 2016, but on or before the 31st day of March, 89 [2020]	Mar 2020 from 31 st Mar 2019. In other words, housing projects approved by competent authority during 01 st April 2019 to 31 st Mar 2020 shall also be eligible to claim deduction an amount equal to 100% of profit and gains from housing projects.
80JJAA(2)(c)	01 st April 2020	Deduction in respect of employment of new employees	(c) unless the assessee furnishes along with the return of income the report of the accountant, as defined in the Explanation to section 288 giving such particulars in the report as may be prescribed.	(c) unless the assessee furnishes the report of the accountant, as defined in the Explanation below sub-section (2) of section 288, before the specified date referred to in section 44AB shall be substituted giving such particulars in the report as may be prescribed.	Currently audit report has to be filed along with income tax return. So as to enable pre-filing of returns (i.e. in other words, allowing filing of return and audit reports at separate times), changes have been made in this section
80M	01 st April 2021	Deduction in respect of certain intercorporate dividends	<i>(Newly inserted)</i>	80M. (1) Where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the	This section has been re-brought into force (second time) after its second omission by Finance Act 2003 with the purpose of removing cascading effect on dividends distributed by domestic companies. Benefit of deduction can be figured as follows: Domestic Company A pays dividend

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>amount of income by way of dividends received from such other domestic company as does not exceed the amount of dividend distributed by the first mentioned domestic company on or before the due date.</p> <p>(2) Where any deduction, in respect of the amount of dividend distributed by the domestic company, has been allowed under sub-section (1) in any previous year, no deduction shall be allowed in respect of such amount in any other previous year.</p> <p>Explanation.—For the purposes of this section, the expression “due date” means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139.’.</p>	<p>of 1000 to another Domestic Company B.</p> <p>Domestic company B distributes dividend of Rs 400.</p> <p>Now, Domestic Company B shall be eligible to claim deduction ₹ 400 being so much of amount as received from A (i.e. ₹ 1000) but not more than amount distributed by it (i.e. ₹ 400)</p> <p>In effect only ₹ 600 of dividend shall be taxable in hands of B</p>
90	01 st April 2021	Agreement with foreign countries or specified territories	90(1)(b) The Central Government may enter into an agreement with the Government of any country outside India or specified territory outside India, for the	90(1)(b) The Central Government may enter into an agreement with the Government of any country outside India, for the avoidance of double taxation of income under this Act and under the corresponding law in force in that	Certain techniques through which taxpayer can evade taxes have now been specifically mentioned, in respect of Gol and such foreign government can enter into an agreement to prevent use of such techniques.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			avoidance of double taxation of income under this Act and under the corresponding law in force in that country or specified territory, as the case may be, or	country or specified territory, as the case may be, or <i>without creating opportunities for non-taxation or reduced taxation through tax evasion or avoidance</i> (including through treaty-shopping arrangements aimed at obtaining reliefs provided in the said agreement for the indirect benefit to residents of any other country or territory	One of such technique is treaty shopping arrangements which is nothing but practice of structuring a multinational business to take advantage of more favorable tax treaties available in certain countries.
90A	01 st April 2021	Adoption by Central Government of agreement between specified associations for double taxation relief	90A(1)(b) Any specified association in India may enter into an agreement with any specified association in the specified territory outside India and the Central Government may, by notification in the Official Gazette, make such provisions as may be necessary for adopting and implementing such agreement for the avoidance of double taxation of income	90A(1)(b) Any specified association in India may enter into an agreement with any specified association in the specified territory outside India and the Central Government may, by notification in the Official Gazette, make such provisions as may be necessary for adopting and implementing such agreement for the avoidance of double taxation of income under this Act and under the corresponding law in force in that specified territory outside India, or <i>without creating opportunities for non-taxation or reduced taxation through tax evasion or avoidance (including</i>	-----do-----

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			under this Act and under the corresponding law in force in that specified territory outside India, or	through treaty-shopping arrangements aimed at obtaining reliefs provided in the said agreement for the indirect benefit to residents of any other country or territory)	
92CB	01 st April 2020	Safe Harbour Rules (SHR)	92CB(1) The determination of arm's length price under section 92C or section 92CA shall be subject to safe harbour rules.	92CB(1) The determination of— (a) income referred to in clause (i) of sub-section (1) of section 9; or (b) arm's length price under section 92C or section 92CA, shall be subject to safe harbour rules	SHR and Advance Pricing Agreements (APA) have been successful to reduce number of litigations under Transfer Pricing provisions. In case of attribution of income to a permanent establishment of a non-resident, currently Rule 10 already provides for computation mechanism in case such income is not ascertainable definitely. Rule 10 has considerably reduced litigation in computation of such income. To further expand the effectiveness of SHR/APA, determination of attribution of income to PE of a non-resident has been brought into scope of SHR/APA.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
92CC(1),(2) and (3)	01 st April 2020	Advance Pricing Agreements	<p>92CC. (1) The Board, with the approval of the Central Government, may enter into an advance pricing agreement with any person, determining the arm's length price or specifying the manner in which arm's length price is to be determined, in relation to an international transaction to be entered into by that person.</p> <p>(2) The manner of determination of arm's length price referred to in sub-section (1), may include the methods referred to in sub-section (1) of section 92C or any other method, with such adjustments or variations, as may be necessary or expedient</p>	<p>“ (1) The Board, with the approval of the Central Government, may enter into an advance pricing agreement with any person, determining the—</p> <p>(a) arm's length price or specifying the manner in which the arm's length price is to be determined, in relation to an international transaction to be entered into by that person;</p> <p>(b) income referred to in clause (i) of sub-section (1) of section 9, or specifying the manner in which said income is to be determined, as is reasonably attributable to the operations carried out in India by or on behalf of that person, being a non-resident.</p> <p>(2) The manner of determination of the arm's length price referred to in clause (a) or the income referred to in clause (b) of sub-section (1), may include the methods referred to in sub-section (1) of section 92C or the methods provided by rules made under this Act, respectively, with such adjustments or variations, as may</p>	<p>SHR and Advance Pricing Agreements (APA) have been successful to reduce number of litigations under Transfer Pricing provisions.</p> <p>In case of attribution of income to a permanent establishment of a non-resident, currently Rule 10 already provides for computation mechanism in case such income is not ascertainable definitely. Rule 10 has considerably reduced litigation in computation of such income.</p> <p>To further expand the effectiveness of SHR/APA, determination of attribution of income to PE of a non-resident has been brought into scope of SHR/APA.</p>

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			so to do. (3) Notwithstanding anything contained in section 92C or section 92CA, the arm's length price of any international transaction, in respect of which the advance pricing agreement has been entered into, shall be determined in accordance with the advance pricing agreement so entered.	be necessary or expedient so to do. (3) Notwithstanding anything contained in section 92C or section 92CA or the methods provided by rules made under this Act, the arm's length price of any international transaction or the income referred to in clause (b) of sub-section (1), in respect of which the advance pricing agreement has been entered into, shall be determined in accordance with the advance pricing agreement so entered	
92CC(9A)	01 st April 2020	Advance Pricing Agreements	92CC(9A) The agreement referred to in sub-section (1), may, subject to such conditions, procedure and manner as may be prescribed, provide for determining the arm's length price or specify the manner in which arm's length price shall be determined in relation to the	92CC(9A) The agreement referred to in sub-section (1), may, subject to such conditions, procedure and manner as may be prescribed, provide for determining the— (a) arm's length price or specify the manner in which the arm's length price shall be determined in relation to the international transaction entered into by the person; (b) income referred to in clause	SHR and Advance Pricing Agreements (APA) have been successful to reduce number of litigations under Transfer Pricing provisions. In case of attribution of income to a permanent establishment of a non-resident, currently Rule 10 already provides for computation mechanism in case such income is not ascertainable definitely. Rule 10 has considerably reduced litigation in computation of such

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			international transaction entered into by the person during any period not exceeding four previous years preceding the first of the previous years referred to in sub-section (4), and the arm's length price of such international transaction shall be determined in accordance with the said agreement.	(i) of sub-section (1) of section 9, or specifying the manner in which the said income is to be determined, as is reasonably attributable to the operations carried out in India by or on behalf of that person, being a non-resident, during any period not exceeding four previous years preceding the first of the previous years referred to in sub-section (4), and the arm's length price of such international transaction or the income of such person shall be determined in accordance with the said agreement."	income. To further expand the effectiveness of SHR/APA, determination of attribution of income to PE of a non-resident has been brought into scope of SHR/APA.
92F	01 st April 2020	01 st April 2020	92F(iv) "specified date" shall have the same meaning as assigned to "due date" in Explanation 2 below sub-section (1) of section 139;	92F(iv) "(iv) "specified date" means the date one month prior to the due date for furnishing the return of income under sub-section (1) of section 139 for the relevant assessment year;	TP report under Form 3CEB is now required to be furnished one month prior due date of filing of ITC as stated in Sec 139
94B	01 st April 2021	Limitation on interest deduction in certain cases (Thin	<i>(Newly inserted)</i>	94B(1A) Nothing contained in sub-section (1) shall apply to interest paid in respect of a debt issued by a lender which is a permanent	Thin capitalization provisions have been relaxed to exclude interest paid in respect of a debt issued by a lender which is a PE of a non-resident, being a person engaged in

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
		Capitalization)		establishment in India of a non-resident, being a person engaged in the business of banking	the business of banking, in India.
115A	01 st April 2020	Tax on dividends, royalty and technical service fees in the case of foreign companies	<i>in sub-section (1), in clause (a), the words, figures and letter "other than dividends referred to in section 115-O" at both the places where they occur, shall be omitted with effect from the 1st day of April, 2021</i>	-	Since Sec 115O's applicability has been removed for dividends distributed after 31 st Mar 2020, other sections covering 115O have been aligned to serve the new enactment. Meaning dividend as was taxed earlier via 115O shall now be taxed through 115A, 115AC, 115ACA, and 115AD as the case may be.
Sub-section (2), clause (i) of Section 115BAA	1 st April 2020	Tax on income of certain domestic companies.	115BAA (2) (i) without any deduction under the provisions of section 10AA or clause (iia) of sub-section (1) of section 32 or section 32AD or section 33AB or section 33ABA or sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of section 35 or section	115BAA (2) (i) without any deduction under the provisions of section 10AA or clause (iia) of sub-section (1) of section 32 or section 32AD or section 33AB or section 33ABA or sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of section 35 or section 35AD or section 35CCC or section 35CCD or under any provisions of Chapter VI-A other than the provisions of section 80JJAA or section 80M;	No benefit of concessional rate of income tax i.e. 22%, if the domestic company avails exemption under section 80M for Dividend from domestic companies

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			35AD or section 35CCC or section 35CCD or under any provisions of Chapter VI-A under the heading "C.—Deductions in respect of certain incomes" other than the provisions of section 80JJAA;		
Sub-clause (i) of clause (c) of Section 115BAB	1st April 2020	Tax on income of new manufacturing domestic companies.	(i) without any deduction under the provisions of section 10AA or clause (iia) of sub-section (1) of section 32 or section 32AD or section 33AB or section 33ABA or sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of section 35 or section 35AD or section 35CCC or section 35CCD or under any provisions of Chapter VI-A under	(i) without any deduction under the provisions of section 10AA or clause (iia) of sub-section (1) of section 32 or section 32AD or section 33AB or section 33ABA or sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of section 35 or section 35AD or section 35CCC or section 35CCD or under any provisions of Chapter VI-A other than the provisions of section 80JJAA or section 80M;	No benefit of concessional rate of income tax i.e. 15%, if the domestic company avails exemption under section 80M for Dividend from domestic companies

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			the heading "C.— Deductions in respect of certain incomes" other than the provisions of section 80JJAA;		
Explanation to clause (c) of Section 115BAB	1 st April 2020			For the purposes of clause (b), the "business of manufacture or production of any article or thing" shall include the business of generation of electricity.'	Such benefit has been extended to companies in generation of electricity. Benefit of concessional rate of income tax i.e. 15% also available for new companies in generation of electricity.
Section 115BAC	1 st Apr 2021	Tax on income of individuals and Hindu undivided family		(1) Notwithstanding anything contained in this Act but subject to the provisions of this Chapter, the income-tax payable in respect of the total income of a person, being an individual or a Hindu undivided family, for any previous year relevant to the assessment year beginning on or after the 1st day of April, 2021, shall, at the option of such person, be computed at the rate of tax given in the following Table, if the conditions contained in sub-section (2) are satisfied, namely:—	Option to pay income tax at concessional rate for individuals and HUF's can be opted subject to no deductions from income including chapter VI A. Option once exercise shall apply for subsequent assessment years also and can be withdrawn only once for previous year other than the year in which it is exercise. Exception form the above when such person ceases to have business income.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>1. Up to Rs 2,50,000 - Nil</p> <p>2. From Rs 2,50,001 to Rs 5,00,000 - 5 per cent.</p> <p>3. From Rs 5,00,001 to Rs 7,50,000 - 10 per cent.</p> <p>4. From Rs 7,50,001 to Rs 10,00,000 - 15 per cent.</p> <p>5. From Rs 10,00,001 to Rs 12,50,000 - 20 per cent.</p> <p>6. From Rs 12,50,001 to Rs 15,00,000 - 25 per cent.</p> <p>7. Above Rs 15,00,000 - 30 per cent.:</p> <p>Provided that where the person fails to satisfy the conditions contained in sub-section (2) in any previous year, the option shall become invalid in respect of the assessment year relevant to that previous year and other provisions of this Act shall apply, as if the option had not been exercised for the assessment year relevant to that previous year:</p> <p>Provided further that where the option is exercised under clause (i)</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>of sub-section (5), in the event of failure to satisfy the conditions contained in sub-section (2), it shall become invalid for subsequent assessment years also and other provisions of this Act shall apply for those years accordingly.</p> <p>(2) For the purposes of sub-section (1), the total income of the individual or Hindu undivided family shall be computed,—</p> <p>(i) without any exemption or deduction under the provisions of clause (5) or clause (13A) or prescribed under clause (14) (other than those as may be prescribed for this purpose) or clause (17) or clause (32), of section 10 or section 10AA or section 16 or clause (b) of section 24 (in respect of the property referred to in sub-section (2) of section 23) or clause (iia) of sub-section (1) of</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>section 32 or section 32AD or section 33AB or section 33ABA or sub-clause (ii) or sub-clause (iia) or sub-clause (iii), of sub-section (1) or sub-section (2AA), of section 35 or section 35AD or section 35CCC or clause (iia) of section 57 or under any of the provisions of Chapter VI-A other than the provisions of sub-section (2) of section 80CCD or section 80JJAA;</p> <p>(ii) without set off of any loss,—</p> <p>(a) carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred to in clause (i);</p> <p>(b) under the head “Income from house property” with any other head of income;</p> <p>(iii) by claiming the depreciation, if any, under any provision of section 32, except clause (iia) of sub-section (1) of the</p>	

BUDGET ANALYSIS 2020-21

Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>said section, determined in such manner as may be prescribed; and <i>(iv)</i> without any exemption or deduction for allowances or perquisite, by whatever name called, provided under any other law for the time being in force. (3) The loss and depreciation referred to in clause <i>(ii)</i> of sub-section (2) shall be deemed to have been given full effect to and no further deduction for such loss or depreciation shall be allowed for any subsequent year: Provided that where there is a depreciation allowance in respect of a block of assets which has not been given full effect to prior to the assessment year beginning on the 1st day of April, 2021, corresponding adjustment shall be made to the written down value of such block of assets as on the 1st day of April, 2020 in the prescribed</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>manner, if the option under sub-section (5) is exercised for a previous year relevant to the assessment year beginning on the 1st day of April, 2021.</p> <p>(4) In case of a person, having a Unit in the International Financial Services Centre, as referred to in sub-section (1A) of section 80LA, which has exercised option under sub-section (5), the conditions contained in sub-section (2) shall be modified to the extent that the deduction under section 80LA shall be available to such Unit subject to fulfillment of the conditions contained in the said section.</p> <p><i>Explanation.</i>—For the purposes of this sub-section, the term "Unit" shall have the meaning assigned to it in clause (zc) of section 2 of the Special Economic Zones Act, 2005.</p> <p>(5) Nothing contained in this section shall apply unless option is</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>exercised in the prescribed manner by the person,—</p> <p>(i) having business income, on or before the due date specified under sub-section (1) of section 139 for furnishing the returns of income for any previous year relevant to the assessment year commencing on or after the 1st day of April, 2021, and such option once exercised shall apply to subsequent assessment years;</p> <p>(ii) having no business income, along with the return of income to be furnished under sub-section (1) of section 139 for a previous year relevant to the assessment year:</p> <p>Provided that the option under clause (i), once exercised for any previous year can be withdrawn only once for a previous year other than the year in which it was exercised and thereafter, the person shall never be eligible to exercise option under</p>	

BUDGET ANALYSIS 2020-21

Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				this section, except where such person ceases to have any business income in which case, option under clause (ii) shall be available.	
115BAD	1st Apr 2020-21	Tax on income of certain resident co-operative societies		(1) Notwithstanding anything contained in this Act but subject to the provisions of this Chapter, the income-tax payable in respect of the total income of a person, being a co-operative society resident in India, for any previous year relevant to the assessment year beginning on or after the 1st day of April, 2021, shall, at the option of such person, be computed at the rate of twenty-two per cent., if the conditions contained in sub-section (2) are satisfied: Provided that where the person fails to satisfy the conditions contained in sub-section (2) in computing its income in any previous year, the option shall become invalid in respect of the assessment	New section introduced for co-operative societies. Option to pay income tax at concessional rate for co-operative societies subject to no deductions from income under various sections including chapter VI A. Once the option has been exercised for any previous year, it cannot be withdrawn.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>year relevant to that previous year and subsequent assessment years and other provisions of the Act shall apply, as if the option had not been exercised for the assessment year relevant to that previous year and subsequent assessment years.</p> <p>(2) For the purposes of sub-section (1), the total income of the co-operative society shall be computed,—</p> <p>i) without any deduction under the provisions of section 10AA or clause (iia) of sub-section (1) of section 32 or section 32AD or section 33AB or section 33ABA or sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) of section 35 or section 35AD or section 35CCC or under any of the provisions of Chapter VI-A other than the provisions of section 80JJAA;</p> <p>ii) without set off of any loss carried forward or depreciation from any</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred to in clause (i); and (iii) by claiming the depreciation, if any, under section 32, other than clause (iia) of sub-section (1) of the said section, determined in such manner as may be prescribed.</p> <p>(3) The loss and depreciation referred to in clause (ii) of sub-section (2) shall be deemed to have been given full effect to and no further deduction for such loss or depreciation shall be allowed for any subsequent year: Provided that where there is a depreciation allowance in respect of a block of asset which has not been given full effect to prior to the assessment year beginning on the 1st day of April, 2021, corresponding adjustment shall be made to the written down</p>	

BUDGET ANALYSIS 2020-21

Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>value of such block of assets as on the 1st day of April, 2020 in such manner as may be prescribed, if the option under sub-section (5) is exercised for a previous year relevant to the assessment year beginning on the 1st day of April, 2021.</p> <p>(4) In case of a person, having a Unit in the International Financial Services Centre, as referred to in sub-section (1A) of section 80LA, which has exercised option under sub-section (5), the conditions contained in sub-section (2) shall be modified to the extent that the deduction under the said section shall be available to such Unit subject to fulfilment of the conditions contained in that section.</p> <p><i>Explanation.</i>—For the purposes of this sub-section, the term “Unit” shall have the meaning assigned to it in clause (zc) of section 2 of the Special Economic Zones Act, 2005.</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				(5) Nothing contained in this section shall apply unless option is exercised by the person in such manner as may be prescribed on or before the due date specified under sub-section (1) of section 139 for furnishing the return of income for any previous year relevant to the assessment year commencing on or after the 1st day of April, 2021 and such option once exercised shall apply to subsequent assessment years: Provided that once the option has been exercised for any previous year, it cannot be subsequently withdrawn for the same or any other previous year.'	
115BBDA	1 st April 2021	Tax on certain dividends received from domestic companies.	(1) Notwithstanding anything contained in this Act, where the total income of a specified assessee, resident in India, includes any income in aggregate exceeding ten lakh rupees, by	(1) Notwithstanding anything contained in this Act, where the total income of a specified assessee, resident in India, includes any income in aggregate exceeding ten lakh rupees, by way of dividends declared, distributed or paid by a domestic company or companies on or before 31st Day of	Since Sec 1150 has been removed for dividends distributed after 31 st Mar 2020, exemption u/s 15BBDA (i.e. dividend in hands of recipient individual to be taxable only if such dividend exceeds ₹ 10 Lakhs) is amended to ensure such exemption is not available from 01 st April 2020

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>way of dividends declared, distributed or paid by a domestic company or companies, the income-tax payable shall be the aggregate of—</p> <p>(a) the amount of income-tax calculated on the income by way of such dividends in aggregate exceeding ten lakh rupees, at the rate of ten per cent; and</p> <p>(b) the amount of income-tax with which the assessee would have been chargeable had the total income of the assessee been reduced by the amount of income by way of dividends.</p>	<p>March 2020, the income-tax payable shall be the aggregate of—</p> <p>(a) the amount of income-tax calculated on the income by way of such dividends in aggregate exceeding ten lakh rupees, at the rate of ten per cent; and</p> <p>(b) the amount of income-tax with which the assessee would have been chargeable had the total income of the assessee been reduced by the amount of income by way of dividends.</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
Clause (c) of Section 115C	1 st April 2021		(c) "investment income" means any income derived other than dividends referred to in section 115-O from a foreign exchange asset;	<i>"investment income" means any income derived from a foreign exchange asset."</i>	In case of non-residents, now dividend income will be considered as investment income. Meaning this income shall be leviable to tax.
Sub-section (4) of section 115JB	1 st April 2020	Special provision for payment of tax by certain companies	(4) Every company to which this section applies, shall furnish a report in the prescribed form from an accountant as defined in the Explanation below sub-section (2) of section 288, certifying that the book profit has been computed in accordance with the provisions of this section along with the return of income filed under sub-section (1) of section 139 or along with the return of income furnished in response to a notice under clause (i) of sub-	(4) Every company to which this section applies, shall furnish a report in the prescribed form from an accountant as defined in the Explanation below sub-section (2) of section 288, certifying that the book profit has been computed in accordance with the provisions of this section before the specified date referred to in section 44AB or along with the return of income furnished in response to a notice under clause (i) of sub-section (1) of section 142.	Any person availing option to pay Minimum Alternate Tax under Sec 115JB will be required to file Tax Audit Report on or before due date i.e. 30 th Sep.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			section (1) of section 142.		
Sub-section (3) of the Section 115JC	1 st April 2020	Special provisions for payment of tax by certain persons other than a company.	Every person to whom this section applies shall obtain a report, in such form as may be prescribed, from an accountant, certifying that the adjusted total income and the alternate minimum tax have been computed in accordance with the provisions of this Chapter and furnish such report on or before the due date of furnishing of return of income under sub-section (1) of section 139.	Every person to whom this section applies shall obtain a report <i>before the specified date referred to in section 44AB, in such form as may be prescribed, from an accountant referred to in the Explanation below sub-section (2) of section 288, certifying that the adjusted total income and the alternate minimum tax have been computed in accordance with the provisions of this Chapter and furnish such report by that date</i>	Any person availing option to pay Alternate Minimum Tax under Sec 115JC will be required to file Tax Audit Report on or before due date i.e. 30 th Sep.
Sub-section (5) of the Section 115JC	1 st April 2021	Special provisions relating to certain person Other than a company		“(5) The provisions of this section shall not apply to a person who has exercised the option referred to in section 115BAC or section 115BAD.”.	No carry forward for MAT credit in case of concessional rate of tax paid under section 115BAC or Section 115BAD

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
Sub-section (6) of the Section 115JD	1 st April 2021	Tax credit for alternate minimum tax.	Newly Inserted	“(7) The provisions of this section shall not apply to a person who has exercised the option referred to in section 115BAC or section 115BAD	The provisions relating to carry forward and set off of AMT credit, if any, shall not apply to such co-operative society paying concessional rate of tax u/s 115BAC/115BAD
Sub-section(1) of Section 115-O	1 st April 2021	Tax on distributed profits of domestic companies.	(1) Notwithstanding anything contained in any other provision of this Act and subject to the provisions of this section, in addition to the income-tax chargeable in respect of the total income of a domestic company for any assessment year, any amount declared, distributed or paid by such company by way of dividends (whether interim or otherwise) on or after the 1st day of April, 2003, whether out of current or accumulated profits shall be charged to additional income-tax	(1) Notwithstanding anything contained in any other provision of this Act and subject to the provisions of this section, in addition to the income-tax chargeable in respect of the total income of a domestic company for any assessment year, any amount declared, distributed or paid by such company by way of dividends (whether interim or otherwise) on or after the 1st day of April, 2003 but not on or before the 31st Day of March 2020 , whether out of current or accumulated profits shall be charged to additional income-tax (hereafter referred to as tax on distributed profits) at the rate of fifteen per cent.	Dividend declared, distributed or paid after 1st April, 2003, but on or before 31st March, 2020 shall be covered under the provision of this section. In other words, applicability Dividend distribution tax for domestic companies restricted to 31st Mar 2020, there after no DDT is payable.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			(hereafter referred to as tax on distributed profits) at the rate of fifteen per cent.		
Sub-section(2), of Section 115R	1st April 2021	Tax on distributed income to unit holders	Notwithstanding anything contained in any other provision of this Act, any amount of income distributed by the specified company or a Mutual Fund to its unit holders shall be chargeable to tax and such specified company or Mutual Fund shall be liable to pay additional income-tax on such distributed income	Notwithstanding anything contained in any other provision of this Act, any amount of income distributed by the specified company or a Mutual Fund to its unit holders on or before the 31st Day of March 2020 shall be chargeable to tax and such specified company or Mutual Fund shall be liable to pay additional income-tax on such distributed income	The income distributed on or before 31 st March 2020 shall only be covered under the provision of this section. In other words, applicability Dividend distribution tax for domestic companies, Mutual fund restricted to 31st Mar 2020, there after no tax to be payable.
115TD	1st June 2020	SPECIAL PROVISIONS RELATING TO TAX ON ACCRETED INCOME OF CERTAIN TRUSTS AND INSTITUTIONS		In section 115TD of the Income-tax Act, for the words, figures and letters "under section 12AA" wherever they occur, the words, figures and letters "under section 12AA or section 12AB" shall be substituted with effect from the 1st day of June, 2020.	Since new conditions have been specified in Sec 12A subject to fulfillment of which Sec 11 and/or 12 shall be applicable, procedure for grant of registration in such cases has been routed through Sec 12AB. Since, person registered under section 12AB shall be entitled to exemptions under Sec 11/12, it was

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
					necessary to amend other provisions of Income Tax Act to be in alignment. Hence, this change.
Sub-section (3) of section 115UA	1 st April 2021	Tax on income of unit holder and business trust.	(3) If in any previous year, the distributed income or any part thereof, received by a unit holder from the business trust is of the nature as referred to in sub-clause (a) of clause (23FC) or clause (23FCA) of section 10, then, such distributed income or part thereof shall be deemed to be income of such unit holder and shall be charged to tax as income of the previous year.	(3) If in any previous year, the distributed income or any part thereof, received by a unit holder from the business trust is of the nature as referred to in sub-clause (a) of clause (23FC) or clause (23FCA) of section 10, then, such distributed income or part thereof shall be deemed to be income of such unit holder and shall be charged to tax as income of the previous year.	Now dividend referred to in sub-section (7) of section 115-O shall be deemed to be income of such unit holder and shall be charged to tax as income of the previous year. In other words, All the distributed income of business trust is taxable in the hands of unit holder.
Clause(ii) of Section 115VW	1 st April 2020	Maintenance and audit of accounts	Maintenance and audit of accounts. 115VW. An option for tonnage tax scheme by a tonnage tax company shall not have effect in relation to a previous	Maintenance and audit of accounts. 115VW. An option for tonnage tax scheme by a tonnage tax company shall not have effect in relation to a previous year unless such company—	For tonnage tax company (companies operating in ship breaking activities), It is proposed to amend the said clause so as to provide that the company shall furnish the report of an accountant before the specified date referred

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>year unless such company—</p> <p>(i) maintains separate books of account in respect of the business of operating qualifying ships; and</p> <p>(ii) furnishes, along with the return of income for that previous year, the report of an accountant, in the prescribed form duly signed and verified by such accountant.</p> <p>Explanation.—For the purposes of this section, "accountant" shall have the same meaning as in the Explanation below sub-section (2) of section 288.</p>	<p>(i) maintains separate books of account in respect of the business of operating qualifying ships; and</p> <p>(ii) furnishes, before the specified due date referred to in section 44AB, the report of an accountant, in the prescribed form duly signed and verified by such accountant.</p> <p>Explanation.—For the purposes of this section, "accountant" shall have the same meaning as in the Explanation below sub-section (2) of section 288.</p>	<p>to in section 44AB (i.e. one month prior to the due date for filing return of income under sub-section (1) of section 139), in the prescribed form duly signed and verified by such accountant.</p>
119A	1 st April 2020	Taxpayer's Charter	Newly Inserted	The Board shall adopt and declare a Taxpayer's Charter and issue such orders, instructions, directions or guidelines to other income-tax authorities as it may deem fit for	To empower the Board to adopt and declare a Taxpayer's Charter and issue such orders, instructions, directions or guidelines to other income-tax authorities as it may

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				the administration of such Charter	deem fit for the administration of Charter.
Sub-Section 6 of Section 133A	1 st April 2020	Power of survey.	Newly Inserted	<p>Provided that—</p> <p>(a) in a case where the information has been received from such authority, as may be prescribed, no action under sub-section (1) shall be taken by an Assistant Director or a Deputy Director or an Assessing Officer or a Tax Recovery Officer or an Inspector of Income-tax without obtaining the approval of the Joint Director or the Joint Commissioner, as the case may be;</p> <p>(b) in any other case, no action under sub-section (1) shall be taken by a Joint Director or a Joint Commissioner or an Assistant Director or a Deputy Director or an Assessing Officer or a Tax Recovery Officer or an Inspector of Income-tax without obtaining the approval of the Director or the Commissioner, as the case may be.”</p>	To prevent the possible misuse of survey powers of income tax officer, a proviso to sub-section (6) in the said section was inserted to provide that no income-tax authority below the rank of Joint Director or Joint Commissioner, shall conduct any survey under the said section without prior approval of the Joint Director or the Joint Commissioner, as the case may be.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
Clause (a) of Explanation 2 to sub-section (1) of Section 139	1 st Apr 2020		(iii) a working partner of a firm whose accounts are required to be audited under this Act or under any other law for the time being in force, the 30th day of September of the assessment year;	(iii) a partner of a firm whose accounts are required to be audited under this Act or under any other law for the time being in force, the 31st day of October of the assessment year;	The working partner has been substituted with partner and due date of filing of return has been defined as 31 st October instead of 30 th September
Clause (c) of Section 140	1 st Apr 2020	Return by whom to be verified	(c) in the case of a company, by the managing director thereof, or where for any unavoidable reason such managing director is not able to verify the return, or where there is no managing director, by any director thereof (cd) in the case of a limited liability partnership, by the designated partner thereof, or where for any unavoidable reason such designated partner is	(c) in the case of a company, by the managing director thereof, or where for any unavoidable reason such managing director is not able to verify the return, or where there is no managing director, by any director thereof or any other person, as may be prescribed for this purpose (cd) in the case of a limited liability partnership, by the designated partner thereof, or where for any unavoidable reason such designated partner is not able to verify the return, or where there is no designated partner as such, by any partner thereof; or any other person as may be prescribed for this purpose	Now returns can be verified by any other person including Directors and Partners.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			not able to verify the return, or where there is no designated partner as such, by any partner thereof;		
Sub-section (3A) of Section 143	1st Apr 2020	Assessment	The Central Government may make a scheme, by notification in the Official Gazette, for the purposes of making assessment of total income or loss of the assessee under sub-section(3) so as to impart greater efficiency, transparency and accountability by- Provided that no direction shall be issued after the 31 st day of March, 2020	The Central Government may make a scheme, by notification in the Official Gazette, for the purposes of making assessment of total income or loss of the assessee under sub-section(3) or section 144 so as to impart greater efficiency, transparency and accountability by- Provided that no direction shall be issued after the 31st day of March, 2022	Assessment under section 144 i.e. Best Judgment Assessment has also been incorporated under the aforementioned notified scheme, and further date for giving effect to the scheme has been extended up to 31st day of March, 2022.
Sub-section (1) of Section 144C	1st April 2020	Reference to dispute resolution panel.	<i>144C(1) The Assessing Officer shall, notwithstanding anything to the contrary contained in</i>	<i>144C(1) The Assessing Officer shall, notwithstanding anything to the contrary contained in this Act, in the first instance, forward a draft of</i>	The eligible assessee can file his objection to dispute resolution panel where the Assessing Officer proposes to make any variation which is prejudicial to the interest

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>this Act, in the first instance, forward a draft of the proposed order of assessment (hereafter in this section referred to as the draft order) to the eligible assessee if he proposes to make, on or after the 1st day of October, 2009, any variation in the income or loss returned which is prejudicial to the interest of such assessee.</p> <p>Sec 144C(15)(b)(ii) (ii) any foreign company.</p>	<p>the proposed order of assessment (hereafter in this section referred to as the draft order) to the eligible assessee if he proposes to make, on or after the 1st day of October, 2009, any variation which is prejudicial to the interest of such assessee.</p> <p>Sec 144C(15)(b)(ii) (ii) any non-resident not being a company, or any foreign company</p>	<p>of such assessee. For this purpose, the eligible assessee has incorporated any non-resident not being a company.</p>
Sub-section (2) of Section 156 & Section 191	1 st April 2020	Notice of Demand Direct Payment of Tax	(Newly inserted)	2) Where the income of the assessee of any assessment year, beginning on or after the 1st day of April, 2021, includes income of the nature specified in clause (vi) of sub-section (2) of section 17 and such specified security or sweat equity shares	New sub-section inserted to incorporate the tax demand in case of startups where the employer allots security or sweat equity shares to the employee, sale of shares and payment thereof.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				referred to in the said clause are allotted or transferred directly or indirectly by the current employer, being an eligible start-up referred to in section 80-IAC, the tax or interest on such income included in the notice of demand referred to in sub-section (1) shall be payable by the assessee within fourteen days— (i) after the expiry of forty-eight months from the end of the relevant assessment year; or (ii) from the date of the sale of such specified security or sweat equity share by the assessee; or (iii) from the date of the assessee ceasing to be the employee of the employer who allotted or transferred him such specified security or sweat equity share, whichever is the earliest.”.	
Sub-section (1C) of Section 192	1st April 2020	Salary	<i>(Newly inserted)</i>	(1C) For the purposes of deducting or paying tax under sub-section (1) or	Availing Security or Sweat equity from an eligible start up in lieu of salary will be taxed under Sec.192

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>sub-section (1A), as the case may be, a person, being an eligible start-up referred to in section 80-IAC, responsible for paying any income to the assessee being perquisite of the nature specified in clause (vi) of sub-section (2) of section 17 in any previous year relevant to the assessment year, beginning on or after the 1st day of April, 2021, shall deduct or pay, as the case may be, tax on such income within fourteen days—</p> <p>15 (i) after the expiry of forty-eight months from the end of the relevant assessment year; or</p> <p>20 (ii) from the date of the sale of such specified security or sweat equity share by the assessee; or</p> <p>(iii) from the date of the assessee ceasing to be the employee of the person, whichever is the earliest, on the</p>	as prescribed

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				basis of rates in force for the financial year in which the said specified security or sweat equity share is allotted or transferred.”.	
Section 194	01 st April 2020	Dividends	194. The principal officer of an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends (including dividends on preference shares) within India, shall, before making any payment in cash or before issuing any cheque or warrant in respect of any dividend or before making any distribution or payment to a shareholder, who is resident in India, of any dividend within the meaning of sub-clause (a) or sub-clause	194. The principal officer of an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends (including dividends on preference shares) within India, shall, before making any payment by any mode in respect of any dividend or before making any distribution or payment to a shareholder, who is resident in India, of any dividend within the meaning of sub-clause (a) or sub-clause (b) or sub-clause (c) or sub-clause (d) or sub-clause (e) of clause (22) of section 2, deduct from the amount of such dividend, income-tax at the rates in force : Provided that no such deduction shall be made in the case of a shareholder, being an individual, if— (a) the dividend is paid by the company by an account payee	TDS on dividends has to be paid for any mode of payment and @ 10%. Limit of exemption of TDS increased to Rs.5,000 from Rs.2,500.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>(b) or sub-clause (c) or sub-clause (d) or sub-clause (e) of clause (22) of section 2, deduct from the amount of such dividend, income-tax at the rates in force : Provided that no such deduction shall be made in the case of a shareholder, being an individual, if—</p> <p>(a) the dividend is paid by the company by an account payee cheque; and</p> <p>(b) the amount of such dividend or, as the case may be, the aggregate of the amounts of such dividend distributed or paid or likely to be distributed or paid during the financial year by the company to the shareholder, does not exceed two</p>	<p>cheque; and</p> <p>(b) the amount of such dividend or, as the case may be, the aggregate of the amounts of such dividend distributed or paid or likely to be distributed or paid during the financial year by the company to the shareholder, does not exceed Five thousand rupees: Provided further that the provisions of this section shall not apply to such income credited or paid to—</p> <p>(a) the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956), in respect of any shares owned by it or in which it has full beneficial interest;</p> <p>(b) the General Insurance Corporation of India (hereafter in this proviso referred to as the Corporation) or to any of the four companies (here-after in this proviso referred to as such company), formed by virtue of the schemes framed under sub-section (1) of section 16 of the General Insurance Business (Nationalisation) Act, 1972 (57 of</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>thousand five hundred rupees: Provided further that the provisions of this section shall not apply to such income credited or paid to— (a) the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956), in respect of any shares owned by it or in which it has full beneficial interest; (b) the General Insurance Corporation of India (hereafter in this proviso referred to as the Corporation) or to any of the four companies (here-after in this proviso referred to as such company), formed by virtue of the schemes framed under sub-section (1) of section 16 of the</p>	<p>1972), in respect of any shares owned by the Corporation or such company or in which the Corporation or such company has full beneficial interest; (c) any other insurer in respect of any shares owned by it or in which it has full beneficial interest :</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			General Insurance Business (Nationalisation) Act, 1972 (57 of 1972), in respect of any shares owned by the Corporation or such company or in which the Corporation or such company has full beneficial interest; (c) any other insurer in respect of any shares owned by it or in which it has full beneficial interest : Provided also that no such deduction shall be made in respect of any dividends referred to in section 115-O.		
194A	01st April 2020	Interest other than "Interest on securities	194A. (1) Any person, not being an individual or a Hindu undivided family, who is responsible for paying to a resident any income by way of interest other than	194A. (1) Any person, not being an individual or a Hindu undivided family, who is responsible for paying to a resident any income by way of interest other than income by way of interest on securities, shall, at the time of credit of such income to the account of the payee	Monetary limit of 1 crore in case of business and 50 lakhs in case of profession has been prescribed for deduction of TDS on interest payment by individuals and HUF.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>income by way of interest on securities, shall, at the time of credit of such income to the account of the payee or at the time of payment thereof in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct income-tax thereon at the rates in force :</p> <p>Provided that an individual or a Hindu undivided family, whose total sales, gross receipts or turnover from the business or profession carried on by him exceed the monetary limits specified under clause (a) or clause (b) of section 44AB during the financial year immediately preceding the financial year in</p>	<p>or at the time of payment thereof in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct income-tax thereon at the rates in force :</p> <p>Provided that an individual or a Hindu undivided family, whose total sales, gross receipts or turnover from the business or profession carried on by him exceed the one crore rupees in case of business or fifty lakh rupees in case of profession during the financial year immediately preceding the financial year in which such interest is credited or paid, shall be liable to deduct income-tax under this section.</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			which such interest is credited or paid, shall be liable to deduct income-tax under this section.		
194C(1)(I)(B)	01-04-2020	Payment to contractor	<p>(I) any person, being an individual or a Hindu undivided family or an association of persons or a body of individuals, if such person,—</p> <p>(A) does not fall under any of the preceding sub-clauses; and</p> <p>(B) is liable to audit of accounts under clause (a) or clause (b) of section 44AB during the financial year immediately preceding the financial year in which such sum is credited or paid to the account of the contractor;</p>	<p>(I) in clause (i), in sub-clause (I), in item (B), for the words, brackets, letters and figures “is liable to audit of accounts under clause (a) or clause (b) of section 44AB”, the words “has total sales, gross receipts or turnover from business or profession carried on by him exceeding one crore rupees in case of business or fifty lakh rupees in case of profession” shall be substituted;</p>	TDS on payment to contractors was required to be deducted for assessee (Individual, HUF, AOP, BOA) if the turnover from the business or profession exceeds the monetary limit as specified in sec 44AB(tax audit).Since the tax audit limit is now increased to 5 crores, this amendment is brought to continue the existing limit for deduction of tax on Rent

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
194C	01-04-2020	Payment to contractors	<p>Work shall include:</p> <p>(e) manufacturing or supplying a product according to the requirement or specification of a customer by using material purchased from such customer, but does not include manufacturing or supplying a product according to the requirement or specification of a customer by using material purchased from a person, other than such customer.</p>	<p>(e) manufacturing or supplying a product according to the requirement or specification of a customer by using material purchased from such customer or its associate, being a person placed similarly in relation to such customer as is the person placed in relation to the assessee under the provisions contained in clause (b) of sub-section (2) of section 40A,”</p>	<p>Earlier TDS was not required to be deducted on payment to contractor for work done, wherein goods were supplied by person other than customer. Now, the definition of work has been enhanced to include supplies made by any person other than customer that is associate or related person (Sec 40A)</p>
194H	01-04-2020	Commission or brokerage	<p>Provided further that an individual or a Hindu undivided family, whose total sales, gross receipts or turnover from the business or profession carried on by him exceed the monetary</p>	<p>194H of the Income-tax Act, in the second proviso, for the words, brackets, letters and figures “the monetary limits specified under clause (a) or clause (b) of section 44AB”, the words “one crore rupees in case of business or fifty lakh rupees in case of profession” shall be</p>	<p>TDS on payment of Rent was required to be deducted for assesseees (Individual, HUF, AOP, BOA)if the turnover from the business or profession exceeds the monetary limit as specified in sec 44AB(tax audit).Since the tax audit limit is now increased to 5 crores, this amendment is brought to</p>

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			limits specified under clause (a) or clause (b) of <u>section 44AB</u> during the financial year immediately preceding the financial year in which such commission or brokerage is credited or paid, shall be liable to deduct income-tax under this section:	substituted	continue the existing limit for deduction of tax on Rent
194I	01-04-2020	Rent		In section 194-I of the Income-tax Act, in the second proviso, for the words, brackets, letters and figures “the monetary limits specified under clause (a) or clause (b) of section 44AB”, the words “one crore rupees in case of business or fifty lakh rupees in case of profession” shall be substituted	TDS on payment of Rent was required to be deducted for assesseees(Individual,HUF,AOP,BOA)if the turnover from the business or profession exceeds the monetary limit as specified in sec 44AB(tax audit).Since the tax audit limit is now increased to 5 crores, this amendment is brought to continue the existing limit for deduction of tax on Rent
194J	01-04-2020	Fees for professional or technical services	(1) Any person, not being an individual or a Hindu undivided family, who is responsible for paying	(a) in the long line, for the words “ten per cent. of such sum”, the words and brackets “two per cent. of such sum in case of fees for technical services (not	To avoid confusion w.r.t rate for TDS on Technical fees (other than professional technical fees) this amendment has been brought to clarify that rate of tax on technical

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			to a resident any sum by way of— (a) fees for professional services, or (b) fees for technical services, or (ba) any remuneration or fees or commission by whatever name called, other than those on which tax is deductible under section 192, to a director of a company, or (c) royalty, or (d) any sum referred to in clause (va) of section 28, shall, at the time of credit of such sum to the account of the payee or at the time of payment thereof in cash or by issue of a cheque or draft or by any other mode, whichever is earlier,	being a professional service) and ten per cent. of such sum in other cases,” shall be substituted In the second proviso, for the words, brackets, letters and figures “the monetary limits specified under clause (a) or clause (b) of section 44AB”, the words “one crore rupees in case of business or fifty lakh rupees in case of profession” shall be substituted.	fees(other than professional) would be 2% instead of 10%.Litigations will be reduced. TDS on payment of Technical fees was required to be deducted for assessees (Individual, HUF, AOP,BOA)if the turnover from the business or profession exceeds the monetary limit as specified in sec 44AB(tax audit).Since the tax audit limit is now increased to 5 crores, this amendment is brought to continue the existing limit for deduction of tax on technical fees

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>deduct an amount equal to ten per cent of such sum as income-tax on income comprised therein :</p> <p>an individual or a Hindu undivided family, whose total sales, gross receipts or turnover from the business or profession carried on by him exceed the monetary limits specified under clause (a) or clause (b) of section 44AB during the financial year immediately preceding the financial year in which such sum by way of fees for professional services or technical services is credited or paid, shall be liable to deduct income-tax under this section</p>		

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
194K	01-04-2020	Income in respect of units	-	<p>194K. Any person responsible for paying to a resident any income in respect of—</p> <p>(a) units of a Mutual Fund specified under clause (23D) of section 10; or</p> <p>(b) units from the Administrator of the specified undertaking; or</p> <p>(c) units from the specified company,</p> <p>shall, at the time of credit of such income to the account of the payee or at the time of payment thereof by any mode, whichever is earlier, deduct income-tax thereon at the rate of ten per cent.:</p> <p>Provided that the provisions of this section shall not apply where the amount of such income or, as the case may be, the aggregate of the amounts of such income credited or paid or likely to be credited or paid during the financial year by the person responsible for making the payment to the account of, or to, the payee does not exceed five</p>	<p>New section has been inserted that any person who is liable to pay to a resident any income in respect of units of mutual fund ,units from administrator of specified undertaking(UTI) or units from specified company @ 10% for amount exceeding Rs.5000.</p>

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				thousand rupees “the monetary limits specified under clause (a) or clause (b) of section 44AB”, the words “one crore rupees in case of business or fifty lakh rupees in case of profession” shall be substituted	
194LC	01-04-2020	Income by way of interest from Indian Company	The interest referred to in sub-section (1) shall be the income by way of interest payable by the specified company or the business trust,— (i) in respect of monies borrowed by it in foreign currency from a source outside India,— (a) under a loan agreement at any time on	In section 194LC of the Income-tax Act,— (i) in sub-section (1), the following proviso shall be inserted, namely:— — “Provided that in case of income by way of interest referred to clause (b) of sub-section (2), the income-tax shall be deducted at the rate of four per cent.”; (ii) in sub-section (2),— 20 (a) in clause (i), in sub-clause (a) and sub-clause (c), for the figures “2020”, the figures “2023” shall be substituted; (b) in clause (ia), for the figures and word “2020, and”, the figures and	To attract Foreign funds at lower cost, the concessional rate of TDS on interest payment@ 5% has been extended from 01- July 2020 to 30 th June 2023. Further provide that the rate of TDS shall be four per cent on the interest payable to a non-resident, in respect of monies borrowed in foreign currency from a source outside India, by way of issue of any long term bond or RDB on or after 1st April, 2020 but before 1st July, 2023 and which is listed only on a recognised stock exchange located in any IFSC

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			<p>or after the 1st day of July, 2012 but before the 1st day of July, 2020; or</p> <p>(b) by way of issue of long-term infrastructure bonds at any time on or after the 1st day of July, 2012 but before the 1st day of October, 2014; or</p> <p>(c) by way of</p>	<p>word “2023, or” shall be substituted;</p> <p>(c) after clause (ia), the following clause shall be inserted, namely:—</p> <p>“(ib) in respect of monies borrowed by it from a source outside India by way of issue of any long-term bond or rupee denominated bond on or after the 1st day of April, 2020 but before the 1st day of July, 2023, which is listed only on a recognized stock exchange located in any International Financial Services Centre,</p>	

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			<p>issue of any long-term bond including long-term infrastructure bond at any time on or after the 1st day of October, 2014 but before the 1st day of July, 2020, as approved by the Central Government in this behalf; or (ia) in respect of monies borrowed by it</p>		

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			<p>from a source outside India by way of issue of rupee denominated bond before the 1st day of July, 2020, and</p> <p>(ii) to the extent to which such interest does not exceed the amount of interest calculated at the rate approved by the Central Government in this behalf, having regard to the terms of the loan or the bond and its repayment.</p>		
194LD	01-04-2020	Income by way of Interest on certain bonds and	1) Any person who is responsible for paying to a person being a Foreign Institutional	(i) for sub-section (2), the following sub-section shall be substituted, namely:— “(2) The income by way of interest	To stimulate the economy, it has been proposed to extend the period of 5% TDS on interest payment to Foreign Institutional

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		Government securities	<p>Investor or a Qualified Foreign Investor, any income by way of interest referred to in sub-section (2), shall, at the time of credit of such income to the account of the payee or at the time of payment of such income in cash or by the issue of a cheque or draft or by any other mode, whichever is earlier, deduct income-tax thereon at the rate of five per cent.</p> <p>(2) The income by way of interest referred to in sub-section (1) shall be the interest payable on or after the 1st day of June, 2013 but before the 1st day of July, 2020 in respect of investment made by the payee in—</p>	<p>referred to in sub-section (1) shall be the interest payable,—</p> <p>(a) on or after the 1st day of June, 2013 but before the 1st day of July, 2023 in respect of the investment made by the payee in —</p> <p>(i) a rupee denominated bond of an Indian company; or</p> <p>(ii) a Government security;</p> <p>(b) on or after the 1st day of April, 2020 but before the 1st day of July, 2023 in respect of the investment made by the payee in municipal debt securities:</p> <p>Provided that the rate of interest in respect of bond referred to in sub-clause (i) of clause (a) shall not exceed the rate as the Central Government may, by notification in the Official Gazette,</p>	<p>Investors (FII) and Qualified Foreign Investors (QFI) from 01st July 2020 to 1st July 2023. Further this concessional rate of 5% TDS shall also be applicable to a FII or QFI for investment made in municipal debt security with effect from 01st April 2020.</p>

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			(i) a rupee denominated bond of an Indian company ; or (ii) a Government security:		
1940	01-04-2020	Payment of certain sums by e-commerce operator to e-commerce participant.	-	Notwithstanding anything to the contrary contained in any of the provisions of Part B of this Chapter, where sale of goods or provision of services of an e-commerce participant is facilitated by an e-commerce operator through its digital or electronic facility or platform (by whatever name called), such e-commerce operator shall, at the time of credit of amount of sale or services or both to the account of an e-commerce participant or at the time of payment thereof to such e-commerce participant by any mode, whichever is earlier, deduct income-tax at the rate of one per cent. of the gross amount of such sales or services or both.	New Section has been inserted to widen the tax net and deduct the tax on e-commerce transactions .The e-commerce operator shall deduct TDS @ 1% on gross amount of goods or services or both for any sum credited or paid to e-commerce participant .However incase where the e-commerce participant is individual or HUF TDS shall be deductible only if sale during previous year exceeds Rs.5 lacs and Pan or Aadhar has been furnished to the e-commerce operator.

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				<p>Explanation.—For the purposes of this sub-section, any payment made by a purchaser of goods or recipient of services directly to an e-commerce participant for the sale of goods or provision of services or both, facilitated by an e-commerce operator, shall be deemed to be the amount credited or paid by the e-commerce operator to the e-commerce participant and shall be included in the gross amount of such sale or services for the purpose of deduction of income-tax under this subsection.</p> <p>(2) No deduction under sub-section (1) shall be made from any sum credited or paid or likely to be credited or paid during the previous year to the account of an e-commerce participant, being an individual or Hindu undivided family, where the gross amount of such sale or services or both during the previous year does not exceed five lakh rupees and such e-commerce participant has furnished his Permanent Account Number or Aadhaar number to the</p>	

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				<p>e-commerce operator.</p> <p>(3) Notwithstanding anything contained in Part B of this Chapter, a transaction in respect of which tax has been deducted by the e-commerce operator under sub-section (1), or which is not liable to deduction under sub-section (2), shall not be liable to tax deduction at source under any other provision of this Chapter:</p> <p>Provided that the provisions of this sub-section shall not apply to any amount or aggregate of amounts received or receivable by an e-commerce operator for hosting advertisements or providing any other services which are not in connection with the sale or services referred to in sub-section (1).</p> <p>Explanation.—For the purposes of this section,</p> <p>(a) “electronic commerce” means the supply of goods or services or both, including digital products, over digital or electronic network;</p> <p>(b) “e-commerce operator” means</p>	

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				<p>a person who owns, operates or manages digital or electronic facility or platform for electronic commerce and is responsible for paying to e-commerce participant;</p> <p>(c) "e-commerce participant" means a person resident in India selling goods or providing services or both, including digital products, through digital or electronic facility or platform for electronic commerce;</p> <p>(d) "services" includes 'fees for technical services' and fees for 'professional services', as defined in the Explanation to section 194J.</p>	
195	01-04-2020	Other sums (TDS on payment to NRI)	Provided further that no such deduction shall be made in respect of any dividends referred to in section 115-O.	Proviso deleted	Now since the dividend is taxable in the hands of NRI, TDS would be deductible.
196A	01-04-2020	Income in respect of units of non-residents-TDS	(1) Any person responsible for paying to a non-resident, not being a company, or to	1) Any person responsible for paying to a non-resident, not being a company, or to a foreign	TDS will be applicable in respect of dividend of Mutual fund.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>a foreign company, any income in respect of units of a Mutual Fund specified under clause (23D) of section 10 or of the Unit Trust of India shall, at the time of credit of such income to the account of the payee or at the time of payment thereof in cash or by the issue of a cheque or draft or by any other mode, whichever is earlier, deduct income-tax thereon at the rate of twenty per cent :</p> <p>Provided that no deduction shall be made under this section from any such income credited or paid on or after the 1st day of April, 2003</p>	<p>company, any income in respect of units of a Mutual Fund specified under clause (23D) of section 10 or of the Unit Trust of India “from the specified company referred to in the Explanation to clause (35) of section 10” shall, at the time of credit of such income to the account of the payee or at the time of payment thereof in cash or by the issue of a cheque or draft or by any other mode by any other mode, whichever is earlier, deduct income-tax thereon at the rate of twenty per cent :</p> <p>Provided that no deduction shall be made under this section from any such income credited or paid on or after the 1st day of April, 2003</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
196C	01-04-2020	Income from foreign currency bonds or shares of Indian company.	Where any income by way of interest or dividends in respect of bonds or Global Depository Receipts referred to in section 115AC or by way of long-term capital gains arising from the transfer of such bonds or Global Depository Receipts is payable to a non-resident, the person responsible for making the payment shall, at the time of credit of such income to the account of the payee or at the time of payment thereof in cash or by the issue of a cheque or draft or by any other mode, whichever is earlier, deduct income-tax thereon at the rate of ten per cent : Provided that no such	Where any income by way of interest or dividends in respect of bonds or Global Depository Receipts referred to in section 115AC or by way of long-term capital gains arising from the transfer of such bonds or Global Depository Receipts is payable to a non-resident, the person responsible for making the payment shall, at the time of credit of such income to the account of the payee or at the time of payment thereof in cash or by the issue of a cheque or draft or by any other mode by any other mode , whichever is earlier, deduct income-tax thereon at the rate of ten per cent : Provided that no such deduction shall be made in respect of any dividends referred to in section 115-O	TDS will be applicable on dividend.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			deduction shall be made in respect of any dividends referred to in section 115-O .		
196D	01-04-2020	Income of Foreign Institutional Investors from securities.	1) Where any income in respect of securities referred to in clause (a) of sub-section (1) of section 115AD, not being income by way of interest referred to in section 194LD, is payable to a Foreign Institutional Investor, the person responsible for making the payment shall, at the time of credit of such income to the account of the payee or at the time of payment thereof in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct income-tax thereon at the rate	1) Where any income in respect of securities referred to in clause (a) of sub-section (1) of section 115AD, not being income by way of interest referred to in section 194LD, is payable to a Foreign Institutional Investor, the person responsible for making the payment shall, at the time of credit of such income to the account of the payee or at the time of payment thereof in cash or by issue of a cheque or draft or by any other mode by any other mode, whichever is earlier, deduct income-tax thereon at the rate of twenty per cent : Provided that no such deduction shall be made in respect of any dividends referred to in section 115-O. (2) No deduction of tax shall be made from any income, by way of	TDS will be applicable on dividend

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			of twenty per cent : Provided that no such deduction shall be made in respect of any dividends referred to in section 115-O. (2) No deduction of tax shall be made from any income, by way of capital gains arising from the transfer of securities referred to in section 115AD, payable to a Foreign Institutional Investor.	capital gains arising from the transfer of securities referred to in section 115AD, payable to a Foreign Institutional Investor.	
197	01 st April 2020	Certificate for deduction at lower rate.	1) Subject to rules made under sub-section (2A), where, in the case of any income of any person or sum payable to any person, income-tax is required to be deducted at the time of credit or, as the case may be, at the time of payment at the rates in force under the provisions of	1) Subject to rules made under sub-section (2A), where, in the case of any income of any person or sum payable to any person, income-tax is required to be deducted at the time of credit or, as the case may be, at the time of payment at the rates in force under the provisions of sections 192, 193, 194, 194A, 194C, 194D, 194G, 194H, 194-I, 194J, 194K, 194LA, 194LBB, 194LBC 50[, 194M,194-O and 195, the Assessing Officer is satisfied that	Facility for opting for deduction for TDS at lower rate shall be applicable for TDS e-commerce operator as well.

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			sections 192, 193, 194, 194A, 194C, 194D, 194G, 194H, 194-I, 194J, 194K, 194LA, 194LBB, 194LBC [, 194M] and 195, the Assessing Officer is satisfied that the total income of the recipient justifies the deduction of income-tax at any lower rates or no deduction of income-tax, as the case may be, the Assessing Officer shall, on an application made by the assessee in this behalf, give to him such certificate as may be appropriate.	the total income of the recipient justifies the deduction of income-tax at any lower rates or no deduction of income-tax, as the case may be, the Assessing Officer shall, on an application made by the assessee in this behalf, give to him such certificate as may be appropriate.	
203AA	01-04-2020	Furnishing of statement of tax deducted.	The prescribed income-tax authority or the person authorized by such authority referred to in sub-section (3) of section 200, shall, within the prescribed	Deleted	Now instead of Form 26AS for deduction of TDS ,Annual Information Statement will be uploaded by department in the respective assesses account on the designated portal (www.incometaxindiaefiling.gov.in)

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			time after the end of each financial year beginning on or after the 1st day of April, 2008 prepare and deliver to every person from whose income the tax has been deducted or in respect of whose income the tax has been paid a statement in the prescribed form specifying the amount of tax deducted or paid and such other particulars as may be prescribed.		
204	01-04-2020	"person responsible for paying".	For the purposes of the foregoing provisions of this Chapter and section 285 , the expression "person responsible for paying" means— (i) in the case of payments of income	For the purposes of the foregoing provisions of this Chapter and section 285 , the expression "person responsible for paying" means— (i) in the case of payments of income chargeable under the head "Salaries", other than payments by the Central Government or the	Incase where the person responsible for paying TDS is NR , the person himself or the agent will be responsible for deducting TDS.This may be clarification for TDS on e-commerce operator Consequent to applicability of TDS

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			<p>chargeable under the head "Salaries", other than payments by the Central Government or the Government of a State, the employer himself or, if the employer is a company, the company itself, including the principal officer thereof;</p> <p>(ii) in the case of payments of income chargeable under the head "Interest on securities", other than payments made by or on behalf of the Central Government or</p>	<p>Government of a State, the employer himself or, if the employer is a company, the company itself, including the principal officer thereof;</p> <p>(ii) in the case of payments of income chargeable under the head "Interest on securities", other than payments made by or on behalf of the Central Government or the Government of a State, the local authority, corporation or company, including the principal officer thereof;</p> <p>(iia) in the case of any sum payable to a non-resident Indian, being any sum representing consideration for the transfer by him of any foreign exchange asset, which is not a short-term capital asset, the authorized person responsible for remitting such sum to the non-resident Indian or for crediting such sum to his Non-resident (External)</p>	

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			<p>the Government of a State, the local authority, corporation or company, including the principal officer thereof;</p> <p>(<i>ii</i>) in the case of any sum payable to a non-resident Indian, being any sum representing consideration for the transfer by him of any foreign exchange asset, which is not a short-term capital asset, the authorized person responsible for remitting such sum to the non-resident Indian</p>	<p>Account maintained in accordance with the Foreign Exchange Management Act, 1999 (42 of 1999), and any rules made thereunder;</p> <p>(<i>iib</i>) in the case of furnishing of information relating to payment to a non-resident, not being a company, or to a foreign company, of any sum, whether or not chargeable under the provisions of this Act, the payer himself, or, if the payer is a company, the company itself including the principal officer thereof;</p> <p>(<i>iii</i>) in the case of credit, or, as the case may be, payment of any other sum chargeable under the provisions of this Act, the payer himself, or, if the payer is a company, the company itself including the principal officer thereof;</p> <p>(<i>iv</i>) in the case of credit, or as the case may be, payment of any sum chargeable under the</p>	

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			<p>or for crediting such sum to his Non-resident (External) Account maintained in accordance with the Foreign Exchange Management Act, 1999 (42 of 1999), and any rules made thereunder;</p> <p>(iib) in the case of furnishing of information relating to payment to a non-resident, not being a company, or to a foreign company, of any sum, whether or not chargeable under the provisions of this</p>	<p>provisions of this Act made by or on behalf of the Central Government or the Government of a State, the drawing and disbursing officer or any other person, by whatever name called, responsible for crediting, or as the case may be, paying such sum.</p> <p><u>v) in the case of a person not resident in India, the person himself or any person authorised by such person or the agent of such person in India including any person treated as an agent under section 163."</u></p> <p><u>10</u></p>	

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			<p>Act, the payer himself, or, if the payer is a company, the company itself including the principal officer thereof;</p>		
			<p>(iii) in the case of credit, or, as the case may be, payment of any other sum chargeable under the provisions of this Act, the payer himself, or, if the payer is a company, the company itself including the principal officer thereof;</p>		
			<p>(iv) in the case of credit, or as the case may be, payment of any</p>		

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			sum chargeable under the provisions of this Act made by or on behalf of the Central Government or the Government of a State, the drawing and disbursing officer or any other person, by whatever name called, responsible for crediting, or as the case may be, paying such sum.		
206AA	01st April 2020	Requirement to furnish Permanent Account Number.	(1) Notwithstanding anything contained in any other provisions of this Act, any person entitled to receive any sum or income or amount, on which tax	(1) Notwithstanding anything contained in any other provisions of this Act, any person entitled to receive any sum or income or amount, on which tax is deductible under Chapter XVIIIB (hereafter referred to as deductee) shall	For E-commerce operator, incase PAN is not furnished ,TDS shall be deducted higher of rate specified in relevant provision ,rate in force or 5%.

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			is deductible under Chapter XVIIIB (hereafter referred to as deductee) shall furnish his Permanent Account Number to the person responsible for deducting such tax (hereafter referred to as deductor), failing which tax shall be deducted at the higher of the following rates, namely:— (i) at the rate specified in the relevant provision of this Act; or (ii) at the rate or rates in force; or (iii) at the rate of twenty per cent.	furnish his Permanent Account Number to the person responsible for deducting such tax (hereafter referred to as deductor), failing which tax shall be deducted at the higher of the following rates, namely:— (i) at the rate specified in the relevant provision of this Act; or (ii) at the rate or rates in force; or (iii) at the rate of twenty per cent. Provided that where the tax is required to be deducted under section 194-O, the provisions of clause (iii) shall apply as if for the words “twenty per cent.”, the words “five per cent.” had been substituted.’.	
206C	01 st April 2020	Profits and gains from the business of trading in alcoholic	(Newly inserted)	l) after sub-section (1F), the following sub-sections shall be inserted, namely:— '(1G) Every person,— (a) being an authorised dealer, who	In order to widen and deepen the tax net, it is proposed to amend section 206C to levy TCS on overseas remittance and for sale of overseas tour package,

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		liquor, forest produce, scrap, etc.		receives an amount, or an aggregate of amounts, of seven lakh rupees or more in a financial year for remittance out of India from a buyer, being a person remitting such amount out of India under the Liberalised Remittance Scheme of the Reserve Bank of India; (b) being a seller of an overseas tour program package, who receives any amount from a buyer, being the person who purchases such package, shall, at the time of debiting the amount payable by the buyer or at the time of receipt of such amount from the said buyer, by any mode, whichever is earlier, collect from the buyer, a sum equal to five per cent. of such amount as income-tax: Provided that the provisions of this sub-section shall not apply, if the buyer is,— (i) liable to deduct tax at source under any other provision of this	as under: <ul style="list-style-type: none"> • An authorised dealer receiving an amount or an aggregate of amounts of seven lakh rupees or more in a financial year for remittance out of India under the LRS of RBI, shall be liable to collect TCS, if he receives sum in excess of said amount from a buyer being a person remitting such amount out of India, at the rate of five per cent. In non-PAN/Aadhaar cases the rate shall be ten per cent. • A seller of an overseas tour program package who receives any amount from any buyer, being a person who purchases such package, shall be liable to collect TCS at the rate of five per cent. In non-PAN/ Aadhaar cases the rate shall be ten per cent. • The above TCS provision shall not apply if the buyer is,- a. liable to deduct tax at source under any other provision of the Act and he has deducted such

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				<p>Act and has deducted such amount;</p> <p>(ii) the Central Government, a State Government, an embassy, a High Commission, a legation, a commission, a consulate, the trade representation of a foreign State, a local authority as defined in the <i>Explanation</i> to clause (20) of section 10 or any other person as the Central Government may, by notification in the Official Gazette, specify for this purpose, subject to such conditions as may be specified therein.</p> <p><i>Explanation.</i>—For the purposes of this sub-section,—</p> <p>(i) “authorised dealer” means a person authorised by the Reserve Bank of India under sub-section (1) of section 10 of the Foreign Exchange Management Act, 1999 to deal in foreign exchange or foreign security;</p> <p>(ii) “overseas tour program package” means any tour package</p>	<p>amount.</p> <p>b. the Central Government, a State Government , an embassy, a High Commission, legation, commission, consulate, the trade representation of a foreign State, a local authority as defined in Explanation to clause (20) of section 10 or any other person notified by the Central Government in the Official Gazette for this purpose subject to such conditions as specified in that notification.</p> <ul style="list-style-type: none"> • “authorised dealer” is proposed to be defined to mean a person authorised by the Reserve Bank of India under sub-section (1) of section 10 of Foreign Exchange Management Act, 1999 to deal in foreign exchange or foreign security. • “Overseas tour program package” is proposed to be defined to mean any tour package which offers visit to a country or countries or territory or territories outside India and includes expenses for travel or

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				<p>which offers visit to a country or countries or territory or territories outside India and includes expenses for travel or hotel stay or boarding or lodging or any other expenditure of similar nature or in relation thereto.</p> <p>1H) Every person, being a seller, who receives any amount as consideration for sale of any goods of the value or aggregate of such value exceeding fifty lakh rupees in any previous year, other than the goods covered in sub-section (1) or sub-section (1F) or sub-section (1G) shall, at the time of receipt of such amount, collect from the buyer, a sum equal to 0.1 per cent. of the sale consideration exceeding fifty lakh rupees as income-tax:</p> <p>Provided that if the buyer has not provided the Permanent Account Number or</p>	<p>hotel stay or boarding or lodging or any other expense of similar nature or in relation thereto.</p> <p>Further, in order to widen and deepen the tax net, it is proposed to amend section 206C to levy TCS on sale of goods above specified limit, as under:</p> <ul style="list-style-type: none"> • A seller of goods is liable to collect TCS at the rate of 0.1 per cent. on consideration received from a buyer in a previous year in excess of fifty lakh rupees. In non-PAN/ Aadhaar cases the rate shall be one per cent. • Only those seller whose total sales, gross receipts or turnover from the business carried on by it exceed ten crore rupees during the financial year immediately preceding the financial year, shall be liable to collect such TCS. • Central Government may notify person, subject to conditions contained in such notification, who shall not be liable to collect such TCS.

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				<p>the Aadhaar number to the seller, then the provisions of clause (ii) of sub-section (1) of section 206CC shall be read as if for the words “five per cent.”, the words “one per cent.” had been substituted: Provided further that the provisions of this sub-section shall not apply, if the buyer is liable to deduct tax at source under any other provision of this Act and has deducted such amount.</p> <p><i>Explanation.</i>—For the purposes of this sub-section,—</p> <p>(a) “buyer” means a person who purchases any goods, but does not include,—</p> <p>(A) the Central Government, a State Government, an embassy, a High Commission, legation, commission, consulate and the trade representation of a foreign State; or</p> <p>(B) a local authority as defined in the <i>Explanation</i> to clause (20) of section 10; or</p> <p>(C) any other person as the Central</p>	<ul style="list-style-type: none"> • No TCS is to be collected from the Central Government, a State Government and an embassy, a High Commission, legation, commission, consulate, the trade representation of a foreign State, a local authority as defined in Explanation to clause (20) of section 10 or any other person as the Central Government may, by notification in the Official Gazette, specify for this purpose, subject to conditions as prescribed in such notification. • No such TCS is to be collected, if the seller is liable to collect TCS under other provision of section 206C or the buyer is liable to deduct TDS under any provision of the Act and has deducted such amount

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				<p>Government may, by notification in the Official Gazette, specify for this purpose, subject to such conditions as may be specified therein;</p> <p>(b) "seller" means a person whose total sales, gross receipts or turnover from the business carried on by him exceed ten crore rupees during the financial year immediately preceding the financial year in which the sale of goods is carried out, not being a person as the Central Government may, by notification in the Official Gazette, specify for this purpose, subject to such conditions as may be specified therein.';</p> <p>(II) in sub-section (2), for the words, brackets, figures and letter "sub-section (1) or sub-section (1C)", the words "this section" shall be substituted;</p> <p>(III) in sub-section (3), for the words, brackets, figures and letter "sub-section (1) or</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>sub-section (1C)", the words "this section" shall be substituted;</p> <p>(IV) in sub-section (6A), in the first proviso, for the words "in accordance with the provisions of this section", the words, brackets, figures and letter "in accordance with the provisions of sub-section (1) and sub-section (1C)" shall be substituted;</p> <p>(V) in the <i>Explanation</i>, in clause (c),—</p> <p>(i) for the word "means", the words, brackets, figures and letter "with respect to sub-section (1) and sub-section (1F) means" shall be substituted;</p> <p>(ii) for the words, brackets, letters and figures "the monetary limits specified under clause (a) or clause (b) of section 44AB", the words "one crore rupees in case of business or fifty lakh rupees in case of profession" shall be substituted.</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
234G	01 st April 2020	Fee for default relating to statement or certificate.		<p>(1) Without prejudice to the provisions of this Act, where,—</p> <p>(a) the research association, university, college or other institution referred to in clause (ii) or clause (iii) or the company referred to in clause (iia) of sub-section (1) of section 35 fails to deliver or cause to be delivered a statement within the time prescribed under clause (i), or furnish a certificate prescribed under clause (ii) of sub-section (1A) of that section; or</p> <p>Fee for default relating to statement or certificate.</p> <p>45 (b) the institution or fund fails to deliver or cause to be delivered a statement within the time prescribed under clause (viii) of sub-section (5) of section 80G, or furnish a certificate prescribed under clause (ix) of the said sub-section it shall be liable to pay, by way of fee, a sum of two hundred</p>	Incase of delay of furnishing statement /certificate by research association or college etc claiming deduction under scientific research and institutions receiving donations,a fee of Rs.200 for every day for the failure shall be payable

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				rupees for every day during which the failure continues.	
250	01 st April 2020	Procedure in appeal	(Newly inserted)	<p>(6B) The Central Government may make a scheme, by notification in the Official Gazette, for the purposes of disposal of appeal by Commissioner (Appeals), so as to impart greater efficiency, transparency and accountability by—</p> <p>(a) eliminating the interface between the Commissioner (Appeals) and the appellant in the course of appellate proceedings to the extent technologically feasible;</p> <p>(b) optimizing utilization of the resources through economies of scale and functional specialization;</p> <p>(c) introducing an appellate system with dynamic jurisdiction in which appeal shall be disposed of by one or more Commissioner (Appeals).</p> <p>(6C) The Central Government may, for the purposes of giving effect to</p>	With the purpose as stated by our Hon'ble FM to employ faceless appeals in addition to already employed faceless assessment, new sub-section 6B has been inserted in Sec 250 'Procedure in Appeals' which states vision and mission of faceless appeals.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>the scheme made under sub-section (6B), by notification in the Official Gazette, direct that any of the provisions of this Act relating to jurisdiction and procedure for disposal of appeals by Commissioner (Appeals) shall not apply or shall apply with such exceptions, modifications and adaptations as may be specified in the notification:</p> <p>Provided that no direction shall be issued after the 31st day of March, 2022.</p> <p>(6D) Every notification issued under sub-section (6B) and sub-section (6C) shall, as soon as may be after the notification is issued, be laid before each House of Parliament.”.</p>	
253	01 st June 2020	Appeals to Appellate Tribunal	253(1)(c) an order passed by a Principal Commissioner or Commissioner under section 12AA or under clause (vi) of sub-	253(1)(c) an order passed by a Principal Commissioner or Commissioner under section 12AA or section 12AB or under clause (vi) of sub-section (5) of section 80G or under section 263 or under section 270A or under	Since new conditions have been specified in Sec 12A subject to fulfillment of which Sec 11 and/or 12 shall be applicable, procedure for grant of registration in such cases has been routed through Sec 12AB.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			section (5) of section 80G or under section 263 or under section 270A or under section 271 or under section 272A or an order passed by him under section 154 amending his order under section 263 or an order passed by a Principal Chief Commissioner or Chief Commissioner or a Principal Director General or Director General or a Principal Director or Director under section 272A; or	section 271 or under section 272A or an order passed by him under section 154 amending his order under section 263 or an order passed by a Principal Chief Commissioner or Chief Commissioner or a Principal Director General or Director General or a Principal Director or Director under section 272A; or	Since, person registered under section 12AB shall be entitled to exemptions under Sec 11/12, it was necessary to amend other provisions of Income Tax Act to be in alignment. Hence, this change. An applicant aggrieved by an order u/s 12AB can appeal to appellate tribunal.
254	01 st April 2020	Orders of Appellate Tribunal	Proviso to Sec 254(2A) Provided that the Appellate Tribunal may, after considering the merits of the application made by the assessee, pass an order of stay in any proceedings relating to an appeal filed under sub-section (1) of	Proviso to Sec 254(2A) Provided that the Appellate Tribunal may, after considering the merits of the application made by the assessee, pass an order of stay in any proceedings relating to an appeal filed under sub-section (1) of section 253, for a period not exceeding one hundred and eighty days from the date of such order subject to the condition that the	With the proposed change, grant of stay from proceedings shall, in addition to merits of application, be subject to deposit of not less than 20% of tax, interest, fee or penalty or any other sum payable.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			section 253, for a period not exceeding one hundred and eighty days from the date of such order and the Appellate Tribunal shall dispose of the appeal within the said period of stay specified in that order:	assessee deposits not less than twenty per cent of the amount of tax, interest, fee, penalty, or any other sum payable under the provisions of this Act, or furnishes security of equal amount in respect thereof and the Appellate Tribunal shall dispose of the appeal within the said period of stay specified in that order:	
254	01 st April 2020	Orders of Appellate Tribunal	Provided further that where such appeal is not so disposed of within the said period of stay as specified in the order of stay, the Appellate Tribunal may, on an application made in this behalf by the assessee and on being satisfied that the delay in disposing of the appeal is not attributable to the assessee, extend the period of stay, or pass an order of stay for a further period or periods as it thinks fit;	Provided further that no extension of stay shall be granted by the Appellate Tribunal, where such appeal is not so disposed of within the said period of stay as specified in the order of stay, unless the assessee makes an application and has complied with the condition referred to in the first proviso and the Appellate Tribunal is satisfied that the delay in disposing of the appeal is not attributable to the assessee, so however, that the aggregate of the period of stay originally allowed and the period of stay so extended shall not exceed three hundred and sixty-five days and the Appellate Tribunal shall	This proviso speaks of extension of stay period. This clause is changed in line with above provision that grant of stay and extension of it shall be subject to deposit of not less than 20% of sums payable under Income Tax Act.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			so, however, that the aggregate of the period originally allowed and the period or periods so extended or allowed shall not, in any case, exceed three hundred and sixty-five days and the Appellate Tribunal shall dispose of the appeal within the period or periods of stay so extended or allowed:	dispose of the appeal within the period or periods of stay so extended or allowed	
271AAD	01 st April 2020	Penalty for false entry, etc. in books of account	<i>(Newly inserted)</i>	271AAD. (1) Without prejudice to any other provisions of this Act, if during any proceeding under this Act, it is found that in the books of account maintained by any person there is— (i) a false entry; or (ii) an omission of any entry which is relevant for computation of total income of such person, to evade tax liability, the Assessing Officer may direct that such person shall pay by way of penalty a sum equal to the aggregate amount of such	Owing to fraudulent cases emerging in GST regime such as issue of fake invoices and claim of refund, fraudulent availment of ITC and further claim of refund, it is imperative to deal with such cases with harsh penal provisions across different regimes. As such, Sec 271AAD is introduced to levy penalty for false/ absence of entry of an amount equal to value involved in such entry. Further, this penalty is also leviable on person causing another person to post/ record such false entries,

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>false or omitted entry. (2) Without prejudice to the provisions of sub-section (1), the Assessing Officer may direct that any other person, who causes the person referred to in sub-section (1) in any manner to make a false entry or omits or causes to omit any entry referred to in that sub-section, shall pay by way of penalty a sum equal to the aggregate amount of such false or omitted entry. Explanation.—For the purposes of this section, “false entry” includes use or intention to use— (a) forged or falsified documents such as a false invoice or, in general, a false piece of documentary evidence; or (b) invoice in respect of supply or receipt of goods or services or both issued by the person or any other person without actual supply or receipt of such goods or services or both; or</p>	<p>evidences, documents, etc.</p>

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				(c) invoice in respect of supply or receipt of goods or services or both to or from a person who does not exist.’.	
271K	01 st June 2020	Penalty for failure to furnish statements, etc.	<i>(Newly inserted)</i>	<p>271K. Without prejudice to the provisions of this Act, the Assessing Officer may direct that a sum not less than ten thousand rupees but which may extend to one lakh rupees shall be paid by way of penalty by—</p> <p>(i) the research association, university, college or other institution referred to in clause (ii) or clause (iii) or the company referred to in clause (iia), of sub-section (1) of section 35, if it fails to deliver or cause to be delivered a statement within the time prescribed under clause (i), or furnish a certificate prescribed under clause (ii) of sub-section (1A) of that section; or</p> <p>(ii) the institution or fund, if it fails to deliver or cause to be delivered a statement within the time prescribed under clause (viii) of sub-section (5) of</p>	Penalty of min ₹ 10,000 to max of ₹ 1,00,000 may be levied on research associates, universities, colleges or such other institution (so covered u/s 35) who fail to provide specified information or necessary certificate u/s 35(ix)

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				section 80G, or furnish a certificate prescribed under clause (ix) of the said sub-section	
274(2A), (2B), (2C)	01-04-2020	Procedure for Imposing Penalty	--	<p>“(2A) The Central Government may make a scheme, by notification in the Official Gazette, for the purposes of imposing penalty under this Chapter so as to impart greater efficiency, transparency and accountability by—</p> <p>(a) eliminating the interface between the Assessing Officer and the assessee in the course of proceedings to the extent technologically feasible;</p> <p>(b) optimizing utilization of the resources through economies of scale and functional specialization;</p> <p>(c) introducing a mechanism for imposing of penalty with dynamic jurisdiction in which penalty shall be imposed by one or more income-tax authorities.</p> <p>(2B) The Central Government may, for the purposes of giving effect to</p>	<p>As a part of e-assessment and e-appeal process, e-penalty scheme has been proposed by inserting new sub-sections 2A, 2B and 2C to eliminate human interface between Assessing officer and Assessee, optimum resource utilization and levy of penalty by multiple tax authorities. Further, directions can be given by Central Government for jurisdiction and penalty up to 31st March,2022</p>

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>the scheme made under sub-section (2A), by notification in the Official Gazette, direct that any of the provisions of this Act relating to jurisdiction and procedure for imposing penalty shall not apply or shall apply with such exceptions, modifications and adaptations as may be specified in the notification: Provided that no direction shall be issued after the 31st day of March, 2022.</p> <p>(2C) Every notification issued under sub-section (2A) and sub-section (2B) shall, as soon as may be after the notification is issued, be laid before each House of Parliament.”.</p>	
285BB	01-06-2020	Annual Information System	--	The prescribed income-tax authority or the person authorized by such authority shall upload in the registered account of the assessee an annual information statement in such form and manner, within such time and	Since Form 26AS will not be available i.e. 1 st June 2020, in addition to details of assessee w.r.t TDS and tax paid, additional details as available with the Income Tax Authority (E.g. : Share transactions, Sale/Purchase of Land etc.) shall be uploaded in the registered

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>along with such information, which is in the possession of an income-tax authority, as may be prescribed.</p> <p>Explanation.—For the purposes of this section, “registered account” means the electronic filing account registered by the assessee in designated portal, that is, the web portal designated as such by the prescribed income-tax authority or the person authorized by such authority.’.</p>	account on designated portal. (www.incometaxindiaefiling.gov.in)
288(2)(viii)	01-04-2020	Appearance by authorized representative.	<p>(2) For the purposes of this section, "authorized representative" means a person authorized by the assessee in writing to appear on his behalf, being—</p> <p>(i) a person related to the assessee in any manner, or a person regularly employed by the assessee; or</p>	<p>(2) For the purposes of this section, "authorized representative" means a person authorized by the assessee in writing to appear on his behalf, being—</p> <p>(i) a person related to the assessee in any manner, or a person regularly employed by the assessee; or</p> <p>(ii) any officer of a Scheduled Bank with which the assessee maintains a current account or has other</p>	New sub clause has been inserted, wherein any person as prescribed can appear as authorized representative for assessee. This amendment is brought to allow any person to appear specially in case where there is no explicit clarity (EG : Insolvency Professional)

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>(ii) any officer of a Scheduled Bank with which the assessee maintains a current account or has other regular dealings; or</p> <p>(iii) any legal practitioner who is entitled to practice in any civil court in India; or</p> <p>(iv) an accountant; or</p> <p>(v) any person who has passed any accountancy examination recognized in this behalf by the Board; or</p> <p>any person who has acquired such educational qualifications as the Board may prescribe</p>	<p>regular dealings; or</p> <p>(iii) any legal practitioner who is entitled to practice in any civil court in India; or</p> <p>(iv) an accountant; or</p> <p>(v) any person who has passed any accountancy examination recognized in this behalf by the Board; or</p> <p>any person who has acquired such educational qualifications as the Board may prescribe for this purpose; or</p> <p>any person who, before the coming into force of this Act in the Union territory of Dadra and Nagar Haveli, Goa, Daman and Diu, or Pondicherry, attended before an income-tax authority in the said territory on behalf of any assessee otherwise than in the capacity of an</p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>for this purpose; or</p> <p>any person who, before the coming into force of this Act in the Union territory of Dadra and Nagar Haveli, Goa, Daman and Diu, or Pondicherry, attended before an income-tax authority in the said territory on behalf of any assessee otherwise than in the capacity of an employee or relative of that assessee; or</p> <p>any other person who, immediately before the commencement of this Act, was an income-tax practitioner within the meaning of clause (iv) of sub-section (2) of section 61 of the Indian Income-tax Act, 1922 (11 of 1922), and</p>	<p>employee or relative of that assessee; or</p> <p>any other person who, immediately before the commencement of this Act, was an income-tax practitioner within the meaning of clause (iv) of sub-section (2) of section 61 of the Indian Income-tax Act, 1922 (11 of 1922), and was actually practicing as such.</p> <p><u>(viii) any other person as may be prescribed</u></p>	

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			was actually practicing as such.		
295(2)(ia) & (ib)	01-04-2021	Power to make rules.	<p>(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters :—</p> <p>(a) the ascertainment and determination of any class of income;</p> <p>(b) the manner in which and the procedure by which the income shall be arrived at in the case of—</p> <p>(i) income derived in part from agriculture and in part from business;</p>	<p>(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters :—</p> <p>(a) the ascertainment and determination of any class of income;</p> <p>(b) the manner in which and the procedure by which the income shall be arrived at in the case of—</p> <p>(i) income derived in part from agriculture and in part from business;</p> <p>(ii) persons residing outside India;</p> <p><u>(ia) operations carried out in India by a non-resident;</u></p>	New Clause has been inserted to empower Board to make rules for Non resident carrying out activities in India and transactions of Non-resident.

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Sec No	Amendment Effective from	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>(ii) persons residing outside India;</p> <p>(iii) an individual who is liable to be assessed under the provisions of sub-section (2) of section 64;</p>	<p><u>(iib) transactions or activities of a non-resident</u></p> <p>(iii) an individual who is liable to be assessed under the provisions of sub-section (2) of section 64;</p>	

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