

## THE CGST ACT, 2017

# BUDGET ANALYSIS 2024-25

**CGST Act 2017:**

Section	Existing	Amendment	Bizsol Analysis
<b>Section 9</b>	(1) Subject to the provisions of sub-section (2), there shall be levied a tax called the central goods and services tax on all intra-State supplies of goods or services or both, except on the supply of alcoholic liquor for human consumption, on the value determined under section 15 and at such rates, not exceeding twenty per cent., as may be notified by the Government on the recommendations of the Council and collected in such manner as may be prescribed and shall be paid by the taxable person.	(1) Subject to the provisions of sub-section (2), there shall be levied a tax called the central goods and services tax on all intra-State supplies of goods or services or both, <b>except on the supply of alcoholic liquor for human consumption and un denatured extra neutral alcohol or rectified spirit used for manufacture of alcoholic liquor, for human consumption,</b> on the value determined under section 15 and at such rates, not exceeding twenty per cent., as may be notified by the Government on the recommendations of the Council and collected in such manner as may be prescribed and shall be paid by the taxable person.	Section 9 is being amended to take Extra Neutral Alcohol used in manufacture of alcoholic liquor for human consumption out of purview of central tax.  Similar amendments are also proposed in IGST Act and UTGST Act.
<b>Section 10</b>	(5) If the proper officer has reasons to believe that a taxable person has paid tax under sub-section (1) 11[or sub-section (2A), as the case may be,] despite not being eligible, such person shall, in addition to any tax that may be	(5) If the proper officer has reasons to believe that a taxable person has paid tax under sub-section (1) 11[or sub-section (2A), as the case may be,] despite not being eligible, such person shall, in addition to any tax	As The new section 74A is inserted w.r.t. to demand under GST the reference is added.

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	<p>payable by him under any other provisions of this Act, be liable to a penalty and the provisions of section 73 or section 74 shall, mutatis mutandis , apply for determination of tax and penalty.</p>	<p>that may be payable by him under any other provisions of this Act, be liable to a penalty and the provisions of section 73 or section 74 <b>or section 74A</b> shall, mutatis mutandis , apply for determination of tax and penalty.</p>	
<p><b>Section 11A</b></p>		<p>11A. Notwithstanding anything contained in this Act, if the Government is satisfied that —          (a) a practice was, or is, generally prevalent regarding levy of central tax (including non-levy thereof) on any supply of goods or services or both; and          (b) such supplies were, or are, liable to, —          (i) central tax, in cases where according to the said practice, central tax was not, or is not being, levied, or          (ii) a higher amount of central tax than what was, or is being, levied, in accordance with the said practice,          the Government may, on the recommendation of the Council, by notification in the Official Gazette, direct that the whole</p>	<p>Section 11A is being inserted to empower the government to regularize non-levy or short levy of central tax due to any general practice prevalent in trade. Similar power is being proposed in IGST Act, UTGST Act and GST (Compensation to States) Act.</p>

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		of the central tax payable on such supplies, or, as the case may be, the central tax in excess of that payable on such supplies, but for the said practice, shall not be required to be paid in respect of the supplies on which the central tax was not, or is not being levied, or was, or is being, short-levied, in accordance with the said practice.”.	
<b>Section 13</b>	<p>(3) In case of supplies in respect of which tax is paid or liable to be paid on reverse charge basis, the time of supply shall be the earlier of the following dates, namely:-</p> <p>(a) the date of payment as entered in the books of account of the recipient or the date on which the payment is debited in his bank account, whichever is earlier; or</p> <p>(b) the date immediately following sixty days from the date of issue of invoice or any other document, by whatever name called, in lieu thereof by the supplier:</p>	<p>(3) In case of supplies in respect of which tax is paid or liable to be paid on reverse charge basis, the time of supply shall be the earlier of the following dates, namely:-</p> <p>(a) the date of payment as entered in the books of account of the recipient or the date on which the payment is debited in his bank account, whichever is earlier; or</p> <p>(b) the date immediately following sixty days from the date of issue of invoice or any other document, by whatever name called, in lieu thereof by the supplier, <b>in cases where</b></p>	<p>sub section (3) of Section 13 of CGST Act is amended to provide for time of supply of services where the invoice is required to be issued by the recipient of services in cases of reverse charge supplies.</p> <p>In other words, there will be time limit for issuance of RCM invoice within specified period as may be notified.</p>

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	<p>Provided that where it is not possible to determine the time of supply under clause (a) or clause (b), the time of supply shall be the date of entry in the books of account of the recipient of supply:</p>	<p>invoice is required to be issued by the supplier; or “(c) the date of issue of invoice by the recipient, in cases where invoice is to be issued by the recipient: Provided that where it is not possible to determine the time of supply under clause (a) or clause (b) or (c) the time of supply shall be the date of entry in the books of account of the recipient of supply:</p>	
<p><b>Section 16</b></p>		<p>“(5) Notwithstanding anything contained in sub-section (4), in respect of an invoice or debit note for supply of goods or services or both pertaining to the Financial Years 2017-18, 2018-19, 2019-20 and 2020-21, the registered person 89 shall be entitled to take input tax credit in any return under section 39 which is filed upto the thirtieth day of November 2021. (6) Where registration of a registered person is cancelled under section 29 and subsequently the cancellation of registration is revoked by any order, either under section 30 or pursuant to any order made by the Appellate Authority or</p>	<p>This is a welcome amendment since in various judicial decisions wherein ITC was not allowed to the recipient even when late returns and hence as a corrective step ITC is allowed for FY 17-18 to 20-21 if the returns are filed till 30.11.2021 Sub-section (5) is being inserted in section 16 of the CGST Act, so as to carve out an exception to the existing sub-section (4) and to provide that in respect of an invoice or debit note under the said subsection, for the Financial Years 2017-18, 2018-19, 2019-20 and</p>

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the Appellate Tribunal or court and where availment of input tax credit in respect of an invoice or debit note was not restricted under sub-section (4) on the date of order of cancellation of registration, the said person shall be entitled to take the input tax credit in respect of such invoice or debit note for supply of goods or services or both, in a return under section 39,—

(i) filed upto thirtieth day of November following the financial year to which such invoice or debit note pertains or furnishing of the relevant annual return, whichever is earlier; or

(ii) for the period from the date of cancellation of registration or the effective date of cancellation of registration, as the case may be, till the date of order of revocation of cancellation of registration, where such return is filed within thirty days from the date of order of revocation of cancellation of registration, whichever is later.”.

2020-21, the registered person shall be entitled to take input tax credit in any return under section 39 which is filed upto the 30th day of November, 2021.

Sub-section (6) is being inserted in the said section so as to allow the availment of input tax credit in respect of an invoice or debit note in a return filed for the period from the date of cancellation of registration or the effective date of cancellation of registration, as the case may be, till the date of order of revocation of cancellation of registration, filed within thirty days of the date of order of revocation of cancellation of registration, subject to the condition that the time-limit for availment of credit in respect of the said invoice or debit note should not have already expired under sub-section (4) of the said

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			<p>section on the date of order of cancellation of registration.</p> <p>The aforesaid amendments are made effective from the 1st day of July, 2017.</p> <p>Further, where the tax has been paid or the input tax credit has been reversed, no refund of the same shall be admissible.</p>
<b>Section 17 (5)</b>	(i) any tax paid in accordance with the provisions of sections 74, 129 and 130.	(i) any tax paid in accordance with the provisions of sections <a href="#">74</a> ,	<p>To restrict the non-availability of input tax credit in respect of tax paid under section 74 of the said Act only for demands upto Financial Year 2023-24.</p> <p>It also removes reference to sections 129 and 130 in the said sub-section.</p> <p>In other words now ITC will be available even if SCN is issued with allegation of suppression, fraud etc.</p>
<b>Section 21</b>	Where the Input Service Distributor distributes the credit in contravention of the provisions contained in <a href="#">section 20</a> resulting in excess distribution of credit to one or more recipients of credit, the excess credit so distributed	Where the Input Service Distributor distributes the credit in contravention of the provisions contained in <a href="#">section 20</a> resulting in excess distribution of credit to one or more recipients of credit, the excess credit so distributed	<p>Section 21 of the CGST Act is being amended, so as to incorporate a reference to the proposed new section 74A in the said section.</p>

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	shall be recovered from such recipients along with interest, and the provisions of <a href="#">section 73</a> or <a href="#">section 74</a> , as the case may be, shall, <i>mutatis mutandis</i> , apply for determination of amount to be recovered.	shall be recovered from such recipients along with interest, and the provisions of <a href="#">section 73</a> or <a href="#">section 74</a> or <b>Section 74A</b> as the case may be, shall, <i>mutatis mutandis</i> , apply for determination of amount to be recovered.	
<b>Section 30</b>		2 <sup>nd</sup> Provision inserted: “Provided further that such revocation of cancellation of registration shall be subject to such conditions and restrictions, as may be prescribed.”.	Specific condition is prescribed to revocation of cancellation of registration
<b>Section 31</b>	(f) a registered person who is liable to pay tax under sub-section (3) or subsection (4) of <a href="#">section 9</a> shall issue an invoice in respect of goods or services or both received by him from the supplier who is not registered on the date of receipt of goods or services or both;	(f) a registered person who is liable to pay tax under sub-section (3) or subsection (4) of <a href="#">section 9</a> <b>within the period as may be prescribed</b> shall issue an invoice in respect of goods or services or both received by him from the supplier who is not registered on the date of receipt of goods or services or both;  After clause (g), the following Explanation shall be inserted <b>Explanation.- For the purposes of clause (f), the expression “supplier who is not registered” shall include</b>	Enabling provision for prescribing the time limit for issuance of invoice by the recipient in case of RCM supplies.

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		the supplier who is registered solely for the purpose of deduction of tax under section 51.	
<b>Section 35</b>	(6) Subject to the provisions of clause (h) of sub-section (5) of <a href="#">section 17</a> , where the registered person fails to account for the goods or services or both in accordance with the provisions of sub-section (1), the proper officer shall determine the amount of tax payable on the goods or services or both that are not accounted for, as if such goods or services or both had been supplied by such person and the provisions of <a href="#">section 73</a> or <a href="#">section 74</a> , as the case may be, shall, <i>mutatis mutandis</i> , apply for determination of such tax.	(6) Subject to the provisions of clause (h) of sub-section (5) of <a href="#">section 17</a> , where the registered person fails to account for the goods or services or both in accordance with the provisions of sub-section (1), the proper officer shall determine the amount of tax payable on the goods or services or both that are not accounted for, as if such goods or services or both had been supplied by such person and the provisions of <a href="#">section 73</a> or <a href="#">section 74</a> or <a href="#">section 74A</a> , as the case may be, shall, <i>mutatis mutandis</i> , apply for determination of such tax.	Incorporated a reference to the proposed new section 74A in the said section.
<b>Section 39</b>	(3) Every registered person required to deduct tax at source under the provisions of <a href="#">section 51</a> shall furnish, in such form and manner <a href="#">as may be prescribed</a> , a return, electronically, for the month in which such deductions have been made within ten days after the end of such month.	“(3) Every registered person required to deduct tax at source under section 51 shall electronically furnish a return for every calendar month of the deductions made during the month in such form and manner and within such time as may be prescribed: Provided that the said registered person shall furnish a return for every calendar month whether or not any	To mandate the electronic furnishing of return for each month by the registered person required to deduct tax at source, irrespective of whether any deduction has been made in the said month or not. It also empowers the Government to prescribe by

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		deductions have been made during the said month.”.	rules, the form, manner.
<p>Section 49 Section 50 Section 51 Section 61 Section 62 Section 63 Section 64 Section 65 Section 66 Section 75 Section 127</p>		after the words and figures “section 73 or section 74”, the words, figures and letter “or section 74A” shall be inserted.	section of the CGST Act is being amended, so as to incorporate a reference to the proposed new section 74A in the said section
Section 54	Provided further that no refund of unutilised input tax credit shall be allowed in cases where the goods exported out of India are subjected to export duty:	<p><del>Provided further that no refund of unutilised input tax credit shall be allowed in cases where the goods exported out of India are subjected to export duty:</del></p> <p>after sub-section (14) and before the Explanation, the following sub-section shall be inserted, namely: — “(15) Notwithstanding anything contained in this section, no refund of unutilised input tax credit on account of zero rated supply of goods or of integrated tax paid on account of zero rated supply of goods shall be</p>	<p>New sub-section is added by removing proviso:</p> <p>No refund of unutilised input tax credit or integrated tax shall be allowed in cases of zero rated supply of goods where such goods are subjected to export duty.</p>

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		allowed where such zero rated supply of goods is subjected to export duty.”.	
<b>Section 70</b>		“(1A) All persons summoned under sub-section (1) shall be bound to attend, either in person or by an authorized representative, as such officer may direct, and the person so appearing shall state the truth during examination or make statements or produce such documents and other things as may be required.”.	This is welcome move, now summons can be attended by authorized representative who is aware facts and provision of law. Earlier it was restricted to concerned employees / Director/Proprietor / Partner.
<b>Section 73</b>	Determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for any reason other than fraud or any willful-misstatement or suppression of facts.-	Determination of tax <b>pertaining to the period upto Financial Year 2023-24</b> not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for any reason other than fraud or any willful-misstatement or suppression of facts.-  “(12) The provisions of this section shall be applicable for determination of tax pertaining to the period upto Financial Year 2023-24.”.	As new section 74A is inserted section 73 is restricted to the period upto FY 2023-24.  Applicability of the section 73 for determination of tax pertaining to the period upto Financial Year 2023-24.
<b>Section 74</b>	Determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised by reason of fraud or any willful-misstatement or suppression of facts	Determination of tax <b>pertaining to the period upto Financial Year 2023</b> not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised by reason of fraud	As new section 74A is inserted section 74 is restricted to the period upto FY 2023-24.  Applicability of the

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		<p>or any willful- misstatement or suppression of facts</p> <p>“(12) The provisions of this section shall be applicable for determination of tax pertaining to the period upto Financial Year 2023-24.”.</p> <p>Explanation 2.- For the purposes of this Act, the expression "suppression" shall mean non-declaration of facts or information which a taxable person is required to declare in the return, statement, report or any other document furnished under this Act or the rules made thereunder, or failure to furnish any information on being asked for, in writing, by the proper officer.</p>	<p>section 74 for determination of tax pertaining to the period upto Financial Year 2023-24.</p>
<p><b>Section 74A</b></p>		<p>“74A. (1) Where it appears to the proper officer that any tax has not been paid or short paid or erroneously refunded, or where input tax credit has been wrongly availed or utilised, he shall serve notice on the person chargeable with tax which has not been so paid or which has been so short paid or to whom the refund has erroneously been made, or who has</p>	<p>New Section 74A is inserted to provide common limitation period for issuance of SCN pertaining to the Financial Year 2024-25 onwards irrespective of whether the charges of fraud, wilful mis-statement, or suppression of facts are invoked or not, while keeping a higher penalty, for cases involving fraud, wilful</p>

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	<p>wrongly availed or utilised input tax credit, requiring him to show cause as to why he should not pay the amount specified in the notice along with interest payable thereon under section 50 and a penalty leviable under the provisions of this Act or the rules made thereunder: Provided that no notice shall be issued, if the tax which has not been paid or short paid or erroneously refunded or where input tax credit has been wrongly availed or utilized in a financial year is less than one thousand rupees. (2) The proper officer shall issue the notice under subsection (1) within forty-two months from the due date for furnishing of annual return for the financial year to which the tax not paid or short paid or input tax credit wrongly availed or utilised relates to or within forty-two months from the date of erroneous refund. (3) Where a notice has been issued for any period under sub-section (1), the proper officer may serve a statement, containing</p>	<p>misstatement, or suppression of facts.  For issuance of SCN time limit is 42 months from date of filing of annual return.</p>
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the details of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for such periods other than those covered under subsection (1), on the person chargeable with tax.

(4) The service of such statement shall be deemed to be service of notice on such person under subsection (1), subject to the condition that the grounds relied upon for such tax periods other than those covered under sub-section (1)

are the same as are mentioned in the earlier notice.

(5) The penalty in case where any tax which has not been paid or short paid or erroneously refunded, or where input tax credit has been wrongly availed or utilised,—

—  
(i) for any reason, other than the reason of fraud or any wilful-misstatement or suppression of facts to evade tax, shall be equivalent to ten per cent. of tax due from such person or ten thousand rupees,

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whichever is higher; (ii) for the reason of fraud or any wilful-misstatement or suppression of facts to evade tax shall be equivalent to the tax due from such person.

(6) The proper officer shall, after considering the representation, if any, made by the person chargeable with tax, determine the amount of tax, interest and penalty due from such person and issue an order.

(7) The proper officer shall issue the order under subsection (6) within twelve months from the date of issuance of notice specified in sub-section (2):

Provided that where the proper officer is not able to issue the order within the specified period, the Commissioner, or an officer authorised by the Commissioner senior in rank to the proper officer but not below the rank of Joint Commissioner of Central Tax, may, having regard to the reasons for delay in issuance of the order under sub-section (6), to be recorded in writing, before the expiry of the

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specified period, extend the said period further by a maximum of six months.

(8) The person chargeable with tax where any tax has not been paid or short paid or erroneously refunded, or where input tax credit has been wrongly availed or utilised for any reason, other than the reason of fraud or any wilful misstatement or suppression of facts to evade tax, may, —

(i) before service of notice under sub-section (1), pay the amount of tax along with interest payable under section 50 of such tax on the basis of his own ascertainment of such tax or the tax as ascertained by the proper officer and inform the proper officer in writing of such payment, and the proper officer, on receipt of such information shall not serve any notice under sub-section (1) or the statement under sub-section (3), as the case

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may be, in respect of the tax so paid or any penalty payable under the provisions of this Act or the rules made thereunder;

(ii) pay the said tax along with interest payable under section 50 within sixty days of issue of show cause notice, and on doing so, no penalty shall be payable and all proceedings in respect of the said notice shall be deemed to be concluded.

(9) The person chargeable with tax, where any tax has not been paid or short paid or erroneously refunded or where input tax credit has been wrongly availed or utilised by reason of fraud, or any wilful-misstatement or suppression of facts to evade tax, may,—

(i) before service of notice under subsection (1), pay the amount of tax along with interest payable under section 50 and a penalty equivalent to fifteen per cent. of

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such tax on the basis of his own ascertainment of such tax or the tax as ascertained by the proper officer and inform the proper officer in writing of such payment, and the proper officer, on receipt of such information, shall not serve any notice under sub-section (1), in respect of the tax so paid or any penalty payable under the provisions of this Act or the rules made thereunder;

(ii) pay the said tax along with interest payable under section 50 and a penalty equivalent to twenty-five per cent. of such tax within sixty days of issue of the notice, and on doing so, all proceedings in respect of the said notice shall be deemed to be concluded;

(iii) pay the tax along with interest payable thereon under section 50 and a penalty equivalent to fifty per cent. of such tax within sixty days of communication of

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the order, and on doing so, all proceedings in respect of the said notice shall be deemed to be concluded.

(10) Where the proper officer is of the opinion that the amount paid under clause (i) of sub-section (8) or clause (i) of sub-section (9) falls short of the amount actually payable, he shall proceed to issue the notice as provided for in subsection (1) in respect of such amount which falls short of the amount actually payable.

(11) Notwithstanding anything contained in clause (i) or clause (ii) of sub-section (8), penalty under clause (i) of subsection (5) shall be payable where any amount of self-assessed tax or any amount collected as tax has not been paid within a period of thirty days from the due date of payment of such tax.

(12) The provisions of this section shall be applicable for

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determination of tax pertaining to the Financial Year 2024-25 onwards.

Explanation 1.—For the purposes of this section,—

(i) the expression “all proceedings in respect of the said notice” shall not include proceedings under section 132;

(ii) where the notice under the same proceedings is issued to the main person liable to pay tax and some other persons, and such proceedings against the main person have been concluded under this section, the proceedings against all the persons liable to pay penalty under sections 122 and 125 are deemed to be concluded.

Explanation 2.—For the purposes of this Act, the expression “suppression” shall mean non-declaration of facts or information which a taxable person is required to declare

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		in the return, statement, report or any other document furnished under this Act or the rules made thereunder, or failure to furnish any information on being asked for, in writing, by the proper officer.	
<b>Section 107</b>	<p>(6) No appeal shall be filed under sub-section (1), unless the appellant has paid-</p> <p>(a) in full, such part of the amount of tax, interest, fine, fee and penalty arising from the impugned order, as is admitted by him; and</p> <p>(b) a sum equal to ten per cent. of the remaining amount of tax in dispute arising from the said order, [subject to a maximum of twenty-five crore rupees], in relation to which the appeal has been filed.</p> <p>[<b>Provided</b> that no appeal shall be filed against an order under sub-section (3) of <a href="#">section 129</a>, unless a sum equal to twenty-five per cent. of the penalty has been paid by the appellant.]</p>	<p>(6) No appeal shall be filed under sub-section (1), unless the appellant has paid-</p> <p>(a) in full, such part of the amount of tax, interest, fine, fee and penalty arising from the impugned order, as is admitted by him; and</p> <p>(b) a sum equal to ten per cent. of the remaining amount of tax in dispute arising from the said order, [<b>subject to a maximum of twenty crore rupees</b>], in relation to which the appeal has been filed.</p> <p>[<b>Provided</b> that no appeal shall be filed against an order under sub-section (3) of <a href="#">section 129</a>, unless a sum equal to <b>twenty</b> per cent. of the penalty has been paid by the appellant.]</p>	<p>The maximum amount of pre-deposit for filing appeal before the Appellate Authority from rupees twenty five crores to rupees twenty crores in central tax.</p> <p>Pre-deposit amount is reduced to 20% of penalty for e-way bill cases.</p>
<b>109</b>	Sub section 1 - The Government shall, on the recommendations of the Council, by	(a) in sub-section (1), after the words "Revisional Authority", the words "	Empowered the Government to notify types of cases that

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	<p>notification, establish with effect from such date as may be specified therein, an Appellate Tribunal known as the Goods and Services Tax Appellate Tribunal for hearing appeals against the orders passed by the Appellate Authority or the Revisional Authority.</p> <p>Sub section 5 - The Principal Bench and the State Bench shall hear appeals against the orders passed by the Appellate Authority or the Revisional Authority:</p> <p>Provided that the cases in which any one of the issues involved relates to the place of supply, shall be heard only by the Principal Bench.</p> <p>Sub section 6 - The President shall, from time to time, by a general or special order, distribute the business of the Appellate Tribunal among the Benches and may transfer cases from one Bench to another.</p>	<p>or for conducting an examination or adjudicating the cases referred to in sub-section (2) of section 171, if so notified under the said section” shall be inserted;</p> <p>(b) in sub-section (5), after the proviso, the following provisos shall be inserted, namely:— “Provided further that the matters referred to in subsection (2) of section 171 shall be examined or adjudicated only by the Principal Bench: Provided also that the Government may, on the recommendations of the Council, notify other cases or class of cases which shall be heard only by the Principal Bench.”;</p> <p>(c) in sub-section (6), for the words “The President”, the words, brackets and figure “Subject to the provisions of subsection (5), the President” shall be substituted.</p>	<p>shall be heard only by the Principal Bench of the Appellate Tribunal</p>
<p><b>112</b></p>	<p>Sub section 1 - Any person aggrieved by an order passed against him under section 107 or section 108 of this</p>	<p>Sub section 1 - with effect from the 1st day of August, 2024, in subsection</p>	<p>Empowered the Government to notify the date for filing appeal before the Appellate</p>

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<p>Act or the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act may appeal to the Appellate Tribunal against such order within 1three months from the date on which the order sought to be appealed against is communicated to the person preferring the appeal.</p> <p>Sub section 3 - The Commissioner may, on his own motion, or upon request from the Commissioner of State tax or Commissioner of Union territory tax, call for and examine the record of any order passed by the Appellate Authority or the Revisional Authority under this Act or the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act for the purpose of satisfying himself as to the legality or propriety of the said order and may, by order, direct any officer subordinate to him to apply to the Appellate Tribunal within 2six months from the date on which the said order has been passed for determination of such points arising out of the said order as may be specified by the Commissioner in his order</p>	<p>(1), after the words “from the date on which the order sought to be appealed against is communicated to the person preferring the appeal”, the words “; or the date, as may be notified by the Government, on the recommendations of the Council, for filing appeal before the Appellate Tribunal under this Act, whichever is later.” shall be inserted;</p> <p>Sub section 3 - with effect from the 1st day of August, 2024, in subsection (3), after the words “from the date on which the said order has been passed”, the words “; or the date, as may be notified by the Government, on the recommendations of the Council, for the purpose of filing application before the Appellate Tribunal under this Act, whichever is later,” shall be inserted;</p> <p>Sub section 6 - after the words, brackets and figure</p>	<p>Tribunal and provide a revised time limit for filing appeals or application before the Appellate Tribunal.</p> <p>The said amendment is made effective from the 1st day of August, 2024.</p> <p>Amendment enables the Appellate Tribunal to admit appeals filed by the department within three months after the expiry of the specified time limit of six months.</p> <p>Pre-deposit for filing appeals before the Appellate Tribunal reduced from 20% to 10% of the tax in dispute and also reduce the maximum amount payable as pre-deposit from rupees fifty crores to rupees twenty crores in central tax.</p>
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Sub Section 6 - The Appellate Tribunal may admit an appeal within three months after the expiry of the period referred to in sub-section (1), or permit the filing of a memorandum of cross-objections within forty-five days after the expiry of the period referred to in sub-section (5) if it is satisfied that there was sufficient cause for not presenting it within that period

Sub Section 8 - No appeal shall be filed under sub-section (1), unless the appellant has paid-

(a) in full, such part of the amount of tax, interest, fine, fee and penalty arising from the impugned order, as is admitted by him, and

(b) a sum equal to twenty per cent. of the remaining amount of tax in dispute, in addition to the amount paid under sub-section (6) of section 107, arising from the said order, 3[subject to a maximum of fifty crore rupees] , in relation to which the appeal has been filed

“after the expiry of the period referred to in sub-section (1)”, the words, brackets and figure “or permit the filing of an application within three months after the expiry of the period referred to in sub-section (3)” shall be inserted;

Sub Section 8 - in sub-section (8), in clause (b),—

(i) for the words “twenty per cent.”, the words “ten per cent.” shall be substituted;

(ii) for the words “fifty crore rupees”, the words “twenty crore rupees” shall be substituted.

## BUDGET ANALYSIS 2024-25

<p><b>122</b></p>	<p>(1B) Any electronic commerce operator who—</p> <p>(i) allows a supply of goods or services or both through it by an unregistered person other than a person exempted from registration by a notification issued under this Act to make such supply;</p> <p>(ii) allows an inter-State supply of goods or services or both through it by a person who is not eligible to make such inter-State supply; or</p> <p>(iii) fails to furnish the correct details in the statement to be furnished under sub-section (4) of section 52 of any outward supply of goods effected through it by a person exempted from obtaining registration under this Act,</p> <p>shall be liable to pay a penalty of ten thousand rupees, or an amount equivalent to the amount of tax involved had such supply been made by a registered person other than a person paying tax under section 10, whichever is higher]</p>	<p>with effect from the 1st day of October, 2023, in subsection (1B), for the words “Any electronic commerce operator who”, the words and figures “Any electronic commerce operator, who is liable to collect tax at source under section 52,” shall be substituted</p>	<p>e-Com operators who are required to collect tax at source under section 52 of the said Act is restricted for applicability of penalty provisions under section 122.</p> <p>The said amendment is made effective from the 1<sup>st</sup> day of October, 2023 when the said sub-section had come into force.</p>
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## BUDGET ANALYSIS 2024-25

<b>128A</b>	-	Waiver of interest or penalty or both relating to demands raised under section 73, for certain tax periods (1) Notwithstanding anything to the contrary contained in this Act, where any amount of tax is payable by a person chargeable with tax in accordance with,— (a) a notice issued under sub-section (1) of section 73 or a statement issued under sub-section (3) of section 73, and where no order under sub-section (9) of section 73 has been issued; or (b) an order passed under sub-section (9) of section 73, and where no order under sub-section (11) of section 107 or sub-section (1) of section 108 has been passed; or (c) an order passed under sub-section (11) of section 107 or sub-section (1) of section 108, and where no order under sub-section (1) of section 113 has been passed,	Conditional waiver of interest and penalty in respect of demand notices issued under section 73 of the said Act for the Financial Years 2017-18, 2018-19 and 2019-20, except the demands notices in respect of erroneous refund.  In cases where interest and penalty have already been paid in respect of any demand for the said financial years, no refund shall be admissible for the same.
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## BUDGET ANALYSIS 2024-25

pertaining to the period from 1st July, 2017 to 31st March, 2020, or a part thereof, and the said person pays the full amount of tax payable as per the notice or statement or the order referred to in clause (a), clause (b) or clause (c), as the case may be, on or before the date, as may be notified by the Government on the recommendations of the Council, no interest under section 50 and penalty under this Act, shall be payable and all the proceedings in respect of the said notice or order or statement, as the case may be, shall be deemed to be concluded, subject to such conditions as may be prescribed:

Provided that where a notice has been issued under subsection (1) of section 74, and an order is passed or required to be passed by the proper officer in pursuance of the

## **BUDGET ANALYSIS 2024-25**

direction of the Appellate Authority or Appellate Tribunal or a court in accordance with the provisions of sub-section (2) of section 75, the said notice or order shall be considered to be a notice or order, as the case may be, referred to in clause (a) or clause (b) of this sub-section: Provided further that the conclusion of the proceedings under this sub-section, in cases where an application is filed under sub-section (3) of section 107 or under sub-section (3) of section 112 or an appeal is filed by an officer of central tax under sub-section (1) of section 117 or under sub-section (1) of section 118 or where any proceedings are initiated under sub-section (1) of section 108, against an order referred to in clause (b) or clause (c) or against the directions of the Appellate Authority or the Appellate Tribunal or the court referred to in the first proviso, shall be subject to the

## **BUDGET ANALYSIS 2024-25**

condition that the said person pays the additional amount of tax payable, if any, in accordance with the order of the Appellate Authority or the Appellate Tribunal or the court or the Revisional Authority, as the case may be, within three months from the date of the said order:  
Provided also that where such interest and penalty has already been paid, no refund of the same shall be available.  
(2) Nothing contained in sub-section (1) shall be applicable in respect of any amount payable by the person on account of erroneous refund.  
(3) Nothing contained in sub-section (1) shall be applicable in respect of cases where an appeal or writ petition filed by the said person is pending before Appellate Authority or Appellate Tribunal or a court, as the case may be, and has not been withdrawn by the said person on or

## **BUDGET ANALYSIS 2024-25**

		<p>before the date notified under sub-section (1).</p> <p>(4) Notwithstanding anything contained in this Act, where any amount specified under sub-section (1) has been paid and the proceedings are deemed to be concluded under the said sub-section, no appeal under sub-section (1) of section 107 or sub-section (1) of section 112 shall lie against an order referred to in clause (b) or clause (c) of sub-section (1), as the case may be.”.</p>	
<b>140</b>	<p>(7) Notwithstanding anything to the contrary contained in this Act, the input tax credit on account of any services received prior to the appointed day by an Input Service Distributor shall be eligible for distribution as [credit under this Act, within such time and in such manner as may be prescribed, even if] the invoices relating to such services are received on or after the appointed day.</p>	<p>for the words “even if the invoices relating to such services are received on or after the appointed day”, the words “whether the invoices relating to such services are received prior to, on or after, the appointed day” shall be substituted.</p>	<p>There were issues w.r.t. transitional credit where services provided &amp; invoices were received before appointed day. Section 140(7) of CGST Act is amended retrospectively w.e.f. 01.07.2017 to allow transitional credit in respect of invoices pertaining to services provided before appointed date, and invoices were</p>

## BUDGET ANALYSIS 2024-25

			received by ISD before the appointed date.
171(2)	-	<p>'Provided that the Government may by notification, on the recommendations of the Council, specify the date from which the said Authority shall not accept any request for examination as to whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied by him.</p> <p>Explanation.—For the purposes of this sub-section, “request for examination” shall mean the written application filed by an applicant requesting for examination as to whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in a</p>	<p>New Proviso and Explanation is being inserted to empower the Government to notify the date from which anti-profiteering cases will not be registered.</p> <p>Further any appeal against anit-profiteering order can be represented before GSTAT</p>

## BUDGET ANALYSIS 2024-25

		<p>commensurate reduction in the price of the goods or services or both supplied by him.’;</p> <p>(b) the Explanation shall be renumbered as Explanation 1 thereof, and after Explanation 1 as so renumbered, the Explanation shall be inserted, namely: —</p> <p>‘Explanation 2.—For the purposes of this section, the expression “Authority” shall include the “Appellate Tribunal”.’.</p>	
<b>Schedule III</b>	-	<p>after paragraph 8 and before Explanation 1, the following paragraphs shall be inserted, namely: —</p> <p>“9. Activity of apportionment of co-insurance premium by the lead insurer to the co-insurer for the insurance services jointly supplied by the lead insurer and the co-insurer to the insured in coinsurance agreements, subject to the condition that the lead insurer pays the central tax, the State tax, the</p>	<p>The activity of apportionment of co-insurance premium by the lead insurer to the co-insurer for the insurance services jointly supplied by the lead insurer and the co-insurer to the insured in coinsurance agreements shall be treated as neither supply of goods nor supply of Service.</p>

## BUDGET ANALYSIS 2024-25

		<p>Union territory tax and the integrated tax on the entire amount of premium paid by the insured.</p> <p>10. Services by insurer to the reinsurer for which ceding commission or the reinsurance commission is deducted from reinsurance premium paid by the insurer to the reinsurer, subject to the condition that the central tax, the State tax, the Union territory tax and the integrated tax is paid by the reinsurer on the gross reinsurance premium payable by the insurer to the reinsurer, inclusive of the said ceding commission or the reinsurance commission.”.</p>	
<p><b>114</b></p>		<p>No refund shall be made of all the tax paid or the input tax credit reversed, which would not have been so paid, or not reversed, had clause 114 (i.e. amendment to section 16) been in force at all material times.</p>	<p>In case tax has been paid or ITC is reversed prior to the amendment to section 16 of CGST Act, 2017 made in the Finance Bill 2024. No refund will be granted.</p>

## BUDGET ANALYSIS 2024-25

# THE IGST ACT, 2017

## BUDGET ANALYSIS 2024-25

**IGST Act 2017:**

Section	Existing	Amendment	Bizsol Analysis
5	<p>(1) Subject to the provisions of sub-section (2), there shall be levied a tax called the integrated goods and services tax on all inter-State supplies of goods or services or both, except on the supply of alcoholic liquor for human consumption, on the value determined under section 15 of the Central Goods and Services Tax Act and at such rates, not exceeding forty per cent., as may be notified by the Government on the recommendations of the Council and collected in such manner as may be prescribed and shall be paid by the taxable person:</p> <p>Provided that the integrated tax on goods 2[other than the goods as may be notified by the Government on the recommendations of the Council] imported into India shall be levied and collected in accordance with the provisions of section 3 of the Customs Tariff Act, 1975 on the value as determined under the said Act at the point when duties of customs are levied on the said goods under section 12 of the Customs Act, 1962</p>	<p>in section 5, in sub-section (1), after the words “alcoholic liquor for human consumption”, the words “and undenatured extra neutral alcohol or rectified spirit used for manufacture of alcoholic liquor, for human consumption” shall be inserted.</p>	<p>Section is amended to not levy integrated tax on Extra Neutral Alcohol used for manufacture of alcoholic liquor for human consumption</p>

## BUDGET ANALYSIS 2024-25

<p><b>6A</b></p>	<p>-</p>	<p>6A. Notwithstanding anything contained in this Act, if the Government is satisfied that—          (a) a practice was, or is, generally prevalent regarding levy of integrated tax (including non-levy thereof) on any supply of goods or services or both; and          (b) such supplies were, or are, liable to —          —          (i) integrated tax, in cases where according to the said practice, integrated tax was not, or is not being, levied; or          (ii) a higher amount of integrated tax than what was, or is being, levied, in accordance with the said practice, the Government may, on the recommendation of the Council, by notification in the Official Gazette, direct that the whole of the integrated tax payable on such supplies, or, as the case may be, the integrated tax in excess of that payable on such supplies, but for the said practice, shall not be required to be paid in respect of the supplies on which the integrated tax was not, or is not being, levied, or was, or is being, short levied, in accordance with the said practice.”.</p>	<p>New section is inserted to empower the Government to regularize non – levy or short levy of integrated tax where it is found that such non levy or short levy was a result of general trade practice.</p>
<p><b>16</b></p>	<p>(4) The Government may, on the recommendation of the Council, and subject to such conditions, safeguards and procedures, by notification, specify-</p>	<p>(a) in sub-section (4), —          (i) in clause (i), after the words “claim refund of the tax so paid”, the words and figures “in accordance with the</p>	<p>Reference of Section 54 of CGST Act, 2017 is incorporated, and refund cases where export with payment of IGST is made.</p>

## BUDGET ANALYSIS 2024-25

	<p>(i) a class of persons who may make zero rated supply on payment of integrated tax and claim refund of the tax so paid;</p> <p>(ii) a class of goods or services which may be exported on payment of integrated tax and the supplier of such goods or services may claim the refund of tax so paid.]</p>	<p>provisions of section 54 of the Central Goods and Services Tax Act or the rules made thereunder” shall be inserted;</p> <p>(ii) in clause (ii), for the words “which may be exported on payment of integrated tax and the supplier of such goods or services may claim the refund of tax so paid”, the words and figure “or both, on zero rated supply of which, the supplier may pay integrated tax and claim the refund of tax so paid, in accordance with the provisions of section 54 of the Central Goods and Services Tax Act or the rules made thereunder” shall be substituted;</p> <p>(b) after sub-section (4), the following sub-section shall be inserted, namely:— “(5) Notwithstanding anything contained in subsections (3) and (4), no refund of unutilised input tax credit on account of zero rated supply of goods or of integrated tax paid on account of zero rated supply of goods shall be allowed where such zero rated supply of goods are subjected to export duty.”.</p>	<p>No refund in case of export having exporting will be granted.</p>
20	<p>[Provided also that where the appeal is to be filed before the Appellate Authority or the Appellate Tribunal, the maximum amount payable shall be fifty crore rupees and one hundred crore rupees respectively.]</p>	<p>“Provided also that a maximum amount of forty crore rupees shall be payable for each appeal to be filed before the Appellate Authority or the Appellate Tribunal.”.</p>	<p>Section is amended to reduce the maximum amount of pre-deposit payable for filing appeal before appellate authority from Rs. 50 crores to Rs. 40 crores of integrated tax.</p>

## BUDGET ANALYSIS 2024-25

# **CUSTOMS ACT, 1962**

## **BUDGET ANALYSIS 2024-25**

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**CUSTOMS ACT 1962:**

Section	Existing	Amendment	Bizsol Analysis
Section 28 DA	<p>(2) The fact that the importer has submitted a certificate of origin issued by an Issuing Authority shall not absolve the importer of the responsibility to exercise reasonable care.</p> <p>(10) Notwithstanding anything contained in this section, the preferential tariff treatment may be refused without verification in the following circumstances, namely:-</p> <p>(i) the tariff item is not eligible for preferential tariff treatment;</p> <p>(ii) complete description of goods is not contained in the certificate of origin;</p> <p>(iii) any alteration in the certificate of origin is not authenticated by the Issuing Authority;</p> <p>(iv) the certificate of origin is produced after the period of its expiry, and in all such cases, the certificate of origin shall be marked as "INAPPLICABLE".</p> <p>(a)"<b>certificate of origin</b>" means a certificate issued in accordance with a trade agreement certifying that the goods fulfil the country of origin criteria and other</p>	<p>(2) The fact that the importer has submitted a <b>Proof</b> of origin issued by an Issuing Authority shall not absolve the importer of the responsibility to exercise reasonable care.</p> <p>(10) Notwithstanding anything contained in this section, the preferential tariff treatment may be refused without verification in the following circumstances, namely:-</p> <p>(i) the tariff item is not eligible for preferential tariff treatment;</p> <p>(ii) complete description of goods is not contained in the <b>Proof</b> of origin;</p> <p>(iii) any alteration in the <b>Proof</b> of origin is not authenticated by the Issuing Authority;</p> <p>(iv) the <b>Proof</b> of origin is produced after the period of its expiry, and in all such cases, the <b>Proof</b> of origin shall be marked as "INAPPLICABLE".</p> <p>(a) "<b>proof of origin</b>" means a <b>Proof</b> or declaration issued in accordance with a trade agreement certifying or declaring, as the case may be, that the goods fulfil the country of origin criteria</p>	<p><b>The term (certificate) is replaced with Proof. It means evidence and onus of correct evidence lie with importer / exporter.</b></p> <p><b>In accordance with the new trade agreements which provide for self-certification, the word proof of origin is aligned in the section.</b></p> <p><b>Certificate of Origin Rules now will be know as proof of Origin Rules. It is expected that new Rules will be notified.</b></p>

**BUDGET ANALYSIS 2024-25**

Section	Existing	Amendment	Bizsol Analysis
	<p>requirements specified in the said agreement;</p> <p>(c)"Issuing Authority" means any authority designated for the purposes of issuing certificate of origin under a trade agreement;</p>	<p>and other requirements specified in the said agreement;'</p> <p>'(c) "Issuing Authority" means an authority or person designated for the purposes of issuing proof of origin under a trade agreement;'</p>	
<b>Section 65</b>		<p>in sub-section (1), the following proviso shall be inserted, namely:— "Provided that the Central Government may, if satisfied that it is necessary in the public interest so to do, by notification in the Official Gazette, specify the manufacturing processes and other operations in relation to a class of goods that shall not be permitted in a warehouse."</p>	<p><b>The proviso is inserted so as to restrict certain process in relations to certain class of goods to be carried out in the warehouse.</b></p>
<b>Section 143AA &amp; Section 157</b>	<p><b>Section 143AA. Power to simplify or provide different procedure, etc., to facilitate trade.-</b></p> <p>Notwithstanding anything contained in any other provision of this Act, the Board may, for the purposes of facilitation of trade, take such measures or prescribe separate procedure or documentation for a class of importers or exporters or for categories of goods or on the basis of the modes of transport of goods, in order to,-</p> <p>Section 157. General power to make regulations. -</p>	<p><b>Section 143AA. Power to simplify or provide different procedure, etc., to facilitate trade.-</b></p> <p>Notwithstanding anything contained in any other provision of this Act, the Board may, for the purposes of facilitation of trade, take such measures or prescribe separate procedure or documentation for a class of importers or exporters or <b>any other person</b> or for categories of goods or on the basis of the modes of transport of goods, in order to,-</p>	<p><b>The Scope has been enhance so as to include any person who is connected / related with import/ export procedures.</b></p>

## BUDGET ANALYSIS 2024-25

Section	Existing	Amendment	Bizsol Analysis
	<p>(2) In particular and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely :-</p> <p>(m) the measures and separate procedure or documentation for a class of importers or exporters or any other person or categories of goods or on the basis of the modes of transport of goods.</p>	<p>Section 157. General power to make regulations. -</p> <p>(2) In particular and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely :-</p> <p>(m) the measures and separate procedure or documentation for a class of importers or exporters or <b>any other person</b> or categories of goods or on the basis of the modes of transport of goods.</p>	

1. Finance Act, 2024 vide section 104 given Retrospective effect to Notification No. 27/2024-Customs dated 12.07.2024 i.e. provide exemption from Compensation Cess leviable on imports by SEZ unit or developer for authorised operations.
2. Finance Act, 2024 vide section 105 given Retrospective effect to Notification No. 37/2023-Customs dated 10.05.2023 i.e. exemption from Agriculture Infrastructure and Development Cess (AIDC) to Crude Soya-bean oil, whether or not degummed & Crude Sunflower seed oil.

## BUDGET ANALYSIS 2024-25

# **CUSTOMS TARIFF ACT, 1975**

## **BUDGET ANALYSIS 2024-25**

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## **CUSTOMS TARIFF ACT 1975:**

1. Section 6 is being omitted on account of winding up of Tariff Commission
  
2. The First Schedule to the Customs Tariff Act, 1975 is being amended to,-
  - (i) increase the rates on certain tariff items. (The duty rate is effective from 24.7.2024 by virtue of declaration under Provisional Collection of Taxes Act 2023)
  
  - (ii) create new tariff lines in respect of defence products, technical textiles, sustainable blended aviation fuel, products used in Indian semiconductor machines, e-bicycles, natural menthol, printer cartridge etc. These changes shall come into effect from 1.10.2024.

**Refer detailed analysis on Tariff / Effective Duty Rate Changes enclosed separately.**

## **BUDGET ANALYSIS 2024-25**

## **CUSTOMS TARIFF CHANGES**

# **BUDGET ANALYSIS 2023-24**

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## CUSTOMS TARIFF CHANGES

### A. Amendments to the First Schedule of Customs Tariff Act, 1975:

A. Increase in Tariff to be effective from 24.07.2024			Rate of Duty	
S. No.	Heading, subheading, tariff item	Commodity	From	To
		<b>Plastics</b>		
1.	3920, 3921	Poly vinyl chloride (PVC) flex films (also known as PVC flex banners or PVC flex sheets)  {The currently applicable BCD on all other goods falling under heading 3920 and 3921 shall be maintained by suitable amendment in the relevant notification(s)}	10%	25%
		<b>Consumer goods</b>		
2.	6601 10 00	Garden umbrellas	20%	20% or Rs. 60 per piece, whichever is higher
		<b>Chemicals</b>		
3.	9802 00 00	Laboratory chemicals  (Heading 9802 covers all chemicals, organic or inorganic, whether or not chemically defined, imported in packings not exceeding 500 gms or 500 millilitres and which can be identified with reference to the purity, markings or other features to show them to be meant for use solely as laboratory chemicals)	10%	150%
<b>B. Tariff rate changes (without change in effective rate of duty) to be effective from 01.10.2024</b>			<b>Rate of Duty</b>	
<b>Note:</b> The currently applicable rate of Basic Customs Duty on these commodities shall be maintained by suitable amendment in the relevant notification(s).				
S. No.	Heading, subheading tariff item	Commodity	From	To
1.	2008 19 20	Other roasted nuts and seeds, including such arecanuts	30%	150%

A. Increase in Tariff to be effective from 24.07.2024			Rate of Duty	
S. No.	Heading, subheading, tariff item	Commodity	From	To
2.	2008 19 30	Other nuts, otherwise prepared or preserved, including such arecanuts	30%	150%
<b>C Amendment in tariff entries</b>			<b>Clause of the Finance (No. 2) Bill, 2024</b>	
1.	The First Schedule to the Customs Tariff Act, 1975 is also being amended to modify the tariff entries with effect from 1st October, 2024.		[107(b)] <i>read with Fourth Schedule</i>	

**B. Other proposals involving reduction in basic customs duty rates in notifications**

A. Changes in Basic Customs Duty (to be effective from 24.07.2024)			Rates of Duty	
S. No.	Chapter, Heading, sub-heading, tariff item	Commodity	From	To
<b>I.</b>		<b>Agricultural Products</b>		
<b>1.</b>	1207 99 90	Shea nuts	30%	15%
<b>II.</b>		<b>Aquafarming &amp; Marine Exports</b>		
<b>1.</b>	0306 36	Live SPF Vannamei shrimp ( <i>Litopenaeus vannamei</i> ) broodstock	10%	5%
<b>2.</b>	0306 36	Live Black tiger shrimp ( <i>Penaeus monodon</i> ) broodstock	10%	5%
<b>3.</b>	0306 36 60	Artemia	5%	Nil
<b>4.</b>	0511 91 40	Artemia cysts	5%	Nil
<b>5.</b>	0308 90 00	SPF Polychaete worms	30%	5%
<b>6.</b>	1504 20	Fish lipid oil for use in manufacture of aquatic feed	15%	Nil
<b>7.</b>	1504 20	Crude fish oil for use in manufacture of aquatic feed	30%	Nil
<b>8.</b>	1518	Algal Oil for use in manufacture of aquatic feed	15%	Nil
<b>9.</b>	2102 20 00	Algal Prime (flour) for use in manufacture of aquatic feed	15%	Nil
<b>10.</b>	2309 90 90	Mineral and Vitamin Premixes for use in manufacture of aquatic feed	5%	Nil
<b>11.</b>	2301 10 90	Insect meal for use in Research & Development purposes in aquatic feed manufacturing	15%	5%
<b>12.</b>	2309 90 90	Single Cell Protein from Natural Gas for use in Research & Development purposes in aquatic feed manufacturing	15%	5%

# BUDGET ANALYSIS 2023-24

A. Changes in Basic Customs Duty (to be effective from 24.07.2024)			Rates of Duty	
S. No.	Chapter, Heading, sub-heading, tariff item	Commodity	From	To
13.	2301 20	Krill Meal for use in manufacture of aquatic feed	5%	Nil
14.	1901	Pre-dust breaded powder for use in processing of sea-food	30%	Nil
15.	2309 90 31	Prawn and shrimps feed	15%	5%
16.	2309 90 39	Fish feed	15%	5%
III.		<b>Critical Minerals</b>		
1.	2504	Natural Graphite	5%	2.5%
2.	2505	Natural sands of all kinds, whether or not coloured, other than metal bearing sands of chapter 26 of The Customs tariff Act, 1975	5%	Nil
3.	2506	Quartz (other than natural sands); quartzite, whether or not roughly trimmed or merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shape	5%	2.5%
4.	2530 90 91	Strontium sulphate (natural ore)	5%	Nil
5.	2603 00 00	Copper ores and concentrates	2.5%	Nil
6.	2605 00 00	Cobalt ores and concentrates	2.5%	Nil
7.	2609 00 00	Tin ores and Concentrates	2.5%	Nil
8.	2611 00 00	Tungsten Ores and Concentrates	2.5%	Nil
9.	2613	Molybdenum ores and concentrates	2.5%	Nil
10.	2615 10 00	Zirconium ores and concentrates	2.5%	Nil
11.	2615 90	Hafnium Ores and concentrates	2.5%	Nil
12.	2615 90 10	Vanadium ores and concentrates	2.5%	Nil
13.	2615 90 20	Niobium or tantalum ores and concentrates	2.5%	Nil
14.	2617	Antimony Ores and Concentrates	2.5%	Nil
15.	2804 50 20	Tellurium	5%	Nil
16.	2804 61 00	Silicon, containing by weight not less than 99.99% of silicon	5%	Nil

## BUDGET ANALYSIS 2023-24

A. Changes in Basic Customs Duty (to be effective from 24.07.2024)			Rates of Duty	
S. No.	Chapter, Heading, sub-heading, tariff item	Commodity	From	To
17.	2804 69 00	Other silicon	5%	Nil
18.	2804 90 00	Selenium	5%	Nil
19.	2805 30 00	Alkali or alkaline earth metals, Rare-earth metals, scandium and yttrium, whether or not intermixed or inter alloyed	5%	Nil
20.	2811 22 00	Silicon dioxide	7.5%	2.5%
21.	2815 20 00	Potassium hydroxide	7.5%	Nil
22.	2816 40 00	Oxides, hydroxides and peroxides, of strontium or barium	7.5%	Nil
23.	2822 00 10	Cobalt oxides	7.5%	Nil
24.	2822 00 20	Cobalt hydroxides	7.5%	Nil
25.	2822 00 30	Commercial cobalt oxides	7.5%	Nil
26.	2825 20 00	Lithium oxide and hydroxide	7.5%	Nil
27.	2825 30	Vanadium oxides and hydroxides	2.5%/7.5%	Nil
28.	2825 60 10	Germanium oxides	7.5%	Nil
29.	2825 70	Molybdenum oxides and hydroxides	7.5%	Nil
30.	2825 80 00	Antimony oxides	7.5%	Nil
31.	2825 90 20	Cadmium oxides	7.5%	Nil
32.	2827 35 00	Chlorides of Nickel	7.5%	Nil
33.	2827 39 30	Strontium chloride	7.5%	Nil
34.	2833 24 00	Sulphates of Nickel	7.5%	Nil
35.	2834 21 00	Nitrates of potassium	7.5%	Nil
36.	2836 91 00	Lithium carbonates	7.5%	Nil
37.	2836 92 00	Strontium carbonates	7.5%	Nil
38.	2841 90 00	Salts of oxometallic or peroxometallic acids of Beryllium and Rhenium	7.5%	Nil
39.	2846	Compounds, inorganic or organic of rare earth metals	7.5%	Nil
40.	2918 15 30	Bismuth citrate	7.5%	Nil

## BUDGET ANALYSIS 2023-24

A. Changes in Basic Customs Duty (to be effective from 24.07.2024)			Rates of Duty	
S. No.	Chapter, Heading, sub-heading, tariff item	Commodity	From	To
41.	3801	Artificial Graphite, colloidal or semi-colloidal graphite, preparations based on graphite or other carbon in form of pastes, blocks, plates or other semimanufactures	7.5%	2.5%
42.	8001	Unwrought Tin	5%	Nil
43.	8101 94 00	Unwrought tungsten, including bars and rods obtained simply by sintering	5%	Nil
44.	8102 94 00	Unwrought molybdenum, including bars and rods obtained simply by sintering	5%	Nil
45.	8103 20	Unwrought tantalum, including bars and rods obtained simply by sintering, powders	5%	Nil
46.	8105 20 20	Cobalt, unwrought	5%	Nil
47.	8106 10 10	Bismuth, unwrought	2.5%	Nil
48.	8109 21 00	Unwrought zirconium, powders, Containing less than 1 part hafnium to 500 parts zirconium by weight	10%	Nil
49.	8110 10 00	Unwrought antimony, powders	2.5%	Nil
50.	8112 12 00	Beryllium unwrought, powders	5%	Nil
51.	8112 31	Hafnium unwrought, waste and scrap, powders	10%	Nil
52.	8112 41 10	Rhenium unwrought	10%	Nil
53.	8112 69 10	Cadmium unwrought, powders	5%	Nil
54.	8112 69 20	Cadmium, wrought	5%	Nil
55.	8112 92 00	Unwrought; waste and scrap; powder of, - (i) Gallium (ii) Germanium (iii) Indium (iv) Niobium (v) Vanadium	5%	Nil
IV.		<b>Steel Sector</b>		

## BUDGET ANALYSIS 2023-24

A. Changes in Basic Customs Duty (to be effective from 24.07.2024)			Rates of Duty	
S. No.	Chapter, Heading, sub-heading, tariff item	Commodity	From	To
1.	7202 60 00	Ferro Nickel	2.5%	Nil
2.	7204	Ferrous Scrap	Nil (till 30.09.2024)	Nil (till 31.03.2026)
3.	7225	Certain specified raw materials for manufacture of CRGO steel	Nil (till 30.09.2024)	Nil (till 31.03.2026)
<b>V.</b>		<b>Copper</b>		
1.	7402 00 10	Blister Copper	5%	Nil
<b>VI.</b>		<b>Chemicals and Plastics</b>		
1.	3102 30 00	Ammonium Nitrate, whether or not in aqueous solution	7.5%	10%
2.	3920 (other than 3920 99 99) or 3921	All goods other than Poly vinyl chloride (PVC) flex films/flex banner	25% (with effect from 24.07.2024)	10%
3.	3920 99 99	All goods other than Poly vinyl chloride (PVC) flex films/flex banner	25% (with effect from 24.07.2024)	15%
<b>VII.</b>		<b>Textile and Leather Sector</b>		
1.	2929 10 90	Methylene Diphenyl Di-isocyanate (MDI) for use in the manufacture of Spandex Yarn	7.5%	5% <i>Subject to IGCR conditions</i>
2.	41	Wet white, Crust and finished	10%	Nil

## BUDGET ANALYSIS 2023-24

A. Changes in Basic Customs Duty (to be effective from 24.07.2024)			Rates of Duty	
S. No.	Chapter, Heading, sub-heading, tariff item	Commodity	From	To
		leather for manufacture of textile or leather garments, leather /synthetic footwear or other leather products, for export		<i>Items under Sl. No. 257B and 257C of Notification 50/2017 - Customs, dated 30.06.2017</i>
3.	38,48 or any other Chapter	Certain additional accessories and embellishments for manufacture of textile or leather garments, leather/synthetic footwear or other leather products, for export	As applicable	<i>Nil Items under Sl. No. 257B and 257C of Notification 50/2017 - Customs, dated 30.06.2017</i>
4.	0505 10	Real Down Filling Material from Duck or Goose for use in the manufacture of textile or leather garments for export	30%	10%
VIII.		<b>Cancer Drugs</b>		
1.	30	(i) Trastuzumab Deruxtecan, (ii) Osimertinib, (iii) Durvalumab	10%	Nil

## BUDGET ANALYSIS 2023-24

A. Changes in Basic Customs Duty (to be effective from 24.07.2024)			Rates of Duty	
S. No.	Chapter, Heading, sub-heading, tariff item	Commodity	From	To
<b>IX.</b>		<b>Precious Metals</b>		
1.	7108	Gold bar	15%	6%
2.	7108	Gold dore	14.35%	5.35%
3.	7106	Silver bar	15%	6%
4.	7106	Silver dore	14.35%	5.35%
5.	7110	Platinum, Palladium, Osmium, Ruthenium, Iridium	15.4%	6.4%
6.	7118	Coins of precious metals	15%	6%
7.	7113	Gold/Silver findings	15%	6%
8.	71	Platinum and Palladium used in the manufacture of noble metal solutions, noble metal compounds and catalytic convertors	7.5%	5%
9.	84	Bushings made of platinum and rhodium alloy when imported in exchange of worn out or damaged bushings exported out of India	7.5%	5%
<b>X.</b>		<b>Medical Equipment</b>		
1.	39	All types of polyethylene for use in manufacture of orthopaedic implants falling under sub-heading 9021 10	As applicable	Nil
2.	39, 72, 81	Special grade stainless steel, Titanium alloys, Cobalt-chrome alloys, and All types of polyethylene for use in manufacture of other artificial parts of the body falling under sub-heading 9021 31 or 9021 39	As applicable	Nil

## BUDGET ANALYSIS 2023-24

A. Changes in Basic Customs Duty (to be effective from 24.07.2024)			Rates of Duty	
S. No.	Chapter, Heading, sub-heading, tariff item	Commodity	From	To
3.	9022 30 00	X-ray tubes for use in manufacture of X-ray machines for medical, surgical, dental or veterinary use	15%	5% (till 31 <sup>st</sup> March 2025)  7.5% (W.e.f 1st April, 2025 to 31st March, 2026)  10% (w.e.f 1st April, 2026)
4.	9022 90 90	Flat panel detectors (including scintillators) for use in manufacture of X-ray machines for medical, surgical, dental or veterinary use	15%	5% (till 31st March 2025)  7.5% (w.e.f 1st April, 2025 to 31st March, 2026)  10% (w.e.f 1st April, 2026)
<b>XI.</b>		<b>IT and Electronics Sector</b>		
1.	8517 13 00, 8517 14 00	Cellular mobile phone	20%	15%
2.	8504 40	Charger/Adapter of cellular mobile phone	20%	15%
3.	8517 79 10	Printed Circuit Board Assembly (PCBA) of cellular mobile phone	20%	15%
4.	28, 29, 38	Specified parts for use in manufacture of connectors	5%/7.5%	Nil
5.	74	Oxygen Free Copper for use in manufacture of Resistors	5%	Nil
6.	40	Specified die-cut parts for use in manufacture of cellular mobile phones	As applicable	Nil
7.	40, 70, 76	Specified mechanics for use in manufacture of cellular mobile phones	As applicable	Nil

## BUDGET ANALYSIS 2023-24

A. Changes in Basic Customs Duty (to be effective from 24.07.2024)			Rates of Duty	
S. No.	Chapter, Heading, sub-heading, tariff item	Commodity	From	To
8.	8517 79 10	Printed Circuit Board Assembly (PCBA) of specified telecom equipment	10%	15%
<b>XII.</b>		<b>Renewable Energy Sector</b>		
1.	84, 85, or any other chapter	Specified capital goods for use in manufacture of solar cells or solar modules, and parts for manufacture of such capital goods	7.5%	Nil
2.	7007	Solar glass for manufacture of solar cells or solar modules	Nil	10% (w.e.f. 1.10.2024)
3.	74	Tinned copper interconnect for manufacture of solar cells or solar modules	Nil	5% (w.e.f. 1.10.2024)
<b>XIII.</b>		<b>Shipping</b>		
1.	Any Chapter	Components and consumables for use in manufacture of specified vessels	As applicable	Nil
2.	Any Chapter	Technical documentation and spare parts for construction of warships	As applicable	Nil
<b>XIV.</b>		<b>Capital goods</b>		
1.	Any Chapter	Goods under S. No. 404 of Notification No. 50/2017 Customs, used for petroleum exploration operations	As applicable	Nil

## B. Changes in Export Duty (Effective from 24.7.2024)

Effective export duty on raw skins, hides & leather is being simplified and rationalized. The changes are as follows -			Rate of Duty	
S. No.	Chapter or Heading	Commodity	From	To
1.	4101 to 4103	Raw Hides & skins, all sorts (other than buffalo)	40%	40%
2.	4101	Raw Hides & skins of buffalo	30%	30%
3.	4104 to 4106	Tanned or crust hides of skins, whether or not split, but not further prepared	40	20%
4.	4104 to 4106	E.I. tanned leather	Nil	Nil
5.	41	Finished leather as defined by DGFT finished leather norms	Nil	Nil
6.	4301	Raw fur skins	60%/10%	40%
7.	4302	Tanned or dressed furskin	60%	20%

## C. Other Miscellaneous Amendments

### A. Validation of notifications

These changes will come into effect **from date of enactment** of the Finance (No. 2) Bill, 2024.

S.No.	Amendment	Clause of the Finance (No. 2) Bill, 2024
1.	Notification No. 37/2023- Customs dated 10.5.23 is being validated for the period from 1st April, 2023 up to and inclusive of 10th May, 2023 to provide exemption from basic customs duty and AIDC on imports of crude soyabean oil and crude sunflower seed oil subject to availability of unutilized quota in TRQ authorization for FY 2022-23 allotted by DGFT and Bill of lading issued on or before 31st March, 2023.	[105]
2.	Based on the recommendation of the GST Council in its 53rd meeting, GST Compensation Cess is being exempted with effect from 1st July, 2017 on imports in SEZ by SEZ units or developers for authorized operations.	[104]

#### D. Other notification changes

These changes will be effective from 24.7.2024

S. No.	Notification No.	Subject
1.	38/2024 Customs dated 23.07.2024	Currently, articles of foreign origin falling <b>under chapter 88 and 89</b> can be imported into India for repairs subject to their re-exportation within six months extendable to 1 year. The duration for export in the <b>case of aircraft and vessels</b> imported for maintenance, repair and overhauling has been increased from 6 months to 1 year, further extendable by 1 year.
2.	39/2024 Customs dated 23.07.2024	The time-period of duty-free re-import of goods (other than those under export promotion schemes) exported out from India under warranty has been increased from 3 years to 5 years, further extendable by 2 years.
3.	31/2024 Customs dated 23.07.2024	The India-UAE CEPA Tariff notification is being amended as consequential changes in duty rates on precious metals.

## E. Review of Customs duty Exemptions

### A. Conditional exemption rates of BCD prescribed in Notification no. 50/2017-Customs dated 30.6.2017 for following serial numbers has been extended to 31<sup>st</sup> Mar 2026:

S. No.	S N of 50/17-Cus	Brief Description
1.	17	Specified Planting materials, namely, oilseeds, seeds of vegetables, tubers, etc.
2.	80A	Algal oil for manufacturing of aquatic feed
3.	90	Lactose for use in manufacture of homeopathic medicines
4.	104	Specified goods used in processing of sea-food
5.	133	Gold ores and concentrates
6.	139	Bunker Fuels namely: (i). IFO 180 CST; (ii). IFO 380 CST; (iii). VLSFO (CTH 27)
7.	150	Naphtha for manufacture of Fertilisers <i>(scope of exemption is being reduced only to Naphtha)</i>
8.	155	Liquefied petroleum gases (LPG) received from unit in SEZ and returned by the DTA unit to the SEZ unit
9.	164	Electrical energy supplied from SEZ unit to DTA
10.	165	Electrical energy supplied from SEZ to DTA
11.	172	Specified goods used in manufacture of silicon wafers or solar wafers, for manufacture of solar cell or module
12.	183	Medical use fission Molybdenum-99 (Mo-99) for use in manufacture of radio pharmaceuticals
13.	184	Pharmaceutical Reference Standard
14.	188	Goods for manufacture of ELISA Kits
15.	191	Maltol for manufacture of deferiprone
16.	204	Anthraquinone or 2-Ethyl Anthraquinone for use in manufacture of Hydrogen peroxide
17.	237	Specified material for manufacture of EVA (Ethylene Vinyl Acetate) sheets or backsheet, which are used in the manufacture of solar photovoltaic cells or modules <i>(Scope of materials which can be imported is being increased)</i>
18.	253	Specified Goods for manufacture of Brushless Direct Current (BLDC) motors
19.	257	Tags, labels, stickers, belts, buttons, hangers or printed bags, imported by bonafide exporters
20.	257A	Specified goods used in manufacture of handicraft items for export when imported by bonafide exporter

S. No.	S N of 50/17-Cus	Brief Description
21.	257B	Specified goods used in manufacture of textile or leather garments for export when imported by bonafide exporter
22.	257C	Specified goods used in manufacture of leather or synthetic footwear or other leather products for export when imported by bonafide exporter
23.	258	Security fibre, threads, Paper based Taggant, M-feature for use in manufacture of security paper by Security Paper Mill, Hoshangabad and Bank Note Paper Mill India Pvt Ltd, Mysore.
24.	259	Raw materials for manufacture of security fibre and security thread for supply to Security Paper Mill, Hoshangabad and Bank Note Paper Mill India Pvt. Ltd, Mysore for use in manufacture of security paper
25.	260	Goods for the manufacture of specified orthopedic implants (902110)
26.	261	Raw material for manufacture of Copper-T Contraceptive (i) Alatheon (ii) Copper Wire
27.	265	Capacitor grades polypropylene granules for manufacture of Capacitor grade plastic
28.	269	Super absorbent polymer for manufacture of adult diapers and specified goods
29.	271	Polytetramethylene ether glycol, (PT MEG) for use in manufacture of spandex yarn
30.	276	Ethylene- propylene- non-conjugated diene rubber (EPDM) for manufacture of insulated wire and cables
31.	279	New or retreated Pneumatic tyres of rubber for use in servicing, repair of maintenance of aircrafts used for operating scheduled air transport service or scheduled air cargo service etc
32.	280	New or retreated Pneumatic tyres of rubber for use in servicing, repair or maintenance of aircraft imported or procured by Aero Club of India/ for flying training purpose/ operating non-scheduled (passenger or charter) services/ AAI for flight calibration purpose
33.	290	Wood pulp for manufacture of newsprint, paper or paperboard
34.	292	Goods imported for manufacture of paper, paper boards, newsprint
35.	293A	Newsprint and uncoated paper imported for printing of newsprint
36.	296A	Lightweight coated paper imported by actual users for printing of magazines

## BUDGET ANALYSIS 2023-24

S. No.	S N of 50/17-Cus	Brief Description
37.	326	Hydrophilic /Hydrophobic Non- Woven, imported for use in the manufacture of Adult Diapers
38.	329	Pile fabrics for the manufacture of toys
39.	333	Moulds, tools and dies, for the manufacture of parts of electronic components or electronic equipment
40.	334	(i) Graphite Felt or Graphite pack for growing silicon ingots (ii) Thin Steel wire used in wire saw for slicing of silicon wafers
41.	345A	Simply Sawn Diamonds
42.	364A	Spent catalyst or ash containing precious metals
43.	368	Ferrous Scrap
44.	374	Magnesium Oxide (MgO) coated cold rolled steel coils for use in manufacture of cold rolled grain oriented (CRGO) steel
45.	375	Specified items for manufacture of cold rolled grainoriented steel (CRGO) steel
46.	378	Metal parts for manufacture of electrical insulators falling under heading 8546
47.	379	Pipes and tubes for use in manufacture of boilers
48.	380	Forged steel rings for manufacture of special bearings for use in wind operated electricity generators
49.	381	Flat copper wire for use in the manufacture of photo voltaic ribbon for manufacture of solar photovoltaic cell or modules
50.	392	Dies for drawing metal, where imported after repairs from abroad
51.	403	Parts and raw materials for offshore oil exploration
52.	404	Specified items including capital goods and raw materials for off shore oil exploration
53.	415	Parts for manufacture of catalytic convertors
54.	415A	Platinum or Palladium for manufacture of Noble Metal Compounds & Noble Metal Solutions
55.	416	Ceria zirconia compounds for use in the manufacture of washcoat for catalytic convertors
56.	417	Cerium compounds for use in the manufacture of washcoat for catalytic convertors
57.	418	Zeolite for use in the manufacture of washcoat for catalytic convertors
58.	422	Machinery, electrical equipment for use in semiconductor wafer and LCD

## BUDGET ANALYSIS 2023-24

S. No.	S N of 50/17-Cus	Brief Description
59.	423	Machinery, electrical equipment for use in marking and packaging of semiconductor chips
60.	426	Specified goods for the manufacture of semiconductor devices, memory card, IC, solar cell
61.	435	Capital goods for printing industry
62.	442	Bushings made of Platinum and Rhodium alloy when imported in exchange of worn out or damaged bushings exported out of India
63.	446	Parts and components for manufacture of tunnel boring machines
64.	451	Evacuated tubes with three layers of solar selective coating for use in manufacture of solar water heater
65.	462	Ball screws for use in the manufacture of CNC Lathes
66.	463	Linear Motion Guides for use in the manufacture of CNC Lathes
67.	464	CNC Systems for use in the manufacture of CNC Lathes
68.	464A	Goods for manufacture of plastic processing machineries
69.	467	Parts and components of cash dispenser or automatic bank note dispenser
70.	468	Parts for manufacture of Micro ATM, Fingerprint reader/scanner, Iris scanner, Miniaturised POS <i>(Scope of exemption is being limited to import of raw materials only)</i>
71.	471	All parts for use in the manufacture of LED lights
72.	472	All inputs for use in the manufacture of LED driver or MCPCB for LED lights
73.	476	Television equipment, cameras etc for taking films, imported by a foreign film unit or television team
74.	477	Filming equipment of foreign origin if imported into India after having been exported therefrom.
75.	480	Goods imported for being tested in specified test centers
76.	489B	Goods for manufacturing of Microphones
77.	504	Parts and Components of Digital Still Image Video Cameras
78.	509	Parts, components and accessories for manufacture of Digital Video Recorder
79.	510	Parts, components and accessories for use in manufacture of reception apparatus for television
80.	511	Parts, components and accessories for manufacture of CCTV Camera
81.	512	Specified Parts, components and for use in manufacture of Lithium-ion battery and battery pack

## BUDGET ANALYSIS 2023-24

<b>S. No.</b>	<b>S N of 50/17-Cus</b>	<b>Brief Description</b>
82.	512A	Inputs, parts or sub-parts for use in the manufacturing of Printed Circuit Board Assembly
83.	515A	Open Cell for manufacture of TV Panel
84.	516	The following goods for use in the manufacture of Liquid Crystal Display (LCD) /LED TV Panel
85.	517	Magnetrons for manufacture of domestic microwave ovens
86.	519	Raw materials or parts for use in manufacture of eReaders
87.	523A	Parts, sub-parts, inputs or raw material for use in manufacture of Lithium-ion cells
88.	527	Lithium-ion cell use in manufacture of battery or battery pack
89.	527A	Lithium-Ion Cell for use in manufacture of battery or battery pack of cellular mobile
90.	527B	Lithium-Ion Cell manufacture of battery or battery pack of EV
91.	534	Parts of gliders or simulators of aircrafts (excluding rubber tyres and tubes of gliders)
92.	535	Raw materials for manufacture of aircraft and parts of aircraft
93.	535A	Parts of aircraft for manufacture of aircraft or for manufacture of parts of aircraft by PSU under Min of Defence
94.	536	Parts, testing equipment, tools and tool-kits for maintenance, repair, and overhauling of aircraft, components or parts of aircrafts
95.	537	All goods of Heading 8802 (except 88026000-spacecraft)
96.	538	Components or parts, including engines, of aircraft of heading 8802
97.	539	(a) Satellites and payloads; (b) Ground equipment brought for testing of (a)
98.	539A	Scientific and technical instruments etc for launch vehicles and satellites
99.	540	Specified goods imported by scheduled air transporter
100.	542	Specified goods imported by Aero Club, Flying Training Institutes
101.	543	Specified goods imported by non-scheduled air transporter
102.	544	Parts (other than rubber tubes), of aircraft of heading 8802
103.	546	Parts (other than rubber tubes), of aircraft of heading 8802
104.	548	Barges or pontoons imported along with ships
105.	551	Cruise ships, Excursion ships
106.	553	Fishing vessels, Tugs and Pusher crafts, light vessels excluding vessels and floating structure imported for break up

## **BUDGET ANALYSIS 2023-24**

S. No.	S N of 50/17-Cus	Brief Description
107.	555	Vessels like warships, lifeboats excluding vessels and floating structure imported for break up
108.	567	Stainless steel tube and wire, for manufacture of Coronary stents /artificial valve
109.	569	Parts required for manufacture of Ostomy products
110.	570	Medical and surgical instruments, apparatus and appliances including spare parts and accessories thereof
111.	575	Specified Hospital Equipment for use in specified hospitals
112.	578A	Raw materials, for the manufacture of Cochlear Implants
113.	580	X-Ray Baggage Inspection Systems and parts thereof
114.	581	Portable X-ray machine / system
115.	583	Parts and cases of braille watches, for the manufacture of Braille watches
116.	591	Parts of electronic toys
117.	593	Parts of video games for the manufacture of video games

**ii) Conditional exemption rates of BCD prescribed in Notification no. 50/2017-Customs dated 30.6.2017 for following serial numbers has been extended to 31<sup>st</sup> Mar 2029:**

S. No.	S. No. of 50/2017Cus	Brief Description
1.	212A	Medicines/drugs/vaccines supplied free by United Fund Nations International Children's Emergency (UNICEF), Red Cross etc
2.	213	Drugs and materials
3.	428	Specified goods imported by accredited press cameraman
4.	429	Specified goods, imported by accredited journalist
5.	549	Capital goods, raw materials and spares for repairs of ocean-going vessels
6.	550	Spare parts and consumables for repairs of ocean going vessels registered in India.
7.	577	Lifesaving medical equipment for personal use
8.	607	Life Saving drugs like Keytruda etc
9.	607A	Lifesaving drugs/medicines for personal use
10.	611	Archaeological artefacts for exhibition in a museum
11.	612	Specified raw material for sports goods

## **BUDGET ANALYSIS 2023-24**

**B. The BCD exemption for the goods covered under the following notifications are being extended upto 31<sup>st</sup> March, 2026.**

<b>S. No.</b>	<b>Notification No.</b>	<b>Brief Description</b>
1.	30/2017-Customs dated 30 June 2017	Exemption to motion picture, music, gaming software for use in gaming console printed or recorded on media
2.	05/2017-Customs dated 2 February 2017	Exemption to machinery, components for setting up fuel cell based on waste to energy
3.	113/2003-Customs dated 22 July 2003	Exemption to castor oil cake and castor de-oiled cake manufactured from indigenous castor oil seeds on indigenous plant and machinery by unit in SEZ and brought to DTA
4.	81/2005-Customs dated 8 September 2005	Exemption to machinery/components for initial setting up of non-conventional power generation plants
5.	26/2011-Customs dated 1 March 2011	Exemption to work of art, antiques in museum or art gallery
6.	248/1976-Customs dated 2 August 1976	Exemption to precious stones imported by posts on 'approval or return' basis
7.	24/2001-Customs dated 1st March 2001	Exemption to copper cathodes, wire bars and wire rods produced out of copper reverts
8.	25/2001-Customs dated 1st March 2001	Exemption on gold and silver produced out of copper anode slime which were exported out of India for toll smelting and processing
9.	32/1997-Customs dated 1st April 1997	Exemption to goods imported for execution of an export order for jobbing

**C. The BCD exemption for the goods covered under the following notifications are being extended upto 31<sup>st</sup> March, 2029.**

<b>S. No.</b>	<b>Notification No.</b>	<b>Brief Description</b>
1.	16/1965-Customs dated 23 January 1965	Exemption to goods exported to foreign countries for display in show-rooms of Govt of India
2.	80/1970-Customs 29 August 1970	Goods supplied freely under warranty as replacement for defective ones in lieu of earlier imported goods.
3.	207/89-Customs dated 17 July 1989	Foodstuffs and provisions (excluding fruit products, tobacco, alcohol) by foreigners
4.	147/94-Customs dated 13 July 1994	Firearms and ammunition when imported for use by a renowned shooter

## **BUDGET ANALYSIS 2023-24**

<b>S. No.</b>	<b>Notification No.</b>	<b>Brief Description</b>
5.	148/94-Customs dated 13 July 1994	Specified gifts; goods gifted free under a bilateral agreement; goods imported by Indian Red cross Society, goods for the purposes of relief and rehabilitation
6.	152/94-Customs dated 13 July 1994	Appliance/aids for blind/handicapped imported by institution for blind & deaf; and other specified teaching aids imported by Govt Universities
7.	153/94-Customs dated 13 July 1994	Articles for foreign origin imported for repair and return, theatrical equipment and costumes, mountaineering expedition equipment, photographic, filming recording etc
8.	134/94-Customs dated 22 June 1994	Specified capital goods, and other ancillary items imported for repairs
9.	39/96-Customs dated 23 July 1996	Specified imports relating to Defence, internal security forces and Air Force.
10.	50/96-Customs dated 23 July 1996	Specified equipment, instruments, raw materials, components, pilot plant and computer software when imported for publicly funded R & D projects
11.	51/96-Customs dated 23 July 1996	Scientific and technical instruments, apparatus, equipment, accessories etc when imported by publicly funded research institution
12.	25/1998-Customs dated 2 June 1998	Capital goods/machinery/ measuring instruments for manufacture of semiconductor wafers.
13.	23/2016-Customs dated 1 March 2016	Parts of aircraft when imported into India under the Standard Exchange Scheme
14.	32/2017-Customs dated 30 June 2017	Imports of artwork and antique books
15.	37/2017-Customs dated 30 June 2017	Imports in relation to defense and international security forces including medals, decorations, personal effects of Defense Personnel, bonafide gifts from foreign donors, stores and goods for trials, demonstration
16.	16/2017-Customs dated 20 April, 2017	Specified medicines from whole of the duty of customs, when imported for supply under Specified Patient Assistance Programme
17.	25/1999-Customs dated 28 February 1999	Capital goods/machinery used by the IT/Electronics industry, subject to actual user condition.
18.	25/2002-Customs dated 1 March 2002	Specified raw materials, inputs and parts for use in manufacture of specified electronic items

## **BUDGET ANALYSIS 2023-24**

S. No.	Notification No.	Brief Description
19.	35/2017-Customs dated 30 <sup>th</sup> June 2017	Aviation Turbine Fuel in the tanks of the aircrafts of an Indian Airline or of the Indian Air Force

**D. The end dates prescribed are being removed in the following notifications:**

S. No.	Notification No.	Brief Description
1.	49/2017-Customs dated 30 June 2017	Exemption to Special Additional Duty ( <b>SAD</b> ) on specified goods of fourth schedule to Central Excise Act
2.	52/2017-Customs dated 30 June 2017	Effective rate of Additional duty for goods under Chapter 27
3.	29/2017-Customs dated 30 June 2017	Exemption to specimen, models, wall pictures and diagrams for instructional purposes
4.	46/1974-Customs dated 25 May 1974	Pedagogic material for educational or vocational training courses

**F. Customs Duty Exemptions/ Concessions not being allowed after 30<sup>th</sup> September 2024**

S. No.	SN of 50/2017 Customs	Description
1.	478	Wireless apparatus, accessories and parts as specified in List 29 imported by a licensed amateur radio operator
2.	353	Foreign currency coins when imported into India by a Scheduled Bank
3.	387	Zinc metal recovered by toll smelting or toll processing from zinc concentrates exported from India for such processes
4.	441	Spinnerettes made inter alia of Gold, Platinum and Rhodium or any one or more of these metals, when imported in exchange of worn-out or damaged spinnerettes exported out of India
5.	238	Organic/inorganic Coating material for manufacture of electrical steel
6.	254	Catalyst for manufacture of cast components of Wind Operated Electricity Generator
7.	255	Resin for manufacture of cast components of Wind Operated Electricity Generator

## BUDGET ANALYSIS 2023-24

<b>S. No.</b>	<b>S N of 50/2017 Customs</b>	<b>Description</b>
8.	277A	Calendared plastic sheet for manufacturing of Smart Card under chapter heading 8523
9.	339	Concessional rate on import of Toughened glass with low iron content and transmissivity of minimum 91% and above, for use in manufacture of solar thermal collectors or heaters
10.	421	Specified goods required for basic telephone service, cellular mobile telephone service, internet service or closed users' group 64 KBPS domestic data network via INSAT satellite system service and parts, for manufacture of the goods
11.	479	Mono or Bi polar Membrane electrolyzers and parts thereof including secondary brine purification components, jumper switches, filtering elements for hydrogen filters for caustic soda or potash units; Membrane and parts thereof or other parts for caustic soda or potash units;
12.	475	Specified goods including scramblers, descramblers, encoders, decoders, jammers, network firewalls, network sniffers, scanners
		and monitoring systems, probes for data monitoring and SMS/MMS monitoring systems
13.	482	Newspaper page transmission and reception facsimile system or equipment; and Telephoto transmission and reception system or equipment
14.	495	Batteries for electrically operated vehicles, including two and three wheeled electric motor vehicles.
15.	497	Active Energy Controller (AEC) for use in manufacture of Renewable Power System (RPS) inverters
16.	579	Survey (DGPS) instruments, 3D modeling software for ore body simulation cum mine planning and exploration (geophysics and geochemistry) equipment required for surveying and prospecting of minerals
17.	419	Aluminium Oxide for manufacture of washcoat of catalytic converter
18.	420	Clay 2 powder for use in ceramic substrate for catalytic convertor
19.	340	Solar tempered glass or solar tempered (anti-reflective coated) glass for use in manufacture of solar cells/panels/modules
20.	565	Specified goods for use in the manufacture of Flexible Medical Video Endoscope [heading 9018]

## **BUDGET ANALYSIS 2023-24**

S. No.	S N of 50/2017Customs	Description
21.	566	Specific input goods for manufacture of syringes, needles, catheters and cannulae
22.	568	Parts and components for manufacture of blood pressure monitors and blood glucose monitoring system (Glucometers)

a) The following notifications will not be effective from 30.9.2024 and customs duty exemption withdrawn:

S. No	Notification No.	Description
1.	97/99-Customs dated 21 July 1999	Exempts BCD and additional duty under Sections 3(1), 3(3) and 3(5) on standard gold bars imported by a RBI authorised bank
2.	30/2004-Customs dated 28 January 2004	Provides full exemption from BCD to <u>second-hand</u> computers/accessories and peripherals received as donation by schools, charitable institutions.
3.	102/2007-Customs dated 14 September 2017	Provides exemption from Special Additional Duty (SAD) levied vide section 3(5) of CTA on to all goods imported for subsequent sale when IGST, CGST, SGST or UTGST paid by importer.
4.	45/2005-Customs dated 16 May 2005	Provides exemption from Special Additional Duty levied under Section 3(5) of CTA on goods cleared from SEZ to DTA.
5.	151/94-Customs dated 13 July 1994	Provides exemption to imports of duty-paid fuel and lubricating oil on aircrafts taken during the outward flight; goods imports by United Arab Airlines; aircraft engines, spares imported by Indian Airlines and Air India International. <i>Re-import entries will operate from re-import notification 45/2017-Cus</i>
6.	26-Customs dated 19 <sup>th</sup> February 1962	Provides exemption from import duty under the Sea Customs Act on catering cabin equipment, food and drink on re-importation by aircrafts of the Indian Airlines Corporation from foreign flights

## BUDGET ANALYSIS 2023-24

**G. Following goods are being exempted from levy of Social Welfare Surcharge (SWS)**

<b>A.</b>	<b>AMENDMENT TO NOTIFICATION NO. 11/2018 – CUSTOMS, DATED 02.02.2018 (w.e.f. 24.07.2024)</b>
<b>S. No.</b>	<b>Description</b>
1.	Natural Graphite
2.	Natural sands
3.	Quartz (other than natural sands); quartzite
4.	Strontium sulphate (natural ore)
5.	Copper ores and concentrates
6.	Cobalt ores and concentrates
7.	Tin ores and Concentrates
8.	Tungsten Ores and Concentrates
9.	Molybdenum ores and concentrates
10.	Zirconium ores and concentrates
11.	Hafnium Ores and concentrates
12.	Vanadium ores and concentrates
13.	Niobium or tantalum ores and concentrates
14.	Antimony Ores and Concentrates
15.	Tellurium
16.	Silicon, containing by weight not less than 99.99% of silicon
17.	Other silicon
18.	Selenium
19.	Alkali or alkaline earth metals, Rare-earth metals, scandium and yttrium, whether or not intermixed or inter alloyed
20.	Silicon dioxide
21.	Potassium hydroxide
22.	Oxides, hydroxides and peroxides, of strontium or barium

# **BUDGET ANALYSIS 2023-24**

<b>A.</b>	<b>AMENDMENT TO NOTIFICATION NO. 11/2018 – CUSTOMS, DATED 02.02.2018 (w.e.f. 24.07.2024)</b>
<b>S. No.</b>	<b>Description</b>
23.	Cobalt oxides
24.	Cobalt hydroxides
25.	Commercial cobalt oxides
26.	Lithium oxide and hydroxide
27.	Vanadium oxides and hydroxides
28.	Germanium oxides
29.	Molybdenum oxides and hydroxides
30.	Antimony Oxides
31.	Cadmium oxide
32.	Chlorides of Nickel
33.	Strontium chloride
34.	Sulphates of Nickel
35.	Nitrates of potassium
36.	Lithium carbonates
37.	Strontium carbonate
38.	Salts of oxometallic or peroxometallic acids of Beryllium and Rhenium
39.	Compounds, inorganic or organic of rare earth metals
40.	Bismuth citrate
41.	Artificial Graphite, colloidal or semi-colloidal graphite, preparations based on graphite or other carbon in form of pastes, blocks, plates or other semimanufactures
42.	Unwrought Tin
43.	Unwrought tungsten, including bars and rods obtained simply by sintering
44.	Unwrought molybdenum, including bars and rods obtained simply by sintering
45.	Unwrought tantalum, including bars and rods obtained simply by sintering, powders
46.	Cobalt, unwrought
47.	Bismuth, unwrought
48.	Unwrought zirconium, powders, Containing less than 1 part hafnium to 500 parts zirconium by weight

## **BUDGET ANALYSIS 2023-24**

<b>A.</b>	<b>AMENDMENT TO NOTIFICATION NO. 11/2018 – CUSTOMS, DATED 02.02.2018 (w.e.f. 24.07.2024)</b>
<b>S. No.</b>	<b>Description</b>
49.	Unwrought antimony, powders
50.	Beryllium unwrought, powders
51.	Hafnium unwrought, waste and scrap, powders
52.	Rhenium unwrought
53.	Cadmium unwrought, Powders
54.	Cadmium, wrought
55.	Unwrought; Waste and scrap; powders of :- (i) Gallium (ii) Germanium (iii) Indium (iv) Niobium (v) Vanadium

**H. Agriculture Infrastructure and Development Cess (AIDC) rate changes (with changes to the effective rate of Customs Duty)**

<b>Notification No. 11/2021 – Customs, dated 01.02.2021 is being amended to revise the AIDC rates on the following goods (w.e.f. 24.07.2024):</b>				
	<b>AIDC rate changes (with changes to the effective rate of Customs Duty)</b>		<b>Rate</b>	
<b>S. No.</b>	<b>Chapter, Heading, sub-heading, tariff item</b>	<b>Commodity</b>	<b>From</b>	<b>To</b>
1.	7108	Gold bar	5%	1%
2.	7108	Gold dore	4.35%	0.35%
3.	7106	Silver bar	5%	1%
4.	7106	Silver dore	4.35%	0.35%
5.	7110	Platinum, Palladium, Osmium, Ruthenium, Iridium	5.4%	1.4%
6.	7118	Coins of precious metals	5%	1%
7.	7113	Gold/Silver findings	5%	1%

## **BUDGET ANALYSIS 2023-24**

# INCOME TAX ACT

**BUDGET ANALYSIS 2024-25**

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
Section 2 Clause 22	1 <sup>st</sup> October 2024	Definition of Dividend	"Dividend" does not include: (iv) any payment made by a company on purchase of its own shares from a shareholder in accordance with the provisions of section 77A of the Companies Act, 1956 (1 of 1956)	New sub clause (f) is inserted which states "any payment by a company on purchase of its own shares from a shareholder in accordance with the provisions of section 68 of the Companies Act, 2013"  clause (iv) which states about " <i>any payment made by a company on purchase of its own shares from a shareholder in accordance with the provisions of section 77A of the Companies Act, 1956 (1 of 1956)</i> " is <b>omitted</b> .	1. Now Buy Back of Shares by a company, will be considered as Dividend and will be taxable in the hands of recipient. 2. Capital loss(to the extent of purchase cost per share) on such Buy Back of Shares shall be adjusted against capital gain arising on subsequent sale of shares or otherwise. This amendment is effective w.e.f. 01st October 2024.

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
Section 2 Clause 42A	23 <sup>rd</sup> July 2024	Definition of short-term capital asset	<p>"short-term capital asset" means a capital asset held by an assessee for not more than thirty-six months immediately preceding the date of its transfer.</p> <p>Provided that in the case of a security (other than a unit) listed in a recognized stock exchange in India or a unit of the Unit Trust of India established under the Unit Trust of India Act, 1963 (52 of 1963) or a unit of an equity oriented fund or a zero coupon bond, the provisions of this clause shall have effect as if for the words "thirty-six months", the words "twelve months" had been substituted:</p> <p>Provided further that in case of a share of a company (not being a share listed in a recognised stock exchange) or a unit of a</p>	<p>"short-term capital asset" means a capital asset held by an assessee for not more than <del>thirty-six months</del> <b>twenty-four months</b> immediately preceding the date of its transfer.</p> <p>Provided that in the case of a security <del>(other than a unit)</del> listed in a recognized stock exchange in India or a unit of the Unit Trust of India established under the Unit Trust of India Act, 1963 (52 of 1963) or a unit of an equity oriented fund or a zero coupon bond, the provisions of this clause shall have effect as if for the words "<del>thirty-six months</del>" <b>twenty-four months</b>, the words "twelve months" had been substituted:</p> <p>Provided further that in case of a share of a company (not being a share listed in a recognised stock exchange) or</p>	<p>Definition for Short Term Capital Asset (STCA) has been modified, now the holding period of less than 36 months is now reduced to 24 months. i.e., Any asset except listed shares, unit of equity oriented fund or unit of unit trust of India, held for less than 2 years will be term an asset as STCA for capital gain calculation.</p> <p>This amendment is effective w.e.f. 23rd July 2024</p>

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>Mutual Fund specified under clause (23D) of section 10, which is transferred during the period beginning on the 1st day of April, 2014 and ending on the 10th day of July, 2014, the provisions of this clause shall have effect as if for the words "thirty-six months", the words "twelve months" had been substituted.</p> <p>Provided also that in the case of a share of a company (not being a share listed in a recognised stock exchange in India), or an immovable property, being land or building or both, the provisions of this clause shall have effect as if for the words "thirty-six months", the words "twenty-four months" had been substituted.</p>	<p>a unit of a Mutual Fund specified under clause (23D) of section 10, which is transferred during the period beginning on the 1st day of April, 2014 and ending on the 10th day of July, 2014, the provisions of this clause shall have effect as if for the words "thirty-six months", the words "twelve months" had been substituted <b>“as it stood immediately prior to the commencement of the Finance (No.2) Act, 2024”</b></p> <p><del>Provided also that in the case of a share of a company (not being a share listed in a recognised stock exchange in India), or an immovable property, being land or building or both, the provisions of this clause shall have effect as if for the words "thirty-six months", the words "twenty four months" had been substituted.</del></p>	

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
Section 10 Clause 4D	1 <sup>st</sup> April 2025	Any income accrued or arisen to or received by a specified fund as a result of transfer of capital asset referred to in clause (viiab) of section 47, on a recognised stock exchange located in any International Financial Services Centre.	"specified fund" means,— (i) a fund established or incorporated in India in the form of a trust or a company or a limited liability partnership or a body corporate,— (l) which has been granted a certificate of registration as a Category III Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992 (15 of 1992) or 39[regulated under the International Financial Services Centres Authority (Fund Management) Regulations, 2022, made under the] International Financial Services Centres Authority Act, 2019 (50 of 2019);	"specified fund" means,— (i) a fund established or incorporated in India in the form of a trust or a company or a limited liability partnership or a body corporate,— <b>(l)(a)</b> which has been granted a certificate of registration as a Category III Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992 (15 of 1992) or 39[regulated under the International Financial Services Centres Authority (Fund Management) Regulations, 2022, made under the] International Financial Services Centres Authority Act, 2019 (50 of 2019); <b>“(b) which has been granted a certificate as a</b>	Definition of Specified Fund under section 10 will now include funds that are retail scheme or Exchange Traded Fund which are <b>regulated under International Financials Services Centres Authority (Fund Management) Regulations 2022</b> , which are made under the International Financial Services Centres Authority Act, 2019.

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<i>retail scheme or an Exchange Traded Fund, and is regulated under the International Financial Services Centres Authority(Fund Management) Regulations, 2022, made under the International Financial Services Centres Authority Act, 2019 and satisfies such conditions, as may be prescribed;"</i>	
Section 10 Insertion of clause 15B	1 <sup>st</sup> April 2025	Any income of a foreign company from lease rentals, by whatever name called, of cruise ships		<i>(15B) any income of a foreign company from lease rentals, by whatever name called, of cruise ships, received from a specified company which operates such ship or ships in India, where such foreign company and the specified company are subsidiaries of the same holding company, and such income is received or accrues or arises in India for any relevant assessment year beginning on or before the 1st day of April, 2030. Explanation.—For the purposes of this clause,—</i>	New clause 15B under section 10 has been inserted to exempt income arising to foreign companies out of lease rentals subject to the company paying lease rental shall be opting presumptive taxation under section 44BBC and should be subsidiary of foreign holding company. Exemption applicable till AY 2030-31.

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p><i>(a) "specified company" means any company, other than a domestic company which operates cruise ships in India and opts to pay tax in accordance with the provisions of section 44BBC;</i></p> <p><i>(b) "holding company", in relation to a foreign company or a specified company, means</i></p> <p><i>a company of which such companies are subsidiary companies;</i></p> <p><i>(c) "subsidiary company" or "subsidiary", in relation to a holding company, means a company in which the holding company exercises or controls more than one-half of the total share capital either at its own or together with one or more of its subsidiary companies.'</i></p>	
<b>Section 10 Clause 23C</b>	<b>1<sup>st</sup> October 2024</b>	<b>Incomes not included in total income</b>	1 <sup>st</sup> Proviso that the exemption to the fund or trust or institution or university or other educational institution or	1 <sup>st</sup> Proviso that the exemption to the fund or trust or institution or university or other educational institution or hospital or other medical	Sunset clause inserted for making application to Principal Commissioner by trust or institution for availing

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>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>2<sup>nd</sup> Proviso further that the Principal Commissioner or Commissioner, on receipt of an application made under the first proviso, shall:</p>	<p>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 <b>“before the 1st day of October, 2024”</b> in the prescribed form and manner to the Principal Commissioner or Commissioner, for grant of approval,</p> <p>2<sup>nd</sup> Proviso further that the Principal Commissioner or Commissioner, on receipt of an application made under the first proviso <b>“before the 1st day of October, 2024,”</b> shall.</p> <p>24<sup>th</sup> Proviso is inserted <b>“Provided also that no approval under the second</b></p>	<p>exemption before 1st October 2024.</p>

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<b>proviso shall be granted in relation to any application made on or after the 1st day of October, 2024."</b>	
<b>Section 10 Clause 23EE</b>	<b>1st April 2025</b>	<b>Any specified income of Core Settlement Guarantee Fund</b>	Explanation.—For the purposes of this clause,— (i) "recognised clearing corporation" shall have the same meaning as assigned to it in clause (o) of sub-regulation (1) of regulation 2 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 made under the Securities and Exchange Board of India Act, 1992 (15 of 1992) and the Securities Contracts (Regulation) Act, 1956 (42 of 1956)	Explanation.—For the purposes of this clause,— (i) "recognised clearing corporation" shall have the same meaning as assigned to it in clause (o) of sub-regulation (1) of regulation 2 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 made under the Securities and Exchange Board of India Act, 1992 (15 of 1992) and the Securities Contracts (Regulation) Act, 1956 (42 of 1956) <b>"or clause (n) of sub-regulation (1) of regulation 2 of the International Financial Services Centres Authority (Market Infrastructure Institutions) Regulations, 2021 made under the International Financial</b>	For the purpose of section 10(23EE), Recognised clearing corporation and Regulation will include as considered by " International Financial Services Centres Authority (Market Infrastructure Institutions) Regulations, 2021 made under the International Financial Services Centres Authority Act, 2019"

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			(ii) "regulations" means the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012* made under the Securities and Exchange Board of India Act, 1992 (15 of 1992) and the Securities Contracts (Regulation) Act, 1956 (42 of 1956)	<b><i>Services Centres Authority Act, 2019"</i></b> (ii) "regulations" means the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012* made under the Securities and Exchange Board of India Act, 1992 (15 of 1992) and the Securities Contracts (Regulation) Act, 1956 (42 of 1956) <b><i>"or the International Financial Services Centres Authority (Market Infrastructure Institutions) Regulations, 2021 made under the International Financial Services Centres Authority Act, 2019"</i></b>	
<b>Section 10 Clause 23FB</b>	<b>1st April 2025</b>	<b>Venture Capital Fund definition</b>	(A) operating under a trust deed registered under the provisions of the Registration Act, 1908 (16 of 1908), which— (I) has been granted a certificate of registration, before the 21st day of May, 2012, as a Venture Capital	(A) operating under a trust deed registered under the provisions of the Registration Act, 1908 (16 of 1908), which— (I) has been granted a certificate of registration, before the 21st day of May, 2012, as a Venture Capital	<b>Venture Capital Fund regulated</b> by the International Financial Services Centres Authority (Fund Management) Regulations, 2022 made under the International Financial Services Centres Authority Act, 2019, will be considered for exemption.

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>Fund and is regulated under the Venture Capital Funds Regulations; or</p> <p>(II) has been granted a certificate of registration as Venture Capital Fund as a sub-category of Category I Alternative Investment Fund under the Alternative Investment Funds Regulations and which fulfils the following conditions, namely:—</p> <p>(i) it has invested not less than two-thirds of its investible funds in unlisted equity shares or equity linked instruments of venture capital undertaking;</p> <p>(ii) it has not invested in any venture capital undertaking in which its trustee or the settler holds, either individually or collectively, equity shares in excess of fifteen per cent of the paid-up equity share capital of such venture capital undertaking; and</p>	<p>Fund and is regulated under the Venture Capital Funds Regulations; or</p> <p>(II) has been granted a certificate of registration as Venture Capital Fund as a sub-category of Category I Alternative Investment Fund under the Alternative Investment Funds Regulations <b>“or as referred to in sub-regulation (2) of regulation 18 of the International Financial Services Centres Authority (Fund Management) Regulations, 2022 made under the International Financial Services Centres Authority Act, 2019,”</b> and which fulfils the following conditions, namely:—</p> <p>(i) it has invested not less than two-thirds of its investible funds in unlisted equity shares or equity linked instruments of venture capital undertaking;</p> <p>(ii) it has not invested in any venture capital undertaking in</p>	

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			(iii) the units, if any, issued by it are not listed in any recognised stock exchange; or	which its trustee or the settler holds, either individually or collectively, equity shares in excess of fifteen per cent of the paid-up equity share capital of such venture capital undertaking; <del>and</del> (iii) the units, if any, issued by it are not listed in any recognised stock exchange; <del>or</del> <b>and</b> <b>“(iv) any other condition as may be prescribed; or”</b>	
Section 10 Clause 34A	1st October 2024	Income arising to an assessee, being a shareholder, on account of buy back of shares by the company	Any income arising to an assessee, being a shareholder, on account of buy back of shares by the company as referred to in section 115QA	<b>Insertion of Proviso to clause 34A</b> <b>“Provided that this clause shall not apply with respect to any buy back of shares by a company on or after the 1st day of October, 2024”</b>	Since now Buy Back of Shares by a company, will be considered as Dividend and will be taxable in the hands of recipient hence it is removed from Section 10 clause 34A by adding proviso with effect from 1 <sup>st</sup> October 2024
Section 10 Clause 50	1st August 2024	Income chargeable to equalisation levy under chapter 10	any income arising from any (i) specified service provided on or after the date on which the provisions of Chapter VIII of the Finance Act, 2016 comes into force; or (ii) arising from any e-commerce supply or services	“any income arising from any– (i) specified service provided on or after the date on which the provisions of Chapter VIII of the Finance Act, 2016 comes into force; or (ii) e-commerce supply or services made or provided or	Equalisation levy removed with effect from 1 <sup>st</sup> August 2024. Similarly income arising on the service on which equalization levy is applicable is exempted under section 10 clause 50. Since now equalization levy is removed

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			made or provided or facilitated on or after the 1st day of April, 2020 and chargeable to equalisation levy under that Chapter.	facilitated on or after the 1st day of April, 2020 <b>but before the 1st day of August, 2024,</b> and chargeable to equalisation levy under that Chapter.”	they have made amendment to Section 10 clause 50 and removed the exemption
<b>Section 11</b>	<b>1st April, 2025</b>	<b>Income from property held for charitable or religious purposes</b>	(7) 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 <b>other than clause (1), clause (23C) and clause (46) thereof</b> 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.	(7) 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 <b>other than clause (1), clause (23C), clause (23EA), clause (23EC), clause (23ED), clause (46), clause (46A) and clause (46B) thereof</b> 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.	Amendment proposed to enable trusts under the second regime to claim exemption of section 10 for applying one time registration under section 12AB.

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>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 <b>is notified under clause (46)</b> of the said section, as the case may be, or the date on which this proviso has come into force, <b>whichever is later.</b></p> <p>Provided further that the trust or institution, whose registration has become inoperative under the first proviso, may apply to get its registration operative under section 12AA or section 12AB subject to the condition that on doing so, the approval under clause (23C) of section 10 or</p>	<p>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 <b>is notified under clause (23EA) or clause (23EC) or clause (23ED) or clause (46)</b> of the said section, as the case may be, or the date on which this proviso has come into force, <del>whichever is later</del> <b>or, the 1st day of April of the previous year relevant to the assessment year for which the exemption is claimed under clause (46B) of the said section.</b></p> <p>Provided further that the trust or institution, whose registration has become inoperative under the first proviso, may apply to get its registration operative under section 12AA or section 12AB subject to the condition that on doing so, the approval under clause (23C) of section 10 or notification under <b>clause</b></p>	

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			notification under clause (46) of the said section, as the case may be, to such trust or institution shall cease to have any effect from the date on which the said registration becomes operative and thereafter, it shall not be entitled to exemption under the respective clauses.	<b>(23EA) or clause (46) or clause (23ED)</b> of the said section, as the case may be, to such trust or institution shall cease to have any effect from the date on which the said registration becomes operative and thereafter, it shall not be entitled to exemption under the respective clauses.	
<b>Section 12A Clause (ac)</b>	<b>1st October 2024</b>	<b>Conditions for applicability of sections 11 and 12</b>	(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,-  (ii) where the trust or institution is registered under section 12AB and the period of the said registration is due to expire,	(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,-  (ii) where the trust or institution is registered under section 12AB <b>“or approved under sub-clause (iv) or sub-clause (v) or subclause (vi) or sub-clause (via) of clause</b>	The Principal Commissioner/ Commissioner have been authorized to condone the delay in filing application for registration

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>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><b>(23C) of section 10</b>” and the period of the said registration <b>“or approval as the case may be,”</b> 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 <b>“or provisionally approved under sub-clause (iv) or subclause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10”</b>, at least six months prior to expiry of period of the provisional registration <b>“or provisional approval as the case may be,”</b> or within six months of commencement of its activities, whichever is earlier;</p> <p>Provisio has been inserted: <b>“Provided that where the application is filed beyond the time allowed in sub-clauses (i) to (vi), the Principal</b></p>	

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<i>Commissioner or Commissioner may, if he considers that there is a reasonable cause for delay in filing the application, condone such delay and such application shall be deemed to have been filed within time."</i>	
<b>Section 12AB(3)</b>	<b>1st October 2024</b>	<b>Procedure for fresh registration</b>	(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 i. three months, ii. six months and iii. one month, respectively, calculated from the end of the month in which the application was received.	"(3) The order under <b>sub-section (1)</b> shall be passed, in such form and manner as may be prescribed, within a period of,— (i) three months calculated from the end of the month in which the application was received in case of clause (a); (ii) six months calculated from the end of the quarter in which the application was received in case of sub-clause (ii) of clause (b); and (iii) one month calculated from the end of the month in which the application was received in case of clause (c).	More clarity has been given on the timeline for the order to be passed by Principal Commissioner or Commissioner for the application of fresh registration in different cases.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
<b>Insertion of New Section 12AC</b>	<b>1st April 2025</b>	<b>Merger of charitable trusts or institutions in certain cases</b>		Where any trust or institution registered under section 12AB or approved under sub-clause (iv) or subclause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10, as the case may be, merges with another trust or institution, the provisions of Chapter XII-EB shall not apply if– (a) the other trust or institution has same or similar objects; (b) the other trust or institution is registered under section 12AA or section 12AB or approved under subclause (iv) or sub-clause (v) or sub-clause (vi) or subclause (via) of clause (23C) of section 10, as the case may be; and (c) the said merger fulfils such conditions as may be prescribed.”.	Situation where trust or institution approved under first or second regime, merges with another trust or institution either regime subject to both are registered and are having same or similar objects which will not trigger the provisions of Chapter XII-EB which relates to tax on accreted income in certain circumstances.
<b>Section 13</b>	<b>1st October 2024</b>	<b>Section 11 not to apply in certain cases</b>		In sub-section (1), in clause (d) after clause (iii), the following clause is inserted:	In order to facilitate process of simplification of procedures for transferring exemption under first regime

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<i>"(iv) any asset referred to in sub-clauses (i), (ia) and (ii) of clause (b) of the third proviso to clause (23C) of section 10 or any accretion to the shares, forming part of the corpus mentioned in the said sub-clause (i) and (ia) and voluntary contributions referred to in sub-clause (iv) of clause (b) of the said proviso."</i>	to second regime relevant amendments are made in section 13.
Section 16	1st April 2025	Deductions from salaries		Proviso to clause (ia) has been inserted: <i>'Provided that in a case where income-tax is computed under clause (ii) of sub-section (1A) of section 115BAC, the provisions of this clause shall have effect as if for the words "fifty thousand rupees", the words "seventy-five thousand rupees" had been substituted;'</i>	To encourage salaried taxpayers to switch to the new tax regime, standard deduction from salary increased to "Rs.75,000" from "Rs.50,000" when opted for new tax regime.
Section 28	1st April 2025	Profits and gains of business or profession		<i>Insertion of new Explanation 3.</i>  <i>Explanation 3 - It is hereby clarified that any income from</i>	It is proposed to amend section 28 of the Act to clarify that any income from letting out a residential house or

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<b>letting out of a residential house or a part of the house by the owner shall not be chargeable under the head "Profits and gains of business or profession" and shall be chargeable under the head "Income from house property".</b>	part of a house by the owner shall not be chargeable under "Profits and gains of business or profession," but shall instead be chargeable under "Income from house property".
<b>Section 36 sub-section (1)</b>	<b>1st April 2025</b>	<b>Other Deductions</b>	Clause (iva) any sum paid by the assessee as an employer by way of contribution towards a pension scheme, as referred to in section 80CCD, on account of an employee to the extent it does not exceed ten per cent of the salary of the employee in the previous year.	Clause (iva) any sum paid by the assessee as an employer by way of contribution towards a pension scheme, as referred to in section 80CCD, on account of an employee to the extent it does not exceed <del>ten per cent</del> <b>fourteen per cent</b> of the salary of the employee in the previous year.	In lieu of amendment to section 80CCD(2), deduction on account of contribution towards pension scheme is increased from 10% to 14%.
<b>Section 37 sub-section (1) Explanation 3</b>	<b>1st April 2025</b>	<b>General Expenditures</b>		<b>Insertion of new clause (iv) (iv) to settle proceedings initiated in relation to contravention under such law as may be notified by the Central Government in the Official Gazette in this behalf.</b>	The new clause has been inserted to clarify that "expenditure incurred by an assessee for any purpose which is an offence, or which is prohibited by law" shall include any expenditure incurred by an assessee to settle proceedings related to

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
					a contravention under any law currently in force, as may be notified
Section 40 clause (b), sub clause (v), item (a)	1st April 2025	Amounts deductible	not 40(b)(v)(a) any payment of remuneration to any partner who is a working partner, which is authorised by, and is in accordance with, the terms of the partnership deed and relates to any period falling after the date of such partnership deed in so far as the amount of such payment to all the partners during the previous year exceeds the aggregate amount computed as hereunder :- (a) on the first Rs. 3,00,000 of the book profit or in case of a loss Rs. 1,50,000 or at the rate of 90 per cent of the book-profit, whichever is more;  (b) on the balance of the book-profit at the rate of 60 per cent	40(b)(v)(a) any payment of remuneration to any partner who is a working partner, which is authorised by, and is in accordance with, the terms of the partnership deed and relates to any period falling after the date of such partnership deed in so far as the amount of such payment to all the partners during the previous year exceeds the aggregate amount computed as hereunder :-  (a) on the first <del>Rs. 3,00,000</del> <b>Rs. 6,00,000</b> of the book profit or in case of a loss <del>Rs. 1,50,000</del> <b>Rs. 3,00,000</b> or at the rate of 90 per cent of the book-profit, whichever is more;  (b) on the balance of the book-profit at the rate of 60 per cent	The limit of remuneration for working partners in a partnership firm, which is allowed as a deduction, has been increased. It is proposed that for <b>the first Rs 6,00,000 (earlier Rs. 3,00,000) of book-profit, or in the case of a loss, the limit of remuneration be increased to Rs 3,00,000 (earlier Rs. 1,50,000) or 90 percent of the book-profit, whichever is higher.</b> For the balance of the book-profit, the limit is set at 60 percent.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
Section 43D	1st April 2025	Special provision in case of income of public financial institutions, public companies, etc	<p>43D Special provision in case of income of public financial institutions, public companies, etc</p> <p>(b) in the case of a public company, the income by way of interest in relation to such categories of bad or doubtful debts as may be prescribed having regard to the guidelines issued by the National Housing Bank in relation to such debts,</p> <p>Explanation.—For the purposes of this section,—</p> <p>(a) "National Housing Bank" means the National Housing Bank established under section 3 of the National Housing Bank Act, 1987 (53 of 1987);</p> <p>(b) "public company" means a company,—</p>	<p><b>Marginal heading of section has been changed to- 43D Special provision in case of income of public financial institutions, public companies, etc</b></p> <p><del>(b) in the case of a public company, the income by way of interest in relation to such categories of bad or doubtful debts as may be prescribed having regard to the guidelines issued by the National Housing Bank in relation to such debts,</del></p> <p><del>Explanation.—For the purposes of this section,—</del></p> <p><del>(a) "National Housing Bank" means the National Housing Bank established under section 3 of the National Housing Bank Act, 1987 (53 of 1987);</del></p> <p><del>(b) "public company" means a company,—</del></p>	<p>Since housing finance companies are covered under the ambit of Reserve Bank of India as NBFC vide Finance Act, 2019, it is proposed to remove references to the National Housing Bank from section 43D.</p>

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>(i) which is a public company within the meaning of section 368 of the Companies Act, 1956 (1 of 1956);</p> <p>(ii) whose main object is carrying on the business of providing long-term finance for construction or purchase of houses in India for residential purposes; and</p> <p>(iii) which is registered in accordance with the Housing Finance Companies (NHB) Directions, 1989 given under section 30 and section 31 of the National Housing Bank Act, 1987 (53 of 1987);</p>	<p><del>(i) which is a public company within the meaning of section 368 of the Companies Act, 1956 (1 of 1956);</del></p> <p><del>(ii) whose main object is carrying on the business of providing long term finance for construction or purchase of houses in India for residential purposes; and</del></p> <p><del>(iii) which is registered in accordance with the Housing Finance Companies (NHB) Directions, 1989 given under section 30 and section 31 of the National Housing Bank Act, 1987 (53 of 1987);</del></p>	
<b>Section 44B</b>	<b>1st April 2025</b>	<b>Special provision for computing profits and gains of shipping business in the case of non-residents</b>	<p>Special provision for computing profits and gains of shipping business in the case of non-residents.</p> <p>44AB(1) Notwithstanding anything to the contrary contained in sections 28 to</p>	<p><b>Marginal Heading has been changed to-</b></p> <p><b>Special provision for computing profits and gains of shipping business other than cruise shipping in case of non-residents</b></p> <p>44AB(1) Notwithstanding anything to the contrary contained in sections 28 to</p>	<p>A new presumptive taxation regime under section 44BBC is proposed for non-resident cruise ship operators. As a result, the provisions of section 44B, which relate to presumptive taxation for non-resident shipping businesses, will no longer apply to the cruise-shipping sector.</p>

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			43A, in the case of an assessee, being a non-resident, engaged in the business of operation of ships, a sum equal to seven and a half per cent of the aggregate of the amounts specified in sub-section (2) shall be deemed to be the profits and gains of such business chargeable to tax under the head "Profits and gains of business or profession".	43A, in the case of an assessee, being a non-resident, engaged in the business of operation of ships <b>other than cruise ships referred to in section 44BBC</b> , a sum equal to seven and a half per cent of the aggregate of the amounts specified in sub-section (2) shall be deemed to be the profits and gains of such business chargeable to tax under the head "Profits and gains of business or profession".	
<b>Insertion of new section 44BBC</b>	<b>1st April 2025</b>	<b>Special provision for computing profits and gains of business of operation of cruise ships in case of non-residents</b>	New Section Inserted	(1) Notwithstanding anything to the contrary contained in sections 28 to 43A, in the case of an assessee, being a non-resident, engaged in the business of operation of cruise ships subject to such conditions as may be prescribed, a sum equal to twenty per cent. of the aggregate of the amounts specified in sub-section (2) shall be deemed to be the profits and gains of such	A new section 44BBC is proposed as presumptive tax, which will be deemed at 20% of the aggregate amount of received or receivable by, or paid or payable to a non-resident cruise-ship operator for passenger carriage as their business profits. This section will be subject to prescribed conditions.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				business chargeable to tax under the head "Profits and gains of business or profession". (2) The amounts referred to in sub-section (1) shall be the following, namely:— (a) the amount paid or payable to the assessee or to any person on his behalf on account of the carriage of passengers; and (b) the amount received or deemed to be received by or on behalf of the assessee on account of the carriage of passengers.	

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
46A	1 <sup>st</sup> Oct 2024, (AY 2025-26)	Capital gains on purchase by company of its own shares or other specified securities.	Where a shareholder or a holder of other specified securities receives any consideration from any company for purchase of its own shares or other specified securities held by such shareholder or holder of other specified securities, then, subject to the provisions of <a href="#">section 48</a> , the difference between the cost of acquisition and the value of consideration received by the shareholder or the holder of other specified securities, as the case may be, shall be deemed to be the capital gains arising to such shareholder or the holder of other specified securities, as the case may be, in the year in which such shares or other specified securities were purchased by the company.	Provided that where the shareholder receives any consideration of the nature referred to in sub-clause (f) of clause (22) of section 2 from any company, in respect of any buy-back of shares, that takes place on or after the 1st day of October, 2024, then for the purposes of this section, the value of consideration received by the shareholder shall be deemed to be nil.	value of consideration received by the shareholder shall be deemed to be nil for buy-back of own shares on or after 1 <sup>st</sup> Oct 24 if consideration is received as per clause 2(22)(f).
47	1 <sup>st</sup> April, 2025	Transactions not regarded as transfer.	(iii) any transfer of a capital asset under a gift or will or an irrevocable trust :	(iii) any transfer of a capital asset by an individual or a Hindu undivided family, under a	No tax shall apply to transfer of a capital asset, under a gift or will or an irrevocable trust, by an individual or a Hindu undivided family only.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<b>Provided</b> that this clause shall not apply to transfer under a gift or an irrevocable trust of a capital asset being shares, debentures or warrants allotted by a company directly or indirectly to its employees under any Employees' Stock Option Plan or Scheme of the company offered to such employees in accordance with the guidelines issued by the Central Government in this behalf;	gift or will or an irrevocable trust;	
48	23 <sup>rd</sup> July, 2024	Mode of computation	<b>Second Proviso to section:</b> Provided further that where long-term capital gain arises from the transfer of a long-term capital asset, other than capital gain arising to a non-resident from the transfer of shares in, or debentures of, an Indian company referred to in the first proviso, the provisions of clause (ii) shall have effect as if for the words "cost of acquisition" and "cost of any improvement", the	in the second proviso, after the words "where long-term capital gain arises from the transfer", the brackets, words, figures and letters "(which takes place before the 23rd day of July, 2024)" shall be inserted and shall be deemed to have been inserted with effect from the 23rd day of July, 2024.	Indexation benefit removed for calculation of cost of acquisition and cost of improvement for Long term capital gain

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			words "indexed cost of acquisition" and "indexed cost of any improvement" had respectively been substituted:		
50AA	23 <sup>rd</sup> July, 2024	<b>Special provision for computation of capital gains in case of Market Linked Debenture.</b>	As per Section: <i>Notwithstanding anything contained in clause (42A) of <a href="#">section 2</a> or <a href="#">section 48</a>, where the capital asset is a unit of a Specified Mutual Fund acquired on or after the 1st day of April, 2023 or a Market Linked Debenture, the full value of consideration received or accruing as a result of the transfer or redemption or maturity of such debenture or unit as reduced by— (i) the cost of acquisition of the debenture or unit; and (ii) the expenditure incurred wholly and exclusively in connection with such transfer or redemption or maturity, shall be deemed to be the capital gains arising from the transfer of a short-term capital asset:</i>	A) for the portion beginning with the words "Notwithstanding anything contained in" and ending with the words "short-term capital asset:", the following shall be substituted and shall be deemed to have been substituted with effect from the 23rd day of July, 2024, namely:—  "Notwithstanding anything contained in clause (42A) of section 2 or section 48, where the capital asset— (a) is a unit of a Specified Mutual Fund acquired on or after the 1st day of April, 2023 or a Market Linked Debenture; or	From 23 July 2024, Sec50AA will not be limited to Market Linked Debenture, it also includes an unlisted bond or an unlisted debenture which is transferred. And specifies the definition of Specified Mutual Fund.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p><b>Provided that no deduction shall be allowed in computing the income chargeable under the head "Capital gains" in respect of any sum paid on account of securities transaction tax under the provisions of Chapter VII of the Finance (No. 2) Act, 2004 (23 of 2004).</b></p> <p>Explanation.— For the purposes of this section—</p> <p>(i) "Market Linked Debenture" means a security by whatever name called, which has an underlying principal component in the form of a debt security and where the returns are linked to market returns on other underlying securities or indices and include any security classified or regulated as a market linked debenture by the Securities and Exchange Board of India;</p> <p>(ii) "Specified Mutual Fund" means a Mutual Fund by</p>	<p>(b) is an unlisted bond or an unlisted debenture which is transferred or redeemed or matures on or after the 23rd day of July, 2024, the full value of consideration received or accruing as a result of the transfer or redemption or maturity of such debenture or unit or bond as reduced by— (i) the cost of acquisition of the debenture or unit or bond; and (ii) the expenditure incurred wholly and exclusively in connection with such transfer or redemption or maturity, shall be deemed to be the capital gains arising from the transfer of a short-term capital asset:";</p> <p>B) in the Explanation, for clause (ii), the following clause shall be substituted</p>	

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p><i>whatever name called, where not more than thirty five per cent of its total proceeds is invested in the equity shares of domestic companies:</i></p> <p><b>Provided that the percentage of equity shareholding held in respect of the Specified Mutual Fund shall be computed with reference to the annual average of the daily closing figures.</b></p>	<p>with effect from the 1st day of April, 2026, namely:— '(ii) "Specified Mutual Fund" means,—</p> <p>(a) a Mutual Fund by whatever name called, which invests more than sixty-five per cent. of its total proceeds in debt and money market instruments; or</p> <p>(b) a fund which invests sixty-five per cent. or more of its total proceeds in units of a fund referred to in sub-clause (a):Provided that the percentage of investment in debt and money market instruments or in units of a fund, as the case may be, in respect of the Specified Mutual Fund, shall be computed with reference to the annual average of the daily closing figures: Provided further that for the purposes of this</p>	

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				clause, "debt and money market instruments" shall include any securities, by whatever name called, classified or regulated as debt and money market instruments by the Securities and Exchange Board of India.'	
55	1 <sup>st</sup> April, 2018	<b>Meaning of "adjusted", "cost of improvement" and "cost of acquisition"</b>	As per section 55, in sub-section (2) For the purposes of sections 48 and 49, "cost of acquisition",— (ac) subject to the provisions of sub-clauses (i) and (ii) of clause (b), in relation to a long-term capital asset, being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust referred to in section 112A, acquired before the 1st day of February, 2018, shall be higher of— (i) the cost of acquisition of such asset; and (ii) lower of—	In section 55 of the Income-tax Act, in sub-section (2), in clause (ac), in the Explanation, in clause (a), in sub-clause (iii), after item (A), the following item shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2018, namely:—  (AA) not listed on a recognized stock exchange as on the 31st day of January, 2018, or which became the	a. This proviso helps to calculate the fair market value of unlisted shares. b. Cost of unlisted equity shares will be the listed price to be apportioned with cost of index as on FY 2017-18 vis-à-vis the cost of index as on date of purchase or 1 <sup>st</sup> April 2001, whichever ever is later.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			(A) the fair market value of such asset; and (B) the full value of consideration received or accruing as a result of the transfer of the capital asset. <i>Explanation -</i> (iii) in a case where the capital asset is an equity share in a company which is— (A) not listed on a recognised stock exchange as on the 31st day of January, 2018 but listed on such exchange on the date of transfer;	property of the assessee in consideration of share which is not listed on such exchange as on the 31st day of January, 2018 by way of transaction not regarded as transfer under section 47, as the case may be, but listed on such exchange subsequent to the date of transfer (where such transfer is in respect of sale of unlisted equity shares under an offer for sale to the public included in an initial public offer).	
56	1 <sup>st</sup> April, 2025	Income from other sources	where a company, not being a company in which the public are substantially interested, receives, in any previous year, from any person <i>being a resident</i> ], any consideration for issue of shares that exceeds the face value of such shares, the aggregate consideration received for such shares as	In section 56 of the Income-tax Act, in subsection (2), in clause (viib), after the second proviso, the following proviso shall be inserted with effect from the 1st day of April, 2025, namely:— “Provided also that the provisions of this clause	Any consideration exceeding fair market value of shares shall be treated as capital gains and not income from other sources.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			exceeds the fair market value of the shares. (Inserted third proviso to clause)	shall not apply on or after the 1st day of April, 2025."	
57	1 <sup>st</sup> October, 2024 / 1 <sup>st</sup> April, 2025	Deductions	(i) in the case of dividends, 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 realising such dividend or interest on behalf of the assessee;  ( <i>ii</i> a) in the case of income in the nature of family pension, a deduction of a sum equal to	(i) with effect from the 1st day of October, 2024, — (a) in clause (i), after the words "in the case of dividends," the words, brackets, letter and figures "other than that referred in sub-clause (f) of clause (22) of section 2" shall be inserted; (b) after the proviso, the following proviso shall be inserted, namely:— "Provided further that no deduction shall be allowed in case of dividend income of the nature referred to in sub-clause (f) of clause (22) of section 2."  (ii) in clause ( <i>ii</i> a), before the Explanation, the	1. Dividend in the nature buy back of shares is treated under income from other sources, no deduction will be allowed for cost of acquisition under that head of income  2. Where income-tax is computed under new tax regime, deduction for the family pension is increased from "fifteen thousand rupees", to "twenty five thousand rupees".

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>thirty-three and one-third per cent of such income or fifteen thousand rupees, whichever is less.</p> <p><i>Explanation.</i>—For the purposes of this clause, "family pension" means a regular monthly amount payable by the employer to a person belonging to the family of an employee in the event of his death;</p>	<p>following proviso shall be inserted with effect from the 1st day of April, 2025, namely:— 'Provided that in a case where income-tax is computed under clause (ii) of sub-section (1A) of section 115BAC, the provisions of this clause shall have effect as if for the words "fifteen thousand rupees", the words "twenty-five thousand rupees" had been substituted;'</p>	
80CCD	1 <sup>st</sup> April, 2025	<b>Deduction in respect of contribution to pension scheme of Central Government.</b>	<p>As per section 80CCD, Clause (2) Where, in the case of an assessee referred to in sub-section (1), the Central Government <sup>52</sup>[or the State Government] or any other employer makes any contribution to his account referred to in that sub-section, the assessee shall be allowed a deduction in the computation of his total income, of the</p>	<p>In section 80CCD of the Income-tax Act, in sub-section (2), the following proviso shall be inserted with effect from the 1st day of April, 2025, namely:— 'Provided that where the total income of the assessee is chargeable to tax under sub-section (1A) of section 115BAC, the provisions of sub-</p>	<p>Where an employee opts for new tax regime, the allowable contribution to the central government pension scheme is increased from 10% to 14% effective from the 1st day of April, 2025.</p>

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>whole of the amount contributed by the Central Government <sup>57</sup>[or the State Government] or any other employer as does not exceed—</p> <p>(a) fourteen per cent, where such contribution is made by the Central Government <sup>57a</sup>[or the State Government];</p> <p>(b) ten per cent, where such contribution is made by any other employer, of his salary in the previous year.</p>	<p>section (2) shall have effect as if for the words “ten per cent.” referred to in clause (b), the words “fourteen per cent.” had been substituted.’</p>	
<b>80G</b>	<b>1<sup>st</sup> April, 2025</b>	<b>Deduction in respect of donations to certain charitable institutions, etc.</b>	<p>In section 80G,</p> <p>(2) The sums referred to in sub-section (1) shall be the following, namely :—</p> <p>(iii) the National Sports Fund to be set up by the Central Government; or</p> <p>(5) This section applies to donations to any institution or fund referred to in sub-clause (iv) of clause (a) of sub-section (2), only if it is established in</p>	<p>In section 80G,</p> <p>(a) in sub-section (2), in clause (a), in sub-clause (iii)g), for the words “the National Sports Fund to be set up”, the words “the National Sports Development Fund set up” shall be substituted with effect from the 1st day of April, 2025;</p> <p>(b) in sub-section (5), with effect from the 1st day of</p>	<p>Clarification provided that 80G deduction will be allowed even for contribution to National Sports Development Fund.</p>

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>India for a charitable purpose and if it fulfils the following conditions, namely :—</p> <p><i>(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;</i></p> <p><i>(iv) in any other case, where activities of the institution or fund have—</i></p> <p><i>(B) commenced and where no income or part thereof of the said institution or fund has been excluded from the total income on account of applicability of sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of <a href="#">section 10</a> or <a href="#">section 11</a> or <a href="#">section 12</a> for any previous year ending on or before the date of such application, at any time after</i></p>	<p>October, 2024,— (I) in the first proviso,— (i) in clause (iii), for the words “whichever is earlier;”, the words “whichever is earlier; or” shall be substituted;</p> <p>(ii) in clause (iv),— (a) the words “in any other case,” shall be omitted;</p> <p>(b) in sub-clause (B), the portion beginning with the words “and where no income or part” and ending with the words “such application,” shall be omitted;</p> <p>(II) in the second proviso, in clause (ii), in sub-clause (b), for item (B), the following item shall be substituted, namely:—</p> <p>“(B) if he is not so satisfied, pass an order in writing, rejecting such application and cancelling its approval, if any, after affording it a reasonable</p>	

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p><i>the commencement of such activities:]</i></p> <p><i>(B) if he is not so satisfied, pass an order in writing,—</i></p> <p><i>(I) in a case referred to in clause (ii) or clause (iii) of the first proviso, rejecting such application and cancelling its approval; or</i></p> <p><i>(II) in a case referred to in sub-clause (B) of clause (iv) of the first proviso, rejecting such application, after affording it a reasonable opportunity of being heard;]</i></p> <p><b>Provided also that the order under clause (i), sub-clause (b) of clause (ii) and clause (iii) of the <sup>76</sup>[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</b></p>	<p>opportunity of being heard;”;</p> <p>(III) for the third proviso, the following proviso shall be substituted, namely:— “Provided also that the order under clause (i) 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 and one month, as the case may be, calculated from the end of the month in which the application was received:”;</p> <p>(IV) after the third proviso, the following proviso shall be inserted, namely:— “Provided also that the order under sub-clause (b) of clause (ii) of the second proviso shall be passed in such form and manner as may be prescribed, before</p>	

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<i>month in which the application was received:</i>	expiry of the period of six months from the end of the quarter in which the application was received.”.	
92CA	1 <sup>st</sup> April, 2025	Reference to Transfer Pricing Officer.	<p>In section 92CA, (2A) Where any other international transaction [other than an international transaction referred under sub-section (1)], comes to the notice of the Transfer Pricing Officer during the course of the proceedings before him, the provisions of this Chapter shall apply as if such other international transaction is an international transaction referred to him under sub-section (1).</p> <p>(2B) Where in respect of an international transaction, the assessee has not furnished the report under <a href="#">section 92E</a> and such transaction comes to the notice of the Transfer Pricing Officer during the course of the proceeding before him, the</p>	<p>In section 92CA of the Income-tax Act, with effect from the 1st day of April, 2025,—</p> <p>(a) in sub-section (2A),—</p> <p>(i) for the words and bracket “any other international transaction [other than an international transaction]”, the words and bracket “any other international transaction or specified domestic transaction [other than an international transaction or a specified domestic transaction” shall be substituted; (ii) for the words “if such other international transaction is an international transaction”, the words “if</p>	Reference to Transfer Pricing Officer shall also be applicable to specified domestic transactions.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			provisions of this Chapter shall apply as if such transaction is an international transaction referred to him under sub-section (1).	such other international transaction or a specified domestic transaction is an international transaction or a specified domestic transaction" shall be substituted; (b) in the sub-section (2B),— (i) after the words "Where in respect of an international transaction", the words "or a specified domestic transaction" shall be inserted; (ii) for the words "such transaction is an international transaction", the words "such transaction is an international transaction or a specified domestic transaction" shall be substituted.	
94B	1 <sup>st</sup> April, 2025	<b>Limitation on interest deduction in certain cases</b>	In section 94B, (3) Nothing contained in sub-section (1) shall apply to an Indian company or a permanent establishment of a	In section 94B of the Income-tax Act, with effect from the 1st day of April, 2025,— (a) in sub-section (3), after the	Now Limitation on interest deduction in certain cases will not be applicable to Finance Company located in any International Financial Services Centre

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>foreign company which is engaged in the business of banking or insurance <sup>52</sup>[or such class of non-banking financial companies as may be notified by the Central Government in the Official Gazette in this behalf].</p> <p>5) For the purposes of this section, the expressions— (iii) "permanent establishment" includes a fixed place of business through which the business of the enterprise is wholly or partly carried on.</p>	<p>words "banking or insurance", the words "or a Finance Company located in any International Financial Services Centre," shall be inserted;</p> <p>(b) in sub-section (5), after clause (iii), the following clauses shall be inserted, namely:— "(iv) "Finance Company" means a finance company as defined in clause (e) of sub-regulation (1) of regulation 2 of the International Financial Services Centres Authority (Finance Company) Regulations, 2021 made under the International Financial Services Centres Authority Act, 2019 and which satisfies such conditions and carries on such activities, as may be prescribed;</p>	(where definition of Finance Company is included in section)

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				(v) "International Financial Services Centre" shall have the meaning as assigned to it in clause (q) of section 2 of the Special Economic Zones Act, 2005.'	
111A	23 <sup>rd</sup> July, 2024	Tax on short-term capital gains in certain cases	As per section 111A, <b>Provided</b> that in the case of an individual or a Hindu undivided family, being a resident, where the total income as reduced by such short-term capital gains is below the maximum amount which is not chargeable to income-tax, then, such short-term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such short-term capital gains shall be computed at the rate of fifteen per cent :	In section 111A of the Income-tax Act, in sub-section (1) with effect from the 23rd day of July, 2024,— (a) for the long line occurring before the first proviso, the following shall be substituted and shall be deemed to have been substituted with effect from the 23rd day of July, 2024, namely:— "the tax payable by the assessee on the total income shall be the aggregate of— (i) the amount of income-tax calculated on such short-term capital gains— (a) at the rate of fifteen	The tax rate for the short-term capital gain is increased from 15% to 20% with effect from 23 <sup>rd</sup> July, 2024 where STT has been paid on listed equity shares or units of equity oriented mutual fund or business trust.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>per cent. for any transfer which takes place before the 23rd day of July, 2024; and</p> <p>(b) at the rate of twenty per cent. for any transfer which takes place on or after the 23rd day of July, 2024;</p> <p>(ii) the amount of income-tax payable on the balance amount of the total income as if such balance amount were the total income of the assessee.”;</p> <p>(b) in the first proviso, for the words “rate of fifteen per cent.”, the words, brackets and figure “rate as applicable in clause (i)” shall be substituted and shall be deemed to have been substituted.</p>	
<b>112</b>	<b>23<sup>rd</sup> July, 2024</b>	<b>Tax on long-term capital gains</b>	As per section 112, (1) Where the total income of an assessee includes any	In section 112 of the Income-tax Act, in sub-section (1), for the clauses	Long term capital gains will be taxed at 12.5% without indexation benefit.

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>income, arising from the transfer of a long-term capital asset, which is chargeable under the head "Capital gains", the tax payable by the assessee on the total income shall be the aggregate of,—</p> <p>(a) in the case of an individual or a Hindu undivided family, being a resident,—</p> <p>(i) the amount of income-tax payable on the total income as reduced by the amount of such long-term capital gains, had the total income as so reduced been his total income ; and</p> <p>(ii) the amount of income-tax calculated on such long-term capital gains at the rate of twenty per cent :</p> <p><b>Provided</b> that where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, such long-term capital gains shall be reduced by the amount by which the total</p>	<p>(a), (b), (c), (d) and the first proviso, the following shall be substituted and shall be deemed to have been substituted with effect from the 23rd day of July, 2024, namely:—</p> <p>“(a) in the case of an individual or a Hindu undivided family, being a resident,— (i) the amount of income-tax payable on the total income as reduced by the amount of such long-term capital gains, had the total income as so reduced been his total income; and (ii) the amount of income-tax calculated on such long-term capital gains,—</p> <p>(A) at the rate of twenty per cent. for any transfer which takes place before the 23rd day of July, 2024; and (B) at the rate of twelve and one-half per cent. for any transfer</p>	

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such long-term capital gains shall be computed at the rate of twenty per cent ;	which takes place on or after the 23rd day of July, 2024: Provided that where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, such long-term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such long-term capital gains shall be computed at the rate as applicable in sub-clause (ii); (b) in the case of a domestic company,— (i) the amount of income-tax payable on the total income as reduced by the amount of such long-term	

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>capital gains, had the total income as so reduced been its total income; and (ii) the amount of income-tax calculated on such long-term capital gains,— (A) at the rate of twenty per cent. for any transfer which takes place before the 23rd day of July, 2024; and (B) at the rate of twelve and one-half per cent. for any transfer which takes place on or after the 23rd day of July, 2024;</p> <p>(c) in the case of a non-resident (not being a company) or a foreign company,— (i) the amount of income-tax payable on the total income as reduced by the amount of such long-term capital gains, had the total income as so reduced been its total income; and (ii) the amount of income-</p>	

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				tax calculated on such long-term capital gains, ___ (A) at the rate of twenty per cent. for any transfer [other than a transfer referred to in sub-clause (iii)] which takes place before the 23rd day of July, 2024; and (B) at the rate of twelve and one-half per cent. for any transfer which takes place on or after the 23rd day of July, 2024; (iii) the amount of income-tax on long-term capital gains arising from the transfer of a capital asset which takes place before the 23rd day of July, 2024, being unlisted securities or shares of a company not being a company in which the public are substantially interested, calculated at the rate of ten per cent. on the capital gains in	

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>respect of such asset as computed without giving effect to the first and second proviso to section 48; (d) in any other case of a resident,— (i) the amount of income-tax payable on the total income as reduced by the amount of long-term capital gains, had the total income as so reduced been its total income; and (ii) the amount of income-tax calculated on such long-term capital gains,— (A) at the rate of twenty per cent. for any transfer which takes place before the 23rd day of July, 2024; and (B) at the rate of twelve and one-half per cent. for any transfer which takes place on or after the 23rd day of July, 2024</p> <p>Provided that where the tax payable in respect of</p>	

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				any income arising from the transfer of a long-term capital asset which takes place before the 23rd day of July, 2024, being listed securities (other than a unit) or zero coupon bond, exceeds ten per cent. of the amount of capital gains before giving effect to the provisions of the second proviso to section 48, then, such excess shall be ignored for the purpose of computing the tax payable by the assessee :”.	
112A	23 <sup>rd</sup> July,2024	Tax on long-term capital gains in certain cases	(2) The tax payable by the assessee on the total income referred to in sub-section (1) shall be the aggregate of— (i) the amount of income-tax calculated on such long-term capital gains exceeding one lakh rupees at the rate of ten per cent; and (ii) the amount of income-tax payable on the total income as	In section 112A of the Income-tax Act, in sub-section (2), for clause (i) the following shall be substituted and shall be deemed to have been substituted with effect from the 23rd day of July, 2024, namely:— “(i) the amount of income-tax calculated on such	the rate of tax on long term capital gain increased from 10% to 12.5% and basic exemption of capital gains increased from 1,00,000 to 1,25,000/-

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			reduced by the amount of long-term capital gains referred to in sub-section (1) as if the total income so reduced were the total income of the assessee:	long-term capital gains exceeding one lakh twenty-five thousand rupees— (a) on long-term capital gains at the rate of ten per cent. for any transfer which takes place before the 23rd day of July, 2024; and (b) on long-term capital gains, at the rate of twelve and one-half per cent. for any transfer which takes place on or after the 23rd day of July, 2024: Provided that the limit of one lakh twenty-five thousand rupees shall apply on aggregate of the long term capital gains under sub-clauses (a) and (b);”.	
<b>113</b>	<b>1<sup>st</sup> Sept, 2024</b>	<b>Tax in the case of block assessment of search cases.</b>	As per section 113, The total undisclosed income of the block period, determined under section 158BC, shall be chargeable to tax at the rate of sixty per cent:	In section 113 of the Income-tax Act, (a) the word “undisclosed” shall be omitted (b) in the proviso, the words, figures and letters	Surcharge will be levied in case of block assessment where rate is yet to be notified. The word undisclosed has been omitted.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			Provided that the tax chargeable under this section shall be increased by a surcharge, if any, levied by any Central Act and applicable in the assessment year relevant to the previous year in which the search is initiated under section 132 or the requisition is made under section 132A.	beginning with “and applicable” and ending with “under section 132A” shall be omitted.	
115AB	23rd July 2024	Rate of LTCG on transfer of units purchased in foreign currency being overseas financial organization	115AB - (1) Where the total income of an assessee, being an overseas financial organization (hereinafter referred to as Offshore Fund) includes— (b) income by way of long-term capital gains arising from the transfer of units purchased in foreign currency, the income-tax payable shall be the aggregate of— (ii) the amount of income-tax calculated on the income by way of long-term capital gains referred to in	“(ii) the amount of income-tax calculated on the income by way of long-term capital gains referred to in clause (b), if any, included in the total income, — (A) at the rate of ten per cent. for any transfer which takes place before the 23rd day of July 2024; and  (B) at the rate of twelve and one-half per cent. for any transfer which takes place on or after the 23rd day of July 2024; and”	To bring parity of taxation between residents and non-residents, tax on <b>long-term capital gains for non-residents w.r.t Investment income post 23.07.2024 is increased to 12.5% from 10%.</b>

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			clause (b), if any, included in the total income, at the rate of ten per cent		
115AC	23rd July 2024	Rate of LTCG on transfer of bonds or Global Depository Receipts purchased in foreign currency being nonresident	<p>(1) Where the total income of an assessee, being a non-resident, includes—</p> <p>(c) income by way of long-term capital gains arising from the transfer of bonds referred to in clause (a) or, as the case may be, Global Depository Receipts referred to in clause (b), the income-tax payable shall be the aggregate of—</p> <p>(ii) the amount of income-tax calculated on the income by way of long-term capital gains referred to in clause (c), if any, at the rate of ten per cent;</p>	<p>(ii) the amount of income-tax calculated on the income by way of long-term capital gains referred to in clause (c), if any, included in the total income, -</p> <p>(A) at the rate of ten per cent. for any transfer which takes place before the 23rd day of July, 2024; and</p> <p>(B) at the rate of twelve and one-half per cent. for any transfer which takes place on or after the 23rd day of July, 2024; and”.</p>	To bring parity of taxation between residents and non-residents, tax on <b>long-term capital gains for non-residents w.r.t Investment income post 23.07.2024 is increased to 12.5% from 10%.</b>
115ACA	23rd July 2024	Rate of LTCG on transfer of bonds or Global	(1) Where the total income of an assessee, being an individual, who is a resident and an	“(ii) the amount of income-tax calculated on the income by way of	To bring parity of taxation between residents and non-residents, tax on <b>long-term capital gains for non-residents w.r.t Investment income post</b>

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
		<b>Depository Receipts purchased in foreign currency being an resident individual, employee of Indian company or its subsidiary engaged in specified knowledge based industry or service</b>	employee of an Indian company engaged in specified knowledge-based industry or service, or an employee of its subsidiary engaged in specified knowledge-based industry or service (hereafter in this section referred to as the resident employee), includes—  (b) income by way of long-term capital gains arising from the transfer of Global Depository Receipts referred to in clause (a)  (ii) the amount of income-tax calculated on the income by way of long-term capital gains referred to in clause (b), if any, at the rate of ten per cent;	long-term capital gains referred to in clause (b), if any, included in the total income, —  (A) at the rate of ten per cent. for any transfer which takes place before the 23rd day of July, 2024; and  (B) at the rate of twelve and one-half per cent. for any transfer which takes place on or after the 23rd day of July 2024; and”.	<b>23.07.2024 is increased to 12.5% from 10%.</b>
<b>115AD</b>	<b>23<sup>RD</sup> July 2024</b>	<b>Rate of LTCG and STCG of foreign institutional investors on transfer of securities (other</b>	(1) Where the total income of a specified fund or Foreign Institutional Investor includes—  (a) income received in respect of securities	(a) in the longline, in clause (ii), for the proviso, the following proviso shall be substituted and shall be deemed to have	To bring parity of taxation between residents and non-residents, tax on <b>short-term capital gains for non-residents w.r.t Investment income post 23rd Jul, 2024 is increased to</b>

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		than units referred in section 115AB)	<p>(other than units referred to in <a href="#">section 115AB</a>);</p> <p>(ii) the amount of income-tax calculated on the income by way of short-term capital gains referred to in clause (b), if any, included in the total income, at the rate of thirty per cent:</p> <p><b>Provided</b> that the amount of income-tax calculated on the income by way of short-term capital gains referred to in <a href="#">section 111A</a> shall be at the rate of fifteen per cent;</p> <p>(iii) the amount of income-tax calculated on the income by way of long-term capital gains referred to in clause (b), if any, included in</p>	<p>been substituted, namely: —</p> <p>“Provided that the amount of income-tax calculated on the income by way of short-term capital gains referred to in section 111A shall be at the rate of—</p> <p>(A) fifteen per cent. for any transfer which takes place before the 23rd day of July 2024; and</p> <p>(B) twenty per cent. for any transfer which takes place on or after the 23rd day of July 2024;”</p> <p>(a) in clause (iii), for the proviso, the following provisos shall be substituted and shall be deemed to have been substituted, namely:</p> <p>—</p>	<b>20% from 15% and from 10% to 12.50% for long term capital gain</b>

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>the total income, at the rate of ten per cent:</p> <p><b>Provided</b> that in case of income arising from the transfer of a long-term capital asset referred to in <a href="#">section 112A</a>, income-tax at the rate of ten per cent shall be calculated on such income exceeding one lakh rupees;</p>	<p>“Provided that in case of income arising from the transfer of a long-term capital asset referred to in section 112A which exceeds one lakh and twenty-five thousand rupees, income-tax shall be calculated at the rate of—</p> <p>(A) ten per cent. where transfer of such asset takes place before the 23rd day of July 2024; and</p> <p>( C)twelve and one-half per cent. where transfer of such asset takes place on or after the 23rd day of July 2024:</p> <p>Provided further that the limit of one lakh twentyfive thousand rupees mentioned in</p>	

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				the first proviso shall apply on aggregate of the long-term capital gains referred to in clauses (A) and (B); and”	
115BAC	1st day of April, 2024	Change in Tax slab under new regime for individual, HUF, AOP, BOI and artificial judicial person	Upto 3L – Nil From 3L to 6L – 5% From 6L to 9L- 10% From 9L to 12 L- 15% From 12L to 15L- 20% Above 15L – 30%	Upto 3L – Nil From 3L to 7L – 5% From 7L to 10L- 10% From 10L to 12 L- 15% From 12L to 15L- 20% Above 15L – 30%	Change in Tax slabs for income upto Rs. 10L
115E	23 <sup>rd</sup> July 2024	Rate of LTCG being non-resident Indian	Where the total income of an assessee, being a non-resident Indian, includes—  (b) income by way of long-term capital gains,  (ii) the amount of income-tax calculated on the income by way of long-term capital gains referred to in clause (b), if any, included in the total income, at the rate of ten per cent;	“(ii) the amount of income-tax calculated on the income by way of long-term capital gains referred to in clause (b), if any, included in the total income,— (A) at the rate of ten per cent. for any transfer which takes place before the 23rd day of July 2024; and (B) at the rate of twelve and one-half per cent. for any transfer which takes place on or	To bring parity of taxation between residents and non-residents, tax on long-term capital gains for non-residents w.r.t Investment income post 23.07.2024 is increased to 12.5% from 10%.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				after the 23rd day of July 2024; and	
115QA	1 <sup>st</sup> October, 2024	Tax on distributed income of domestic company for buy back of shares	New proviso inserted	In Sub-section (1), after the proviso and before the Explanation, the following proviso shall be inserted with effect from the 1st day of October 2024, namely: —  “Provided further that the provisions of this sub-section shall not apply in respect of any buy-back of shares, that takes place on or after the 1st day of October 2024.”	Income from buy-back of shares by companies be chargeable in the hands of recipient investor as dividend, instead of the current regime of additional income-tax in the hands of the company
132B	1 <sup>st</sup> October, 2024	Application of seized or requisitioned assets	(1) The assets seized under section 132 or requisitioned under section 132A may be dealt with in the following manner, namely:— (i) the amount of any existing liability under this Act, the Wealth-tax Act, 1957 (27 of 1957), the Expenditure-tax Act, 1987 (35 of 1987), the Gift-tax Act, 1958 (18 of 1958) and the	In section 132B of the Income-tax Act, in sub-section (1), in clause (i), for the words and figures “and the Interest-tax Act, 1974”, the words, brackets and figures “the Interest-tax Act, 1974 and the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act,	Authorities can use seized assets to recover existing liabilities related to undisclosed foreign income and assets under the Income Tax Act. This step enhances the enforcement mechanism for addressing black money and ensures that such assets are put to productive use in settling tax obligations.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			Interest-tax Act, 1974 (45 of 1974),	2015” shall be substituted with effect from the 1st day of October, 2024	
139	1 <sup>st</sup> October 2024	Filing of Return of Income	Insertion of new sub-section	“(9A) Where any return of income is furnished in pursuance of an order under clause (b) of sub-section (2) of section 119, the provisions of this section shall apply.”.	where any Return of Income is furnished in pursuance of an order u/s 119(2B) (Order by Subordinate Authorities), Assessment has to be completed within 12 months from the end of FY in which such return is furnished.
139AA	1 <sup>st</sup> October 2024	Quoting of Aadhar Number	New proviso inserted	<p>in sub-section (1)(a), after the proviso, the following proviso shall be inserted, namely: —</p> <p>“Provided further that nothing in the first proviso shall apply in respect of any application form for allotment of permanent account number or return of income furnished on or after the 1st day of October 2024.”;</p> <p>(b) after sub-section (2), the following sub-section shall be inserted, namely:—</p>	The proposed amendment discontinues the option of using the Enrolment ID of Aadhaar application forms for PAN allotment. Instead, individuals who received a PAN based on Enrolment ID must now provide their actual Aadhaar number by a notified date, enhancing data integrity and reducing misuse of PAN numbers.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				– “(2A) Every person who has been allotted permanent account number on the basis of Enrolment ID of Aadhaar application form filed prior to the 1st day of October, 2024, shall intimate his Aadhaar number to such authority in such form and manner, as may be prescribed, on or before a date to be notified by the Central Government in the Official Gazette.”	
144C	1 <sup>st</sup> September 2024	Reference to dispute resolution panel	New proviso and subsection inserted	. In section 144C of the Income-tax Act, (i) in sub-section (15), in clause (b), the following proviso shall be inserted, namely: —  “Provided that such eligible assessee shall not include person referred to in sub-section (1) of section 158BA or other	The amendment excludes certain individuals following under sections 158BA and 158BD i.e. for undisclosed income as a result of search from the definition of “eligible assessee” under Section 144C Dispute Resolution Panel (DRP). Additionally, the provisions of Dispute Resolution Panel (DRP) won’t apply to proceedings under Chapter XIV-B i.e. the block period relevant to six assessment years preceding the year in which the search was conducted or any

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>person referred to in section 158BD.”.</p> <p>(ii) after sub-section (15), the following sub-section shall be inserted, namely: —</p> <p>“(16) The provisions of this section shall not apply to any proceedings under Chapter XIV-B.”.</p>	<p>requisition was made under Section 132 or 132A and in case the search/requisition occurred before June 1, 2001, the block period covers ten assessment years.</p>
148	1 <sup>st</sup> September 2024	Issue of notice where income has escaped assessment	<p>Before making the assessment, reassessment or recomputation under section 147, and subject to the provisions of section 148A, the Assessing Officer shall serve on the assessee a notice, along with a copy of the order passed, if required, under clause (d) of section 148A, requiring him to furnish within 15[a period of three months from the end of the month in which such notice is issued, or such further period as may be allowed by the Assessing Officer on the</p>	<p>For sections 148 and 148A of the Income-tax Act, the following sections shall be substituted with effect from the 1st day of September 2024, namely: — Issue of notice where income has escaped assessment. ‘148.</p> <p>(1) Before making the assessment, reassessment or recomputation under section 147, the Assessing Officer shall,</p>	<p>The Income Tax Department now invokes reassessment proceedings more frequently due to technological advancements and information collected through Specified Financial Transactions (SFTs).</p> <p>SFT data is compared with taxpayers’ filed returns and used to detect non-filers, leading to reassessment proceedings.</p> <p>The erstwhile provisions of Section 147, 148, 149, and 151 have been substituted, and new Section 148A and 148B have been introduced.</p>

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>basis of an application made in this regard by the assessee], a return of his income or the income of any other person in respect of which he is assessable under this Act during the previous year corresponding to the relevant assessment year, in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed; and the provisions of this Act shall, so far as may be, apply accordingly as if such return were a return required to be furnished under section 139:</p> <p>Provided that no notice under this section shall be issued unless there is information with the Assessing Officer which suggests that the income chargeable to tax has escaped assessment in the case of the assessee for the</p>	<p>subject to the provisions of section 148A, issue a notice to the assessee, along with a copy of the order passed under subsection (3) of section 148A, requiring him to furnish, within such period as may be specified in the notice, not exceeding three months from the end of the month in which such notice is issued, a return of his income or income of any other person in respect of whom he is assessable under this Act during the previous year corresponding to the relevant assessment year: Provided that no notice under this section shall be issued unless there is information with the Assessing Officer which suggests that the</p>	

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>relevant assessment year and the Assessing Officer has obtained prior approval of the specified authority to issue such notice:</p> <p>16[Provided further that no such approval shall be required where the Assessing Officer, with the prior approval of the specified authority, has passed an order under clause (d) of section 148A to the effect that it is a fit case to issue a notice under this section:]</p>	<p>income chargeable to tax has escaped assessment in the case of the assessee for the relevant assessment year: 47 Provided further that where the Assessing Officer has received information under section 135A, no notice under this section shall be issued without prior approval of the specified authority. (2) The return of income required under subsection (1) shall be furnished in such form and verified in such manner and setting forth such other particulars, as may be prescribed, and the provisions of this Act shall, apply accordingly as if such return were a return required to be furnished</p>	

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>under section 139: Provided that any return of income required under subsection (1), furnished after the expiry of the period specified in the notice under the said subsection, shall not be deemed to be a return under section 139.</p> <p>(3) For the purposes of this section and section 148A, the information with the Assessing Officer which suggests that the income chargeable to tax has escaped assessment means,— (i) any information in the case of the assessee for the relevant assessment year in accordance with the risk management strategy formulated by the Board from time to</p>	

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				time; or (ii) any audit objection to the effect that the assessment in the case of the assessee for the relevant assessment year has not been made in accordance with the provisions of this Act; or (iii) any information received under an agreement referred to in section 90 or section 90A of the Act; or (iv) any information made available to the Assessing Officer under the scheme notified under section 135A; or (v) any information which requires action in consequence of the order of a Tribunal or a Court; or (vi) any information in the case of the assessee emanating from survey	

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				conducted under section 133A, other than under sub-section (2A) of the said section, on or after the 1st day of September, 2024.	
<b>148A</b>	1 <sup>st</sup> September 2024	Procedure before issuance of notice under section 148.	<p>The Assessing Officer shall, before issuing any notice under section 148,—</p> <p>(a) conduct any enquiry, if required, with the prior approval of specified authority, with respect to the information which suggests that the income chargeable to tax has escaped assessment.</p> <p>(b) provide an opportunity of being heard to the assessee, 23[***] by serving upon him a notice to show cause within such time, as may be specified in the notice, being not less</p>	<p>148A. (1) Where the Assessing Officer has information which suggests that income chargeable to tax has escaped assessment in the case of an assessee for the relevant 48 assessment year, he shall, before issuing any notice under section 148 provide an opportunity of being heard to such assessee by serving upon him a notice to show cause as to why a notice under section 148 should not be issued in his case and such notice to show cause shall be accompanied by the</p>	Revised Procedure has been introduced.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>than seven days and but not exceeding thirty days from the date on which such notice is issued, or such time, as may be extended by him on the basis of an application in this behalf, as to why a notice under section 148 should not be issued on the basis of information which suggests that income chargeable to tax has escaped assessment in his case for the relevant assessment year and results of enquiry conducted, if any, as per clause (a);</p> <p>(c) consider the reply of assessee furnished, if any, in response to the show-cause notice</p>	<p>information which suggests that income chargeable to tax has escaped assessment in his case for the relevant assessment year. (2) On receipt of the notice under sub-section (1), the assessee may furnish his reply within such period, as may be specified in the notice. (3) The Assessing Officer shall, on the basis of material available on record and taking into account the reply of the assessee furnished under sub-section (2), if any, pass an order with the prior approval of the specified authority determining whether or not it is a fit case to issue notice under section 148. (4) The provisions of this</p>	

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			referred to in clause (b); (d) decide, on the basis of material available on record including reply of the assessee, whether or not it is a fit case to issue a notice under section 148, by passing an order, with the prior approval of specified authority, within one month from the end of the month in which the reply referred to in clause (c) is received by him, or where no such reply is furnished, within one month from the end of the month in which time or extended time allowed to furnish a reply as per clause (b) expires	section shall not apply to income chargeable to tax escaping assessment for any assessment year in the case of an assessee where the Assessing Officer has received information under the scheme notified under section 135A. Explanation. —For the purposes of this section and section 148, “specified authority” means the specified authority referred to in section 151.’.	

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
149	1 <sup>st</sup> September 2024	Time limit for notices under sections 148 and 148A	<p>(1) No notice under section 148 shall be issued for the relevant assessment year,—</p> <p>(a) if three years have elapsed from the end of the relevant assessment year, unless the case falls under clause (b);</p> <p>(b) if three years, but not more than ten years, have elapsed from the end of the relevant assessment year unless the Assessing Officer has in his possession books of account or other documents or evidence which reveal that the income chargeable to tax, represented in the form of—</p> <p>(i) an asset;</p> <p>(ii) expenditure in respect of a transaction or in</p>	<p>For section 149 of the Income-tax Act, the following section shall be substituted with effect from the 1st day of September, 2024, namely:—</p> <p>“149. (1) No notice under section 148 shall be issued for the relevant assessment year,—</p> <p>(a) if three years and three months have elapsed from the end of the relevant assessment year, unless the case falls under clause (b);</p> <p>(b) if three years and three months, but not more than five years and three months, have elapsed from the end of the relevant assessment year unless the Assessing Officer has in his possession books of accounts or other</p>	<ul style="list-style-type: none"> <li>No Notice shall be issued u/s 148A if 3 years have elapsed from end of relevant AY other than for specific cases</li> <li>No Notice shall be issued u/s 148 if 3 years and 3 months have elapsed from end of relevant AY other than for specific cases</li> <li>Going forward, Income Escaping over and above 50 Lakhs and Assessing Officer has evidence regarding the same, notice shall be issued beyond the period of three years but not beyond the period of five years from the end of the relevant assessment year or three years and three months but not beyond the period of five years and three months from the end of the relevant assessment year respectively.</li> </ul>

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>relation to an event or occasion; or</p> <p>(iii) an entry or entries in the books of account, which has escaped assessment amounts to or is likely to amount to fifty lakh rupees or more</p>	<p>documents or evidence related to any asset or expenditure or transaction or entries which show that the income chargeable to tax, which has escaped assessment, amounts to or is likely to amount to fifty lakh rupees or more.</p> <p>(b) (2) No notice to show cause under section 148A shall be issued for the relevant assessment year,— (a) if three years have elapsed from the end of the relevant assessment year, unless the case falls under clause (b); (b) if three years, but not more than five years, have</p>	

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				elapsed from the end of the relevant assessment year unless the income chargeable to tax which has escaped assessment, as per the information with the Assessing Officer, amounts to or is likely to amount to fifty lakh rupees or more	
151	1 <sup>st</sup> September 2024	Sanction for issue of notice	Specified authority for the purposes of section 148 and section 148A shall be,—  (i) Principal Commissioner or Principal Director or Commissioner or Director, if three years or less than three years have elapsed from the end of the relevant assessment year.  (ii) Principal Chief Commissioner or	151. Specified authority for the purposes of sections 148 and 148A shall be the Additional Commissioner or the Additional Director or the Joint Commissioner or the Joint Director, as the case may be.”.	Specified authority will be Additional Commissioner or the Additional Director or the Joint Commissioner or the Joint Director

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			Principal Director General or Chief Commissioner or Director General, if more than three years have elapsed from the end of the relevant assessment year:]		
152	1 <sup>st</sup> September 2024	Other provisions in assessment, reassessment or recomputation	New subsection inserted	(3) Where a search has been initiated under section 132 or requisition is made under section 132A, or a survey is conducted under section 133A [other than under sub-section (2A) of the said section], on or after the 1st day of April, 2021 but before the 1st day of September, 2024, the provisions of sections 147 to 151 shall apply as they stood immediately before the	search has been initiated under section 132 or requisition is made under section 132A or a survey is conducted under section 133A [other than under sub-section (2A)] on or after the 1st day of April, 2021 but before the 1st day of September, 2024, the provisions of section 147 to 151 shall apply as they stood immediately. where a notice under section 148 has been issued or an order under clause (d) of section 148A has been passed, prior to the 1st day of September, 2024, the assessment, reassessment or recomputation in such case shall be governed as per

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<p>commencement of the Finance (No. 2) Act, 2024.</p> <p>(4) Where a notice under section 148 has been issued or an order under clause (d) of section 148A has been passed, prior to the 1st day of September 2024, the assessment, reassessment or recomputation in such case shall be governed as per the provisions of sections 147 to 151, as they stood immediately before the commencement of the Finance (No. 2) Act, 2024.”.</p>	<p>the provisions of sections 147 to 151, as they stood prior to their amendment by Finance (No. 2) Act, 2024.</p>

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
153 (1B)	1 <sup>st</sup> October 2024	Time limit for completion of assessment, reassessment and recomputation.		New subsection (1B) shall be inserted (1B) Notwithstanding anything in sub-section (1), where a return is furnished in consequence of an order under clause (b) of sub-section (2) of section 119, an order of assessment under section 143 or section 144 may be made at any time before the expiry of twelve months from the end of the financial year in which such return was furnished.”	The section has been proposed to ensure assessment of cases where return of income is furnished in consequence of an order under section 119(2)(b) to be completed within twelve months from the end of the financial year in which such return is furnished w.e.f. 1 <sup>st</sup> October 2024.
153(3)	1 <sup>st</sup> October 2024	Time limit for completion of assessment, reassessment and recomputation.	Notwithstanding anything contained in sub-sections (1) 42[, (1A)] and (2), an order of fresh assessment 43[or fresh order under section 92CA, as the case may be,] in pursuance of an order under section 254 or section 263 or section 264, setting aside or cancelling an assessment, 43[or an order	Notwithstanding anything contained in sub-sections (1) 42[, (1A)] and (2), an order of fresh assessment 43[or fresh order under section 92CA, as the case may be,] in pursuance of an order under section 250 or section 254 or section	it is proposed to insert the reference of section 250 w.e.f. 1 <sup>st</sup> October 2024 in this sub-section in order to provide the time-limit for disposal of cases which are proposed to be set aside by the Commissioner (Appeals).

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>under section 92CA, as the case may be], may be made at any time before the expiry of nine months from the end of the financial year in which the order under section 254 is received by the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner or, as the case may be, the order under section 263 or section 264 is passed by the [Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner, as the case may be] :</p> <p>Provided that where the order under section 254 is received by the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner or, as the case may be, the order under section 263 or section 264 is passed by the</p>	<p>263 or section 264, setting aside or cancelling an assessment, 43[or an order under section 92CA, as the case may be], may be made at any time before the expiry of nine months from the end of the financial year in which the order under section 250 or section 254 is received by the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner or, as the case may be, the order under section 263 or section 264 is passed by the 44[Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner, as the case may be] :</p>	

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			[Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner, as the case may be,] on or after the 1st day of April, 2019, the provisions of this sub-section shall have effect, as if for the words "nine months", the words "twelve months" had been substituted.	Provided that where the order <b>under section 250 or section 254</b> is received by the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner or, as the case may be, the order under section 263 or section 264 is passed by the [Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner, as the case may be,] on or after the 1st day of April, 2019, the provisions of this sub-section shall have effect, as if for the words "nine months", the words "twelve months" had been substituted.	
153(8)	1 <sup>st</sup> October 2024	Time limit for completion of	Notwithstanding anything contained in the foregoing	Notwithstanding anything contained in the foregoing	To provide timeline for passing of order in the case of revived assessment or

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
		<b>assessment, reassessment and recomputation.</b>	provisions of this section, sub-section (2) of section 153A or sub-section (1) of section 153B, the order of assessment or reassessment, relating to any assessment year, which stands revived under sub-section (2) of section 153A, shall be made within a period of one year from the end of the month of such revival or within the period specified in this section or sub-section (1) of section 153B, whichever is later.	provisions of this section, sub-section (2) of section 153A or sub-section (1) of <b>section 153B or section 158BE</b> , the order of assessment or reassessment, relating to any assessment year, which stands <b>revived under sub section (2) of section 153A or sub-section (5) of section 158BA</b> , shall be made within a period of one year from the end of the month of such revival or within the period specified in this section or sub-section (1) <b>section 153B or section 158BE</b> , whichever is later.	reassessment proceedings as a consequence of annulment of block assessments under Chapter XIV-B of the Act w.e.f. 1 <sup>st</sup> October 2024.
<b>Explanation I to section 153</b>	<b>1<sup>st</sup> October 2024</b>	<b>Time limit for completion of assessment, reassessment and recomputation.</b>		after the fifth proviso, the following proviso shall be inserted, namely: — <b>“Provided also that where after exclusion of the</b>	The sixth proviso stipulates that if the period of limitation concludes before the end of the month, considering the exclusions as mentioned in the Explanation, the limitation date shall be considered to fall at the end of the

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				period referred to in clause (xii), the period of limitation for making an order of assessment, reassessment or recomputation, as the case may be, ends before the end of the month, such period shall be extended to the end of such month.”.	month. The provision is applicable w.e.f. 1 <sup>st</sup> October 2024.
<b>Chapter XIV-B</b>	<b>1<sup>st</sup> September 2024</b>	Special Procedures for assessment of search cases		For Chapter XIV-B of the Income-tax Act, <b>the new Chapter XIV-B</b> shall be substituted	With effect from 1 <sup>st</sup> September 2024, assessment under search cases will be assessed as per the provisions of new Chapter XIV-B, wherein provisions with reference to focus on block period, undisclosed income and time limit to complete the assessment is provided.
<b>192(1C)</b>	<b>1<sup>st</sup> October 2024</b>	TDS on Salary	(1C) For the purposes of deducting or paying tax under sub-section (1) or 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	(1C) For the purposes of deducting or paying tax under sub-section (1) or 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	while computing the amount of tax to be deducted on salary income of the employees, TCS paid shall also be allowed to reduce the impact of TDS

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			specified in <b>clause (vi) of sub-section (2)</b> 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	assessee being perquisite of the nature specified <del>(vi) of sub-section (2)</del> in <b>clause (vi) of sub-section (2)</b> 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	
<b>192(2A)</b>	<b>1<sup>st</sup> October 2024</b>	TDS on Salary	(2A) Where the assessee, being a Government servant or an employee in a company, co-operative society, local authority, university, institution, association or body is entitled to the relief under sub-section (1) of section 89, he may furnish to the person responsible for making the payment referred to in sub-section (1), such particulars, in such form and verified in such	(2A) Where the assessee, being a Government servant or an employee in a company, co-operative society, local authority, university, institution, association or body is entitled to the relief under <del>sub-section (1)</del> section 89, he may furnish to the person responsible for making the payment referred to in sub-section	while computing the amount of tax to be deducted on salary income of the employees, TCS paid shall also be allowed to reduce the impact of TDS

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			manner as may be prescribed, and thereupon the person responsible as aforesaid shall compute the relief on the basis of such particulars and take it into account in making the deduction under sub-section (1).	(1), such particulars, in such form and verified in such manner as may be prescribed, and thereupon the person responsible as aforesaid shall compute the relief on the basis of such particulars and take it into account in making the deduction under sub-section (1).	
192(2B)	1 <sup>st</sup> October 2024	TDS on Salary	(2B) Where an assessee who receives any income chargeable under the head "Salaries" has, in addition, any income chargeable under any other head of income (not being a loss under any such head other than the loss under the head "Income from house property") for the same financial year, he may send to the person responsible for making the	<b>for sub-section (2B), the following sub-section shall be substituted, namely:—</b>  '(2B) Where an assessee who receives any income chargeable under the head "Salaries" has, in addition- (i) any income chargeable under any other head of income (not being a loss under any such head other than the loss under the head "Income from	while computing the amount of tax to be deducted on salary income of the employees, TCS paid shall also be allowed to reduce the impact of TDS

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>payment referred to in subsection (1) the particulars of—</p> <p>(a) such other income and of any tax deducted thereon under any other provision of this Chapter;</p> <p>(b) the loss, if any, under the head "Income from house property",</p> <p>in such form and verified in such manner as may be prescribed<sup>1</sup>, and thereupon the person responsible as aforesaid shall take—</p> <p>(i) such other income and tax, if any, deducted thereon; and</p> <p>(ii) the loss, if any, under the head "Income from house property",</p> <p>also into account for the purposes of making the</p>	<p>house property”); or</p> <p>(ii) any tax deducted or collected under the provisions of Part B or Part BB of this Chapter, as the case may be, for the same financial year, he may send to the person responsible for making the payment referred to in subsection (1), the particulars of—</p> <p>(a) such other income;</p> <p>(b) any tax deducted or collected under any other provision of Part B or Part BB of this Chapter, as the case may be; and</p> <p>(c) the loss, if any, under the head “Income from house property”, in such form and verified in such manner as may be prescribed, and thereupon the person responsible as aforesaid shall take into account the</p>	

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>deduction under sub- section (1) :</p> <p>Provided that this sub-section shall not in any case have the effect of reducing the tax deductible except where the loss under the head "Income from house property" has been taken into account, from income under the head "Salaries" below the amount that would be so deductible if the other income and the tax deducted thereon had not been taken into account.</p>	<p>particulars referred to in clauses (a), (b) and (c) for the purposes of making the deduction under sub-section (1):</p> <p>Provided that this sub-section shall not in any case have the effect of reducing the tax deductible except where the loss under the head "Income from house property" has been taken into account, from income under the head "Salaries" below the amount that would be so deductible if the other income and the tax deducted in accordance with other provisions of Part B and collected in accordance with the provisions of Part BB, of this Chapter, had not been taken into account.'</p>	

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
Section 193 proviso to clause (iv)	1 <sup>st</sup> October 2024	TDS on Interest on securities	Provided that nothing contained in this clause shall apply to the interest exceeding rupees ten thousand payable on 8% Savings (Taxable) Bonds, 2003 or 7.75% Savings (Taxable) Bonds, 2018 during the financial year;	<b>In section 193 of the Income-tax Act, in the proviso, in clause (iv), for the proviso, the following proviso shall be substituted namely-</b>  <b>“Provided that nothing in this clause shall apply to the interest exceeding ten thousand rupees payable during the financial year on 8 per cent. Savings (Taxable) Bonds, 2003 or 7.75 per cent. Savings (Taxable) Bonds, 2018 or Floating Rate Savings Bonds, 2020 (Taxable) or any other security of the Central Government or State Government as the Central Government may, by notification in the Official Gazette, specify in this behalf;”.</b>	Now TDS also required to be deducted & pay on interest payable on <b>Floating Rate Savings Bonds, 2020 (Taxable) or any other security under Section 193</b> as may be notified by the Central Government, if the interest payable on such securities exceeds <b>ten thousand rupees during the financial year w.e.f. 1<sup>st</sup> Oct 2024.</b>

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
194	TDS on Dividends	1 <sup>st</sup> October 2024	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 rate of ten per cent	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) <b>“or sub-clause (f) of clause (22) of section 2, deduct from the amount of such dividend, income-tax at the rate of ten per cent</b>	Now TDS is also required to deducted @10% under Section 194 on dividend towards buy back of shares as defined.

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
Clause (iv) of explanation to section 194C	1 <sup>st</sup> October 2024	TDS on Payment to Contractors- Definition of Work	(iv) "work" shall include—  (a) advertising; (b) broadcasting and telecasting including production of programmes for such broadcasting or telecasting; (c) carriage of goods or passengers by any mode of transport other than by railways; (d) catering;  (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,	(iv) "work" shall include—  (a) advertising; (b) broadcasting and telecasting including production of programmes for such broadcasting or telecasting; (c) carriage of goods or passengers by any mode of transport other than by railways; (d) catering;  (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	To avoid ambiguity the term 'work' proposed to be amended in Section 194C, so as to exclude any sum w.r.t. professional & technical services as stated in Section 194J sub-clause (1) w.e.f. 1st Oct 2024.

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			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 or associate of such customer.	provisions contained in clause (b) of sub-section (2) of section 40A,  <b>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 or associate of such customer.—</b>  <b>(A) 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 or associate of such customer; or</b> <b>(B) any sum referred to in sub-section (1) of section</b>	

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				<b>194J.”.</b>	
<b>194DA</b>	<b>1<sup>st</sup> October 2024</b>	TDS on Payment in respect of life insurance policies	Any person responsible for paying to a resident any sum under a life insurance policy, including the sum allocated by way of bonus on such policy, other than the amount not includible in the total income under clause (10D) of section 10, shall, at the time of payment thereof, deduct income-tax thereon at the rate of five per cent on the amount of income comprised therein Provided that no deduction under this section shall be made where the amount of such payment or, as the case may be, the aggregate amount of such payments to the payee during the financial year is less than one hundred thousand rupees.	Any person responsible for paying to a resident any sum under a life insurance policy, including the sum allocated by way of bonus on such policy, other than the amount not includible in the total income under clause (10D) of section 10, shall, at the time of payment thereof, deduct income-tax thereon at the <b>rate of five per cent two per cent</b> on the amount of income comprised therein Provided that no deduction under this section shall be made where the amount of such payment or, as the case may be, the aggregate amount of such payments to the payee during the financial year is less than	Reduction in TDS rate <b>to 2% from earlier 5%</b> on payments of Life Insurance Policy under Section 194DA w.e.f. 1 <sup>st</sup> Oct 2024.

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				one hundred thousand rupees.	
<b>194F</b>	<b>1<sup>st</sup> October 2024</b>	TDS on Payments on account of repurchase of units by Mutual Fund or Unit Trust of India	The person responsible for paying to any person any amount referred to in sub-section (2) of section 80CCB shall, at the time of payment thereof, deduct income-tax thereon at the rate of twenty per cent.	The section has been omitted	Section 194F will be omitted. <b>Now no tax to be deducted at source on 'Payments on account of repurchase of units by Mutual Fund or Unit Trust of India'</b> w.e.f. 1 <sup>st</sup> Oct 2024.
<b>194G</b>	<b>1<sup>st</sup> October 2024</b>	TDS on Commission, etc., on sale of lottery tickets	(1) Any person who is responsible for paying, on or after the 1st day of October, 1991 to any person, who is or has been stocking, distributing, purchasing or selling lottery tickets, any income by way of commission, remuneration or prize (by whatever name called) on such tickets in an amount exceeding fifteen thousand rupees 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	1) Any person who is responsible for paying, on or after the 1st day of October, 1991 to any person, who is or has been stocking, distributing, purchasing or selling lottery tickets, any income by way of commission, remuneration or prize (by whatever name called) on such tickets in an amount exceeding fifteen thousand rupees shall, at the time of credit of such income to the account of the payee or at the time of payment of such income	Reduction in TDS rate <b>to 2% from earlier 5%</b> on income by way of commission, remuneration or prize (by whatever name called) on lottery tickets on an amount exceeding fifteen thousand rupees under Section 194G w.e.f. 1 <sup>st</sup> Oct 2024.

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			earlier, deduct income-tax thereon at the rate of five per cent	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 <b>rate of five two per cent</b>	
<b>194H</b>	<b>1<sup>st</sup> October 2024</b>	TDS on Commission or brokerage	Any person, not being an individual or a Hindu undivided family, who is responsible for paying, on or after the 1st day of June, 2001, to a resident, any income by way of commission (not being insurance commission referred to in section 194D) or brokerage, 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	Any person, not being an individual or a Hindu undivided family, who is responsible for paying, on or after the 1st day of June, 2001, to a resident, any income by way of commission (not being insurance commission referred to in section 194D) or brokerage, 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 <b>rate of five two per cent</b>	Reduction in TDS rate <b>to 2% from earlier 5%</b> on commission or brokerage U/s. 194H (not being insurance commission referred to in section 194D) w.e.f. 1 <sup>st</sup> Oct 2024.

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
194IA (2)	1 <sup>st</sup> October 2024	TDS on Payment on transfer of certain immovable property other than agricultural land		<p>In section 194-IA of the Income-tax Act, in subsection (2), the following proviso shall be inserted</p> <p>Provided that where there is more than one transferor or transferee in respect of any immovable property, then the consideration shall be the aggregate of the amounts paid or payable by all the transferees to the transferor or all the transferors for transfer of such immovable property.</p>	TDS amount to be deducted on aggregate amount by all transferee to paid to transferor/transferees
194-IB	1 <sup>st</sup> October 2024	TDS on Payment of rent by certain individuals or Hindu undivided family	Any person, being an individual or a Hindu undivided family (other than those referred to in the second proviso to section 194-I), responsible for paying to a resident any income by way of rent exceeding fifty thousand rupees for a month or part of a month during the previous year, shall deduct an amount	Any person, being an individual or a Hindu undivided family (other than those referred to in the second proviso to section 194-I), responsible for paying to a resident any income by way of rent exceeding fifty thousand rupees for a	Reduction in TDS rate <b>to 2% from earlier 5%</b> relating to payment of rent by certain individuals or Hindu undivided family as stated in Section 194IB w.e.f. 1 <sup>st</sup> Oct 2024.

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			equal to five per cent of such income as income-tax thereon.	month or part of a month during the previous year, shall deduct an amount equal to <b>five two per cent</b> of such income as income-tax thereon.	
<b>194M</b>	<b>1<sup>st</sup> October 2024</b>	TDS on Payment of certain sums by certain individuals or Hindu undivided family	Any person, being an individual or a Hindu undivided family (other than those who are required to deduct income-tax as per the provisions of section 194C, section 194H or section 194J) responsible for paying any sum to any resident for carrying out any work (including supply of labour for carrying out any work) in pursuance of a contract, by way of commission (not being insurance commission referred to in section 194D) or brokerage or by way of fees for professional services during the financial year, shall, at the time of credit of such sum or at the time of payment of such sum in cash or by issue of a cheque or draft or by any other mode,	Any person, being an individual or a Hindu undivided family (other than those who are required to deduct income-tax as per the provisions of section 194C, section 194H or section 194J) responsible for paying any sum to any resident for carrying out any work (including supply of labour for carrying out any work) in pursuance of a contract, by way of commission (not being insurance commission referred to in section 194D) or brokerage or by way of fees for professional services during the	Reduction in TDS rate <b>to 2% from earlier 5%</b> relating to payments of certain sums by certain individuals or Hindu undivided family as stated in Section 194M w.e.f. 1 <sup>st</sup> Oct 2024.

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			whichever is earlier, deduct an amount equal to five per cent of such sum as income-tax thereon	financial year, shall, at the time of credit of such sum or at the time of payment of such sum in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct an amount equal to <b>five two per cent</b> of such sum as income-tax thereon	
<b>194-O</b>	<b>1<sup>st</sup> October 2024</b>	TDS on 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	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	Reduction in TDS rate to <b>0.1% from earlier 1%</b> relating to payment of certain sums by e-commerce operator to e-commerce participants as stated in Section 194O w.e.f. 1 <sup>st</sup> Oct 2024.

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			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.	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 <b>rate of one-0.1 per cent</b> of the gross amount of such sales or services or both.	
194T	1 <sup>st</sup> April 2025	TDS on Payment of salary, remuneration, commission, bonus or interest by a firm to a partner of the firm		194T. (1) Any person, being a firm, responsible for paying any sum in the nature of salary, remuneration, commission, bonus or interest to a partner of the firm, shall, at the time of credit of such sum to the account of the partner (including the capital account) or at the time of payment thereof, whichever is earlier shall, deduct income-tax thereon at the rate of ten per cent.	New section 194T inserted, accordingly tax to be deducted at source @10% by a Firm for any sum paid to the partner of Partnership Firm exceeding rupees twenty thousand during the financial year. It will be effective from 1 <sup>st</sup> April 2025.

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				(2) No deduction shall be made under sub-section (1) where such sum or the aggregate of such sums credited or paid or likely to be credited or paid to the partner of the firm does not exceed twenty thousand rupees during the financial year.”.	

## BUDGET ANALYSIS 2024-25

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
196B	23rd day of July, 2024	Income from units	As per section 196B – Where any income in respect of units referred to in <a href="#">section 115AB</a> or by way of long-term capital gains arising from the transfer of such units is payable to an Offshore Fund, 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.	In section 196B the Income-tax Act, for the words “at the rate of ten per cent.”, the following shall be substituted and shall be deemed to have been substituted with effect from the 23rd day of July, 2024, namely:– “at the rate of— (a) ten per cent.in respect of income from units referred to in clause (i) of sub-section (1) of section 115AB; (b) ten per cent.in respect of long-term capital gains arising from transfer of units referred to in section 115AB, which takes place before the 23rd day of July, 2024; (c) twelve and one-half per cent. in respect of long-term capital gains arising from transfer of units referred	There is a change in tax rate of capital gain from 10% to 12.5%

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				to in section 115AB, which takes place on or after the 23rd day of July, 2024.”	
196C	23rd day of July, 2024	Income from foreign currency bonds or shares of Indian company	As per section 196C – Where any income by way of interest or dividends in respect of bonds or Global Depository Receipts referred to in <a href="#">section 115AC</a> 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	In section 196C of the Income-tax Act, for the words “at the rate of ten per cent.”, the following shall be substituted and shall be deemed to have been substituted with effect from the 23rd day of July, 2024, namely:— “at the rate of— (a) ten per cent. in respect of income by way of interest	There is a change in tax rate of capital gain from 10% to 12.5%

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			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.	or dividends in respect of bonds or Global Depository Receipts referred to in section 115AC; (b) ten per cent. in respect of long-term capital gains arising from transfer of such bond or Global Depository Receipts referred to in section 115AC which takes place before the 23rd day of July, 2024; (c) twelve and one-half per cent. in respect of long-term capital gains arising from transfer of such bond or Global depository Receipts referred to in section 115AC which takes place on or after the 23rd day of July, 2024.”	
197	1st day of October, 2024.	<b>Certificate for deduction at lower rate.</b>	As per sub-section (1) of Section 197 – (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 <a href="#">sections 192</a> , <a href="#">193</a> , <a href="#">194</a> , <a href="#">194A</a> , <a href="#">194C</a> , <a href="#">194</a>	In section 197 of the Income-tax Act, in sub-section (1), for the figures and letter “194-O”, the figures and letters “194-O, 194Q” shall be substituted with effect from the 1st day of October, 2024.	Lower deduction certificate can be obtained for deduction of TDS on lower rate on Purchases covered under 194Q.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p><a href="#">D</a>, <a href="#">194G</a>, <a href="#">194H</a>, <a href="#">194I</a>, <a href="#">194J</a>, <a href="#">194K</a>, <a href="#">194LA</a>, <sup>60</sup> <a href="#">[194LBA]</a>, <a href="#">194LBB</a>, <a href="#">194LBC</a>, <a href="#">194M</a>, <a href="#">194-O</a> and <a href="#">195</a>, 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.</p>		
198	1st day of April, 2025	Tax deducted is income received	<p>As per section 198 – All sums deducted in accordance with the foregoing provisions of this Chapter shall, for the purpose of computing the income of an assessee, be deemed to be income received :</p> <p><b>Provided</b> that the sum being the tax paid, under sub-section (1A) of <a href="#">section 192</a> for the purpose of computing the income of an assessee, shall not be deemed to be income received:</p> <p><b>Provided further</b> that the sum deducted in accordance with the provisions of <a href="#">section 194N</a> for the purpose of computing the income of an assessee, shall not be deemed to be income received.</p>	<p>In section 198 of the Income-tax Act, after the words “this Chapter”, the words “and income tax paid outside India, by way of deduction, in respect of which an assessee is allowed a credit against the tax payable under this Act,” shall be inserted with effect from the 1st day of April, 2025.</p>	<p>Income on which taxes withheld outside India are deemed to be income received in India, if credit of such taxes are considered for computing income in India.</p>

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
200	1st day of April, 2025	<b>Duty of person deducting tax.</b>	<p>As per Sub-section (3) of section 200 - (3) Any person deducting any sum on or after the 1st day of April, 2005 in accordance with the foregoing provisions of this Chapter or, as the case may be, any person being an employer referred to in sub-section (1A) of <a href="#">section 192</a> shall, after paying the tax deducted to the credit of the Central Government within the prescribed time, prepare such statements for such period as may be prescribed and deliver or cause to be delivered to the prescribed income-tax authority<sup>64</sup> or the person authorised by such authority such statement in such form<sup>65</sup> and verified in such manner and setting forth such particulars and within such time as may be prescribed:</p> <p><b>Provided</b> that the person 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 specified by the authority.</p>	<p>In section 200 of the Income-tax Act, in sub-section (3), after the proviso, the following proviso shall be inserted with effect from the 1st day of April, 2025, namely:—</p> <p>“Provided further that no correction statement shall be delivered after the expiry of six years from the end of the financial year in which the statement referred to in subsection (1) is required to be delivered.”</p>	No correction statement for TDS return can be filed after the expiry of six years from the end of the financial year in which the TDS return is submitted.

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
200A	1st day of April, 2025	Processing of statements of tax deducted at source	<p>As per section 200A –</p> <p>(1) Where a statement of tax deduction at source or a correction statement has been made by a person deducting any sum (hereafter referred to in this section as deductor) under <a href="#">section 200</a>, such statement shall be processed in the following manner, namely:—</p> <p>(a) the sums deductible under this Chapter shall be computed after making the following adjustments, namely:—</p> <p>(i) any arithmetical error in the statement; or</p> <p>(ii) an incorrect claim, apparent from any information in the statement;</p> <p>(b) the interest, if any, shall be computed on the basis of the sums deductible as computed in the statement;</p> <p>(c) the fee, if any, shall be computed in accordance with the provisions of <a href="#">section 234E</a>;</p> <p>(d) the sum payable by, or the amount of refund due to, the deductor shall be determined after adjustment of the amount computed under clause (b) and clause (c) against any amount paid</p>	<p>In section 200A of the Income-tax Act, with effect from the 1st day of April, 2025,—</p> <p>(a) in the marginal heading, for the word “source”, the words “source and other statements” shall be substituted;</p> <p>(b) after sub-section (2), the following sub-section shall be inserted, namely:—</p> <p>“(3) The Board may make a scheme for processing of statements made by any other person, not being a deductor.”.</p>	<p>It is proposed to widen the ambit of section 200A of the Act to include the TDS return filed by any other person, not being a deductor. (eg. Form 26QF)</p>

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>under <a href="#">section 200</a> or <a href="#">section 201</a> or <a href="#">section 234E</a> and any amount paid otherwise by way of tax or interest or fee;</p> <p>(e) an intimation shall be prepared or generated and sent to the deductor specifying the sum determined to be payable by, or the amount of refund due to, him under clause (d); and</p> <p>(f) the amount of refund due to the deductor in pursuance of the determination under clause (d) shall be granted to the deductor:</p> <p><b>Provided</b> that no intimation under this sub-section shall be sent after the expiry of one year from the end of the financial year in which the statement is filed.</p> <p><i>Explanation.</i>—For the purposes of this sub-section, "an incorrect claim apparent from any information in the statement" shall mean a claim, on the basis of an entry, in the statement—</p> <p>(i) of an item, which is inconsistent with another entry of the same or some other item in such statement;</p> <p>(ii) in respect of rate of deduction of tax at source, where such rate is not in accordance with the provisions of this Act.</p>		

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			(2) For the purposes of processing of statements under sub-section (1), the Board may make a scheme for centralised processing of statements of tax deducted at source to expeditiously determine the tax payable by, or the refund due to, the deductor as required under the said sub-section.		
201	1st day of April, 2025	<b>Consequences of failure to deduct or pay.</b>	As per sub-section 3 of section 201 - (3) No order shall be made under sub-section (1) deeming a person to be an assessee in default for failure to deduct the whole or any part of the tax from a person resident in India, at any time after the expiry of seven years from the end of the financial year in which payment is made or credit is given or two years from the end of the financial year in which the correction statement is delivered under the proviso to sub-section (3) of <a href="#">section 200</a> , whichever is later.	In section 201 of the Income-tax Act, in sub-section (3), with effect from the 1st day of April, 2025,— (i) for the words “a person resident in India, at any time after the expiry of seven years”, the words “any person, at any time after the expiry of six years” shall be substituted; (ii) for the words “under the proviso”, the words “under the first proviso” shall be substituted.	No order shall be made deeming any person to be assessee in default for failure to deduct/ collect the whole or any part of the tax from any person, at any time after the expiry of six years from the end of the financial year or; two years from the end of the financial year in which the correction statement is delivered, <b>whichever is later.</b>

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
206C	<p>a) 1st day of January, 2025</p> <p>b) 1st day of April, 2025</p> <p>c) 1st day of January, 2025</p> <p>d) 1st day of April, 2025</p> <p>e) 1st day of October, 2024</p>	<b>Profits and gains from the business of trading in alcoholic liquor, forest produce, scrap, etc.</b>	<p>a) As per sub section (1F) of Section 206C- Every person, being a seller, who receives any amount as consideration for sale of a motor vehicle of the value exceeding ten lakh rupees, shall, at the time of receipt of such amount, collect from the buyer, a sum equal to one per cent of the sale consideration as income-tax.</p> <p>b) As per sub section (3B) of Section 206C- (3B) The person referred to in the proviso to sub-section (3) may also deliver to the prescribed authority under the said proviso, a correction statement for rectification of any mistake or to add, delete or update the information furnished in the statement delivered under the said proviso in such form and verified in such manner, as may be specified by the authority.</p> <p>c) As per sub section (4) of Section 206C- (4) Any amount collected in accordance with the provisions of this section and paid to the credit of the Central Government</p>	<p>(a) for sub-section (1F), the following sub-section shall be substituted with effect from the 1st day of January, 2025, namely:— “(1F) Every person, being a seller, who receives any amount as consideration for sale of— (i) a motor vehicle; or (ii) any other goods, as may be specified by the Central Government by notification in the Official Gazette, of the value exceeding ten lakh rupees, shall, at the time of receipt of such amount, collect from the buyer, a sum equal to one per cent. of the sale consideration as income-tax.”;</p> <p>(b) in sub-section (3B), the following proviso shall be inserted with effect from the 1st day of April, 2025, namely:— “Provided that no correction statement shall be delivered after the expiry of six years from the end of the</p>	a.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>shall be deemed to be a payment of tax on behalf of the person from whom the amount has been collected and credit shall be given to such person for the amount so collected in a particular assessment year in accordance with the rules<sup>84a</sup> as may be prescribed by the Board from time to time.</p> <p>d) As per sub section (7) of Section 206C-</p> <p>(7) Without prejudice to the provisions of sub-section (6), if the person responsible for collecting tax does not collect the tax or after collecting the tax fails to pay it as required under this section, he shall be liable to pay simple interest at the rate of one per cent per month or part thereof on the amount of such tax from the date on which such tax was collectible to the date on which the tax was actually paid and such interest shall be paid before furnishing the quarterly statement for each quarter in accordance with the provisions of sub-section (3):</p> <p><b>Provided</b> that in case any person responsible for collecting tax in accordance with the provisions of this</p>	<p>financial year in which the statement referred to in the proviso to sub-section (3) is required to be delivered.”; (c) in sub-section (4), after the words “such person”, the words “or any other person eligible for credit” shall be inserted with effect from the 1st day of January, 2025;</p> <p>(d) with effect from the 1st day of April, 2025,—</p> <p>(i) in sub-section (7), for the words “interest at the rate of one per cent. per month or part thereof on the amount of such tax from the date on which such tax was collectible to the date on which the tax was actually paid and such interest shall be paid”, the following shall be substituted, namely:—</p> <p>“interest—</p> <p>(a) at the rate of one per cent. for every month or part thereof on the amount of such tax from the date on which such tax was collectible to the date on which such tax is collected; and</p>	

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>section, fails to collect the whole or any part of the tax on the amount received from a buyer or licensee or lessee or on the amount debited to the account of the buyer or licensee or lessee but is not deemed to be an assessee in default under the first proviso of sub-section (6A), the interest shall be payable from the date on which such tax was collectible to the date of furnishing of return of income by such buyer or licensee or lessee:</p> <p><sup>86</sup>[<b>Provided further</b> that where an order is made by the Assessing Officer for the default under sub-section (6A), the interest shall be paid by the person in accordance with such order.]</p> <p>e) As per sub section (9) of Section 206C-</p> <p>(9) Where the Assessing Officer is satisfied that the total income of the buyer or licensee or lessee justifies the collection of the tax at any lower rate than the relevant rate specified in sub-section (1) or sub-section (1C), the Assessing Officer shall, on an application<sup>87</sup> made by the buyer or licensee or lessee in this behalf, give to him a certificate for collection of tax at</p>	<p>(b) at the rate of one and one-half per cent. for every month or part thereof on the amount of such tax from the date on which such tax was collected to the date on which such tax is actually paid, and such interest shall be paid”;</p> <p>(ii) after sub-section (7), the following sub-section shall be inserted, namely: —</p> <p>“(7A) No order shall be made under sub-section (6A) deeming a person to be an assessee in default for failure to collect the whole or any part of the tax from any person, at any time after the expiry of six years from the end of the financial year in which tax was collectible or two years from the end of the financial year in which the correction statement is delivered under sub-section (3B), whichever is</p>	

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			such lower rate than the relevant rate specified in sub-section (1) or sub-section (1C).	later.”; (e) with effect from the 1st day of October, 2024,— (i) in sub-section (9), for the words, brackets, figures and letter “sub-section (1) or sub-section (1C)” at both the places where they occur, the words, brackets, figures and letters “sub-section (1), sub-section (1C) or subsection (1H)” shall be substituted; (ii) after sub-section (11), the following sub-section shall be inserted, namely:— “(12) Notwithstanding anything contained in this section, no collection of tax shall be made or collection of tax shall be made at such lower rate in respect of specified transaction, from such person or class of persons, including institution, association or body or class of institutions, associations or bodies,	

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				as the Central Government may, by notification in the Official Gazette specify in this behalf.”	
230	1st day of October, 2024	<b>Tax clearance certificate</b>	As per sub-section (1A) of section 230 – (1A) Subject to such exceptions as the Central Government may, by notification in the Official Gazette, specify in this behalf, every person, who is domiciled in India at the time of his departure from India, shall furnish, in the prescribed form to the income-tax authority or such other authority as may be prescribed— (a) the permanent account number allotted to him under <a href="#">section 139A</a> : <b>Provided</b> that in case no such permanent account number has been allotted to him, or his total income is not chargeable to income-tax or he is not required to obtain a permanent account number under this Act, such person shall furnish a certificate in the prescribed form; (b) the purpose of his visit outside India; (c) the estimated period of his stay outside India: <b>Provided</b> that no person— (i) who is domiciled in India at the time of his departure; and	In section 230 of the Income-tax Act, in sub-section (1A), in the proviso, in the long line, after the words and figures “the Expenditure-tax Act, 1987,”, the words, brackets and figures “or the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015,” shall be inserted with effect from the 1st day of October, 2024.	It is proposed to insert the reference of liabilities under Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 in the sub-section (1A) of the section 230 of the Act, for the purposes of obtaining a tax clearance certificate.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>(ii) in respect of whom circumstances exist which, in the opinion of an income-tax authority render it necessary for such person to obtain a certificate under this section, shall leave the territory of India by land, sea or air unless he obtains a certificate from the income-tax authority stating that he has no liabilities under this Act, or the Wealth-tax Act, 1957 (27 of 1957), or the Gift-tax Act, 1958 (18 of 1958), or the Expenditure-tax Act, 1987 (35 of 1987), or that satisfactory arrangements have been made for the payment of all or any of such taxes which are or may become payable by that person:</p> <p><b>Provided</b> that no income-tax authority shall make it necessary for any person who is domiciled in India to obtain a certificate under this section unless he records the reasons therefor and obtains the prior approval of the Principal Chief Commissioner or Chief Commissioner of Income-tax.</p>		
244A	1st day of October, 2024	<b>Interest on refunds.</b>	As per sub-section(1A)of section 244A – (1A) In a case where a refund arises as a result of giving effect to an order	In section 244A of the Income-tax Act, in sub-section	No interest will be paid under section 244A in cases where

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>under <a href="#">section 250</a> or <a href="#">section 254</a> or <a href="#">section 260</a> or <a href="#">section 262</a> or <a href="#">section 263</a> or <a href="#">section 264</a>, wholly or partly, otherwise than by making a fresh assessment or reassessment, the assessee shall be entitled to receive, in addition to the interest payable under sub-section (1), an additional interest on such amount of refund calculated at the rate of three per cent per annum, for the period beginning from the date following the date of expiry of the time allowed under sub-section (5) of <a href="#">section 153</a> to the date on which the refund is granted</p> <p><b>[Provided that where proceedings for assessment or reassessment are pending in respect of an assessee, in computing the period for determining the additional interest payable to such assessee under this sub-section, the period beginning from the date on which such refund is withheld by the Assessing Officer in accordance with and subject to provisions of sub-section (2) of <a href="#">section 245</a> and ending with the date on which such assessment or reassessment is made, shall be excluded.]</b></p>	<p>(1A), in the proviso, for the words “with the date on which such assessment or reassessment is made”, the words “with the date up to which such refund is withheld” shall be substituted with effect from the 1st day of October, 2024.</p>	<p>refund is withheld under section 245 (2).</p>

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
245	1st day of October, 2024	<b>Set off and withholding of refunds in certain cases</b>	<i>As per sub section 2 of section 245- (2) Where a part of the refund is set off under the provisions of sub-section (1), or where no such amount is set off, and refund becomes due to a person, and the Assessing Officer, having regard to the fact that proceedings for assessment or reassessment are pending in the case of such person, is of the opinion that the grant of refund is likely to adversely affect the revenue, he may, for reasons to be recorded in writing and with the previous approval of the Principal Commissioner or the Commissioner, as the case may be, withhold the refund up to the date on which such assessment or reassessment is made.]</i>	In section 245 of the Income-tax Act, in sub-section (2), with effect from the 1st day of October, 2024,—  (a) the words “is of the opinion that the grant of refund is likely to adversely affect the revenue,” shall be omitted; (b) after the words “withhold the refund up to”, the words “sixty days from” shall be inserted.	The period of withholding of the refund is extended up to sixty days from the date on which such assessment or reassessment is made.
245Q	1st day of October, 2024	<b>Application for advance ruling</b>	As per sub section 4 of section 245Q – (4) Where an application for advance ruling under this Chapter is made before such date as the Central Government may, by notification in the Official Gazette appoint, and in respect of which no order under sub-section (2) of <a href="#">section 245R</a> has been passed or no advance ruling under sub-section (4) of <a href="#">section 245R</a> has been pronounced before such date, such application along with all the relevant	In section 245Q of the Income-tax Act, in sub-section (4), the following proviso shall be inserted with effect from the 1st day of October, 2024, namely:— “Provided that the applicant may, on or before the 31 <sup>st</sup> day of October, 2024, request the Board for Advance Rulings in writing that the application so transferred may not be proceeded with, if up to the date of such request,	The application made before the erstwhile Authority for Advance Rulings which are transferred to Board of Advance Ruling can withdrawn by the applicants on or before the 31st day of December, 2024

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			records, documents or material, by whatever name called, on the file of the Authority shall be transferred to the Board for Advance Rulings and shall be deemed to be the records before the Board for Advance Rulings for all purposes.]	the Board for Advance Rulings has not passed an order under sub-section (2) of section 245R.”	
245R	1st day of October, 2024	<b>Procedure on receipt of application</b>	<p>As per sub section 2 of section 245R – (2) The Authority may, after examining the application and the records called for, by order, either allow or reject the application :</p> <p><b>Provided</b> that the Authority shall not allow the application where the question raised in the application,—</p> <p>(i) is already pending before any income-tax authority or Appellate Tribunal [except in the case of a resident applicant falling in sub-clause (iii) of clause (b) of <a href="#">section 245N</a>] or any court;</p> <p>(ii) involves determination of fair market value of any property;</p> <p>(iii) relates to a transaction or issue which is designed <i>prima facie</i> for the avoidance of income-tax [except in the case of a resident applicant falling in sub-clause (iii) of clause (b) of <a href="#">section 245N</a> or in the case of an applicant falling in sub-clause (iiia) of clause (b) of <a href="#">section 245N</a>]:</p>	<p>In section 245R of the Income-tax Act, in sub-section (2), after the third proviso, the following proviso shall be inserted with effect from the 1st day of October, 2024,</p> <p>namely:—</p> <p>“Provided also that on receipt of an application under the proviso to sub-section (4) of section 245Q, the Board for Advance Rulings may, by an order, reject the application referred to in sub-section (1) thereof as withdrawn on or before the 31st day of December, 2024.”</p>	<p>The application made before the erstwhile Authority for Advance Rulings which are transferred to Board of Advance Ruling can withdrawn by the applicants on or before the 31st day of December, 2024</p>

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p><b>Provided further</b> that no application shall be rejected under this sub-section unless an opportunity has been given to the applicant of being heard:</p> <p><b>Provided also</b> that where the application is rejected, reasons for such rejection shall be given in the order.</p>		
246A	1st day of September, 2024	<b>Appealable orders before Commissioner (Appeals)</b>	<p>As per Clause (k) of sub-section (1) of Section 246A-</p> <p>(1) Any assessee or any deductor or any collector aggrieved by any of the following orders (whether made before or after the appointed day) may appeal to the Commissioner (Appeals) against—</p> <p>(k) an order of assessment made by an Assessing Officer under clause (c) of <a href="#">section 158BC</a>, in respect of search initiated under <a href="#">section 132</a> or books of account, other documents or any assets requisitioned under <a href="#">section 132A</a> on or after the 1st day of January, 1997</p>	<p>In section 246A of the Income-tax Act, in sub-section (1), after clause (k), the following clause shall be inserted, with effect from the 1st day of September, 2024, namely:—</p> <p>“(ka) an order of assessment made by an Assessing Officer under clause (c) of sub-section (1) of section 158BC, in respect of search initiated under section 132, or books of account, other documents or any assets requisitioned under section 132A, on or after the 1st day of September, 2024;”</p>	Any assessee or any deductor or any collector aggrieved by the order under section 158 BC of the scheme of block Assessment may appeal to the Commissioner (Appeals)
251	1st day of October, 2024	<b>Powers of the Joint Commissioner (Appeals) or the</b>	<p>As per Sub-section (1) of section 251-</p> <p>(1) In disposing of an appeal, the Commissioner (Appeals) shall have the following powers—</p>	<p>In section 251 of the Income-tax Act, in sub-section (1), in clause (a), the following proviso shall be inserted with</p>	It is proposed that the cases where assessment order was passed as best

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
		<b>Commissioner (Appeals)</b>	(a) in an appeal against an order of assessment, he may confirm, reduce, enhance or annul the assessment;	effect from the 1st day of October, 2024, namely:— “Provided that where such appeal is against an order of assessment made under section 144, he may set aside the assessment and refer the case back to the Assessing Officer for making a fresh assessment;”	judgement case under section 144 of the Act against which Appeal has been filed, the Commissioner (Appeals) shall be empowered to set aside the assessment and refer the case back to the Assessing Officer for making a fresh assessment. This will ensure reduction in pendency of appeal before Commissioner (Appeal).

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
<b>253</b>	1 <sup>st</sup> October, 2024	<b>filing an appeal with the Income Tax Appellate Tribunal (ITAT) against an order passed by Joint Commissioner of Income-tax (Appeals), Commissioner of Income-tax (Appeals) [CIT(Appeals)], the Principal Chief Commissioner of Income-tax, the Chief Commissioner of Income-tax, the Principal Commissioner of Income-tax, or the Commissioner of Income-tax.</b>	<p>(1) Any assessee aggrieved by any of the following orders may appeal to the Appellate Tribunal against such order—</p> <p>(a) an order passed by a Deputy Commissioner (Appeals) before the 1st day of October, 1998 or, as the case may be, a Commissioner (Appeals) under section 154, section 250, section 270A, section 271, section 271A ,section 271AAC,section 271AAD,or section 271J.</p> <p>(3) Every appeal under sub-section (1) or sub-section (2) shall be filed within “sixty” days of the date on which the order sought to be appealed against is communicated to the assessee or to the Principal Commissioner or Commissioner, as the case may be.</p>	<p>In section 253 of the Income-tax Act, with effect from the 1st day of October 2024, —</p> <p>(a) in sub-section (1), in clause (a), after word and figures “section 154,”, the word, figures and letters “section 158BFA,” shall be inserted.</p> <p>(b) in sub-section (3), for the words “sixty days of the date on”, the words “two months from the end of the month in” shall be substituted.</p>	<p>Section 253 clause (a) proposed to amend stating reference of New Section 158BFA w.r.t. levy of interest and penalty on undisclosed income in search cases.</p> <p>The appeal filing time limit before the Appellate Tribunal will be 2 months from the end of the month in which order is passed. E Earlier it was 60 days from the date of order.</p>
<b>271FAA</b>	1 <sup>st</sup> October 2024.	<b>Penalty for furnishing inaccurate statement</b>	A person referred to in sub-section (1) of section 285BA, who is	In section 271FAA of the Income-tax Act, for	Penalty of Rs.50,000/- will be imposed on a

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
		<b>of financial transaction or reportable account.</b>	<p>required to furnish a statement under that section, provides inaccurate information in the statement, and where—</p> <p>(a) the inaccuracy is due to a failure to comply with the due diligence requirement prescribed under sub-section (7) of section 285BA or is deliberate on the part of that person; or</p> <p>(b) the person knows of the inaccuracy at the time of furnishing the statement of financial transaction or reportable account, but does not inform the prescribed income-tax authority or such other authority or agency; or</p> <p>(c) the person discovers the inaccuracy after the statement of financial transaction or reportable account is furnished and fails to inform and furnish correct</p>	<p>subsection (1), the following sub-section shall be substituted with effect from the 1st day of October 2024, namely: —</p> <p>“(1) If a person referred to in sub-section (1) of section 285BA, who is required to furnish a statement under that section, —</p> <p>(a) provides inaccurate information in the statement or fails to furnish correct information within the period specified under sub-section (6) of the said section; or</p> <p>(b) fails to comply with the due diligence</p>	<p>person in default who contravenes provisions of Section 285BA without considering any situations stated in earlier clauses (a) to (c).</p>

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			information within the time specified under sub-section (6) of Sec 285BA	requirement prescribed under sub-section (7) of the said section, then, the prescribed income-tax authority referred to in subsection (1) thereof may direct that such person shall pay, by way of penalty, a sum of fifty thousand rupees.”.	
<b>271GC</b>	1 <sup>st</sup> April, 2025	<b>Penalty for failure to submit statement under section 285</b>	New section	“271GC. If any person who is required to furnish statement under section 285, fails to do so within the period prescribed under that section, the Assessing Officer may direct that such person shall pay, by way of penalty, a sum of—	It is proposed that failure to furnish statement by liaison office of non-resident in India under Section 285 may attract a penalty of one thousand rupees for every day for which the failure continues, if the period of failure does not exceed three months; and one lakh rupees in any other case

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
				(a) one thousand rupees for every day for which the failure continues, if the period of failure does not exceed three months; or (b) one lakh rupees in any other case.”.	
<b>Section 271H</b>	1 <sup>st</sup> April, 2025	<b>Penalty for failure to furnish statements, etc.</b>	Section 271H (1) ..... (a)..... (b)..... (2) ..... (3) Notwithstanding anything contained in the foregoing provisions of this section, no penalty shall be levied for the failure referred to in clause (a) of sub-section (1), if the person proves that after paying tax deducted or collected along with the fee and interest, if any, to the credit of the Central Government, he had delivered or cause to be delivered	In section 271H of the Income-tax Act, in sub-section (3), for the words “one year”, the words “one month” shall be substituted with effect from the 1st day of April 2025.	In order to reduce the issues on account of delay in filing TDS return, it is proposed to amend section to provide that penalty under Section 271H will be imposed in case there is delay in filing of TDS return for a period more than one month from the due date of filing such return. Earlier the period was one year from the due date.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			the statement referred to in sub-section (3) of <a href="#">section 200</a> or the proviso to sub-section (3) of <a href="#">section 206C</a> before the expiry of a <b>period of one year</b> from the time prescribed for delivering or causing to be delivered such statement.		
<b>Section 273B</b>	(a) 1 <sup>st</sup> April 2025 (b) 1 <sup>st</sup> October 2024	<b>Penalty not to be imposed in certain cases</b>	Notwithstanding anything contained in the provisions of clause (b) of sub-section (1) of <a href="#">section 271</a> , <a href="#">section 271A</a> , <a href="#">section 271AA</a> , <a href="#">section 271B</a> , <a href="#">section 271BA</a> , <a href="#">section 271BB</a> , <a href="#">section 271C</a> , <a href="#">section 271CA</a> , <a href="#">section 271D</a> , <a href="#">section 271E</a> , <a href="#">section 271F</a> , <a href="#">section 271FA</a> , <a href="#">section 271FAB</a> , <a href="#">section 271FB</a> , <a href="#">section 271G</a> , <a href="#">section 271GA</a> , <a href="#">section 271GB</a> , <a href="#">section 271H</a> , <a href="#">section 271-I</a> , <a href="#">section 271J</a> , clause (c) or clause (d) of sub-section (1) or sub-section (2) of <a href="#">section 272A</a> , sub-section (1) of <a href="#">section 272AA</a> or <a href="#">section 272B</a> or sub-section (1) or sub-	In section 273B of the Income-tax Act, — (a) after the word, figures and letters “section 271FA,”, the word, figures and letters “section 271FAA,” shall be inserted with effect from the 1st day of October 2024. (b) after the word, figures and letters “section 271GB,”, the words, figures and letters “section 271GC,” shall be inserted with effect	No penalty will be imposed as per section 273B on any person or assessee for failure to report information under section 271FAA i.e. information to be submitted under automatic exchange of information framework. Similarly, no penalty would be levied for non submission of statement of liaison office of non resident in India if they prove that there is reasonable cause for failure to do so.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			section (1A) of <a href="#">section 272BB</a> or sub-section (1) of <a href="#">section 272BBB</a> or clause (b) of sub-section (1) or clause (b) or clause (c) of sub-section (2) of <a href="#">section 273</a> , <i>no penalty shall be imposable on the person or the assessee, as the case may be, for any failure referred to in the said provisions if he proves that there was reasonable cause for the said failure.</i>	from the 1st day of April 2025.	
<b>Section 275</b>	1 <sup>st</sup> October, 2024	<b>Bar of limitation for imposing penalties.</b>	(a) in a case where the relevant assessment or other order is the subject-matter of an appeal to the <i>[Joint Commissioner (Appeals) or to the]</i> Commissioner (Appeals) under <a href="#">section 246</a> or <a href="#">section 246A</a> or an appeal to the Appellate Tribunal under <a href="#">section 253</a> , after the expiry of the financial year in which the	In section 275 of the Income-tax Act, with effect from the 1st day of October 2024, — (a) in sub-section (1), in clause (a), the words “Principal Chief Commissioner or Chief Commissioner or” at both the places where they occur shall be omitted.	Amendment to sub-sections (1) and (1A) of section 275 so as to omit the reference of the Principal Chief Commissioner or Chief Commissioner from the said subsections.

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>proceedings, in the course of which action for the imposition of penalty has been initiated, are completed, or six months from the end of the month in which the order of the <i>[Joint Commissioner (Appeals) or the] Commissioner (Appeals)</i> or, as the case may be, the Appellate Tribunal is received by the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner, whichever period expires later.</p> <p>(b) n a case where the relevant assessment or other order is the subject-matter of an appeal<sup>60</sup> <i>[to the Joint Commissioner (Appeals) or]</i> to the Commissioner</p>	<p>(b) in sub-section (1A), the words “Principal Chief Commissioner or Chief Commissioner or the” at both the places where they occur shall be omitted.</p>	

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			(Appeals) under <a href="#">section 246</a> or <a href="#">section 246A</a> or an appeal to the Appellate Tribunal under <a href="#">section 253</a> or an appeal to the High Court under <a href="#">section 260A</a> or an appeal to the Supreme Court under <a href="#">section 261</a> or revision under <a href="#">section 263</a> or <a href="#">section 264</a> and an order imposing or enhancing or reducing or cancelling penalty or dropping the proceedings for the imposition of penalty is passed before the order of [ <i>the Joint Commissioner (Appeals)</i> or] the Commissioner (Appeals) or the Appellate Tribunal or the High Court or the Supreme Court is received by the Principal Chief Commissioner or		

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>Chief Commissioner or the Principal Commissioner or Commissioner or the order of revision under <a href="#">section 263</a> or <a href="#">section 264</a> is passed, an order imposing or enhancing or reducing or cancelling penalty or dropping the proceedings for the imposition of penalty may be passed on the basis of assessment as revised by giving effect to such order of [<i>the Joint Commissioner (Appeals) or</i>] the Commissioner (Appeals) or, the Appellate Tribunal or the High Court, or the Supreme Court or order of revision under <a href="#">section 263</a> or <a href="#">section 264</a>:</p>		

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
<b>Section 276B</b>	1 <sup>st</sup> October, 2024	<b>Failure to pay the tax deducted at source</b>	a person Fails to pay to the credit of the Central Government, the tax deducted at source by him as required by or under the provisions of Chapter XVII-B, he shall be punishable with rigorous imprisonment for a term which shall not be less than three months, but which may extend to seven years and with fine.	In section 276B of the Income-tax Act, the following proviso shall be inserted with effect from the 1st day of October 2024, namely: —“Provided that the provisions of this section shall not apply if the payment referred to in clause (a) has been made to the credit of the Central Government at any time on or before the time prescribed for filing the statement for such payment under sub-section (3) of section 200.”.	No penal provision of arrest will be applicable in case of delay in payment of TDS if the same is paid before due date of filing of TDS return for the said period. Presently there is no such clause hence even in delay in payment of tax, the taxpayer was punishable with rigorous imprisonment for a term which shall not be less than three months but which may extend to seven years and with fine.
<b>section 276CCC</b>	1 <sup>st</sup> September, 2024	<b>Failure to furnish return of income in search cases</b>	If a person wilfully fails to furnish in due time the return of total income which he is required to furnish by	In section 276CCC of the Income-tax Act, after the words,	It is proposed to amend Section 276CCC in order to provide reference of

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			<p>notice given under clause (a) of <a href="#">section 158BC</a>, he shall be punishable with imprisonment for a term which shall not be less than three months but which may extend to three years and with fine</p> <p><b>Provided</b> that no person shall be punishable for any failure under this section in respect of search initiated under <a href="#">section 132</a> or books of account, other documents or any assets requisitioned under <a href="#">section 132A</a>, after the 30th day of June, 1995 but before the 1st day of January, 1997.</p>	<p>brackets and letter “clause (a) of”, the words, brackets and figure “sub-section (1) of” shall be inserted with effect from the 1st day of September 2024.</p>	<p>clause (a) of subsection (1) of section 158BC therein w.r.t. procedure for block assessment. It will be effective from 1<sup>st</sup> Sept 2024.</p>
<b>section 285</b>	1st April 2025.	<b>Submission of statement by a non-resident having liaison office</b>	<p>Every person, being a non-resident having a liaison office in India set up in accordance with the guidelines issued by the Reserve Bank of India under the Foreign Exchange Management Act, 1999 (42 of 1999), shall, in respect of its activities in a financial year, prepare and deliver or cause to be delivered</p>	<p>In section 285 of the Income-tax Act, for the words “Sixty days from the end of such financial year, a statement”, the words “such period, a statement”</p>	<p>It is proposed that the period within which such statement is to be filed, be henceforth prescribed under the Rule.</p>

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Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
			to the Assessing Officer having jurisdiction, within sixty days from the end of such financial year, a statement in such form and containing such particulars as may be prescribed.	shall be substituted with effect from the 1st day of April 2025.	
<b>First schedule (Rule 2)</b>	1 <sup>st</sup> April 2025,	<b>Preventing misuse of deductions of expenses claimed by life insurance business</b>		In the First Schedule to the Income-tax Act, in rule 2, the following proviso shall be inserted with effect from the 1st day of April, 2025, namely: "Provided that any expenditure which is not admissible under section 37 in computing the profits and gains of a business, shall be included to the profits and gains of life insurance business."	Income of Insurance companies is arrived as per the Rule specified in Schedule I to the Income Tax Act, 1961. In order to restrict the expenditure of claim of non business expenditure which are disallowed under Section 37, reference of the same is included in the Rule 2 of the Schedule I of the Income Tax Act, 1961. The amendment provides that any expenditure which is not admissible under the provisions of section 37 in computing the profits and gains of a business shall be included to (i.e. added back

## BUDGET ANALYSIS 2024-25

Sec No	Amendment Effective from AY	Provision	Existing provision	Amendment in existing provision / new provision	Bizsol Remarks
					to) the profits and gains of the life insurance business.

THE DIRECT TAX VIVAD SE VISHWAS SCHEME, 2024

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**Definitions:**

(1) In this Scheme, unless the context otherwise requires, —

(a) “appellant” means—

(i) a person in whose case an appeal or a writ petition or special leave petition has been filed either by him or by the income-tax authority or by both, before an appellate forum and such appeal or petition is pending as on the specified date; or

(ii) a person who has filed his objections before the Dispute Resolution Panel under section 144C of the Income-tax Act and the Dispute Resolution Panel has not issued any direction on or before the specified date; or

(iii) a person in whose case the Dispute Resolution Panel has issued direction under sub-section (5) of section 144C of the Income-tax Act and the Assessing Officer has not completed the assessment under subsection (13) of that section on or before the specified date; or

(iv) a person who has filed an application for revision under section 264 of the Income-tax Act and such application is pending as on the specified date

(b) “appellate forum” means the Supreme Court or the High Court or the Income Tax Appellate Tribunal or the Commissioner (Appeals) or Joint Commissioner (Appeals), as the case may be;

(c) “declarant” means a person who files declaration under section 91;

(d) “declaration” means the declaration filed under section 91;

(e) “designated authority” means an officer not below the rank of a Commissioner of Income-tax notified by the Principal Chief Commissioner for the purposes of this Scheme;

(f) “disputed fee” means the fee determined under the provisions of the Income-tax Act in respect of which appeal has been filed by the appellant.

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- (g) “disputed income” in relation to an assessment year, means the whole or so much of the total income as is relatable to the disputed tax;
- (h) “disputed interest” means the interest determined in any case under the provisions of the Income-tax Act, where-
- (i) such interest is not charged or chargeable on disputed tax;
  - (ii) an appeal has been filed by the appellant in respect of such interest;
- (i) “disputed penalty” means the penalty determined in any case under the provisions of the Income-tax Act, where—
- (i) such penalty is not levied or leviable in respect of disputed income or disputed tax, as the case may be;
  - (ii) an appeal has been filed by the appellant in respect of such penalty;
- (j) “disputed tax”, in relation to an assessment year or financial year, as the case may be, means the income-tax including surcharge and cess (hereafter in this Chapter referred to as the amount of tax) payable by the appellant under the provisions of the Income-tax Act, as computed hereunder:—
- (A) in a case where any appeal, writ petition or special leave petition is pending before the appellate forum as on the specified date, the amount of tax that is payable by the appellant if such appeal or writ petition or special leave petition was to be decided against him;
  - (B) in a case where objection filed by the appellant is pending before the Dispute Resolution Panel under section 144C of the Income-tax Act, as on the specified date, the amount of tax payable by the appellant if the Dispute Resolution Panel was to confirm the variation proposed in the draft order;
  - (C) in a case where Dispute Resolution Panel has issued any direction under sub-section (5) of section 144C of the Income-tax Act, and the Assessing Officer has not completed the assessment under sub-section (13) of that section on or before the specified date, the amount of tax payable by the appellant as per the assessment order to be passed by the Assessing Officer in pursuance of the said assessment under sub-section (13) thereof;

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(D) in a case where an application for revision under section 264 of the Income-tax Act, is pending as on the specified date, the amount of tax payable by the appellant if such application for revision was not to be accepted: Provided that in a case where the dispute in relation to an assessment year relates to reduction of tax credit under section 115JAA or section 115JD of the Income-tax Act, or any loss or depreciation computed thereunder, the appellant shall have an option either to include the amount of tax related to such tax credit or loss or depreciation in the amount of disputed tax, or to carry forward the reduced tax credit or loss or depreciation, in such manner as may be prescribed.

(k) "Income-tax Act" means the Income-tax Act, 1961; 43 of 1961.

(l) "last date" means such date as may be notified by the Central Government in the Official Gazette;

(m) "prescribed" means prescribed by rules made under this Act;

(n) "specified date" means the 22nd day of July, 2024;

(o) "tax arrear" means-

(i) the aggregate amount of disputed tax, interest chargeable or charged on such disputed tax, and penalty leviable or levied on such disputed tax; or

(ii) disputed interest; or

(iii) disputed penalty; or

(iv) disputed fee.

(2) The words and expressions used herein and not defined but defined in the Income-tax Act shall have the meanings respectively assigned to them in that Act.

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**Clause 90. Amount Payable by Declarant:**

<b>Nature of Tax Arrear</b>	<b>Amount payable under this Scheme on or before the 31st day of December 2024.</b>	<b>Amount payable under this Scheme on or after the 1st day of January 2025 but on or before the last date (yet to be notified)</b>
Where the tax arrear is the aggregate amount of disputed tax, interest chargeable or charged on such disputed tax and penalty leviable or levied on such disputed tax in a case where appeal is filed by the declarant after the 31/01/2020 but on or before the 22/07/2024.	Amount of disputed tax	Amount of disputed tax Plus 10% of Disputed Tax
Where the tax arrear is the aggregate amount of disputed tax, interest chargeable or charged on such disputed tax and penalty leviable or levied on such disputed tax in a case where appeal is filed on or before 31/01/2020 at the same appellate forum in respect of the such tax arrear.	Amount of disputed tax plus 10% of disputed Tax.	Amount of disputed tax plus 20% of disputed Tax.

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where the tax arrear relates to disputed interest or disputed penalty or disputed fee in a case where the declarant is an appellant after the 31/01/2020 but on or before the 22/07/2024.	25% of disputed interest or disputed penalty or disputed fee.	30% of disputed Interest or disputed penalty or disputed fee.
where the tax arrear relates to disputed interest or disputed penalty or disputed fee in a case where appeal is filed on or before 31/01/2020 at the same appellate forum in respect of the such tax arrear.	30% Of disputed interest or disputed penalty or disputed fee.	35% Of disputed interest or disputed penalty or disputed fee.

Provided that in a case where an appeal or writ petition or special leave petition is filed by the income-tax authority on any disputed issue before the appellate forum, the amount payable shall be 50% of the amount in the Table above calculated on such issue, in such manner, as may be prescribed.

Provided further that in a case where an appeal is filed before the Commissioner (Appeals) or Joint Commissioner (Appeals) or objections is filed before the Dispute Resolution Panel by the appellant on any issue on which he has already got a decision in his favour from the Income Tax Appellate Tribunal or the High Court, the amount payable shall be 50% of the amount in the Table above calculated on such issue.

Provided further that in a case where an appeal is filed before the ITAT on any issue on which he has already got a decision in his favour from the High Court, the amount payable shall be 50% of the amount in the Table above calculated on such issue.

**Filing of declaration and particulars to be furnished.**

- The declarant will file the declaration before the designated authority in such form and in such manner verified as prescribed.

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- Upon filing of the declaration, the appeal filed by the declarant shall be deemed to have been withdrawn from the date, certificate is issued by the designated authority.
- The declarant shall withdraw such appeal or writ petition with leave of the court.
- The declarant shall withdraw any proceeding or arbitration or conciliation and furnish its proof along with the declaration.
- The declarant shall furnish an undertaking waiving his right to seek or pursue any remedy or claim in relation to the tax arrear covered under the Scheme.
- The declarant shall pay amount determined by the designated authority within 15 days of the receipt of the certificate.
- The declarant shall intimate the details of such payment to the designated authority.

#### **Time & Manner of Payment**

- The designated authority shall within a period of fifteen days from the date of receipt of the declaration, by order, determine the amount payable by the declarant and grant a certificate to the declarant containing particulars of the tax arrear and the amount payable.
- The declarant shall pay the amount as determined within a period of fifteen days of the date of receipt of the certificate thereupon the designated authority shall pass an order stating that the declarant has paid the amount.
- Every order passed under this scheme and the amount payable determined shall be conclusive as to the matters stated therein and no matter covered by such order shall be reopened in any other proceeding under the Income-tax Act or under any other law.
- Making a declaration under this Scheme shall not amount to conceding the tax position and it shall not be lawful for the income-tax authority or the declarant being a party in appeal or writ petition or special leave petition to contend that the declarant or the income-tax authority, as the case may be, has acquiesced in the decision on the disputed issue by settling the dispute.

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**The provisions of this Scheme shall not apply.**

The taxpayers with cases falling in the categories given below are excluded from the Scheme and cannot file declaration:

- Where assessment has been completed on Search cases-initiated u/s 132 or 132A
- Prosecution case, under the Income-tax Act or IPC filed by the Department
- Cases relating to undisclosed foreign income and assets
- Cases completed on the basis of information from foreign countries
- Cases covered under Narcotic Drugs and Psychotropic Substances Act, Special Courts Act, the Unlawful Activities (Prevention) Act 1967, the Prevention of Corruption Act, the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act 1974, the Prevention of Money Laundering Act 2002, the Prohibition of Benami Property Transactions Act, 2016, Bhartiya Nyaya Sanhita.
- Cases covered under section 3 of the Special Court (Trial of Offences Relating to Transactions in Securities) Act, 1992 on or before the date of filing of declaration.

**Other Important Points**

- **Immunity from levy of interest, penalty or prosecution:** On passing of an order the VSV the DA shall not institute any proceeding for any offence; impose penalty or charge any interest in respect of tax arrear. This shall be reiterated in the order under passed by DA.
- **Refund of amount paid under VSV:** Any amount paid in pursuance of a declaration made under the VSV shall not be refundable under any circumstances.
- **Refund of Excess Amount:** If the amount paid by taxpayer before filing declaration exceeds the amount payable under the Scheme, the taxpayer would be granted the refund for such excess amount. No interest shall be payable to the taxpayer on such refund.

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