



My Dear Friend

*I am publishing **Research paper** under head **151 FAQs on Finance Bill (Budget) 2025 in India***

- *This **Research paper** is published under our awareness mission for Residents + Non-Residents to know about Income Tax Provisions under Income Tax Act, 1961 before budget 2025 + also after budget 2025 (all) for planning business establishment in International Financial Service Centre (IFSC) or in Non-IFSC being beneficial for their future prospectus as inspired from thought process of Honorable Prime Minister of India.*

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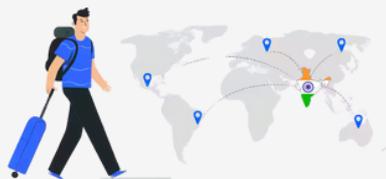
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● Provisions under Income Tax Act (ITA) 1961 ●

(A) Provisions for Individual + etc.

1. Whether “changes” are made after budget 2025 for New Tax Regime (NTR)?

No

- “No changes” are made for NTR in Finance Bill (Budget) 2025

2. Whether “changes” are made after budget 2025 for Income tax rates ?

Yes

S.No.	Total taxable incomes	Income tax rates (Section 115BAC (1A))	Cesses on Income tax amount	Surcharge on Income tax + Cesses
(i)	From 0 to 4,00,000	0%	0%	0%
(ii)	From 4,00,001 to 800000	5%	4%	0%
(iii)	From 8,00,001 to 1200000	10%	4%	0%
(iv)	From 12,00,001 to 1600000	15%	4%	0%
(v)	From 16,00,001 to 2000000	20%	4%	0%
(vi)	From 20,00,001 to 2400000	25%	4%	0%
(vii)	From 24,00,001 to 5000000	30%	4%	0%
(viii)	From 50,00,001 to 1,00,00,000	30%	4%	10%
(ix)	From 1,00,00,001 to 2,00,00,000	30%	4%	15%
(x)	Above 2,00,00,000	30%	4%	25%

3. Whether “Zero Income tax” is permissible after budget 2025 for 12 lacs ?

Yes

4. Who are “eligible assesses” after budget 2025 for Zero Income tax ?

- Individuals (Inds)
- Hindu Undivided Families (HUFs)
- Associations of Persons (AoPs) other than co-operative societies



- (iv) *Body of Individuals (BoIs) including unincorporated*
- (v) *Artificial Juridical Persons (AJPs) defined under section 2(31)(vii)*

5. What are “conditions” after budget 2025 for Zero Income tax ?

- *Abovementioned eligible assesses are mandatory required to file Income Tax Return (ITR) for availing 0 (Zero) Income tax on incomes “up to” INR 12 lacs through maximum “tax rebate” of INR 60 thousand under section 87A.*

6. Whether “Standard deduction” is permissible after budget 2025 over 12 lacs ?

Yes

- (i) *Standard deduction for INR 75 thousand is “permitted” over and above non-taxable incomes “up to” 12 lacs under NTR.*
- (ii) *Hence 0 (Zero) Income tax is “permitted” on individual’s salaried incomes “up to” INR 12.75 lacs (12 + 0.75)*

7. Whether “Standard deduction” is permissible after budget 2025 under OTR?

Yes

- (i) *Standard deduction for INR 50 thousand is “permitted” under Old Tax Regime (OTR) where 0 (Zero) Income tax is “not permitted”*
- (ii) *Standard deduction for INR 50 thousand is “permitted” under OTR when tax rebate “up to” INR 60 thousand is “not permitted” or Income tax is to be levied 5% from 4 lac to 8 lac and 10% from 8 lac to 12 lac under OTR.*

8. Whether “100% taxpayers are benefited” after budget 2025 under NTR ?

Yes

- *100% taxpayers are benefited with new tax rates like 8.75 crore (approx.) taxpayers those have filed their ITRs for year ending March 31, 2024 (Ay. 2024-25).*

9. What are “losses for govt.” after budget 2025 under NTR ?

- *Approx. 1 lac crore amount is to be lost by govt. accordingly same amount is to be gained by taxpayers.*



10. Whether “marginal relief” after budget 2025 to taxpayers ?

Yes

- Marginal relief is available “to individual” taxpayers under section 115BAC(1A)

11. What is “tax rebate” after budget 2025 ?

- Maximum 60 thousand tax rebate is permitted when taxable incomes are “up to” 12.75 lacs for salaried individuals + also 12 lacs for non-salaried individuals (both)

12. Whether “tax rebate” after budget 2025 for special rates incomes ?

No

- (i) Tax rebate under section 87A is “not permitted” against Special Rates Incomes (SRIs)
- (ii) Income tax is to be paid as per “normal slabs” under section 115BAC against SRIs
- (iii) SRIs are to include certain incomes like:
 - (a) Long Term Capital Gains (LTCGs) / incomes
 - (b) Short Term Capital Gains (STCGs) / incomes
 - (c) Lottery incomes
 - (d) Other sourced incomes where special income tax rates have been specified under Income Tax Act (ITA) 1961.

13. What is “tax rebate” versus “marginal relief” ?

- (i) Maximum INR 60 thousand tax rebate is “permitted” for eligible taxpayers under NTR when taxable incomes are “up to” 12 lacs
- (ii) Marginal relief is “permitted” for eligible taxpayers under NTR when taxable incomes are marginally higher than 12 lacs
- (iii) Marginal relief is “permitted” for eligible taxpayers under NTR to pay tax “not exceeding” incomes over and above 12 lacs



(B) Provisions for TDS + TCS**14. What are provisions after budget 2025 for TDS + TCS rates ?**

S. No.	Particulars	Section	Before budget 2025	After budget 2025
(i)	TDS on payments for investments by securitization trust	194LBC	(a) @ 25% when payee is Individual / HUF (b) @ 20% other than Individual / HUF	10%
(ii)	TCS on timber + other forest produce but "not" on tendu leaves which are obtained under forest lease + also timber (all) obtained by other mode other than under forest lease	206C (1)	2.5%	2%
(iii)	TCS on remittance under Liberalized Remittance Scheme (LRS) for education through financing from financial institutions	206C (1G)	0.5% when "up to" INR 7 lac in 1 financial year	0% when "up to" INR 7 lac in 1 financial year
(iv)	TDS on interest on securities	193	10% on INR 1	(a) 0% "up to" INR 10,000 (b) 10% from INR 10,001
(v)	TDS on "other than" Interest on securities	194A	(a) 0% "up to" INR 50,000 for senior citizen (b) 0% "up to" INR 40,000 for "other than" senior citizen ● When payers are banks + also cooperative societies + also post offices (all)	(a) 0% "up to" INR 1,00,000 for senior citizen (b) 0% "up to" INR 50,000 for "other than" senior citizen ● When payers are banks + also cooperative societies + also post offices (all)
			(c) 0% "up to" 5,000 in "other than" abovementioned	(c) 0% "up to" 10,000 in "other than" abovementioned



			● When payers are banks + also cooperative societies + also post offices (all)	● When payers are banks + also cooperative societies + also post offices (all)
(vi)	TDS on Dividends to individual shareholders	194	0% "up to" INR 5,000	0% "up to" INR 10,000
(vii)	TDS on income on units of mutual funds + specified companies + also specified undertakings (all)	194K	0% "up to" INR 5,000	0% "up to" INR 10,000
(viii)	TDS on winnings from lotteries + cross-word puzzles + also etc. (all)	194B	0% "up to" INR 10,000 in 1 financial year	0% "up to" INR 10,000 "per transaction"
(ix)	TDS on insurance commissions	194D	0% "up to" INR 15,000	0% "up to" INR 20,000
(x)	TDS on incomes like commissions + prizes + also etc. (all) on lottery tickets	194G	0% "up to" INR 15,000	0% "up to" INR 20,000
(xi)	TDS on commissions + also brokerages (both)	194H	0% "up to" INR 15,000	0% "up to" INR 20,000
(xii)	TDS on Rents	194-I	0% "up to" INR 2,40,000 in 1 financial year	0% "up to" INR 50,000 "per month"
(xiii)	TDS on fee for professionals + also technical (both) services	194J	0% "up to" INR 30,000	0% "up to" INR 50,000
(xiv)	TDS on enhanced Compensations	194LA	0% "up to" INR 2,50,000	0% "up to" INR 5,00,000
(xv)	TCS on remittances under LRS "other than education" + also overseas tour program Packages (both)	206C (1G)	0% "up to" INR 7,00,000	0% "up to" INR 10,00,000

15. What are provisions before budget 2025 for TCS ?

- Sellers of specified goods are required to collect TCS under section 206C(1) like:
 - (i) Alcoholic liquor
 - (ii) Timber
 - (iii) Tendu leave
 - (iv) Other forest produce



16. What are provisions after budget 2025 for TCS ?

- 3 major “changes” are made under section 206C(1) like:
 - (i) Now “definition” for forest produce is prescribed
 - (ii) Now “scope” for forest produce is clarified like sellers are liable for TCS against sale of “other forest produce” under forest lease
 - (iii) Now rate of TCS is reduced from 2.5% to 2% “on sale of timber” + also other forest produces but “not tendu leaves” obtained under forest lease (both)

17. What is “definition” before + after budget 2025 for forest produce ?

- Definition “to include” meaning assigned by State Act or by Indian Forest Act, 1927

18. What are TCS provisions before budget 2025 for forest produce ?

- Sellers are liable for TCS against sale of 100% (all types) forest produces

19. What are TCS provisions after budget 2025 for forest produce ?

- (i) Now forest produce obtained under forest lease “only” are liable for TCS.
- (ii) However timber + also tendu leaves (both) are “not included” under forest produce therefore sellers of these 2 items are “not liable” for TCS

20. What are provisions before budget 2025 for non-filers of ITR ?

- (i) “Higher rate” for TDS are prescribed when deductees are non-filer of ITRs under section 206AB
- (ii) “Higher rate” for TCS prescribed when collectees are non-filer of ITRs under section 206CCA

21. What are provisions after budget 2025 for non-filers of ITR ?

- Now section 206AB + also 206CCA (both) are “amended” accordingly

22. What are “impacts” after budget 2025 for non-filers of ITR ?

- (i) Now TDS deductors + TCS collectors are “benefited” for reducing compliances



burden + also “to improve” *ease of doing business* (all) when they were “finding difficulties” in ascertaining whether *ITR is filed* or not filed

(ii) However *higher* rates for *TDS + TCS* are “still” *continued* against *invalid PAN + also no PAN* (all)

23. What are provisions before budget 2025 for TCS on sale of goods ?

(i) 100% *sellers of goods* are *liable* for *TCS @ 0.1%* when *single value or aggregate value* (any) “exceeding” *INR 50 Lac* in previous year.

(ii) However 100% “*sellers of export*” of *goods + also goods* covered under section *206C(1)+(1F)+(1G)* all are “not liable” for *TCS @ 0.1%* beside *single value or aggregate value* (any) *exceeding INR 50 Lac* in previous year

24. What are provisions after budget 2025 for TCS on sale of goods ?

● Now 100% *sellers* are “not liable” for *TCS on sale of goods* under section *206C(1H)*



(C) Provisions for International Financial Services Centre (IFSC)

25. What is IFSC before / after budget 2025 ?

- (i) IFSC is *Jurisdiction* for providing permissible “financial services” to residents + also *non-residents* (both)
- (ii) IFSC is *allowing* “foreign currencies” for providing permissible financial services to residents + non-residents (both)
- (iii) IFSC is *defined* in section 2(q) of Special Economic Zone (SEZ) Act 2005

26. What are provisions before / after budget 2025 for tax incentives ?

- (i) Income tax (IT) @ 0% for 10 years out of 15 years
- (ii) Minimum Alternate Tax (MAT) @9%
- (iii) Commodity Transaction Tax (CTT) @ 0%
- (iv) Securities Transaction Tax (STT) @ 0%
- (v) Goods and Services Tax (GST) @ 0%
- (vi) Stamp Duty (SD) @ 0%
- (vii) Capital Gains Tax (CGT) @ 0%
- (viii) TDS on interest paid on “Debt Instruments” listed on IFSC Exchanges @ 4%
- (ix) Alternate Investment Fund Tax Regime (AIFTR)

27. Whether “sunset dates” are extended after budget 2025 for tax incentives ?

Yes

- (i) Sunset dates are *extended* like “up to” March 31, 2024 + March 31, 2025 + also March 31, 2026 (all) “up to” March 31, 2030
- (ii) Abovementioned sunset dates are “prescribed” for several tax incentives to IFSC’s units by International Financial Services Center Authority (IFSCA)



28. Whether “sunset dates” are extended after budget 2025 for CoOs ?

Yes

- (i) Sunset dates are “extended” for Commencement of Operations (CoOs) by IFSC’s units “up to” March 31, 2030
- (ii) Abovementioned sunset dates are “applicable” for several tax concessions + “relocations” of units to IFSC + also etc. (all)

29. What are “changes” made after budget 2025 for sunset dates ?

S.No	Sections	Briefs descriptions
(i)	80LA(2)(d)	Deductions for certain incomes of Offshore Banking Units (OBUs) + also IFSC’s registered units (both) are allowed “up to” March 31, 2030.
(ii)	10(4D)	Exemptions for certain “transfers of assets” as specified under section 47(viiab) are exempted “up to” March 31, 2030
(iii)	10(4F)	(a) Exemptions for certain incomes of “non-residents” are exempted “up to” March 31, 2030 (b) Abovementioned certain incomes are to includes: <ul style="list-style-type: none"> ● Royalty ● Interest ● Lease rent of aircraft ● Lease rent of ship (c) Abovementioned certain incomes are “to be paid” by IFSC’s registered units
(iv)	10(4H)	(a) Exemptions for certain incomes of “non-resident” + IFSC’s registered units + also entities engaged primarily in leasing business (all) (b) Abovementioned certain incomes are “to include” capital gains arising from transfer of “domestic” company’s equity shares
(v)	47(viiad)	Exemptions for certain capital gains through transactions “not treated transfers” under section 45 are allowed “up to” March 31, 2030.



30. What are provisions after budget 2025 for LIP's tax incentives ?

- (i) 100% proceeds received against Life Insurance Policies (LIPs) issued by insurance intermediaries IFSC's registered offices "without" any monetary limit like INR 2.50 lacs for ULIPs + also INR 5 lacs for other policies (both) under section 10(10D)
- (ii) However annual premium should not be "exceeding" 10% of sum assured

31. What are "capital gains" provisions after budget 2025 for aircraft leasing ?

- (i) 100% tax exemptions are "permitted" for "non-residents" + also IFSC's registered units (both) when they are engaged in aircraft leasing
- (ii) Abovementioned 100% tax exemptions are "permitted" for CGT against transfer of equity shares of IFSC's registered "domestic" companies + also "engaged in" aircraft leasing (both) under section 10(4H)

32. What are "dividend" provisions after budget 2025 for aircraft leasing ?

- 100% tax exemptions are "permitted" for IFSC's registered units against dividends paid by IFSC's registered companies + also "engaged in" aircraft leasing (both) under section 34(b)

33. What are "capital gains" provisions after budget 2025 for ship leasing ?

- (i) 100% tax exemptions are "permitted" for "non-residents" + also IFSC's registered units (both) when they are engaged in ship leasing
- (ii) Abovementioned 100% tax exemptions are "permitted" for CGT against transfer of equity shares of IFSC's registered "domestic" companies + also engaged in ship leasing (both) under section 10(4H)

34. What are "dividend tax" after budget 2025 for ship leasing units ?

- 100% tax exemptions are "permitted" for IFSC's registered units against dividends paid by IFSC's registered companies + also engaged in ship leasing (both) under section 34(b)



35. What are “relaxations” after budget 2025 for investment funds ?

- (i) Now 100% investment funds are “permitted” for determining aggregate participation of investments in funds as on April 01 + October 01 of previous year besides its fund manager is IFSC’s registered or not registered under sec. 9A(c).
- (ii) Now Central govt. is empowered “for allowing” IFSC’s registered investment funds managers + also commenced operations (both) before March 31, 2030. However before budget 2025 date is March 31, 2024.

36. What are “conditions” after budget 2025 for grace period ?

- Now investment funds are permitted for 4 months grace period “to satisfy” 100% conditions like fund manager’s location in IFSC when commenced operations before March 31, 2030 under section 9A(c).

37. What are “funds’ relocation” after budget 2025 for ETFs ?

- Funds relocation is to include transfer of investment fund’s assets from “outside India” or from wholly owned Special Purpose Vehicle (SPV) located “outside India” to resulted funds “in India” after satisfaction of certain conditions.

38. What are “definitions” after budget 2025 for resultant funds ?

- (i) Now Retail schemes and Exchange Traded Funds (ETFs) are “also” included under definition of resultant funds subject to satisfaction of certain conditions
- (ii) “Before” amendment certain funds are included like:
 - (a) Category I Alternative Investment Fund (AIF)
 - (b) Category II Alternative Investment Fund (AIF)
 - (c) Category III Alternative Investment Fund (AIF)
- (iii) Abovementioned funds should be regulated:
 - (a) Under SEBI (AIF) Regulations, 2012
 - Or
 - (b) Under IFSCA (Fund Management) Regulations, 2022



39. What are “implications” after budget 2025 for relocations ?

- Now *relocation* of “original funds” to resultant funds like “Retail schemes” and Exchange Traded Funds (ETFs) is *exempted* (tax neutral) for CGT purpose after satisfaction of certain *conditions* mentioned under section 47(viia d).

40. Whether “LLP” is resultant funds after budget 2025 ?

Yes

- Resultant funds are “to include” funds as established or “incorporated in India” in certain *forms* for *exempted* transactions against CGT under section 47(viia d) like :
 - Private Limited Company
 - Public Limited Company
 - Trust or Society
 - Limited Liability Partnership (LLP)

41. What are “capital gains” after budget 2025 for unit’s relocation ?

- Now *relocation* of retails schemes and ETF to IFSC is “*exempted*” for CGT under section 47(viia d)

● **Incentives for Non-Residents** ●

42. What are “transactions” before / after budget 2025 for exempted derivatives ?

- Certain derivatives *transactions* are “*exempted*” under section 10(4E) like:
 - Transfer for non-deliverable forward *contracts*
 - Transfer for offshore derivative *instruments*
 - Transfer for over-the-counter *derivatives*
 - Distribution for income on offshore derivative *instruments*

43. What are “changes” after budget 2025 for FPIs ?

- Now *derivative* transactions made by IFSC’s registered FPIs are “*additionally exempted* after budget 2025 under section 10(4E)
- Derivative* transactions made by “*non-residents*” with offshore banking units are “*only exempted* before budget 2025 under section 10(4E)



44. Whether “exemptions” are available after budget 2025 for derivatives ?

No

- (i) Exemptions are “not available” for holding contract or instrument or derivative (any) by IFSC’s registered FPIs
- (ii) Exemptions are “available” for holding contract/instrument or derivative by “non-residents”

45. Whether “exemptions” are available after budget 2025 for transactions ?

Yes

- Exemptions are “available” for transactions “by non-residents” with IFSC’s registered FPIs or registered under SEBI (FPI) Regulations, 2019 (any) under section 10(4E)

46. What are “conditions” after budget 2025 for exemptions ?

- FPIs are required “to registered” in IFSC + also to fulfill prescribed conditions under section 10(4E) (both)

47. Whether “exemptions” are available after budget 25 for derivative’s transfers?

No

- Exemptions are “not available” for derivative’s transfers or distributions “by non-residents” against transactions made with Offshore Banking Unit (OBU) or FPI (any) under section 10(4E)

48. What are “benefits” after budget 2025 for exemptions ?

- (i) Exemptions are “available” for derivative’s transactions “by non-residents” therefore “non-residents” are able to bring more investments due to certainty for “domestic” income tax laws under section 10(4E).
- (ii) Abovementioned exemptions are “also available” for derivative’s transactions by FPIs therefore FPIs are able “to bring” more investments because of certainty for “domestic” income tax laws under section 10(4E).

49. Whether “Rules” are prescribed after budget 2025 for section 10(4E) ?

Yes

- Rule 21-AK of ITR, 1962 is prescribed for section 10(4E)



(D) Provisions for Charitable Trusts + Institutions

50. What are provisions before budget 2025 for registration's validities ?

(i) Registration is "valid" for 5 years when activities of charitable trust + also charitable institutions (both) have been commenced under section 12AB

Or

(ii) Registration is "valid" for 3 years when activities of charitable trust + also charitable institutions (both) have not been commenced under section 12AB

51. What are provisions after budget 2025 for registration's validities ?

(i) Registration is "valid" for 5 years when receipts / incomes of charitable trust + also charitable institutions (both) are "exceeding" INR 5 crore under section 12AB.

Or

(ii) Registration is "valid" for 10 years when receipts / incomes of charitable trust + also charitable institutions (both) are "not exceeding" INR 5 crore under section 12AB

52. What are "criteria" after budget 2025 for registration's validities ?

- Charitable trusts + also charitable institutions (both) are "permitted" to have 10 years registration's validity when receipts / incomes are "not exceeding" INR 5 crores in "each" 2 previous years preceding to year where applications for registration's validity have been filed.

53. What are provisions before budget 2025 for specified violations ?

(i) Income Tax Authorities (ITAs) are "permitted" to reject "incomplete application" for registration filed by charitable trusts + also charitable institutions (both). Hence registration against "incomplete applications" are to be treated cancelled

(ii) Cancelled registration's charitable trusts + also charitable institutions (both) are required "to pay" Income tax on assets at Market Realizable Value (MRV)



54. What are provisions after budget 2025 for specified violations ?

- (i) Income tax authorities are “not permitted” to reject “incomplete application” for registration filed by charitable trusts + also charitable institutions (both). Hence registration against “incomplete applications” are “not” to be treated cancelled
- (ii) “Uncancelled” registration’s charitable trusts + also charitable institutions (both) are permitted to “complete application”

55. What are provisions before budget 2025 for specified persons ?

- (i) Incomes of charitable trusts + also charitable institutions (both) are “not to be applied” for benefit of certain specified persons under section 13(3) like:
 - (a) Founder of charitable trusts + also charitable institutions (both)
 - (b) Author of charitable trusts + also charitable institutions (both)
 - (c) Trustee of charitable trusts + also charitable institutions (both)
 - (d) Member of charitable trusts + also charitable institutions (both)
 - (e) Manager of charitable trusts + also charitable institutions (both)
 - (f) Relatives + also concerns of abovementioned persons (both) are having substantial interest
 - (g) Donors those have substantially contributed to charitable trusts + also charitable institutions (both) for INR 50 thousand “in aggregate up to” end of relevant previous years
- (ii) Abovementioned incomes are “not to be exempted” under section 11 + also 12 (both)

56. What are provisions after budget 2025 for specified persons ?

- (i) Donors those have substantially contributed to charitable trusts + also charitable institutions (both) for exceeding INR 1 lac “during” relevant previous year under section 13(3)

Or

- (ii) For exceeding INR 10 lac “in aggregate up to” relevant previous year under sec. 13(3)



57. Whether “relaxation” are permissible after budget 25 for specified persons?

No

- Abovementioned *amendments* under FAQ No. 56 are “not applicable” to specified persons like:
 - (i) Founder of charitable trusts + also charitable institutions (both)
 - (ii) Author of charitable trusts + also charitable institutions (both)
 - (iii) Trustee of charitable trusts + also charitable institutions (both)
 - (iv) Member of charitable trusts + also charitable institutions (both)
 - (v) Manager of charitable trusts + also charitable institutions (both)
 - (vi) Relatives + also concerns of abovementioned persons (both) are *having substantial interest*



(E) Provisions for Transfer Pricing (TP)

58. What is “meaning” before/after budget 2025 for TP provisions ?

- TP provisions are *enabling* incomes “computations” for International Transactions (ITs) + also Specified “Domestic” Transactions (SDTs) both against Arm’s Length Price (ALP)

59. What are “procedures” before/after budget 2025 for ALP’s determinations?

- Assessing Officers (AOs) are “permitted to refer” to Transfer Pricing Officers (TPOs) for “computing ALP” against ITs + also SDTs (both)
- (a) TPOs are required “to determine” ALP for ITs + also SDTs (both)
(b) Also TPOs are required “to send” copy of their orders to AOs + to assessees (both) in accordance with section 92C(3)
- AOs are required “to compute” assessees’ incomes based on TPO’s ALP in accordance with section 92C(4)

60. What are “changes” after budget 2025 for ALP’s determinations ?

- Now *assessee*s are permitted “to use” ALPs “already” determined by TPOs for “next” 2 Assessment Years (AYs)
- Hence this amendment has “reduced multiple proceedings” for ALP’s determinations against *similar* transactions for “next” 2 AYs.

61. What are “procedures” after budget 2025 for exercising options ?

- Now *assessee*s are required “to submit” option in prescribed form + also to fill form in accordance with *rules* are “to be notified” (both)

62. Whether “more options” are available after budget 25 for exercising options?

Yes

- Assessee>s are “permitted” to exercise more than 1 options for 1 AY.
- Exact *timeline* is “to be prescribed” in rules which are yet to be notified for *transactions* of different AYs.



(iii) Hence assesses are “permitted to give” option to TPOs during TP proceedings for ALP’s determination.

63. What are “procedures” after budget 2025 for dealing with options ?

(i) (a) TPOs are required “to issue” order within 1 month from end of month in which assesses have exercised their options

(b) Also TPOs are “permitted to prescribe” certain conditions which are to be fulfilled by assesses along with abovementioned order being issued.

(ii) Also TPOs are required “to examine” subsequent year’s transactions whether these are similar or not similar transactions

64. Whether “AOs” are permitted after budget 2025 for referring to TPOs ?

No

● AOs are “not permitted” for referring to TPOs “after option” is exercised by assesses + also TPOs have issued orders for accepting option against “similar transactions” in “next” 2 AYs. (both).

65. Whether “options” are available after budget 2025 for search cases ?

No

● Assesses are “not” permitted option for “next” 2 AYs. against search cases.

66. What are “procedures” after budget 2025 for re-computation ?

(i) AOs are permitted “to re-compute” assesses’ total incomes for consecutive 2 “preceding” AYs. under section 155(21)

(ii) Also AOs are permitted “to amend” assessment orders or intimations (any) for consecutive 2 “preceding” AYs. against “similar transactions” in accordance with ALP’s determination by TPOs under section 92CA (4A)

(iii) Abovementioned amendment in assessment orders or intimations (any) are required in accordance “with directions” issued under section 144C (5) “if any”



(F) Provisions for Non-residents + Foreign entities

● **“Presumptive” Taxation Regime (PTR) for Non-Residents / Foreign entities** ●

67. What are PTR provisions before/after budget 2025 ?

- PTR is *simplified* method “for computing” tax by eligible taxpayers to bring tax certainty against *specified* businesses + to reduce compliance cost + also “to promote” *ease of doing business* (all) when profits of business are *deemed* as *fixed % of sales or turnovers or receipts* (any).

68. What are PTR provisions before budge 2025 for non-residents ?

- (i) Non-residents + foreign companies are “not permitted” for PTR against *providing services + technology to “domestic” (resident) companies* those are “engaged in” *electronic manufacturing + also semi-conductor fabrication* (all) “in India”
- (ii) Abovementioned are required “to pay” Income tax under *business incomes* + also “to pay” Income tax in accordance to *applicable tax rates* (both)

69. What are PTR provisions after budge 2025 for non-residents ?

- Now non-residents are “also permitted” for PTR against *providing services + technology to “domestic” (resident) companies* those are “engaged in *electronic manufacturing + also “semi-conductor” fabrication* (all) in India

70. What are presumptive “tax rates” after budget 2025 for non-residents ?

- Now *25%* of “aggregate” amount *received or receivable or paid or payable to non-residents for providing “abovementioned” services or technology* (any) is to *be treated as deemed profits or gains* under section 44BBD

71. Whether “PTR” are permissible after budget 2025 for technical personnels ?

Yes

- PTR is “applicable” for *supplying technical personnels by non-residents + also foreign companies* (both)



72. What are provisions before/after budget 2025 for non-residents/foreign entities?

- 100% incomes deemed to accrue or deemed to arise (any) in India for non-residents + also foreign entities (both) are to be taxed under section 9

73. What are provisions before/after budget 2025 for deemed to accrue/arise?

- 100% businesses or incomes through or “from business connection” or from Significant Economic Presence (SEP) in India for non-residents + also foreign entities (both) are to be taxed under section 9

74. What are provisions before budget 2025 for SEP’s exemptions ?

- 100% transactions + activities by non-residents + also foreign entities like purchase of goods “in India” for export of goods “outside India” (all) are treated SEP therefore are “to be taxed” under section 9

75. What are provisions after budget 2025 for SEP’s exemptions ?

- Now 100% transactions + activities by non-residents + also foreign entities like purchase of goods “in India” for export of goods “outside India” (all) are not treated SEP therefore are “not to be taxed” under section 9



(G) Provisions for Business trust's taxation

76. What are provisions before budget 2025 for business trust's taxation ?

- (i) Business trusts are "permitted" for pass-through tax status against incomes earned from Special Purpose Vehicle (SPV) like:
 - (a) Interest incomes
 - (b) Dividend incomes
 - (c) Rental Incomes
- (ii) Hence business trust is "not required to pay" Income tax on abovementioned incomes therefore investors are required to pay Income tax on same incomes.
- (iii) Abovementioned business trusts are "to include" certain trust "only" like:
 - (a) Infrastructure Investment Trust (IIT)
 - (b) Real Estate Investment Trust (REIT)
- (iv) (a) Business trusts are "not permitted" for pass-through tax status on incomes other than abovementioned like capital gains therefore Income tax @ Maximum Marginal Rate (MMR) is to be paid like 30% + cesses + surcharges by business trust "only" under section 111A + also 112 (all)
 - (b) Hence business trust's investors are "not required to pay" Income tax in their hands "abovementioned" incomes

77. What are provisions after budget 2025 for business trust's taxation ?

- (i) Now business trusts are "also permitted" for pass-through tax status against capital gains "over and above" following incomes under section 112A:
 - (a) Interest incomes
 - (b) Dividend incomes
 - (c) Rental Incomes
- (ii) Abovementioned amendment is made under section 115UA



(H) Provisions for Employees' salaries + perquisites

78. What are perquisites before budget 2025 for employees ?

- Salaries' upper limit is prescribed for treating perquisites + also to be taxed in hands of employees (both) when expenditures are incurred by employers under section 17 like:
 - (i) Amenities + also benefits in general (both) are received "in India" from employers where upper limit is fixed for INR 50 thousand
 - (ii) Travelling expenditure incurred "outside India" by employer for medical treatment of employees himself + also their family members (both) where upper limit is fixed for INR 2 lac.

79. What are perquisites after budget 2025 for employees ?

- Now Central govt. is empowered "to prescribe" upper limit under section 17 like:
 - (i) INR 50 thousand for amenities + also benefits (both) which are received "in India" from employers
 - (ii) INR 2 lac for travelling expenditures incurred "outside India" by employer

80. What are provisions before/after budget 2025 for Directors' perquisites ?

- Directors + also persons having substantial interest (both) in companies are "not permitted" for exemptions against perquisites "within upper limit" under section 17(2)(iii)

81. Whether "medical" expenditures are treated perquisite after budget 2025 ?

No

- Expenditures incurred on medical treatments + also on stays (both) "outside India" by employers for employees himself + also family members are "not treated perquisites" within permitted limit prescribed by RBI under section 17(2)(iii)



(I) Provisions for Deductions

82. What are provisions before budget 2025 for NPS Vatsalya Scheme ?

- “Maximum” deduction for INR “150 thousand” is permitted through Scheme launched on September 18, 2024 by Pension Fund Regulatory and Development Authority (PFRDA) “for parents + minor children + also guardians” (all) to maintain National Pension Scheme (NPS) accounts under section 80CCD

83. What are provisions after budget 2025 for NPS Vatsalya Scheme ?

- “Maximum” deduction for INR “50 thousand” is permitted through Scheme launched on September 18, 2024 by Pension Fund Regulatory and Development Authority (PFRDA) “for self + also 2 minor children” (both) to maintain NPS accounts under section 80CCD

84. What are provisions before budget 2025 for NPS ?

- “Maximum” deduction for INR “150 thousand” per financial year is permitted against contribution made to NPS “by employer” or employee or assessee (any). However withdrawal from scheme is to be taxed subject to certain conditions under section 80CCD

85. What are provisions after budget 2025 for NPS ?

- “Maximum” deduction for INR “50 thousand” per financial year is permitted against contribution made to NPS “by employer” or employee or assessee (any). However withdrawal from scheme is to be taxed subject to certain conditions under section 80CCD

86. What are provisions after budget 2025 for NPS Vatsalya’s withdrawal ?

- (i) Now Income “tax is not to be levied” under section 10(12BA) when withdrawal is “not exceeding” 25% of total contributions
- (ii) Now Income tax is to be levied “at applicable tax slabs” when finally (100%) are withdrawal. Hence exemption is “not permitted” when finally (100%) withdrawal.



(J) Provisions for Updated Returns

87. What is time before budget 2025 for filing updated return ?

- (i) Taxpayers are “permitted” for filing updated return “maximum” within “24 months” from end of relevant AY. after disclosing “additional” income + to pay “additional” Income tax + also to pay interest (all) under section 139(8A).
- (ii) Taxpayers are required to pay “additional” Income tax @ “25%” + also interest (both) for filing updated return “maximum” within “12 months” from end of relevant AY.
- (iii) Taxpayers are required to pay “additional” Income tax @ “50%” + also interest (both) for filing updated return “maximum” within “24 months” from end of relevant AY.

88. What is time after budget 2025 for filing updated return ?

- (i) Taxpayers are “permitted” for filing updated return “maximum” within “48 months” from end of relevant AY. after disclosing “additional” income + to pay additional Income tax + also to pay interest (all) under section 139(8A).
- (ii) Taxpayers are required to pay “additional” Income tax @ “25%” + also interest (both) for filing updated return “maximum” within “12 months” from end of relevant assessment year.
- (iii) Taxpayers are required to pay “additional” Income tax @ “50%” + also interest (both) for filing updated return “maximum” within “24 months” from end of relevant assessment year.
- (iv) Taxpayers are required to pay “additional” Income tax @ “60%” + also interest (both) for filing updated return “maximum” within “36 months” from end of relevant assessment year.
- (v) Taxpayers are required to pay “additional” Income tax @ “70%” + also interest (both) for filing updated return “maximum” within “48 months” from end of relevant assessment year.



89. Whether “more updated returns” permissible before/after budget 25 for 1 AY?

No

- (i) Taxpayers are “not permitted” for filling more than 1 updated returns against 1 Assessment Year (AY.)
- (ii) Taxpayers are “permitted” for filling 1 updated returns against 1 Assessment Year (AY.)

90. Whether “updated returns” permissible after budget 25 after revised returns?

Yes

- Taxpayers are “permitted” for filing updated returns after filing revised returns “maximum” within “48 months” with disclosing “additional” income + to pay “additional” tax + also to pay interest (all) under section 139(8A)

91. Whether “non-filer of ITRs” permissible after budget 25 for updated returns?

Yes

- Non-filer taxpayers are “permitted” under section 139(8A) for filing updated returns “maximum” within “48 months” with disclosing “additional” income + to pay “additional” tax + also to pay interest (all)

92. What are “circumstances” after budget 2025 for not allowing updated returns?

- (i) When updated return is to be filed for claiming losses
- (ii) When updated return is to be filed for reducing taxable incomes
- (iii) When updated return is to be filed for reducing income tax liability
- (iv) When updated return is to be filed for claiming income tax’s refund
- (v) When updated return is to be filed after search is initiated under section 132

93. What are “additional incomes” after budget 2025 for non-filer of ITRs ?

- Amount exceeding “maximum” incomes “not” chargeable to Income tax is to be treated “additional” incomes for filing updated return by non-filer under section 139(8A)



94. Whether “updated returns” are permissible after SCN issued ?

No

- Taxpayers are “not permitted” for filing updated returns when Show Cause Notice (SCN) is issued under section 148A after 36 months from end of relevant AY. like SCN is to be issued after March 31, 2028 for relevant AY. ending on March 31, 2025.

95. Whether “updated returns” are permissible after SCN withdrawn ?

Yes

- (i) Taxpayers are “permitted” for filing updated returns beside SCN is issued under section 148A

When

- (ii) AOs have passed orders under section 148A(3) for determining that case is “not fit” for issuing notice under section 148.



(K) Provisions for Penalties

96. What are provisions before budget 2025 for penalties ?

- *Joint Commissioners of Income Tax (JCITs) are permitted to impose certain penalties like:*
 - (i) *Under Section 271C*
 - (ii) *Under Section 271CA*
 - (iii) *Under Section 271D*
 - (iv) *Under Section 271DA*
 - (v) *Under Section 271DB*
 - (vi) *Under Section 271E*

97. What are provisions after budget 2025 for penalties ?

- (i) *Now AOs are permitted to impose certain penalties like:*
 - (a) *Under Section 271C*
 - (b) *Under Section 271CA*
 - (c) *Under Section 271D*
 - (d) *Under Section 271DA*
 - (e) *Under Section 271DB*
 - (f) *Under Section 271E*
- (ii) *However AOs are “permitted” to impose abovementioned penalties “after” obtaining prior approval from Commissioner of Income Tax (CIT) when penalties are exceeding for INR 10 thousand as specified in section 274(2).*

98. What are provisions before budget 2025 for immunity from penalties ?

- (i) *Taxpayers are “permitted” to apply for immunity from imposition of penalties under section 270AA within 1 month from end of month in which assessment or reassessment orders are received by them after satisfying prescribed conditions*
- (ii) *Prescribed “conditions” are to include:*



(a) That taxpayers have *paid Income tax + also interest (both) within "specified time"* mentioned in notice of demand.

(b) That taxpayers have *not filed appeal against assessment or re-assessment orders*

(iii) JCITs are required *to process application received from taxpayer under section 270AA within 1 month from end of month in which application is received*

99. What are provisions after budget 2025 for immunity from penalties ?

- Now AOs are required *to process application received from taxpayers under section 270AA within 3 months from end of month in which applications are received*

100. What are provisions before budget 2025 for imposing penalties ?

- (i) AOs are "not permitted" for imposing penalties *beyond time limit prescribed under section 275*
- (ii) "Multiple" *time limits* are prescribed for imposing penalties

101. What are provisions after budget 2025 for imposing penalties ?

- (i) Now AOs are "not permitted" for imposing penalties under section 275 after 6 months from *end of quarter* in which connected proceedings are completed
- (ii) "Single" *time limit* is prescribed for imposing penalties

102. What are provisions before budget 2025 ?

- Penalties are "to be levied" under section 271AAB when search under section 132 is initiated after Dec 15, 2016

103. What are provisions after budget 2025 ?

- (i) Penalties are "not to be levied" under section 271AAB when search under section 132 is initiated after Sep 01, 2024
- (ii) Penalties @ 50% are "to be levied" under section 158BFA when search under section 132 is initiated after Sep 01, 2024



(L) Provisions for assessment proceeding's time limit

104. What are provisions before budget 2025 for assessment proceedings ?

- *Period of stay through order or injunction from any court is to be excluded for "computing time limits" against assessment or re-assessment or re-computation (any) under clause (ii) of explanation 1 of section 153*

105. What are provisions after budget 2025 for assessment proceedings ?

- *Period of stay is to be excluded for "computing time limits" against assessment or re-assessment or re-computation (any) under clause (ii) of explanation 1 of section 153 commencing "from date of granting stay" order by any court and ending on "date of receiving" certified copy by Jurisdictional Principal Commissioner of Income tax (PCIT) or Commissioner of Income Tax (CIT) for order vacating stay*

106. What are provisions after budget 2025 for limitations on time ?

- (i) *Now exclusion of time period for limitation is "clarified for commencing" date and ending date under certain sections like:*
 - (a) *Under Section 144BA*
 - (b) *Under Section 153*
 - (c) *Under Section 153B*
 - (d) *Under Section 158BE*
 - (e) *Under Section 158BFA*
 - (f) *Under Section 263*
 - (g) *Under Section 264*
 - (h) *Rule 68B of Schedule II*
- (ii) *Abovementioned exclusion of time period of limitations is provided for certain matters like:*
 - (a) *Retention of seized books of account*
 - (b) *Retention of documents*
- (iii) *Abovementioned books of accounts or documents are required for certain purposes:*



- (a) For search "assessment proceedings" in group cases
- (b) For assessment "order of 1 assessee" may be passed earlier than assessment "orders of another assessee" to whom seized books of account or other documents are related

107. What are provisions before budget 2025 for retention of books / documents ?

- (i) AOs are "permitted to retain" seized books of accounts or other documents for "not exceeding" 30 days from date of assessment or re-assessment or re-computation order is passed
- (ii) However AOs are required "to record reasons" in writing for "exceeding" 30 days + also "to obtain" prior approval from higher authority (both) under section 132(8)

108. What are provisions after budget 2025 for retention of books / documents ?

- (i) AOs are "permitted to retain" seized books of accounts or other documents for "not exceeding" 1 month from end of quarter in which assessment or re-assessment or re-computation order is passed
- (ii) However AOs are required "to record reasons" in writing for "exceeding" 30 days + also "to obtain" prior approval from higher authority (both) under section 132(8)



(M) Provisions for Block assessments

109. What are provisions before / after budget 2025 for block assessments ?

- (i) Block assessment is to include 6 previous "preceding" AYs. + also 1 "relevant" AY. in which search is initiated totaling to 7 (6+1) AYs. under section 132 or requisition is made under section 132A
- (ii) Hence block assessment is to include 7 (6+1) AYs.

110. What are provisions before budget 2025 for block assessments ?

- AO is required to complete block assessment in time "not exceeding" 12 months from end of month in which "last authorization" for search initiated under section 132 or requisition is executed under section 132A

111. What are provisions after budget 2025 for block assessments ?

- AO is required to complete block assessment in time "not exceeding" 12 months from end of quarter in which "last authorization" for search initiated under section 132 or requisition is executed under section 132A

112. What are provisions before budget 2025 for undisclosed incomes ?

- (i) Undisclosed income is to include certain assets for block assessment like:
 - (a) Any money
 - (b) Any bullion
 - (c) Any jewellery
 - (d) Any Other Valuable Article (OVA)
 - (e) Any thing
 - (f) Any income based on entry in books of accounts
 - (g) Any income based on other documents
 - (h) Any income based on other transactions
 - (i) Any expenditure wrongly claimed



- (j) Any *exemption* wrongly claimed
 - (k) Any *deduction* wrongly claimed
 - (l) Any *allowance* wrongly claimed
- (ii) Abovementioned undisclosed income is required to be represented wholly (100%) or partly (not 100%) with *income or property* (any) which has *not been* or would not have been *disclosed* under ITA, 1961

113. What are provisions after budget 2025 for undisclosed incomes ?

- Now Undisclosed income is “also” to include Virtual Digital Asset (VDA) for block assessment purpose

114. What are provisions after budget 2025 for computation of incomes ?

- (i) Now “clarified” that *incomes* declared by taxpayer in block returns under section 158BB (1) is treated undisclosed declared income
- (ii) Now “simplified” that *incomes* for International Transaction (IT) + also Specified Domestic Transaction (SDT) both are kept outside block assessment



(N) Provisions for Time limit

115. What are provisions before budget 2025 for Time limit ?

- (i) ITA is “permitted to pass order” for deeming a person to be assessee in default for failure “to collect tax” under section 206C(6A)
- (ii) (a) ITA is “not permitted to pass order” under section 206C(6A) “after” expiry of 6 years from end of financial year in which tax was collectable
Or
(b) After expiry of 2 years from end of financial year in which “correction statement” is delivered under section 206C(3B) whichever is later.
- (iii) ITA is “not permitted to exclude time consumed” from time limit for proceedings when stay order was passed by court + also etc. (both)

116. What are provisions after budget 2025 for Time limit ?

- Now ITA is “permitted to exclude time consumed” from time limit for proceedings when stay order was passed by court + also etc. (both)

117. What are provisions after budget 2025 for opting TTS ?

- Shipping companies are “permitted to apply” to Joint Commissioner of Income Tax (JCIT) for availing Tonnage Tax Scheme (TTS) under section 115VP

118. What are provisions before budget 2025 for passing order ?

- JCIT is “required to pass order” for granting TTS or refusing TTS (any) within 1 month from end of month in which application is received by him.

119. What are provisions after budget 2025 for passing order ?

- JCIT is “required to pass order” for granting TTS or refusing TTS (any) within 3 months from end of quarter in which application is received by him



(O) Provisions for Tonnage Tax Scheme (TTS)

120. What are provisions before / after budget 2025 for TTS ?

- (i) Presumptive Tax Scheme (PTS) is provided for shipping companies' incomes to enable them "to compute" their profits on presumptive basis under Chapter XII-G
- (ii) Profits are "to be computed based on net tonnage" for shipping + also number of days involved (both) therefore shipping companies are having certainty for their Income tax liabilities.
- (iii) However shipping companies are "permitted for not opting TTS" thereafter liable to pay Income tax based on regular Income tax provisions under Income Tax Act (ITA) 1961

121. What are provisions before budget 2025 for TTS ?

- 100% shipping companies are "permitted for TTS" when "engaged in international water transportation" + also registered under Merchant Shipping (MS) Act, 1958 (both)

122. What are provisions after budget 2025 for TTS ?

- Now 100% shipping companies are "permitted for TTS" when "engaged in international + inland water transportation" + registered under Merchant Shipping (MS) Act 1958 + also Inland Vessels (IV) Act 2021 (all)



(P) Provisions for Crypto Assets

123. What are provisions before / after budget 2025 for Crypto assets ?

- Virtual Digital Asset (VDA) is to include in crypto asset under section 2(47A)
- (i) India is in 52 jurisdictions for Crypto Asset Reporting Framework (CARF)
- (ii) CARF is requiring Automatic Exchange of Tax-Relevant Information (AEOI) for Crypto asset
- (iii) G20 leader's declaration in Delhi is requiring swift implementation for CARF

124. What are provisions after budget 2025 for Crypto assets ?

- (i) 100% Reporting Entities (REs) are required to provide prescribed information's to Income Tax Authority (ITA) for crypto asset transactions under section 285BAA
- (ii) Prescribed information's are to include:
 - (a) Period
 - (b) Time
 - (c) Manner
- (iii) REs to include entity prescribed in Income Tax Rules (ITR) 1962 for crypto asset
- (iv) ITA to include authority prescribed in ITR 1962, for crypto asset



(Q) Provisions for Carry forward of losses “after” amalgamation

125. What are provisions before budget 2025 ?

- *Accumulated losses of predecessor entity is treated deemed losses of successor entity in year of amalgamation or business re-organization is effected or brought into force (any) therefore permitted for carry forward “up to further” 8 AYs. from date of amalgamation or business re-organization is effected under section 72A + also 72AA (both).*

126. What are provisions after budget 2025 ?

- (i) *Now accumulated losses of predecessor entity is “still” treated deemed losses of successor entity in year of amalgamation or business re-organization is effected or brought into force (any)*

But

- (ii) *Permitted for carry forward for “maximum” 8 AYs. before + also after amalgamation or business re-organization is effected or brought into force “both” under section 72A + also 72AA (both).*



(R) Provisions for Income's exemptions

127. Whether "exemptions" are available after budget 2025 for LIP ?

Yes

- *Income tax exemptions are available for sum received under Life Insurance Policies (LIPs) + also LIP's bonus (both) after satisfaction of certain conditions under section 10(10D)*

128. What are provisions after budget 2025 for exemptions ?

- Amount of annual "premium is not to be exceeded" by 10% of actual capital sum assured for LIP + also Unit Linked Insurance Policy (ULIP) both*
- Also amount of annual "premium is not to exceeded" by INR 2.50 Lacs for ULIP + 5 lacs for other LIPs (both) when life policy is issued from April 01, 2012 under section 10(10D)*

129. What are "conditions" after budget 2025 for no exemptions ?

- Sum received under LIP is to be "charged as capital gains" for ULIPs*
- Also Sum received under LIP is to be "charged as other source incomes" for other LIPs under section 10(10D)*



(S) Provisions for SWFs + PFs

130. What are provisions before budget 2025 for SWFs + PFs ?

- (i) Certain specified persons are “permitted to avail” exemptions on certain incomes like:
 - (a) Interest incomes
 - (b) Dividend incomes
 - (c) Long Term Capital Gains (LTCGs) incomes
- (ii) Abovementioned incomes are required to be made on investments in infrastructure sectors “up to” March 31, 2025
- (iii) Abovementioned specified persons are to include:
 - (a) Sovereign Wealth Funds (SWFs)
 - (b) Pension Funds (PFs)

131. What are provisions after budget 2025 for SWFs + PFs ?

- Date for investments in infrastructures sector is extended for another 5 years like “up to” March 31, 2030.

132. What are “LTCGs” before budget 2025 for SWFs + PFs ?

- 100% LTCGs “only” from Unlisted Debt Securities (UDSs) + Market Linked Debentures (MLDs) + also Specified Mutual Funds (SMFs) are exempted from Income tax under section 10(23FE)

133. What are “LTCGs” after budget 2025 for SWFs + PFs ?

- Now 100% capital gains like “long term + short term” (both) from Unlisted Debt Securities (UDSs) + Market Linked Debentures (MLDs) + also Specified Mutual Funds (SMFs) are exempted from Income tax under section 10(23FE)



(T) Provisions for Capital assets

134. What are provisions after budget 2025 ?

- Now capital assets “also to include” securities held by investment funds under section 2(14)

135. What are provisions after budget 2025 for investment funds ?

- (i) Investment funds are “to include funds” established or incorporated “in India” as trust on company or LLP or body corporate under section 115UB
- (ii) (a) Alternative Investment Funds (AIFs) Category-I + also Category-II (both) are regulated under SEBI (AIF) Regulations 2012
Or
(b) Abovementioned are regulated under IFSCA (Fund Management) Regulations, 2022.

136. What are provisions after budget 2025 for investment in securities ?

- “To include investment in securities” when same are made in accordance with regulations under SEBI Act, 1992 (15 of 1992) + also held by investment funds (both)

137. What are provisions after budget 2025 for transfer of securities ?

- (i) Now transfer of securities by unit holders are “to be taxed as capital gains”.
- (ii) Now capital gains are “to be taxed in hands of unit holders” not in hands of investment funds.



(U) Provisions for FIIs LTCGs

138. What are provisions before budget 2025 ?

- LTCGs from *transfer of securities* “other than units” referred in section 115AB by Foreign Institution Investors (FIIs) are “to be taxed” @ 10% under section 112A

139. What are provisions after budget 2025 ?

- Now LTCGs from *transfer of securities* “other than units” referred in section 115AB by FIIs are “to be taxed” @ 12.5% under section 112A

140. Whether “exemption” are available after budget 2025 ?

Yes

- Clarified that exemption for INR 1.25 lac is available for FIIs against “transfer of long -term capital assets” referred in section 112A where Security Transaction Tax (STT) is paid under section 115AD (iii)

141. What are “tax rates” after budget 2025 ?

- LTCG for FIIs is “to be taxed @ 10%” under section 115AD (iii) when transfer of capital assets is not referred under section 112A for period commencing from July 23, 2024 and ending to March 31, 2025



(V) Provisions for Start-ups

142. What are provisions before / after budget 2025 for Income tax ?

- 100% deductions are permitted against eligible start-ups' business profits for "any" 3 consecutive AYs. out of 10 assessment years under section 80-IAC.

143. What are provisions before budget 2025 for deductions ?

- (i) 100% deductions are permitted for start-ups when turnover is "not exceeding" INR 100 crore under section 80-IAC
- (ii) Abovementioned start-ups are "required to obtain certificate of eligible business" from Inter-Ministerial Board of Certification (IMBoC)
- (iii) Abovementioned start-ups are "required to incorporate" their companies between April 01, 2016 and March 31, 2025 (9 years).

144. What are provisions after budget 2025 for deductions ?

- Now start-ups are "required to incorporate" their companies between April 01, 2016 and March 31, 2030 (14 years).



(W) Provisions for NSS's exemptions

145. What are provisions before budget 2025 ?

- (i) 100% deductions are permitted to individual + also HUF (both) for "unlimited amount" deposited in NSS under section 80CCA*
- (ii) 100% withdrawal of principal + also interest (both) amounts are "to be taxed" when withdrawal where depositors have claimed deductions under section 80CCA at time of depositing into NSS.*
- (iii) 100% withdrawal of principal + also interest (both) amounts are "not to be taxed" when withdrawal "by legal heirs after his death" beside depositors have claimed deductions under section 80CCA at time of depositing into NSS.*

146. What are provisions after budget 2025 ?

- (i) Now depositors are "not allowed for interest" on outstanding balance in NSS from October 01, 2024 vide DEA Notification dated August 29, 2024.*
- (ii) 100% withdrawal of principal + also interest (both) amounts are "not to be taxed" when withdrawal "by Individual after August 29, 2024" beside depositors have claimed deductions under section 80CCA at time of depositing into NSS.*



(X) Provisions for self-occupied properties

147. What are provisions before budget 2025 ?

- Annual value for self-occupied property is “to be computed at 0 (Zero)” under section 23(2):
 - (i) When property is “self-occupied by owner” for his residence
 - Or
 - (ii) When owner is “unable to reside” in self-occupied property due to his business or profession or employment (any)

148. What are provisions after budget 2025 ?

- Annual value for self-occupied property is “to be computed at 0 (Zero)” under section 23(2):
 - (i) When property is “self-occupied by owner” for his residence
 - (ii) Hence condition like “unable to reside” is removed for computing 0 (Zero) annual value under section 23(2)

149. Whether “multiple” properties are exempted after budget 2025 ?

No

- (i) Owners for more than 2 self-occupied properties are “not permitted for computing 0 (Zero)” annual value
- (ii) However owners for more than 2 self-occupied properties are “permitted for choosing any 2 out of more than 2 properties” for computing 0 (Zero) annual value



(Y) Provisions for TDS's prosecutions

150. What are provisions before budget 2025 ?

- TCS collectors are "to be prosecuted" under section 276BB for failure to deposit TCS to govt. of India

151. What are provisions after budget 2025 ?

- TCS collectors are "not to be prosecuted" under section 276BB for failure to deposit TCS to govt. of India when deposited before prescribed time for filing of statement under section 206C (3)
- TCS collectors are "to be prosecuted" under section 276BB for failure to deposit TCS to govt. of India when not deposited after prescribed time for filing of statement under section 206C (3)



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