BILL No. 14 OF 2025

THE FINANCE BILL, 2025

(AS INTRODUCED IN LOK SABHA)

THE FINANCE BILL, 2025

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ARRANGEMENT OF CLAUSES

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CHAPTER I

PRELIMINARY

CLAUSES

CHAPTER II

RATES OF INCOME-TAX

CHAPTER III

DIRECT TAXES

Income-tax

CLAUSES

CLAUSES

CLAUSES

Central Goods and Services Tax

Service Tax

CHAPTER V

MISCELLANEOUS

PART I

AMENDMENT TO THE UNIT TRUST OF INDIA (TRANSFER OF UNDERTAKING AND REPEAL) ACT, 2002

CLAUSES

PART II

AMENDMENTS TO THE GOVERNMENT SECURITIES ACT, 2006

AS INTRODUCED IN LOK SABHA
ON 1ST FEBRUARY, 2025

Bill No. 14 of 2025

THE FINANCE BILL, 2025

A

BILL

to give effect to the financial proposals of the Central Government for the financial year 2025-2026.

BE it enacted by Parliament in the Seventy-sixth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

Short title and commencement.

1. (*1*) This Act may be called the Finance Act, 2025.

(*2*) Save as otherwise provided in this Act,—

(*a*) sections 2 to 86, 99 to 115, 120 and 131 shall come into force on the 1st day of April, 2025;

(*b*) sections 116 to 119 and sections 121 to 129 shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

CHAPTER II

RATES OF INCOME-TAX

Income-tax.

2. (*1*) Subject to the provisions of sub-sections (*2*) and (*3*), for the assessment year commencing on the 1st April, 2025, income-tax shall be charged at the rates specified in Part I of the First Schedule and such tax shall be increased by a surcharge, for the purposes of the Union, calculated in each case in the manner provided therein.

(*2*) In the cases to which Paragraph A of Part I of the First Schedule applies, or in the cases where income is chargeable to tax under sub-section *(1A)* of section 115BAC of the Income-tax Act, 1961 (hereinafter referred to as the Income-tax Act) and, where the assessee has, in the previous year, any net agricultural income exceeding five thousand rupees, in addition to total income, and the total income exceeds two lakh fifty thousand rupees, then,— 43 of 1961.

(*a*) the net agricultural income shall be taken into account, in the manner provided in clause (*b*) (that is to say, as if the net agricultural income were comprised in the total income after the first two lakh fifty thousand rupees of the total income but without being liable to tax), only for the purpose of charging income-tax in respect of the total income; and

(*b*) the income-tax chargeable shall be computed as follows:—

(*i*) the total income and the net agricultural income shall be aggregated and the amount of income-tax shall be determined in respect of the aggregate income at the rates specified in the said Paragraph A or sub-section *(1A)* of section 115BAC, as if such aggregate income were the total income;

(*ii*) the net agricultural income shall be increased by a sum of two lakh fifty thousand rupees, and the amount of income-tax shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Paragraph A or sub-section *(1A)* of section 115BAC, as if the net agricultural income as so increased were the total income;

(*iii*) the amount of income-tax determined as per sub-clause (*i*) shall be reduced by the amount of income-tax determined as per sub-clause (*ii*) and the sum so arrived at shall be the income-tax in respect of the total income:

Provided that in the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year, referred to in item (*II*) of Paragraph A of Part I of the First Schedule, the provisions of this sub-section shall have effect as if for the words "two lakh fifty thousand rupees", the words "three lakh rupees" had been substituted:

Provided further that in the case of every individual, being a resident in India, who is of the age of eighty years or

more at any time during the previous year, referred to in item (*III*) of Paragraph A of Part I of the First Schedule, the provisions of this sub-section shall have effect as if for the words "two lakh fifty thousand rupees", the words "five lakh rupees" had been substituted:

Provided also that in the cases where income is chargeable to tax under sub-section *(1A)* of section 115BAC of the Income-tax Act, the provisions of this sub-section shall have effect as if for the words "two lakh fifty thousand rupees", the words "three lakh rupees" had been substituted.

(*3*) In cases to which the provisions of Chapter XII or Chapter XII-A or section 115JB or section 115JC or Chapter XII-FA or Chapter XII-FB or sub-section (*1A*) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act apply, the tax chargeable shall be determined as provided in that Chapter or that section, and with reference to the rates imposed by sub-section (*1*) or the rates as specified in that Chapter or section, as the case may be:

Provided that the amount of income-tax computed as per the provisions of section 111A or section 112 or section 112A of the Income-tax Act shall be increased by a surcharge, for the purposes of the Union, as provided in Paragraph A, B, C, D or E, as the case may be, of Part I of the First Schedule, except in case of a domestic company whose income is chargeable to tax under section 115BAA or section 115BAB of the Income-tax Act or in case of an individual or Hindu undivided family or association of persons, or body of individuals, whether incorporated or not, or an artificial juridical person referred to in sub-clause (*vii*) of clause (*31*) of section 2 of the Income-tax Act whose income is chargeable to tax under sub-section (*1A*) of section 115BAC of the Income-tax Act, or in case of co-operative society resident in India, whose income is chargeable to tax under section 115BAD or 115BAE of the Income-tax Act:

Provided further that in respect of any income chargeable to tax under sections 115A, 115AB, 115AC, 115ACA, 115AD, 115B, 115BA, 115BB, 115BBA, 115BBC, 115BBF, 115BBG, 115BBH, 115BBI, 115BBJ, 115E, 115JB or 115JC of the Income-tax Act, the amount of income-tax computed under this sub-section shall be increased by a surcharge, for the purposes of the Union, calculated,—

(*a*) in the case of every individual or Hindu undivided family or association of persons except in a case of an association of persons consisting of only companies as its members, or body of individuals, whether incorporated or

not, or every artificial juridical person referred to in sub-clause (*vii*) of clause (*31*) of section 2 of the Income-tax Act, not having any income under section 115AD of the Income-tax Act, and not having any income chargeable to tax under sub-section (*1A*) of section 115BAC of the Income-tax Act,—

(i) having a total income exceeding fifty lakh rupees but not exceeding one crore rupees, at the rate of ten per cent. of such income-tax;

(ii) having a total income exceeding one crore rupees, but not exceeding two crore rupees, at the rate of fifteen per cent. of such income-tax;

(iii) having a total income exceeding two crore rupees, but not exceeding five crore rupees, at the rate of twenty-five per cent. of such income-tax; and

(iv) having a total income exceeding five crore rupees, at the rate of thirty-seven per cent. of such income-tax;

(*b*) in the case of every individual or association of persons, except in a case of an association of persons consisting of only companies as its members or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (*vii*) of clause (*31*) of section 2 of the Income-tax Act, having income under section 115AD of the Income-tax Act, and not having any income chargeable to tax under sub-section (*1A*) of section 115BAC of the Income-tax Act,—

(*i*) having a total income exceeding fifty lakh rupees but not exceeding one crore rupees, at the rate of ten per cent. of such income-tax;

(*ii*) having a total income exceeding one crore rupees, but not exceeding two crore rupees, at the rate of fifteen per cent. of such income-tax;

(*iii*) having a total income [excluding the income by way of dividend or income of the nature referred to in clause (*b*) of sub-section (*1*) of section 115AD of the Income-tax Act] exceeding two crore rupees but not exceeding five crore rupees, at the rate of twenty-five per cent. of such income-tax;

(*iv*) having a total income [excluding the income by way of dividend or income of the nature referred to in clause (*b*) of sub-section (*1*) of section 115AD of the

Income-tax Act] exceeding five crore rupees, at the rate of thirty-seven per cent. of such income-tax; and

(*v*) having a total income [including the income by way of dividend or income of the nature referred to in clause (*b*) of sub-section (*1*) of section 115AD of the Income-tax Act] exceeding two crore rupees, but is not covered in sub-clauses (*iii*) and (*iv*), at the rate of fifteen per cent. of such income-tax:

Provided that in case where the total income includes any income by way of dividend or income chargeable under clause (*b*) of sub-section (*1*) of section 115AD of the Income-tax Act, the rate of surcharge on the income-tax calculated on that part of income shall not exceed fifteen per cent.:

(*c*) in the case of an association of persons consisting of only companies as its members,—

(*i*) at the rate of ten per cent. of such income-tax, where the total income exceeds fifty lakh rupees but does not exceed one crore rupees;

(*ii*) at the rate of fifteen per cent. of such income-tax, where the total income exceeds one crore rupees;

(*d*) in the case of every co-operative society except a co-operative society whose income is chargeable to tax under section 115BAD or section 115BAE of the Income-tax Act,—

(*i*) at the rate of seven per cent. of such income-tax, where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(*ii*) at the rate of twelve per cent. of such income-tax, where the total income exceeds ten crore rupees;

(*e*) in the case of every firm or local authority, at the rate of twelve per cent. of such income-tax, where the total income exceeds one crore rupees;

(*f*) in the case of every domestic company except such domestic company whose income is chargeable to tax under section 115BAA or section 115BAB of the Income-tax Act,—

(*i*) at the rate of seven per cent. of such income-tax, where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(*ii*) at the rate of twelve per cent. of such income-tax, where the total income exceeds ten crore rupees;

(*g*) in the case of every company, other than a domestic company,—

(*i*) at the rate of two per cent. of such income-tax, where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(*ii*) at the rate of five per cent. of such income-tax, where the total income exceeds ten crore rupees:

Provided also that in the case of persons mentioned in (*a*) and (*b*) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds,—

(*i*) fifty lakh rupees but does not exceed one crore rupees, the total amount payable as income-tax and surcharge thereon shall not exceed the total amount payable as income-tax on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(*ii*) one crore rupees but does not exceed two crore rupees, the total amount payable as income-tax and surcharge thereon shall not exceed the total amount payable as income-tax and surcharge on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees;

(*iii*) two crore rupees but does not exceed five crore rupees, the total amount payable as income-tax and surcharge thereon shall not exceed the total amount payable as income-tax and surcharge on a total income of two crore rupees by more than the amount of income that exceeds two crore rupees;

(*iv*) five crore rupees, the total amount payable as income-tax and surcharge thereon shall not exceed the total amount payable as income-tax and surcharge on a total income of five crore rupees by more than the amount of income that exceeds five crore rupees:

Provided also that in the case of association of persons mentioned in (*c*) above, having total income chargeable to tax under section 115JC of the Income-tax Act exceeds,—

(*i*) fifty lakh rupees but does not exceed one crore rupees, the total amount payable as income-tax and surcharge thereon shall not exceed the total amount payable as income-tax on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(*ii*) one crore rupees, the total amount payable as income-tax and surcharge thereon shall not exceed the total amount payable as income-tax and surcharge on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of a co-operative society mentioned in (*d*) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds,—

(*i*) one crore rupees but does not exceed ten crore rupees, the total amount payable as income-tax and surcharge thereon shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees;

(*ii*) ten crore rupees, the total amount payable as income-tax and surcharge thereon shall not exceed the total amount payable as income-tax and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees:

Provided also that in the case of persons mentioned in (*e*) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds one crore rupees, the total amount payable as income-tax on such income and surcharge thereon shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds one crore rupees but does not exceed ten crore rupees, the total amount payable as income-tax on such income and surcharge thereon, shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds ten crore rupees, the total amount payable as income-tax on such income and surcharge thereon, shall not exceed the total amount payable as income-tax and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees:

Provided also that in respect of any income chargeable to tax under clause (*i*) of sub-section (*1*) of section 115BBE of the Income-tax Act, the amount of income-tax computed under this sub-section shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of twenty-five per cent. of such income-tax:

Provided also that in case of every domestic company whose income is chargeable to tax under section 115BAA or section 115BAB of the Income-tax Act, the income-tax computed under this sub-section shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of ten per cent. of such income-tax:

Provided also that in respect of income chargeable to tax under sub-section (*1A*) of section 115BAC of the Income-tax Act, the income-tax computed under this sub-section shall be increased by a surcharge, for the purposes of the Union, calculated, in the case of an individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (*vii*) of clause (*31*) of section 2 of the Income tax Act,—

(*i*) having a total income (including the income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) exceeding fifty lakh rupees but not exceeding one crore rupees, at the rate of ten per cent. of such income-tax;

(*ii*) having a total income (including the income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) exceeding one crore rupees but not exceeding two crore rupees, at the rate of fifteen per cent. of such income-tax;

(*iii*) having a total income (excluding the income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) exceeding two

crore rupees, at the rate of twenty-five per cent. of such income-tax; and

(*iv*) having a total income (including the income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) exceeding two crore rupees, but is not covered under clause (*iii*) above, at the rate of fifteen per cent. of such income-tax:

Provided also that in case where the provisions of sub-section (*1A*) of section 115BAC are applicable and the total income includes any income by way of dividend or income chargeable under sections 111A, 112 and 112A of the Income-tax Act, the rate of surcharge on the income-tax in respect of that part of income shall not exceed fifteen per cent.:

Provided also that in case of an association of persons consisting of only companies as its members, and having its income chargeable to tax under sub-section (*1A*) of section 115BAC, the rate of surcharge on the income-tax shall not exceed fifteen per cent.:

Provided also that in case of every individual or Hindu undivided family or association of persons, or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (*vii*) of clause (*31*) of section 2 of the Income-tax Act, having total income chargeable to tax under sub-section *(1A)* of section 115BAC of the Income-tax Act, and such income exceeds,—

(i) fifty lakh rupees but does not exceed one crore rupees, the total amount payable as income-tax on such income and surcharge thereon shall not exceed the total amount payable as income-tax on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(ii) one crore rupees but does not exceed two crore rupees, the total amount payable as income-tax on such income and surcharge thereon shall not exceed the total amount payable as income-tax and surcharge on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees;

(iii) two crore rupees, the total amount payable as income-tax on such income and surcharge thereon shall not exceed the total amount payable as income-tax and surcharge on a total income of two crore rupees by more than the amount of income that exceeds two crore rupees:

Provided also that in case of every co-operative society resident in India, whose income is chargeable to tax under section 115BAD or section 115BAE of the Income-tax Act, the income-tax computed under this sub-section shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of ten per cent. of such income-tax.

Provided also that in the case of a specified fund, referred to in clause (*c*) of the *Explanation* to clause (*4D*) of section 10 of the Income-tax Act, whose income includes any income under clause (*a*) of sub-section (*1*) of section 115AD of the Income-tax Act, the income-tax computed on that part of income shall not be increased by any surcharge.

(*4*) In cases in which tax has to be charged and paid under sub-section (2A) of section 92CE or section 115QA or section 115TD of the Income-tax Act, the tax shall be charged and paid at the rates as specified in those sections and shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of twelve per cent. of such tax.

(*5*) In cases in which tax has to be deducted under sections 193, 194A, 194B, 194BA, 194BB, 194D, 194LBA, 194LBB, 194LBC and 195 of the Income-tax Act, at the rates in force, the deductions shall be made at the rates specified in Part II of the First Schedule and shall be increased by a surcharge, for the purposes of the Union, calculated in cases wherever prescribed, in the manner provided therein.

(*6*) In cases in which tax has to be deducted under sections 192A, 194, 194C, 194DA, 194E, 194EE, 194G, 194H, 194-I, 194-IA, 194-IB, 194-IC, 194J, 194LA, 194LB, 194LBA, 194LBB, 194LBC, 194LC, 194LD, 194K, 194M, 194N, 194-O, 194Q, 194R, 194S, 194T, 196A, 196B, 196C and 196D of the Income-tax Act, the deductions shall be made at the rates specified in those sections and shall be increased by a surcharge, for the purposes of the Union,—

(*a*) in the case of every individual or Hindu undivided family or association of persons, except in case of an association of persons consisting of only companies as its members, or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (*vii*) of clause (*31*) of section 2 of the Income-tax Act, being a non-resident except in case of deduction on income by way of dividend under section 196D of the Income-tax Act, calculated,—

(*i*) at the rate of ten per cent. of such tax, where the income or the aggregate of such incomes paid or likely

to be paid and subject to the deduction exceeds fifty lakh rupees but does not exceed one crore rupees;

(*ii*) at the rate of fifteen per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees but does not exceed two crore rupees;

(*iii*) at the rate of twenty-five per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds two crore rupees but does not exceed five crore rupees;

(*iv*) at the rate of thirty-seven per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds five crore rupees:

Provided that where the income of such person is chargeable to tax under sub-section (*1A*) of section 115BAC of the Income-tax Act, the rate of surcharge shall not exceed twenty-five per cent.;

(*b*) in the case of every individual or Hindu undivided family or association of persons except in case of association of persons consisting of only companies as its members, or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (*vii*) of clause (*31*) of section 2 of the Income-tax Act, being a non-resident, in case of deduction on income by way of dividend under section 196D of the Act, calculated,—

(*i*) at the rate of ten per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds fifty lakh rupees but does not exceed one crore rupees;

(*ii*) at the rate of fifteen per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees;

(*c*) in the case of an association of persons being a non-resident, and consisting of only companies as its members, calculated,—

(*i*) at the rate of ten per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds fifty lakh rupees but does not exceed one crore rupees;

(*ii*) at the rate of fifteen per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees;

(*d*) in the case of every co-operative society, being a non-resident, calculated,—

(*i*) at the rate of seven per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees but does not exceed ten crore rupees;

(*ii*) at the rate of twelve per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds ten crore rupees;

(*e*) in the case of every firm, being a non-resident, calculated at the rate of twelve per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees;

(*f*) in the case of every company, other than a domestic company, calculated,—

(*i*) at the rate of two per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees but does not exceed ten crore rupees;

(*ii*) at the rate of five per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds ten crore rupees.

(*7*) In cases in which tax has to be collected under the proviso to section 194B of the Income-tax Act, the collection shall be made at the rates specified in Part II of the First Schedule, and shall be increased by a surcharge, for the purposes of the Union, calculated, in cases wherever prescribed, in the manner provided therein.

(*8*) In cases in which tax has to be collected under section 206C of the Income-tax Act, the collection shall be made at the rates specified in that section and shall be increased by a surcharge, for the purposes of the Union,—

(*a*) in the case of every individual or Hindu undivided family or association of persons, except in case of an association of persons consisting of only companies as its members, or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (*vii*) of clause (*31*) of section 2 of the Income-tax Act, being a non-resident, calculated,—

(*i*) at the rate of ten per cent. of such tax, where the amount or the aggregate of such amounts collected or likely to be collected and subject to the collection exceeds fifty lakh rupees but does not exceed one crore rupees;

(*ii*) at the rate of fifteen per cent. of such tax, where the amount or the aggregate of such amounts collected or likely to be collected and subject to the collection exceeds one crore rupees but does not exceed two crore rupees;

(*iii*) at the rate of twenty-five per cent. of such tax, where the amount or the aggregate of such amounts collected or likely to be collected and subject to the collection exceeds two crore rupees but does not exceed five crore rupees;

(*iv*) at the rate of thirty-seven per cent. of such tax, where the amount or the aggregate of such amounts collected or likely to be collected and subject to the collection exceeds five crore rupees:

Provided that where the income of such person is chargeable to tax under sub-section (*1A*) of section 115BAC of the Income-tax Act, the rate of surcharge shall not exceed twenty-five per cent.;

(*b*) in the case of an association of persons, being a non-resident, and consisting of only companies as its members, calculated,—

(*i*) at the rate of ten per cent. of such tax, where the amount or the aggregate of such amounts collected or likely to be collected and subject to the collection exceeds fifty lakh rupees but does not exceed one crore rupees;

(*ii*) at the rate of fifteen per cent. of such tax, where the amount or the aggregate of such amounts collected or likely to be collected and subject to the collection exceeds one crore rupees;

(*c*) in the case of every co-operative society, being a non-resident, calculated,—

(*i*) at the rate of seven per cent. of such tax, where the amount or the aggregate of such amounts collected or likely to be collected and subject to the collection exceeds one crore rupees but does not exceed ten crore rupees;

(*ii*) at the rate of twelve per cent. of such tax, where the amount or the aggregate of such amounts collected or likely to be collected and subject to the collection exceeds ten crore rupees;

(*d*) in the case of every firm, being a non-resident, calculated at the rate of twelve per cent. of such tax, where the amount or the aggregate of such amounts collected or likely to be collected and subject to the collection exceeds one crore rupees;

(*e*) in the case of every company, other than a domestic company, calculated,—

(*i*) at the rate of two per cent. of such tax, where the amount or the aggregate of such amounts collected or likely to be collected and subject to the collection exceeds one crore rupees but does not exceed ten crore rupees;

(*ii*) at the rate of five per cent. of such tax, where the amount or the aggregate of such amounts collected or likely to be collected and subject to the collection exceeds ten crore rupees.

(*9*) Subject to the provisions of sub-section (*10*), in cases in which income-tax has to be charged under sub-section (*4*) of section 172 or sub-section (*2*) of section 174 or section 174A or section 175 or sub-section (*2*) of section 176 of the Income-tax Act or deducted from, or paid on, income chargeable under the head "Salaries" under section 192 of the said Act or deducted under section 194P of the said Act or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed at the rate or rates in force, such income-tax or, as the case may be, "advance tax" shall be charged, deducted or computed at the rate or rates specified in Part III of the First Schedule and such tax shall be increased by a surcharge, for the purposes of the Union, calculated in such cases and in such manner as provided therein:

Provided that in cases to which the provisions of Chapter XII or Chapter XII-A or section 115JB or section 115JC or Chapter XII-FA or Chapter XII-FB or sub-section (*1A*) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act apply, "advance tax" shall be computed with reference to the rates imposed by this sub-section or the rates as specified in that Chapter or section, as the case may be:

Provided further that the amount of "advance tax" computed as per the provisions of section 111A or section 112 or section 112A of the Income-tax Act shall be increased by a surcharge, for the purposes of the Union, as provided in Paragraph A, B, C, D or E, as the case may be, of Part III of the First Schedule except in case of a domestic company whose income is chargeable to tax under section 115BAA or section 115BAB of the Income-tax Act or in case of an individual or Hindu undivided family or association of persons, or body of individuals, whether incorporated or not, or an artificial juridical person referred to in sub-clause (*vii*) of clause (*31*) of section 2 of the Income-tax Act whose income is chargeable to tax under sub-section (*1A*) of section 115BAC of the Income-tax Act, or in case of a co-operative society resident in India whose income is chargeable to tax under section 115BAD or 115BAE of the Income-tax Act:

Provided also that in respect of any income chargeable to tax under sections 115A, 115AB, 115AC, 115ACA, 115AD, 115B, 115BA, 115BB, 115BBA, 115BBC, 115BBF, 115BBG, 115BBH, 115BBI, 115BBJ, 115E, 115JB or 115JC of the Income-tax Act, "advance tax" computed as per the first proviso shall be increased by a surcharge, for the purposes of the Union, calculated,—

(*a*) in the case of every individual or Hindu undivided family or association of persons, except in a case of an association of persons consisting of only companies as its members, or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (*vii*) of clause (*31*) of section 2 of the Income-tax Act, not having any income under section 115AD of the Income-tax Act, and not having any income chargeable to tax under sub-section (*1A*) of section 115BAC of the Income-tax Act,—

(*i*) at the rate of ten per cent. of such "advance tax", where the total income exceeds fifty lakh rupees but does not exceed one crore rupees;

(*ii*) at the rate of fifteen per cent. of such "advance tax", where the total income exceeds one crore rupees but does not exceed two crore rupees;

(*iii*) at the rate of twenty-five per cent. of such "advance tax", where the total income exceeds two crore rupees but does not exceed five crore rupees;

(*iv*) at the rate of thirty-seven per cent. of such "advance tax", where the total income exceeds five crore rupees;

(*b*) in the case of every individual or association of persons, except in case of an association of persons consisting of only companies as its members, or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (*vii*) of clause (*31*) of section 2 of the Income-tax Act, having income under section 115AD of the Income-tax Act, and not having any income chargeable to tax under sub-section (*1A*) of section 115BAC of the Income-tax Act,—

(*i*) at the rate of ten per cent. of such "advance tax", where the total income exceeds fifty lakh rupees, but does not exceed one crore rupees;

(*ii*) at the rate of fifteen per cent. of such "advance tax", where the total income exceeds one crore rupees but does not exceed two crore rupees;

(*iii*) at the rate of twenty-five per cent. of such "advance tax", where the total income [excluding the income by way of dividend and income of the nature referred to in clause (*b*) of sub-section (*1*) of section 115AD of the Income-tax Act] exceeds two crore rupees but does not exceed five crore rupees;

(*iv*) at the rate of thirty-seven per cent. of such "advance tax", where the total income [excluding the income by way of dividend or income of the nature referred to in clause (*b*) of sub-section (*1*) of section 115AD of the Income-tax Act] exceeds five crore rupees;

(*v*) at the rate of fifteen per cent. of such "advance tax", where the total income [including the income by way of dividend or income of the nature referred to in clause (*b*) of sub-section (*1*) of section 115AD of the Income-tax Act] exceeds two crore rupees but is not covered in sub-clauses (*iii*) and (*iv*):

Provided that in case where the total income includes any income by way of dividend or income chargeable under clause (*b*) of sub-section (*1*) of section 115AD of the Income-tax Act, the rate of surcharge on the advance tax computed on that part of income shall not exceed fifteen per cent.;

(*c*) in the case of an association of persons consisting of only companies as its members,—

(*i*) at the rate of ten per cent. of such "advance tax", where the total income exceeds fifty lakh rupees but does not exceed one crore rupees;

(*ii*) at the rate of fifteen per cent. of such "advance tax", where the total income exceeds one crore rupees;

(*d*) in the case of every co-operative society except such co-operative society whose income is chargeable to tax under section 115BAD or section 115BAE of the Income-tax Act,–

(*i*) at the rate of seven per cent. of such "advance tax", where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(*ii*) at the rate of twelve per cent. of such "advance tax", where the total income exceeds ten crore rupees;

(*e*) in the case of every firm or local authority at the rate of twelve per cent. of such "advance tax", where the total income exceeds one crore rupees;

(*f*) in the case of every domestic company except such domestic company whose income is chargeable to tax under section 115BAA or section 115BAB of the Income-tax Act,—

(*i*) at the rate of seven per cent. of such "advance tax", where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(*ii*) at the rate of twelve per cent. of such "advance tax", where the total income exceeds ten crore rupees;

(*g*) in the case of every company, other than a domestic company,—

(*i*) at the rate of two per cent. of such "advance tax", where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(*ii*) at the rate of five per cent. of such "advance tax", where the total income exceeds ten crore rupees:

Provided also that in the case of persons mentioned in (*a*) and (*b*) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds,—

(*i*) fifty lakh rupees but does not exceed one crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon shall not exceed the total amount payable as "advance tax" on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(*ii*) one crore rupees but does not exceed two crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon shall not exceed the total amount payable as "advance tax" and surcharge on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees;

(*iii*) two crore rupees but does not exceed five crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon shall not exceed the total amount payable as "advance tax" and surcharge on a total income of two crore rupees by more than the amount of income that exceeds two crore rupees;

(*iv*) five crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon shall not exceed the total amount payable as "advance tax" and surcharge on a total income of five crore rupees by more than the amount of income that exceeds five crore rupees:

Provided also that in the case of association of persons mentioned in (*c*) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds,—

(*i*) fifty lakh rupees, but does not exceed one crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon shall not exceed the total amount payable as "advance tax" on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(*ii*) one crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon shall not exceed the total amount payable as "advance tax" and surcharge on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of a co-operative society mentioned in (*d*) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds,—

(*i*) one crore rupees, but does not exceed ten crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon, shall not exceed the total amount payable as "advance tax" on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees;

(*ii*) ten crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon, shall not exceed the total amount payable as "advance tax" and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees:

Provided also that in the case of persons mentioned in (*e*) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds one crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon, shall not exceed the total amount payable as "advance tax" on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds one crore rupees but does not exceed ten crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon, shall not exceed the total amount payable as "advance tax" on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds ten crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon, shall not exceed the total amount payable as "advance tax" and surcharge on a total income

of ten crore rupees by more than the amount of income that exceeds ten crore rupees:

Provided also that in respect of any income chargeable to tax under clause (*i*) of sub-section (*1*) of section 115BBE of the Income-tax Act, the "advance tax" computed as per the first proviso shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of twenty-five per cent. of such "advance tax":

Provided also that in case of every domestic company whose income is chargeable to tax under section 115BAA or section 115BAB of the Income-tax Act, the "advance tax" computed as per the first proviso shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of ten per cent. of such "advance tax":

Provided also that in respect of income chargeable to tax under sub-section (*1A*) of section 115BAC of the Income-tax Act, the "advance tax" computed as per the first proviso shall be increased by a surcharge, for the purposes of the Union, calculated, in the case of an individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (*vii*) of clause (*31*) of section 2 of the Income-tax Act,—

(*i*) having a total income (including the income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) exceeding fifty lakh rupees but not exceeding one crore rupees, at the rate of ten per cent. of such "advance-tax";

(*ii*) having a total income (including the income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) exceeding one crore rupees but not exceeding two crore rupees, at the rate of fifteen per cent. of such "advance-tax";

(*iii*) having a total income (excluding the income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) exceeding two crore rupees, at the rate of twenty-five per cent. of such "advance-tax"; and

(*iv*) having a total income (including the income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) exceeding two crore rupees, but is not covered under

clause (*iii*) above, at the rate of fifteen per cent. of such "advance-tax":

Provided also that in case where the provisions of sub-section (*1A*) of section 115BAC are applicable and the total income includes any income by way of dividend or income chargeable under sections 111A, 112 and 112A of the Income-tax Act, the rate of surcharge on the "advance-tax" in respect of that part of income shall not exceed fifteen per cent.:

Provided also that in case an association of persons consisting of only companies as its members, and having its income chargeable to tax under sub-section (1A) of section 115BAC, the rate of surcharge on the "advance tax" shall not exceed fifteen per cent.:

Provided also that in case of every individual or Hindu undivided family or association of persons, or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (*vii*) of clause (*31*) of section 2 of the Income-tax Act, whose income is chargeable to tax under sub-section (*1A*) of section 115BAC of the Income-tax Act having total income exceeding,—

(*i*) fifty lakh rupees but does not exceed one crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon shall not exceed the total amount payable as "advance tax" on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(*ii*) one crore rupees but does not exceed two crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon shall not exceed the total amount payable as "advance tax" and surcharge on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees;

(*iii*) two crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon shall not exceed the total amount payable as "advance tax" and surcharge on a total income of two crore rupees by more than the amount of income that exceeds two crore rupees:

Provided also that in case of every co-operative society resident in India whose income is chargeable to tax under section 115BAD or section 115BAE of the Income-tax Act, the "advance tax" computed as per the first proviso shall be

increased by a surcharge, for the purposes of the Union, calculated at the rate of ten per cent. of such "advance tax":

Provided also that in the case of a specified fund, referred to in clause (*c*) of the *Explanation* to clause (*4D*) of section 10 of the Income-tax Act, whose income includes any income under clause (*a*) of sub-section (*1*) of section 115AD of the Income-tax Act, the advance tax computed on that part of income shall not be increased by any surcharge.

(*10*) In cases to which Paragraph A of Part III of the First Schedule applies, or in cases where income is chargeable to tax under sub-section (*1A*) of section 115BAC of the Income-tax Act, where the assessee has, in the previous year or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year, in such other period, any net agricultural income exceeding five thousand rupees, in addition to total income and the total income exceeds two lakh fifty thousand rupees, then, in charging income-tax under sub-section (*2*) of section 174 or section 174A or section 175 or sub-section (*2*) of section 176 of the said Act or in computing the "advance tax" payable under Chapter XVII-C of the said Act, at the rate or rates in force,—

(*a*) the net agricultural income shall be taken into account, in the manner provided in clause (*b*) that is to say, as if the net agricultural income were comprised in the total income after the first two lakh fifty thousand rupees of the total income but without being liable to tax, only for the purpose of charging or computing such income-tax or, as the case may be, "advance tax" in respect of the total income; and

(*b*) such income-tax or, as the case may be, "advance tax" shall be so charged or computed as follows:—

(*i*) the total income and the net agricultural income shall be aggregated and the amount of income-tax or "advance tax" shall be determined in respect of the aggregate income at the rates specified in the said Paragraph A, or sub-section (*1A*) of section 115BAC, as if such aggregate income were the total income;

(*ii*) the net agricultural income shall be increased by a sum of two lakh fifty thousand rupees, and the amount of income-tax or "advance tax" shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Paragraph A, or sub-section (*1A*) of section 115BAC, as if the net agricultural income were the total income;

(*iii*) the amount of income-tax or "advance tax" determined as per sub-clause (*i*) shall be reduced by the amount of income-tax or, as the case may be, "advance tax" determined as per sub-clause (*ii*) and the sum so arrived at shall be the income-tax or, as the case may be, "advance tax" in respect of the total income:

Provided that in the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year, referred to in item (*II*) of Paragraph A of Part III of the First Schedule, the provisions of this sub-section shall have effect as if for the words "two lakh fifty thousand rupees", the words "three lakh rupees" had been substituted:

Provided further that in the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year, referred to in item (*III*) of Paragraph A of Part III of the First Schedule, the provisions of this sub-section shall have effect as if for the words "two lakh fifty thousand rupees", the words "five lakh rupees" had been substituted:

Provided also that in the cases where income is chargeable to tax under sub-section (*1A*) of section 115BAC of the Income-tax Act, the provisions of this sub-section shall have effect as if for the words "two lakh fifty thousand rupees", the words "four lakh rupees" had been substituted:

Provided also that the amount of income-tax or "advance tax" so arrived at, shall be increased by a surcharge for the purposes of the Union, calculated in each case, in the manner provided in this section.

(*11*) The amount of income-tax as specified in sub-sections (*1*) to (*3*) and as increased by the applicable surcharge, for the purposes of the Union, calculated in the manner provided therein, shall be further increased by an additional surcharge, for the purposes of the Union, to be called the "Health and Education Cess on income-tax", calculated at the rate of four per cent. of such income-tax and surcharge so as to fulfil the commitment of the Government to provide and finance quality health services and universalised quality basic education and secondary and higher education.

(*12*) The amount of income-tax as specified in sub-sections (*4*) to (*10*) and as increased by the applicable surcharge, for the purposes of the Union, calculated in the manner provided therein, shall be further increased by an additional surcharge,

for the purposes of the Union, to be called the "Health and Education Cess on income-tax", calculated at the rate of four per cent. of such income-tax and surcharge so as to fulfil the commitment of the Government to provide and finance quality health services and universalised quality basic education and secondary and higher education:

Provided that nothing contained in this sub-section shall apply to cases in which tax is to be deducted or collected under the sections of the Income-tax Act mentioned in sub-sections (*5*), (*6*), (*7*) and (*8*), if the income subjected to deduction of tax at source or collection of tax at source is paid to a domestic company and any other person who is resident in India:

Provided further that nothing contained in this sub-section shall apply in respect of income-tax as specified in sub-section (*9*), calculated on income, referred to in clause (*a*) of sub-section (*1*) of section 115AD of the Income-tax Act, of specified fund referred to in clause (*c*) of the *Explanation* to clause (*4D*) of section 10 of the Income-tax Act.

(*13*) For the purposes of this section and the First Schedule,—

(*a*) "domestic company" means an Indian company or any other company which, in respect of its income liable to income-tax under the Income-tax Act, for the assessment year commencing on the 1st April, 2025, has made the prescribed arrangements for the declaration and payment within India of the dividends (including dividends on preference shares) payable out of such income;

(*b*) "insurance commission" means any remuneration or reward, whether by way of commission or otherwise, for soliciting or procuring insurance business (including business relating to the continuance, renewal or revival of policies of insurance);

(*c*) "net agricultural income" in relation to a person, means the total amount of agricultural income, from whatever source derived, of that person computed as per the rules contained in Part IV of the First Schedule;

(*d*) all other words and expressions used in this section and the First Schedule but not defined in this sub-section and defined in the Income-tax Act shall have the meanings, respectively, assigned to them in that Act.

CHAPTER III

DIRECT TAXES

Income-tax

3. In section 2 of the Income-tax Act,— Amendment of section 2.

(*a*) in clause (*14*), with effect from the 1st April, 2026,–

(*i*) in sub-clause (*b*), after the words "Foreign Institutional Investor", the words, brackets, letters and figures "or held by an investment fund specified in clause (a) of *Explanation* 1 to section 115UB" shall be inserted;

(*ii*) in sub-clause (*c*), the words "on account of the applicability of the fourth and fifth provisos thereof" shall be omitted;

(*b*) in clause (*22*),—

(*i*) in the long line, after sub-clause (*ii*), the following sub-clause shall be inserted, namely:—

'(*iia*) any advance or loan between two group entities, where,—

(*A*) one of the group entity is a "Finance company" or a "Finance unit"; and

(*B*) the parent entity or principal entity of such group is listed on stock exchange in a country or territory outside India other than the country or territory outside India as may be specified by the Board in this behalf;';

(*ii*) in *Explanation* 3, after clause (*b*), the following clauses shall be inserted, namely:—

'(*c*) "Finance Company" and "Finance Unit" shall have the same meaning as assigned respectively to them in clauses (*e*) and (*f*) 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: 50 of 2019.

Provided that such Finance Company or Finance Unit, is set up as a global or regional corporate treasury centre for undertaking treasury activities or

treasury services as per the relevant regulations made by the International Financial Services Centres Authority established under section 4 of the said Act;

(d) "group entity", "parent entity" and "principal entity" shall be such entities which satisfy such conditions as prescribed in this behalf.';

(*c*) in clause (*47A*), after sub-clause (*c*) and before the proviso, the following sub-clause shall be inserted with effect from the 1st April, 2026, namely:—

"(*d*) any crypto-asset being a digital representation of value that relies on a cryptographically secured distributed ledger or a similar technology to validate and secure transactions, whether or not such asset is included in sub-clause (*a*) or sub-clause (*b*) or sub-clause (*c*):".

Amendment of section 9.

4. In section 9 of the Income-tax Act, in sub-section (*1*), with effect from the 1st April, 2026,—

(*a*) in clause (*i*), in *Explanation* 2A, after the first proviso, the following proviso shall be inserted, namely:—

"Provided further that the transactions or activities which are confined to the purchase of goods in India for the purpose of export shall not constitute significant economic presence in India:";

(*b*) in the second proviso, for the words "Provided further", the words "Provided also" shall be substituted.

Amendment of section 9A.

5. In section 9A of the Income-tax Act,—

(*a*) in sub-section (*3*), in clause (*c*),—

(*i*) after the words "the corpus of the fund", the words, figures and letters "as on the first day of April and the first day of October of the previous year" shall be inserted;

(*ii*) after the proviso, the following proviso shall be inserted, namely:—

"Provided further that where the said aggregate participation or investment in the fund exceeds five per cent. on the first day of April or the first day of October of the previous year, the condition mentioned in this clause shall be deemed to be satisfied, if it is satisfied within four months of the

first day of April or the first day of October of such previous year, as the case may be;";

(*b*) in sub-section (*8A*),—

(*i*) after the words, brackets and letters "in clauses (*a*) to (*m*)", the brackets, words and letter "[other than clause (*c*)]" shall be inserted;

(*ii*) for the figures "2024", the figures "2030" shall be substituted.

Amendment of section 10.

6. In section 10 of the Income-tax Act,—

(*a*) in clause (*4D*), in the *Explanation*, in clause (*aa*), for the figures "2025", the figures "2030" shall be substituted;

(*b*) in clause (*4E*), with effect from the 1st April, 2026,–

(*i*) in the long line, after the word, figures and letters "section 80LA", the words "or any Foreign Portfolio Investor being a unit of an International Financial Services Centre" shall be inserted;

(*ii*) the following *Explanation* shall be inserted, namely:–

'*Explanation*.—For the purposes of this clause, "Foreign Portfolio Investor" means a person registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 made under the Securities and Exchange Board of India Act, 1992;';

15 of 1992.

(*c*) in clause (*4F*), for the figures "2025", the figures "2030" shall be substituted;

(*d*) in clause (*4H*),—

(*i*) in the opening portion,—

(*A*) for the word "aircraft" at both the places where it occurs, the words "aircraft or a ship" shall be substituted;

(*B*) for the figures "2026", the figures "2030" shall be substituted;

(*ii*) for the *Explanation*, the following *Explanation* shall be substituted, namely:—

'*Explanation.*—For the purposes of this clause,–

(*a*) "aircraft" means an aircraft or a helicopter, or an engine of an aircraft or a helicopter, or any part thereof;

(*b*) "ship" means a ship or an ocean vessel, engine of a ship or ocean vessel, or any part thereof;';

(*e*) in clause (*10D*), for the eighth proviso, the following proviso shall be substituted, namely:—

'Provided also that the provisions of the fourth, fifth, sixth and seventh provisos shall not apply to any sum received—

(*a*) on the death of a person; or

(*b*) under a life insurance policy issued by the International Financial Services Centre insurance intermediary office, including the sum allocated by way of bonus on such policy.

Explanation.—For the purposes of this proviso, "International Financial Services Centre insurance intermediary office" shall have the same meaning as assigned to it in clause (*s*) of sub-regulation (*1*) of regulation 3 of the International Financial Services Centres Authority (Insurance Intermediary) Regulations, 2021, made under the International Financial Services Centres Authority Act, 2019;';

50 of 2019.

(*f*) after clause (*12B*), the following clause shall be inserted with effect from the 1st April, 2026, namely:—

"(*12BA*) any payment from the National Pension System Trust to an assessee, being the parent or guardian of a minor, under the pension scheme referred to in section 80CCD, on partial withdrawal made out of the account of the minor, as per the terms and conditions, specified under the Pension Fund Regulatory and Development Authority Act, 2013 and the regulations made thereunder, to the extent it does not exceed twenty-five per cent. of the amount of contributions made by him;";

23 of 2013.

(*g*) in clause (*23FE*),—

(*i*) in the opening portion, after the words "long-term capital gains", the brackets, words, figures and letters "(whether or not such capital gains are deemed as short-term capital gains under section 50AA)" shall be inserted;

(*ii*) in sub-clause (*i*), for the figures "2025", the figures "2030" shall be substituted;

(*h*) in clause (*34B*),—

(*i*) for the word "aircraft" at both the places where it occurs, the words "aircraft or a ship" shall be substituted;

(*ii*) for the *Explanation*, the following *Explanation* shall be substituted, namely:—

'*Explanation*.—For the purposes of this clause,—

(*a*) "aircraft" means an aircraft or a helicopter, or an engine of an aircraft or a helicopter, or any part thereof;

(*b*) "International Financial Services Centre" shall have the same meaning as assigned to it in clause (*q*) of section 2 of the Special Economic Zones Act, 2005;

28 of 2005.

(*c*) "ship" means a ship or an ocean vessel, engine of a ship or ocean vessel, or any part thereof;'.

Amendment of section 12AB.

7. In section 12AB of the Income-tax Act,—

(*a*) in sub-section (*1*), the following proviso shall be inserted, namely:—

'Provided that where an application is made under sub-clauses (*i*) to (*v*) of the said clause, and the total income of such trust or institution, without giving effect to the provisions of sections 11 and 12, does not exceed rupees five crores during each of the two previous years, preceding the previous year in which such application is made, the provisions of this sub-section shall have effect as if for the words "five years", the words "ten years" had been substituted.';

(b) in sub-section (4), in the *Explanation*, in clause (g), the words "is not complete or it" shall be omitted.

8. In section 13 of the Income-tax Act, in sub-section (3),— Amendment of section 13.

(*i*) for clause (*b*), the following clause shall be substituted, namely:—

"(*b*) any person whose total contribution to the trust or institution, during the relevant previous year exceeds one lakh rupees, or, in aggregate up to the end of the relevant previous year exceeds ten lakh rupees, as the case may be;";

(*ii*) in clause (*d*), the word "person," shall be omitted;

(*iii*) in clause (*e*), the brackets and letter "(*b*)," shall be omitted.

9. In section 17 of the Income-tax Act, in clause (*2*), with effect from the 1st April, 2026,— Amendment of section 17.

(*a*) in sub-clause (*iii*), in paragraph (*c*), for the words "fifty thousand rupees", the words "such amount as may be prescribed" shall be substituted;

(*b*) in the proviso occurring after sub-clause (*viii*), in clause (*vi*), in the long line, in clause (*B*), for the words "two lakh rupees", the words "such amount as may be prescribed" shall be substituted.

10. In section 23 of the Income-tax Act, for sub-section (*2*), the following sub-section shall be substituted, namely:— Amendment of section 23.

"(*2*) The annual value of the property consisting of a house or any part thereof shall be taken as nil, if the owner occupies it for his own residence or cannot actually occupy it due to any reason.".

11. After section 44BBC of the Income-tax Act, the following section shall be inserted, with effect from the 1st April, 2026, namely:— Insertion of new section 44BBD.

'44BBD. (*1*) Notwithstanding anything to the contrary contained in sections 28 to 43A, where an assessee, being a non-resident, engaged in the business of providing services or technology in India, for the purposes of setting up an electronics manufacturing facility or in connection with manufacturing or producing electronic goods, article or thing in India— Special provision for computing profits and gains of non-residents engaged in business of providing services or technology for setting up an

(*a*) to a resident company which is establishing or operating electronics manufacturing facility or a connected facility for manufacturing or producing electronic goods, article or thing in India, under a scheme notified by the Central Government in the Ministry of Electronics and Information Technology; and

electronics manufacturing facility or in connection with manufacturing or producing electronic goods, article or thing in India.

(*b*) the resident company satisfies the conditions prescribed in this behalf,

a sum equal to twenty-five 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 of the non-resident assessee 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: —

(*a*) the amount paid or payable to the non-resident assessee or to any person on his behalf on account of providing services or technology; and

(*b*) the amount received or deemed to be received by the non-resident assessee or on behalf of non-resident assessee on account of providing services or technology.

(*3*) Notwithstanding anything in sub-section (*2*) of section 32 and sub-section (*1*) of section 72, where a non-resident assessee declares profits and gains of business for any previous year under sub-section (*1*), no set off of unabsorbed depreciation and brought forward loss shall be allowed to the assessee for such previous year.'.

12. In section 45 of the Income-tax Act, in sub-section (*1B*), the words "on account of the applicability of the fourth and fifth provisos thereof" shall be omitted with effect from the 1st April, 2026.

Amendment of section 45.

13. In section 47 of the Income-tax Act, in clause (*viiad*), in the *Explanation*,—

Amendment of section 47.

(*i*) for clause (*c*), the following clause shall be substituted with effect from the 1st April, 2026, namely:—

'(*c*) "resultant fund" means a fund established or incorporated in India in the form of a trust or a company or a limited liability partnership, which is located in an

International Financial Services Centre as referred to in sub-section (1A) of section 80LA, and has been granted–

(*i*) a certificate of registration as a Category I or Category II or 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 or regulated under the International Financial Services Centres Authority (Fund Management) Regulations, 2022 made under the International Financial Services Centres Authority Act, 2019; or

15 of 1992.

50 of 2019.

(*ii*) a certificate as a retail scheme or an Exchange Traded Fund as per item (*b*) of sub-clause (*I*) of clause (*c*) of the *Explanation* to clause (*4D*) of section 10 which fulfils the conditions specified in the said clause (4D).';

(*ii*) in clause (*b*), for the figures "2025", the figures "2030" shall be substituted.

Amendment of section 72A.

14. In section 72A of the Income-tax Act, with effect from the 1st April, 2026,—

(*i*) after sub-section (*6A*), the following sub-section shall be inserted, namely:—

"(*6B*) Where any amalgamation or business reorganisation, as the case may be, is effected on or after the 1st April, 2025, any loss forming part of the accumulated loss of the predecessor entity under sub-section (*1*), (*6*) or (*6A*), being—

(*a*) the amalgamating company; or

(*b*) the firm or proprietary concern; or

(*c*) the private company or unlisted public company,

as the case may be, which is deemed to be the loss of the successor entity, being—

(*i*) the amalgamated company; or

(*ii*) the successor company; or

(*iii*) the successor limited liability partnership,

as the case may be, shall be carried forward in the hands of the successor entity for not more than eight assessment years immediately succeeding the assessment year for which such loss was first computed for original predecessor entity.";

(*ii*) in sub-section (*7*), after clause (*aa*), the following clause shall be inserted, namely:—

'(*ab*) "original predecessor entity" means predecessor entity in respect of the first amalgamation under sub-section (*1*) or first business reorganisation under sub-section (*6*) or (*6A*).'.

Amendment of section 72AA.

15. In section 72AA of the Income-tax Act, with effect from the 1st April, 2026,—

(*i*) the following proviso shall be inserted, namely:—

"Provided that where any scheme of such amalgamation is brought into force on or after the 1st April, 2025, any loss forming part of the accumulated loss of the predecessor entity, being—

(*a*) the banking company or companies; or

(*b*) the amalgamating corresponding new bank or banks; or

(*c*) the amalgamating Government company or companies,

as the case may be, which is deemed to be the loss of the successor entity, being—

(*i*) the banking institution or company; or

(*ii*) the amalgamated corresponding new bank or banks; or

(*iii*) the amalgamated Government company or companies,

as the case may be, shall be carried forward in the hands of the successor entity for not more than eight assessment years immediately succeeding the assessment year for which such loss was first computed for original predecessor entity.";

(*ii*) in the *Explanation*, after clause (*vii*), the following clause shall be inserted, namely: —

'(*viii*) "original predecessor entity" means predecessor entity in respect of the first amalgamation.'.

Amendment of section 80CCA.

16. In section 80CCA of the Income-tax Act, in sub-section (*2*), after the first proviso, the following proviso shall be inserted and shall be deemed to have been inserted with effect from the 29th August, 2024, namely:—

"Provided further that the amount referred to in clause (*a*) which is withdrawn on or after the 29th August, 2024, shall not be charged to tax in the case of an assessee, being an individual.".

Amendment of section 80CCD.

17. In section 80CCD of the Income-tax Act, with effect from the 1st April, 2026, —

(*a*) in sub-section (*1B*), after the proviso, the following proviso shall be inserted, namely:—

"Provided further that the deduction under this sub-section shall also be allowed, where any payment or deposit is made to the account of a minor under the pension scheme referred to in the said sub-section, by the assessee, being the parent or guardian of such minor, subject to the condition that the aggregate amount of deduction under this sub-section shall not exceed fifty thousand rupees.";

(*b*) in sub-section (*3*),—

(*i*) in the opening portion, for the words "in his account", the words "or a minor, in his account or the account of a minor, as the case may be," shall be substituted;

(*ii*) after the proviso, the following proviso shall be inserted, namely:—

"Provided further that the amount received by a person, being the parent or guardian or nominee of a minor, on account of closure of the pension scheme referred to in sub-section (1B) due to the death of the minor, shall not be deemed to be the income of such person.";

(*c*) in sub-section (*4*), in the opening portion, after the words "Where any amount paid or deposited by the

assessee", the words "in his account or the account of a minor" shall be inserted.

Amendment of section 80-IAC.

18. In section 80-IAC of the Income-tax Act, in the *Explanation*, in clause (*ii*), in sub-clause (*a*), for the figures "2025", the figures "2030" shall be substituted.

Amendment of section 80LA.

19. In section 80LA of the Income-tax Act, in sub-section (*2*), in clause (*d*), for the figures "2025", the figures "2030" shall be substituted.

Amendment of section 87A.

20. In section 87A of the Income-tax Act, with effect from the 1st April, 2026,—

(*a*) in first proviso,—

(*i*) in clause (*a*),—

(*I*) for the words "seven hundred thousand rupees", the words "twelve hundred thousand rupees" shall be substituted;

(*II*) for the words "twenty-five thousand rupees", the words "sixty thousand rupees" shall be substituted;

(*ii*) in clause (*b*), for the words "seven hundred thousand rupees" at both the places where they occur, the words "twelve hundred thousand rupees" shall be substituted;

(*b*) after the proviso, the following proviso shall be inserted, namely:—

"Provided further that the deduction under the first proviso, shall not exceed the amount of income-tax payable as per the rates provided in sub-section (*1A*) of section 115BAC.".

Amendment of section 92CA.

21. In section 92CA of the Income-tax Act,—

(*a*) with effect from the 1st April, 2026,—

(*i*) in sub-section (*1*), the following provisos shall be inserted, namely:—

"Provided that no reference for computation of the arm's length price in relation to an international transaction or a specified domestic transaction shall be made, if the Transfer Pricing Officer has declared

that option exercised by the assessee in sub-section (3B) in relation to such transaction is valid for such previous year:

Provided further that if any reference for an international transaction or a specified domestic transaction, in respect of a previous year, for which the option is declared valid under sub-section (3B) is made before or after such declaration by the Transfer Pricing Officer, the provisions of this sub-section shall have the effect as if no reference is made for such transaction.";

(*ii*) after sub-section (*3A*), the following sub-section shall be inserted, namely:—

"(*3B*) The arm's length price, being determined in relation to the international transaction or the specified domestic transaction under sub-section (*3*) for any previous year shall apply to similar international transaction or specified domestic transaction for the two consecutive previous years immediately following such previous year, on fulfilment of the following conditions, namely:—

(*a*) the assesee exercises an option or options to the above effect for the said two consecutive previous years;

(*b*) such option or options are exercised in such form, manner and within such period as prescribed; and,

(*c*) the Transfer Pricing Officer shall, within one month from the end of the month in which such option or options are exercised, by an order in writing, declare that such option or options are valid subject to the conditions, as prescribed:

Provided that the provisions of this sub-section shall not apply to any proceedings under Chapter XIV-B.";

(*iii*) after sub-section (*4*), the following sub-section shall be inserted, namely:—

"(*4A*) Notwithstanding anything contained in sub-section (*4*), where the Transfer Pricing Officer has declared an option exercised by the assessee as valid option under sub-section (*3B*), he shall examine

and determine the arm's length price in relation to such similar transaction for two consecutive previous years immediately following such previous year, in the order referred to in sub-section (*3*) and on receipt of such order, the Assessing Officer shall proceed to recompute the total income of the assessee for the said two consecutive previous years as per the provisions of sub-section (*21*) of section 155.";

(*b*) in sub-section (*9*), the proviso shall be omitted;

(*c*) after sub-section (*10*), the following sub-sections shall be inserted with effect from the 1st April, 2026, namely:—

"(*11*) If any difficulty arises in giving effect to the provisions of sub-sections (*3B*) and (*4A*), the Board may, with the previous approval of the Central Government, issue guidelines for the purpose of removing such difficulty:

Provided that no such guideline shall be made after the expiration of two years from the 1st April, 2026.

(*12*) Every guideline issued by the Board under sub-section (*11*) shall be laid before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive session aforesaid, both houses agree in making any modification in such guideline or both Houses agree that the guideline, should not be issued, the guideline shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that guideline.".

Amendment of section 112A.

22. In section 112A of the Income-tax Act, in the *Explanation*, in clause (*a*), with effect from the 1st April, 2026,—

(*a*) in the opening portion, the words "on account of the applicability of the fourth and fifth provisos thereof" shall be omitted;

(*b*) in the second proviso, the words "on account of the applicability of the fourth and fifth provisos thereof" shall be omitted.

23. In section 115AD of the Income-tax Act, in sub-section (*1*), in clause (*iii*), in the long line, for the words "ten per cent.", the words "twelve and one-half per cent." shall be substituted with effect from the 1st April, 2026. Amendment of section 115AD.

24. In section 115BAC of the Income-tax Act, in sub-section (*1A*), with effect from the 1st April, 2026,— Amendment of section 115BAC.

(*a*) in clause (*ii*), the words "or after" shall be omitted;

(*b*) after clause (*ii*), the following clause shall be inserted, namely:—

"(*iii*) for any previous year relevant to the assessment year beginning on or after the 1st April, 2026, shall be computed at the rate of tax given in the following Table, namely:—

TABLE

S. No.	Total income	Rate of tax
(1)	(2)	(3)
1.	Upto Rs. 4,00,000	Nil
2.	From Rs. 4,00,001 to Rs. 8,00,000	5 per cent.
3.	From Rs. 8,00,001 to Rs. 12,00,000	10 per cent.
4.	From Rs. 12,00,001 to Rs. 16,00,000	15 per cent.
5.	From Rs. 16,00,001 to Rs. 20,00,000	20 per cent.
6.	From Rs. 20,00,001 to Rs. 24,00,000	25 per cent.
7.	Above Rs. 24,00,000	30 per cent.".

25. In section 115UA of the Income-tax Act, in sub-section (*2*), for the words, figures and letter "section 111A and section 112", the words, figures and letters "sections 111A, 112 and 112A" shall be substituted with effect from the 1st April, 2026. Amendment of section 115UA.

26. In section 115V of the Income-tax Act, with effect from the 1st April, 2026,— Amendment of section 115V.

(*i*) in clauses (*a*), (*b*), (*f*) and (*h*), for the word "ship", the words "ship or inland vessel, as the case may be," shall be substituted;

(*ii*) after clause (*e*), the following clause shall be inserted, namely:—

"(*ea*) "inland vessel" shall have the same meaning as assigned to it in clause (*q*) of section 3 of the Inland Vessels Act, 2021;".

24 of 2021.

Amendment of section 115VB.

27. In section 115VB of the Income-tax Act, with effect from the 1st April, 2026,—

(*a*) after the words "any ship", the words "or inland vessel, as the case may be," shall be inserted;

(*b*) after the words "the ship", the words "or inland vessel, as the case maybe," shall be inserted;

(*c*) in the proviso, after the words "a ship", the words "or inland vessel, as the case may be," shall be inserted.

Amendment of section 115VD.

28. In section 115VD of the Income-tax Act, with effect from the 1st April, 2026,—

(*i*) after the words "Chapter, a ship", the words "or inland vessel, as the case may be," shall be inserted;

(*ii*) in clause (*a*), after the words "or vessel", the words ", or inland vessel, as the case may be," shall be inserted;

(*iii*) in clause (*b*), after the words and figures "section 407 of the Merchant Shipping Act, 1958", the words and figures "or an inland vessel registered under the Inland Vessels Act, 2021, as the case may be," shall be inserted;

44 of 1958.

24 of 2021.

(*iv*) in clause (*c*), after the words "such ship", the words "or inland vessel, as the case may be," shall be inserted;

(*v*) after the long line, in clause (*i*), after the words "or vessel", the words "or inland vessel, as the case may be," shall be inserted.

Amendment of section 115VG.

29. In section 115VG of the Income-tax Act, in sub-section (*4*), after the words "a ship", the words "or inland vessel, as the case may be," shall be inserted with effect from the 1st April, 2026.

30. In section 115V-I of the Income-tax Act, with effect from the 1st April, 2026,— Amendment of section 115V-I.

(*a*) in sub-section (*2*), in clause (*ii*),—

(*i*) for the words "other ship-related activities", the words "other ship-related or inland vessel related activities, as the case may be," shall be substituted;

(*ii*) in sub-clause (*A*), in the *Explanation,* in clause (*a*), after the words "more ships", the words "or inland vessels, as the case may be," shall be inserted;

(*b*) in sub-section (*6*), after the words "any ship", the words "or inland vessel, as the case may be," shall be inserted.

31. In section 115VK of the Income-tax Act, in sub-section (*2*), after the words "being ships", the words "or inland vessels, as the case may be" shall be inserted with effect from the 1st April, 2026. Amendment of section 115VK.

32. In section 115VP of the Income-tax Act, after sub-section (*4*), the following proviso shall be inserted, namely:— Amendment of section 115VP.

"Provided that for an application received under sub-section (*1*) on or after the 1st April, 2025, order under sub-section (*3*) shall be passed before the expiry of three months from the end of the quarter in which such application was received.".

33. In section 115VT of the Income-tax Act, with effect from the 1st April, 2026,— Amendment of section 115VT.

(*i*) in sub-section (*3*), after the words "new ship" at both the places where they occur, the words "or new inland vessel, as the case may be" shall be inserted;

(*ii*) in sub-section (*4*), in clause (*c*), for the words, brackets, letter and figure "as specified in clause (*a*) of sub-section (*3*), but such ship", the words, brackets, letter and figure, "or new inland vessel, as the case may be, as specified in clause (*a*) of sub-section (*3*), but such ship or inland vessel, as the case may be," shall be substituted;

(*iii*) in the *Explanation,* for the words 'section, "new ship" includes', the words 'section, "new ship or new inland vessel", as the case may be, includes' shall be substituted.

Amendment of section 115VV.

34. In section 115VV of the Income-tax Act, with effect from the 1st April, 2026,—

(*a*) in sub-section (*4*), for the words "chartered in", the words "or inland vessels, as the case may be, chartered in" shall be substituted;

(*b*) in the *Explanation,* after the words "a ship", the words "or inland vessel, as the case may be," shall be inserted.

Amendment of section 115VX.

35. In section 115VX of the Income-tax Act, in sub-section (*1*), with effect from the 1st April, 2026,—

(*i*) in clause (*a*), after the words "a ship", the words "or inland vessel, as the case may be," shall be inserted;

(*ii*) in clause (*b*), after sub-clause (*ii*), the following sub-clause shall be inserted, namely:—

"(*iii*) in case of inland vessel registered in India, a certificate issued under the Inland Vessels Act, 2021.".

24 of 2021.

Amendment of section 115VZA.

36. In section 115VZA of the Income-tax Act, in sub-section (*2*), with effect from the 1st April, 2026,—

(*a*) after the words "a ship", the words "or inland vessel, as the case may be," shall be inserted;

(*b*) after the words "such ship", the words "or inland vessel, as the case may be," shall be inserted.

Amendment of section 132.

37. In section 132 of the Income-tax Act,—

(*a*) in sub-section (*8*), for the words "thirty days from the date of the order of assessment or reassessment or recomputation", the words "one month from the end of the quarter in which the order of assessment or reassessment or recomputation is made" shall be substituted;

(*b*) in *Explanation* 1, in clause (*a*), for the word "authorisation", the word "authorisations" shall be substituted.

Amendment of section 132B.

38. In section 132B of the Income-tax Act, in the *Explanation* 1, in clause (*ii*), for the words, figures and letters "*Explanation* 2 to section 158BE", the words, figures and letter "*Explanation* to section 158B" shall be substituted.

39. In section 139 of the Income-tax Act, in sub-section (*8A*),— Amendment of section 139.

(*a*) for the words "twenty-four months", the words "forty-eight months" shall be substituted;

(*b*) after the third proviso, the following provisos shall be inserted, namely:—

"Provided also that no updated return shall be furnished by any person where any notice to show-cause under section 148A has been issued in his case after thirty-six months from the end of the relevant assessment year:

Provided also that the fourth proviso shall not apply where an order is passed under sub-section (*3*) of section 148A determining that it is not a fit case to issue notice under section 148.".

40. In section 140B of the Income-tax Act, in sub-section (*3*), after clause (*ii*), the following clauses shall be inserted, namely:– Amendment of section 140B.

"(*iii*) sixty per cent. of aggregate of tax and interest payable, as determined in sub-section (*1*) or sub-section (*2*), as the case may be, if such return is furnished after the expiry of twenty-four months from the end of the relevant assessment year but before completion of the period of thirty-six months from the end of the relevant assessment year; or

(*iv*) seventy per cent. of aggregate of tax and interest payable, as determined in sub-section (*1*) or sub-section (*2*), as the case may be, if such return is furnished after the expiry of thirty-six months from the end of the relevant assessment year but before completion of the period of forty-eight months from the end of the relevant assessment year.".

41. In section 144BA of the Income-tax Act, in the *Explanation*, for clause (*ii*), the following clause shall be substituted, namely:— Amendment of section 144BA.

"(*ii*) the period commencing on the date on which stay on the proceeding of the Approving Panel was granted by an order or injunction of any court and ending on the date on which certified copy of the order vacating the stay was received by the Approving Panel:".

42. In section 144C of the Income-tax Act, in sub-section (*14C*), the proviso shall be omitted. Amendment of section 144C.

43. In section 153 of the Income-tax Act, in *Explanation* 1, for clause (*ii*), the following clause shall be substituted, namely:— Amendment of section 153.

"(*ii*) the period commencing on the date on which stay on the assessment proceeding was granted by an order or injunction of any court and ending on the date on which certified copy of the order vacating the stay was received by the jurisdictional Principal Commissioner or Commissioner; or".

44. In section 153B of the Income-tax Act, in the *Explanation*, for clause (*i*), the following clause shall be substituted, namely:— Amendment of section 153B.

"(*i*) the period commencing on the date on which stay on the assessment proceeding was granted by an order or injunction of any court and ending on the date on which certified copy of the order vacating the stay was received by the jurisdictional Principal Commissioner or Commissioner; or".

45. In section 155 of the Income-tax Act, after sub-section (*20*), the following sub-section shall be inserted with effect from the 1st April, 2026, namely:— Amendment of section 155.

"(*21*) Where the arm's length price is determined in relation to an international transaction or a specified domestic transaction under sub-section (*3*) of section 92CA for any previous year and the Transfer Pricing Officer has declared that an option exercised by the assessee is valid under sub-section (*3B*) of the said section in respect of such transaction for two consecutive previous years immediately following such previous year, the Assessing Officer shall proceed to recompute the total income of the assessee for the said two consecutive previous years, by amending the order of assessment or any intimation or deemed intimation under sub-section (*1*) of section 143, as the case may be,—

(*a*) in conformity with the arm's length price so determined by the Transfer Pricing Officer under sub-section (*4A*) of the said section in respect of such transaction; and

(*b*) taking into account the directions issued under sub-section (*5*) of section 144C, if any, for such previous year,

within three months from the end of the month in which the assessment is completed in the case of the assessee for such previous year, and the first and second provisos to sub-section (*4*) of section 92C shall apply thereto:

Provided that where the order of assessment or any intimation or deemed intimation under sub-section (*1*) of section 143, for the said two consecutive previous years is not made within the said three months, such recomputation shall be made within three months from the end of the month in which such order of assessment or any intimation or deemed intimation under sub-section (*1*) of section 143, as the case may be, is made.".

Amendment of section 158B.

46. In section 158B of the Income-tax Act, in clause (*b*), after the words "money, bullion, jewellery" at both the places where they occur, the words ", virtual digital asset" shall be inserted and shall be deemed to have been inserted with effect from the 1st February, 2025.

Amendment of section 158BA.

47. In section 158BA of the Income-tax Act, with effect from the 1st February, 2025,——

(*a*) in sub-section (*4*), for the word "pending", the words "required to be made" shall be substituted and shall be deemed to have been substituted;

(*b*) in sub-section (*5*), for the words "the assessment or reassessment relating to any assessment year", the words "the assessment or reassessment or recomputation or reference or order relating to any assessment year" shall be substituted and shall be deemed to have been substituted.

Amendment of section 158BB.

48. In section 158BB of the Income-tax Act, with effect from the 1st February, 2025,—

(*a*) for sub-section (*1*), the following sub-section shall be substituted and shall be deemed to have been substituted, namely:—

"(*1*) The total income referred to in sub-section (*1*) of section 158BA of the block period shall be the aggregate of the following:—

(*i*) undisclosed income declared in the return furnished under section 158BC;

(*ii*) income assessed under sub-section (*3*) of section 143 or section 144 or section 147 or section 153A or section 153C prior to the date of initiation of

the search or the date of requisition, as the case may be;

(*iii*) income declared in the return of income filed under section 139 or in response to a notice under sub-section (*1*) of section 142 or section 148 prior to the date of initiation of the search or the date of requisition, and not covered under clause (*i*) or clause (*ii*);

(*iv*) income determined—

(*a*) in respect of a previous year, where such previous year has ended and the due date for furnishing the return for such year has not expired prior to the date of initiation of the search or the date of requisition, on the basis of entries relating to such income or transactions as recorded in the books of account and other documents maintained in the normal course before the date of initiation of search or the date of requisition;

(*b*) in respect of period commencing from 1st day of April of the previous year in which the search is initiated or requisition is made and ending on the day immediately preceding the date of initiation of search or requisition, on the basis of entries relating to such income or transactions as recorded in the books of account and other documents maintained in the normal course for such period on or before the day immediately preceding the date of initiation of search or the date of requisition;

(*c*) in respect of period commencing from the date of initiation of the search or the date of requisition and ending on the date of the execution of the last of the authorisations for search or requisition, on the basis of entries relating to such income or transactions as recorded in the books of account and other documents maintained in the normal course for such period on or before the date of the execution of the last of the authorisations;

(*v*) undisclosed income determined by the Assessing Officer under sub-section (*2*).";

(*b*) for sub-section (*3*), the following sub-section shall be substituted and shall be deemed to have been substituted, namely:—

"(*3*) Where any income required to be determined as a result of search or requisition of books of account or other documents and any other material or information as are either available with the Assessing Officer or come to his notice during the course of proceedings under this Chapter, or determined on the basis of entries relating to such income or transactions as recorded in books of account and other documents maintained in the normal course on or before the date of the execution of the last of the authorisations, relates to any international transaction or specified domestic transaction referred to in section 92CA, pertaining to the period beginning from the 1st day of April of the previous year in which last of the authorisations was executed and ending with the date on which last of the authorisations was executed, such income shall not be considered for the purposes of determining the total income of the block period and such income shall be considered in the assessment made under the other provisions of this Act.";

(*c*) in sub-section (*6*), for the words "disclosed income", the words "undisclosed income declared" shall be substituted and shall be deemed to have been substituted.

Amendment of section 158BE.

49. In section 158BE of the Income-tax Act,—

(*a*) in sub-section (*1*), for the words "from the end of the month", the words "from the end of the quarter" shall be substituted and shall be deemed to have been substituted with effect from the 1st February, 2025;

(*b*) in sub-section (*3*), for the words "from the end of the month", the words "from the end of the quarter" shall be substituted and shall be deemed to have been substituted with effect from the 1st February, 2025;

(*c*) in sub-section (*4*), for clause (*i*), the following clause shall be substituted, namely:—

"(i) the period commencing on the date on which stay on assessment proceedings was granted by an order or injunction of any court and ending on the date on which certified copy of the order vacating the stay was received by the jurisdictional Principal Commissioner or Commissioner; or".

Amendment of section 158BFA.

50. In section 158BFA of the Income-tax Act, in sub-section (*4*), for clause (*ii*), the following clause shall be substituted, namely:—

"(*ii*) the period commencing on the date on which stay on the proceeding under sub-section (*2*) was granted by an order or injunction of any court and ending on the date on which certified copy of the order vacating the stay was received by the jurisdictional Principal Commissioner or Commissioner;".

Amendment of section 193.

51. In section 193 of the Income-tax Act,—

(*a*) after the words "whichever is earlier,", the words "being the amount or the aggregate of amounts exceeding ten thousand rupees during the financial year," shall be inserted;

(*b*) in the proviso, in clause (*v*), in sub-clause (*a*), for the words "five thousand rupees", the words "ten thousand rupees" shall be substituted.

Amendment of section 194.

52. In section 194 of the Income-tax Act, in the first proviso, in clause (*b*), for the words "five thousand rupees", the words "ten thousand rupees" shall be substituted.

Amendment of section 194A.

53. In section 194A of the Income-tax Act, in sub-section (*3*),—

(*a*) in clause (*i*), —

(*i*) for the words, "forty thousand rupees", wherever they occur, the words "fifty thousand rupees" shall be substituted;

(*ii*) in sub-clause (*d*), for the words "five thousand rupees", the words "ten thousand rupees" shall be substituted;

(*iii*) in the third proviso, —

(*A*) for the words "forty thousand rupees", the words "fifty thousand rupees" shall be substituted;

(*B*) for the words "fifty thousand rupees", the words "one lakh rupees" shall be substituted;

(*b*) in the proviso occurring after clause (*xi*), in clause (*b*),—

(*i*) for the words, "fifty thousand rupees", the words "one lakh rupees" shall be substituted;

(*ii*) for the words "forty thousand rupees", the words "fifty thousand rupees" shall be substituted.

Amendment of section 194B.

54. In section 194B of the Income-tax Act,—

(*a*) for the words "or the aggregate of amounts", the words "in respect of a single transaction" shall be substituted;

(*b*) the words "during the financial year" shall be omitted.

Amendment of section 194BB.

55. In section 194BB of the Income-tax Act,—

(*a*) for the words "or aggregate of amounts", the words "in respect of a single transaction" shall be substituted;

(*b*) the words "during the financial year" shall be omitted.

Amendment of section 194D.

56. In section 194D of the Income-tax Act, in the second proviso, for the words "fifteen thousand rupees", the words "twenty thousand rupees" shall be substituted.

Amendment of section 194G.

57. In section 194G of the Income-tax Act, in sub-section (1), for the words "fifteen thousand rupees", the words "twenty thousand rupees" shall be substituted.

Amendment of section 194H.

58. In section 194H of the Income-tax Act, in the first proviso, for the words "fifteen thousand rupees", the words "twenty thousand rupees" shall be substituted.

Amendment of section 194-I

59. In section 194-I of the Income-tax Act, for the first proviso, the following proviso shall be substituted, namely:—

"Provided that no deduction shall be made under this section, where the income by way of rent credited or paid for a month or part of a month by such person to the account of, or to, the payee, does not exceed fifty thousand rupees:".

Amendment of section 194J.

60. In section 194J of the Income-tax Act, in sub-section (1), in the first proviso, in clause (*B*), for the words "thirty thousand rupees" wherever they occur, the words "fifty thousand rupees" shall be substituted.

Amendment of section 194K.

61. In section 194K of the Income-tax Act, in the proviso, in clause (*i*), for the words "five thousand rupees", the words "ten thousand rupees" shall be substituted.

Amendment of section 194LA.

62. In section 194LA of the Income-tax Act, in the first proviso, for the words "two lakh and fifty thousand rupees", the words "five lakh rupees" shall be substituted.

Amendment of section 194LBC.

63. In section 194LBC of the Income-tax Act, in sub-section (*1*), for the portion beginning with the words "at the rate of" and ending with the words "payee is any other person", the words "at the rate of ten per cent." shall be substituted.

Amendment of section 194Q.

64. In section 194Q of the Income-tax Act, in sub-section (*5*), in clause (*b*), the words, brackets, figures and letters "other than a transaction to which sub-section (*1H*) of section 206C applies" shall be omitted.

Amendment of section 194S.

65. In section 194S of the Income-tax Act, in sub-section (*2*), for the words, figures and letters "sections 203A and 206AB", the word, figures and letter "section 203A" shall be substituted.

Omission of section 206AB.

66. Section 206AB of the Income-tax Act shall be omitted.

Amendment of section 206C.

67. In section 206C of the Income-tax Act, —

(*a*) in sub-section (*1*),—

(*i*) in the Table,—

(*A*) against serial number (*iii*),—

(*I*) in column (*2*), for the word "Timber", the words and brackets "Timber or any other forest produce (not being tendu leaves)" shall be substituted;

(*II*) in column (*3*), for the words "two and one-half per cent.", the words "two per cent." shall be substituted;

(*B*) against serial number (*iv*), in column (*3*), for the words "two and one-half per cent.", the words "two per cent." shall be substituted;

(*C*) serial number (*v*) and the entries relating thereto shall be omitted;

(*ii*) after the proviso, the following *Explanation* shall be inserted, namely:—

'Explanation.—For the purposes of this sub-section, "forest produce" shall have the same meaning as defined

in any State Act for the time being in force, or in the Indian Forest Act, 1927.';

16 of 1927.

(*b*) in sub-section (*1G*),—

(*i*) in the first, second and fourth provisos, for the words "seven lakh rupees" wherever they occur, the words "ten lakh rupees" shall be substituted;

(*ii*) for the third proviso, the following proviso shall be substituted, namely:—

"Provided also that the authorised dealer shall not collect the sum if the amount being remitted out is a loan obtained from any financial institution as defined in clause (b) of sub-section (3) of section 80E, for the purpose of pursuing any education:";

(*c*) in sub-section (*1H*), after the second proviso, the following proviso shall be inserted, namely:—

"Provided also that nothing contained in the provisions of this sub-section shall apply from the 1st day of April, 2025.";

(*d*) in sub-section (*7A*), the following proviso shall be inserted, with effect from the 1st April, 2025, namely:—

"Provided that the provisions of sub-sections (*3*), (*5*) and (*6*) of section 153 and *Explanation* 1 thereof shall, so far as may be, apply to the time limit specified in this sub-section.";

(*e*) in sub-section (*9*), for the words, brackets, figures and letters ", sub-section (*1C*) or sub-section (*1H*)" at both the places where they occur, the words, brackets, figure and letter "or sub-section (*1C*)" shall be substituted;

(*f*) in sub-section (*10A*), for the brackets, figures, letters and word "(*1C*), (*1F*) or (*1H*)", the brackets, figures, letters and word "(*1C*) or (*1F*)" shall be substituted.

Omission of section 206CCA.

68. Section 206CCA of the Income-tax Act shall be omitted.

Amendment of section 246A.

69. In section 246A of the Income-tax Act, in sub-section (*1*),—

(*i*) in clause (*ja*), for the word, brackets, figure and letter, "sub-section (*1A*)", the word, brackets and figure, "sub-section (*2*)" shall be substituted;

(*ii*) in clause (*n*), the words "made by a Deputy Commissioner" shall be omitted.

Amendment of section 253.

70. In section 253 of the Income-tax Act, in sub-section (*9*), the proviso shall be omitted.

Amendment of section 255.

71. In section 255 of the Income-tax Act, in sub-section (*8*), the proviso shall be omitted.

Amendment of section 263.

72. In section 263 of the Income-tax Act, in the *Explanation*, occurring after sub-section (*3*), for the words "any period during which any proceeding under this section is stayed by an order or injunction of any court", the words "the period commencing on the date on which stay on any proceeding under this section was granted by an order or injunction of any court and ending on the date on which certified copy of the order vacating the stay was received by the jurisdictional Principal Commissioner or Commissioner" shall be substituted.

Amendment of section 264.

73. In section 264 of the Income-tax Act, in sub-section (*6*), in the *Explanation*, for the words "any period during which any proceeding under this section is stayed by an order or injunction of any court", the words "the period commencing on the date on which stay on any proceeding under this section was granted by an order or injunction of any court and ending on the date on which certified copy of the order vacating the stay was received by the jurisdictional Principal Commissioner or Commissioner" shall be substituted.

Amendment of section 270AA.

74. In section 270AA of the Income-tax Act, in sub-section (*4*), for the words "one month", the words "three months" shall be substituted.

Amendment of section 271AAB.

75. In section 271AAB of the Income-tax Act, in sub-section (*1A*), in the opening portion, after the words "the assent of the President", the words, figures and letters "but before the 1st day of September, 2024" shall be inserted and shall be deemed to have been inserted with effect from the 1st September, 2024.

Omission of section 271BB.

76. Section 271BB of the Income-tax Act shall be omitted.

Amendment of section 271C.

77. In section 271C of the Income-tax Act, in sub-section (*2*), the following proviso shall be inserted, namely:—

"Provided that any penalty under sub-section (*1*) on or after the 1st day of April, 2025, shall be imposed by the Assessing Officer.".

Amendment of section 271CA.

78. In section 271CA of the Income-tax Act, in sub-section (*2*), the following proviso shall be inserted, namely:—

"Provided that any penalty under sub-section (*1*), on or after the 1st day of April, 2025, shall be imposed by the Assessing Officer.".

Amendment of section 271D.

79. In section 271D of the Income-tax Act, in sub-section (*2*), the following proviso shall be inserted, namely:—

"Provided that any penalty under sub-section (*1*), on or after the 1st day of April, 2025, shall be imposed by the Assessing Officer.".

Amendment of section 271DA.

80. In section 271DA of the Income-tax Act, in sub-section (*2*), the following proviso shall be inserted, namely:—

"Provided that any penalty under sub-section (*1*) on or after the 1st day of April, 2025, shall be imposed by the Assessing Officer.".

Amendment of section 271DB.

81. In section 271DB of the Income-tax Act, in sub-section (*2*), the following proviso shall be inserted, namely:—

"Provided that any penalty under sub-section (*1*) on or after the 1st day of April, 2025, shall be imposed by the Assessing Officer.".

Amendment of section 271E.

82. In section 271E of the Income-tax Act, in sub-section (*2*), the following proviso shall be inserted, namely:—

"Provided that any penalty under sub-section (*1*) on or after the 1st day of April, 2025, shall be imposed by the Assessing Officer.".

Substitution of new section for section 275.

83. For section 275 of the Income-tax Act, the following section shall be substituted, namely:—

Bar of limitation for imposing penalties.

"275. (*1*) No order imposing a penalty under this Chapter shall be passed after the expiry of six months from the end of the quarter in which,—

(*a*) the proceedings, in the course of which action for the imposition of penalty has been initiated, are completed, if the relevant assessment or other order is not the subject

matter of an appeal under section 246 or section 246A or section 253;

(*b*) the order of revision under section 263 or section 264 is passed, if the relevant assessment or other order is the subject matter of revision under the said sections;

(*c*) the order of appeal under section 246 or section 246A is received by the jurisdictional Principal Commissioner or Commissioner, if the relevant assessment or other order is the subject matter of an appeal under the said sections and no further appeal has been filed under section 253;

(*d*) the order of appeal under section 253 is received by the jurisdictional Principal Commissioner or Commissioner, if the relevant assessment or other order is the subject matter of an appeal under the said section;

(*e*) notice for imposition of penalty is issued, in any other case.

(*2*) The order imposing or enhancing or reducing or cancelling penalty or dropping the proceedings for the imposition of penalty may be revised on the basis of assessment as revised by giving effect to the order passed under section 246 or section 246A or section 253 or section 260A or section 261 or revision under section 263 or section 264, where the relevant assessment or other order is the subject matter of an appeal or a revision under the said sections.

(*3*) No order imposing or enhancing or reducing or cancelling penalty or dropping the proceedings for the imposition of penalty under sub-section (*2*) shall be passed—

(*a*) unless the assessee has been heard, or has been given a reasonable opportunity of being heard;

(*b*) after the expiry of six months from the end of the quarter in which the order passed under section 246 or section 246A or section 253 or section 260A or section 261 is received by the jurisdictional Principal Commissioner or Commissioner, or the order of revision under section 263 or section 264 is passed.

(*4*) The provisions of sub-section (*2*) of section 274 shall apply to the order imposing or enhancing or reducing penalty under sub-section (*2*).

(*5*) In computing the period of limitation for the purposes of this section, the following period shall be excluded:—

(*a*) the time taken in giving an opportunity to the assessee to be reheard under the proviso to section 129;

(*b*) the period commencing on the date on which stay on proceeding for levy of penalty was granted by an order or injunction of any court and ending on the date on which certified copy of the order vacating the stay was received by the jurisdictional Principal Commissioner or Commissioner.".

Amendment of section 276BB.

84. In section 276BB of the Income-tax Act, the following proviso shall be inserted, namely:—

"Provided that the provisions of this section shall not apply if the payment of the tax collected at source has been made to the credit of the Central Government at any time on or before the time prescribed for filing the statement under the proviso to sub-section (*3*) of section 206C in respect of such payment.".

Insertion of new section 285BAA.

85. After section 285BA of the Income-tax Act, the following section shall be inserted with effect from the 1st April, 2026, namely:—

Obligation to furnish information on transaction of crypto-asset.

'285BAA. (*1*) Any person, being a reporting entity, as prescribed, in respect of a crypto-asset, shall furnish information in respect of a transaction of such crypto-asset in a statement, for such period, within such time, in such form and manner and to such income-tax authority, as prescribed.

(*2*) Where the prescribed income-tax authority considers that the statement furnished under sub-section (*1*) is defective, he may intimate the defect to the person who has furnished such statement and give him an opportunity of rectifying the defect within thirty days from the date of such intimation or such further period as may be allowed, and if the defect is not rectified within such period, the provisions of this Act shall apply as if such person had furnished inaccurate information in the statement.

(*3*) Where a person who is required to furnish a statement under sub-section (*1*) has not furnished the same within the specified time, the prescribed income-tax authority may serve upon such person a notice requiring him to furnish such

statement within a period not exceeding thirty days from the date of service of such notice and he shall furnish the statement within the time specified in the notice.

(*4*) If any person, having furnished a statement under sub-section (*1*), or in pursuance of a notice issued under sub-section (*3*), comes to know or discovers any inaccuracy in the information provided in the statement, he shall within ten days inform the prescribed income-tax authority, the inaccuracy in such statement and furnish the correct information in such manner as prescribed.

(*5*) The Central Government may, by rules prescribe—

(*a*) the persons referred to in sub-section (*1*) to be registered with the prescribed income-tax authority;

(*b*) the nature of information and the manner in which such information shall be maintained by the persons referred to in clause (*a*); and

(*c*) the due diligence to be carried out by the persons referred to in sub-section (*1*) for the purpose of identification of any crypto-asset user or owner.

(6) In this section, "crypto-asset" shall have the meaning assigned to it in sub-clause (*d*) of clause (*47A*) of section 2.'.

Amendment of rule 68B of the Second Schedule.

86. In the Second Schedule to the Income-tax Act, in rule 68B, in sub-rule (*2*), for clauses (*i*) and (*ii*), the following clauses shall be substituted, namely:—

"(*i*) commencing on the date on which stay on levy of the said tax, interest, fine, penalty or another sum was granted by an order or injunction of any court and ending on the date on which certified copy of the order vacating the stay was received by the jurisdictional Principal Commissioner or Commissioner; or

(*ii*) commencing on the date on which stay on the proceeding of attachment or sale of the immovable property was granted by an order or injunction of any court and ending on the date on which certified copy of the order vacating the stay was received by the jurisdictional Principal Commissioner or Commissioner; or".

CHAPTER IV

INDIRECT TAXES

Customs

52 of 1962.

Amendment of section 18.

87. In the Customs Act, 1962 (hereinafter referred to as the Customs Act), in section 18,—

(*a*) in sub-section (*1*), for the words "the proper officer may direct that the duty leviable on such goods, be assessed provisionally", the following shall be substituted, namely:—

"the proper officer may assess the duty leviable on such goods, provisionally,";

(*b*) in sub-section (*1A*), for the words "within such time and in such manner", the words "in such manner" shall be substituted;

(*c*) after sub-section (*1A*), the following sub-sections shall be inserted, namely:—

"(*1B*) The proper officer shall finalise the duty provisionally assessed, within two years from the date of such assessment under sub-section (*1*):

Provided that the Principal Commissioner of Customs or the Commissioner of Customs may, on sufficient cause being shown and for reasons to be recorded in writing, extend the said period to a further period of one year:

Provided further that in respect of any provisional assessment pending under sub-section (*1*) as on the date on which the Finance Bill, 2025 receives the assent of the President, the said period of two years shall be reckoned from the date on which the said Finance Bill receives the assent of the President.

(*1C*) Where the proper officer is unable to assess the duty finally within the time specified under sub-section (*1B*) for the reason that—

(*a*) an information is being sought from an authority outside India through a legal process; or

(*b*) an appeal in a similar matter of the same person or any other person is pending before the Appellate Tribunal or the High Court or the Supreme Court; or

(*c*) an interim order of stay has been issued by the Appellate Tribunal or the High Court or the Supreme Court; or

(*d*) the Board has, in a similar matter, issued specific direction or order to keep such matter pending; or

(*e*) the importer or exporter has a pending application before the Settlement Commission or the Interim Board,

the proper officer shall inform the importer or exporter concerned, the reason for non-finalisation of the provisional assessment and in such case, the time specified in sub-section (*1B*) shall apply not from the date of the provisional assessment but from the date when such reason ceases to exist.".

Insertion of new section 18A.

88. After section 18 of the Customs Act, the following section shall be inserted, namely:—

Voluntary revision of entry, post clearance.

"18A. (*1*) Notwithstanding anything contained in section 149, the importer or exporter of the goods, after the clearance, may revise an entry already made in relation to the goods, in such form and manner, within such time and subject to such conditions as may be prescribed.

(*2*) On revising the entry under sub-section (*1*), the importer or exporter of the goods shall self-assess the duty.

(*3*) Where the revised entry and self-assessment made under sub-sections (*1*) and (*2*) results in—

(*a*) any duty short-levied, not levied, short-paid or not paid, then the same may be paid voluntarily by the importer or exporter of such goods along with the interest under section 28AA;

(*b*) duty paid in excess of that payable on such goods or whole of the duty paid, requiring refund, then, such revised entry shall be deemed to be a claim for refund under section 27.

(*4*) The proper officer may,—

(*a*) verify the revised entry and self-assessment made under sub-sections (*1*) and (*2*) in cases selected primarily on the basis of risk evaluation through appropriate selection criteria;

(*b*) re-assess the duty leviable on such goods in cases where the self-assessment under sub-section (*2*) is not done correctly.

(*5*) No revision of entry shall be made under this section in the following cases, namely:—

(*a*) cases where any audit under Chapter XIIA or search, seizure or summons under Chapter XIII has been initiated and intimated to the importer or the exporter concerned;

(*b*) cases requiring refund where the proper officer has re-assessed the duty under section 17 or assessed the duty under section 18 or under section 84;

(c) any other case which the Board may specify by notification in the Official Gazette.".

Amendment of section 27.

89. In section 27 of the Customs Act, in sub-section (*1*), the *Explanation* shall be numbered as *Explanation* 1 thereof, and after *Explanation* 1 as so numbered, the following E*xplanation* shall be inserted, namely:—

"Explanation 2.— For the removal of doubts, it is hereby clarified that the period of limitation of one year in case of claim of refund under clause (*b*) of sub-section (*3*) of section 18A or amendment of documents under section 149, shall be computed from the date of payment of such duty or interest.".

Amendment of section 28.

90. In section 28 of the Customs Act, in *Explanation* 1, after clause (*b*), the following clause shall be inserted, namely:—

"(*ba*) in a case where duty is paid under clause (*a*) of sub-section (*3*) of section 18A, the date of payment of duty or interest;".

Amendment of section 127A.

91. In section 127A of the Customs Act,—

(*i*) after clause (*d*), the following clause shall be inserted, namely:—

'(*da*) "Interim Board" means the Interim Board for Settlement constituted under section 31A of the Central Excise Act, 1944;';

1 of 1994.

(*ii*) after clause (*e*), the following clause shall be inserted, namely:—

'(*ea*) "pending application" means an application filed under section 127B before the 1st day of April, 2025 and fulfils the following conditions, namely:—

(*i*) it has been allowed under section 127C; and

(*ii*) no order under sub-section (*5*) of section 127C was issued on or before the 31st day of March, 2025 with respect to such application;'.

Amendment of section 127B.

92. In section 127B of the Customs Act, after sub-section (*5*), the following provisos shall be inserted, namely:—

"Provided that no application shall be made under this section on or after the 1st day of April, 2025:

Provided further that on and from the date of the constitution of the Interim Board, every pending application shall be dealt by it from the stage at which such pending application stood immediately before its constitution.".

Amendment of section 127C.

93. In section 127C of the Customs Act, after sub-section (*10*), the following sub-sections shall be inserted, namely:—

'(*11*) On and from the 1st day of April, 2025,—

(*a*) the provisions of sub-sections (*2*), (*3*), (*4*), (*5*), (*5A*), (*7*), (*8*) and (*8A*) shall apply to pending applications with the modification that for the words "Settlement Commission", wherever they occur, the words "Interim Board" shall be substituted;

(*b*) in sub-section (*3*), for the words "seven days from the date of order", the words "seven days from the date of receipt of the order" shall be substituted;

(*c*) in sub-section (*7*), for the word "Bench", the words "Interim Board" shall be substituted;

(*d*) the provisions of sub-section (*10*) shall have effect as if for the words "Settlement Commission", the words "Settlement Commission or the Interim Board" had been substituted.

(*12*) Notwithstanding anything contained in this section, the Interim Board may, within three months from the date of its constitution under section 31A of the Central Excise Act, 1944, for the reasons to be recorded in writing, extend the time limit referred to in sub-section (*8A*), by such further period not exceeding twelve months from the date of such constitution.'.

1 of 1944.

Amendment of section 127D.

94. In section 127D of the Customs Act, after sub-section (*2*), the following sub-section shall be inserted, namely:—

"(*3*) On and from the 1st day of April, 2025, the power of the Settlement Commission under this section shall be exercised by the Interim Board and the provisions of this section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.".

Amendment of section 127F.

95. In section 127F of the Customs Act, after sub-section (*4*), the following sub-section shall be inserted, namely:—

"(*5*) On and from the 1st day of April, 2025, the powers and functions of the Settlement Commission under this section shall be exercised by the Interim Board and the provisions of this section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.".

Amendment of section 127G.

96. In section 127G of the Customs Act, after the first proviso, the following proviso shall be inserted, namely:—

"Provided further that on and from the 1st day of April, 2025, the functions of the Settlement Commission under this section shall be performed by the Interim Board and the provisions of this section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.".

Amendment of section 127H.

97. In section 127H of the Customs Act, after sub-section (*3*), the following sub-section shall be inserted, namely:—

"(*4*) On and from the 1st day of April, 2025, the power of the Settlement Commission under this section shall be exercised by the Interim Board and the provisions of this section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.".

Customs Tariff

51 of 1975.

Amendment of First Schedule.

98. In the Customs Tariff Act, 1975 (hereinafter referred to as the Customs Tariff Act), the First Schedule shall,—

(*a*) be amended in the manner specified in the Second Schedule;

(*b*) with effect from the 1st May, 2025, be amended in the manner specified in the Third Schedule.

Central Excise

1 of 1944.

99. In section 31 of the Central Excise Act, 1944 (hereinafter referred to as the Central Excise Act),— Amendment of section 31.

(i) after clause (e), the following clause shall be inserted, namely:—

'(*ea*) "Interim Board" means the Interim Board for Settlement constituted under section 31A;';

(*ii*) after clause (*f*), the following clause shall be inserted, namely:—

'(*fa*) "pending application" means an application filed under section 32E before the 1st day of April, 2025 and fulfils the following conditions, namely:—

(*i*) it has been allowed under sub-section (*1*) of section 32F; and

(*ii*) no order under sub-section (*5*) of section 32F was issued on or before the 31st day of March, 2025 with respect to such application;'.

100. After section 31 of the Central Excise Act, the following section shall be inserted, namely:— Insertion of new section 31A.

"31A. (*1*) The Central Government shall, by notification, constitute one or more Interim Boards for Settlement, as may be necessary, for the settlement of pending applications: Interim Board for Settlement.

Provided that on and from the date of the constitution of the Interim Board, every pending application shall be dealt by it from the stage at which such pending application stood immediately before its constitution.

(*2*) Every Interim Board shall consist of three members, each being an officer of the rank of Chief Commissioner or above, as may be nominated by the Central Board of Indirect Taxes and Customs.

(*3*) If the Members of the Interim Board differ in opinion on any point, the point shall be decided according to the opinion of the majority.

(*4*) The Interim Board shall be assisted by such Central Excise Officers, to be nominated by the Central Board of Indirect Taxes and Customs.".

Amendment of section 32.

101. In section 32 of the Central Excise Act, after sub-section (*3*), the following proviso shall be inserted, namely:—

"Provided that the Settlement Commission so constituted under this section shall cease to operate on or after the 1st day of April, 2025.".

Amendment of section 32A.

102. In section 32A of the Central Excise Act, after sub-section (*8*), the following proviso shall be inserted, namely:—

"Provided that the provisions of this section shall not apply on or after the 1st day of April, 2025.".

Amendment of section 32B.

103. In section 32B of the Central Excise Act, after sub-section (*2*), the following proviso shall be inserted, namely:—

"Provided that the provisions of this section shall not apply on or after the 1st day of April, 2025.".

Amendment of section 32C.

104. In section 32C of the Central Excise Act, the following proviso shall be inserted, namely:—

"Provided that the provisions of this section shall not apply on or after the 1st day of April, 2025.".

Amendment of section 32D.

105. In section 32D of the Central Excise Act, the following proviso shall be inserted, namely:—

"Provided that the provisions of this section shall not apply on or after the 1st day of April, 2025.".

Amendment of section 32E.

106. In section 32E of the Central Excise Act, after sub-section (*5*), the following proviso shall be inserted, namely:–

"Provided that no application shall be made under this section on or after the 1st day of April, 2025.".

Amendment of section 32F.

107. In section 32F of the Central Excise Act, after sub-section (*10*), the following sub-sections shall be inserted, namely:—

'(*11*) On and from the 1st day of April, 2025,—

(*a*) the provisions of sub-sections (*2*), (*3*), (*4*), (*5*), (*5A*), (*6*), (*7*), and (*8*) shall apply to pending applications with the modification that for the words "Settlement Commission", wherever they occur, the words "Interim Board" shall be substituted;

(*b*) in sub-section (*3*), for the words "seven days from the date of order", the words "seven days from the date of receipt of the order" shall be substituted;

(*c*) in sub-section (*7*), for the word "Bench", the words "Interim Board" shall be substituted;

(*d*) the provisions of sub-section (*10*) shall have effect as if for the words "Settlement Commission", the words "Settlement Commission or Interim Board" had been substituted.

(*12*) Notwithstanding anything contained in this section, the Interim Board may, within three months from the date of its constitution under section 31A, for the reasons to be recorded in writing, extend the time limit referred to in sub-section (*6*), by such further period not exceeding twelve months from the date of such constitution.'.

Amendment of section 32G.

108. In section 32G of the Central Excise Act, after sub-section (*2*), the following sub-section shall be inserted, namely:—

"(*3*) On and from the 1st day of April, 2025, the power of the Settlement Commission under this section shall be exercised by the Interim Board and the provisions of this section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.".

Amendment of section 32-I.

109. In section 32-I of the Central Excise Act, after sub-section (*4*), the following sub-section shall be inserted, namely:—

"(*5*) On and from the 1st day of April, 2025, the powers and functions of the Settlement Commission under this section shall be exercised or performed by the Interim Board and the provisions of this section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.".

Amendment of section 32J.

110. In section 32J of the Central Excise Act, after the first proviso, the following proviso shall be inserted, namely:—

"Provided further that on and from the 1st day of April, 2025, the functions of the Settlement Commission under this section shall be performed by the Interim Board and the provisions of this section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.".

Amendment of section 32K.

111. In section 32K of the Central Excise Act, after sub-section (*3*), the following sub-section shall be inserted, namely:—

"(*4*) On and from the 1st day of April, 2025, the power of the Settlement Commission under this section shall be exercised by the Interim Board and the provisions of this section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.".

Amendment of section 32L.

112. In section 32L of the Central Excise Act, after sub-section (*3*), the following sub-section shall be inserted, namely:—

"(*4*) On and from the 1st day of April, 2025, the power of the Settlement Commission under this section shall be exercised by the Interim Board and the provisions of this section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.".

Amendment of section 32M.

113. In section 32M of the Central Excise Act, the following proviso shall be inserted, namely:—

"Provided that on and from the 1st day of April, 2025, the provisions of this section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.".

Amendment of section 32-O.

114. In section 32-O of the Central Excise Act, the following proviso shall be inserted, namely:—

"Provided that on and from the 1st day of April, 2025, the provisions of this section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.".

Amendment of section 32P.

115. In section 32P of the Central Excise Act, the following proviso shall be inserted, namely:—

"Provided that on and from the 1st day of April, 2025, the provisions of this section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.".

12 of 2017.

116. In the Central Goods and Services Tax Act, 2017 (hereinafter referred as the Central Goods and Services Tax Act), in section 2,— Amendment of section 2.

(*i*) in clause (*61*), after the word and figure "section 9", the words, brackets and figures "of this Act or under sub-section (*3*) or sub-section (*4*) of section 5 of the Integrated Goods and Services Tax Act, 2017" shall be inserted with effect from the 1st day of April, 2025;

13 of 2017.

(*ii*) in clause (*69*),—

(*a*) in sub-clause (*c*), after the words "management of a municipal", the word "fund" shall be inserted;

(*b*) after sub-clause (*c*), the following *Explanation* shall be inserted, namely:—

'Explanation.— For the purposes of this sub-clause–

(*a*) "local fund" means any fund under the control or management of an authority of a local self-government established for discharging civic functions in relation to a Panchayat area and vested by law with the powers to levy, collect and appropriate any tax, duty, toll, cess or fee, by whatever name called;

(*b*) "municipal fund" means any fund under the control or management of an authority of a local self-government established for discharging civic functions in relation to a Metropolitan area or Municipal area and vested by law with the powers to levy, collect and appropriate any tax, duty, toll, cess or fee, by whatever name called.';

(*iii*) after clause (*116*), the following clause shall be inserted, namely:—

'(*116A*) "unique identification marking" means the unique identification marking referred to in clause (*b*) of sub-section (*2*) of section 148A and includes a digital stamp, digital mark or any other similar marking, which is unique, secure and non-removable;';

117. In section 12 of the Central Goods and Services Tax Act, sub-section (*4*) shall be omitted. Amendment of section 12.

118. In section 13 of the Central Goods and Services Tax Act, sub-section (*4*) shall be omitted. Amendment of section 13.

119. In section 17 of the Central Goods and Services Tax Act, in sub-section (*5*), in clause (*d*),— Amendment of section 17.

(*i*) for the words "plant or machinery", the words "plant and machinery" shall be substituted and shall be deemed to have been substituted with effect from the 1st day of July, 2017;

(*ii*) the *Explanation* shall be numbered as *Explanation* 1 thereof, and after *Explanation* 1 as so numbered, the following *Explanation* shall be inserted, namely:—

'*Explanation 2*.—For the purposes of clause (*d*), it is hereby clarified that notwithstanding anything to the contrary contained in any judgment, decree or order of any court, tribunal, or other authority, any reference to "plant or machinery" shall be construed and shall always be deemed to have been construed as a reference to "plant and machinery".'.

120. In section 20 of the Central Goods and Services Tax Act, with effect from the 1st day of April, 2025,— Amendment of section 20.

(*i*) in sub-section (*1*), after the word and figure "section 9", the words, brackets and figures "of this Act or under sub-section (*3*) or sub-section (*4*) of section 5 of the Integrated Goods and Services Tax Act, 2017" shall be inserted;

13 of 2017.

(*ii*) in sub-section (*2*), after the word and figure "section 9", the words, brackets and figures "of this Act or under sub-section (*3*) or sub-section (*4*) of section 5 of the Integrated Goods and Services Tax Act, 2017," shall be inserted.

121. In section 34 of the Central Goods and Services Tax Act, in sub-section (*2*), for the proviso, the following proviso shall be substituted, namely:— Amendment of section 34.

"Provided that no reduction in output tax liability of the supplier shall be permitted, if the—

(*i*) input tax credit as is attributable to such a credit note, if availed, has not been reversed by the recipient, where such recipient is a registered person; or

(*ii*) incidence of tax on such supply has been passed on to any other person, in other cases.".

122. In section 38 of the Central Goods and Services Tax Act,— Amendment of section 38.

(*i*) in sub-section (*1*), for the words "an auto-generated statement", the words "a statement" shall be substituted;

(*ii*) in sub-section (*2*),—

(*a*) for the words "auto-generated statement under", the words "statement referred in" shall be substituted;

(*b*) in clause (*a*), the word "and" shall be omitted;

(*c*) in clause (*b*), after the words "by the recipient,", the word "including" shall be inserted;

(d) after clause (*b*), the following clause shall be inserted, namely:—

"(*c*) such other details as may be prescribed.".

123. In section 39 of the Central Goods and Services Tax Act, in sub-section (*1*), for the words "and within such time", the words "within such time, and subject to such conditions and restrictions" shall be substituted. Amendment of section 39.

124. In section 107 of the Central Goods and Services Act, in sub-section (*6*), for the proviso, the following proviso shall be substituted, namely:— Amendment of section 107.

"Provided that in case of any order demanding penalty without involving demand of any tax, no appeal shall be filed against such order unless a sum equal to ten per cent. of the said penalty has been paid by the appellant.".

125. In section 112 of the Central Goods and Services Act, in sub-section (*8*), the following proviso shall be inserted, namely:— Amendment of section 112.

"Provided that in case of any order demanding penalty without involving demand of any tax, no appeal shall be filed against such order unless a sum equal to ten per cent. of the said penalty, in addition to the amount payable under the proviso to sub-section (*6*) of section 107 has been paid by the appellant.".

126. After section 122A of the Central Goods and Services Act, the following section shall be inserted, namely:— Insertion of new section 122B.

"122B. Notwithstanding anything contained in this Act, where any person referred to in clause (*b*) of sub-section (*1*) Penalty for failure to

of section 148A acts in contravention of the provisions of the said section, he shall, in addition to any penalty under Chapter XV or the provisions of this Chapter, be liable to pay a penalty equal to an amount of one lakh rupees or ten per cent. of the tax payable on such goods, whichever is higher.”. comply with track and trace mechanism.

127. After section 148 of the Central Goods and Services Act, the following section shall be inserted, namely:— Insertion of new section 148A.

“148A. (*1*) The Government may, on the recommendations of the Council, by notification, specify,– Track and trace mechanism for certain goods.

(*a*) the goods;

(*b*) persons or class of persons who are in possession or deal with such goods,

to which the provisions of this section shall apply.

(*2*) The Government may, in respect of the goods referred to in clause (*a*) of sub-section (*1*),—

(*a*) provide a system for enabling affixation of unique identification marking and for electronic storage and access of information contained therein, through such persons, as may be prescribed; and

(*b*) prescribe the unique identification marking for such goods, including the information to be recorded therein.

(3) The persons referred to in sub-section (*1*), shall,—

(*a*) affix on the said goods or packages thereof, a unique identification marking, containing such information and in such manner;

(*b*) furnish such information and details within such time and maintain such records or documents, in such form and manner;

(*c*) furnish details of the machinery installed in the place of business of manufacture of such goods, including the identification, capacity, duration of operation and such other details or information, within such time and in such form and manner;

(*d*) pay such amount in relation to the system referred to in sub-section (*2*),

as may be prescribed.".

Amendment of Schedule III.

128. In Schedule III of the Central Goods and Services Act,—

(*i*) in paragraph 8, after clause (*a*), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of July, 2017, namely:—

"(*aa*) Supply of goods warehoused in a Special Economic Zone or in a Free Trade Warehousing Zone to any person before clearance for exports or to the Domestic Tariff Area;";

(*ii*) in *Explanation 2*, after the words "For the purposes of", the words, brackets and letter "clause (*a*) of" shall be inserted and shall be deemed to have been inserted with effect from the 1st day of July, 2017;

(*iii*) after *Explanation* 2, the following *Explanation* shall be inserted and shall be deemed to have been inserted with effect from the 1st day of July, 2017, namely:—

"*Explanation* 3.— For the purposes of clause (*aa*) of paragraph 8, the expressions "Special Economic Zone", "Free Trade Warehousing Zone" and "Domestic Tariff Area" shall have the same meanings respectively as assigned to them in section 2 of the Special Economic Zones Act, 2005.".

28 of 2005.

No refund of tax collected.

129. No refund shall be made of all such tax which has been collected, but which would not have been so collected, had section 128 been in force at all material times.

Service tax

Special provision for retrospective exemption from service tax in certain cases relating to reinsurance services provided by insurance companies under Weather Based Crop Insurance Scheme and

130. (*1*) Notwithstanding anything contained in section 66 of Chapter V of the Finance Act, 1994, as it stood prior to the 1st day of July, 2012, or in section 66B of the said Chapter of the said Act, as it stood prior to the omission of the said Chapter *vide* section 173 of the Central Goods and Services Tax Act, 2017, no service tax shall be levied or collected in respect of taxable services provided or agreed to be provided by insurance companies by way of reinsurance under the Weather Based Crop Insurance Scheme and the Modified National Agricultural Insurance Scheme during the period commencing from the 1st day of April, 2011 and ending with the 30th day of June, 2017 (both days inclusive).

32 of 1994.

12 of 2017.

Modified National Agricultural Insurance Scheme.

(*2*) Refund shall be made of all such service tax which has been collected, but which would not have been so collected, had sub-section (*1*) been in force at all material times:

Provided that an application for the claim of refund of service tax shall be made within a period of six months from the date on which the Finance Bill, 2025 receives the assent of the President.

(*3*) Notwithstanding the omission of the said Chapter, the provisions of the said Chapter shall apply for refund under this section retrospectively as if the said Chapter had been in force at all material times.

CHAPTER V

MISCELLANEOUS

PART I

AMENDMENT TO THE UNIT TRUST OF INDIA (TRANSFER OF UNDERTAKING AND REPEAL) ACT, 2002

Amendment of Act 58 of 2002.

131. In the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002, in section 13, in sub-section (1), for the figures "2025", the figures "2027" shall be substituted.

PART II

AMENDMENTS TO THE GOVERNMENT SECURITIES ACT, 2006

WHEREAS it is expedient to amend the law relating to Government securities and its management by the Reserve Bank of India;

AND WHEREAS the subject matter of "Public debt of the State" falls within the ambit of State List of the Seventh Schedule to the Constitution;

AND WHEREAS in pursuance of clause (1) of article 252 of the Constitution, resolutions have been passed by the Houses of the Legislatures of the States of Andhra Pradesh, Chhattisgarh, Haryana, Nagaland, Punjab, Uttarakhand, Uttar Pradesh and West Bengal that the subject matter aforesaid should be regulated in those States by Parliament by law.

Application of this Part.

132. (1) This Part shall apply in the first instance to the whole of the States of Andhra Pradesh, Chhattisgarh, Haryana, Nagaland, Punjab, Uttarakhand, Uttar Pradesh and West Bengal and the Union territories; and it shall also apply to such other State which adopts this Part by resolution passed in that behalf under clause (1) of article 252 of the Constitution.

(2) It shall come into force at once in the States of Andhra Pradesh, Chhattisgarh, Haryana, Nagaland, Punjab, Uttarakhand, Uttar Pradesh and West Bengal and in the Union territories and in any other State which adopts this Act under clause (1) of article 252 of the Constitution, on the date of such adoption; and, save as otherwise provided in this Part, any reference in this Part to the commencement of this Part shall, in relation to any State, mean the date on which this Part comes into force in such State.

38 of 2006.

Amendment of preamble.

133. In the Government Securities Act, 2006 (hereinafter referred to as the principal Act), in the preamble, in paragraph 3, for the words "except the Legislature of the State of Jammu and Kashmir, to the effect that the matters aforesaid should be regulated in those States", the words "to the effect that the matters aforesaid should be regulated in those States" shall be substituted.

Amendment of section 1.

134. In section 1 of the principal Act,—

(a) in sub-section (3), for the words "in the first instance to whole of the States, except the State of Jammu and Kashmir, and to all the Union territories and it shall also apply to the State of Jammu and Kashmir which adopts this Act by resolution passed in that behalf under clause (1) of article 252 of the Constitution", the words "to all the States and Union territories" shall be substituted;

(b) in sub-section (4),—

(i) the words "except the State of Jammu and Kashmir" shall be omitted;

(ii) the words "and in the State of Jammu and Kashmir which adopts this Act under clause (1) of article 252 of the Constitution, on such adoption" shall be omitted.

Amendment of section 2.

135. In section 2 of the principal Act, in clause (f),—

(i) after the words "any other purpose", the words "and subject to such terms and conditions" shall be inserted;

(ii) the words and figure "and having one of the forms mentioned in section 3" shall be omitted.

Amendment of section 3.

136. In section 3 of the principal Act, the words ", subject to such terms and conditions as may be specified," shall be omitted.

Amendment of section 5.

137. In section 5 of the principal Act, in sub-section (*4*), after the words "upon the Bank", the words, brackets, letter and figure "or shall be construed to affect any restriction on transferability of Government securities contained in any notification issued under clause (*f*) of section 2 in respect of such securities" shall be inserted.

Amendment of section 31.

138. In section 31 of the principal Act, sub-sections (*1*) and (*2*) shall be omitted.

Amendment of section 32.

139. In section 32 of the principal Act, in sub-section (*2*), in clause (*a*), the words "and the terms and conditions subject to which" shall be omitted.

Repeal of Act 18 of 1944 and savings.

140. (1) The Public Debt Act, 1944 is hereby repealed.

(2) Notwithstanding such repeal anything done or any action taken in the exercise of any power conferred by or under the repealed Act shall be deemed to have been done or taken in the exercise of the powers conferred by or under the Government Securities Act, 2006 as amended by this Part as if the said Act was in force on the day on which such thing was done or action was taken.

38 of 2006.

(*3*) The rules made by the Central Government under the repealed Act as in force immediately before the commencement of this Part, shall be deemed to be the regulations made by the Bank under the Government Securities Act, 2006.

38 of 2006.

Declaration under the Provisional Collection of Taxes Act, 2023

It is hereby declared that it is expedient in the public interest that the provisions of sub-clause (a) of clause 98 of this Bill shall have immediate effect under the Provisional Collection of Taxes Act, 2023.

50 of 2023.

THE FIRST SCHEDULE
(*See* section 2)

PART I

INCOME-TAX

Paragraph A

(*I*) In the case of every individual other than the individual referred to in items (*II*) and (*III*) of this Paragraph or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (*vii*) of clause (*31*) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,—

Rates of income-tax

(*1*) where the total income does not exceed Rs. 2,50,000	*Nil*;
(*2*) where the total income exceeds Rs. 2,50,000 but does not exceed Rs. 5,00,000	5 per cent. of the amount by which the total income exceeds Rs. 2,50,000;
(*3*) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs.12,500 *plus* 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(*4*) where the total income exceeds Rs. 10,00,000	Rs. 1,12,500 *plus* 30 per cent. of the amount by which the total income exceeds Rs.10,00,000.

(*II*) In the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year,—

Rates of income-tax

(*1*) where the total income does not exceed Rs. 3,00,000	*Nil*;

(*2*) where the total income exceeds Rs. 3,00,000 but does not exceed Rs. 5,00,000	5 per cent. of the amount by which the total income exceeds Rs. 3,00,000;
(*3*) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs.10,000 *plus* 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(*4*) where the total income exceeds Rs. 10,00,000	Rs. 1,10,000 *plus* 30 per cent. of the amount by which the total income exceeds Rs.10,00,000.

(*III*) In the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year,—

Rates of income-tax

(*1*) where the total income does not exceed Rs. 5,00,000	*Nil*;
(*2*) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(*3*) where the total income exceeds Rs. 10,00,000	Rs. 1,00,000 *plus* 30 per cent. of the amount by which the total income exceeds Rs. 10,00,000.

Surcharge on income-tax

The amount of income-tax computed as per the preceding provisions of this Paragraph, or the provisions of section 111A or 112 or 112A of the Income-tax Act, shall be increased by a surcharge for the purposes of the Union, calculated, in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (*vii*) of clause (*31*) of section 2 of the Income-tax Act,—

(*a*) having a total income (including the income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) exceeding fifty lakh rupees but not exceeding one crore rupees, at the rate of ten per cent. of such income-tax;

(*b*) having a total income (including the income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) exceeding one crore rupees, but not exceeding two crore rupees, at the rate of fifteen per cent. of such income-tax;

(*c*) having a total income (excluding the income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) exceeding two crore rupees but not exceeding five crore rupees, at the rate of twenty-five per cent. of such income-tax;

(*d*) having a total income (excluding the income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) exceeding five crore rupees, at the rate of thirty-seven per cent. of such income-tax; and

(*e*) having a total income (including the income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) exceeding two crore rupees but is not covered under clauses (*c*) and (*d*), at the rate of fifteen per cent. of such income-tax:

Provided that in case where the total income includes any income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act, the rate of surcharge on the amount of income-tax computed in respect of that part of income shall not exceed fifteen per cent.:

Provided further that in case of an association of persons consisting of only companies as its members, the rate of surcharge on the amount of income-tax shall not exceed fifteen per cent.:

Provided also that in the case of persons mentioned above having total income exceeding,—

(*a*) fifty lakh rupees but not exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of fifty

lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(*b*) one crore rupees but does not exceed two crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees;

(*c*) two crore rupees but does not exceed five crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of two crore rupees by more than the amount of income that exceeds two crore rupees;

(*d*) five crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of five crore rupees by more than the amount of income that exceeds five crore rupees.

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

(*1*) where the total income does not exceed Rs.10,000	10 per cent. of the total income;
(*2*) where the total income exceeds Rs.10,000 but does not exceed Rs. 20,000	Rs. 1,000 *plus* 20 per cent. of the amount by which the total income exceeds Rs.10,000;
(*3*) where the total income exceeds Rs. 20,000	Rs. 3,000 *plus* 30 per cent. of the amount by which the total income exceeds Rs. 20,000.

Surcharge on income-tax

The amount of income-tax computed as per the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act,

shall, be increased by a surcharge for the purposes of the Union, calculated in the case of every co-operative society,—

(*a*) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of seven per cent. of such income-tax;

(*b*) having a total income exceeding ten crore rupees, at the rate of twelve per cent. of such income-tax:

Provided that in the case of every co-operative society having total income exceeding one crore rupees but not exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided further that in the case of every co-operative society having a total income exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees.

Paragraph C

In the case of every firm,—

Rate of income-tax

On the whole of the total income	30 per cent.

Surcharge on income-tax

The amount of income-tax computed as per the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, in the case of every firm, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every firm mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income	30 per cent.

Surcharge on income-tax

The amount of income-tax computed as per the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, in the case of every local authority, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every local authority mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph E

In the case of a company,—

Rates of income-tax

I. In the case of a domestic company,—

(*i*) where its total turnover or the gross receipt in the previous year 2022-23 does not exceed four hundred crore rupees	25 per cent. of the total income;
(*ii*) other than that referred to in item (*i*)	30 per cent. of the total income.

II. In the case of a company other than a domestic company,—

(*i*) on so much of the total income as consists of,—	50 per cent.;

(*a*) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st March, 1961 but before the 1st April, 1976; or	
(*b*) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th February, 1964 but before the 1st April, 1976,	
and where such agreement has, in either case, been approved by the Central Government	
(*ii*) on the balance, if any, of the total income	35 per cent.

Surcharge on income-tax

The amount of income-tax computed as per the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, be increased by a surcharge for the purposes of the Union calculated,—

(*i*) in the case of every domestic company,—

(*a*) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of seven per cent. of such income-tax; and

(*b*) having a total income exceeding ten crore rupees, at the rate of twelve per cent. of such income-tax;

(*ii*) in the case of every company other than a domestic company,—

(*a*) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of two per cent. of such income-tax; and

(*b*) having a total income exceeding ten crore rupees, at the rate of five per cent. of such income-tax:

Provided that in the case of every company having a total income exceeding one crore rupees but not exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided further that in the case of every company having a total income exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees.

PART II
RATES FOR DEDUCTION OF TAX AT SOURCE IN CERTAIN CASES

In every case in which under the provisions of sections 193, 194A, 194B, 194BA, 194BB, 194D, 194LBA, 194LBB, 194LBC and 195 of the Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to the deduction at the following rates:—

	Rate of income-tax
1. In the case of a person other than a company—	
(*a*) where the person is resident in India—	
(*i*) on income by way of interest other than "Interest on securities"	10 per cent.;
(*ii*) on income by way of winnings from lotteries, puzzles, card games and other games of any sort (other than winnings from online games)	30 per cent.;
(*iii*) on income by way of winnings from horse races	30 per cent.;
(*iv*) on income by way of net winnings from online games	30 per cent.;

(*v*) on income by way of insurance commission — 2 per cent.;

(*vi*) on income by way of interest payable on— — 10 per cent.;

(*A*) any debentures or securities for money issued by or on behalf of any local authority or a corporation established by a Central Act, State Act or Provincial Act;

(*B*) any debentures issued by a company where such debentures are listed on a recognised stock exchange in India as per the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the rules made thereunder;

(*C*) any security of the Central Government or State Government;

(*vii*) on any other income — 10 per cent.;

(*b*) where the person is not resident in India—

(*i*) in the case of a non-resident Indian—

(*A*) on any investment income — 20 per cent.;

(*B*) on income by way of long-term capital gains referred to in section 115E or sub-clause (iii) of clause (c) of sub-section (1) of section 112 — 12.5 per cent.;

(*C*) on income by way of long-term capital gains referred to in section 112A exceeding one lakh twenty-five thousand rupees, — 12.5 per cent.;

(*D*) on other income by way of long-term capital gains [not being — 12.5 per cent.,

long-term capital gains referred to in clauses (*33*) and (*36*) of section 10]	
(*E*) on income by way of short-term capital gains referred to in section 111A	20 per cent.;
(*F*) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (not being income by way of interest referred to in section 194LB or section 194LC)	20 per cent.;
(*G*) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (*1A*) of section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (*1A*) of section 115A of the Income-tax Act, to a person resident in India	20 per cent.;
(*H*) on income by way of royalty [not being royalty of the nature referred to in sub-item (*b*)(*i*)(*G*)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the	20 per cent.;

agreement is in accordance with that policy	
(*I*) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	20 per cent.;
(*J*) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort (other than winnings from online games)	30 per cent.;
(*K*) on income by way of winnings from horse races	30 per cent.;
(*L*) on income by way of net winnings from online games	30 per cent.;
(*M*) on the income by way of dividend, referred to in the proviso to sub-clause (*A*) of clause (*a*) of sub-section (*1*) of section 115A	10 per cent.;
(*N*) on income by way of dividend other than the income referred to in sub-item (*b*)(*i*)(*M*)	20 per cent.;
(*O*) on the whole of the other income	30 per cent.;
(*ii*) in the case of any other person—	
(*A*) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency	20 per cent.;

(not being income by way of interest referred to in section 194LB or section 194LC)	
(*B*) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (*1A*) of section 115A of the Income-tax Act, to the Indian concern, in respect of any computer software referred to in the second proviso to sub-section (*1A*) of section 115A of the Income-tax Act, to a person resident in India	20 per cent.;
(*C*) on income by way of royalty [not being royalty of the nature referred to in sub-item (*b*)(*ii*)(*B*)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	20 per cent.;
(*D*) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the	20 per cent.;

industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	
(*E*) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort (other than winnings from online games)	30 per cent.;
(*F*) on income by way of winnings from horse races	30 per cent.;
(*G*) on income by way of net winnings from online games	30 per cent.;
(*H*) on income by way of short-term capital gains referred to in section 111A	20 per cent.;
(*I*) on income by way of long-term capital gains referred to in sub-clause (*iii*) of clause (*c*) of sub-section (*1*) of section 112	12.5 per cent.;
(*J*) on income by way of long-term capital gains referred to in section 112A exceeding one lakh twenty-five thousand rupees	12.5 per cent.,
(*K*) on income by way of other long-term capital gains [not being long-term capital gains referred to in clauses (*33*) and (*36*) of section 10],	12.5 per cent.,
(*L*) on income by way of dividend, referred to in the proviso to sub-clause (*A*) of clause (*a*) of sub-section (*1*) of section 115A	10 per cent.;
(*M*) on income by way of dividend other than the income referred to in sub-item (*b*)(*ii*)(*L*)	20 per cent.;
(*N*) on the whole of the other income	30 per cent.

2. In the case of a company—

(*a*) where the company is a domestic company—

(*i*) on income by way of interest other than "Interest on securities"	10 per cent.;
(*ii*) on income by way of winnings from lotteries, puzzles, card games and other games of any sort (other than winnings from online games)	30 per cent.;
(*iii*) on income by way of winnings from horse races	30 per cent.;
(*iv*) on income by way of net winnings from online games	30 per cent.;
(*v*) on any other income	10 per cent.;

(*b*) where the company is not a domestic company—

(*i*) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort (other than winnings from online games)	30 per cent.;
(*ii*) on income by way of winnings from horse races	30 per cent.;
(*iii*) on income by way of net winnings from online games	30 per cent.;
(*iv*) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (not being income by way of interest referred to in section 194LB or section 194LC)	20 per cent.;
(*v*) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st March, 1976 where	20 per cent.;

such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (*1A*) of section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (*1A*) of section 115A of the Income-tax Act, to a person resident in India

(*vi*) on income by way of royalty [not being royalty of the nature referred to in item (*b*)(*v*)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy—

(*A*) where the agreement is made after the 31st March, 1961 but before the 1st April, 1976	50 per cent.;
(*B*) where the agreement is made after the 31st March, 1976	20 per cent.;

(*vii*) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy—

(*A*) where the agreement is made after the 29th February, 1964 but before the 1st April, 1976	50 per cent.;
(*B*) where the agreement is made after the 31st March, 1976	20 per cent.;
(*viii*) on income by way of short-term capital gains referred to in section 111A	20 per cent.;
(*ix*) on income by way of long-term capital gains referred to in sub-clause (*iii*) of clause (*c*) of sub-section (*1*) of section 112	12.5 per cent.;
(*x*) on income by way of long-term capital gains referred to in section 112A exceeding one lakh twenty-five thousand rupees	12.5 per cent.,
(*xi*) on income by way of other long-term capital gains [not being long-term capital gains referred to in clauses (*33*) and (*36*) of section 10]	12.5 per cent.;
(*xii*) on income by way of dividend, referred to in the proviso to sub-clause (*A*) of clause (*a*) of sub-section (*1*) of section 115A	10 per cent.;
(*xiii*) on income by way of dividend other than the income referred to in item (*b*)(*xii*)	20 per cent.;
(*xiv*) on any other income	35 per cent.

Explanation.—For the purposes of item 1(*b*)(*i*) of this Part, "investment income" and "non-resident Indian" shall have the meanings respectively assigned to them in Chapter XII-A of the Income-tax Act.

Surcharge on income-tax

The amount of income-tax deducted as per the provisions of—

(*i*) item 1 of this Part, shall be increased by a surcharge, for the purposes of the Union,—

(*a*) in the case of every individual or Hindu undivided family or association of persons, except in case of an association of persons consisting of only companies as its members, or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (*vii*) of clause (*31*) of section 2 of the Income-tax Act, being a non-resident, calculated,—

I. at the rate of ten per cent. of such tax, where the income or the aggregate of such incomes (including the income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) paid or likely to be paid and subject to the deduction exceeds fifty lakh rupees but does not exceed one crore rupees;

II. at the rate of fifteen per cent. of such tax, where the income or the aggregate of such incomes (including the income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) paid or likely to be paid and subject to the deduction exceeds one crore rupees but does not exceed two crore rupees;

III. at the rate of twenty-five per cent. of such tax, where the income or the aggregate of such incomes (excluding the income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) paid or likely to be paid and subject to the deduction exceeds two crore rupees but does not exceed five crore rupees;

IV. at the rate of thirty-seven per cent. of such tax, where the income or the aggregate of such incomes (excluding the income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) paid or likely to be paid and subject to the deduction exceeds five crore rupees; and

V. at the rate of fifteen per cent. of such tax, where the income or the aggregate of such incomes (including the income by way of

dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act) paid or likely to be paid and subject to the deduction exceeds two crore rupees, but is not covered under sub-clauses III and IV:

Provided that in case where the total income includes any income by way of dividend or income under the provisions of sections 111A, 112 and 112A of the Income-tax Act, the rate of surcharge on the amount of Income-tax deducted in respect of that part of income shall not exceed fifteen per cent.:

Provided further that where the income of such person is chargeable to tax under sub-section (*1A*) of section 115BAC of the Income-tax Act, the rate of surcharge shall not exceed twenty-five per cent.;

(*b*) in the case of every co-operative society, being a non-resident, calculated,—

I. at the rate of seven per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees but does not exceed ten crore rupees;

II. at the rate of twelve per cent. where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds ten crore rupees;

(*c*) in the case of an association of persons being a non-resident, and consisting of only companies as its members, calculated,—

I. at the rate of ten per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds fifty lakh rupees but does not exceed one crore rupees;

II. at the rate of fifteen per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees;

(*d*) in the case of every firm, being a non-resident, calculated at the rate of twelve per cent., where the income or the aggregate of such incomes paid or

likely to be paid and subject to the deduction exceeds one crore rupees;

(*ii*) item 2 of this Part shall be increased by a surcharge, for the purposes of the Union, in the case of every company other than a domestic company, calculated,—

(*a*) at the rate of two per cent. of such tax where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees but does not exceed ten crore rupees; and

(*b*) at the rate of five per cent. of such tax where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds ten crore rupees.

PART III

RATES FOR CHARGING INCOME-TAX IN CERTAIN CASES, DEDUCTING INCOME-TAX FROM INCOME CHARGEABLE UNDER THE HEAD "SALARIES" AND COMPUTING "ADVANCE TAX"

In cases in which income-tax has to be charged under sub-section (4) of section 172 of the Income-tax Act or sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the said Act or deducted from, or paid on, from income chargeable under the head "Salaries" under section 192 of the said Act or deducted under section 194P of the said Act or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed at the rate or rates in force, such income-tax or, as the case may be, "advance tax" [not being "advance tax" in respect of any income chargeable to tax under Chapter XII or Chapter XII-A or income chargeable to tax under section 115JB or 115JC or Chapter XII-FA or Chapter XII-FB or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the said Act at the rates as specified in that Chapter or section or surcharge, wherever applicable, on such "advance tax" in respect of any income chargeable to tax under section 115A or section 115AB or section 115AC or section 115ACA or section 115AD or section 115B or section 115BA or section 115BAA or section 115BAB or section 115BAC or section 115BAD or section 115BAE or section 115BB or section 115BBA or section 115BBC or section 115BBE or section 115BBF or section 115BBG or section

115BBH or section 115BBI or section 115BBJ or section 115E or section 115JB or section 115JC] shall be charged, deducted or computed at the following rate or rates:—

Paragraph A

(*I*) In the case of every individual other than the individual referred to in items (*II*) and (*III*) of this Paragraph or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (*vii*) of clause (*31*) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,—

Rates of income-tax

(1) where the total income does not exceed Rs. 2,50,000	*Nil*;
(2) where the total income exceeds Rs. 2,50,000 but does not exceed Rs. 5,00,000	5 per cent. of the amount by which the total income exceeds Rs. 2,50,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 12,500 *plus* 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 10,00,000	Rs. 1,12,500 *plus* 30 per cent. of the amount by which the total income exceeds Rs.10,00,000.

(II) In the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year,—

Rates of income-tax

(1) where the total income does not exceed Rs. 3,00,000	*Nil;*
(2) where the total income exceeds Rs. 3,00,000 but does not exceed Rs. 5,00,000	5 per cent. of the amount by which the total income exceeds Rs.3,00,000;

(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 10,000 *plus* 20 per cent. of the amount by which the total income exceeds Rs.5,00,000;
(4) where the total income exceeds Rs. 10,00,000	Rs. 1,10,000 *plus* 30 per cent. of the amount by which the total income exceeds Rs.10,00,000;

(III) In the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year,—

Rates of income-tax

(1) where the total income does not exceed Rs. 5,00,000	*Nil;*
(2) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(3) where the total income exceeds Rs.10,00,000	Rs. 1,00,000 *plus* 30 per cent. of the amount by which the total income exceeds Rs. 10,00,000;

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall be increased by a surcharge for the purposes of the Union, calculated, in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act,—

(a) having a total income (including the income by way of dividend or income under the provisions of section 111A, section 112 and section 112A of the Income-tax Act) exceeding fifty lakh rupees but not exceeding one crore rupees, at the rate of ten per cent. of such income-tax;

(b) having a total income (including the income by way of dividend or income under the provisions of section

111A, section 112 and section 112A of the Income-tax Act) exceeding one crore rupees but not exceeding two crore rupees, at the rate of fifteen per cent. of such income-tax;

(c) having a total income (excluding the income by way of dividend or income under the provisions of section 111A, section 112 and section 112A of the Income-tax Act) exceeding two crore rupees but not exceeding five crore rupees, at the rate of twenty-five per cent. of such income-tax;

(d) having a total income (excluding the income by way of dividend or income under the provisions of section 111A, section 112 and section 112A of the Income-tax Act) exceeding five crore rupees, at the rate of thirty-seven per cent. of such income-tax; and

(e) having a total income (including the income by way of dividend or income under the provisions of section 111A, section 112 and section 112A of the Income-tax Act) exceeding two crore rupees, but is not covered under clauses (c) and (d), shall be applicable at the rate of fifteen per cent. of such income-tax:

Provided that in case where the total income includes any income by way of dividend or income under the provisions of section 111A, section 112 and section 112A of the Income-tax Act, the rate of surcharge on the amount of Income-tax computed in respect of that part of income shall not exceed fifteen per cent.:

Provided further that in case of an association of persons consisting of only companies as its members, the rate of surcharge on the amount of Income-tax shall not exceed fifteen per cent.:

Provided also that in the case of persons mentioned above having total income exceeding,—

(a) fifty lakh rupees but not exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(b) one crore rupees but does not exceed two crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total

income of one crore rupees by more than the amount of income that exceeds one crore rupees;

(c) two crore rupees but does not exceed five crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of two crore rupees by more than the amount of income that exceeds two crore rupees;

(d) five crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of five crore rupees by more than the amount of income that exceeds five crore rupees;

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

(1) where the total income does not exceed Rs.10,000	10 per cent. of the total income;
(2) where the total income exceeds Rs.10,000 but does not exceed Rs. 20,000	Rs. 1,000 *plus* 20 per cent. of the amount by which the total income exceeds Rs. 10,000;
(3) where the total income exceeds Rs. 20,000	Rs. 3,000 plus 30 per cent. of the amount by which the total income exceeds Rs. 20,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, be increased by a surcharge for the purpose of the Union, calculated in the case of every co-operative society,—

(a) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of seven per cent. of such income-tax;

(b) having a total income exceeding ten crore rupees, at the rate of twelve per cent. of such income-tax:

Provided that in the case of every co-operative society having total income exceeding one crore rupees but not exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided further that in the case of every co-operative society having total income exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees.

Paragraph C

In the case of every firm,—

Rate of income-tax

On the whole of the total income	30 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, in the case of every firm, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every firm mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income	30 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, in the case of every local authority, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every local authority mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph E

In the case of a company,—

Rates of income-tax

(*I*) In the case of a domestic company,—

(i) where its total turnover or the gross receipt in the previous year 2023-2024 does not exceed four hundred crore rupees;	25 per cent. of the total income;
(ii) other than that referred to in item (i)	30 per cent. of the total income.

(*II*) In the case of a company other than a domestic company,—

(i) on so much of the total income as consists of,— 50 per cent.,

(a) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976; or

(b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976,

and where such agreement has, in either case, been approved by the Central Government;

(ii) on the balance, if any, of the total income 35 per cent.

Surcharge on income-tax

The amount of income-tax computed as per the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, be increased by a surcharge for the purposes of the Union, calculated,—

(i) in the case of every domestic company,—

(a) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of seven per cent. of such income-tax; and

(b) having a total income exceeding ten crore rupees, at the rate of twelve per cent. of such income-tax;

(ii) in the case of every company other than a domestic company,—

(a) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of two per cent. of such income-tax; and

(b) having a total income exceeding ten crore rupees, at the rate of five per cent. of such income-tax:

Provided that in the case of every company having a total income exceeding one crore rupees but not exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided further that in the case of every company having a total income exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees.

PART IV

[*See* section 2(*13*)(*c*)]

RULES FOR COMPUTATION OF NET AGRICULTURAL INCOME

Rule 1.—Agricultural income of the nature referred to in sub-clause (a) of clause (1A) of section 2 of the Income-tax Act shall be computed as if it were income chargeable to income-tax under that Act under the head "Income from other sources" and the provisions of sections 57 to 59 of that Act shall, so far as may be, apply accordingly:

Provided that sub-section (2) of section 58 shall apply subject to the modification that the reference to section 40A therein shall be construed as not including a reference to sub-sections (3), (3A) and (4) of section 40A.

Rule 2.—Agricultural income of the nature referred to in sub-clause (b) or sub-clause (c) of clause (1A) of section 2 of the Income-tax Act [other than income derived from any building required as a dwelling-house by the receiver of the rent or revenue of the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c)] shall be computed as if it were income chargeable to income-tax under that Act under the head "Profits and gains of business or profession" and the provisions of sections 30, 31, 32, 36, 37, 38, 40, 40A [other than sub-sections (3), (3A) and (4) thereof], 41, 43, 43A, 43B and 43C of the Income-tax Act shall, so far as may be, apply accordingly.

Rule 3.—Agricultural income of the nature referred to in sub-clause (c) of clause (1A) of section 2 of the Income-tax Act, being income derived from any building required as a dwelling-house by the receiver of the rent or revenue or the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c) shall be computed as if it were income chargeable to income-tax under that Act under the head "Income from house property" and the provisions of sections 23 to 27 of that Act shall, so far as may be, apply accordingly.

Rule 4.—Irrespective of anything contained in any other provisions of these rules, in a case—

(a) where the assessee derives income from sale of tea grown and manufactured by him in India, such income shall be computed as per rule 8 of the Income-tax Rules, 1962, and sixty per cent. of such income shall be regarded as the agricultural income of the assessee;

(b) where the assessee derives income from sale of centrifuged latex or cenex or latex based crepes (such as pale latex crepe) or brown crepes (such as estate brown crepe, re-milled crepe, smoked blanket crepe or flat bark crepe) or technically specified block rubbers manufactured or processed by him from rubber plants grown by him in India, such income shall be computed as per rule 7A of the Income-tax Rules, 1962, and sixty-five per cent. of such income shall be regarded as the agricultural income of the assessee;

(c) where the assessee derives income from sale of coffee grown and manufactured by him in India, such income shall be computed as per rule 7B of the Income-tax Rules, 1962, and sixty per cent. or seventy-five per cent., as the case may be, of such income shall be regarded as the agricultural income of the assessee.

Rule 5.—Where the assessee is a member of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) which in the previous year has either no income chargeable to tax under the Income-tax Act or has total income not exceeding the maximum amount not chargeable to tax in the case of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) but has any agricultural income then, the agricultural income or loss of the association or body shall be computed in accordance with these rules and the share of the assessee in the agricultural income or loss so computed shall be regarded as the agricultural income or loss of the assessee.

Rule 6.—Where the result of the computation for the previous year in respect of any source of agricultural income is a loss, such loss shall be set off against the income of the assessee, if any, for that previous year from any other source of agricultural income:

Provided that where the assessee is a member of an association of persons or a body of individuals and the share of the assessee in the agricultural income of the association or

body, as the case may be, is a loss, such loss shall not be set off against any income of the assessee from any other source of agricultural income.

Rule 7.—Any sum payable by the assessee on account of any tax levied by the State Government on the agricultural income shall be deducted in computing the agricultural income.

Rule 8.—(*1*) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st April, 2025, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st April, 2017 or the 1st April, 2018 or the 1st April, 2019 or the 1st April, 2020 or the 1st April, 2021 or the 1st April, 2022, or the 1st April, 2023, or the 1st April, 2024, is a loss, then, for the purposes of sub-section (*2*) of section 2 of this Act,—

(*i*) the loss so computed for the previous year relevant to the assessment year commencing on the 1st April, 2017, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st April, 2018 or the 1st April, 2019 or the 1st April, 2020 or the 1st April, 2021 or the 1st April, 2022 or the 1st April, 2023, or the 1st April, 2024;

(*ii*) the loss so computed for the previous year relevant to the assessment year commencing on the 1st April, 2018, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st April, 2019 or the 1st April, 2020 or the 1st April, 2021 or the 1st April, 2022 or the 1st April, 2023, or the 1st April, 2024;

(*iii*) the loss so computed for the previous year relevant to the assessment year commencing on the 1st April, 2019, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st April, 2020 or the 1st April, 2021 or the 1st April, 2022 or the 1st April, 2023, or the 1st April, 2024;

(*iv*) the loss so computed for the previous year relevant to the assessment year commencing on the 1st April, 2020, to the extent, if any, such loss has not been set off against the agricultural income for the previous

year relevant to the assessment year commencing on the 1st April, 2021 or the 1st April, 2022 or the 1st April, 2023, or the 1st April, 2024;

(*v*) the loss so computed for the previous year relevant to the assessment year commencing on the 1st April, 2021, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st April, 2022 or the 1st April, 2023, or the 1st April, 2024;

(*vi*) the loss so computed for the previous year relevant to the assessment year commencing on the 1st April, 2022, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st April, 2023, or the 1st April, 2024;

(*vii*) the loss so computed for the previous year relevant to the assessment year commencing on the 1st April, 2023, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st April, 2024;

(*viii*) the loss so computed for the previous year relevant to the assessment year commencing on the 1st April, 2024,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st April, 2025.

(*2*) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st April, 2026, or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year, in such other period, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st April, 2018 or the 1st April, 2019 or the 1st April, 2020 or the 1st April, 2021 or the 1st April, 2022 or the 1st April, 2023 or the 1st April, 2024, or the 1st April, 2025, is a loss, then, for the purposes of sub-section (*10*) of section 2 of this Act,—

(*i*) the loss so computed for the previous year relevant to the assessment year commencing on the 1st April,

2018, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st April, 2019 or the 1st April, 2020 or the 1st April, 2021 or the 1st April, 2022 or the 1st April, 2023 or the 1st April, 2024, or the 1st April, 2025;

(*ii*) the loss so computed for the previous year relevant to the assessment year commencing on the 1st April, 2019, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st April, 2020 or the 1st April, 2021 or the 1st April, 2022 or the 1st April, 2023 or the 1st April, 2024, or the 1st April, 2025;

(*iii*) the loss so computed for the previous year relevant to the assessment year commencing on the 1st April, 2020, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st April, 2021 or the 1st April, 2022 or the 1st April, 2023 or the 1st April, 2024, or the 1st April, 2025;

(*iv*) the loss so computed for the previous year relevant to the assessment year commencing on the 1st April, 2021, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st April, 2022 or the 1st April, 2023 or the 1st April, 2024, or the 1st April, 2025;

(*v*) the loss so computed for the previous year relevant to the assessment year commencing on the 1st April, 2022, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st April, 2023 or the 1st April, 2024, or the 1st April, 2025;

(*vi*) the loss so computed for the previous year relevant to the assessment year commencing on the 1st April, 2023, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st April, 2024, or the 1st April, 2025;

(*vii*) the loss so computed for the previous year relevant to the assessment year commencing on the 1st April, 2024, to the extent, if any, such loss has not been set off against the agricultural income for the previous

year relevant to the assessment year commencing on the 1st April, 2025;

(*viii*) the loss so computed for the previous year relevant to the assessment year commencing on the 1st April, 2025,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st April, 2026.

(*3*) Where any person deriving any agricultural income from any source has been succeeded in such capacity by another person, otherwise than by inheritance, nothing in sub-rule (*1*) or sub-rule (*2*) shall entitle any person, other than the person incurring the loss, to have it set off under sub-rule (*1*) or, as the case may be, sub-rule (*2*).

(*4*) Irrespective of anything contained in this rule, no loss which has not been determined by the Assessing Officer under the provisions of these rules or the rules contained in the First Schedule to the Finance Act, 2017 (7 of 2017) or the First Schedule to the Finance Act, 2018 (13 of 2018) or the First Schedule to the Finance (No. 2) Act, 2019 (23 of 2019) or the First Schedule to the Finance Act, 2020 (12 of 2020) or the First Schedule to the Finance Act, 2021 (13 of 2021) or the First Schedule to the Finance Act, 2022 (6 of 2022) or the First Schedule to the Finance Act, 2023 (8 of 2023) or the First Schedule to the Finance (No.2) Act, 2024 (15 of 2024) shall be set off under sub-rule (*1*) or, as the case may be, sub-rule (*2*).

Rule 9.—Where the net result of the computation made as per these rules is a loss, the loss so computed shall be ignored and the net agricultural income shall be deemed to be *nil*.

Rule 10.—The provisions of the Income-tax Act relating to procedure for assessment (including the provisions of section 288A relating to rounding off of income) shall, with the necessary modifications, apply in relation to the computation of the net agricultural income of the assessee as they apply in relation to the assessment of the total income.

Rule 11.—For the purposes of computing the net agricultural income of the assessee, the Assessing Officer shall have the same powers as he has under the Income-tax Act for the purposes of assessment of the total income.

THE SECOND SCHEDULE
[*See* section 98(a)]

51 of 1975. In the First Schedule to the Customs Tariff Act,— Amendment to First Schedule.

(i) in Chapter 60, for the entry in column (4) occurring against tariff items 6004 10 00, 6004 90 00, 6006 22 00, 6006 31 00, 6006 32 00, 6006 33 00, 6006 34 00, 6006 42 00 and 6006 90 00, the entry "20% or Rs. 115 per kg, whichever is higher" shall be substituted;

(ii) in Chapter 85, for the entry in column (4) occurring against tariff item 8528 59 00, the entry "20%" shall be substituted;

THE THIRD SCHEDULE
[*See* section 98(b)]

In the First Schedule to the Customs Tariff Act,—

Tariff Item	Description of goods	Unit	Rate of duty	
			Standard	Preferential
(1)	(2)	(3)	(4)	(5)

(1) in Chapter 10,—

(i) after Sub-heading Note, the following Supplementary Note shall be inserted, namely:—

'Supplementary Note:

1. For the purposes of tariff items 1006 30 11 and 1006 30 91, "Rice, GI recognised" refers to the rice varieties defined and recognised by the Geographical Indications (GI) Registry under the Geographical Indications of Goods (Registration and Protection) Act, 1999 (48 of 1999).';

(ii) in heading 1006, for sub-heading 1006 30, tariff items 1006 30 10 to 1006 30 90 and the entries relating thereto, the following shall be substituted, namely:—

"1006 30	-	*Semi-milled or wholly milled rice, whether or not polished or glazed :*			
	---	*Parboiled :*			
1006 30 11	----	Rice, GI recognised	kg.	70%	-
1006 30 12	----	Basmati rice	kg.	70%	-
1006 30 19	----	Other	kg.	70%	-
	---	*Other :*			
1006 30 91	----	Rice, GI recognised	kg.	70%	-
1006 30 92	----	Basmati rice	kg.	70%	-
1006 30 99	----	Other	kg.	70%	-";

(2) in Chapter 15, for the entry in column (4) occurring against tariff item 1520 00 00, the entry "20%" shall be substituted;

(3) in Chapter 20,—

(i) after Sub-heading Notes, the following Supplementary Note shall be inserted, namely:—

'Supplementary Note:

1. For the purposes of tariff items 2008 19 21 to 2008 19 29, the term "makhana" means the seed of plant *Euryale ferox* Salisb. and also commonly known as gorgon nut or fox nut.';

(ii) in heading 2008, for tariff items 2008 19 20 to 2008 19 90 and the entries relating thereto, the following shall be substituted, namely:—

	"---	*Makhana :*			
2008 19 21	----	Popped	kg.	150%	-
2008 19 22	----	Flour and powder	kg.	150%	-
2008 19 29	----	Other	kg.	150%	-
	---	*Other :*			
2008 19 91	----	Other roasted nuts and seeds	kg.	150%	-
2008 19 92	----	Other nuts, otherwise prepared or preserved	kg.	150%	-
2008 19 93	----	Other roasted and fried vegetable products	kg.	30%	-
2008 19 99	----	Other	kg.	30%	-";

(4) in Chapter 25, for the entry in column (4) occurring against tariff items 2515 11 00, 2515 12 10, 2515 12 20, 2515 12 90, 2516 11 00 and 2516 12 00, the entry "20%" shall be substituted;

(5) in Chapter 26,—

(i) for the entry in column (4) occurring against tariff item 2603 00 00, the entry "Free" shall be substituted;

(ii) for the entry in column (4) occurring against tariff item 2605 00 00, the entry "Free" shall be substituted;

(iii) for the entry in column (4) occurring against tariff item 2609 00 00, the entry "Free" shall be substituted;

(iv) for the entry in column (4) occurring against tariff item 2611 00 00, the entry "Free" shall be substituted;

(v) for the entry in column (4) occurring against all the tariff items of heading 2613, the entry "Free" shall be substituted;

(vi) for the entry in column (4) occurring against all the tariff items of heading 2615, the entry "Free" shall be substituted;

(vii) for the entry in column (4) occurring against tariff item 2617 10 00, the entry "Free" shall be substituted;

(6) in Chapter 27,—

(*i*) in heading 2710, for tariff item 2710 91 00 and the entries relating thereto, the following shall be substituted, namely:—

"2710 91	--	*Containing polychlorinated biphenyls (PCBs), polychlorinated terphenyls (PCTs) or polybrominated biphenyls (PBBs) :*			
2710 91 10	---	Containing polychlorinated biphenyls (PCBs) at a concentration level of 50 mg/kg or more	kg.	5%	-
2710 91 20	---	Other, containing polychlorinated terphenyls (PCTs) or polybrominated biphenyls (PBBs), whether or not also containing polychlorinated biphenyls (PCBs) at a concentration level of less than 50 mg/kg	kg.	5%	-
2710 91 90	---	Other	kg.	5%	-";

(*ii*) for the entry in column (4) occurring against tariff items 2711 12 00 and 2711 13 00, the entry "2.5%" shall be substituted;

(*iii*) for the entry in column (4) occurring against all the tariff items of sub-heading 2711 19, the entry "5%" shall be substituted;

(7) in Chapter 28,—

(*i*) for the entry in column (4) occurring against tariff item 2809 20 10, the entry "7.5%" shall be substituted;

(*ii*) for the entry in column (4) occurring against tariff item 2810 00 20, the entry "7.5%" shall be substituted;

(*iii*) in heading 2812, for the entry in column (2) occurring against tariff item 2812 19 30, the entry "--- Arsenic trichloride" shall be substituted;

(*iv*) in heading 2813, after tariff item 2813 90 20 and the entries relating thereto, the following shall be inserted, namely:—

"2813 90 30	---	Lime sulphur	kg.	7.5%	-";

(*v*) in heading 2853, after tariff item 2853 90 40 and the entries relating thereto, the following shall be inserted, namely:—

"2853 90 50	---	Magnesium phosphide plates, zinc phosphide	kg.	7.5%	-";

(8) in Chapter 29,—

(i) for the Supplementary Note, the following Supplementary Notes shall be substituted, namely:—

'Supplementary Notes:

1. For the purposes of the tariff item 2906 11 10, the term “Natural Menthol” means an organic compound ($C_{10}H_{20}O$) which is obtained from the distillation of the Japanese type oil of mint or menthol mint known as Mentha arvensis but does not include those made synthetically through any chemical routes.

2. Tariff item 2916 39 70 covers one of the following goods of sub-heading 2916 39 : Alphanaphthyl acetic acid, cyclanilide, kresoxim methyl, metofluthrin, permethrin, renofluthrin, transfluthrin.

3. Tariff item 2918 99 30 covers one of the following goods of sub-heading 2918 99 : 2,4-D amine salt, 2,4-D- ethyl ester, 2,4-D sodium salt, 2,4-dichlorophenoxy acetic acid, prohexadione calcium, s-bioallethrin, sodium acifluorfen.

4. Tariff item 2924 19 10 covers one of the following goods of sub-heading 2924 19 : Bendiocarb, carboxin, chlorpropham, fenobucarb (BPMC), fluazaindolizine, methomyl, metolachlor, propamocarb hydrochloride, thiodicarb.

5. Tariff item 2924 21 40 covers one of the following goods of sub-heading 2924 21 : Bifenazate, carbosulfan, cyflufenamide, fenoxanil, flufenoxuron, ipfencarbazone, lufenuron, metaflumizone, metsulfuron methyl, novaluron, orthosulfamuron, pencycuron, sulfosulfuron, teflubenzuron, triafamone, triasulfuron, trifloxysulfuron sodium.

6. Tariff item 2924 29 70 covers one of the following goods of sub-heading 2924 29 : Pretilachlor (ISO), anilophos, benalaxyl, benalaxyl M, broflanilide, butachlor, carpropamid, cyclaniliprole, diflubenzuron, dimethenamid-P, diuron, fluxametamide, iprovalicarb, mandipropamid, metalaxyl-M, propanil, propoxur, pydiflumetofen.

7. Tariff item 2926 90 10 covers one of the following goods of sub-heading 2926 90 : Alphacypermethrin, beta cyfluthrin, chlorothalonil, cyflumetofen, cyfluthrin, cyhalofop-butyl, cymoxanil, cyphenothrin, deltamethrin (decamethrin), dithianon, fenpropathrin, fenvalerate, fluvalinate, hydrogen cyanamide, lambdacyhalothrin, myclobutanil.

8. Tariff item 2930 20 10 covers one of the following goods of sub-heading 2930 20 : Cartap hydrochloride (ISO), mancozeb, metiram, propineb, thiobencarb (benthiocarb), triallate, ziram.

9. Tariff item 2930 90 92 covers one of the following goods of sub-heading 2930 90 : Acephate (ISO), phorate (ISO), captan, clethodim, diafenthiuron, ethion, malathion, oxydemeton-methyl, phenthoate, profenophos, temephos, thiophanate-methyl.

10. Tariff item 2932 20 30 covers one of the following goods of sub-heading 2932 20 : Brodifacoum, bromadiolone, coumachlor, coumatetralyl, flocoumafen, milbemectin, spiromesifen.

11. Tariff item 2933 19 92 covers one of the following goods of sub-heading 2933 19 : Cyenopyrafen, fenpyroximate, fipronil, fluxapyroxad, penflufen, pyraclostrobin, pyroxasulfon, tetraniliprole, tolfenpyrad, topramezone.

12. Tariff item 2933 29 60 covers one of the following goods of sub-heading 2933 29 : Imidacloprid (ISO), fenamidone, imazamox, imiprothrin, iprodione, prochloraz.

13. Tariff item 2933 31 10 covers one of the following goods of sub-heading 2933 31 : Florpyrauxifen benzyl, fluroxypyr meptyl, halauxifen-methyl, haloxyfop-R-methyl, paraquat dichloride, pyrifluquinazon, triclopyr acid, triclopyr butotyl ester.

14. Tariff item 2933 39 23 covers one of the following goods of sub-heading 2933 39 : Afidopyropen, boscalid, chlorpyriphos, chlorpyriphos methyl, clodinafop-propargyl, cyantraniliprole, flonicamid, florpyrauxifen-benzyl, fluazifop-P-butyl, fluopicolide, fluopyram and its metabolite, forchlorfenuron, haloxyfop-P-methyl, picoxystrobin, pyridalyl, pyriofenone, pyriproxyfen, sulfoxaflor.

15. Tariff item 2933 59 50 covers one of the following goods of sub-heading 2933 59 : Bispyribac-sodium (ISO), ametroctradin, azoxystrobin, benzpyrimoxam, buprimate, florasulam, polyoxin D zinc salt, primiphos-methyl, pyribenzoxim, pyriftalid, pyrithiobac sodium, triflumezopyrim.

16. Tariff item 2933 69 60 covers one of the following goods of sub-heading 2933 69 : Ametryn, atrazine, carfentrazone ethyl, cyproconazole, difenoconazole, flusilazole, hexaconazole, hexazinone, indaziflam, iodosulfuron methyl sodium, mefentrifluaconazole, metamitron, metribuzin, paclobutrazol, propiconazole, pymetrozin (FI), TIM, tebuconazole, tetraconazole, triadimefon, tricyclazole, triticonazole.

17. Tariff item 2933 99 20 covers one of the following goods of sub-heading 2933 99 : Carbendazim (ISO), bitertanol, chlorfenopyr, chlorfluazuron, fenoxaprop-P-ethyl, flufenzine, flupyradifurone, penconazole, propaquizafop, quizalofop-P-tefuryl, triazophos.

18. Tariff item 2934 99 40 covers one of the following goods of sub-heading 2934 99 : Bentazone, bixlozone, clomazone, dazomet, dimethomorph, etoxazole, fluensulfone, flufenacet, flumioxazin, hexythiazox, indoxacarb, isocycloseram, oxadiargyl, oxadiazon, phosalone, pinoxaden, thiacloprid, thiocyclam hydrogen oxalate, valifenalate.

19. Tariff item 2935 90 40 covers one of the following goods of sub-heading 2935 90 : Amisulbrom, azimsulfuron, bensulfuron methyl, chlorimuron ethyl, cyazofamid, cyzofamide, diclosulam, flucetosulfuron, helosulfuron methyl, mesosulfuron methyl, penoxsulam, pyrazosulfuron ethyl, pyroxsulam, sulfentrazone, sulfosulfuron, triafamone, triasulfuron.';

(ii) in heading 2902, after tariff item 2902 19 10 and the entries relating thereto, the following shall be inserted, namely:—

"2902 19 20	---	1-methyl cyclopropene	kg.	2.5%	-";

(iii) in heading 2903,—

(a) for tariff item 2903 19 20 and the entries relating thereto, the following shall be substituted, namely:—

"--- *Trichloroethane :*

2903 19 21	----	1,1,1-Trichloroethane (methyl chloroform)	kg.	5%	-
2903 19 29	----	Other	kg.	5%	-
2903 19 40	---	Ethylene dichloride and carbon tetrachloride mixture	kg.	5%	-”;

(b) for tariff item 2903 29 00 and the entries relating thereto, the following shall be substituted, namely:—

“2903 29	--	*Other :*			
2903 29 10	---	Dichloropropene and dichloropropane mixture (DD mixture)	kg.	5%	-
2903 29 90	---	Other	kg.	5%	-”;

(c) for tariff item 2903 79 00 and the entries relating thereto, the following shall be substituted, namely:—

“2903 79	--	*Other :*			
2903 79 10	---	Chlorotetrafluoroethanes	kg.	7.5%	-
2903 79 20	---	Other derivatives of methane, ethane or propane halogenated only with fluorine and chlorine	kg.	7.5%	-
2903 79 30	---	Derivatives of methane, ethane or propane halogenated only with fluorine and bromine	kg.	7.5%	-
2903 79 90	---	Other	kg.	7.5%	-”;

(d) for tariff item 2903 89 00 and the entries relating thereto, the following shall be substituted, namely:—

“2903 89	--	*Other :*			
2903 89 10	---	Hexabromocyclododecanes (HBCDs)	kg.	7.5%	-
2903 89 90	---	Other	kg.	7.5%	-”;

(iv) in heading 2905,—

(a) for the entry in column (2) occurring against tariff item 2905 19 10, the entry “--- 3,3-Dimethylbutan-2-ol (pinacolyl alcohol)” shall be substituted;

(b) after tariff item 2905 19 10 and the entries relating thereto, the following shall be inserted, namely:—

“2905 19 20	---	Triacontanol	kg.	7.5%	-”;

(v) in heading 2906, after tariff item 2906 29 20 and the entries relating thereto, the following shall be inserted, namely:—

“2906 29 30	---	Dicofol	kg.	7.5%	-”;

(vi) in heading 2907, after tariff item 2907 29 30 and the entries relating thereto, the following shall be inserted, namely:—

"2907 29 40	---	Acequinocyl, metamifop	kg.	7.5%	-";

(vii) in heading 2908, after tariff item 2908 99 20 and the entries relating thereto, the following shall be inserted, namely:—

"2908 99 30	---	Dinocap, meptyldiinocop, sodium paranitrophinolate	kg.	7.5%	-";

(viii) in heading 2909,—

(a) after tariff item 2909 30 12 and the entries relating thereto, the following shall be inserted, namely:—

"2909 30 13	----	Ethoxysulfuron, famoxadone	kg.	7.5%	-";

(b) after tariff item 2909 30 30 and the entries relating thereto, the following shall be inserted, namely:—

"2909 30 40	---	Decabromodiphenyl ether	kg.	7.5%	-
2909 30 50	---	Ethofenprox (etofenprox), fomesafen, oxyfluorfen	kg.	7.5%	-";

(c) for tariff item 2909 60 00 and the entries relating thereto, the following shall be substituted, namely:—

"2909 60	-	*Alcohol peroxides, ether peroxides, acetal and hemiacetal peroxides, ketone peroxides and their halogenated, sulphonated, nitrated or nitrosated derivatives :*			
2909 60 10	---	MCPA, amine salt	kg.	7.5%	-
2909 60 90	---	Other	kg.	7.5%	-";

(ix) in heading 2910, for tariff item 2910 90 00 and the entries relating thereto, the following shall be substituted, namely:—

"2910 90	-	*Other :*			
2910 90 10	---	Epoxyconazole	kg.	7.5%	-
2910 90 90	---	Other	kg.	7.5%	-";

(x) in heading 2912, for tariff item 2912 50 00 and the entries relating thereto, the following shall be substituted, namely:—

"2912 50	-	*Cyclic polymers of aldehydes :*			
2912 50 10	---	Metaldehyde	kg.	7.5%	-
2912 50 90	---	Other	kg.	7.5%	-";

(xi) in heading 2914,—

(a) after tariff item 2914 29 50 and the entries relating thereto, the following shall be inserted, namely:—

"2914 29 60	---	Pyridaben	kg.	7.5%	-";

(b) after tariff item 2914 39 40 and the entries relating thereto, the following shall be inserted, namely:—

"2914 39 50	---	Mesotrione, metrafenone	kg.	7.5%	-";

(c) after tariff item 2914 69 20 and the entries relating thereto, the following shall be inserted, namely:—

"2914 69 30	---	Spinetoram, spinosad	kg.	7.5%	-";

(d) after tariff item 2914 79 50 and the entries relating thereto, the following shall be inserted, namely:—

"2914 79 60	---	Tembotrione	kg.	7.5%	-";

(xii) in heading 2915, after tariff item 2915 90 70 and the entries relating thereto, the following shall be inserted, namely:—

"2915 90 80	---	Perfluorooctanoic acids and their salts	kg.	7.5%	-";

(xiii) in heading 2916,—

(a) for tariff item 2916 19 50 and the entries relating thereto, the following shall be substituted, namely:—

	"---	*Esters of unsaturated acyclic monoacids not elsewhere specified :*			
2916 19 51	----	Gossyplure	kg.	7.5%	-
2916 19 59	----	Other	kg.	7.5%	-";

(b) for the entry in column (2) occurring against tariff item 2916 20 20, the entry "--- Bifenthrin (ISO), prallethrin" shall be substituted;

(c) after tariff item 2916 31 60 and the entries relating thereto, the following shall be inserted, namely:—

"2916 31 70	---	Dicamba	kg.	7.5%	-";

(d) after tariff item 2916 39 60 and the entries relating thereto, the following shall be inserted, namely:—

"2916 39 70	---	Goods specified in Supplementary Note 2 to this Chapter	kg.	7.5%	-";

(xiv) in heading 2917, after tariff item 2917 19 70 and the entries relating thereto, the following shall be inserted, namely:—

"2917 19 80	---	Isoprothiolane	kg.	7.5%	-";

(xv) in heading 2918,—

(a) after tariff item 2918 30 50 and the entries relating thereto, the following shall be inserted, namely:—

"2918 30 60	---	Diclofop-methyl, D-trans allethrin, pyrethrin (pyrethrum)	kg.	7.5%	-";

(b) after tariff item 2918 99 20 and the entries relating thereto, the following shall be inserted, namely:—

"2918 99 30	---	Goods specified in Supplementary Note 3 to this Chapter	kg.	7.5%	-";

(xvi) in heading 2920,—

(a) after tariff item 2920 19 20 and the entries relating thereto, the following shall be inserted, namely:—

"2920 19 30	---	Edifenphos, fenitrothion, iprobenfos (kitazin)	kg.	7.5%	-";

(b) for tariff item 2920 90 00 and the entries relating thereto, the following shall be substituted, namely:—

"2920 90	-	*Other :*			
2920 90 10	---	Propergite	kg.	7.5%	-
2920 90 90	---	Other	kg.	7.5%	-";

(xvii) in heading 2921,—

(a) in sub-heading 2921 19, for tariff items 2921 19 10 and 2921 19 20 and the entries relating thereto, the following shall be substituted, namely:—

	"---	*N,N-Dialkyl (methyl, ethyl, n-propyl or isopropyl) -2-chloroethylamines and their protonated salts :*			
2921 19 11	----	2-Chloro N, N-Diisopropyl ethylamine	kg.	7.5%	-
2921 19 12	----	2-Chloro N, N-Dimethyl ethanamine	kg.	7.5%	-
2921 19 19	----	Other	kg.	7.5%	-
2921 19 30	---	Chlormequat chloride (CCC)	kg.	7.5%	-";

(b) after tariff item 2921 41 20 and the entries relating thereto, the following shall be inserted, namely:—

"2921 41 30	---	6-Benzyladenine, beflubutamid	kg.	7.5%	-";

(c) after tariff item 2921 42 36 and the entries relating thereto, the following shall be inserted, namely:—

"2921 42 50	---	Fluchloralin, pendimethalin, trifluralin	kg.	7.5%	-";

(d) for tariff item 2921 43 90 and the entries relating thereto, the following shall be substituted, namely:—

	"---	*Other :*			
2921 43 91	----	Ethafluralin	kg.	7.5%	-
2921 43 99	----	Other	kg.	7.5%	-";

(xviii) in heading 2922, for tariff item 2922 19 10 and the entries relating thereto, the following shall be substituted, namely:—

	"---	*N,N-Dialkyl (methyl, ethyl, n-propyl or isopropyl) -2-aminoethanols and their protonated salts :*			
2922 19 11	----	N,N-Dimethyl-2-aminoethanol and its protonated salts	kg.	7.5%	-
2922 19 12	----	N,N-Diethyl-2-aminoethanol and its protonated salts	kg.	7.5%	-
2922 19 13	----	2-Hydroxy N, N-Diisopropyl ethylamine	kg.	7.5%	-
2922 19 19	----	Other	kg.	7.5%	-";

(xix) in heading 2924,—

(a) for tariff item 2924 19 00 and the entries relating thereto, the following shall be substituted, namely:—

"2924 19	--	*Other :*			
2924 19 10	---	Goods specified in Supplementary Note 4 to this Chapter	kg.	7.5%	-
2924 19 90	---	Other	kg.	7.5%	-";

(b) after tariff item 2924 21 30 and the entries relating thereto, the following shall be inserted, namely:—

"2924 21 40	---	Goods specified in Supplementary Note 5 to this Chapter	kg.	7.5%	-";

(c) for the entry in column (2) occurring against tariff item 2924 29 70, the entry "--- Goods specified in Supplementary Note 6 to this Chapter" shall be substituted;

(xx) in heading 2925, after tariff item 2925 29 10 and the entries relating thereto, the following shall be inserted, namely:—

"2925 29 20	---	Dodine	kg.	7.5%	-";

(xxi) in heading 2926, for tariff item 2926 90 00 and the entries relating thereto, the following shall be substituted, namely:—

"2926 90	-	*Other :*			
2926 90 10	---	Goods specified in Supplementary Note 7 to this Chapter	kg.	7.5%	-
2926 90 90	---	Other	kg.	7.5%	-";

(xxii) in heading 2928, after tariff item 2928 00 10 and the entries relating thereto, the following shall be inserted, namely:—

"2928 00 20	---	Chromafenozide, methoxyfenazide, trifloxystrobin	kg.	7.5%	-";

(xxiii) in heading 2929, for tariff items 2929 90 10 to 2929 90 90 and the entries relating thereto, the following shall be substituted, namely:—

	"---	*N,N-Dialkyl (methyl, ethyl, n-propyl or isopropyl) phosphoramidic dihalides :*			
2929 90 11	----	N,N-Diethylphosphoramidic dichloride	kg.	7.5%	-
2929 90 12	----	N,N-Diisopropylphosphoramidic dichloride	kg.	7.5%	-
2929 90 13	----	N,N-Dipropylphosphoramidic dichloride	kg.	7.5%	-
2929 90 14	----	N,N-Dimethylphosphoramidic dichloride	kg.	7.5%	-
2929 90 19	----	Other	kg.	7.5%	-
	---	*Dialkyl (methyl, ethyl, n-propyl or isopropyl) N,N-dialkyl (methyl, ethyl, n-propyl or isopropyl) phosphoramidates :*			
2929 90 21	----	Diethyl N,N-Dimethylphosphoramidate	kg.	7.5%	-
2929 90 29	----	Other	kg.	7.5%	-
2929 90 60	---	Phosphoramidic acid, diethyl, dimethylester	kg.	7.5%	-
2929 90 70	---	N-(1-(Dialkyl ($\leq C_{10}$, incl. cycloalkyl) amino))alkylidene (H or $\leq C_{10}$, incl. cycloalkyl) phosphonamidic fluorides and corresponding alkylated or protonated salts	kg.	7.5%	-
2929 90 80	---	O-Alkyl (H or $\leq C_{10}$, incl. cycloalkyl) N-(1-(dialkyl ($\leq C_{10}$, incl. cycloalkyl) amino))alkylidene (H or $\leq C_{10}$, incl. cycloalkyl) phosphoramidofluoridates and corresponding alkylated or protonated salts	kg.	7.5%	-
	---	*Other :*			
2929 90 91	----	Propetamphos	kg.	7.5%	-
2929 90 99	----	Other	kg.	7.5%	-";

(xxiv) in heading 2930,—

(a) for the entry in column (2) occurring against tariff item 2930 20 10, the entry "--- Goods specified in Supplementary Note 8 to this Chapter" shall be substituted;

(b) for tariff items 2930 90 10 to 2930 90 97 and the entries relating thereto, the following shall be substituted, namely:—

"--- *Thiourea (sulphourea), Calcium salts of methionine, Thio sulphonic acid, L-cystine*

		(alpha-amino beta-thiopropionic acid)-sulphur containing amino acid, Sulphinic acid, Sulphoxide, Mercaptan, Allyl isothiocyanate :			
2930 90 11	----	Thiourea (sulphourea)	kg.	7.5%	-
2930 90 12	----	Calcium salts of methionine	kg.	7.5%	-
2930 90 13	----	Thio sulphonic acid	kg.	7.5%	-
2930 90 14	----	L-cystine (alpha-amino beta-thiopropionic acid)-sulphur containing amino acid	kg.	7.5%	-
2930 90 15	----	Sulphinic acid	kg.	7.5%	-
2930 90 16	----	Sulphoxide	kg.	7.5%	-
2930 90 17	----	Mercaptan	kg.	7.5%	-
2930 90 18	----	Allyl isothiocyanate	kg.	7.5%	-
	---	*O,O-Diethyl S-[2-(diethylamino)ethyl]phosphorothioate and its alkylated or protonated salts :*			
2930 90 21	----	Phosphorothioic acid, S[2-(diethyl amino) ethyl] O, O-Diethyl ester	kg.	7.5%	-
2930 90 29	----	Other	kg.	7.5%	-
	---	*N,N-Dialkyl (methyl, ethyl, n-propyl or isopropyl) aminoethane-2-thiols and their protonated salts, except for 2-(N,N-dimethylamino)ethanethiol and 2-(N,N-diethylamino)ethanethiol :*			
2930 90 31	----	Di-methyl amino ethanethiol hydrochloride	kg.	7.5%	-
2930 90 32	----	Di-ethyl amino ethanethiol hydrochloride	kg.	7.5%	-
2930 90 39	----	Other	kg.	7.5%	-
	---	*Other :*			
2930 90 91	----	Ethanol, 2,2'-thiobis-	kg.	7.5%	-
2930 90 92	----	Goods specified in Supplementary Note 9 to this Chapter	kg.	7.5%	-
2930 90 94	----	Containing a phosphorus atom to which one methyl, ethyl, n-propyl or isopropyl group is bonded but no further carbon atoms	kg.	7.5%	-
2930 90 96	----	O-Ethyl S-phenyl ethylphosphonothiolothionate (fonofos)	kg.	7.5%	-";

(xxv) in heading 2931,—

(a) for the entry in column (2) occurring against tariff item 2931 49 30, the entry "--- Glyphosate (ISO), fosetyl-al, glufosinate ammonium, glyphosate potassium salt" shall be substituted;

(b) for tariff item 2931 49 90 and the entries relating thereto, the following shall be substituted, namely:—

"2931 49 40	---	Butyl methylphosphinate	kg.	7.5%	-
2931 49 50	---	Bis(1-methylpentyl) methylphosphonate	kg.	7.5%	-
	---	*Other :*			

2931 49 91	----	Containing a phosphorus atom to which one methyl, ethyl, n-propyl or isopropyl group is bonded but no further carbon atoms	kg.	7.5%	-
2931 49 99	----	Other	kg.	7.5%	-”;

(c) for tariff item 2931 59 00 and the entries relating thereto, the following shall be substituted, namely:—

“2931 59	--	*Other :*			
2931 59 10	---	P-Alkyl (≤C_{10}, incl. cycloalkyl) N-(1-(dialkyl (≤C_{10}, incl. cycloalkyl) amino))alkylidene (H or ≤C_{10}, incl. cycloalkyl) phosphonamidic fluorides and corresponding alkylated or protonated salts	kg.	7.5%	-
2931 59 20	---	Methyl-(bis(diethylamino)methylene) phosphonamidofluoridate	kg.	7.5%	-
	---	*Containing a phosphorus atom to which one methyl, ethyl, n-propyl or isopropyl group is bonded but no further carbon atoms :*			
2931 59 31	----	Ethephon	kg.	7.5%	-
2931 59 39	----	Other	kg.	7.5%	-
2931 59 90	---	Other	kg.	7.5%	-”;

(xxvi) in heading 2932,—

(a) after tariff item 2932 19 10 and the entries relating thereto, the following shall be inserted, namely:—

“2932 19 20	---	Azadirachtin (neem products), benfuracarb, cinmethylene	kg.	7.5%	-”;

(b) after tariff item 2932 20 20 and the entries relating thereto, the following shall be inserted, namely:—

“2932 20 30	---	Goods specified in Supplementary Note 10 to this Chapter	kg.	7.5%	-”;

(c) for the entry in column (2) occurring against tariff item 2932 99 20, the entry “--- Emamectin benzoate (ISO), abamectin, dinotefuron” shall be substituted;

(xxvii) in heading 2933,—

(a) after tariff item 2933 19 91 and the entries relating thereto, the following shall be inserted, namely:—

“2933 19 92	----	Goods specified in Supplementary Note 11 to this Chapter	kg.	7.5%	-”;

(b) for the entry in column (2) occurring against tariff item 2933 29 60, the entry “--- Goods specified in Supplementary Note 12 to this Chapter” shall be substituted;

(c) for tariff item 2933 31 00 and the entries relating thereto, the following shall be substituted, namely:—

"2933 31	--	*Pyridine and its salts :*			
2933 31 10	---	Goods specified in Supplementary Note 13 to this Chapter	kg.	7.5%	-
2933 31 90	---	Other	kg.	7.5%	-";

(d) for tariff item 2933 32 00 and the entries relating thereto, the following shall be substituted, namely:—

"2933 32	--	*Piperidine and its salts :*			
2933 32 10	---	Mepiquat chloride	kg.	7.5%	-
2933 32 90	---	Other	kg.	7.5%	-";

(e) after tariff item 2933 39 22 and the entries relating thereto, the following shall be inserted, namely:—

"2933 39 23	----	Goods specified in Supplementary Note 14 to this Chapter	kg.	7.5%	-";

(f) after tariff item 2933 39 40 and the entries relating thereto, the following shall be inserted, namely:—

"2933 39 50	---	1-[N,N-Dialkyl ($\leq C_{10}$) -N-(n-(hydroxyl, cyano, acetoxy)alkyl ($\leq C_{10}$)) ammonio]-n-[N-(3-dimethylcarbamoxy-α-picolinyl)-N,N-dialkyl ($\leq C_{10}$) ammonio]decane dibromide (n=1-8)	kg.	7.5%	-
2933 39 60	---	1,n-Bis[N-(3-dimethylcarbamoxy-a-picolyl)-N,N-dialkyl ($\leq C_{10}$) ammonio]-alkane-(2,(n-1)-dione) dibromide (n=2-12)	kg.	7.5%	-";

(g) for tariff items 2933 41 00 and 2933 49 00 and the entries relating thereto, the following shall be substituted, namely:—

"2933 41	--	*Levorphanol (INN) and its salts :*			
2933 41 10	---	Fenazaquin	kg.	7.5%	-
2933 41 90	---	Other	kg.	7.5%	-
2933 49	--	*Other :*			
2933 49 10	---	Quizalofop ethyl	kg.	7.5%	-
2933 49 90	---	Other	kg.	7.5%	-";

(h) for the entry in column (4) occurring against tariff items 2933 59 10, 2933 59 20, 2933 5930 and 2933 59 40, the entry "7.5%" shall be substituted;

(i) for tariff item 2933 59 50 and entries relating thereto, the following shall be substituted, namely:—

"2933 59 50	---	Goods specified in Supplementary Note 15 to this Chapter	kg.	7.5%	-";

(j) for the entry in column (4) occurring against tariff item 2933 59 90, the entry "7.5%" shall be substituted;

(k) after tariff item 2933 69 50 and the entries relating thereto, the following shall be inserted, namely:—

"2933 69 60	---	Goods specified in Supplementary Note 16 to this Chapter	kg.	7.5%	-";

(l) after tariff item 2933 79 20 and the entries relating thereto, the following shall be inserted, namely:—

"2933 79 30	---	Spirotetramat	kg.	7.5%	-";

(m) for the entry in column (2) occurring against tariff item 2933 99 20, the entry "--- Goods specified in Supplementary Note 17 to this Chapter" shall be substituted;

(xxviii) in heading 2934,—

(a) for tariff items 2934 10 00 and 2934 20 00 and the entries relating thereto, the following shall be substituted, namely:—

"2934 10	-	*Compounds containing an unfused thiazole ring (whether or not hydrogenated) in the structure :*			
2934 10 10	---	Clothianidin, oxathiapiprolin, thifluzamide, thiomethoxam	kg.	7.5%	-
2934 10 90	---	Other	kg.	7.5%	-
2934 20	-	*Compounds containing in the structure a benzothiazole ring-system (whether or not hydrogenated) not further fused :*			
2934 20 10	---	Methabenzthiazuron	kg.	7.5%	-
2934 20 90	---	Other	kg.	7.5%	-";

(b) after tariff item 2934 99 30 and the entries relating thereto, the following shall be inserted, namely:—

"2934 99 40	---	Goods specified in Supplementary Note 18 to this Chapter	kg.	7.5%	-";

(xxix) in heading 2935,—

(a) after tariff item 2935 50 10 and the entries relating thereto, the following shall be inserted, namely:—

"2935 50 20	---	Saflufenacil	kg.	7.5%	-";

(b) after tariff item 2935 90 24 and the entries relating thereto, the following shall be inserted, namely:—

"2935 90 40	---	Goods specified in Supplementary Note 19 to this Chapter	kg.	7.5%	-";

(xxx) in heading 2941, after tariff item 2941 90 60 and the entries relating thereto, the following shall be inserted, namely:—

"2941 90 70	---	Aureofungin, kasugamycin, validamycin	kg.	7.5%	-";

(9) in Chapter 33, for the entry in column (4) occurring against all the tariff items of sub-heading 3302 10, the entry "20%" shall be substituted;

(10) in Chapter 34, for the entry in column (4) occurring against all the tariff items of heading 3406, the entry "20%" shall be substituted;

(11) in Chapter 38,—

(i) in Supplementary Note 1, for the words, brackets, letters and figures "Acetamiprid (ISO) conforming to IS-15981", the following shall be substituted, namely:—

"Acetamiprid (ISO) conforming to IS-15981; Afidopyropen conforming to IS 18873; Alphacypermethrin conforming to IS 15616; Azadirachtin (Neem products) conforming to IS 14299; Beta cyfluthrin conforming to IS 14156; Carbosulfan conforming to IS 14940; Chlorpyriphos conforming to IS 8963; Chlorpyriphos methyl conforming to IS 15693; Cyfluthrin conforming to IS 14156; Cyphenothrin conforming to IS 15978; Deltamethrin (Decamethrin) conforming to IS 12005; Dicofol conforming to IS 5278; Diflubenzuron conforming to IS 14185; D-trans allethrin conforming to IS 13146; Ethion conforming to IS 10369; Ethofenprox (Etofenprox) conforming to IS 14249; Ethylene dichloride and Carbon tetrachloride mixture conforming to IS 634; Fenitrothion conforming to IS 5280; Fenpropathrin conforming to IS 15161; Fenvalerate conforming to IS 12003; Fipronil conforming to IS 18389; Fluvalinate conforming to IS 13097; Imiprothrin conforming to IS 16921; Indoxacarb conforming to IS 15984; Lambdacyhalothrin conforming to IS 14509; Malathion conforming to IS 1832; Methomyl conforming to IS 15614; Novaluron conforming to IS 17125; Oxydemeton-Methyl conforming to IS 8258; Phenthoate conforming to IS 8293; Phosalone conforming to IS 8488; Primiphos-methyl conforming to IS 13080; Profenophos conforming to IS 15238; Pyriproxyfen conforming to IS 16141; Spiromesifen conforming to IS 16674; Temephos conforming to IS 8701; Thiacloprid conforming to IS 16710; Thiodicarb conforming to IS 16956; Thiomethoxam conforming to IS 15983; Triazophos conforming to IS 14936; Zinc Phosphide conforming to IS 1251.";

(ii) for Supplementary Note 2, the following shall be substituted, namely:—

"2. Tariff item 3808 91 42 covers one of the following goods of sub-heading 3808 91:

(a) with content by mass greater than 90% : Chlorentraniliprole (ISO); Buprofezin (ISO); Flubendiamide (ISO); Emamectin Benzoate (ISO); Abamectin; Bendiocarb; Benfuracarb; Benzpyrimoxam; Broflanilide; Chlorfenopyr; Chlorfluazuron; Chromafenozide; Clothianidin; Cyantraniliprole; Cyclaniliprole; Cyenopyrafen; Cyflumetofen; Diafenthiuron; Dinotefuron; Etoxazole; Fenazaquin; Fenobucarb (BPMC); Fenpyroximate; Flonicamid; Flufenoxuron; Flufenzine; Flupyradifurone; Fluxametamide; Hexythiazox; Isocycloseram; Lufenuron; Metaflumizone; Metaldehyde; Methoxyfenazide; Metofluthrin; Milbemectin; Permethrin; Prallethrin; Propergite; Propoxur; Pymetrozin (FI), TIM; Pyrethrin (pyrethrum); Pyridaben; Pyridalyl;

Pyrifluquinazon; Renofluthrin; S-bioallethrin; Spinetoram; Spinosad; Spirotetramat; Sulfoxaflor; Teflubenzuron; Tolfenpyrad; Transfluthrin; Triflumezopyrim.

(b) with content by mass greater than 60% : Propetamphos; Tetraniliprole; Thiocyclam hydrogen oxalate.";

(iii) in Supplementary Note 5, for the words, brackets, letters and figures "Carbendazim (ISO) conforming to IS-8445", the following shall be substituted, namely:—

"Carbendazim (ISO) conforming to IS-8445; Bitertanol conforming to IS 13330; Captan conforming to IS 14251; Carboxin conforming to IS 13110; Carpropamid conforming to IS 16706; Chlorothalonil conforming to IS 13132; Cuprous Oxide conforming to IS 1682; Cymoxanil conforming to IS 15600; Dithianon conforming to IS 12944; Dodine conforming to IS 13784; Edifenphos conforming to IS 8954; Hexaconazole conforming to IS 14549; Iprobenfos (Kitazin) conforming to IS 13788; Isoprothiolane conforming to IS 15163; Mancozeb conforming to IS 8707; Metalaxyl-M conforming to IS 13458; Penconazole conforming to IS 15234; Propiconazole conforming to IS 15241; Tebuconazole conforming to IS 15165; Thiophanate-Methyl conforming to IS 14551; Triadimefon conforming to IS 13328; Tricyclazole conforming to IS 15982; Validamycin conforming to IS 17200; Ziram conforming to IS 3900.";

(iv) in Supplementary Note 7, for the words, brackets, letters and figures "Glyphosate (ISO) conforming to IS-12502", the following shall be substituted, namely:—

"Glyphosate (ISO) conforming to IS-12502; 2,4-D amine salt conforming to IS 1827; 2,4-D- ethyl ester conforming to IS 7233; 2,4-D sodium salt conforming to IS 1488; Anilophos conforming to IS 13402; Atrazine conforming to IS 12932; Bensulfuron methyl conforming to IS 17847; Butachlor conforming to IS 9356; Chlorimuron ethyl conforming to IS 15619; Clomazone conforming to IS 15409; Diclofop-methyl conforming to IS 14938; Diuron conforming to IS 8702; Fenoxaprop-p-ethyl conforming to IS 15232; Fluchloralin conforming to IS 8958; Glufosinate ammonium conforming to IS 15166; MCPA, amine salt conforming to IS 8494; Methabenzthiazuron conforming to IS 11007; Metolachlor conforming to IS 15229; Metribuzin conforming to IS 13332; Metsulfuron methyl conforming to IS 15615; Oxadiargyl conforming to IS 16708; Oxyfluorfen conforming to IS 14934; Pendimethalin conforming to IS 12685; Propanil conforming to IS 8071; Sulfosulfuron conforming to IS 16212; Thiobencarb (Benthiocarb) conforming to IS 12768; Triallate conforming to IS 9357.";

(v) for Supplementary Note 8, the following shall be substituted, namely:—

"8. Tariff item 3808 93 62 covers one of the following goods of sub-heading 3808 93:

(a) with content by mass greater than 90% : Bispyribac sodium (ISO); Imazethapyr (ISO); 2,4-Dichlorophenoxy acetic acid; Ametryn; Azimsulfuron; Beflubutamid; Bentazone; Bixlozone; Carfentrazone ethyl; Chlorpropham; Cinmethylene; Clethodim; Clodinafop-propargyl; Cyhalofop-butyl; Dazomet; Dicamba; Diclosulam; Dimethenamid-P; Ethafluralin; Ethoxysulfuron; Florasulam; Florpyrauxifen benzyl; Florpyrauxifen-benzyl; Fluazifop-p-butyl; Flucetosulfuron; Flufenacet; Flumioxazin; Fluroxypyr meptyl; Fomesafen; Glyphosate potassium salt; Halauxifen-methyl; Haloxyfop-P-methyl; Haloxyfop-R-methyl; Helosulfuron methyl; Hexazinone; Imazamox; Indaziflam;

Iodosulfuron methyl sodium; Ipfencarbazone; Mesosulfuron methyl; Mesotrione; Metamifop; Metamitron; Orthosulfamuron; Oxadiazon; Paraquat dichloride; Penoxsulam; Pinoxaden; Propaquizafop; Pyrazosulfuron ethyl; Pyribenzoxim; Pyriftalid; Pyrithiobac sodium; Pyroxasulfon; Pyroxsulam; Quizalofop ethyl; Quizalofop-P-tefuryl; Saflufenacil; Sodium acifluorfen; Sulfentrazone; Tembotrione; Topramezone; Triafamone; Triasulfuron; Triclopyr acid; Triclopyr butotyl ester; Trifloxysulfuron sodium; Trifluralin.

(b) with content by mass greater than 60% : Indaziflam; Mesotrione.
(c) with content by mass greater than 40% : Paraquat dichloride.";

(vi) after Supplementary Note 10, the following Supplementary Notes shall be inserted, namely:—

"11. Tariff item 3808 92 80 covers one of the following goods of sub-heading 3808 92 :
(a) with content by mass greater than 90% : Ametroctradin; Amisulbrom; Aureofungin; Azoxystrobin; Benalaxyl; Benalaxyl M; Boscalid; Buprimate; Copper sulphate pentahydrate; Cyazofamid; Cyflufenamide; Cyproconazole; Cyzofamide; Difenoconazole; Dimethomorph; Dinocap; Epoxyconazole; Famoxadone; Fenamidone; Fenoxanil; Fluopicolide; Fluopyram and its metabolite; Flusilazole; Fluxapyroxad; Fosetyl-Al; Iprodione; Iprovalicarb; Kresoxim Methyl; Lime Sulphur; Mandipropamid; Mefentrifluaconazole; Meptyldiinocop; Metiram; Metrafenone; Myclobutanil; Oxathiapiprolin; Pencycuron; Penflufen; Picoxystrobin; Polyoxin D Zinc salt; Prochloraz; Pydiflumetofen; Pyraclostrobin; Pyriofenone; Tetraconazole; Thifluzamide; Tribasic Copper Sulfate; Trifloxystrobin; Triticonazole; Valifenalate.
(b) with content by mass greater than 60% : Copper Hydroxide; Kasugamycin; Propamocarb hydrochloride; Propineb.
12. Tariff item 3808 93 41 covers one of the following goods of sub-heading 3808 93 : Alphanaphthyl Acetic Acid conforming to IS 13070; Chlormequat Chloride (CCC) conforming to IS 8961; Ethephon conforming to IS 14408; Mepiquat Chloride conforming to IS 16340.
13. Tariff item 3808 93 42 covers one of the following goods of sub-heading 3808 93 with content by mass greater than 90% : 1-Methyl Cyclopropene; 6-Benzyladenine; Cyclanilide; Forchlorfenuron; Paclobutrazol; Prohexadione Calcium; Sodium paranitrophinolate; Triacontanol.
14. Tariff item 3808 94 20 covers one of the following goods of sub-heading 3808 94 :
(a) with content by mass greater than 90% : Dichloropropene and Dichloropropane mixture (DD mixture); Hydrogen cyanamide.
(b) with content by mass greater than 40% : Magnesium phosphide plates.
15. Tariff item 3808 99 11 covers one of the following goods of sub-heading 3808 99 : Bromadiolone conforming to IS 12914.
16. Tariff item 3808 99 12 covers one of the following goods of sub-heading 3808 99 with content by mass greater than 90% : Acequinocyl; Bifenazate; Brodifacoum; Coumachlor; Coumatetralyl; Flocoumafen; Fluazaindolizine; Fluensulfone; Gossyplure.";

(vii) in heading 3808,—

(a) after tariff item 3808 91 92 and the entries relating thereto, the following shall be inserted, namely:—

"3808 91 93	----	Containing bromomethane (methyl bromide) or bromochloromethane	kg.	10% -";

(b) for tariff item 3808 92 90 and the entries relating thereto, the following shall be substituted, namely:—

"3808 92 80	---	Goods specified in Supplementary Note 11 to this Chapter	kg.	10%	-
	---	*Other:*			
3808 92 91	----	Containing bromomethane (methyl bromide) or bromochloromethane	kg.	10%	-
3808 92 99	----	Other	kg.	10%	-";

(c) for tariff item 3808 93 40 and the entries relating thereto, the following shall be substituted, namely:—

	"---	*Plant growth regulators:*			
3808 93 41	----	Goods specified in Supplementary Note 12 to this Chapter	kg.	10%	-
3808 93 42	----	Goods specified in Supplementary Note 13 to this Chapter	kg.	10%	-
3808 93 49	----	Other:	kg.	10%	-";

(d) for tariff item 3808 93 90 and the entries relating thereto, the following shall be substituted, namely:—

	"---	*Other:*			
3808 93 91	----	Containing bromomethane (methyl bromide) or bromochloromethane	kg.	10%	-
3808 93 99	----	Other	kg.	10%	-";

(e) for tariff item 3808 94 00 and the entries relating thereto, the following shall be substituted, namely:—

"3808 94	--	*Disinfectants:*			
3808 94 10	---	Containing bromomethane (methyl bromide) or bromochloromethane	kg.	10%	-
3808 94 20	---	Goods specified in Supplementary Note 14 to this Chapter	kg.	10%	-
3808 94 90	---	Other	kg.	10%	-";

(f) for tariff items 3808 99 10 and 3808 99 90 and the entries relating thereto, the following shall be substituted, namely:—

	"---	*Goods specified in Supplementary Note 15 and 16 to this Chapter:*			
3808 99 11	----	Goods specified in Supplementary Note 15 to this Chapter	kg.	10%	-
3808 99 12	----	Goods specified in Supplementary Note 16 to this Chapter	kg.	10%	-
	---	*Other:*			
3808 99 91	----	Containing bromomethane (methyl bromide) or bromochloromethane	kg.	10%	-

3808 99 92	----	Pesticides, not elsewhere specified or included	kg.	10%	-
3808 99 99	----	Other	kg.	10%	-”;

(viii) for tariff item 3813 00 00 and the entries relating thereto, the following shall be substituted, namely:—

“3813		PREPARATIONS AND CHARGES FOR FIRE-EXTINGUISHERS; CHARGED FIRE-EXTINGUISHING GRENADES			
3813 00	-	*Preparations and charges for fire-extinguishers; charged fire-extinguishing grenades:*			
3813 00 10	---	Containing bromochlorodifluoromethane, bromotrifluoromethane or dibromotetrafluoroethanes	kg.	10%	-
3813 00 20	---	Containing methane, ethane or propane hydrobromofluorocarbons (HBFCs)	kg.	10%	-
3813 00 30	---	Containing methane, ethane or propane hydrochlorofluorocarbons (HCFCs)	kg.	10%	-
3813 00 40	---	Containing bromochloromethane	kg.	10%	-
3813 00 90	---	Other	kg.	10%	-”;

(ix) in heading 3814, for tariff items 3814 00 10 and 3814 00 20 and the entries relating thereto, the following shall be substituted, namely:—

	“---	*Organic composite solvents and thinners, not elsewhere specified or included:*			
3814 00 11	----	Containing methane, ethane or propane chlorofluorocarbons (CFCs), whether not containing hydrochlorofluorocarbons (HCFCs)	kg.	10%	-
3814 00 12	----	Containing methane, ethane or propane hydrochlorofluorocarbons (HCFCs), but not containing chlorofluorocarbons (CFCs)	kg.	10%	-
3814 00 13	----	Containing carbon tetrachloride, bromochloromethane or 1,1,1-trichloroethane (methyl chloroform)	kg.	10%	-
3814 00 19	----	Other	kg.	10%	-
	---	*Prepared paint or varnish removers :*			
3814 00 21	----	Containing methane, ethane or propane chlorofluorocarbons (CFCs), whether not containing hydrochlorofluorocarbons (HCFCs)	kg.	10%	-
3814 00 22	----	Containing methane, ethane or propane hydrochlorofluorocarbons (HCFCs), but not containing chlorofluorocarbons (CFCs)	kg.	10%	-
3814 00 23	----	Containing carbon tetrachloride, bromochloromethane or 1,1,1-trichloroethane (methyl chloroform)	kg.	10%	-
3814 00 29	----	Other	kg.	10%	-”;

(x) for the entry in column (4) occurring against all the tariff items of sub-heading 3822 90, the entry “10%” shall be substituted;

(xi) for the entry in column (4) occurring against all the tariff items of sub-heading 3824 60, the entry "20%" shall be substituted;

(xii) for the entry in column (4) occurring against tariff item 3824 99 00, the entry "7.5%" shall be substituted;

(12) in Chapter 39, for the entry in column (4) occurring against all the tariff items of headings 3920 and 3921, the entry "20%" shall be substituted;

(13) in Chapter 64, for the entry in column (4) occurring against all the tariff items of headings 6401, 6402, 6403, 6404 and 6405, the entry "20%" shall be substituted;

(14) in Chapter 68, for the entry in column (4) occurring against tariff items 6802 10 00, 6802 21 10, 6802 21 20, 6802 21 90, 6802 23 10, 6802 23 90, 6802 29 00, 6802 91 00, 6802 92 00 and 6802 93 00, the entry "20%" shall be substituted;

(15) in Chapter 71,—

(i) in heading 7106,—

(a) after tariff item 7106 91 10 and the entries relating thereto, the following shall be inserted, namely:—

"7106 91 20	---	Containing 99.9 percent or more by weight of silver	kg.	10%	-";

(b) for tariff item 7106 92 20 and the entries relating thereto, the following shall be substituted, namely:—

	"---	*Bar:*			
7106 92 21	----	Containing 99.9 percent or more by weight of silver	kg.	10%	-
7106 92 29	----	Other	kg.	10%	-";

(ii) in heading 7108, for tariff items 7108 12 00 and 7108 13 00 and the entries relating thereto, the following shall be substituted, namely:—

"7108 12	--	*Other unwrought forms:*			
7108 12 10	---	Containing 99.5 percent or more by weight of gold	kg.	10%	-
7108 12 90	---	Other	kg.	10%	-
7108 13	--	*Other semi-manufactured forms:*			
7108 13 10	---	Containing 99.5 percent or more by weight of gold	kg.	10%	-
7108 13 90	---	Other	kg.	10%	-";

(iii) in heading 7110, for tariff items 7110 11 10 to 7110 19 00 and the entries relating thereto, the following shall be substituted, namely:—

	"---	*Unwrought form:*			

7110 11 11	----	Containing 99.0 percent or more by weight of platinum	kg.	10%	-
7110 11 19	----	Other	kg.	10%	-
	---	*In powder form:*			
7110 11 21	----	Containing 99.0 percent or more by weight of platinum	kg.	10%	-
7110 11 29	----	Other	kg.	10%	-
7110 19	--	*Other:*			
7110 19 10	---	Containing 99.0 percent or more by weight of platinum	kg.	10%	-
7110 19 90	---	Other	kg.	10%	-";

(iv) for the entry in column (4) occurring against all the tariff items of headings 7113 and 7114, the entry "20%" shall be substituted;

(16) in Chapter 72, for the entry in column (4) occurring against tariff items 7210 12 10, 7210 12 90, 7219 12 00, 7219 13 00, 7219 21 90, 7219 90 90 and 7225 11 00, the entry "15%" shall be substituted;

(17) in Chapter 73, for the entry in column (4) occurring against tariff items 7307 29 00, 7307 99 90, 7308 90 90, 7310 29 90, 7318 15 00, 7318 16 00, 7318 29 90, 7320 90 90, 7325 99 99, 7326 19 90 and 7326 90 99, the entry "15%" shall be substituted;

(18) in Chapter 74, for the entry in column (4) occurring against tariff items 7404 00 12, 7404 00 19 and 7404 00 22, the entry "Free" shall be substituted;

(19) in Chapter 80, -

(i) for the entry in column (4) occurring against all the tariff items of heading 8001, the entry "Free", shall be substituted;

(ii) for the entry in column (4) occurring against all the tariff items of heading 8002, the entry "Free", shall be substituted;

(20) in Chapter 81,—

(i) for the entry in column (4) occurring against tariff items 8101 94 00, 8101 97 00, 8102 94 00, 8102 97 00 , 8103 20 10, 8103 20 90, 8103 30 00, 8105 20 20, 8105 30 00, 8106 10 10, 8106 90 10, 8109 21 00, 8109 31 00, 8109 39 00, 8110 10 00, 8110 20 00, 8112 12 00, 8112 13 00, 8112 31 10, 8112 31 20, 8112 31 30, 8112 41 10, 8112 41 20, 8112 61 00, 8112 69 10 and 8112 69 20, the entry "Free" shall be substituted;

(ii) in the entry in column (2) occurring against heading 8112, for the brackets and words "(Columbium and)", the brackets and words "(columbium), and" shall be substituted;

(21) in Chapter 85,—

(i) in Sub-heading Note 2, for the brackets, figures and words "50 × 103 Gy(silicon) (5 × 106 RAD (silicon))", the brackets, figures and words "50×10^3 Gy(silicon) (5×10^6 RAD (silicon))" shall be substituted.

(ii) for the entry in column (4) occurring against tariff items 8541 42 00, 8541 43 00 and 8541 49 00 the entry "20%" shall be substituted;

(22) in Chapter 87,—

(i) for the entry in column (4) occurring against all the tariff items of heading 8702, the entry "20%", shall be substituted;

(ii) for the entry in column (4) occurring against all the tariff items of heading 8703, the entry "70%", shall be substituted;

(iii) for the entry in column (4) occurring against the heading 8704, the entry "20%", shall be substituted;

(iv) for the entry in column (4) occurring against the heading 8711, the entry “70%”, shall be substituted;

(v) for the entry in column (4) occurring against tariff item 8712 00 10, the entry “20%” shall be substituted;

(23) in Chapter 89, for the entry in column (4) occurring against all the tariff items of heading 8903, the entry “20%” shall be substituted;

(24) in Chapter 90, for the entry in column (4) occurring against tariff item 9028 30 10, the entry “20%” shall be substituted;

(25) in Chapter 94, for the entry in column (4) occurring against all the tariff items of headings 9401, 9403, 9404 and 9405, the entry “20%” shall be substituted;

(26) in Chapter 95, for the entry in column (4) occurring against tariff item 9503 00 91, the entry “20%” shall be substituted;

(27) in Chapter 98,—

(i) for the entry in column (4) occurring against tariff item 9802 00 00, the entry “70%” shall be substituted;

(ii) for the entry in column (4) occurring against tariff item 9803 00 00, the entry “70%” shall be substituted;

(iii) for the entry in column (4) occurring against all the tariff items of heading 9804, the entry “20%” shall be substituted.

STATEMENT OF OBJECTS AND REASONS

The object of the Bill is to give effect to the financial proposals of the Central Government for the financial year 2025-2026. The notes on clauses explain the various provisions contained in the Bill.

NIRMALA SITHARAMAN.

NEW DELHI;
The 30th January, 2025.

PRESIDENT'S RECOMMENDATION UNDER ARTICLES 117 AND 274 OF THE CONSTITUTION OF INDIA

[Copy of letter No. 2(6)-B(D)/2025, dated the 30th January, 2025 from Smt. Nirmala Sitharaman, Minister of Finance, to the Secretary-General, Lok Sabha].

The President, having been informed of the subject matter of the proposed Bill, recommends under clauses (1) and (3) of article 117, read with clause (1) of article 274, of the Constitution of India, the introduction of the Finance Bill, 2025 to the Lok Sabha and also recommends to the Lok Sabha the consideration of the Bill.

2. The Bill will be introduced in the Lok Sabha immediately after the presentation of the Budget on 1st February, 2025.

Notes on Clauses

Clause 2 read with the First Schedule to the Bill, seeks to specify the rates at which income-tax is to be levied on income chargeable to tax for the assessment year 2025-2026. Further, it lays down the rates at which tax is to be deducted at source during the financial year under the Income-tax Act; and the rates at which "advance tax" is to be paid, tax is to be deducted at source from, or paid on, income chargeable under the head "Salaries" or deducted under section 194P of the Income-tax Act and tax is to be calculated and charged in special cases for the financial year 2025-2026.

Clause 3 of the Bill seeks to amend section 2 of the Income-tax Act relating to definitions.

Clause (14) of the said section provides in sub-clause (b) that "capital asset", means any securities held by a Foreign Institutional Investor which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992. Further, sub-clause (c) of the said clause, provides that capital asset means any unit linked insurance policy to which exemption under clause (10D) of section 10 does not apply on account of the applicability of the fourth and fifth provisos thereof.

It is proposed to amend sub-clause (b) of the said clause so as to insert the expression "or held by an investment fund specified in clause (a) of *Explanation* 1 to section 115UB" after the words "Foreign Institutional Investor".

It is further proposed to amend sub-clause (c) of clause (14) of the said section so as to make it applicable for unit linked insurance policy to which exemption under clause (10D) of section 10 does not apply.

These amendments will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause (22) of the said section provides the definition of dividend. Sub-clause (e) of the said clause, *inter alia,* provides that any payment by a company, not being a company in which the public are substantially interested, of any sum, by way of advance or loan to a shareholder, being a person who is the beneficial owner of shares (not being shares entitled to a fixed rate of dividend whether with or without a right to participate in profits) holding not less than ten per cent. of the voting power, or to any concern in which such shareholder is a member or a partner and in which he has a substantial interest (hereafter in this clause referred to as the said concern) or any payment by any such company on behalf, or for the individual benefit, of any such shareholder, to the extent to which the company in either case possesses accumulated profits.

It is proposed to insert a new sub-clause (iia) in the said clause so as to provide that dividend does not include—

(iia) any advance or loan between two group entities, where,—

(A) one of the group entity is a "Finance company" or a "Finance unit"; and

(B) the parent entity or principal entity of such group is listed on stock exchange in a country or territory outside India other than the country or territory outside India as may be specified by the Board in this behalf;

It is further proposed to define the expressions "Finance company" or a "Finance unit", and "group entity", "parent entity" and "principal entity" in the *Explanation* to the said clause.

These amendments will take effect from 1st April, 2025.

It is also proposed to amend the clause (47A) of the said section to provide that the definition of virtual digital asset includes any crypto-asset being a digital representation of value that relies on a cryptographically secured distributed ledger or a similar technology to validate and secure transactions, whether or not already included in the definition of virtual digital asset.

This amendment will take effect from 1st April, 2026.

Clause 4 of the Bill seeks to amend section 9 of the Income-tax Act relating to income deemed to accrue or arise in India.

Clause (a) of *Explanation* 2A to sub-clause (i) of sub-section (1) of the said section provides that "significant economic presence" in India shall, *inter alia,* mean transaction in respect of any goods, services or property carried out by a non-resident with any person in India.

It is proposed to insert a proviso after the first proviso to the said *Explanation* so as to provide that the transactions or activities which are confined to the purchase of goods in India for the purpose of export shall not constitute significant economic presence in India and make consequential amendments thereto.

This amendment will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 5 of the Bill seeks to amend section 9A of the Income-tax Act relating to certain activities not to constitute business connection in India.

Clause (c) of sub-section (3) of the said section, *inter alia*, provides that the eligible investment fund referred to in sub-section (1), means a fund established or incorporated or registered outside India, which collects funds from its members for investing it for their benefit and fulfils the condition that the aggregate participation or investment in the fund, directly or indirectly, by persons resident in India does not exceed five per cent. of the corpus of the fund.

It is proposed to amend the said clause so as to provide that the aggregate participation or investment in the fund, directly or indirectly, by persons resident in India does not exceed five per cent of the corpus of the fund, as on the 1st day of April and the 1st day of October of the previous year.

It is further proposed to insert a proviso to said clause so as to provide that where the aforesaid aggregate participation or investment in the fund exceeds five per cent on the 1st day of April or the 1st day of October of the previous year, the condition mentioned in this clause shall be deemed to be satisfied, if it is satisfied, within four months of the 1st day of April or the 1st day of October of such previous year, as the case may be.

Sub-section (8A) of the said section provides that the Central Government may, by notification, specify that any one or more of the conditions specified in clauses (a) to (m) of sub-section (3) or clauses (a) to (d) of sub-section (4) shall not apply or shall apply with such modifications, as may be specified in such notification, in case of an eligible investment fund and its eligible fund manager, if such fund manager is located in an International Financial Services Centre, and has commenced its operations on or before 31st March, 2024.

It is proposed to amend sub-section (8A) of the said section so as to extend the date of commencement of operations from 31st day of March, 2024 to 31st day of March, 2030.

It is further proposed to amend the said sub-section to provide that the Central Government may not relax condition in clause (c) of sub-section (3).

These amendments will take effect from 1st April, 2025.

Clause 6 of the Bill seeks to amend section 10 of the Income-tax Act relating to incomes not included in total income.

It is proposed to amend clause (aa) of *Explanation* to clause (4D) of the said section so as to extend the date of commencement of operations specified therein from 31st March, 2025 to 31st March, 2030.

This amendment will take effect from 1st April, 2025.

Clause (4E) of the said section provides that in computing the total income of a previous year of any person, any income accrued or arisen to, or received by a non-resident as a result of transfer of non-deliverable forward contracts or offshore derivative instruments or over the-counter derivatives, or distribution of income on offshore derivative instruments, entered into with an offshore banking unit of an International Financial Services Centre referred to in sub-section (1A) of section 80LA, and fulfilling the conditions as may be provided by rules, shall not be included.

It is proposed to amend the said clause to insert "or any Foreign Portfolio Investor being a unit of an International Financial Services Centre" so as to bring it within the ambit of the said clause.

It is further proposed to insert an *Explanation* to the said clause to define the expression "Foreign Portfolio Investor" to mean a person registered as per the provisions of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 made under the Securities and Exchange Board of India Act, 1992.

These amendments will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

It is also proposed to amend clause (4F) of the said section so as to extend the date of commencement of operations specified therein from 31st March, 2025 to 31st March, 2030.

It is also proposed to amend clause (4H) of the said section so as to extend the date of commencement of operations specified therein from 31st March, 2026 to 31st March, 2030.

It is also proposed to amend the said clause to also provide that income by way of capital gains arising from the transfer of equity shares of domestic company, being a Unit of an International Financial Services Centre, as referred to in sub-section (1A) of section 80LA, engaged primarily in the business of leasing of a ship shall not be included in computing the total income of a non-resident or a Unit of an International Financial Services Centre, as referred to in sub-section (1A) of section 80LA, engaged primarily in the business of leasing of a ship.

It is also proposed to amend the said clause to provide the meaning of "ship" as a ship or an ocean vessel, engine of a ship or ocean vessel, or any part thereof.

It is also proposed to amend the eighth proviso to clause (10D) so as to provide that the provisions of the fourth, fifth, sixth and seventh provisos shall not apply to any sum received,–

(i) on the death of a person; or

(ii) under a life insurance policy issued by International Financial Services Centre insurance intermediary office, including the sum allocated by way of bonus on such policy.

It is also proposed to insert an *Explanation* to the eighth proviso to the said clause to provide that "International Financial Services Centre insurance intermediary office" shall have the same meaning as assigned to it in clause (s) of sub-regulation (1) of regulation 3 of the International Financial Services Centres Authority (Insurance Intermediary) Regulations, 2021, made under the International Financial Services Centres Authority Act, 2019.

These amendments will take effect from 1st April, 2025.

It is also proposed to insert a new clause (12BA) in the said section so as to provide that any payment from the National Pension System Trust to an assessee, being the parent or guardian of a minor, under the pension scheme referred to in section 80CCD, on partial withdrawal made out of the account of the minor, as per the terms and conditions, specified under the Pension Fund Regulatory and Development Authority Act, 2013 and the regulations made thereunder, to the extent it does not exceed twenty-five per cent. of the amount of contributions made by such guardian.

Clause (23FE) of the said section, *inter alia,* provides that income of the nature of dividend, interest, any sum referred to in clause (xii) of sub-section (2) of section 56, or long-term capital gains arising from an investment made in India, shall not be included in computing the total income of a specified person. Sub-clause (i) of the said clause provides that the investment is to be made on or after 1st April, 2020 but on or before 31st March, 2025.

It is proposed to amend the opening portion of the said clause so as to provide that income in the nature of long-term capital gains (whether or not such capital gains are deemed as short-term capital gains under section 50AA), shall not be included in computing the total income of a specified person.

It is further proposed to amend sub-clause (i) of the said clause so as to extend the date of investment from 31st March, 2025 to 31st March, 2030.

These amendments will take effect from 1st April, 2025.

It is also proposed to amend clause (34B) so as to also provide that income by way of dividends from a company being a Unit of any International Financial Services Centre primarily engaged in the business of leasing of a ship, shall not be included in computing the total income of a Unit of any International Financial Services Centre, primarily engaged in the business of leasing of a ship.

It is also proposed to amend the *Explanation* of the said clause so as to define the expression "aircraft", "International Financial Services Centre" and "ship".

These amendments will take effect from 1st April, 2025.

Clause 7 of the Bill seeks to amend section 12AB of the Income-tax Act relating to procedure for fresh registration.

Sub-section (1) of the said section, *inter alia*, provides for the procedure for registration or cancellation of registration of trust or institution by the Principal Commissioner or Commissioner, on receipt of an application made under clause (ac) of sub-section (1) of section 12A.

It is proposed to insert a proviso to the said sub-section to provide that where an application is made under sub-clause (i) to (v) of the said clause, and the total income of such trust or institution, without giving effect to the provisions of sections 11 and 12, does not exceed rupees five crores during each of the two previous year, preceding to the previous year in which such application is made, the provisions of this sub-section shall have effect as if for the words "five years", the words "ten years" had been substituted.

Sub-section (4) of the said section, *inter alia*, provides that where registration or provisional registration of a trust or an institution has been granted and subsequently, the Principal Commissioner or Commissioner has noticed occurrence of one or more specified violations during any previous year, the Principal Commissioner or Commissioner shall, *inter alia*,—

(i) call for such documents or information from the trust or institution, or make such inquiry as he thinks necessary in order to satisfy himself about the occurrence or otherwise of any specified violation;

(ii) pass an order in writing, cancelling the registration of such trust or institution, after affording a reasonable opportunity of being heard, for such previous year and all subsequent previous years, if he is satisfied that one or more specified violations have taken place;

Explanation to sub-section (4) of the said section provides that "specified violation", *inter alia*, means the application referred to in clause (ac) of sub-section (1) of section 12A is not complete or it contains false or incorrect information.

It is further proposed to amend the *Explanation* to the said sub-section so as to omit the words "is not complete or it" so that the incomplete application referred to in clause (ac) of sub-section (1) of section 12A, is not treated as a specified violation.

These amendments will take effect from 1st April, 2025.

Clause 8 of the Bill seeks to amend section 13 of the Income-tax Act relating to section 11 not to apply in certain cases.

Sub-section (3) of section 13 specifies as to the persons referred to in clause (c) of sub-section (1) and sub-section (2) of the said section.

It is proposed to amend clause (b) of the said sub-section so as to provide that specified person would be any person whose total contribution to the trust or institution, during the relevant previous year exceeds one lakh rupees, or, in aggregate up to the end of the relevant previous year exceeds ten lakh rupees, as the case may be.

It is further proposed to amend clause (d) of the said sub-section so as to provide that any relative of person referred to in clause (b) shall not be treated as specified person for the purposes of the said sub-section.

It is also proposed to amend clause (e) of the said sub-section so as to provide that any concern in which the person referred to in clause (b) has substantial interest shall not be treated as specified person for the purposes of the said sub-section.

These amendments will take effect from 1st April, 2025.

Clause 9 of the Bill seeks to amend section 17 of the Income-tax Act relating to "salary", "perquisite" and "profits in lieu of salary" defined.

The existing provisions of clause (2) of section 17, *inter alia*, provide that for the purposes of section 15 and section 16 of the Income-tax Act, "perquisite" includes the value of any benefit or amenity granted or provided free of cost or at concessional rate by any employer (including a company) to an employee who is not a director of the company or has a substantial interest in the company, and whose income under the head "Salaries", whether due from, or paid or allowed by, one or more employers, other than the value of all non-monetary benefits or amenities, exceeds fifty thousand rupees.

Further, the Proviso to the said clause provides that any expenditure incurred by the employer on medical treatment of an employee or any member of the family of such employee, outside India, travel and stay abroad of the employee or any member of the family of such employee for medical treatment, or travel and stay abroad of one attendant who accompanies the patient, shall not be included in "perquisite", subject to the condition, among others, that the expenditure on travel shall be excluded only in the case of an

employee whose gross total income, as computed before including the said expenditure, does not exceed two lakh rupees.

It is proposed to amend the provisions of the said section so as to provide that "perquisite" includes the value of any benefit or amenity granted or provided free of cost or at concessional rate by any employer, including a company to an employee who is not a director of the company or has a substantial interest in the company, and whose income under the head "Salaries", whether due from, or paid or allowed by, one or more employers, other than the value of all non-monetary benefits or amenities, exceeds such amount as may be provided by rules.

It is further proposed to provide that the expenditure on travel incurred by the employer on medical treatment of an employee shall be excluded from perquisite only in the case of an employee whose gross total income, as computed before including the said expenditure, does not exceed such amount as may be provided by rules.

These amendments will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 10 of the Bill seeks to amend section 23 of the Income-tax Act, relating to annual value how determined.

Sub-section (2) of said section provides that where house property is in the occupation of the owner for the purposes of his residence or owner cannot actually occupy it due to his employment, business or profession carried on at any other place, in such cases, the annual value of such house or part of the house shall be taken to be nil. Further, sub-section (4) of the said section provides that provisions of sub-section (2) of the Act will be applicable in respect of 2 houses only.

It is proposed to substitute the sub-section (2) of the said section so as to provide that the annual value of the property consisting of a house or any part thereof shall be taken as nil, if the owner occupies it for his own residence or cannot actually occupy it due to any reason.

This amendment will take effect from 1st April, 2025 and shall apply to assessment year 2025-26 onwards.

Clause 11 of the Bill seeks to insert a new section 44BBD in the Income-tax Act relating to special provision for computing profits and gains of non-residents engaged in business of providing services or technology, for setting up an electronics manufacturing facility or in connection with manufacturing or production of electronic goods, article or thing in India.

Sub-section (1) of the proposed section seeks to provide that notwithstanding anything to the contrary contained in sections 28 to 43A, where an assessee, being a non-resident, engaged in the business of providing of services or technology in India, for the purposes of setting up an electronics manufacturing facility or in connection with manufacturing or production of electronic goods, article or thing in India,–

(a) to a resident company which is establishing or operating electronics manufacturing facility or a connected facility for manufacturing or production of electronic goods, article or thing in India, under a scheme notified by the Central Government in the Ministry of Electronics and Information Technology; and

(b) the resident company satisfies the conditions prescribed in this behalf,

a sum equal to 25% of the aggregate of the amounts specified in sub-section (2) shall be deemed to be the profits and gains of such business of the non-resident assessee chargeable to tax under the head "Profits and gains of business or profession".

Sub-section (2) of the proposed section seeks to provides that the amounts referred to in sub-section (1) shall be the following:—

(a) the amount paid or payable to the non-resident assessee or to any person on his behalf on account of providing services or technology; and

(b) the amount received or deemed to be received by the non-resident assessee or on behalf of non-resident assessee on account of providing services or technology.

Sub-section (3) of the proposed section seeks to provides that notwithstanding anything in sub-section (2) of section 32 and sub-section (1) of section 72, where a non-resident assessee declares profits and gains of business for any previous year under sub-section (1), no set off of unabsorbed depreciation and brought forward loss shall be allowed to the assesse for such previous year.

These amendments will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 12 of the Bill seeks to amend section 45 of the Income-tax Act relating to capital gains.

Sub-section (1B) of the said section, *inter alia*, provides that where any person receives at any time during any previous year any amount under a unit linked insurance policy, to which exemption under clause (10D) of section 10 does not apply on account of the applicability of the fourth and fifth provisos thereof, including the amount allocated by way of bonus on such policy, then, any profits or gains arising from receipt of such amount by such person shall be chargeable to income-tax under the head "Capital gains" and shall be deemed to be the income of such person of the previous year in which such amount was received and the income taxable shall be calculated in such manner as may be prescribed.

It is proposed to amend the said sub-section so as to make it applicable for an unit linked insurance policy to which exemption under clause (10D) of section 10 does not apply.

This amendment will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 13 of the Bill seeks to amend section 47 of the Income-tax Act relating to Transactions not regarded as transfer.

Clause (viiad) of the said section provides that any transfer by a shareholder or unit holder or interest holder, in a relocation, of a capital asset being a share or unit or interest held by him in the original fund in consideration for the share or unit or interest in the resultant fund, shall not be regarded as transfer for the purposes of section 45. The *Explanation* to the said clause provides, *inter alia*, the meaning of "resultant fund" for the purposes of the said clause.

It is proposed to substitute the said definition of the expression "resultant fund" to mean a fund established or incorporated in India in the form of a trust or a company or a limited liability partnership, which is located in an International Financial Services Centre as referred to in sub-section (1A) of section 80LA, and has been granted—

(i) a certificate of registration as a Category I or Category II or 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 or regulated under the International Financial Services Centres Authority (Fund Management) Regulations, 2022, made under the International Financial Services Centres Authority Act, 2019; or

(ii) a certificate as a retail scheme or an Exchange Traded Fund and which fulfils the conditions specified in clause (4D) of section 10;"

This amendment will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause (b) of the said *Explanation* provides that "relocation" means transfer of assets of the original fund, or of its wholly owned special purpose vehicle, to a resultant fund on or before the 31st day of March, 2025, where consideration for such transfer is discharged in the form of share or unit or interest in the resulting fund.

It is proposed to amend clause (b) of the *Explanation* to said clause so as to extend the date of transfer of assets of the original fund, or of its wholly owned special purpose vehicle, to a resultant fund, from 31st March, 2025 to 31st March, 2030.

This amendment will take effect from 1st April, 2025.

Clause 14 of the Bill seeks to amend section 72A of the Income-tax Act relating to carry forward and set off of accumulated loss and unabsorbed depreciation allowance in amalgamation or demerger, etc.

Section 72A of the Act states that accumulated loss and unabsorbed depreciation of the amalgamating companies or firm or proprietary concern or private company or unlisted private company, as the case maybe, shall be deemed to be accumulated loss and unabsorbed depreciation of the amalgamated company or successor company or successor limited liability partnership, as the case may be, for the previous year in which the business reorganisation was effected, to the extent of amount of accumulated loss and unabsorbed depreciation and as per conditions as specified therein.

It is proposed to insert sub-section (6B) in the section to state that where any amalgamation or business reorganisation, is effected on or after 1st April, 2025, any loss

forming part of the accumulated loss of the predecessor entity, being the amalgamating company or firm or proprietary concern; or private company or unlisted public company, as the case maybe, which is deemed to be the loss of the successor entity, being the amalgamated company or successor company or successor limited liability partnership, as the case maybe, shall be carried forward in the hands of the successor entity for not more than eight assessment years immediately succeeding the assessment year for which such loss was first computed for original predecessor entity.

It is further proposed to state that "original predecessor entity" means predecessor entity in respect of the first amalgamation under sub-section (1) or first business reorganisation for sub-section (6) or (6A).

This amendment will take effect from 1st April, 2026.

Clause 15 of the Bill seeks to amend section 72AA of the Income-tax Act relating to carry forward and set off of accumulated loss and unabsorbed depreciation allowance in scheme of amalgamation in certain cases.

Section 72AA of the Act states that accumulated loss and unabsorbed depreciation of the amalgamating company shall be deemed to be the loss and unabsorbed depreciation of the amalgamated companies, for the previous year in which the scheme of amalgamation was brought into force.

It is proposed to insert a proviso to the said section to provide that where any scheme of such amalgamation is brought into force on or after 1st April, 2025, any loss forming part of the accumulated loss of the predecessor entity, being the banking company or companies, amalgamating corresponding new bank or banks or amalgamating Government company or companies, as the case maybe, which is deemed to be the loss of the successor entity, being the banking institution or company, amalgamated corresponding new bank or banks or amalgamated Government company or companies, as the case may be, shall be carried forward in the hands of the successor entity for not more than eight assessment years immediately succeeding the assessment year for which such loss was first computed for original predecessor entity.

It is further proposed to state that "original predecessor entity" means predecessor entity in respect of the first amalgamation.

This amendment will take effect from 1st April, 2026.

Clause 16 of the Bill seeks to amend section 80CCA of the Income-tax Act, relating to deduction, *inter alia,* in respect of deposits under National Savings Scheme.

Sub-section (1) of the said section, *inter alia*, provides that a deduction of the whole of the amount deposited or paid (excluding interest or bonus accrued or credited to the assessee's account, if any) as does not exceed the amount of twenty thousand rupees in the previous year.

Sub-section (2) of the said section, *inter alia*, deems the withdrawals of amounts together with the interest accrued on such amount, as income chargeable to tax in the previous year when these amounts (or interest accrued on such amount) are withdrawn.

It is proposed to provide exemption from the provisions of sub-section (2) of section 80CCA to such withdrawals made on or after 29th August, 2024 by an assessee, being an individual.

This amendment will take effect retrospectively from 29th August, 2024.

Clause 17 of the Bill seeks to amend section 80CCD of the Income-tax Act relating to deduction of contribution to pension scheme of Central Government.

The said section provides for deduction in respect of contribution to pension scheme of the Central Government by the assessee, being an individual employed by the Central Government on or after the 1st January, 2004 or, being an individual employed by any other employer or any other assessee being an individual has in the previous year paid or deposited any amount in his account under the said pension scheme.

It is proposed to insert a second proviso to sub-section (1B) and to amend sub-sections (3) and (4) of the said section so as to extend the tax benefits available to a pension scheme under section 80CCD, to the contributions made to the National Pension Scheme Vatsalya Accounts, as follows:—

(a) a deduction to be allowed to the parent or guardian's total annual income, of the amount paid or deposited in the account of any minor under a pension scheme under sub-section (1B) of section 80CCD to a maximum of 50,000 rupees;

(b) chargeability of amount on which deduction has been allowed under sub-section (1B) of section 80CCD is also proposed to be provided where such amount or any interest accrued thereon is withdrawn in the case where deposit was made in the account of the minor;

(c) the amount received by the assessee, on the death of the minor resulting in closure of the account in respect of which deduction has been allowed earlier under sub-section (1B) of section 80CCD shall not be deemed to be the income of the parent or guardian.

These amendments will take effect from 1st April, 2026, and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 18 of the Bill seeks to amend section 80-IAC of the Income-tax Act relating to special provision in respect of specified business.

The said section, *inter alia*, provides for deduction of an amount equal to 100% of the profits and gains derived from an eligible business by an eligible start-up for three consecutive assessment years out of ten years at the option of the assessee subject to the condition that the total turnover of its business does not exceed one hundred crore rupees for an eligible start-up incorporated on or after 1st April, 2016 but before the 1st April, 2025.

It is proposed to amend the said section so as to extend the benefit for another period of five years, i.e. the benefit shall be available to the eligible start-ups incorporated before 1st April, 2030.

This amendment will take effect from 1st April, 2025.

Clause 19 of the Bill seeks to amend section 80LA of the Income-tax Act relating to deductions in respect of certain incomes of Offshore Banking Units and International Financial Services Centre.

Clause (d) of sub-section (2) of the said section provides that the income referred to in sub-section (1) and sub-section (1A) shall be the income, arising from the transfer of an asset, being an aircraft or a ship, which was leased by a unit referred to in clause (c) to a person, subject to the condition that the unit has commenced operation on or before the 31st March, 2025.

It is proposed to amend the said clause so as to extend the date of commencement of operations from 31st March, 2025 to 31st March, 2030.

This amendment will take effect from 1st April, 2025.

Clause 20 of the Bill seeks to amend section 87A of the Income-tax Act relating to rebate of income-tax in case of certain individuals.

The said section provides that an assessee, being an individual resident in India, whose total income does not exceed five hundred thousand rupees, shall be entitled to a deduction, from the amount of income-tax (as computed before allowing the deductions under this Chapter) on his total income with which he is chargeable for any assessment year, of an amount equal to hundred per cent of such income-tax or an amount of twelve thousand and five hundred rupees, whichever is less.

Proviso to the said section provides that where the total income of the assessee is chargeable to tax under sub-section (1A) of section 115BAC, and the total income—

(a) does not exceed seven hundred thousand rupees, the assessee shall be entitled to a deduction from the amount of income-tax (as computed before allowing for the deductions under this Chapter) on his total income with which he is chargeable for any assessment year, of an amount equal to one hundred per cent. of such income-tax or an amount of twenty-five thousand rupees, whichever is less;

(b) exceeds seven hundred thousand rupees and the income-tax payable on such total income exceeds the amount by which the total income is in excess of seven hundred thousand rupees, the assessee shall be entitled to a deduction from the amount of income-tax (as computed before allowing the deductions under this Chapter) on his total income, of an amount equal to the amount by which the income-tax payable on such total income is in excess of the amount by which the total income exceeds seven hundred thousand rupees.

It is proposed to amend the proviso to the said section to substitute the seven hundred thousand rupees with twelve hundred thousand rupees and twenty-five thousand rupees with sixty thousand rupees respectively.

It is further proposed to insert a second proviso to the said section to provide that the deduction under the first proviso, shall not exceed the amount of income-tax payable as per the rates provided in sub-section (1A) of section 115BAC.

These amendments will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 21 of the Bill seeks to amend section 92CA of the Income-tax Act relating to reference to Transfer Pricing Officer.

Sub-section (1) of the said section provides that where any person, being the assessee, has entered into an international transaction or specified domestic transaction in any previous year, and the Assessing Officer considers it necessary or expedient so to do, he may, with the previous approval of the Principal Commissioner or Commissioner, refer the computation of the arm's length price in relation to the said international transaction or specified domestic transaction under section 92C to the Transfer Pricing Officer.

It is proposed to insert a new first proviso to the said sub-section (1) so as to provide that no reference for computation of the arm's length price in relation to an international transaction or a specified domestic transaction shall be made, if the Transfer Pricing Officer has declared that option exercised by the assessee in sub-section (3B) in relation to such transaction is valid for such previous year.

It is further proposed to insert a new second proviso to the said sub-section so as to provide that if any reference for an international transaction or a specified domestic transaction, in respect of a previous year for which the option is declared valid under the sub-section (3B), is made before or after such declaration by the Transfer Pricing Officer, the provisions of the said sub-section shall have the effect as if no reference is made for such transaction.

It is also proposed to insert a new sub-section (3B) in the said section so as to provide that the arm’s length price being determined in relation to the international transaction or the specified domestic transaction under sub-section (3) for any previous year shall apply to similar international transaction or specified domestic transaction for the two consecutive previous years immediately following such previous year, on fulfilment of the conditions, specified therein.

It is also proposed to insert a proviso to the said sub-section (3B) to provide that the provisions of this sub-section shall not apply to any proceedings under Chapter XIV-B.

It is also proposed to insert a new sub-section (4A) in the said section so as to provide that notwithstanding anything contained in sub-section (4), where the Transfer Pricing Officer has declared an option exercised by the assessee as valid option under sub-section (3B), he shall examine and determine the arm’s length price in relation to such similar transaction for two consecutive previous years immediately following such previous year, in the order referred to in sub-section (3) and on receipt of such order, the Assessing Officer shall proceed to recompute the total income of the assessee for the said two consecutive previous years as per the provisions of sub-section (21) of section 155.

These amendments will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Sub-section (9) of the said section empowers that the Central Government, may, for the purpose of giving effect to the aforesaid scheme, direct that any of the provisions of the Income-tax Act shall not apply or shall apply with such exceptions, modifications and adaptations as specified.

Proviso to said sub-section provides that no direction shall be issued after the 31st March, 2025.

It is proposed to omit the said proviso.

This amendment will take effect from 1st April, 2025.

It is also proposed to insert a new sub-section (11) in the said section so as to provide that if any difficulty arises in giving effect to the provisions of sub-section (3B) and sub-section (4A), the Board may, with the previous approval of the Central Government, issue guidelines for the purpose of removing the difficulty, which shall be laid before each House of Parliament and no such guideline shall be made after the expiration of two years from the 1st April, 2026.

It is also proposed to insert a new sub-section (12) in the said section so as to provide that every guideline issued by the Board under sub-section (11) shall be laid before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive session aforesaid, both houses agree in making any modification in such guideline or both Houses agree that the guideline, should not be issued, the guideline shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that guideline.

This amendment will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 22 of the Bill seeks to amend section 112A of the Income-tax Act relating to tax on long-term capital gains in certain cases.

Clause (a) of the *Explanation* to the said section, *inter alia*, provides that "equity oriented fund" means a fund set up under a scheme of a mutual fund specified under clause (23D) of section 10 or under a scheme of an insurance company comprising unit linked insurance policies to which exemption under clause (10D) of the said section does not apply on account of the applicability of the fourth and fifth provisos thereof.

Second proviso to the clause (a) of *Explanation* to the said section provides that in case of a scheme of an insurance company comprising unit linked insurance policies to which exemption under clause (10D) of section 10 does not apply, in given cases, the minimum requirement of ninety per cent. or sixty-five per cent., as the case may be, is required to be satisfied throughout the term of such insurance policy.

It is proposed to amend clause (a) and the second proviso of the *Explanation* to the said section so as to make it applicable for unit linked insurance policy to which exemption under clause (10D) of section 10 does not apply.

This amendment will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 23 of the Bill seeks to amend section 115AD of the Income-tax Act relating to tax on income of Foreign Institutional Investors from securities or capital gains arising from their transfer.

Sub-section (1) of the said section, *inter alia,* provides that where the total income of a specified fund or Foreign Institutional Investor, includes income received in respect of securities (other than units referred to in section 115AB) or income by way of short-term or long-term capital gains arising from the transfer of such securities, the income-tax on the income by way of long-term capital gains on transfer of securities referred to in clause (b), but not covered under section 112A, if any, included in the total income, shall be calculated at the rate of ten per cent.

It is proposed to amend the said sub-section to provide that the income-tax on the income by way of long-term capital gains on transfer of securities referred to in clause (b), but not covered under section 112A, if any, included in the total income, shall be calculated at the rate of twelve and one-half per cent.

This amendment will take effect from 1st April, 2026, and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 24 of the Bill seeks to amend section 115BAC of the Income-tax Act relating to tax on income of individuals, Hindu undivided family and others.

It is proposed to amend sub-section (1A) of the said section to provide that notwithstanding anything contained in this Act but subject to the provisions of this Chapter, the income-tax payable in respect of the total income of a person, being an individual or Hindu undivided family or association of persons (other than a co-operative society), or body of individuals, whether incorporated or not, or an artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2, other than a person who has exercised an option under sub-section (6), for any previous year relevant to the assessment year beginning on or after the 1st April, 2026, shall be computed at the rate of tax given in the following Table, namely:—

Table

Sl. No.	Total income	Rate of tax
(1)	(2)	(3)
1.	Upto Rs. 4,00,000	Nil
2.	From Rs. 4,00,001 to Rs. 8,00,000	5 per cent.
3.	From Rs. 8,00,001 to Rs. 12,00,000	10 per cent.

4.	From Rs. 12,00,001 to Rs. 16,00,000	15 per cent.
5.	From Rs. 16,00,001 to Rs. 20,00,000	20 per cent.
6.	From Rs. 20,00,001 to Rs. 24,00,000	25 per cent.
7.	Above Rs. 24,00,000	30 per cent.

These amendments will take effect from the 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 25 of the Bill seeks to amend section 115UA of the Income-tax Act relating to tax on income of unit holder and business trust.

Sub-section (2) of the said section provides that the total income of a business trust shall be charged to tax subject to the provisions of sections 111A and 112.

It is proposed to amend the said sub-section so as to provide the reference of section 112A therein.

This amendment will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 26 of the Bill seeks to amend section 115V of the Income-tax Act relating to definitions.

It is proposed to insert a definition of "inland vessel" in the said section to provide that "inland vessel" is a vessel having the meaning assigned to it in clause (q) of section 3 of the Inland Vessels Act, 2021.

It is further proposed to include reference to inland vessel in definition of "bareboat charter", "bareboat charter-*cum*-demise", "pleasure craft" and "qualifying ship".

This amendment will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 27 of the Bill seeks to amend section 115VB of the Income-tax Act relating to operating ships.

The said section provides that a company shall be regarded as operating a ship if it operates any ship whether owned or chartered by it and includes a case where even a part of the ship has been chartered in by it in an arrangement such as slot charter, space charter or joint charter.

It is proposed to amend said section to insert a reference to inland vessel and provide that operating ship includes inland vessel as well.

It is further proposed to amend the proviso to the said section to provide that a company shall not be regarded as the operator of a ship or inland vessel, as the case maybe, which has been chartered out by it on bareboat charter-*cum*-demise terms or on bareboat charter terms for a period exceeding three years.

This amendment will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 28 of the Bill seeks to amend section 115VD of the Income-tax Act relating to qualifying ship.

The said section provides that a ship is a qualifying ship if it is a seagoing ship or vessel, of fifteen net tonnage or more; and it is a ship registered under the Merchant Shipping Act, 1958, or a ship registered outside India in respect of which a licence has been issued by the Director-General of Shipping under section 406 or section 407 of the Merchant Shipping Act, 1958 and a valid certificate in respect of such ship indicating its net tonnage is in force.

It is proposed to include reference to inland vessel in the said section to provide that a qualifying ship would include inland vessel registered under the Inland Vessel Act, 2021 as well.

It is further proposed to amend the said section to provide that a qualifying ship would not include a seagoing ship or inland vessel, if the main purpose for which it is used is the provision of goods or services of a kind normally provided on land.

This amendment will take effect from the 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 29 of the Bill seeks to amend section 115VG of the Income-tax Act relating to computing of tonnage income.

Sub-section (4) of the said section provides that for the purposes of Chapter XII-G, tonnage shall mean the tonnage of a ship indicated in the certificate referred to in section 115VX and includes the deemed tonnage computed in the prescribed manner.

It is proposed to amend sub-section (4) of the said section to include inland vessels under its purview.

This amendment will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 30 of the Bill seeks to amend section 115V-I of the Income-tax Act relating to relevant shipping income.

Sub-section (2) of the said section provides for the core activities of a tonnage tax company.

Sub-section (6) of the said section provides that where a tonnage tax company operates any ship which is not a qualifying ship, the income attributable to operating such non-qualifying ship shall be computed in accordance with the other provisions of this Act.

It is proposed to amend sub-sections (2) and (6) of the said section to include inland vessels under its purview.

These amendments will take effect from the 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 31 of the Bill seeks to amend section 115VK of the Income-tax Act relating to depreciation.

Sub-section (2) of the said section provides that the written down value of the block of assets, being ships as on the first day of the first previous year, shall be divided in the ratio of the book written down value of the qualifying ships and the book written down value of the non-qualifying ships.

It is proposed to amend the said sub-section to include inland vessels under its purview.

This amendment will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 32 of the Bill seeks to amend section 115VP of the Income-tax Act relating to method and time of opting for tonnage tax scheme.

Sub-section (1) of the said section provides that a qualifying company may opt for the tonnage tax scheme by making an application to the Joint Commissioner having jurisdiction over the company. Sub-section (3) of the said section requires that the Joint Commissioner may, on receipt of such application, call for information as deemed fit and pass an order in writing, approving the option for tonnage tax scheme or if not so satisfied, refusing such approval, after providing reasonable opportunity of being heard.

Sub-section (4) of the said section provides for an order under sub-section (3) to be passed before the expiry of one month from the end of the month in which the application was received under sub-section (1).

It is proposed to insert a new proviso in said sub-section so as to provide that for application received under sub-section (1) on or after 1st April, 2025, order under sub-section (3) shall be passed before the expiry of three months from the end of the quarter in which such application was received.

This amendment will take effect from 1st April, 2025.

Clause 33 of the Bill seeks to amend section 115VT of the Income-tax Act relating to transfer of profits to tonnage tax reserve account.

It is proposed to amend sub-section (3), sub-section (4) and *Explanation* to the said section to include inland vessels under its purview.

These amendments will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 34 of the Bill seeks to amend section 115VV of the Income-tax Act relating to limit for charter in of tonnage.

It is proposed to amend sub-section (4) and *Explanation* to the said section to include inland vessels under its purview.

These amendments will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 35 of the Bill seeks to amend section 115VX of the Income-tax Act relating to determination of tonnage.

Clause (a) of sub-section (1) of the said section provides tonnage of a ship shall be determined in accordance with the valid certificate indicating of tonnage.

Clause (b) of sub-section (1) of the said section provides meaning of valid certificate in case of ships registered in India and in case of ships registered outside India.

It is proposed to amend clauses (a) and (b) of sub-section (1) to provide valid certificate would also cover in case of inland vessel registered in India, a certificate issued under the Inland Vessels Act, 2021.

This amendment will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 36 of the Bill seeks to amend section 115VZA of the Income-tax Act relating to effect of temporarily ceasing to operate qualifying ships.

Sub-section (2) of the said section provides that where a qualifying company continues to operate a ship which temporarily ceases to be a qualifying ship, such ship shall not be considered as a qualifying ship for the purposes of this Chapter.

It is proposed to amend sub-section (2) of the said section to include inland vessels under its purview.

This amendment will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 37 of the Bill seeks to amend section 132 of the Income-tax Act relating to search and seizure.

Sub-section (8) of the said section provides that the last date for taking approval for retention of seized books of account or other documents is thirty days from the date of the order of assessment or reassessment or recomputation.

It is proposed to amend the said sub-section so as to provide that the said time limit for taking approval for retention shall be one month from the end of the quarter in which the assessment or reassessment or recomputation order has been made.

This amendment will take effect from 1st April, 2025.

Clause (a) to *Explanation* 1 to the said section provides the circumstances in which last of authorisation for search is to be deemed as to have been executed.

It is proposed to amend the clause (a) to *Explanation* 1 so as to substitute the word "authorisation" with "authorisations" as there may be more than one warrant executed in the case of one assessee.

This amendment will take effect from 1st April, 2025.

Clause 38 of the Bill seeks to amend section 132B of the Income-tax Act which deals application of seized or requisitioned assets.

Explanation 1 defines "execution of an authorisation for search or requisition" shall have the same meaning assigned to it in *Explanation* 2 to section 158BE.

It is proposed to amend *Explanation* 1 to section 132B to update the reference of *Explanation* to section 158B.

This amendment will take effect from 1st April, 2025.

Clause 39 of the Bill seeks to amend section 139 of the Income-tax Act, relating to return of income.

The said section provides the provisions for filing of income-tax return by taxpayers. The said section provides guidelines for filing of original return under sub-section (1), filing of belated or revised returns, the class or classes of persons who have an obligation to compulsorily file a return, rectification of a defective return, the due dates for filing of the said returns etc.

Sub-section (8A) of the said section provides that any person, whether or not he has furnished an original return, belated return or revised return under sub-section (1) or (4) or (5), for an assessment year, may furnish an updated return of his income or income of any other person in respect of which he is assessable under this Act**,** within 24 months from the end of the relevant assessment year.

It is proposed to amend sub-section (8A) of the said section so as to extend the time-limit to file an updated return from twenty-four months to forty-eight months from the end of relevant assessment year.

It is further proposed to insert a proviso in sub-section (8A) so as to provide that no updated return shall be furnished by any person where any notice to show-cause under section 148A has been issued in his case after thirty-six months from the end of the relevant assessment year. However, where an order is passed under sub-section (3) of section 148A determining that it is not a fit case to issue notice under section 148, updated return may be filed upto 48 months from the end of the relevant assessment year.

These amendments will take effect from 1st April, 2025.

Clause 40 of the Bill seeks to amend section 140B of the Income-tax Act relating to tax on updated return.

Sub-section (3) of the said section provides the computation of additional income-tax payable for the purposes of updated return. It, *inter alia*, provides that 25% of aggregate of tax and interest payable shall be the additional income-tax payable in the case of filing updated return upto twelve months from the end of the relevant assessment year. However, 50% of aggregate of tax and interest payable shall be the additional income-tax payable in the case of filing updated return after expiry of twelve months from the end of the relevant assessment year but before completion of twenty-four months from the end of the relevant assessment year.

It is proposed to amend the said sub-section prescribing additional income-tax on updated return by inserting clauses (iii) and (iv) so as to provide that 60% of aggregate of tax and interest payable shall be the additional income-tax payable in the case of filing updated return after expiry of twenty-four months from the end of the relevant assessment year but before completion of thirty-six months from the end of the relevant assessment year. Further, 70% of aggregate of tax and interest payable shall be the additional income-tax payable in the case of filing updated return after expiry of thirty-six months from the end of the relevant assessment year but before completion of forty-eight months from the end of the relevant assessment year.

This amendment will take effect from 1st April, 2025.

Clause 41 of the Bill seeks to amend the section 144BA of the Income-tax Act relating to reference to Principal Commissioner or Commissioner in certain cases.

The said section, *inter alia*, provides that if the Assessing Officer considers that it is necessary to declare an arrangement as an impermissible avoidance arrangement, then, he may make a reference to the Principal Commissioner or Commissioner and to determine the consequence of such an arrangement within the meaning of the General Anti-Avoidance Rules.

Sub-section (13) of the said section provides that the Approving Panel shall issue directions declaring such arrangement as an impermissible avoidance arrangement within six months from the end of the month in which the reference was received.

Clause (ii) of the *Explanation* to the said section provides that the period during which the proceeding of the Approving Panel is stayed by an order or injunctions of any court shall be excluded in computing the period as per sub-section (13).

It is proposed to amend the said clause so as to clarify the commencement date and the end date of such exclusion period.

This amendment will take effect from 1st April, 2025.

Clause 42 of the Bill seeks to amend section 144C of the Income-tax Act relating to reference to dispute resolution panel.

The said section, *inter alia,* empowers the Central Government to notify a faceless scheme for the purposes of issuance of directions by the dispute resolution panel, to impart greater efficiency, transparency and accountability.

Sub-section (14C) of the said section empowers that the Central Government, may, for the purpose of giving effect to the aforesaid scheme, direct that any of the provisions of the Income-tax Act shall not apply or shall apply with such exceptions, modifications and adaptations as specified.

Proviso to said sub-section provides that no direction shall be issued after the 31st March, 2025.

It is proposed to omit the said proviso.

This amendment will take effect from 1st April, 2025.

Clause 43 of the Bill seeks to amend the section 153 of the Income-tax Act relating to time limit for completion of assessment, reassessment and recomputation.

The said section, *inter alia*, provides various time limits for completion of assessment, reassessment and recomputation under various provisions of the said Act.

Clause (ii) of *Explanation* 1 to the said section, *inter alia*, provides that the period during which the assessment proceeding is stayed by an order or injunction of any court shall be excluded in computing the period of limitation.

It is proposed to substitute the said clause so as to clarify the commencement date and the end date of such exclusion period.

This amendment will take effect from 1st April, 2025.

Clause 44 of the Bill seeks to amend the section 153B of the Income-tax Act relating to time limit for completion of assessment under section 153A.

The said section, *inter alia*, provides that the Assessing Officer shall make an order of assessment or reassessment within twelve months from the end of the financial year in which the last of the authorisations for search or requisition was executed.

Clause (i) of the *Explanation* to the said section, *inter alia*, provides that the period during which the assessment proceeding is stayed by an order or injunction of any court shall be excluded in computing the period of limitation.

It is proposed to substitute the said clause so as to clarify the commencement date and the end date of such exclusion period.

This amendment will take effect from 1st April, 2025.

Clause 45 of the Bill seeks to amend section 155 of the Income-tax Act relating to other amendments.

It is proposed to insert a new sub-section (21) in the said section so as to provide that where the arm's length price is determined in relation to an international transaction or a specified domestic transaction under sub-section (3) of section 92CA for any previous year and the Transfer Pricing Officer has declared an option exercised by the assessee as valid

option under sub-section (3B) of section 92CA in respect of such transaction for two consecutive previous years immediately following such previous year, the Assessing Officer shall proceed to recompute the total income of the assessee for the said two consecutive previous years, by amending the order of assessment or any intimation or deemed intimation under sub-section (1) of section 143,—

(i) in conformity with the arm's length price so determined by the Transfer Pricing Officer under sub-section (4A) of section 92CA in respect of such transaction;

(ii) taking into account the directions issued under sub-section (5) of section 144C, if any, for such previous year,

within three months from the end of the month in which the assessment is completed in the case of the assessee for such previous year and the first and second provisos to sub-section (4) of section 92C shall apply thereto.

It is further proposed to insert a new proviso to the said sub-section so as to provide that where the order of assessment or any intimation or deemed intimation under sub-section (1) of section 143, as the case may be, for the said two consecutive previous years is not made within the said period of three months, such recomputation shall be made within three months from the end of the month in which such order of assessment or any intimation or deemed intimation under sub-section (1) of section 143, is made.

These amendments will take effect from 1st April, 2026 and will, accordingly, apply in relation to the assessment year 2026-2027 and subsequent assessment years.

Clause 46 of the Bill seeks to amend section 158B of the Income-tax Act relating to definitions.

Clause (b) of the said section defines undisclosed income.

It is proposed to amend clause (b) of the said section to insert the word "virtual digital asset" in the definition of undisclosed income.

This amendment will take effect retrospectively from 1st February, 2025.

Clause 47 of the Bill seeks to amend section 158BA of the Income-tax Act relating to assessment of total income as a result of search.

Sub-section (4) of the said section provides that where any assessment under Chapter XIV-B is pending in the case of an assessee in whose case a subsequent search is initiated, or a requisition is made, such assessment shall be duly completed, and thereafter, the assessment in respect of such subsequent search or requisition shall be made under the provisions of Chapter XIV-B.

It is proposed to amend sub-section (4) of the said section to substitute the word "pending" with the words "required to be made".

Sub-section (5) of the said section provides that if any proceeding initiated under Chapter XIV-B has been annulled in appeal or any other legal proceeding, then, the

assessment or reassessment relating to any assessment year which has abated under sub-section (2) or sub-section (3), shall revive.

It is proposed to amend sub-section (5) of the said section to insert the words "recomputation", "reference" and "order" which would stand revived in case any proceeding under chapter XIV-B is annulled in appeal.

These amendments will take effect retrospectively from 1st February, 2025.

Clause 48 of the Bill seeks to amend section 158BB of the Income-tax Act relating to computation of total income of block period.

Sub-section (1) of the said section provides the methodology for computation of total income of block period. Clause (i) of the said sub-section provides that total income of the block period shall include total income disclosed in the return furnished under section 158BC. Clause (iii) of the said sub-section provides that total income of the block period shall include total income declared in the return of income filed under section 139 or in response to a notice under sub-section (1) of section 142 or section 148 and not covered under clause (i) or clause (ii). Clause (iv) of the said sub-section provides that where the previous year has not ended, total income of the block period shall include total income determined, on the basis of entries relating to such income or transactions as recorded in the books of account and other documents maintained in the normal course on or before the date of last of the authorisations for the search or requisition relating to such previous year.

It is proposed to substitute sub-section (1),—

(a) in clause (i) of the said sub-section to clarify that undisclosed income is required to be declared in the block return;

(b) in clauses (ii) and (iii) of the said sub-section to omit the word "total" from "total income";

(c) in clause (iii) of the said sub-section to insert the words "prior to the date of initiation of search or requisition";

(d) in clause (iv) of the said sub-section so as to provide that the income as recorded in the books of account and other documents maintained in the normal course on or before the 31st day of March of the previous year which has ended but the due date for furnishing the return for such year has not expired prior to the date of initiation of the search or requisition, shall form part of total income. Further, the income in respect of period commencing from 1st day of April of the previous year in which the search is initiated or requisition is made and ending on the day immediately preceding the date of initiation of search or requisition, shall be computed on the basis of entries relating to such income or transactions as recorded in the books of account and other documents maintained in the normal course for such period on or before the day immediately preceding the date of initiation of search or the date of requisition. Also, the income in respect of period commencing from the date of initiation of the search or the date of requisition and ending on the date of the execution of the last of the authorisations for search or requisition, shall be computed on the basis of entries relating to such income or transactions as

recorded in the books of account and other documents maintained in the normal course for such period on or before the date of the execution of the last of the authorisations.

Sub-section (3) of the said section proposes to tax under the normal provisions any income which relates to any international transaction or specified domestic transaction, pertaining to the period beginning from the 1st day of April of the previous year in which last of the authorisations was executed and ending with the date on which last of the authorisations was executed. To appropriately provide for this intention of the legislature, sub-section (3) of the said section is proposed to be substituted.

It is also proposed to amend sub-section (6) to substitute the words, "undisclosed income declared" in the place of "disclosed income".

This amendment will take effect retrospectively from 1st February, 2025.

Clause 49 of the Bill seeks to amend section 158BE of the Income-tax Act relating to time-limit for completion of block assessment.

Section 158BE, *inter alia,* provides the time-limit for completion of block assessment as twelve months from end of the month in which the last of the authorisations for search or requisition has been executed.

It is proposed to amend sub-section (1) so as to provide that the order under section 158BC shall be passed within twelve months from the end of the quarter in which the last of the authorisations for search or requisition was executed.

It is also proposed to amend sub-section (3) of the said section so as to provide that the order under section 158BC in pursuance of section 158BD shall be passed within twelve months from the end of the quarter in which the notice under section 158BC in the case of the other person referred to in section 158BD, was issued.

This amendment will take effect retrospectively from 1st February, 2025.

Sub-section (1) of the said section provides that the order of block assessment shall be passed within twelve months from the end of the month in which the last of the authorisations for search or requisition was executed or made.

Clause (i) of sub-section (4) of the said section provides that the period during which the assessment proceeding is stayed by an order or injunction of any court shall be excluded in computing the period of limitation under this section.

It is proposed to substitute the said clause so as to clarify the commencement date and the ending date of such exclusion period.

This amendment will take effect from 1st April, 2025.

Clause 50 of the Bill seeks to amend section 158BFA of the Income-tax Act relating to levy of interest and penalty in certain cases.

The said section, *inter alia*, provides the procedure for the levy of interest and penalty in the case of search assessment.

Clause (ii) of sub-section (4) of the said section, *inter alia*, provides that the period during which the proceeding under sub-section (2) are stayed by an order or injunction of any court shall be excluded in computing the period of limitation under this section.

It is proposed to amend the said clause so as to clarify the commencement date and the ending date of such exclusion period.

This amendment will take effect from 1st April, 2025.

Clause 51 of the Bill seeks to amend section 193 of the Income-tax Act relating to interest on securities.

The said section, *inter alia*, provides that the person responsible for paying to a resident any income by way of interest on securities shall deduct income-tax at the rates in force on the amount of the interest payable.

Clause (v) of the proviso to the said section provides that no tax is required to be deducted under this section when any interest payable to an individual or a Hindu undivided family, who is resident in India, on any debenture issued by a company in which the public are substantially interested, if the amount of interest or, as the case may be, the aggregate amount of such interest paid or likely to be paid on such debenture during the financial year by the company to such individual or Hindu undivided family does not exceed five thousand rupees and such interest is paid by the company by an account payee cheque.

It is proposed to amend the said section so as to provide that tax is required to be deducted at source as specified therein only when the amount or the aggregate of amounts exceed ten thousand rupees during the financial year.

It is further proposed to amend clause (v) of the proviso to the said section so as to provide that no tax is required to be deducted therein if the amount of interest paid or likely to be paid does not exceed ten thousand rupees.

These amendments will take effect from 1st April, 2025.

Clause 52 of the Bill seeks to amend section 194 of the Income-tax Act relating to dividends.

The said section provides for deduction of tax in respect of dividends. The first proviso to the said section provides that no tax is required to be deducted under this section if the dividend is paid by the company by any mode other than cash and the amount of such dividend or, as the case may be, the aggregate of the amounts of such dividend during the financial year by the company to the shareholder, being an individual, does not exceed five thousand rupees.

It is proposed to amend the first proviso to the said section so as to provide that no tax is required to be deducted at source if the amount or aggregate of the amounts of such

dividend during the financial year by the company to the shareholder, being an individual, does not exceed ten thousand rupees.

This amendment will take effect from 1st April, 2025.

Clause 53 of the Bill seeks to amend section 194A of the Income-tax Act relating to interest other than "Interest on securities".

Sub-section (1) of said section provides deduction of tax on income other than income by way of interest on securities.

Clause (i) of sub-section (3) of said section provides that tax is not required to be deducted under sub-section (1) of said section if the aggregate of the amounts of such income credited or paid or likely to be credited or paid during the financial year by the person referred to in sub-section (1) to the account of, or to, the payee, does not exceed forty thousand rupees under given circumstances. Third proviso to sub-section (3) states that in case of senior citizens being the payee, forty thousand rupees in sub-section (3) of said section may be read as fifty thousand rupees.

Proviso to sub-section (3) of section 194A of the Act states that a co-operative society as referred to in the section shall be liable to deduct income-tax in this section in certain cases.

It is proposed to amend clause (i) of sub-section (3) of the said section so as to provide that the aggregate of the amounts of such income does not exceed fifty thousand rupees in the case of the payer being a banking company to which the Banking Regulation Act, 1949 applies (including any bank or banking institution, referred to in section 51 of that Act) or a co-operative society engaged in carrying on the business of banking or on any deposit with post office under any scheme framed by the Central Government and notified by it in this behalf, and does not exceed ten thousand rupees instead of five thousand rupees in any other case.

It is further proposed to amend the third proviso to clause (i) of sub-section (3) of the said section of the Act so as to provide that the threshold of amount of interest, or aggregate of the amounts of interest, for requirement of deduction of tax at source under this section to exceed one lakh rupees instead of fifty thousand rupees.

It is also proposed to amend clause (b) of proviso occurring after clause (xi) to sub-section (3) to the said section of the Act so as to provide that the threshold of amount of interest, or aggregate of the amounts of interest, for requirement of deduction of tax at source under this section to exceed one lakh rupees in case of payee being a senior citizen and to exceed fifty thousand rupees in any other case.

These amendments will take effect from 1st April, 2025.

Clause 54 of the Bill seeks to amend section 194B of the Income-tax Act relating to winnings from lottery or crossword puzzle, etc.

The said section provides that the person responsible for paying to any person any income by way of winnings from any lottery or crossword puzzle or card game and other

game of any sort or from gambling or betting of any form or nature whatsoever, being the amount or the aggregate of amounts exceeding ten thousand rupees during the financial year shall, at the time of payment thereof, deduct income-tax thereon at the rates in force.

It is proposed to amend the said section so as to provide that tax will be required to be deducted at source under this section when the amount exceeds ten thousand rupees in respect of a single transaction.

This amendment will take effect from 1st April, 2025.

Clause 55 of the Bill seeks to amend section 194BB of the Income-tax Act relating to winnings from horse race.

The said section provides that any person, being a bookmaker or a person to whom a licence has been granted by the Government under any law for the time being in force for horse racing in any race course or for arranging for wagering or betting in any race course, who is responsible for paying to any person any income by way of winnings from any horse race , being the amount or aggregate of amounts exceeding ten thousand rupees during the financial year, shall, at the time of payment thereof, deduct income-tax thereon at the rates in force.

It is proposed to amend the said section so as to provide that tax will be required to be deducted at source under this section when the amount exceeds ten thousand rupees in respect of a single transaction.

This amendment will take effect from 1st April, 2025.

Clause 56 of the Bill seeks to amend section 194D of the Income-tax Act relating to Insurance commission.

The said section, *inter alia,* provides that any person responsible for paying to a resident any income by way of remuneration or reward, whether by way of commission or otherwise, for soliciting or procuring insurance business shall, at the time of credit of such income to the account of the payee or at the time of payment thereof in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct income-tax thereon at the rates in force.

The second proviso to this section provides that no deduction shall be made under this section in a case where the amount of such income or, as the case may be, the aggregate of the amounts of such income credited or paid or likely to be credited or paid during the financial year to the account of, or to, the payee, does not exceed fifteen thousand rupees.

It is proposed to amend the second proviso of the said section so as to provide the threshold of aggregated amounts of such income for requirement to deduct tax at source under this section is twenty thousand rupees.

This amendment will take effect from 1st April, 2025.

Clause 57 of the Bill seeks to amend section 194G of the Income-tax Act relating to commission, etc., on sale of lottery tickets.

Sub-section (1) of the said section, *inter alia,* provides that 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 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 earlier, deduct income-tax thereon at the rate of two per cent.

It is proposed to amend the sub-section (1) of said section so as to provide the threshold of such income for requirement to deduct tax at source under this sub-section is twenty thousand rupees.

This amendment will take effect from 1st April, 2025.

Clause 58 of the Bill seeks to amend section 194H of the Income-tax Act relating to commission or brokerage.

The said section, *inter alia,* provides that any person, not being an individual or a Hindu undivided family, who is responsible for paying, on or after the 1st June, 2001, to a resident, any income by way of commission 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 two per cent..

The first proviso to the said section provides that no deduction shall be made under this section in a case where the amount of such income or, as the case may be, the aggregate of the amounts of such income credited or paid or likely to be credited or paid during the financial year to the account of, or to, the payee, does not exceed fifteen thousand rupees.

It is proposed to amend the said proviso so as to increase the threshold of such income for requirement to deduct tax at source under this section to twenty thousand rupees.

This amendment will take effect from 1st April, 2025.

Clause 59 of the Bill seeks to amend section 194-I of the Income-tax Act relating to rent.

The said section 194-I, *inter alia*, provides that any person, not being an individual or a Hindu undivided family, who is responsible for paying to a resident any income by way of rent, 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 at the rates specified therein.

The first proviso to the said section provides that no deduction shall be made under this section where the amount of such income does not exceed two hundred and forty thousand rupees during the financial year.

It is proposed to substitute the first proviso to the said section so as to provide that no deduction of tax at source shall be made under this section where the income by way of

rent credited or paid for a month or part of a month by the aforesaid person to the account of, or to, the payee, does not exceed fifty thousand rupees.

This amendment will take effect from 1st April, 2025.

Clause 60 of the Bill seeks to amend section 194J of the Income-tax Act relating to fees for professional or technical services.

Sub-section (1) of the said section, *inter alia*, provides that the deduction of tax at source in respect of any sum by way of fees for professional services and technical services, etc.

Clause (B) of the first proviso to sub-section (1) of the said section provides that tax is not required to be deducted under said sub-section if the amount of such sum or, as the case may be, the aggregate of the amounts of such sums credited or paid or likely to be credited or paid during the financial year does not exceed thirty thousand rupees in case of fees for professional services, fees for technical services, royalty, or any sum referred to in clause (va) of section 28.

It is proposed to amend the said clause (B) of the first proviso so as to provide that no deduction of tax at source shall be made under this section where the amount of such income as specified therein or, as the case may be, the aggregate of the amounts of such income credited or paid or likely to be credited or paid during a month, does not exceed fifty thousand rupees.

This amendment will take effect from 1st April, 2025.

Clause 61 of the Bill seeks to amend section 194K of the Income-tax Act relating to income in respect of units.

The said section provides that any person responsible for paying to a resident any income in respect of units of a Mutual Fund specified under clause (23D) of section 10; or units from the Administrator of the specified undertaking; or units from the specified company, shall, at the time of credit of such income to the account of the payee or at the time of payment thereof by any mode, whichever is earlier, deduct income-tax thereon at the rate of ten per cent.

Clause (i) of the proviso to the said section provides that no tax shall be required to be deducted under this section where the amount of such income or, as the case may be, the aggregate of the amounts of such income credited or paid or likely to be credited or paid during the financial year by the person responsible for making the payment to the account of, or to, the payee does not exceed five thousand rupees.

It is proposed to amend clause (i) of the proviso of the said section so as to provide that no tax is required to be deducted under this section if the amount of such income or, as the case may be, the aggregate of the amounts of such income credited or paid or likely to be credited or paid during the financial year by the person responsible for making the payment to the account of, or to, the payee does not exceed ten thousand rupees.

This amendment will take effect from 1st April, 2025.

Clause 62 of the Bill seeks to amend section 194LA of the Income-tax Act relating to payment of compensation on acquisition of certain immovable property.

The said section, *inter alia*, provides that any person responsible for paying to a resident any sum, being in the nature of compensation or the enhanced compensation or the consideration or the enhanced consideration on account of compulsory acquisition, under any law for the time being in force, of any immovable property, shall, 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 ten per cent of such sum as income-tax thereon.

The first proviso to the said section provides that no deduction shall be made under this section where the amount of such payment or, as the case may be, the aggregate amount of such payments to a resident during the financial year does not exceed two lakh and fifty thousand rupees.

It is proposed to amend the first proviso to the said section so as to provide that no tax is required to be deducted at source under this section if the amount of such payment or, as the case may be, the aggregate amount of such payments to a resident during the financial year does not exceed five lakh rupees.

This amendment will take effect from 1st April, 2025.

Clause 63 of the Bill seeks to amend section 194LBC of the Income-tax Act relating to income in respect of investment in securitisation trust.

The said section, *inter alia*, provides that where any income is payable to an investor, being a resident, in respect of an investment in a securitisation trust as specified therein, the person responsible for making the payment shall, deduct income-tax, at the rate of 25%, if the payee is an individual or a Hindu undivided family and 30%, if the payee is any other person.

It is proposed to amend the said section so as to provide a reduced uniform rate of tax deducted at source of 10%, instead of the two rates specified above.

This amendment will take effect from 1st April, 2025.

Clause 64 of the Bill seeks to amend section 194Q of the Income-tax Act relating to tax deduction at source on payment of certain sum for purchase of goods.

The said section provides that any person being a buyer who pays any sum to a resident seller for purchase of any goods of the value or aggregate of value exceeding fifty lakh rupees in any previous year, to deduct 0.1% of such sum exceeding fifty lakh rupees as income-tax, subject to certain conditions.

Sub-section (5) of the said section provides that the provisions of the said sub-section shall not apply to a transaction, *inter alia,* tax is collectible under the provisions of section 206C other than a transaction to which sub-section (1H) of section 206C applies.

It is proposed to omit reference of sub-section (1H) of section 206C in the said sub-section.

This amendment will take effect from 1st April, 2025.

Clause 65 of the Bill seeks to amend section 194S of the Act relating to payment on transfer of virtual digital asset.

Sub-section (1) of the said section provides that any person responsible for paying to any resident any sum by way of consideration for transfer of a virtual digital asset, shall, at the time of credit of such sum to the account of the resident or at the time of payment of such sum by any mode, whichever is earlier, deduct an amount equal to 1% of such sum as income-tax thereon.

Sub-section (2) of said section provides that the provisions of sections 203A and 206AB shall not apply to a specified person.

It is proposed to amend the said sub-section so as to omit the reference of section 206AB.

This amendment will take effect from 1st April, 2025.

Clause 66 of the Bill seeks to omit section 206AB of the Income-tax Act relating to special provision for deduction of tax at source for non-filers of income-tax return.

This amendment will take effect from 1st April, 2025.

Clause 67 of the Bill seeks to amend section 206C of the Income-tax Act relating to profits and gains from the business of trading in alcoholic liquor, forest produce, scrap, etc.

Sub-section (1) of the said section provides that every person, being a seller shall, at the time of debiting of the amount payable by the buyer to the account of the buyer or at the time of receipt of such amount from the said buyer in cash or by the issue of a cheque or draft or by any other mode, whichever is earlier, collect from the buyer of any goods of the nature as specified, a sum equal to the percentage specified therein, of such amount as income-tax. In case of timber obtained under a forest lease and timber obtained by any mode other than under a forest lease, the rate for tax collection at source is two and one-half per cent.

It is proposed to amend sub-section (1) of the said section so as to provide that for timber or any other forest produce (not being tendu leaves) obtained under a forest lease and on timber obtained by any mode other than under a forest lease, tax will be required to be collected at source at the rate of two per cent.

It is further proposed to amend the Table in the said sub-section to omit serial number (v) and to provide that tax be collected at source in serial number (iii) of the Table on timber and any other forest produce (not being tendu leaves), obtained under a forest lease.

It is also proposed to amend sub-section (1) of the said section so as to insert an *Explanation* to provide the meaning of the expression “forest produce”.

Sub-section (1G) of said section provides for collection of tax at source by an authorised dealer, who receives an amount, for remittance from a buyer, being a person remitting such amount under the Liberalised Remittance Scheme of the Reserve Bank of India or a seller of an overseas tour program package, who receives any amount from a buyer, being the person who purchases such package, at the rates specified therein.

It is proposed to amend the first, second and fourth provisos to the said sub-section so as to increase the threshold of amount or aggregate of amounts for requirement to collect tax at source under this sub-section as provided therein, to ten lakh rupees.

It is further proposed to amend the third proviso to the said sub-section so as to provide that no tax be collected at source if the amount being remitted out is a loan obtained from any financial institution as defined in section 80E, for the purpose of pursuing any education.

Sub-section (1H) of the said section provides that any person being a seller who receives consideration for sale of any goods of the value or aggregate of value exceeding fifty lakhs rupees in any previous year, to collect from the buyer a sum equal to 0.1% of the sale consideration exceeding fifty lakhs rupees as income-tax, subject to certain conditions.

It is proposed to amend the said sub-section so as to insert a proviso to provide that the provisions of this sub-section shall not apply from 1st April, 2025.

It is further proposed to consequentially omit references of sub-section (1H) in sub-section (9) and sub-section (10A) of the said section.

Sub-section (7A) of the said section provides that no order shall be made under sub-section (6A) of the said section 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) of section 206C, whichever is later.

It is proposed to amend the said sub-section so as to insert a proviso to provide that the provisions of sub-sections (3), (5) and (6) of section 153 and *Explanation* 1 thereof shall apply to the time limit prescribed in sub-section (7A).

These amendments will take effect from 1st April, 2025.

Clause 68 of the Bill seeks to omit section 206CCA of the Income-tax Act relating to special provision for collection of tax at source for non-filers of income-tax return.

This amendment will take effect from 1st April, 2025.

Clause 69 of the Bill seeks to amend section 246A of the Income-tax Act relating to appealable orders before Commissioner (Appeals).

Clause (*ja*) of sub-section (1) of the said section provides that an order of imposing or enhancing penalty under sub-section (1A) of section 275 may be appealed before the Commissioner (Appeals).

It is proposed to amend the said clause so as to provide that an order of imposing or enhancing penalty under sub-section (2) of section 275 may be appealed before the Commissioner (Appeals).

It is also proposed to consequentially amend clause (n) of sub-section (1) of the said section so as to omit the words "made by a Deputy Commissioner".

These amendments will take effect from 1st April, 2025.

Clause 70 of the Bill seeks to amend section 253 of the Income-tax Act relating to appeals to the Appellate Tribunal.

The said section, *inter alia,* empowers the Central Government to notify a faceless scheme for the purposes of appeal to the Appellate Tribunal so as to impart greater efficiency, transparency and accountability.

Sub-section (9) of the said section empowers that the Central Government, may, for the purpose of giving effect to the aforesaid scheme, direct that any of the provisions of the Income-tax Act shall not apply or shall apply with such exceptions, modifications and adaptations as may be specified.

Proviso to sub-section (9) provides that no direction shall be issued after the 31st March, 2025.

It is proposed to omit the said proviso.

This amendment will give effect from 1st April, 2025.

Clause 71 of the Bill seeks to amend section 255 of the Income-tax Act relating to the procedure of Appellate Tribunal.

The said section, *inter alia,* empowers the Central Government to notify a faceless scheme for the purposes of disposal of appeals by the Appellate Tribunal to impart greater efficiency, transparency and accountability.

Sub-section (8) of the said section empowers that the Central Government, may, for the purpose of giving effect to the aforesaid scheme, direct that any of the provisions of the Income-tax Act shall not apply or shall apply with such exceptions, modifications and adaptations as may be specified.

Proviso to sub-section (8) provides that no direction shall be issued after the 31st March, 2025.

It is proposed to omit the said proviso.

This amendment will take effect from 1st April, 2025.

Clause 72 of the Bill seeks to amend the section 263 of the Income-tax Act relating to revision of orders prejudicial to revenue.

The said section, *inter alia*, provides for revision of order prejudicial to revenue by the Principal Chief commissioner or Chief Commissioner or Principal Commissioner or Commissioner.

Sub-section (2) of the said section provides that no order under the said section shall be made after the expiry of two years from the end of the financial year in which the order sought to be revised was passed.

The *Explanation* to the said section provides that the period during which any proceeding under that section is stayed by an order or injunction of any court shall be excluded in computing the period of limitation.

It is proposed to amend the said *Explanation* so as to clarify the commencement date and the ending date of such exclusion period.

This amendment will take effect from 1st April, 2025.

Clause 73 of the Bill seeks to amend the section 264 of the Income-tax Act relating to revision of other orders.

The said section *inter alia*, provides the procedure for revision of other orders by the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner.

Sub-section (6), of the said section provides that an order shall be passed within one year from the end of the financial year in which such application is made by the assessee for revision.

The *Explanation* to the said sub-section provides that the period during which any proceeding under this section is stayed by an order or injunction of any court shall be excluded in computing the period of limitation.

It is proposed to amend the said *Explanation* so as to clarify the commencement date and the ending date of such exclusion period.

This amendment will take effect from 1st April, 2025.

Clause 74 of the Bill seeks to amend section 270AA of the Income-tax Act, 1961 relating to immunity from imposition of penalty, etc.

The said section, *inter alia*, provides procedure of granting immunity by the Assessing Officer from imposition of penalty or prosecution, if assessee fulfils the conditions specified therein.

Sub-section (4) of the said section provides that the Assessing Officer shall pass an order accepting or rejecting the application, within a period of one month from the end of the month in which the application requesting immunity is received.

It is proposed to amend the said sub-section so as to extend the processing period to three months from the end of the month in which application for immunity is received by the Assessing Officer.

This amendment will take effect from 1st April, 2025.

Clause 75 of the Bill seeks to amend section 271AAB of the Income-tax Act relating to penalty where search has been initiated.

Sub-section (1A) of the said section, *inter-alia*, provides that for a search initiated on or after the 15th December, 2016, a penalty of thirty per cent. of undisclosed income may be levied, if the assessee admits such undisclosed income under sub-section (4) of section 132 and specifies the manner in which such income has been derived and on or before the specified date, pays the tax together with interest, if any, in respect of such undisclosed income and furnishes the return of income for the specified previous year declaring such income. In case, above conditions are not fulfilled then a penalty of sixty per cent. of undisclosed income may be levied.

It is proposed to amend the said sub-section so as to provide that the provisions shall not be applicable to a case where search has been initiated under section 132 on or after the 1st day of September, 2024.

This amendment will take effect retrospectively from 1st September, 2024.

Clause 76 of the Bill seeks to omit the section 271BB of the Income-tax Act relating to failure to subscribe to the eligible issue of capital.

The said section provides that, any person who fails to subscribe any amount of subscription to the units issued under any scheme referred to in sub-section (1) of section 88A to the eligible issue of capital under that sub-section within the period of six months specified therein, may be directed by the Joint Commissioner to pay, by way of penalty, a sum equal to twenty percent of such amount.

Section 88A has been already omitted *vide* Finance (No.2) Act, 1996 with retrospective effect from 1st April, 1994. In the absence of the parent section, relevance of any section on penalty, does not exist.

It is, therefore, proposed to omit section 271BB.

This amendment will take effect from 1st April, 2025.

Clause 77 of the Bill seeks to amend the section 271C of the Income-tax Act relating to penalty for failure to deduct tax at source.

Sub-section (2) of the said section provides that any penalty under sub-section (1) shall be imposed by the Joint Commissioner.

It is proposed to insert a proviso in the said sub-section so that such penalty shall be imposed by the Assessing Officer in place of Joint Commissioner on or after 1st day of April, 2025 subject to the provisions of sub-section (2) of section 274.

This amendment will take effect from 1st April, 2025.

Clause 78 of the Bill seeks to amend the section 271CA of the Income-tax Act relating to penalty for failure to collect tax at source.

Sub-section (2) of the said section provides that penalty under sub-section (1) shall be imposed by the Joint Commissioner.

It is proposed to insert a proviso in the said sub-section so that such penalty shall be imposed by the Assessing Officer in place of Joint Commissioner on or after the 1st day of April, 2025 subject to the provisions of sub-section (2) of section 274.

This amendment will take effect from 1st April, 2025.

Clause 79 of the Bill seeks to amend the section 271D of the Income-tax Act relating to penalty for failure to comply with the provisions of section 269SS.

Sub-section (2) of said section provides that penalty under sub-section (2) shall be imposed by the Joint Commissioner.

It is proposed to insert a proviso in the said sub-section so that such penalty shall be imposed by the Assessing Officer in place of Joint Commissioner on or after the 1st day of April, 2025 subject to the provisions of sub-section (2) of section 274.

This amendment will take effect from 1st April, 2025.

Clause 80 of the Bill seeks to amend the section 271DA of the Income-tax Act relating to penalty for failure to comply with the provisions of section 269ST.

Sub-section (2) of the said section provides that penalty under sub-section (1) shall be imposed by the Joint Commissioner.

It is proposed to insert a proviso in the said sub-section so that such penalty shall be imposed by the Assessing Officer in place of Joint Commissioner on or after the 1st day of April, 2025 subject to the provisions of sub-section (2) of section 274.

This amendment will take effect from 1st April, 2025.

Clause 81 of the Bill seeks to amend the section 271DB of the Income-tax Act relating to penalty for failure to comply with the provisions of section 269SU.

Sub-section (2) of said section provides that any penalty under sub-section (1) shall be imposed by the Joint Commissioner.

It is proposed to insert a proviso in the said sub-section so that such penalty shall be imposed by the Assessing Officer in place of Joint Commissioner on or after the 1st day of April, 2025 subject to the provisions of sub-section (2) of section 274.

This amendment will take effect from 1st April, 2025.

Clause 82 of the Bill seeks to amend the section 271E of the Income-tax Act relating to penalty for failure to comply with the provisions of section 269T.

Sub-section (2) of said section provides that any penalty under sub-section (1) shall be imposed by the Joint Commissioner.

It is proposed to insert a proviso in the said sub-section so that such penalty shall be imposed by the Assessing Officer in place of Joint Commissioner on or after the 1st day of April, 2025 subject to the provisions of sub-section (2) of section 274.

This amendment will take effect from 1st April, 2025.

Clause 83 of the Bill seeks to substitute section 275 of the Income-tax Act, relating to bar of limitation for imposing penalties.

The proposed section, *inter alia*, provide that any order imposing a penalty under Chapter XXI shall not be passed after the expiry of six months from the end of the quarter in which the connected proceedings are completed, or the order of appeal is received by the jurisdictional Principal Commissioner or Commissioner, or the order of revision is passed, or the notice for imposition of penalty is issued, as the case maybe.

This amendment will take effect from 1st April, 2025.

Clause 84 of the Bill seeks to amend section 276BB of the Income-tax Act relating to failure to pay the tax collected at source.

The provisions of the said section provides that if a person fails to pay to the credit of the Central Government, the tax collected by him as required under the provisions of section 206C, 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. The proviso to sub-section (3) of section 206C mandates that the tax collected at source has to be paid to the credit of the Central Government within the time provided by rules.

It is proposed to insert a proviso to the said section so as to provide that the provisions of that section shall not apply, if the payment of the tax collected at source has been made to the credit of the Central Government at any time on or before the time provided by rules for filing the statement under the proviso to sub-section (3) of section 206C in respect of such payment.

This amendment will take effect from 1st April, 2025.

Clause 85 of the Bill seeks to insert new section 285BAA in the Income-tax Act relating to obligation to furnish information on transaction of crypto-asset.

Sub-section (1) of the said section seeks to provide that any person, being a reporting entity, as prescribed, in respect of crypto asset, shall furnish information in respect of a transaction of such crypto-asset in a statement, for such period, within such time, in such form and manner and to such income-tax authority, as prescribed.

Sub-section (2) thereof seeks to provide that where the prescribed income-tax authority considers that the statement furnished under sub-section (1) is defective, he may intimate the defect to the person who has furnished such statement and give him an opportunity of rectifying the defect within thirty days from the date of such intimation or such further period as may be allowed, and if the defect is not rectified within the said period allowed, the provisions of this Act shall apply as if such person had furnished inaccurate information in the statement.

Sub-section (3) thereof seeks to provide that where a person who is required to furnish a statement has not furnished the same within the specified time, the prescribed income-tax authority may serve upon such person a notice requiring him to furnish such statement within a given time and he shall furnish the statement within the time specified in the notice;

Sub-section (4) thereof seeks to provide that if any person, having furnished a statement, or in pursuance of a notice issued, comes to know or discovers any inaccuracy in the information provided in the statement, he shall within ten days inform the income-tax authority, the inaccuracy in such statement and furnish the correct information in such manner as specified by rules;

Sub-section (5) thereof seeks to provide that the Central Government may, by rules specify the persons to be registered with the prescribed income-tax authority, the nature of information and the manner in which such information shall be maintained by the persons and the due diligence to be carried out by the persons referred to in sub-section (1) for the purpose of identification of any crypto-asset user or owner.

It is also proposed to provide that for the purposes of the said section, crypto-asset shall have the meaning assigned to it in sub-clause (d) of clause (47A) of section 2.

This amendment will take effect from 1st April, 2026.

Clause 86 of the Bill seeks to amend rule 68B of the Second Schedule to the Income-tax Act relating to time-limit for sale of attached immovable property.

The said rule provides the time limit for the sale of attached immovable property by the Tax Recovery Officer.

Clauses (i) and (ii) of sub-rule (2) of the said rule, *inter alia*, provides that the period during which the levy of the tax, interest, fine, penalty or any other sum is stayed by an order or injunction of any court; or the proceeding of attachment or sale of the immovable property are stayed by an order or injunction of any court shall be excluded in computing the period of limitation.

It is proposed to substitute clauses (i) and (ii) of the said sub-rule so as to clarify the commencement date and the ending date of such exclusion period.

This amendment will take effect from 1st April, 2025.

Indirect Taxes

Customs

Clause 87 of the Bill seeks to amend sub-sections (*1*) and (*1A*), and to insert new sub-sections (*1B*) and (*1C*), in section 18 of the Customs Act, 1962. It is proposed to amend sub-section (*1*) so as to provide that the proper officer may provisionally assess the duty on goods. It is proposed to amend sub-section (*1A*) so as to remove reference to the time within which the proper officer shall finalise the provisional assessment. Sub-section (*1B*) seeks to provide time limit of two years for finalisation of the provisional assessment which shall be extendable by the Principal Commissioner of Customs or Commissioner of Customs for a further period of one year, if the sufficient cause is shown. It further, provides that for the pending cases, the time-limit shall be reckoned from the date on which the Finance Bill, 2021 receives the assent of the President. Sub-section (*1C*) seeks to provide for certain grounds on which the time-limit of two years shall apply not from the date of the order of the provisional assessment, but from the date when the reasons for such ground ceases to exit.

Clause 88 of the Bill seeks to insert a new section 18A in the Customs Act to provide for voluntary revision of entry, post clearance by the importers and exporters, in relation to the goods in such form and manner, within such time and subject to the conditions as may be prescribed. It further provides for self-assessment of the revised entry and allow payment of duty or treat the revised entry as a refund claimed under section 27. It also empowers the proper officer verify and reassess the revised entry. It also provides that no revision of entry shall be made under the said section in certain cases specified in sub-section (*5*) of the said section.

Clause 89 of the Bill seeks to amend section 27 of the Customs Act so as to insert a new *Explanation* in sub-section (*1*) therein, so as to clarify that the computation of the period of limitation for claim of refund consequent to the revised entry under clause (*b*) of sub-section (*3*) of section 18A or amendment under section 149 of the Customs Act, shall be one year from the date of payment of duty or interest.

Clause 90 of the Bill seeks to amend section 28 of the Customs Act by inserting a new clause (*ba*) in the *Explanation* 1 of the said section so as to provide that the relevant date, in case where duty is paid under the revised entry under clause (*b*) of sub-section (*3*) of section 18A, shall be the date of payment of duty or interest.

Clause 91 of the Bill seeks to amend section 127A of the Customs Act so as to define the expressions “Interim Board” and “pending application”.

Clause 92 of the Bill seeks to amend section 127B of the Customs Act by inserting two provisos therein, to provide that no application shall be made under the said section on or after the 1st day of April, 2025 and every pending application shall be dealt by the Interim Board from the stage at which such pending application stood immediately before constitution of the Interim Board.

Clause 93 of the Bill seeks to amend section 127C of the Customs Act by inserting new sub-sections (*11*) and (*12*) therein, so as to provide that on and from the 1st day of April,

2025, the provisions of sub-sections (*2*), (*3*), (*4*), (*5*), (*5A*), (*6*), (*7*), (*8*) and (*8A*) shall apply to pending applications with modifications specified therein.

It further empowers the Interim Board to extend the time-limit provided under sub-section (8A), within three months from its constitution, by such period not exceeding twelve months from the date of its constitution.

Clause 94 of the Bill seeks to amend section 127D of the Customs Act by inserting a new sub-section (*3*) therein, so as to provide that the power of the Settlement Commission shall be exercised by the Interim Board and the provisions of that section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.

Clause 95 of the Bill seeks to amend section 127F of the Customs Act by inserting a new sub-section (*5*) therein, to provide that the powers and functions of the Settlement Commission under the said section shall be exercised or performed by the Interim Board and the provisions of that section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.

Clause 96 of the Bill seeks to amend section 127G of the Customs Act so as to provide that the power of the Settlement Commission shall be exercised by the Interim Board and the provisions of that section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.

Clause 97 of the Bill seeks to amend section 127H of the Customs Act by inserting a new sub-section (*3*) therein, to provide that the powers and functions of the Settlement Commission under the said section shall be exercised or performed by the Interim Board and the provisions of that section shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.

Customs tariff

Clause 98 seeks to amend the First Schedule to the Customs Tariff Act—

(*a*) in the manner specified in the Second Schedule so as to revise the rates in respect of certain tariff items with effect from the 2nd February, 2025;

(*b*) in the manner specified in the Third Schedule with view to harmonise certain entries with the Harmonised System of Nomenclature to create new tariff lines in respect of certain entries and to revise the rates in respect of certain tariff items, with effect from the 1st May, 2025.

Central Excise

Clause 99 of the Bill seeks to amend section 31 of the Central Excise Act so as to define the expressions such as “Interim Board” and “pending application”.

Clause 100 of the Bill seeks to insert a new section 31A in the Central Excise Act so as to provide for the constitution of one or more Interim Boards for the settlement of pending applications and to provide that every Interim Board shall consist of three members, each being an officer of the rank of Chief Commissioner or above. It further provides that if the

members of the Interim Board differ in their opinion on any point, the point shall be decided according to the opinion of the majority.

It also provides that every pending application shall be dealt by the Interim Board from the stage at which such pending application stood immediately before constitution of the Interim Board.

Clause 101 of the Bill seeks to amend section 32 of the Central Excise Act so as to provide that the Customs, Central Excise and Service Tax Settlement Commission shall cease to operate on or after the 1st day of April, 2025.

Clauses 102 to 105 of the Bill seeks to amend sections 32A, 32B, 32C and 32D of the Central Excise Act so as to provide that the existing provisions of the said sections shall cease to apply on or after the 1st day of April, 2025.

Clause 106 of the Bill seeks to amend section 32E so as to provide that no new application shall be made under this section on or after the 1st day of April, 2025.

Clause 107 of the Bill seeks to insert sub-sections (*11*) and (*12*) in section 32F of the Central Excise Act so as to provide that on and from the 1st day of April, 2025, the provisions of sub-sections (*2*), (*3*), (*4*), (*5*), (*5A*), (*6*), (*7*), (*8*) and (*10*) shall apply to pending applications with modifications specified therein.

It further empowers the Interim Board to extend the time-limit provided under sub-section (*6*), within three months of its constitution, by such period not exceeding twelve months from the date of its constitution.

Clauses 108 to 115 of the Bill seek to amend sections 32G, 32-I, 32J, 32K, 32L, 32M, 32-O and 32P of the Central Excise Act so as to provide that the powers and functions of the Settlement Commission under the said sections shall be exercised or performed by the Interim Board on and from 1st day of April, 2025 and all provisions of the said sections shall *mutatis mutandis* apply to the Interim Board as they apply to the Settlement Commission.

Central Goods and Services Tax

Clause 116 of the Bill seeks to amend section 2 of the Central Goods and Services Tax Act relating to definitions.

It is proposed to amend the definition of "Input Service Distributor" in clause (*61*) of said section 2 so as to explicitly provide for distribution of input tax credit by the Input Service Distributor in respect of inter-state supplies, on which tax has to be paid on reverse charge basis, by inserting reference to sub-section (*3*) and sub-section (*4*) of section 5 of the Integrated Goods and Services Tax Act in the definition of Input Service Distributor.

This amendment shall take effect from 1st day of April, 2025.

It is further proposed to amend sub-clause (*c*) of clause (*69*) of section 2 so as to substitute the term "municipal or local fund" with the terms "municipal fund or local fund" and to insert an *Explanation* after the said sub-clause, to provide the definitions of the terms

"local fund" and "municipal fund" used in the definition of "local authority" under the said clause so as to clarify the scope of the said terms.

It is also proposed to insert a new clause (*116A*) in section 2 so as to define the expression "unique identification marking" to mean a mark that is unique, secure and non-removable, for implementation of track and trace mechanism.

Clause 117 of the Bill seeks to omit sub-section (*4*) of section 12 of the Central Goods and Services Tax Act so as to remove the provision for time of supply in respect of transaction in vouchers, the same being neither supply of goods nor supply of services.

Clause 118 of the Bill seeks to omit sub-section (*4*) of section 13 of the Central Goods and Services Tax Act so as to remove the provision for time of supply in respect of transaction in vouchers, the same being neither supply of goods nor supply of services.

Clause 119 of the Bill seeks to amend clause (*d*) of sub-section (*5*) of section 17 of the Central Goods and Services Tax Act so as to substitute the expression "plant or machinery" with the expression "plant and machinery" to remove any ambiguity in interpretation for the purpose of availment of input tax credit in such cases.

It further seeks to insert an *Explanation* to clarify that the said amendment is made notwithstanding anything to the contrary contained in any judgment, decree or order of any court or any other authority.

This amendment shall take effect retrospectively from 1st day of July, 2017.

Clause 120 of the Bill seeks to amend sub-section (*1*) of section 20 of the Central Goods and Services Tax Act so as to explicitly provide for distribution of input tax credit by the Input Service Distributor in respect of inter-State supplies, on which tax has to be paid on reverse charge basis, by inserting a reference to sub-section (*3*) and sub-section (*4*) of section 5 of the Integrated Goods and Services Tax Act in the said sub-section.

It further seeks to amend sub-section (*2*) of the said section so as to explicitly provide for distribution of input tax credit by the Input Service Distributor in respect of inter-State supplies, on which tax has to be paid on reverse charge basis, by inserting reference to sub-section (*3*) and sub-section (*4*) of section 5 of the Integrated Goods and Services Tax Act in the said sub-section.

This amendment shall take effect from 1st day of April, 2025.

Clause 121 of the Bill seeks to amend the proviso to sub-section (*2*) of section 34 of the Central Goods and Services Tax Act so as to explicitly provide for the requirement of reversal of corresponding input tax credit in respect of a credit-note, if availed, by the registered recipient, for the purpose of reduction of tax liability of the supplier in respect of the said credit note.

It further seeks to remove the condition in the said proviso of not having passed the incidence of interest on supply for the purpose of reduction of tax liability of the supplier in respect of the said credit note.

Clause 122 of the Bill seeks to amend sub-section (*1*) of section 38 of the Central Goods and Services Tax Act to omit the expression "auto-generated" with respect to statement of input tax credit in the said sub-section.

It further seeks to amend sub-section (*2*) of the said section by omitting the expression "auto-generated" with respect to statement of input tax credit in the said sub-section and inserting the expression "including" after the words "by the recipient" in clause (b) of said sub-section so as to make the said sub-section inclusive to cover other cases where input tax credit is not available to taxpayer under any other provisions of the Act.

It further inserts a new clause (*c*) in the said sub-section to provide for an enabling clause to prescribe other details to be made available in statement of input tax credit.

Clause 123 of the Bill seeks to amend sub-section (*1*) of section 39 of the Central Goods and Services Tax Act so as to provide for an enabling clause to prescribe conditions and restriction for filing of return under the said sub-section.

Clause 124 of the Bill seeks to substitute the proviso to sub-section (*6*) of section 107 of the Central Goods and Services Tax Act to provide for the requirement of pre-deposit of ten per cent. of the penalty amount for filing an appeal before the Appellate Authority against an order which involves demand of penalty without involving any demand of tax.

Clause 125 of the Bill seeks to insert a proviso to sub-section (*8*) of section 112 of Central Goods and Services Tax Act to provide for the requirement of pre-deposit of ten per cent. of the penalty amount for filing an appeal before the Appellate Tribunal against an order which involves demand of penalty without involving any demand of tax.

Clause 126 of the Bill seeks to insert a new section 122B in the Central Goods and Services Tax Act to provide for penal provisions for contraventions of the provision relating to track and trace mechanism.

Clause 127 of the Bill seeks to insert a new section 148A in the Central Goods and Services Tax Act so as to provide for an enabling provision for implementation of track and trace mechanism for ensuring effective monitoring and control of supply of specified commodities.

Clause 128 of the Bill seeks to insert a new clause (*aa*) in paragraph 8 of Schedule III of the Central Goods and Services Tax Act to specify that the supply of goods warehoused in a Special Economic Zone or in a Free Trade Warehousing Zone to any person before clearance for exports or to the Domestic Tariff Area shall be treated neither as supply of goods nor as supply of services.

It further seeks to amend the *Explanation* 2 of the said Schedule to clarify that the said *Explanation* shall be applicable in respect of clause (*a*) of paragraph 8 of the said Schedule.

It also seeks to insert an *Explanation* 3 in the said Schedule to define the expressions "Special Economic Zone", "Free Trade Warehousing Zone" and "Domestic Tariff Area", for the purpose of the proposed clause (*aa*) in paragraph 8 of said Schedule.

These amendments shall take effect retrospectively with effect from the 1st day of July, 2017.

Clause 129 of the Bill seeks to clarify that no refund of the tax, already paid in respect of the aforesaid activities or transactions, shall be available.

Service tax

Clause 130 of the Bill seeks to provide retrospective exemption from service tax to reinsurance services provided by insurance companies under the Weather Based Crop Insurance Scheme and Modified National Agricultural Insurance Scheme for the period from 1st day of April, 2011 to 30th day of June, 2017 (both days inclusive).

Miscellaneous

Clause 131 of the Bill seeks to amend section 13 of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 relating to tax exemption or benefit to continue to have effect.

The said section, *inter alia,* provides for the period for which the tax shall be payable by the Administrator of a specified undertaking.

It is proposed to amend sub-section (1) of the said section so as to extend the period from 31st March, 2025 to 31st March, 2027.

This amendment will take effect from 1st April, 2025.

Clauses 132 to 140 of the Bill seeks to amend the preamble and certain provisions of the Government Securities Act, 2006.

It is proposed to provide application of this Part. Sub-section (1) of clause 132 seeks to provide that this Part shall apply in the first instance to the whole of the States of Andhra Pradesh, Chhattisgarh, Haryana, Nagaland, Punjab, Uttarakhand, Uttar Pradesh and West Bengal and all the Union territories and it shall also apply to such other State which adopts this Part by resolution passed in that behalf under clause (1) of article 252 of the Constitution.

Sub-section (2) of the said clause seeks to provide that it shall come into force at once in the States of Andhra Pradesh, Chhattisgarh, Haryana, Nagaland, Punjab, Uttarakhand, Uttar Pradesh and West Bengal and in the Union territories and in any other State which adopts this Act under clause (1) of article 252 of the Constitution, on the date of such adoption; and, save as otherwise provided in this Part, any reference in this Part to the commencement of this Part shall, in relation to any State, mean the date on which this Part comes into force in such State.

It is further proposed to make consequential amendments in the preamble and sub-sections (3) and (4) of section 2, of the said Act, to give reference of the erstwhile State of Jammu and Kashmir as a Union territory.

It is also proposed to amend clause (f) of section 2 of the Act so as to insert the words "and subject to such terms and conditions" after the words "any other purpose". It is also proposed to omit the words "and having one of the forms mentioned in section 3" from the said clause.

It is also proposed to amend section 3 of the Act so as to omit the words "subject to such terms and conditions as may be specified."

It is also proposed to amend sub-section (4) of section 5 of the Act so as to insert the words brackets, letter and figure "or shall be construed to affect any restriction of transferability of Government securities contained in any notification issued under clause (f) of section 2 in respect of such securities" after the words "upon the Bank".

It is also proposed to omit sub-sections (1) and (2) of section 31 of the Act.

It is also proposed to omit the words "and the terms and conditions subject to which" in clause (a) of sub-section (2) of section 32 of the Act.

Clause 140 of the Bill also seeks to repeal the Public Debt Act, 1944 and provide saving clause thereto.

MEMORANDUM REGARDING DELEGATED LEGISLATION

The provisions of the Bill, *inter alia*, empower the Central Government to issue notifications and the Board to make rules for various purposes as specified therein.

Clause 3 of the Bill seeks to amend section 2 of the Income-tax Act relating to definitions. It, *inter alia,* seeks to amend clause (22) of the said section. It is proposed to insert the *Explanation* of 'group entity', 'principal entity' and 'parent entity' in *Explanation* 3, in clause (d) of the said *Explanation*. It seeks to empower the Board to make rules regarding the conditions which the said entities are required to satisfy.

Clause 9 of the Bill seeks to amend clause (2) of section 17 of the Income-tax Act relating to "salary", "perquisite" and "profits in lieu of salary" defined.

It is proposed to amend paragraph (c) of sub-clause (iii) of clause (2) to empower the Board for making rules to determine the amount.

In clause (2), it is further proposed to amend the proviso occurring after sub-clause (viii) of clause (vi), in the long line, in clause (B) to empower the Board for making rules to determine the amount.

Clause 11 of the Bill seeks to insert a new section 44BBD in the Income-tax Act relating to special provisions for computing profits and gains of non-residents engaged in the business of providing services or technology, for setting up an electronics manufacturing facility or in connection with manufacturing or providing electronic goods, article or things in India.

It, *inter alia,* empowers the Board to make rules prescribing the conditions which the resident company are required to satisfy in this behalf.

Clause 21 of the Bill seeks to amend section 92CA of the Income-tax Act relating to reference to Transfer Pricing Officer.

It is proposed to insert a new sub-section (3B) in the said section so as to provide that the arm's length price being determined in relation to the international transaction or the specified domestic transaction under sub-section (3) for any previous year shall apply to similar international transaction or the specified domestic transaction for two consecutive previous years immediately following such previous year, on fulfilment of the conditions, specified therein. Clause (b) of the said sub-section empowers the Board to make rules on such option or options which are to be exercised. Clause (c) of the said sub-section empowers the Board to make rules providing the conditions subject to which option or options exercised by the assessee will be declared by the Transfer Pricing Officer as valid option.

Clause 88 of the Bill seeks to insert a new section 18A in the Customs Act, relating to voluntary revision of entry, post clearance. Sub-section (1) of the said section 18A seeks to empower the Government to provide by rules the form and manner and the time within which entry in relation to the goods may be revised by the importer or exporter, post clearance.

Clause 122 of the Bill seeks to amend sub-section (2) of section 38 of the Central Goods and Services Tax Act to empower the Government to provide by rules other details to be made available in the statement.

Clause 127 of the Bill seeks to insert a new section 148A in the Central Goods and Services Tax Act, relating to track and trace mechanism for certain goods. Sub-section (2) of the said section 148A seeks to empower the Government to provide by rules a system for enabling affixation of unique identification marking and for electronic storage and access of information and the person through whom such system may be provided. It further seeks to empower the Government to provide by rules the Unique Identification marking for goods including the information to be recorded therein.

Sub-section (3) of the said section 148A seeks to empower the Government to provide by rules, the information to be contained in, and the manner of affixing on the goods and packages a unique identification marking under clause (a), the form and manner and the time for furnishing information and details and maintaining records or documents under clause (b), the time within which and the form and manner in which other details shall be furnished under clause (c) and the amount to be paid under clause (d) of the said sub-section.

2. The matters in respect of which rules may be made and matters of procedure and details and it is not practicable to provide for them in the Bill itself. The delegation of legislative powers is, therefore, of a normal character.

LOK SABHA

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BILL

to give effect to the financial proposals of the Central Government for the financial year 2025-2026.

(*Smt. Nirmala Sitharaman,*
Minister of Finance.)