LIST OF MAJOR INCOME TAX AMENDMENTS AT A GLANCE

A.Y. 2013-2014

Sr. No.	Proposed Amendment	Section	Applicable to	With Effect From	Remarks
1.	Rates of Income-Tax		Individual, HUF,AOP, BOI	A.Y. 2013-14	Upto Rs. 2,00,000 – NIL Rs. 2,00,001 to Rs. 5,00,000 – 10% Rs. 5,00,001 to Rs.10,00,000 - 20% Above Rs. 10,00,000 – 30%
2.	Alternate Minimum Tax (AMT)	Sec 115 JC	All persons other than Companies.	A.Y. 2013-14	AMT @ 18.5% to all persons other than companies, if the Adjusted total Income exceeds Rs. 20,00,000. AMT credit shall be allowed to be c/f for 10 assessment years.
3.	TDS on Transfer of Immovable properties (Other than Agricultural land)	Sec 194 LAA	All Assessees	1st October, 2012	Transfer by a Non-resident, tax is required to be deducted by Transferee. Transaction in Real Estate Sector every Transferee shall deduct tax. (at the time of Payment or Credit) TDS @ **1%**, if consideration exceeds, A) Rs.50,00,000 (property situated in a specified Urban agglomeration); or B) Rs.20,00,000 (property situated in any other area)
4.	TDS on Remuneration to a Director	Sec 194J	All Assessees	1st July, 2012	TDS @ **10%** on the payment of **Remuneration to Directors**.

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5.	TCS on Cash sale of Bullion & Jewellery	Sec 206C (1D)	All Assessees	1st July, 2012	TCS @ 1% of sale consideration from every buyer of bullion & jewellery if sale consideration exceeds Rs. 2,00,000 and the sale is in **Cash**.
6.	TCS on sale of Minerals	206C	All Assessees	1st July, 2012	TCS @ 1% on a) Coal; b) Lignite; & c) Iron ore. Exception: Purchase for personal consumption and these minerals are to be utilized for Manufacturing, Processing or Producing articles or things.
7.	Tonnage Tax Scheme (Daily tonnage income of Shipping company)	Sec 115 VG	Shipping Company	A.Y. 2013-14	Revised Rate for Daily Tonnage Income u/s 115VG
8.	Compulsory filling of ITR, if assets located outside India	Sec 139	All Assessees	A.Y 2013-14	Compulsory filling of ITR, if any asset (including financial interest in any entity) located outside India, irrespective of the fact whether the resident taxpayer has taxable Income or not.
9.	Reassessment of Income if any asset located outside India	Sec 149	All Assessees	1st July, 2012	The limit for issue of notice of reopening an assessment increased to **16 years** from 6 yrs.
10.	Foreign dividend	Sec 115 BBD	Indian Co. having its shareholding of 26% or more in foreign co.	A.Y. 2013-14	Sec. 115BBD extended for 1 more year i.e. for F.Y. 2012-13. (Tax @ 15% if Indian Co. receives dividend from specified Foreign Co. (in which it has shareholding of 26% or more)).
11.	Removal of cascading effect on Dividend Distribution Tax (DDT)	Sec 115-O	All Companies paying Dividend	1st July, 2012	Holding Co. receiving Dividend from any Subsidiary and such Subsidiary has paid DDT as payable on such Dividend, then, Dividend distribution by the Holding Co. in the Same year, **to that extent**, shall not be subject to DDT.

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12.	Exemption on Import of Crude Oil to Foreign Company.	Sec 10 (48)	Foreign Company	A.Y. 2013-14	Income received by Foreign Co. in India in Indian Currency, on account of sale of Crude Oil to any person in India, is exempted. Conditions: A) The receipt should be under an agreement or an arrangement which is either entered by Central Government or approved by it. B) It should be notified by Central Government having regard to National Interest in this behalf. C) The receipt of the money is the only activity carried out by the Foreign Co. in India.
13.	Initial Depreciation to the Power Sector	Sec 32(1) (iia)	Power Sector	A.Y. 2013-14	The assessee engaged in the business of Generation or Generation & Distribution of Power (Power Sector Co.) are allowed to take initial Depreciation @ 20% of actual cost of New Machinery or Plant (other than Ships & Crafts) acquired and installed in a P.Y.
14.	Weighted deduction for Scientific Research & Development	Sec 35(2 AB)	Scientific Research & Developme nt	A.Y. 2013-14	Weighted Deduction @ 200% of expenditure is extended for the further period of **5 years** i.e. **up to 31st March, 2017.**
15.	Weighted deduction for Agricultural Extension Project	Sec 35 CCC	Agricultural Extension Project	A.Y. 2013-14	Weighted Deduction of 150% of the expenditure incurred on Agricultural Extension Project.
16.	Weighted deduction for Expenditure for Skill Development	Sec 35 CCD	Skill Developme nt Project	A.Y. 2013-14	Weighted Deduction of 150% of expenditure (other than Land or Building) incurred on Public Private Partnership (PPP) project for Skill development in the ITIs in the manufacturing sector in separate facilities in coordination with NSDC.

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17.	Turnover or Gross Receipts for Audit of Accounts	Sec 44AB	Individual, HUF,AOP, BOI	A.Y. 2013-14	Compulsory Audit if, Gross Receipts or Turnover exceeds in case of Business= Rs.1 crore and Profession= Rs.25,00,000.
18.	Presumptive Taxation	Sec 44AD	Individual, HUF,AOP, BOI	A.Y. 2013-14	The limit for presumptive Taxation under Sec 44AD has been increased to Rs. 1 Crore. (Not applicable for profession)
19.	Advance Tax for Senior Citizen	Sec 207	Senior Citizen	A.Y. 2013-14	The Senior Citizen **Not** having any Income chargeable under the head "**Profits & Gains of Business or Profession**" shall **Not** be liable to pay Advance tax.
20.	Wealth Tax- Exemption of Residential house allotted to employees etc, of a Co.	Sec 2 of Wealth Tax Act, 1957	Employees, Officer, Whole time Director	A.Y. 2013-14	If the Gross Salary is less than Rs.10 Lacs, then the Wealth Tax will not be levy on the Residential house allotted by the Company.
21.	Relief from Long Term Capital Gain	Sec 54GB	Individual, HUF	A.Y. 2013-14	Relief from LTCG tax on transfer of Residential property if Invested in a Manufacturing Small or Medium Enterprises. (Subject to certain conditions)
22.	Security Transaction Tax (STT)		All Assessees	1st July, 2012	STT on cash delivery transactions has been reduced to **0.1%** from 0.125%
23.	Deduction on Capital expenditure on Specified Business	Sec 35AD	Companies covered u/s 35AD	A.Y. 2013-14	Deduction in respect of Capital expenditure has been increased to **150%**
24.	Extension of sunset date for tax holiday for Power Sector	Sec 80-IA(4)(iv)	Power Sector	A.Y. 2013-14	Terminal date has been extended for **1 more year**.
25.	Reduction of the eligible age for Senior Citizen for **Certain tax reliefs**.	Sec 80D, 80DDB & 197A	Senior Citizen	A.Y.13-14 (Sec 197A – 1st July, 2012)	The age for taxability u/s **80D, 80DDB & 197A** for Senior Citizen has been reduced to **60 years.**

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26.	Deduction for expenditure on preventive health check-up	Sec 80D	Individual	A.Y. 2013-14	Deduction upto Rs. 5,000 on Payments made for the health check-up (for self, spouse, dependent children and parents)
27.	Deduction in respect of interest on deposits in savings accounts	Sec 80 TTA	Individual, HUF	A.Y. 2013-14	Deduction on Interest on Saving account up to Rs.10,000
28.	Deduction of TDS on Compensation of Compulsory acquisition of Immovable property	Sec 194 LA	All Assessees	A.Y. 2013-14	Deduction of TDS on Compensation of Compulsory acquisition of Immovable property is raised to **Rs.2,00,000** from Rs. 1,00,000.
29.	Deduction on payment of interest on Debenture	Sec 193	All Assessees	A.Y. 2013-14	Deduction on payment of interest on Debenture is raised to **Rs. 5,000** from Rs. 2,500.
30.	Penalty Provisions	Sec 272A	All Assessees	1^{st} July, 2012	Levy of fee of Rs. 200 per day for late furnishing of TDS statement. However, the total amount of fee shall not exceed the total amount of Tax deductible during the period for which the TDS statement is delayed. In addition to said fee, a penalty ranging from Rs. 10,000 to Rs.1,00,000 shall also be levied for not furnishing TDS statement in prescribed time limit.
31.	Tax Incentive for funding of certain Infrastructure Sector	Sec 194 LC	Companies covered u/s 115A	1^{st} July, 2012	Interest income paid by specified companies covered u/s 115A, to a non-resident in respect of borrowing made in foreign currency from sources outside India between 1^{st} July,2012 to 1^{st} July,2015, shall be subject to TDS @ 5% (plus applicable Surcharge & Cess)
32.	Transfer Pricing	Sec 92BA	All Companies	A.Y. 2013-14	Transfer Pricing provision shall apply to Domestic transactions exceeding monetary threshold limit of Rs. 5 Crore in a year.

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33.	Due date for Audit report in case of International Transactions	44AB	Companies eligible for Transfer Pricing Report	A.Y 2013-14	Due date for Audit report in case of International Transactions has been extended to **30th November** from 30th September of the A.Y.
34.	Non Residents	Sec 194E	Non Residents	1st July, 2012	The Non-resident to be Taxed @ 20% on Gross basis in the following cases. A) Non Resident entertainers (such as theater, radio or television artists & musicians) from performance in India ; B) Non Resident Sportsman & sports association.
35.	Taxation of Cash Credits, unexplained money, Investments etc.	Sec 68, 69, 69A, 69B, 69C or 69D	All Assessees	A.Y. 2013-14	Unexplained credits, money, investment, expenditure, etc. which has been deemed as income u/s 68,69,69A,69B,69C or 69D will be taxed @ 30% flat irrespective of the applicable slab rate.
36.	Penalty on undisclosed income found during the course of search	Sec 271A AB	All Assessees	1st July, 2012	During the course of search, Undisclosed income is A) Admitted – 10% penalty B)Not admitted but disclosed in the **ROI filed after the search** – 20% C) In other case – Penalty Ranging from 30% to 90%
37.	Extension of time for completion of assessment & Reassessment	Sec 153 and Sec 153B	All Assessees	1st July, 2012	The existing period for completion of pending proceedings & subsequent proceedings u/s 143; 143 & 92CA; 148; 148 & 92CA; 250 or 254 or 263; 250 or 255 or 263 & 92CA has been extended for 3 more months. Similarly, 3 more months has been extended u/s 17A of Wealth Tax Act.

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38.	Liability to pay Advance Tax in case of non deduction of TAX	Sec 209	All Assessees	A.Y. 2013-14	A person has received any income without deduction or collection of Tax, he shall be liable to pay Advance Tax in respect of such income.
39.	Cost of Acquisition in case of certain transfers	Sec 49	Sole Proprietorship or firm	Retrospectively from 1st April, 1999	In case of conversion of Sole Proprietorship or firm into Company which is not regarded as transfer, the COA of asset in the hands of the Co. would be the same as that in the hands of the S.P or Firm, as the case may be.
40.	Capital Gains tax from sale of Agricultural Land by HUF	Sec 54B	HUF	A.Y 2013-14	The section 54B is applicable to HUF also.
41.	Exemption of any sum or property received by an HUF from its members	Sec 56(2)(vii)	HUF	Retrospectively from 1st October, 2009.	Any sum or property received by an HUF without any consideration or inadequate consideration from its members would be **excluded** from Taxation.
42.	Processing of ROI where scrutiny notice issued	Sec 143(2)	All Assesses	1st July, 2012	Processing return will not be necessary in case where notice u/s 143(2) has been already issued for scrutiny of the return.
43.	Eligibility conditions for exempt Life Insurance policies	Sec 10(10D)	Individual	A.Y 2013-14	Deduction u/s 80C, is eligible only where the premium does not exceed **10%** of the actual capital sum assured.
44.	Prohibition of Cash Donation	Sec 80G, 80GGA	All Assesses	A.Y. 2013-14	Cash donation exceeding Rs. 10,000 is not allowed as deduction.

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Service Tax (Finance Act, 1994)					
45.	Service Tax Rate		All Assesses	1st April, 2012	Service Tax rate is increased from 10.3% to **12.36%**
46.	Show Cause notice	Sec 73(1)	All Assesses	1st April, 2012	The time limit for issuance of notice for Offence prescribed u/s 73(1) has been increased to **18 months.**
47.	Time limit on Issuance of Invoice		All assesses	1st April, 2012	Time limit on Issuance of Invoice has been increased to **30 days** from 14 days. For Banks & FIs - **45 days**
48.	Service tax on Life insurance services		All Assesses	1st April, 2012	A) If premium is not towards risk covers, the 1st year premium shall be taxed @ 3%, subsequent premiums @ 1.5% B) Availment of full CENVAT credit is being allowed.
49.	Reverse Charge Provision	Sec 68(2)	Service Provider & Receiver	Effective date yet to be notified	Section 68(2) is being amended to put the onus of payment of service tax on reverse charge basis partly on service provider and partly on service receiver.
50.	Negative list approach	Sec 66D	All Assesses	Effective date yet to be notified	Negative list comprising 17 heads listed in proposed new Sec 66D
51.	Filing Appeal before Commissioner Appeals		All Assesses	Effective date yet to be notified	Period of Filing Appeal before Commissioner Appeals is reduced to **2 months** from 3 months
52.	Filing Appeal by revenue before CESTAT		All Assesses	Effective date yet to be notified	Period of Filing Appeal by revenue before CESTAT is increased to **4 months** from 3 months.

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53.	Payment of Tax		All Assesses	1st April, 2012	A) Assessee who paid tax of Rs. 25,00,000 or more in Previous year and New assessee other than Individual & Firms – Monthly Tax Payment B) Others – Quarterly Tax payment
Excise Duty (Central Excise , 1944)					
54.	Rates of Excise Duty	Central Excise, 1944	All Assesses	1st April, 2012	Excise Duty rate is increased to **12%** from 10%

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