Advance Tax Liability for the A.Y. 2017-18

Advance Tax provisions has been amended by the Finance Act 2016 (No. 28 of 2016) which is effective from 01-06-2016 for Assessment Year 2017-18. Following are major amendments related to Advance Tax Liability for A. Y. 2017-18:

(a) Section 211(1) is amended to provide that advance tax will be paid in four installments of 15%, 45%, 75% and 100% of tax payable on the current income by 15th June, 15th September, 15thDecember and 15th March, respectively in case of all assesses. Earlier upto AY 2016-17 the assessee other than corporate assessee paid Advance Tax in three Installment. Now all assessee except assessee covered u/s 44AD is treated at par for Advance Tax provisions.

(b) Assessees covered u/s 44AD are to pay advance tax of the whole amount in one instalment on or before the 15th March of the financial year consequent upon raising of the turnover limit from Rs.1 crore to Rs. 2 crore.

Based on above amendments the advance tax related provision under income tax law is as under:

Advance tax (Section 208, 209 & 211)

Advance tax is payable on all income during the financial year in every case where the amount of such tax payable by an assessee during that year is Rs. 10,000 or more. Following is chart showing Advance Tax Liability for the A.Y. 2017-18:

Advance Tax Liability for All Assessee (other than covered under section 44AD of the I.T. Act 1961)

Due Date	Installment Payable
On or before 15th Jun, 2016	Not less than 15% of advance tax.
On or before 15th Sep, 2016	Not less than 45% of advance tax as reduced by the amount paid in the earlier installment.
On or before 15Th Dec, 2016	Not less than 75% of advance tax as reduced by the amount paid in the earlier installments.
On or before 15Th Mar, 2017	The whole amount (100%) of advance tax as reduced by the amount paid in the earlier installments.

Advance Tax Liability for Assessee covered under section 44AD of the I.T. Act 1961

Due Date	Installment Payable
On or before 15th Jun, 2016	—
On or before 15th Sep, 2016	—
On or before 15Th Dec, 2016	—
On or before 15Th Mar, 2017	The whole amount (100%) of advance tax as reduced by the amount paid in the earlier installments.

Note:

1. Resident individuals who are over 60 years of age and do not have income chargeable under the head ‘Profits and Gains of Business or Profession’ are not required to pay advance tax.
2. Any amount paid by way of advance tax on or before 31st March shall also be treated as advance tax paid during financial year ending on that day
3. Deduction under Chapter VIA are allowable while computing liability of advance tax.
4. TDS is to be reduced from total tax liability of assessee and then specified percentage be calculated of advance tax.