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DIRECT TAX READY REFERENCE

COVERING BUDGET 2017-18

For PRIVATE CIRCULATION ONLY

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A TAX STRUCTURE

		Assessment Year --->	2015-16	2016-17	2017-18	2018-19
1 IND/HUF/AOP/BOI	(##-see rebate)	Basic Exemption --->	250000##	250000##	250000##	250000##
	upto	500000	10+0.3%	10+0.3%	10+0.3%	5+0.3%
Next 500000	upto	1000000	20+0.6%	20+0.6%	20+0.6%	20+0.6%
Rest	-	-	30+0.9%**	30+0.9%**	30+0.9%**	30+0.9%**
Basic Exemption (Special cases)	Super Senior Citizen 80 yrs or above		500000	500000	500000	500000
	Senior Citizen 60 yrs or more		300000	300000	300000	300000
2 FIRM / LLP			30+0.9%**	30+0.9%**	30+0.9%**	30+0.9%**
3 DOMESTIC COMPANY		REGULAR TAX	30+0.9%**	30+0.9%**	30+0.9%**£	30+0.9%**££
££ (25+0.75)%, if turnover/Gross Rct ≤ 50 Crore for FY 2015-16, £ (29+0.87)%, if turnover/Gross Rct ≤ 5 Crore for FY 2014-15, #on buy-back of		DIVIDEND TAX (Sec 115-O)	19.9941%#$	20.357647%#	20.357647%#	20.357647%#
		MAT (Sec 115JB)	18.5+0.555%**	18.5+0.555%**	18.5+0.555%**	18.5+0.555%**
		C/F of MAT Credit	10 years	10 years	10 years	10 years
4 TAX ON LONG TERM CAPITALGAIN		[with indexation benefit]	20+0.6%**	20+0.6%**	20+0.6%**	20+0.6%**
5 TAX ON S T CAPITAL GAIN (ON TRANSFER OF SECURITIES-SEC 111A)			15+0.45%**	15+0.45%**	15+0.45%**	15+0.45%**
6 AMT [for Non-Corporate only if dedn is claimed u/s 10AA / 80H / 80RRP (except 80P)]			18.5+0.555%**	18.5+0.555%**	18.5+0.555%**	18.5+0.555%**
**SURCHARGE -before EC/SHEC		Domestic Co [Net Income>1Cr]	5%€	7%€€	7%€€	7%€€
¤ 10% if Net Income > 50 L ≤ 1 Cr		Ind / HUF [Net Income>1Cr]	10%	12%	15%	15%¤
€10% €€12% if Net Income > 10 Cr		Firm [Net Income>1Cr]	10%	12%	12%	12%

B DEDUCTIONS & REBATES

a	General Deduction	80C/80CCC/80CCD	150000	150000	150000¤Ω	150000Ω
		Life Ins Prem-Max limit for 80C(% of SA)	10%Φ	10%Φ	10%Φ	10%Φ
		80TTA [Int on Bank/PO other than TD]	10000	10000	10000	10000
	Mediclaim 80D	Pymt Mode	ʘ Same Amt for Partents + Addl Dedn 5000 if Snr Ctzn			
	Mediclaim Premium (Ind/HUF)	Other than Cash	15000ʘ	25000ʘ	25000ʘ	25000ʘ
b	Medical Expenses (Super Snr Ctzn)	Other than Cash		30000	30000	30000
	Preventive Health Check-up(Ind)	Including Cash	5000	5000	5000	5000
	## Rebate u/s 87A if Net Income ≤ 3.5 L for FY17-18 (5L for other yrs)- least of given amt or Tax amt		2000	2000	5000	2500
c	Standard Deduction	24(a) [Rented House Property]	30%	30%	30%	30%
d	Int on borrowed capital	24(b) [Self Occupied HP]	200000*	200000*	200000*ʉ	200000*ʉ

Ω-Additional deduction Rs 20,000 u/sec 80CCD(1B)-National Pension Scheme, Φ15% for person with disability as per sec 80DDB/80U, *30000 Generally (higher deductions are allowable only where the capital is borrowed after 01.04.99 and property is acquired/constructed within 5 yrs (3yrs upto FY2015-16) from the end of year of borrowal) ʉ deduciton u/sec 80EE upto 50000 max subject to compliance of conditions therein

C CARRY FORWARD & SET-OFF OF LOSSES:

* except Salaries	Set-off: Same Head	Set-off: another head	Carry Forward & Set-off: C/F	Years	agst whom
1. Salaries	Yes	Yes	No	NA	NA
2. House Property [**max 2 L wef FY 2017-18]	Yes	Yes**	Yes	8 years	same head
3. Speculation Business	No	No	Yes	4 years	same item
Ubabs. Depreciation / Cap Exp on SR/FP	Yes	Yes	Yes	No limit	any income
Non-speculative Business or Profession	Yes	Yes*	Yes	8 years	same head
Specified Business u/sec 35AD	Yes	No	Yes	No limit	same item
4. Long Term Capital Losses	No	No	Yes	8 years	same item
Short Term Capital Losses	Yes	No	Yes	8 years	same head
5. Owning / Maintaining race horses	No	No	Yes	4 years	same item
Lotteries / Crossword Puzzles etc.	No	No	No	NA	NA
Income from Other Sources (except if exempt)	Yes	Yes	No	NA	NA

D WEALTH TAX [IND / HUF / CO, wef FY 2009-10 @ 1% above basic exemption Rs 30 Lac]-abolished wef 01.04.2015

E GIFT AS INCOME FROM OTHER SOURCES U/S 56(2) [Gift Tax abolished wef 01.10.1998]

wef	recipient	nature of receipt	Criteria	Taxability as Income
1-Apr-06	Ind/Huf*	any sum of money	without consideration > 50,000	whole amount
1-Oct-09	Ind/Huf*	any sum of money	without consideration > 50,000	whole amount
	Ind/Huf*	immovable properties	without consideration > 50,000	whole of stamp value
	Ind/Huf*	other properties	without consideration > 50,000	whole of FMV
	Ind/Huf*	other properties	FMV less consideration > 50,000	such excess amount
1-Jun-10	Co**	property being shares	without consideration > 50,000	whole of FMV
	Co**	property being shares	FMV less consideration > 50,000	such excess amount
1-Apr-12	Co**	Issue of Sh Cap at Prem^	FMV less consideration	such excess amount
1-Apr-13	Ind/Huf*	immovable properties	Stamp value less consideration >50,000	such excess amount
1-Apr-17	Any Person	all cases covered above for ind/huf		

* Exempted, If received from relatives, under will/inheritance, on marriage, on death, local auth, u/s 10(23C) or (members of huf from huf wef 01.10.2009); **other than companies in which public are substantially interested ^onus of proof of source in the hand of resident share holder lies with company

ADVANCE IT

liab≥Rs 10,000 wef: 01.06.2016 [01.04.2017 for 44ADA(1)]

Due Date	All assessee	Eligible u/s 44AD/44ADA(1)
By 15th June	upto 15%	-
By 15th Sep	upto 45%	-
By 15th Dec	upto 75%	-
By 15th Mar	100%	100%

COST INFLATION INDEX :

1981-82	100	1999-00	389
1982-83	109	2000-01	406
1983-84	116	2001-02	426 / 100
1984-85	125	2002-03	447 / 105
1985-86	133	2003-04	463 / 109
1986-87	140	2004-05	480 / 113
1987-88	150	2005-06	497 / 117
1988-89	161	2006-07	519 / 122
1989-90	172	2007-08	551 / 129
1990-91	182	2008-09	582 / 137
1991-92	199	2009-10	632 / 148
1992-93	223	2010-11	711 / 167
1993-94	244	2011-12	785 / 184
1994-95	259	2012-13	852 / 200
1995-96	281	2013-14	939 / 220
1996-97	305	2014-15	1024 / 240
1997-98	331	2015-16	1081 / 254
1998-99	351	2016-17	1025 / 264
		2017-18	NA / 272

MAJOR AMENDMENTS AT A GLANCE

wef Asst Yr 2018-19

- Period of **holding of immovable property** (land / bldg) to qualify as LTCA is reduced to 24 mths - Sec 2(42A)
- **Mandatory Filing** of Income Tax Return within 139(1) time to get exemptions u/s 11, 12 and 13A
- **Cash** Donation u/s 80G and 13A (political party) - limit reduced to Rs 2000
- **Equity Shares** acquisition after 01.10.2004 should be with **STT** to eligible for LTCG exemption u/s 10(38)
- **Corpus Donation** by Exempt Entities to Exempt Entities is not entitled for tax exemption - sec 10(23C)
- **Cash** Pymt Limit reduced to Rs 10,000 - 40A(3)/(3A)
- **Disallowance** of Depreciation, Inv Allowance and Capital Exp u/s 35AD & 43(1), if >Rs 10,000 in **Cash**
- **Fee** u/s 234F (delay in filing of return) will also be payable before filing of return u/s 140A
- Higher of **FMV** or **Consideration** shall be considered for trf of share (other than quoted) - for CG u/s 50CA

> wef 01.04.17, **Cash** receipt ≥ 2L is restricted by same payer/day or per transaction or same event/occasion

> wef 01.04.17, **Reopening of Asst upto 10 yrs** if income escapement ≥ Rs 50L beyond 6 yrs [only in 132/132A cases with sufficient evidence] -Sec 153A

> **Retrospective Amendments** of Sec 132 / 132A -Disclosure of 'Reason to Believe' or 'Reasons to Suspect' not required in Search / Seizure cases

> wef Asst Yr 2015-16, **Forfeiture of advance** received against capital asset (not amounting to transfer) is chargeable to tax under other sources - Sec 56(2)(x)

INTEREST

1.Filing of return after due date u/sec **234A**	Int @ 1% pm or part of the mth from the end of Due Date for filing of return
2.Defaults in pymt of Advance Tax u/s **234B**	Int @ 1% pm or part of the mth from the 1st day of April of the AY
3.Deferment in pymt of Advance Tax u/s **234C**	Int @ 1% pm or part of the mth on the deficit amt as applicable
4.Interest for late pymt of demand u/s **156**	Int @ 1% pm or part of the mth from the end of 30 days of Demand Notice
5.Failure to deduct and pay TDS u/s **201(1A)**	Int @ 1% pm or part of mth upto date of dedn/date of furnishing ITR and @1.5% from date of dedn to pymt.

Return Due Date u/s 139(1) & Other Time Limit

	Due Date
1. Non-corporate assessee or a working partner of a firm (where books are reqd to be audited) & Corporate Assessee	Sep-30
2. Corporate Assessee which is reqd to report u/s 92E	Nov 30
3. Any other assessee	July 31
4. Return of Loss - 139(3)	within due date
5. belated return - 139(4) from FY16-17	Mar 31
6. revised return - 139(5) from FY16-17	Mar 31
7. belated & revised return-upto FY15-16	1yr from AY end

Note: Filing of Return by Corporate Assessee / Firm is compulsory / resident having foreign asset or account

DEPRECIATION

	AY 06-07 to 17-18	AY 18-19 onwards
PLANT & MACHINERY	15%	15%
FURNITURE & FIXTURE	10%	10%
COMPUTERS	60%	40%
Buildings - Non Residential	10%	10%
Buildings - Residential	5%	5%
Purely Temp Erections / for water Treat System	100%	40%
CAR & VEHICLES	15%	15%
" USED ON HIRE	30%	30%
Intangible Assets	25%	25%

Only 50% Depre. will be allowed if assets acquired / used for < 180days

Interest NSCVIII (on 1000)

	1st year	2nd Year	3rd Year	4th Year	5th Year	6th Year
01.03.03 to 30.11.11	81.6	88.3	95.5	103.3	111.7	120.8
01.12.11 to 31.03.12	85.8	93.1	101.1	109.8	119.2	NA
01.04.12 to 31.03.13	87.8	95.6	104.0	113.1	123.0	NA
01.04.13 to 31.03.16	86.8	94.3	102.5	111.4	121.1	NA
01.04.16 to 30.09.16	82.6	89.5	96.9	104.9	113.5	NA
01.10.16 to 31.03.17	81.6	88.3	95.5	103.2	111.7	NA

NSC IX

	upto 01.04.12	2012-13	12-13 to 19.12.15		upto 01.04.12	2012-13	12-13 to 19.12.15
1st year	88.9	91.0	89.9	6th year	136.1	140.6	138.3
2nd year	96.8	99.3	98.0	7th year	148.2	153.4	150.8
3rd year	105.4	108.3	106.8	8th year	161.3	167.4	164.3
4th year	114.8	118.1	116.4	9th year	175.7	182.6	179.1
5th year	125.0	128.9	126.9	10th year	191.3	199.2	195.2

TDS Liability wef: 01.04.2017 (#01.06.17)

	Rate
Interest > 5000 pa [Rs 10000 in case of pymt by banks/PO]	10.00% [Sec 194A]
Commission or Brokerage >15000 pa [5000 upto 31.05.2016 & rate 10%]	5.00% [Sec 194H]
Dividend u/s 2(22)(e) > 2500 pa	10.00% [Sec 194]
winning from lottery/cw puzzles /horse races > 10000 pa [5000 pa upto 31.05.2016 for horse races]	30.00% [Sec 194B/BB]
Fees for Prof or Technical Services or Directors Fees other than in the nature of salary > 30000 pa [Sec 194J]	10.00% 2% [if paid by call centre]#
Insurance Commission >15000 pa [20000 pa upto 31.05.2016] — other than co company	5.00% 10.00% [Sec 194D]

TDS Liability wef: 01.04.2017 (#01.06.17)

		Rate
*Contractor/Subcontractor [Sec 194C]	Ind/HUF--->	1.00%
	Others --->	2.00%

> 30000 (single) or 100000 pa [75000 pa upto 31.05.2016]. *[wef: 01.06.2015 transport Operator (who owns 10 or less goods carriage, engaged in transport business and gives a declaration with PAN- Nil]

Rent [Sec 194-I] Plant & Machinery > 1.8 L	2.00%
Land/Bldgs/Furniture/ Fittings >1.8 L pa	10.00%
Land/Bldgs>50000 pm [by ind/huf non-tax audit	5%#[Sec 194-IB]
Consideration (other than in kind) under a Joint Dev Agreement wef:01.04.2017	10.00% [Sec 194-IC]
Consideration for transfer of Immovable props (other than agri land) >50L wef:01.06.13	1.00% [Sec 194-IA]
Accumulated bal of PF wef 01.06.16 > 50000 (30000 upto 31.05.2016]	10.00% [192A]

Note: TDS Qtrly Returns due date- end of next month from Qtr-end (31st May for Jan-Mar Qtr); TDS pymt due date -7th of subsequent mth(30th Apr for Mar); If PAN not submitted-Dedn of TDS will be higher of 20% or prescribed rate

Important Prescribed Forms under Income Tax Rules 1962

Return of Income	Form No.
1. Ind. with Salary/HP(one)/Other	ITR-1 [Sahaj]
2. Ind/HUF without Busi/Prof	ITR-2
3. Ind/HUF - proprietory Busi./ Prof or partners	ITR-3
5. Ind/HUF(presumptive basis)	ITR-4 (sugam)
6. Other than Ind /HUF / Co / ITR-7 Assessee	ITR-5
	ITR-5
7. Co. / Sec 11 assessee	ITR-6
8. Person reqd. to furnish return u/s 139(4A) / (4B) / (4C) / (4D) / (4E) / (4F)	ITR-7

other forms	
1. PAN Application - Indian	49A
2. PAN Application - non-Indian	49AA
3. TAN Application	49B
4. Wealth Tax Return	Form BB
5. STT pymt evidence	10DB/10DC
6. Annual Tax Statement	26AS

Challans	
1. Income Tax	280
2. TDS/TCS Tax Challans	281
3. Misc Direct Taxes	282
4. Fringe Benefit Tax	283
5. TDS os Sale of Property	26QB

Appeal (online filing mandatory for whom e-filing of ITR is reqd)	
1. To CIT(Appeals)-2copies	35
2. To ITAT - 3copies	36
3. Memorandum of cross objection to ITAT-3 copies	36A
4. To ITAT-to refer to High Court any question of law	37 3 copies

Charitable & Religious Trusts	
1. Appln for regn	10A
2.Appln for approval / continuance u/s 80G(5)(vi)	10G 3 copies
3. Notice for accumulation of Income to AO	10

Compulsory Tax Audit

1. Sec: 44AB
From FY 2012-13
Business > Rs 1 Cr
Profession > Rs 25 Lac
[Rs 50 Lac wef FY 16-17]
FY 2010-11 & 2011-12
Bus > 60 L, Profession > 15 L

2. 44AE/44BB/44BBB: If profit or gain is less than prescribed

3. Sec: 44AD: If profit or gain < 8% (6% wef FY17-18, if all rcpts by banking way) of the total turnover or gross receipts and if total income is taxable- limit ≤ 2 Crore wef FY16-17 [tax audit not reqd]

4. Sec:44ADA [wef FY 2016-17] For a professional assessee, Gross Receipts ≤ 50 Lac, Income shall be treated as 50% of GR with no other dedn

Note: I)The above chart does not cover the provisions related to Non-resident assessee and Foreign Company 2) For any query on PAN/TAN/Efiling/OLTAS: email to ask@incometaxindia.gov.in or call 18001801961 / 0124-2438000

Important Links: **Income Tax Site**: http://www.incometaxindia.gov.in **For Income Tax e-Return Filing**: https://incometaxindiaefiling.gov.in/ **Tax Information Network:** https://www.tin-nsdl.com/