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DIRECT TAX READY REFERENCE
COVERING FINANCE ACT, 2022
Twenty-First Edition

BE HAPPY MAKE HAPPY

A. TAX RATES

		Assessment Year --->	2019-20	2020-21/21-22	2022-23/23-24	ATR‡
IND / HUF / AOP / BOI		(##-see rebate) Basic Exemption --->	250000##	250000##	250000##	250000##
		upto 500000	5+0.2%	5+0.2%	5+0.2%	5+0.2%
		Next 250000 upto 750000	20+0.8%	20+0.8%	20+0.8%	10+0.4%
		Next 250000 upto 1000000				15+0.6%
		Next 250000 upto 1250000	30+1.2%**	30+1.2%**	30+1.2%**	20+0.8%
		Next 250000 upto 1500000				25+1%
		Rest				30+1.2%**
	Basic Exemption (Special cases)	Super Sr Citizen ≥ 80 yrs	500000	500000	500000	500000
		Senior Citizen ≥ 60 yrs	300000	300000	300000	300000
FIRM / LLP			30+1.2%**	30+1.2%**	30+1.2%**	30+1.2%**
DOMESTIC COMPANY	REGULAR TAX	Turnover/ Gross Rct is within specified limit for mentioned FY	250 Cr (16-17) 25+1%**	400 Cr (17-18/18-19) 25+1%**	400 Cr (19-20, 20-21) 25+1%**	NA
		any other domestic company	30+1.2%**	30+1.2%**	30+1.2%**	22+0.88**
		new domestic manufacturing company [setup+regn after 01.10.19 mfrg. before 31.03.24]				15+0.6**
	Distribution Tax	DIVIDEND TAX (Sec 115-O)	20.5552941%	20.5552941%	20.5552941%	nil
		Deemed Dividend u/s 2(22)(e) (Sec 115-O)	34.944%	34.944%	34.944%	nil
		Buy-Back of Unlisted Shares [any share wef 05.07.2019] (Sec 115QA)	23.296%	23.296%	23.296%	23.296%
	MAT	MAT (Sec 115JB)	18.5+0.74%**	15+0.6%**	15+0.6%**	not available‡
		C/F of MAT Credit	15 years	15 years	15 years	
CAPITAL GAIN TAX	Long Term	[with indexation benefit - Sec 112]	20+0.8%**	20+0.8%**	20+0.8%**	20+0.8%**
		[without indexation benefit - Sec 112]£	withdrawn	withdrawn	withdrawn	withdrawn
		[without indexation benefit - Sec 112A]££	10+0.4%**	10+0.4%**	10+0.4%**	10+0.4%**
		[££conditions: 1) >1 Lakh; 2) Eq Sh in a co. or unit of Eq Oriented Fund / Business Fund -STT paid (after 01.10.2004); 3) Cost is considered as higher of (a) actual cost, and (b) least of FMV at 31.01.2018 and consideration received; 4) No dedn/rebate 80C-80U/87A; £ on listed shares / securities]				
	Short Term	Covered u/s 111A	15+0.6%**	15+0.6%**	15+0.6%**	15+0.6%**
AMT		[for Non-Corporate only if dedn is claimed u/s 10AA / 80H / 80RRP (except 80P)] Sec 115JC	18.5 + 0.74%**	18.5 + 0.74%**	18.5 + 0.74%**	18.5 + 0.74%**
** Surcharge	before EC/SHEC or (HEC wef 01.04.18)	Domestic Co — Net Income >1Cr ≤10Cr	7%	7%	7%	10% > nil [at all level - no slabs]
		Domestic Co — Net Income >10Cr	12%	12%	12%	
		Ind / HUF — Net Income >50L ≤1Cr	10%	10%	10%	10%
		Ind / HUF — N.I.>1Cr[>2Cr≤5Cr, >5Cr wef 01.04.19]	15%	15%[25%,37%]	15%[25%,37%]	15%[25%,37%]
		Dividend Income, 111A, 112A, 112	15%	15%[25%,37%]	15%[AY:23-24]	15%[25%,37%]
		Firm — Net Income>1Cr	12%	12%	12%	12%

B. DEDUCTIONS & REBATES

General Deduction	80C/80CCC/80CCD	150000 [1]	150000 [1]	150000 [1]	not available‡
	Life Ins Prem-Max limit for 80C(% of Sum Assured)	10% [2]	10% [2]	10% [2]	
	80TTA [Int on Bank/PO other than TD]	10000	10000	10000	
	80TTB (Sr Citizen) [any Int on Bank/PO] -80TTA not allowed	50000	50000	50000	
80D - Mediclaim / Medical Exp etc.	Pymt Mode	μ-prorata-single prem policy, If Snr Ctzn ∈ Addl Dedn 25000			
a) Mediclaim Prem.(Ind/HUF) / Addl for Parents	Other than Cash	25000€,μ	25000€,μ	25000€,μ	not available‡
b) Medical Expenses (Snr Ctzn) / Addl for Parents	Other than Cash	50000	50000	50000	
c) Preventive Health Check-up(Ind)	Including Cash	5000	5000	5000	
	overall limit :	50000	50000	50000	
## Rebate u/s 87A - least of given amt or Tax amt		2500 [3A]	12500 [3]	12500 [3]	12500 [3]
House Property	Standard Deduction — 24(a) [Rented House Property]	30%	30%	30%	30%
	Int on borrowed capital — 24(b) [Self Occupied HP]	200000 [4,5]	200000 [4,5]	200000 [4,5]	not available‡

1. Additional deduction Rs 50,000 u/sec 80CCD(1B)-National Pension Scheme; 2. 15% for person with disability as per sec 80DDB/80U, 3. If Net Income≤5L; 3A. If Net Income≤3.5L; 3A. 4. 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); 5. Deduciton u/sec 80EE also available upto 50000 max subject to compliance of conditions therein.

C. CAP GAIN

Section and LTCG brief details	invest in	Investment Period (from trf dt.)	trf spl bank a/c	Exemption & Lock-in period
54 - Residential HP (Ind/Huf)	similar assets	const ≤ 3yrs / pur ≥-1yr ≤ 2yrs	139(1) time	inv amount (max upto CG)-3 yrs
54B-Land used for Agr purpose(I/H)	similar assets	purchase ≤ 2yrs	139(1) time	inv amount (max upto CG)-3 yrs
54EC-Land/Bldg/Both(All Assessee)	specified assets	within 6 months (max 50 L)	NA	inv amount (max upto CG)-5 yrs
54F-Any Asset other than HP(Ind/Huf)	Residential House (2HP)	const ≤ 3yrs / pur ≥-1yr ≤ 2yrs	139(1) time	inv x cg/crn(max upto CG) - 3 yrs

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 ^^Includes Virtual Digital Asset wef: AY 2023-24

F. ‡ **ATR** *(Alternative tax regime, Asst Yr 2021-22 onwards)*
1) No Deduction u/s 10AA, 32(1)(iia), 32AD, 33AB, 33ABA, 35(1)(ii)/(iia)/(iii), 35(2AA)/ (2AB), 35AD, 35CCC, 35CCCD
2) No Deduction u/chapter VIA [except sections 80CCD(2), 80JJAA, 80LA(1A), 80M]
3) No Deductions u/s 10(5)/ 13(A)/ (14)/ (17)/ (32), 16, 24(b), 57(iia)
4) No To Few of Incentives
5) B/F loss pertaining to (1) to (3) (even if 72A in case of co. and HP loss of current yr in case of ind/huf)
6) to be availed before 139(1) time (Form 10-IC/ID for co.)
7) No MAT/AMT Provisions & set-off of B/F credit
8) once availed cannot be withdrawn for co., for new mfrg. co. to be availed in first asst year of co. Cannot be withdrawn for ind/huf with bus/prof income. Other ind/huf to avail option every yr.

ADVANCE TAX

liab≥Rs 10,000	wef: 01.06.2016 [01.04.2017 for 44AD(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 (F.Y.)

F.Y.	CII	F.Y.	CII
1981-82	100	2002-03	447 / 105
1982-83	109	2003-04	463 / 109
1983-84	116	2004-05	480 / 113
1984-85	125	2005-06	497 / 117
1985-86	133	2006-07	519 / 122
1986-87	140	2007-08	551 / 129
1987-88	150	2008-09	582 / 137
1988-89	161	2009-10	632 / 148
1989-90	172	2010-11	711 / 167
1990-91	182	2011-12	785 / 184
1991-92	199	2012-13	852 / 200
1992-93	223	2013-14	939 / 220
1993-94	244	2014-15	1024 / 240
1994-95	259	2015-16	1081 / 254
1995-96	281	2016-17	1125 / 264
1996-97	305	2017-18	NA / 272
1997-98	331	2018-19	NA / 280
1998-99	351	2019-20	NA / 289
1999-00	389	2020-21	NA / 301
2000-01	406	2021-22	NA / 317
2001-02	426 / 100	2022-23	NA / 331

MAJOR AMENDMENTS AT A GLANCE

- > Sec 2(12A): Books or Books of Account can be kept in eform or digital form or print-out of data stored in eform or digital form wef: AY 2022-23
- > Sec 79A: No set-off of B/F losses with undisclosed income detected during Search & Seizure wef: AY 2022-23
- > Sec 14A: section deemed to have applied, even if no exempt income during the yr, though related expenses incurred.(wef: AY 2023-24)
- > Sec 80DD: concept of receipt during life time of dependent insured (wef: AY 2023-24)
- > Sec 94(8): Bonus Stripping made applicable to Securities as well (wef: AY 2023-24)
- > Sec 139(8A): Concept of 'Updated Return' introduced (wef: AY 2023-24)
- > Sec 115BBH: Taxation of VDA (Virtual Digital Asset) and TDS @ 1 % on payment of VDA introduced w.e.f. 01.04.2022

TCS Liability wef: 01.04.2022

1) [Sale] 1% Scrap/ Alcholic Liquor, 5% Tendu Leaves, 2.5% Timber/ Forest Produce etc.
2) [Grant of Licence] 2% Parking Lot, Toll Plaza, Mining, Quarrying,
3) [Sale wef: 01.10.20] 5% Overseas Tour Package, 0.1% Any Other Goods>50L, 1% Motor Vehicle>10L, [Foreign Remittance>7L] 0.5% LRS (80E), 1% LRS

Note: 1) Where Collectee does not furnish PAN (Sec:206CC - wef: 01.04.2017): higher of twice the normal rate or 5% [1% in case of sec: 206C(1H)] or prescribed rate, **2)** When Collectee (specified person) is non-filer of ITR (Sec: 206CCA - wef: 01.07.2021): higher of twice the normal rate or 5%, [higher of both, if both the sec

Some Tax Saving cum Investment Schemes

Sukanya Samriddhi Account	compound int 7.6% per yr	Investment qualify for tax deduction u/sec 80C; Int exempt u/sec 10(11A)
15 yr Public Provident Fund	compound int 7.1% per yr payable on	Investment qualify for tax deduction u/sec 80C; Int exempt u/sec 10(11)
Life Insurance Premium (ceiling 10% of SA)	rate of bonus keeps on fluctuating	Bonus is totally exempt; Investment qualify for tax deduction u/sec 80C
5 yr Sr Citizen Savings Schm, 2004	int 7.4% per yr payable qtrly	Investment qualify for tax deduction u/sec 80C from 01.04.2017; Int taxable

INTEREST

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

DEPRECIATION

	AY 06-07 to 17-18	from AY 18-19
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%

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

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

Return Due Date u/s 139(1) & Other Time Limit	Due Date
1. Company Assessee or Non-company assessee or a **partner** (or **spouse** of partner, if covered u/s 5A, wef:AY 21-22) of a firm (where accounts are reqd to be **audited** under **any law**)	Oct-31
2. Assessee is reqd to furnish a report u/s 92E or wef:AY 21-22 a **partner** (or **spouse** of partner, if covered u/s 5A) of firm assessee	Nov 30
3. Any Other Assessee	July 31
4. Return of Loss - 139(3)	within due date
5. Belated Return-139(4) (can be revised from FY 16-17) and **Revised Retun**-139(5)	Dec 31 (wef: FY 20-21)
(upto FY 19-20: Mar-31 and upto FY 15-16: 1yr from AY end)	

Note:(1) Mandatory Filing: Co./Firm /Resident having foreign asset or a/c; **[wef AY20-21: a person(other than co/firm): foreign travel≥2L(self or for other), electricity exp≥1L, cash deposit>1Cr in C/Acct, any person claiming exemption u/s 54 etc.]** (2) E-return Mandatory except super sr ctzn or ind/huf ≤5L+nil refund; (3) **Statutory Obligation** to file return if Income exceeds exemption limit; (4) Penalty u/s 234F from FY 2017-18 (Rs 5000 till Dec and *(NA wef: FY 20-21)10000 thereafter /1000 if TI<5L*), if not filed within due date.

CARRY FORWARD & SET-OFF OF LOSSES:

* except Salaries	Set-off: Same Head	Set-off: another head	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

TDS Liability wef: 01.04.2022

	Rate	Exemption Limit	Section
1. Accumulated balance of Provident Fund (Limit was 30000 upto 31.05.2016]	10%	50000	192A
2. Dividend [wef: 01.04.2020]	10%	5000 pa	194
3. Dividend u/s 2(22)(e) [limit was Rs 2500 upto 31.03.2018 & rate 10%]	-	5000 pa	
4. Interest [limit is Rs **40000** for pymt by Bank/PO (Rs 50000 for Sr Citizen wef 01.04.2018)]	10%	5000 pa	194A
5. winning from lottery/cw puzzles /horse races [5000 pa upto 31.05.2016 for horse races]	30%	10000 pa	194B/BB
6. Contractor / Sub-contractor [wef: 01.06.2016 transport Operator (who owns 10 or less goods carriage, engaged in tpt business and gives a declaration with PAN)- Nil.] pymt to Ind/huf / pymt to others	1% / 2%	30000 (single) or 100000 pa	194C
7. Insurance Commission [Limit was Rs 20000 pa upto 31.05.2016] pymt to other than co.	5% ##	15000 pa	194D
8. Commission or Brokerage [limit was Rs 5000 upto 31.05.2016 & rate 10%]	5%	15000 pa	194H
9. Rent - Plant & Machinery	2%	240000 pa	194I
- **Land/Building/Furniture/ Fittings**	10%	240000 pa	
10. Consideration for transfer of Immovable props (other than agri land) wef:01.06.13	1%	50 L	194-IA
11. Rent - Land/Building [by ind/huf non-tax audit case$ wef: 01.06.2017]	5%	50000 pm	194-IB
12. Consideration (other than in kind) under a Joint Dev Agreement wef:01.04.2017	10%	Nil	194-IC
13. Fees for Prof or Technical Services or Directors Fees other than in the nature of salary	10% #	30000 pa	194J
14. Income in respect of Unit of Mutual Fund/ Units [wef: 01.04.2020]	10%	5000 pa	194K
15. Professional Services/Contractor/Commn.-Brokerage [by ind/huf non-tax audit case$ wef:01.09.19]	5%	50 L	194M
16. Pymt in cash by Bank/Co-op Bank/P.O. (wef: 01.09.2019)	2% $$	1Cr	194N
17. Sale of Goods/Services by e-com operator to e-com participant [wef: 01.10.2020]	1%	Nil	194O
18. Purchase of Goods [wef:01.07.2021] shall not apply if TCS collected by seller u/s 206C(1H)	0.1%$$$	50 L	194Q

Note: 1) Where Receipient does not furnish PAN (Sec:206AA - wef: 01.04.2010): higher of 20% (5% in case of sec: 194O, 194N) or prescribed rate, **2)** When Receipient (specified person) is non-filer of ITR (Sec: 206AB - wef: 01.07.2021): higher of twice the normal rate or 5% [except sec: 192, 192A, 194B, 194BB, 194N (from 01.07.21) 194-IA /IB, 194M (from 01.04.22)] **3)** TDS Qtrly Returns due date- end of next month from Qtr-end (31st May for Jan-Mar Qtr); **4)** TDS pymt due date -7th of subsequent mth(30th Apr for Mar), #2% [if paid by call centre or in case of pymt of technical fees (not being professional services)]; ##10% [if payment is made to a company]; $ Turnover/Gross Receipts>1Cr (Bus.) or 50L (Prof); $$ Pymt to defaulters (who has not filed ITR for 3 PY) tds @ 2% if >20L upto 1Cr and @5% if >1Cr [wef: 01.07.2020]. $$$ if buyer's Sales/TO/GR> Rs 10 Cr in immediately Preceding Year.

Important Prescribed Forms under Income Tax Rules 1962

Return of Income		other forms		# Appeal	
1. Ind with Salary/HP(one)/Other/TI≤50L	ITR-1	1. PAN Application - Indian	49A	1. To CIT(Appeals)-2copies	35
2. Ind/HUF without Busi/Prof	ITR-2	2. PAN Application - non-Indian	49AA	2. To ITAT - 3copies	36
3. Ind/HUF - proprietory Busi./ Prof or partners	ITR-3	3. TAN Application	49B	3. Memorandum of cross objection to ITAT-3 copies	36A
5. Ind/HUF(presumptive basis)	ITR-4	4. Wealth Tax Return	Form BB	4. To ITAT-to refer to HighCourt any question of law(reduntant now):	37
		5. SFT	61A		
		6. Annual Tax Statement	26AS	#(efiling mandatory where e-filing of ITR is reqd)	
6. Other than Ind /HUF / Co / ITR-7 Assessee	ITR-5	Challans — 1. Income Tax	280	Charitable & Religious Trusts — 1. Appln for regn	10A
7. Co. / Sec 11 assessee	ITR-6	2. TDS/TCS Tax Challans	281	2.Appln for approval / continuance u/s 80G(5)(vi)	10G(3 copies)
8. Person reqd. to furnish return u/s 139(4A)/ 4B)/ (4C)/ (4D)/ (4E)/ (4F)	ITR-7	3. Misc Direct Taxes	282	3. Notice for accumulation of income to AO	10
		4. TDS on Rent of Property	26QC		
		5. TDS os Sale of Property	26QB		

Limit on Cash Transactions

1. From **Single** person in a day or **Single Transaction** or **Single Event / Occasion**	Rs 2 L [269ST]
2. Bus. **Exp** u/s 40A(3)/(3A) [revenue] or 32 [Capital]	Rs 10,000
3. Loan /Adv / Rct in respect of Immovable prop	Rs 20,000 269SS/269T

Compulsory Tax Audit

1. Sec: 44AB	2. 44AE /44BB /44BBB:	3. Sec: 44AD:	4. Sec:44ADA
Business > Rs 5 Cr (FY19-20 Onwards, in aggregate pymt/rcts in cash ≤ 5%), otherwise > Rs 1 Cr > Rs 1 Cr (FY12-13 Onwards) **2. Profession** > Rs 50 L [Rs 25 L :FY 12-13 to 16-17]	If profit or gain is less than prescribed	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 **[tax audit not reqd if ≥specified %age and TO/GR ≤ 2 Cr wef FY 16-**	[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/