



From the desk of:-
CA RITUL PATWA
B. Com, F.C.A., DISA(ICAI)
e-mail : rp@ritulpatwa.com
WEBSITE : www.ritulpatwa.com

INCOME TAX READY RECKONER FOR F. Y. 2024-25 (A.Y. 2025-2026) **[Dated 23-07-2024]**

A quick review (Limited Information) of the applicable provisions under the Income Tax Act, 1961 for the F. Y. 2024-25 (A. Y. 2025-26), after incorporating amendments (only key and selective amendments) proposed by the Union Budget of 2024, are given below for ready reference and information for only our clients:-

INDIVIDUALS, H.U.F., A.O.P., B.O.I.

(A) NEW TAX REGIME – DEFAULT UNLESS OPTED FOR OLD REGIME (Section 115BAC)

RATE OF TAX & TAX CALCULATOR

SLAB	TOTAL INCOME	Rate of Tax	TAX CALCULATOR
I	Upto Rs. 3,00,000/-	0 %	NIL
II	Rs. 3,00,001/- to Rs. 7,00,000/-	5%	(Total Income – 3,00,000) * 5%
III	Rs. 7,00,001/- to Rs. 10,00,000/-	10 %	20,000 + (T.I. – 7,00,000) * 10%
IV	Rs. 10,00,001/- to Rs. 12,00,000/-	15 %	50,000 + (T.I.– 10,00,000) * 15%
V	Rs. 12,00,001/- to Rs. 15,00,000/-	20 %	80,000 + (T.I. – 12,00,000) * 20%
VII	Above Rs. 15,00,000/-	30 %	1,40,000 + (T.I. – 15,00,000) * 30%

ALLOWABLE DEDUCTIONS/ INCENTIVES IN NEW TAX REGIME

Section	Nature	Allowable Deduction Limit
16 (ia)	Standard Deduction to Salaried Employees	Upto Rs. 75,000/- [Amended from Rs. 50,000/-]
57 (ia)	Family Pension paid to the Family Member after death of Employee by Employer	Lower of (i) Rs. 25000/- [Amended from Rs. 15,000/-] or (ii) 33 1/3 % of such Family Pension Received
80 CCD (2)	Employer Contribution to National Pension Scheme (NPS)	- For Central & State Govt Employees – Limit is 14% of of Salary; - For Other Employees – Limit is 14% of Salary;

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80 CCH	Amount Deposited under the Agniveer Corpus Fund	100% Amount Deposited
80 JJA	Profits and Gains from Business of Collecting and Processing of Biodegradable Waste	100% upto 5 years of commencement of business
80 LA (1A)	Income of unit of an International Financial Services Center	100% for any consecutive 10 years out of first 15 years
87A	Rebate	25,000/- or Tax Liability whichever is lower for Resident Individuals with income upto 7,00,000/-

EXEMPTED INCOME - THAT CONTINUE UNDER NEW TAX REGIME

- i) Interest and final payment under PPF [u/s 10(11)]
- ii) Interest and final payment under Sukanya Samriddh Yojna [u/s 10(11A)]
- iii) Sum received from Life Insurance Policy [10(10D)] – New Policy after 01-04-2023 limit upto 5 Lakhs annual premium
- iv) Payments including withdrawals from NPS [u/s 10(12A)/(12B)]
- v) Gratuity [u/s 10(10)], Commutation of Pension [u/s 10(10A)], Leave Encashment [u/s 10(10AA)], Retrenchment Compensation [u/s 10(10B)], Compensation on Voluntary Retirement or Separation [u/s 10(10C)], Non Monetary Perquisite by Employer [u/s 10(10CC)], Interest and Withdrawal from Recognised Provident Fund [u/s 10(12)], Payment from approved Superannuation Fund [u/s 10(13)]
- vi) Alternate Minimum Alternate Tax u/s 115JC is not applicable in case of Lower Tax Regime.

BLOCKED DEDUCTIONS/ INCENTIVES IN NEW TAX REGIME

- i) Leave Travel Concession [u/s 10(5)]
- ii) House Rent Allowance [u/s 10(13A)]
- iii) Special Allowance other than those as may be prescribed [u/s 10(14)]
- iv) Allowances to MP/ MLAs [u/s 10(17)]
- v) Exemption of Rs. 1500/- for clubbed income of minor child [u/s 10(32)]
- vi) Special Economic Zone [u/s 10AA]
- vii) Entertainment Allowance Deduction [u/s 16(ii)]
- viii) Professional Tax Deduction [u/s 16(iii)]
- ix) No Adjustment of Losses brought forward from earlier years and/or Additional Depreciation of earlier years is permitted.
- x) No adjustment for depreciated value of block of assets brought forward is permitted.
- xi) Loss on account of Interest on Home Loan [u/s 24(b)]**
- xii) Additional Depreciation [u/s 32(1)(iia)]
- xiii) Investment Allowance in case of Backward Area [u/s 32AD]
- xiv) Tea/ Coffee/ Rubber Development Account [u/s 33AB]
- xv) Site Restoration Fund [u/s 33ABA]
- xvi) Deduction for Scientific Research [u/s 35(1) (ii)/(iia)/(iii), 35(2AA)]
- xvii) Capital Expenditure pertaining to Specified Business [u/s 35AD]
- xviii) Agricultural Extension Project [u/s 35CCC]



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- xix) **Deduction u/s 80C to 80U [except Employers Contribution to NPS u/s 80CCD(2), Agniveer Corpus Fund u/s 80CCH, deduction u/s 80JJA and 80LA(1A)]**
- xx) No Adjustment of Losses brought forward from earlier years and/or Additional Depreciation of earlier years is permitted.
- xxi) No adjustment for depreciated value of block of assets brought forward is permitted.

CONDITIONS & RESTRICTIONS ON "OPTING-OUT" OF NEW TAX REGIME

New Tax Regime u/s 115 BAC is Default Tax Regime from FY 2023-24 onwards and provisions for Opting Out to Old Scheme are as below:-

- i) For Assesseees not having business income annual option can be exercised along with the return of income;
- ii) For Assesseees having business income one time option can be exercised before the due date for filling return of income and the same shall continue for subsequent years; Provided that for Business Assesseees the option for Old Regime can be withdrawn only once and once withdrawn such person cannot opt for old regime again.

(B) OLD TAX REGIME – OPTIONAL

(i) Rate of Tax & Tax Calculator (General Category & Women):-

SLAB	TOTAL INCOME	Rate of Tax	TAX CALCULATOR	COMMENTS
I	Upto Rs. 2,50,000/-	0 %	NIL	NO CHANGE
II	Rs. 2,50,001/- to Rs. 5,00,000/-	5%	(Total Income – 2,50,000)*5%	NO CHANGE
III	Rs. 5,00,001/- to Rs. 10,00,000/-	20 %	12500 + (T.I. – 500000)*20%	NO CHANGE
IV	Above Rs. 10,00,000/-	30 %	112500+(T.I.–10,00,000)*30%	NO CHANGE

(ii) Rate of Tax & Tax Calculator (Senior Citizen – Age 60 Years and above):-

SLAB	TOTAL INCOME	Rate of Tax	TAX CALCULATOR	COMMENTS
I	Upto Rs. 3,00,000/-	0 %	NIL	NO CHANGE
III	Rs. 3,00,001/- to Rs. 5,00,000/-	5%	(Total Income – 3,00,000)*5%	NO CHANGE
IV	Rs. 5,00,001/- to Rs. 10,00,000/-	20 %	10000 + (T.I. – 500000)*20%	NO CHANGE
V	Above Rs. 10,00,000/-	30 %	110000+(T.I.–10,00,000)*30%	NO CHANGE



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(iii) Rate of Tax & Tax Calculator (Very Senior Citizen – Age 80 Years):-

SLAB	TOTAL INCOME	Rate of Tax	TAX CALCULATOR	COMMENTS
I	Upto Rs. 5,00,000/-	0 %	NIL	No Change
II	Rs. 5,00,001/- to Rs. 10,00,000/-	20 %	(T.I. – 5,00,000)*20 %	No Change
III	Above Rs. 10,00,000/-	30 %	1,00,000+(T.I.–10,00,000)*30%	No Change

SELECTED DEDUCTIONS AND BENEFITS UNDER OLD TAX REGIME

Section	Nature	Deduction Upper Limit	Comments/ Remarks
16 (ia)	Standard Deduction to Salaried Employees	50,000/-	No Change
23(2) & 23(4)	Deduction of Deemed Rent on Self Occupied House	Entire Deemed Rent of 2 Houses "not Let Out" by an Assessee	No Change
24 (b)	Interest on Housing Loan (For Self Occupied Property)	Upto Rs. 2 Lakhs	In case of Let Out House Property the entire Interest is deductible; however by virtue of Section 71 (3A), the maximum loss of only upto Rs. 2 Lakhs can be set-off against income from other head of incomes and excess if any shall be carried forward for set-off in succeeding 8 years.
80 C	Investments in Life Insurance Premium, PF, PPF, NSC, ULIP, Tax Benefit Mutual Funds, Tution Fees (2 Child), Home Loan Principal Repayment, Notified Bonds, 5 Yr FDs etc	Upto Rs. 1.50 Lakhs	For Central Government Employees, a contribution to the specified account of the Pension Scheme referred to in Section 80CCD subject to conditions, has been included for deduction in this section.
80 CCD	Investment in National Pension Scheme (NPS)	Upto Rs. 0.50 Lakhs	<ul style="list-style-type: none"> - For Central Govt Employees – Limit is 14% of of Salary; - For Other Employees – Limit is 14% of Salary; - individuals other than employee - limit of investment in NPS is 20% of GTI
0 D	Mediclaim Insurance	Sr. Citizen:Rs. 50000 Others : Rs. 25000	No Change



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80 E	Interest on Education Loan (Upto maximum 8 years from the year of first repayment)	Entire Interest Paid during the year	<ol style="list-style-type: none">1. Education Loan must be taken by that Individuals;2. For <u>Higher</u> Education of Self, Spouse, Children or student for whom, he is a legal guardian;3. The loan is taken from any Financial Institution or approved Charitable Institution;
80 EEA	Additional Interest on Home Loan for 1 st Residential House Property	Rs. 1,50,000/-	<ol style="list-style-type: none">1. Loan sanctioned between 01-04-19 to 31-03-22;2. Stamp Duty Value of property not exceeding Rs. 45 Lakhs;3. Deduction of Interest is only allowed once and cannot be claimed in both 24(b) and 80EEA or any other section;
80 EEB	Interest on Loan for Purchase of Electric Vehicle	Rs. 1,50,000/-	<ol style="list-style-type: none">1. Loan is sanction by a Financial Institution (including NBFC) between 01- 04-2019 to 31-03-2023; and2. The assessee does not own any other Electronic Vehicle on the date of sanction of loan.3. No deduction is allowed for this interest in any other section of IT Act
80 GG	Rent Paid	Lower of Following: <ol style="list-style-type: none">1. Rs. 5000 p.m.2. 25% of Total Income;3. Rent Paid – 10% of Total Income	No Change
80TTA	Interest from Savings Account	Rs. 10000/-	This is allowed to the extent of Interest earned from Savings Account. No Benefit under this section if benefit u/s 80TTB is claimed.
80TTB	Interest from Deposits in Banking Co or P.O.	Rs. 50000/-	Only for Senior Citizens (Age 60 years) without TDS Liability.
87A	Rebate	12,500/- or Tax Liability whichever is lower	Applicable only for Individuals resident in India with Total Income upto Rs. 5,00,000/-



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(C) SURCHARGE (subject of Marginal Relief)

(i) Under New Tax Regime

S. No.	Quantum of Income of Assessee	Rate of Surcharge <u>only</u> on Income Taxable u/s 111A, 112, 112A & Dividend	Rate of Surcharge on all <u>Other</u> Incomes
1	Total Income upto Rs. 50 Lakhs	Nil	Nil
2	Total Income > 50 Lakhs <= 1 Crore	10%	10%
3	Total Income > 1 Crore <= 2 Crore	15%	15%
4	Total Income > 2 Crores (excluding income u/s 111A, 112, 112A & Dividend)	15%	25%
5	Total Income > 2 Crores including income u/s 111A, 112, 112A & Dividend(cases not covered in S. No. 4 and 5 above)	15%	15%

(ii) Under Old Tax Regime

S. No.	Quantum of Income of Assessee	Rate of Surcharge <u>only</u> on Income Taxable u/s 111A, 112, 112A & Dividend	Rate of Surcharge on all <u>Other</u> Incomes
1	Total Income upto Rs. 50 Lakhs	Nil	Nil
2	Total Income > 50 Lakhs <= 1 Crore	10%	10%
3	Total Income > 1 Crore <= 2 Crore	15%	15%
4	Total Income > 2 Crores <= 5 Crore (excluding income u/s 111A, 112, 112A & Dividend)	15%	25%
5	Total Income > 5 Crores (excluding income u/s 111A, 112, 112A & Dividend)	15%	37%
6	Total Income > 2 Crores including income u/s 111A, 112, 112A & Dividend(cases not covered in S. No. 4 and 5 above)	15%	15%

(D) HEALTH & EDUCATION CESS – 4% of Income Tax & Surcharge

(E) HOW TO CALCULATE TOTAL TAX PAYABLE

“TOTAL TAX PAYABLE = TAX + SURCHARGE + HEALTH & EDUCATION CESS”

[Note : Tax includes Tax as per Old Regime (Para A) or New Regime (Para B) and Special Tax Rate (Para C)]

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PARTNERSHIP FIRMS & L.L.P.'s

- (A) **RATE OF INCOME TAX** : **30 % of Total Income**
- (B) **SURCHARGE** : **If Total Income upto 1 Crore – NIL**
If Total Income > 1 Crore – 12%
- (C) **HEALTH & EDUCATION CESS** : **4% of the Income Tax & Surcharge**
- (D) **Expenses that can be claimed only if mentioned in the Partnership Deed of the Firm**

a) **Remuneration permissible to Partners (*)** – subject to Limit prescribed below:-

Book Profit (BP) of the Firm	Allowable Remuneration
In case of Loss	Rs. 3,00,000/-
Book Profit (BP) <= Rs. 6 Lakhs	Higher of Rs. 3,00,000/- or @ 90 % of Book Profits
Book Profit (BP) > Rs. 6 Lakhs	5,40,000/- + (BP – 6,00,000) * 60%

**Amended*

b) **Interest on Partners Capital** (if provided in the Partnership Deed) is allowed upto a Maximum of 12 % p.a.

AMENDMENT – Firm has to deduct TDS @ 10% on payment of Interest, Remuneration, Commission etc exceeding Rs. 20000/- to PARTNERS.

COMPANIES

(A) **RATE ON INCOME TAX ON COMPANIES**

(i) **DOMESTIC COMPANIES:-**

Category of Company	Rate of Tax
Domestic Companies with Turnover of upto Rs. 400 Crores during F. Y. 2022-23	25%
Other Domestic Companies	30%
Start-ups Registered from 01-04-2016 to 31-03-2025 with Turnover not exceeding 100 Crores from the date of Incorporation [Section 80 IAC]	0% - For 3 out of 10 years [MAT applicable under 115JB]

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(ii) OTHER NON-DOMESTIC COMPANIES

(1) on so much of the total income as consists of,—

(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	50%
(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	

(2) on the balance, if any, of the total income – **35 % [earlier 40%]**

(B) SURCHARGE

a. Domestic company

Total Income upto 1 Crore – NIL

Total Income > 1 Crore and upto 10 Crores – 7 %

Total Income > 10 Crores – 12 %

b. Other Companies

Total Income upto 1 Crore – NIL

Total Income > 1 Crore and upto 10 Crores – 2 %

Total Income > 10 Crores – 5 %

(C) HEALTH & EDUCATION CESS : 4% of the Income Tax & Surcharge

(D) MINIMUM ALTERNATE TAX (M.A.T.) - Applicable where the Book Profits are more than Profits as per Income Tax Act, 1961.

a) The rate of MAT payable by a company is **18.50%** u/s 115 JB.

b) The period allowed to carry forward the tax credit under MAT is further extended to 15 (Fifteen) years.

(E) OPTIONAL ALTERNATE TAX REGIME – CERTAIN DOMESTIC COMPANIES

Section	Type of Company	Taxation			Remarks
		Tax	Surcharge	E-Cess	
115BA	Existing Domestic Manufacturing Companies registered after 01-04-2016	25%	Applicable Surcharge 7%/ 12%	4%	Refer detail conditions and restrictions in each case
115BAA	Domestic Companies	22%	10%	4%	
115BAB	New Domestic Manufacturing Companies registered on or after 01-10-2019 and commenced manufacturing before 31-03-2024	15%	10%	4%	



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PRESUMPTIVE COMPUTATION OF PROFIT OF BUSINESS/ PROFESSION
(Only for Resident Individual, HUF & Partnership Firms)

(A) FOR SMALL BUSINESSES (SECTION 44 AD)

[Not applicable on LLPs, professions referred u/s 44AA(1), commission/ brokerage income & agency business]

Applicable: For Turnover upto Rs. 200 Lakhs [**Rs. 300 Lakhs - If the Cash Receipt is upto 5% of Gross Receipts**]

Rate of Deemed Profit:

- a) **6% of Gross Receipts** received by an account payee cheque or account payee bank draft or use of electronic clearing system through a bank account or such other electronic mode as may be prescribed during the previous year or before the due date specified in sub-section (1) of section 139 in respect of that previous year;
- b) **8% of Gross Receipts** other than those covered in para (a) above.

(B) FOR SMALL RESIDENT PROFESSIONALS (SECTION 44 ADA)

[Applicable only for Individual, HUF & Partnership (other than LLP) engaged in Profession referred to u/s 44AA (1)]

Applicable: For Gross Receipt upto Rs. 50 Lakhs [**Rs. 75 Lakhs - If the Cash Receipt is upto 5% of Gross Receipts**]

Rate of Deemed Profit : 50% of Gross Receipt

(C) IMPORTANT ISSUED RELATED TO PRESUMPTIVE PROFIT SCHEME

1. An Eligible Assessee is allowed to declare profits in excess of the Deemed Profit;
2. If an Eligible Person wants to declare profit, lower than the Deemed Profit prescribed u/s 44AD or 44ADA, then he is required to get his accounts audited in accordance with Income Tax Act, 1961.
3. For Partnership Firms declaring their presumptive profit u/s 44AD or 44ADA, the Partners Remuneration and Interest are not allowed to be deducted from the 'Deemed Profit' derived under the aforesaid sections. They are presumed to be part of the expenses.
4. In case of withdrawal from Presumptive Taxation u/s 44AD in any year, the assessee will not be allowed to opt for Presumptive Taxation for subsequent 5 years.



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(D) BENEFITS OF OPTING PRESUMPTIVE COMPUTATION OF PROFITS

1. Exemption from the compliance burden of maintaining books of accounts.
2. Exempted from advance tax and allowed to pay their entire tax liability before the due date of filling the return or actual date of filing their return whichever is earlier.

RATE OF DEPRECIATION UNDER INCOME TAX ACT, 1961

ASSET	RATE OF DEPRECIATION
Plant & Machinery including Motor Cars – General Rate	15 %
Computers including Software and other specified P&M	40 %
Furniture & Fixtures	10 %
Building – Residential other than hotels and boarding houses	5 %
Building – Office, Factory, Godown, Hotels etc	10%
Building – Temporary Installations such as Wooden Structures	40%
Intangible Assets (acquired after 31-03-1998) – know how, patents, copyrights, trademarks etc <u>excluding</u> Goodwill of Business or Profession	25%
Plant & Machinery – Ocean Going Ships, Vessels (inland)	20%
Plant & Machinery – Busses, Lorries, Taxis for Hire, Moulds in Rubber & Plastic Ind, P&M Semiconductor Ind, Other Motor Cars acquired and put to use between 23-08-19 to 01-04-20	30%
Plant & Machinery – Busses, Lorries, Taxis for Hire acquired and put to use between 23-08-19 to 01-04-20	45%

TURNOVER LIMIT FOR AUDIT UNDER INCOME TAX ACT (Section 44AB)

CATEGORY OF ASSESSEE	LIMIT OF GROSS RECEIPTS/ TOTAL SALES/ TURNOVER
A person carrying on Business	(a) Exceeding Rs. 1 Crore during the year or (b) Exceeding Rs. 10 Crores during the year, where 95% of Income & Expenses are done other than in Cash (i.e. Account Payees & Digital Medium)
A person carrying on Profession	Exceeding Rs. 50 Lakhs during the year



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**TAXATION ON CAPITAL GAINS - EQUITIES, EQUITY ORIENTED M.F.
 & VIRTUAL DIGITAL ASSETS**

(i)	<p>Short Term Capital Gain on Sale of Equities & EO MFs, on a <u>Recognised Stock Exchange in India</u></p>	<p>From 01-04-24 to 22-07-25: Tax @ 15 %</p> <p>From 23-07-24 to 31-03-25 : Tax @ 20%</p>
(ii)	<p>Long Term Capital Gain (Other than Equities/ E.O.M.F.) – Period of Holding reduced to 24 Months from earlier 36 Months:-</p> <p>From 01-04-24 to 22-07-24</p> <p>From 23-07-24 to 31-03-24</p>	<p>20% with Indexation Benefit</p> <p>12.50% without Indexation Benefit</p>
(iii)	<p>Long Term Capital Gain on Sale of EO MFs or units of business or Equities on a <u>Recognised Stock Exchange in India</u>:-</p> <p style="text-align: center;">LTCG = (Sale Value – Cost) – 1,25,000* (* earlier 1,00,000/-)</p> <p>- For Shares acquired before 01-02-2018 – Cost shall be higher of Actual Cost or Fair Market Value (Fair Market Value is the highest price of a share on 31-01-2018 on any Recognised Stock Exchange but shall not exceed the Sale Price or full value of consideration)</p> <p>[NOTE – To claim exemption u/s 10 (38) for shares acquired after 01-10- 2004, it will be mandatory that the STT must have been paid at the time of Purchase.]</p>	<p style="text-align: center;">TAX RATE</p> <p>From 01-04-24 to 22-07-25 : @ 10 %</p> <p>From 23-07-24 to 31-03-25 : @ 12.50 %</p>
(iv)	<p>Tax on Income from Virtual Digital Assets – NFT, Crypto Currencies etc</p> <p style="text-align: center;">Tax = (Sale Value – Cost) * 30%</p> <p>[Note - No other Expenses Allowable as Expenditure and Loss cannot be set off or carried forward for set off]</p> <p>---</p> <p>TDS @ 1% on Purchase of Virtual Digital Assets – NFT, Crypto Currency etc u/s 194S for value above Rs. 50,000/- in a year by Specified Person (i.e. Individual & HUF not having income from Business and Profession or where Gross Receipt from Business is upto 1 Crore and from Profession is upto 50 Lakhs) and Rs. 10,000/- in a year for others.</p>	<p>Tax @ 30%</p>



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RESTRICTION / DETERRENCE TO CASH TRANSACTIONS

In order to promote the digital economy, following restrictions have been imposed on Cash Transactions:-

NATURE OF EXPENDITURE	I. T. SECTION	CEILING LIMIT	IN CASE OF VIOLATION
CAPITAL – Payment for Fixed Assets Purchase	43	10000/- per day per asset	The expenditure shall not be included in the cost of asset. No Depreciation benefit.
Payment of Expenses on Specified Business – ‘any expenditure of Capital Nature’	35AD	10000/- per day per asset	No deduction shall be allowed in respect of such expenditure.
Payment of Business Expenses	40 A (3)	10000/- per day to a person	No deduction shall be allowed in respect of such expenditure.
Payment made for plying, hiring or leasing goods carriages	Second Proviso to 40 A (3A)	35000/- per day to a person	No deduction shall be allowed in respect of such expenditure.
Any Payment received:- (a) in aggregate from a person in a day; (b) in respect of a single transaction; or (c) in respect of transactions relating to one event or occasion from a person,	269ST	2,00,000/-	Penalty u/s 271DA equal to the amount of such payment received by a person.
Cash withdrawals from an account in a Banking Company, Co-Operative Bank or Post Office	269N	Above Rs. 1 Crores (in aggregate during a year)	(a) 2% TDS (General) (b) TDS Rate For ITR Defaulter:- 2% (20 Lakh to 1 Crore) and 5% above 1 Crore (c) Non PAN cases – Minimum 5% or double the Rate or double prescribed in specified provision



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CHANGES IN THE RATE OF T.D.S.

Rationalisation of tax deducted at source (TDS) rates: It is proposed to bring down TDS rates from 5 per cent to 2 per cent in certain sections and omit section 194F where TDS rate is 20 per cent, as given below:

Section	Present TDS Rate	Proposed TDS Rate	With effect from
Section 194D - Payment of insurance commission (in case of person other than company)	5%	2%	1.4.2025
Section 194DA - Payment in respect of life insurance policy	5%	2%	1.10.2024
Section 194G - Commission etc on sale of lottery tickets	5%	2%	1.10.2024
Section 194H - Payment of commission or brokerage	5%	2%	1.10.2024
Section 194-IB - Payment of rent by individual or HUF	5%	2%	1.10.2024
Section 194M - Payment of certain sums by certain individuals or Hindu undivided family	5%	2%	1.10.2024
Section 194-O - Payment of certain sums by e-commerce operator to e-commerce participant	1%	0.1%	1.10.2024
Section 194F relating to payments on account of repurchase of units by Mutual Fund or Unit Trust of India	Proposed to be omitted		1.10.2024

LATE FEES FOR DELAY IN FILLING OF INCOME TAX RETURN [Section 234F]

A person who is required to furnish a return of income under section 139, fails to do so within the time prescribed in sub-section (1) of the said section, he shall pay, by way of fee, as below:-

1. If his total income is upto Rs. 5 Lakhs : Rs. 1000/-
2. If his total income exceeds Rs. 5 Lakhs : Rs. 5000/-



From the desk of:-
CA RITUL PATWA
B. Com, F.C.A., DISA(ICAI)
e-mail : rp@ritulpatwa.com
WEBSITE : www.ritulpatwa.com

UPDATED RETURN OF INCOME [Section 139(8A)]

Any person can file an undated return within 24 months from the end of an Assessment Year, if he has not filled his return of Income or has failed to disclose income. This is voluntary disclosure (other than by search u/s 132 or survey u/s 133A or Notice u/s 132 or 132A etc) of additional income, however a reduction in income already disclosed or filling of loss return or seeking a refund or increase in refund if not permitted in the Updated Return along with Additional Income Tax @ 25% of the incremental Tax & Interest computed if return is filled within 12 months from the end of Assessment Year and @ 50% of the incremental Tax & Interest computed if return is filled after 12 months and upto 24 months. [Please refer specific provision u/s 140B for exact liability]

PURCHASE FROM MSME ALLOWABLE AS EXPENDITURE ONLY ON PAYMENT [Section 43B(h)]

Any payment due to an MSME beyond 45 days (prescribed time limit under section 15 of MSME Act, 2006) as at the year end, shall be allowed as an Expenditure (deduction) in the Books in the year of Payment. [EFFECTIVE FROM FY 2023-24 ONWARDS]



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e-mail : rp@ritulpatwa.com
WEBSITE : www.ritulpatwa.com

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