

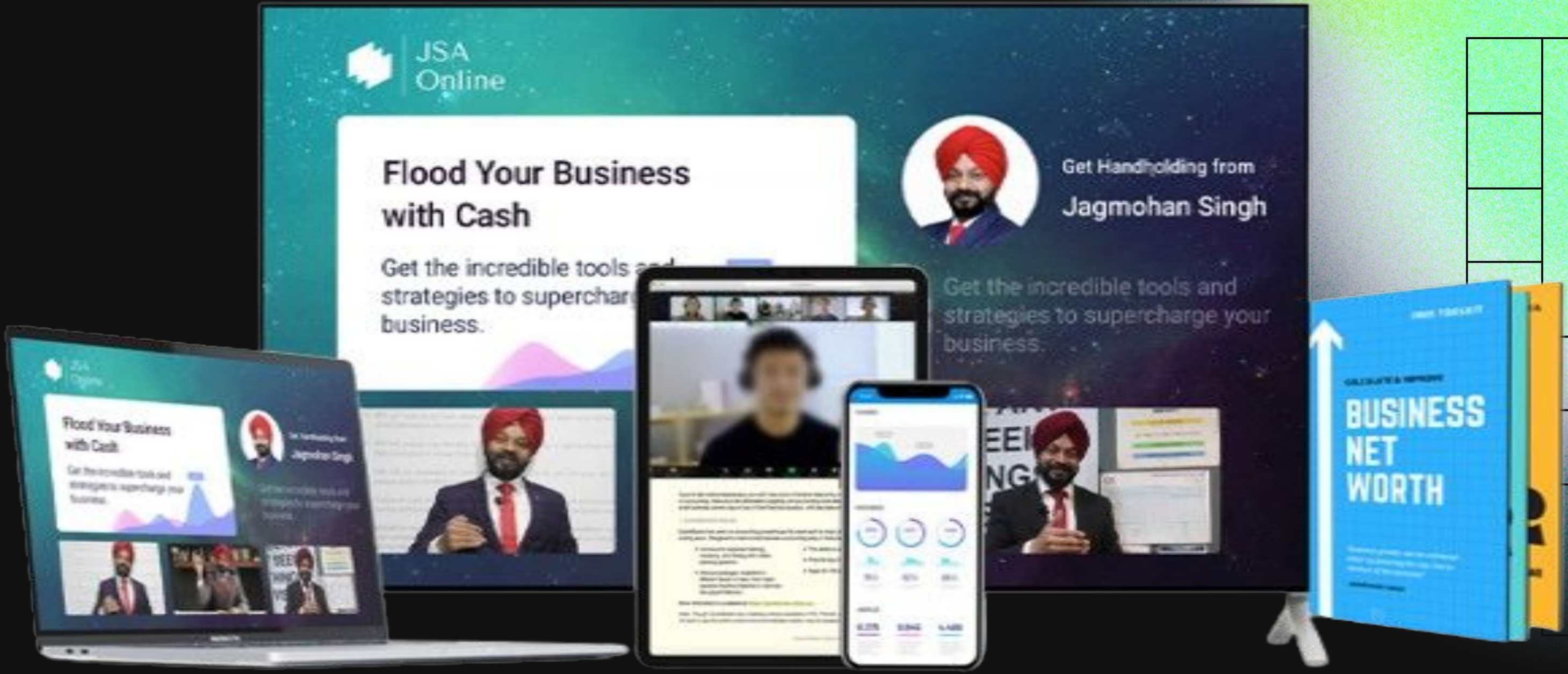


E-PISTLE

(Monthly Newsletter)

FEBRUARY 2025

(100% Coverage of a Finance Bill 2025)



Welcome to the Presentation

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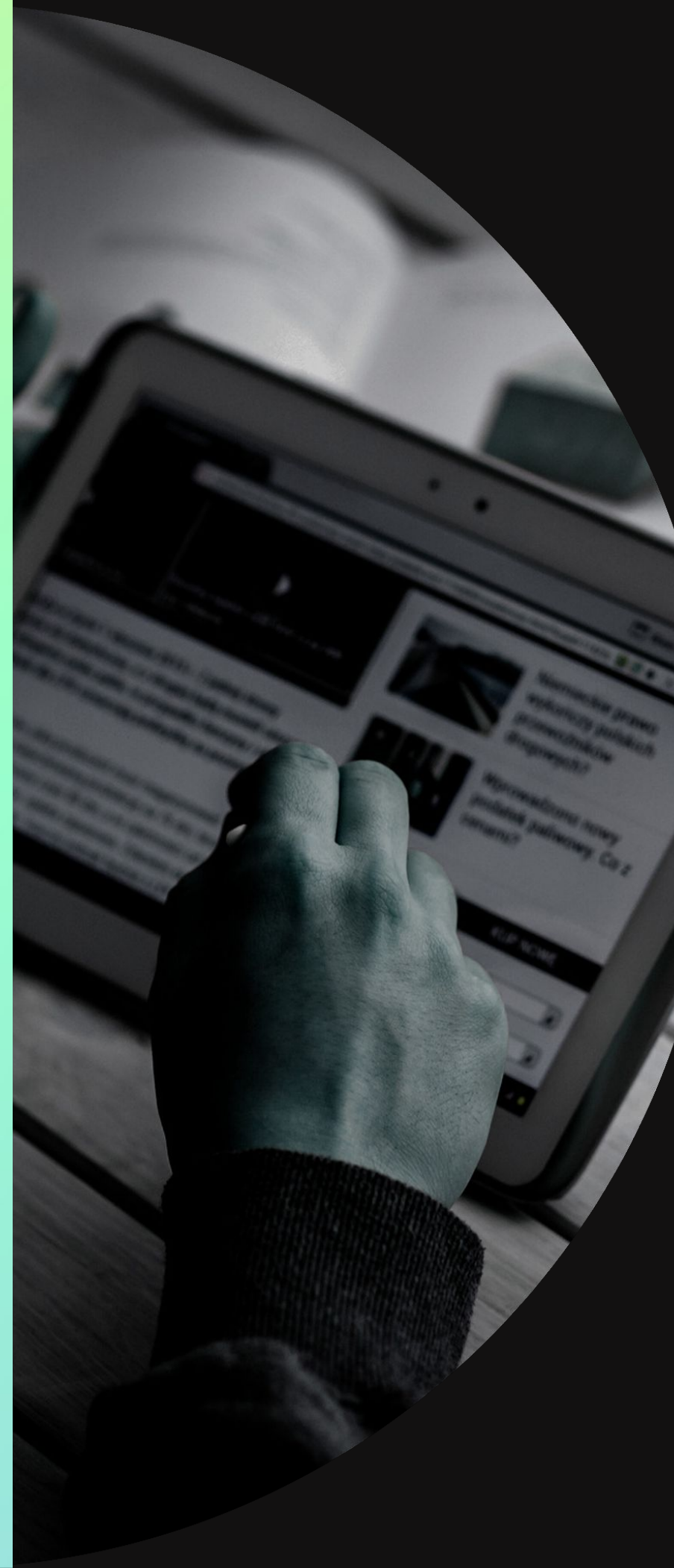
**LATEST
NEWS**

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GGST

GOODS AND SERVICES TAX
SMART TAXATION SYSTEM



Recently, many individuals and businesses have been issued GST notices for exceeding turnover limits through UPI transactions—₹20 lakhs for services and ₹40 lakhs for goods—without proper registration.

This often happens because small businesses fail to track their total receipts and maintain accurate accounting records.

While accepting UPI payments through platforms like RazorPay or PhonePe is convenient, neglecting to monitor turnover can lead to unintentional breaches of GST registration thresholds, resulting in compliance

issues and potential penalties. It is crucial for businesses to regularly review their financials and ensure adherence to GST regulations.



Businesses with high UPI transactions and no GST registration are now receiving GST notices!

GST Update: Advisory on Enablement of Rectification Applications for Orders on ITC availed beyond Section 16(4) time limit

As per NN 22/2024-CT dated 08-10-2024, a registered person may file a rectification application for orders issued under Sections 73 or 74 disallowing credit availed beyond the Section 16(4) time limit, as such credit is now permitted under newly inserted sub-sections (5) and (6).

In this regard, the GSTN portal has issued an advisory informing the enablement of functionality to file such applications including a downloadable Word format of “Annexure A” for order details, which must be completed and uploaded with the application.

The GSTN portal has also provided a detailed advisory and a tutorial explaining the step-by-step process for filing the rectification application.

Click 

[CLICK ME TO READ](#)

Advisory for Waiver Scheme under Section 128A

Jan 14th, 2025

1. Taxpayer's attention is invited to the advisory on the above subject issued by GSTN on 29.12.2024. The link for the said advisory is given here:

<https://services.gst.gov.in/services/advisoryandreleases/read/564>

2. It is to inform that both **Forms GST SPL 01 and GST SPL 02 are available in the GST portal** and the taxpayers are advised to file applications under waiver scheme.

3. One of the eligible conditions for filing application under waiver scheme is to withdraw the appeal applications filed against the demand order/notice/statement for which waiver application is to be submitted. In this regard, it is to inform that for the appeal applications (APL 01) filed before First Appellate authority, withdrawal option is already available in the GST portal. However, for the appeal applications (APL 01) filed before 21.03.2023, withdrawal option is not available in GST portal. For such cases, the taxpayers are advised to submit their request for withdrawal of appeal applications to the concerned Appellate Authority. The Appellate authority will forward such requests to GSTN through State Nodal officer for withdrawal of such appeal applications (i.e. filed before 21.03.2023 and not disposed off) from backend.

4. Difficulty if any faced by the taxpayers may be reported to <https://selfservice.gstsystem.in> by raising a ticket under category "***Issues related to Waiver Scheme***".

Thanks,
Team GSTN

BACK

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Important Update for GST Portal!

The GST Portal is currently facing technical glitches, and many taxpayers are unable to file GSTR-1. If you are facing this issue, don't panic! Follow these steps to raise a grievance and ensure your issue is addressed:

Steps to Raise a Grievance on the GST Self-Service Portal:

- 1 Go to the GST Self-Service Portal: [Click Me](#)
- 2 . Click on 'REPORT ISSUE/COMPLAINT' blue colored button.
- 3 Enter the keyword of the issue you are facing in the "Type of Issue/ Concern" textbox. For e.g. "GSTR 1" or "PAYMENTS" or "GSTIN".
- 4 When you enter the keyword, a list of issues will be displayed by the system from which you have to select the exact issue you are facing.
- 5 If you don't find any match with the keyword entered, you can choose the most relevant category and subcategory from the dropdown appearing next to the "Type of Issue/Concern".
- 6 Once you choose the most relevant issue from the dropdown, the system will display the related sections of the user manual and FAQs related to your issues. You can refer to those FAQ's to solve your issues.

7 If you are not able to resolve the issue from the FAQ's, then select “No, I want to lodge my complaint”. As you click it, “Ticket Details” page is opened where you can fill the details and lodge the complaint.

a) Enter the GSTIN/ARN/TRN where ARN refers to Application reference number and TRN refer to Ticket reference number OR your PAN (i.e. Permanent Account number).

b) Enter First Name, Last Name, Mobile number, Email Address. These are mandatory to fill.

c) Write your issue in the “Issue Description” textbox but not more than 500 words.

d) You can attach the screenshot/ image/ reference file by choosing it from your system. Use “ADD MORE” button to attach more than one file.

e) Enter captcha code in the textbox as shown.

f) Click “SUBMIT” and select “Yes” for “Kindly confirm to proceed”.

 Pro Tip: Take a screenshot of the error page and note down the exact time and date for reference.

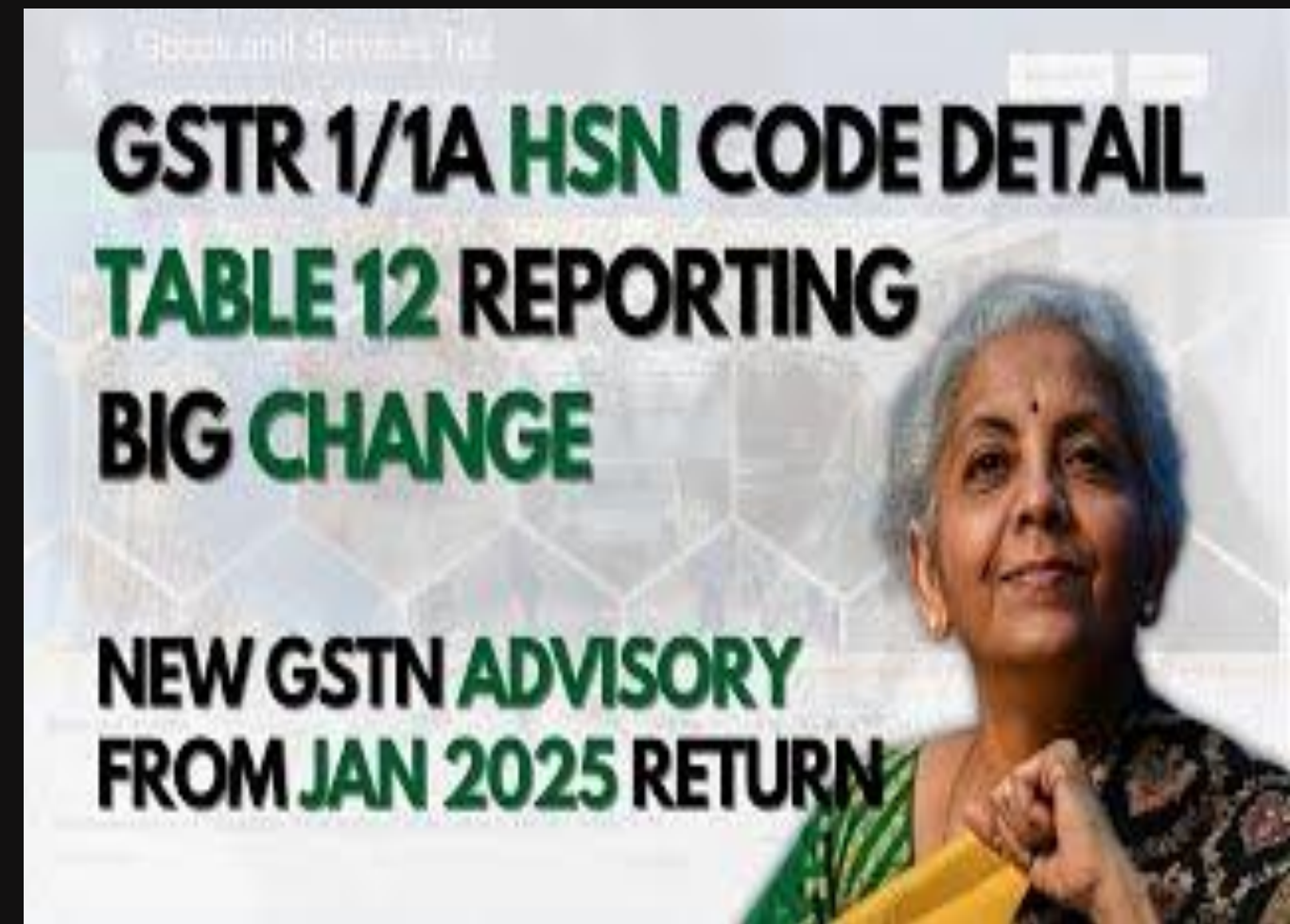
HSN Code
Reporting in
GSTR-1/1A is
Mandatory



Click 

Under the Goods and Services Tax (GST) framework, multiple reforms have been introduced to streamline compliance and enhance tax reporting accuracy. One notable change is the requirement to include HSN (Harmonized System of Nomenclature) codes in GSTR-1, especially within Table 12. Beginning January 2025, the third phase of HSN validation will come into effect, further emphasizing precise HSN code reporting for businesses.

[Click Me to Read in Detail](#)



MINISTRY OF FINANCE

(Department of Revenue)

(CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS)

NOTIFICATION

New Delhi, the 23rd January, 2025

No. 08/2025 – CENTRAL TAX

S.O. 419(E).— In exercise of the powers conferred by section 128 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereinafter referred to as the said Act), the Central Government, on the recommendations of the Council, hereby waives the amount of late fee referred to in section 47 of the said Act in respect of the return to be furnished under section 44 of the said Act, for the financial years 2017-18 or 2018-19 or 2019-20 or 2020-21 or 2021-22 or 2022-23, which is in excess of the late fee payable under section 47 of the said Act upto the date of furnishing of FORM GSTR-9 for the said financial year, for the class of registered persons, who were required to furnish reconciliation statement in FORM GSTR-9C along with the annual return in FORM GSTR-9 for the said financial year but failed to furnish the same along with the said return in FORM GSTR-9, and furnish the said statement in FORM GSTR-9C, subsequently on or before the 31st March, 2025:

Provided that no refund of late fee already paid in respect of delayed furnishing of FORM GSTR-9C for the said financial years shall be available.

[F. No. CBIC-20001/15/2024-GST]

RAUSHAN KUMAR, Under Secy.

Waiver of late fees on the filing of GSTR-9C (where GSTR-9 has already been filed) for the financial years 2017-18 to 2022-23, if filed on or before 31st March 2025.

Attention – Hard - Locking of auto-populated liability in GSTR-3B

Jan 27th, 2025

1. Please refer to the [advisory dated October 17, 2024](#) , regarding the restricting the editing of auto-populated liability in GSTR-3B from the January 2025 tax period.

2. However, various requests have been received from the trade seeking time for the same. Therefore, the decision of making non-editable of auto-populated liability in GSTR-3B is currently not being implemented from January tax period, on the GST Portal.


3. It may be noted that the above change will be introduced soon and trade will be informed accordingly. Taxpayers are encouraged to prepare for the said change.

Thanking You,
Team GSTN

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Decision to make auto-populated liability in GSTR-3B non-editable will not take effect from the January tax period on the GST Portal.

 GST Portal Activates LUT Filing for FY 2025-26: Ensure Seamless Exports Without IGST!

The GST Portal has now enabled the functionality to file the Letter of Undertaking (LUT) for the FY 2025-26. Exporters and suppliers to Special Economic Zones (SEZ) must renew their LUT annually, as the existing LUT for FY 2024-25 will expire on March 31, 2025.

KEY PROPOSALS
FOR
GST REFORMS
IN
UNION BUDGET
2025



Activate Windows
Go to Settings to activate

- Clause (61) of Section 2, Section 20(1) and Section 20(2) of the CGST Act, are proposed to be amended to explicitly provide for distribution of Input Tax Credit (ITC) by the Input Service Distributor (ISD) in respect of inter-state supplies, on which tax has to be paid on reverse charge basis.

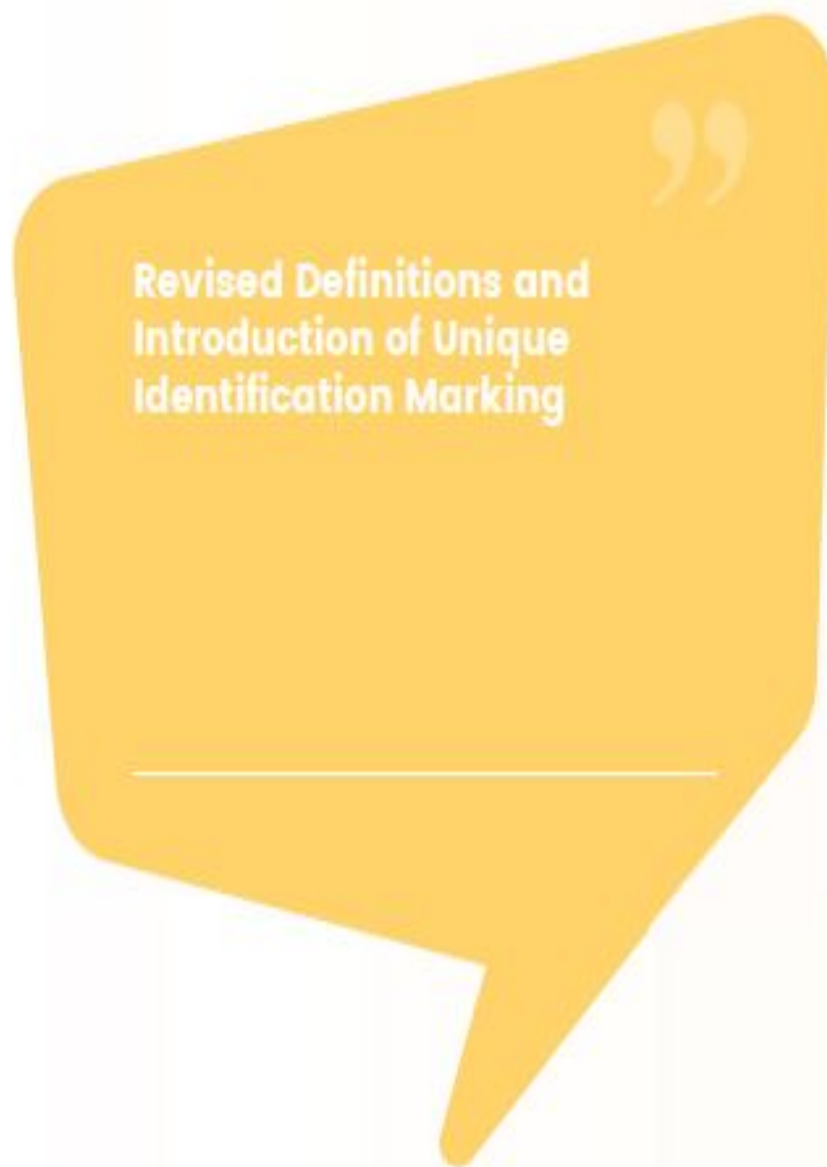
- The amendment has been proposed to be made to relevant sections in CGST Act, including to the definition of 'Input Service Distributor', to incorporate herein references to the parallel provisions of IGST Act, so as to remove any ambiguity regarding distribution of ITC by the ISD in respect of inter-state supplies, on which tax has to be paid on reverse charge basis.




To address this, an explanation is proposed to be introduced under Section 2(69) of CGST Act to define the terms 'local fund' and 'municipal fund', separately as follows:

- o 'Local fund' refers to any fund under the control or management of a local self government authority established to discharge civic functions within a Panchayat area and vested by law with the power to levy, collect, and appropriate any tax, duty, toll, cess, or fee, regardless of its nomenclature.

- o 'Municipal fund' refers to any fund under the control or management of a local self-government authority established to discharge civic functions within a Metropolitan or Municipal area and vested by law with the power to levy, collect, and appropriate any tax, duty, toll, cess, or fee, regardless of its nomenclature.

Amendment in Definitions (Section 2 of CGST Act)



-  Input Service Distributor (ISD) now explicitly includes interstate Reverse Charge Mechanism (RCM) transactions.
-  Local Authority definitions expanded to explicitly define Local Fund and Municipal Fund.
-  Unique Identification Marking (Section 2(116A)) introduced for high- risk commodities to enforce a Track and Trace Mechanism.

Taxability of Vouchers under GST

- Under the GST law, a voucher is defined as an instrument that creates an obligation to accept it as full or partial consideration for the supply of goods or services.

Essentially, vouchers serve as payment instruments for acquiring goods and/or services.

- However, the taxability of vouchers has been a longstanding point of contention since the inception of the GST law, with conflicting perspectives from various advance rulings and courts, causing confusion among stakeholders.

- To address this ambiguity and reduce litigation, the CBIC issued Circular No. 243/37/2024 – GST, dated 31-12-2024, clarifying that regardless of whether a voucher qualifies as a prepaid instrument recognized by the RBI, it is merely an instrument that creates an obligation on the supplier to accept it as full or partial consideration.

- The circular further provides that transactions involving vouchers themselves cannot be treated as a supply of goods or services under GST. Instead, they may be classified as actionable claims. However, supply of underlying goods and/or services, for which vouchers are used as consideration or part consideration, may be taxable under GST. • Since vouchers do not constitute as supply of goods or services, thereby Section 12(4) and Section 13(4) of the CGST Act for determining the time of supply in respect of voucher transactions are proposed to be omitted.

○ Omission of Provisions Related to Vouchers



Removal of Sections 12(4) and 13(4)

Proposal to amend 'Plant or Machinery' under Section 17(5)(d) of CGST Act with 'Plant & Machinery'

- In section 17 of the Central Goods and Services Tax Act, in sub-section (5), in clause (d) for the words '*plant or machinery*', the words '*plant and machinery*' shall be substituted.

- This issue has been highly debated due to its significant impact on the availability of Input Tax Credit (ITC). It is to be noted that this amendment has been proposed to nullify the impact of decision as held in Safari Retreats.

- The issue in Safari matter was whether the phrase '*plant or machinery*' in Section 17(5)(d) can be given the same meaning as, the explanation appended at the end of Section 17(5) which defines the term '*plant and machinery*' & whether '*Building*' could be held as '*Plant*' on which ITC would be available.

- After much deliberation, it was held by Supreme Court that '*plant or machinery*' cannot be given the same meaning as provided for '*plant and machinery*'. Also, it was observed that, ITC can be availed on goods and services used for construction of immovable property subject to its use, which is to be decided on a case-by-case basis by applying a functionality test, considering the unique business requirements and the role that immovable property plays in the said business.

- Now an amendment has been proposed to replace the phrase '*plant or machinery*' with '*plant and machinery*', retrospectively, with effect from 01-07-2017, which reinforces the departments view that '*Building*' cannot be held as '*Plant*' and upholding the understanding that ITC should not be available on exceptions carved out by the explanation appended at the end of Section 17(5) which defines the term '*plant and machinery*'.

Clarification on Plant and Machinery (Section 17(5))



Retroactive Amendment



Retroactive amendment from July 1, 2017, ensuring uniform interpretation of plant and machinery.



Overrides previous judicial rulings that created ambiguities.

Track and Trace Mechanism

- Under the GST law, many commodities such as pan masala face a high risk of tax evasion, leading to revenue losses due to under-reported sales, fictitious input tax credit claims, the sale of counterfeit goods, etc.

- To address this issue, a new Section 148A under CGST Act is proposed to be introduced to enable the implementation of a track and trace mechanism for effective monitoring and control of the supply of specified commodities.

Introduction of Track and Trace Mechanism (Section 148A)

Unique Tracking Marks

Unique tracking marks for high-risk commodities to prevent evasion.

Improves tax governance by ensuring better monitoring of supply chains.

- Section 148A would empower the Government, to notify specific goods or persons dealing with such goods, to which this provision shall apply.
- The Government may establish a system for affixing Unique Identification Marking (UIM) on specified goods to enable electronic storage and access to relevant information.
- Persons handling such goods would be required to affix the prescribed UIM on the goods or their packaging. They would also be required to furnish the requisite information within the prescribed time frame and maintain relevant records.
- Additionally, such persons would be required to provide details of machinery installed at the manufacturing premises, including its identification, capacity, duration of operation, and other relevant information & pay applicable charges related to the track and trace mechanism as prescribed.
- Further, a new clause 116A is also proposed to be introduced under Section 2 of the CGST Act to define UIM for the implementation of the track and trace mechanism. This clause provides that UIM is a marking which includes a digital stamp, digital mark, or any other similar marking that is unique, secure, and non-removable.
- Furthermore, a new Section 122B under CGST Act is proposed to be introduced to prescribe penal provisions for violations of the track and trace mechanism. This section provides that, any person specified who contravenes the provisions shall be liable to pay a penalty. This penalty shall be the higher of Rs 1 lakh, or 10% of the tax payable on such goods & addition to any other penalty imposed under other provision of this chapter.

Reduction in Pre-deposit for appeal before Appellate Authority/ Appellate Tribunal w.r.t penalty amount

- Currently, Section 107(6) provides that no appeal shall be filed against an order specifying the penalty payable regarding detention or seizure of goods or conveyance, unless a sum equal to twenty-five per cent (25%) of the penalty had been paid by the appellant.

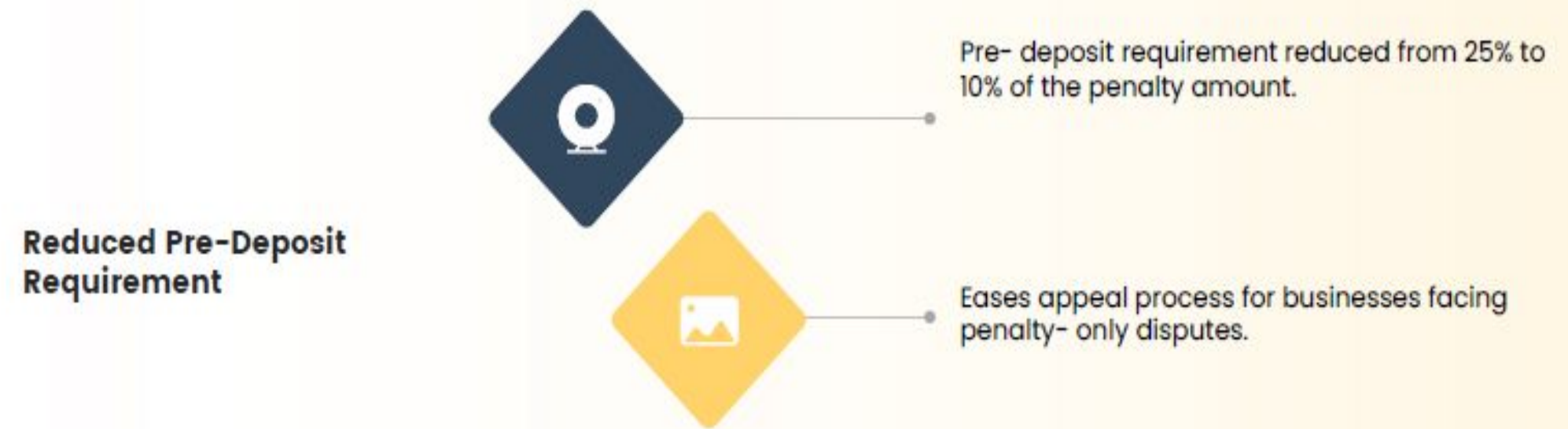
- Now an amendment is proposed to provide that in case of any order demanding penalty without involving demand of any tax, no appeal shall be filed against such order unless a sum equal to ten percent (10%) of the said penalty has been paid by the appellant.

- Effectively pre-deposit, for appeal before Appellate Authority only against an order demanding penalty without involving demand of any tax, has been reduced from 25% to 10%.

- Additionally, provision regarding pre-deposit for appeal before Appellate Tribunal against any order demanding penalty without involving demand of any tax, was not in place.

- Now, it has been proposed to amend Section 112(8) to provide that in case of any order demanding penalty without involving demand of any tax, no appeal shall be filed against such order, unless a sum equal to ten per cent (10%) of the said penalty, in addition to the amount payable under the proviso to sub-section (6) of section 107 has been paid by the appellant.

Reduction in Pre-Deposit for GST Appeals (Sections 107 and 112)



Statement of Input Tax credit will be as per actions on IMS & would not Autogenerated

- Previously, GSTR-2B was generated automatically based on data reported by the supplier in GSTR-1, without any direct involvement or validation by the recipient.

The statement provided a static summary of eligible and ineligible Input Tax Credit (ITC), reflecting invoices and debit/credit notes filed by suppliers. However, recipients had no option to interact with or modify the data before claiming ITC, often leading to mismatches, reconciliation challenges, and compliance issues.

- However, with the introduction of the Invoice Management System (IMS), a new digital functionality on the GSTN portal, recipients can now accept, reject, keep pending, or reconcile ITC in real time. This enhances transparency and control over ITC claims for recipient taxpayers.

- Therefore, to align GST law with this operational shift, suitable amendments were required.

- Accordingly, Section 38 of CGST Act is proposed to be revised to replace the term '*auto-generated statement*' with '*a statement*', reflecting the dynamic nature of ITC reconciliation under IMS and ensuring legal consistency with current practices.

- Additionally, Section 39(1) of CGST Act has also been proposed to be amended so as to provide for an enabling clause to prescribe conditions and restriction for filing of return under the said sub-section.

- Furthermore, Section 34(2) of CGST Act, has also been proposed to be amended to specifically provide for requirement of reversal of ITC as is attributable to a Credit Note, by the recipient, to enable the reduction of output tax liability of the supplier.

Amendments in GST Return Filing (Sections 38 and 39)

Additional Return Filing Conditions

Government can introduce additional conditions and restrictions on return filing.

Allows dynamic rules for compliance streamlining.

Transaction of Supply of goods warehoused in a SEZ or FTWZ before clearance for exports or to DTA, included in Schedule III

- A new clause (aa) is proposed to be inserted in paragraph 8 of Schedule III of CGST Act, to provide that, supply of Goods warehoused in a Special Economic Zone (SEZ) or Free Trade Warehousing Zone (FTWZ), to any person, before clearance of such goods for exports or before clearance of such goods to the Domestic Tariff Area (DTA), shall be treated neither as supply of goods nor as supply of services.

- It is to be noted that this entry in Schedule III is to be made retrospectively effective from 01-07-2017. (*i.e. since inception of GST*) providing relief for past transactions.

- Also, it has been mentioned in the proposed amendment that no refund of tax already paid will be available for the aforesaid activities or transactions already undertaken by taxpayers.

- Overall, it was never the intention of the government to treat such activities or transactions as supplies & the proposed insertion of this provision offers legal certainty thereby easing the operational burden for businesses operating in SEZs and FTWZs. This proposed amendment also aligns with the broader policy objectives of promoting exports and economic activity in these zones without any tax complications.

- Additionally, Explanation 2 of Schedule III of the CGST Act has been proposed to be amended w.e.f. 01.07.2017 to clarify that the expression '*warehoused goods*' would be applicable only in respect of clause (a) of paragraph 8 of the said Schedule.

- Furthermore, Explanation 3 has been proposed to be inserted to Schedule III of the CGST Act that specifies that the terms '*Special Economic Zone*', '*Free Trade Warehousing Zone*' and '*Domestic Tariff Area*' shall have the same meanings respectively as assigned to them in section 2 of the Special Economic Zones Act, 2005.

- The proposed addition of this explanation into Schedule III of the CGST Act aims to ensure consistency in the interpretation of similar terms used across both the Acts.

SEZ & FTWZ Transactions – Amendment in Schedule III

Non-Taxable Warehoused Goods Transactions

Certain warehoused goods transactions in SEZs and FTWZs will not be treated as supply under GST.

Prevents unnecessary tax disputes.

Modifications in Credit Note Adjustments (Section 34(2))

Restriction on Reduction

Reduction of output tax liability restricted if:

The recipient has not reversed ITC.
The tax burden has been passed to another entity.





सत्यमेव जयते

कोष मूलो दण्डः

INCOME TAX DEPARTMENT



Tax Alert!

The Income Tax Department has identified about 90,000 salaried individuals from public and private sectors who wrongly claimed tax deductions worth ₹1,070 crore in their ITRs as of December 31, 2024. These incorrect claims were primarily made under sections like 80C, 80D, 80E, 80G, 80GGB, and 80GGC.

Key Findings:

Majority of cases involved individuals from the same companies.

A mismatch was found between claimed deductions and actual receipts.

The department is promoting voluntary compliance and urging taxpayers to update their returns within two years from the relevant assessment year.

Misleading claims are being closely monitored, and strict actions are likely.

Stay compliant and ensure accurate filing to avoid penalties!

'Over 90k Salaried Wrongly Claimed ₹1kcr Tax Benefits'

Our Bureau

New Delhi: About 90,000 salaried individuals from both public sector undertakings and private sector companies have withdrawn ₹1,070 crore by way of tax deductions based on incorrect claims, as of December 31, 2024, said people familiar with the matter.

It came to light following an investigation by the Income Tax Department, which discovered incorrect deductions under various sections, including 80C, 80D, 80E, 80G, 80GGB and 80GGC, in the income tax returns (ITRs) of these individuals.

The investigation revealed that most of the people who claimed wrongful deductions were working in the same company, and a vast mismatch was found between the total deductions claimed and the total receipts shown in their ITRs.

"Till December 31, 2024, approximately 90,000 taxpayers have withdrawn incorrect claims of deductions amounting to around ₹1,070 crore in their ITRs and have paid additional taxes," said one of the persons, who did not



wish to be identified.

The income tax department has identified a list of common employers and will reach out to those suspected of claiming bogus deductions.

To promote voluntary tax compliance and reduce litigation, the tax department has been conducting outreach programmes with employers. Taxpayers can file updated returns and rectify errors within two years from the end of the relevant assessment year.

The department has also warned against unscrupulous elements misguiding taxpayers to claim incorrect deductions.



Remember!

**TDS u/s 194T applicability on various payments
made by firms to its partners (w.e.f. 01.04.2025)**

Nature of payment	TDS Applicability	TDS Rate	Threshold limit
Salary/Remuneration to partner	YES	10%	Overall threshold limit is Rs. 20000 per financial year
Commission to partner	YES	10%	
Bonus to partner	YES	10%	
Interest on capital of partner	YES	10%	
Interest on Loan from partner	YES	10%	
Capital repayment/Drawings	NO	-	NA

UNION ₹ BUDGET

2025-26



The Union Budget 2025, presented by Finance Minister Nirmala Sitharaman on February 1, 2025, brings significant changes to stimulate economic growth, support the middle class, and ensure fiscal stability. The government has introduced crucial measures to provide relief to individuals and small businesses.

The Finance Bill 2025 proposes amendments to tax and corporate laws. The key income tax proposals include personal income tax reform focusing on the middle class, rationalisation of TDS/TCS, encouragement of voluntary compliance, reduction of the compliance burden, ease of doing business, and incentives for employment and investment.

The key changes proposed in the Finance Bill 2025 related to income tax, GST, customs, and corporate laws are outlined below.

Click 

[Click Me to Read Finance Bill 2025](#)

Budget estimates of 2025-26 as compared to revised estimates of 2024-25

- **Total Expenditure:** The government is estimated to spend Rs 50,65,345 crore in 2025-26. This is an increase of 7.4% over the revised estimate of 2024-25.
- **Revenue expenditure** is estimated to increase by 6.7% and capital expenditure by 10.1% over the revised estimate of 2024-25. Allocation towards major schemes - MGNREGS and PM-KISAN is the same as the revised estimates for 2024-25. Expenditure on subsidies is estimated to be similar to the revised estimate of 2024-25. Establishment expenditure (which includes pension and salary) is estimated to increase by 3% over the revised estimate of the previous year.
- **Total Receipts:** Government receipts (excluding borrowings) are estimated to be Rs 34,96,409 crore, 11.1% higher than the revised estimate of 2024-25. The gap between these receipts and the expenditure will be plugged by borrowings, budgeted to be Rs 15,68,936 crore, roughly the same as the revised estimate of 2024-25.
- **Transfer to states:** The central government will transfer Rs 25,59,764 crore to states in 2025-26, an increase of 12.5% over the revised estimate of 2024-25. Transfer to states includes tax devolution of Rs 14,22,444 crore and grants worth Rs 11,37,320 crore. Within this Rs 1,50,000 crore have been allocated for capital expenditure loans.
- **Deficits:** Revenue deficit is targeted at 1.5% of GDP, lower than the revised estimate for 2024-25 (1.9% of GDP). Fiscal deficit is targeted at 4.4% of GDP in 2025-26, lower than the revised estimate for 2024-25 (4.8% of GDP). The lower fiscal deficit is on account of higher growth in receipts at 11.1% as compared to expenditure growth at 7.4%.
- **GDP growth estimate:** The nominal GDP is estimated to grow at a rate of 10.1% in 2025-26.

1. Personal Tax Rates

- No changes have been proposed in the tax rates for assesseees opting for the old tax regime.
- No changes have been proposed in rates of surcharge and education cess.
- The tax rates and slabs under the new tax regime of Section 115BAC have been proposed to be revised.
- The income threshold for claiming a tax rebate under Section 87A for **Resident Individuals** taxable under the new regime of Section 115BAC has been proposed to be increased from Rs. 7 lakhs to Rs. 12 lakhs, and the maximum rebate amount has been raised from Rs. 25,000 to Rs. 60,000.
- It is proposed that where resident individuals opt for the new tax regime of Section 115BAC, the incomes chargeable to tax at special rates (for example, capital gains taxable under Section 111A, Section 112, etc.) shall be excluded from calculating the Section 87A rebate.



₹
UNION
BUDGET
2025-26



वित्त मंत्रालय
MINISTRY OF
FINANCE



Zero Income Tax till ₹ 12 Lakh Income under New Tax Regime

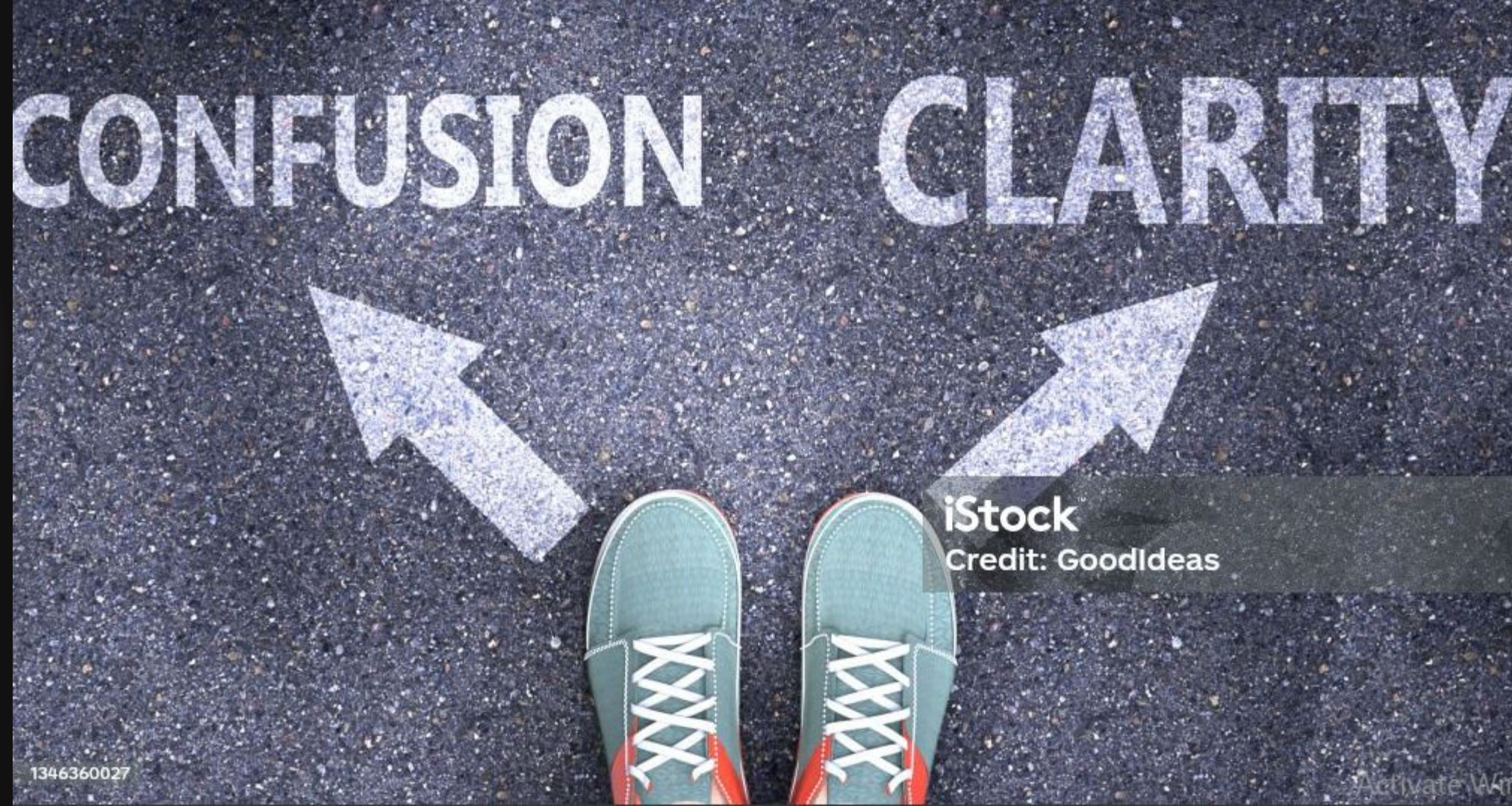
*Personal Income Tax Reforms with Special Focus
on Middle Class*

- ▶ 'Nil tax' slab up to ₹ 12.00 lakh (₹ 12.75 lakh for salaried tax payers with standard deduction of ₹ 75,000)
- ▶ New structure to substantially reduce taxes of middle class and leave more money in their hands, boosting household consumption, savings and investment
- ▶ Slabs and rates being changed across the board to benefit all tax-payers

0-4 lakh rupees	Nil
4-8 lakh rupees	5%
8-12 lakh rupees	10%
12-16 lakh rupees	15%
16-20 lakh rupees	20%
20-24 lakh rupees	25%
Above 24 lakh rupees	30%

New TDS Rates as per Budget 2025

Nature of Payment	Basic Cut off (Rs) (Current)	Basic Cut off (Rs) (New)	Individual /Company and others Old Rate %)	Individual /Company and others New Rate %)	If No Pan or Invalid PAN (Rate %)
193 - Interest on securities	Nil	Rs. 10,000	Individual:10% Company: 10%	Individual:10% Company: 10%	20%
194A - Interest other than Interest on securities	(i) Rs. 50,000/- for senior citizen; (ii) Rs. 40,000/- in case of others when payer is bank, cooperative society and post office (iii) Rs. 5,000/- in other cases	(i) Rs. 1,00,000/- for senior citizen (ii) Rs. 50,000/- in case of others when payer is bank, co-operative society and post office (iii) Rs. 10,000/- in other cases	Individual: 10%	Individual: 10%	20%
194 - Dividend for an individual shareholder	Rs. 5,000/-	Rs. 10,000/-	Individual:10% Company: 10%	Individual:10% Company: 10%	20%
194K - Income in respect of units of a mutual fund or specified company or undertaking	Rs. 5,000/-	Rs. 10,000/-	Individual:10% Company: 10%	Individual:10% Company: 10%	20%
194B - Winnings from lottery, crossword puzzle, etc.	Aggregate of amounts exceeding Rs. 10,000/- during the financial year	Rs. 10,000/- in respect of a single transaction	Individual:30% Company: 30%	Individual:30% Company: 30%	30%
194BB - Winnings from horse race	Aggregate of amounts exceeding Rs. 10,000/- during the financial year	Rs. 10,000/- in respect of a single transaction	Individual:30% Company: 30%	Individual:30% Company: 30%	30%
194D - Insurance commission	Rs. 15,000/-	Rs. 20,000/-	Individual:2% Company: 2%	Individual:2% Company: 2%	20%
194G - Income by way of commission, prize etc. on lottery tickets	Rs. 15,000/-	Rs. 20,000/-	Individual:2% Company: 2%	Individual:2% Company: 2%	20%
194H - Commission or brokerage	Rs. 15,000/-	Rs. 20,000/-	Individual:2% Company: 2%	Individual:2% Company: 2%	20%
194-I Rent	Rs. 2,40,000	Rs. 6,00,000	Individual:10% Company: 10%	Individual:10% Company: 10%	20%
194J - Fee for professional or technical services	Rs. 30,000/-	Rs. 50,000/-	Individual:10% Company: 10%	Individual:10% Company: 10%	20%
194LA - Income by way of enhanced compensation	Rs. 2,50,000	Rs. 5,00,000	Individual:10% Company: 10%	Individual:10% Company: 10%	20%



Budget 2025 has proposed to increase the threshold for deducting TDS on rent payments. From April 1, 2025, companies will deduct tax on rent payments if rental payment is Rs 50,000 or more in a month (Rs 6 lakh in a year) from Rs 2.4 lakh in a financial year.

Reduction in TDS Rate (Section 194LBC)

- . The TDS rate on income payable by a securitisation trust to a resident investor is proposed to be reduced from 25%/30% to 10%.

July 17 Withdrawal of TCS on Sale of Goods (Section 206C(1H))

- . The TCS provisions under Section 206C(1H) on the sale of goods are proposed to be withdrawn with effect from 01-04-2025.
- . Section 194Q has also been changed to remove the reference to Section 206C(1H).

Omission of Higher TDS/TCS Provisions (Sections 206AB & 206CCA)

- . Section 206AB, which provided for the deduction of tax at higher rates if the payee failed to furnish a return of income for a specified period, is proposed to be omitted.
- . Consequently, its reference in Section 194S has also been removed.
- . Section 206CCA, which provided for the collection of tax at higher rates if the payee failed to furnish a return of income for a specified period, is also proposed to be omitted.

Definition of 'Forest Produce' (Section 206C(1))

- A new definition of 'Forest Produce' is proposed to be introduced under **Section 206C(1)**.
- It shall have the same meaning as defined in any **State Act** or the **Indian Forest Act of 1927**.

Reduction in TCS Rate on Timber

- The TCS rate on timber is proposed to be reduced from **2.5% to 2%**.

Increase in TCS Threshold for LRS & Overseas Tour Packages (Section 206C(1G))

- The **threshold limit** prescribed under **Section 206C(1G)** for collection of tax at source by:
 - **Authorised dealers** for remittances made under the **Liberalised Remittance Scheme (LRS)**.
 - **Sellers of overseas tour program packages**.
- The threshold is proposed to be **increased from Rs. 7 lakhs to Rs. 10 lakhs**.

Exemption on TCS for Education Loans (Section 206C(1G))

- It is proposed that **authorised dealers** shall not collect TCS under **Section 206C(1G)** on remittances in foreign currency made from an **education loan obtained under Section 80E(3)(b)**.

Updated Income-tax Return :-

Presently, the deadline for filing an **Updated Tax Return** under Section 139(8A) is 24 months from the end of the relevant assessment year. The Finance Bill 2025 proposes to extend this deadline to 48 months from the end of the relevant assessment year. The rate of additional income tax payable to file an updated tax return is as follows:

<i>Date of filing updated return</i>	<i>Additional tax payable</i>
Within 12 months from the end of relevant assessment year	25% of aggregate of additional tax and interest
After 12 months and up to 24 months from the end of relevant assessment year	50% of aggregate of additional tax and interest
After 24 months and up to 36 months from the end of relevant assessment year	60% of aggregate of additional tax and interest
After 36 months and up to 48 months from the end of relevant assessment year	70% of aggregate of additional tax and interest

- The annual value of up to **Two house properties** is taken as nil if the property is self-occupied or cannot be occupied by the owner of the property due to his employment, business or profession at any other place. It is proposed that the annual value of up to two house properties shall be nil if the owner occupies the house for his “**own residence**” or cannot occupy it for any reason.

BUDGET – 2025 UPDATE HIGH TAX BENEFITS



- 1. No Tax on Salary upto ₹ 12.75 Lac**
Earlier ₹ 7.75 Lac
- 2. No TCS upto ₹ 10 Lac Foreign Remittance (LRS)**
Earlier ₹ 7 Lac
- 3. Sr. Citizen SB/FD Interest TDS New Limit ₹ 1 Lac**
Earlier Limit ₹ 50,000
- 4. Updated ITR Time Increased to 4 Years**
Earlier Limit was 2 Years.
- 5. Two Houses can Treated as Self-Occupied**
Hance no Tax
Earlier **One** House is Allowed.
- 6. High TDS For PAN Cases**



UNION BUDGET 2025-26



HIGHLIGHTS

SALARY & HOUSE PROPERTY

Direct Taxes

Perquisites

Section 17(2) of the Income Tax Act outlines perquisites to be included in an employee's salary, such as free or concessional benefits (e.g., gas, electricity, water) if the employee's salary exceeds ₹50,000. Additionally, employer-incurred expenses for overseas medical treatment are considered perquisites if the employee's gross total income exceeds ₹2 lakhs. These thresholds, set in 1993 and 2001, are proposed to be updated in the Finance Bill 2025, empowering the CBDT to revise the limits based on economic conditions.

Second Self-occupied House Property

The **annual value** of up to **two house properties** is considered **nil** if the property is self-occupied or cannot be occupied by the owner due to employment, business, or profession elsewhere. It is proposed that this benefit will apply if the owner occupies the property for personal residence or is unable to occupy it for any reason.

NON RESIDENTS

Export of Goods

Non-resident transactions limited to purchasing goods in India for export **will not constitute significant economic presence**, as per amendments to Section 9.

Sovereign Wealth & Pension Funds

The exemption deadline under Section 10(23FE) for investments in Indian infrastructure is extended to March 31, 2030, with exemptions also covering **deemed short-term gains** under Section 50AA.

Presumptive Tax Scheme

Section 44BBD introduces a scheme for **non-residents** providing services or technology to **Indian electronics manufacturers**, deeming **25%** of payments as presumptive income.

Tonnage Tax Scheme

The tonnage tax scheme benefits are proposed to be extended to **Inland Vessels** registered under the Inland Vessels Act, 2021. Additionally, the time limit for the Joint Commissioner to pass an order under Section 115VP(4) is proposed to be extended from one month to three months from the end of the quarter in which the application is made.

Unit Linked Insurance Policies (ULIP) – Changes in Taxation

ULIPs are insurance plans that also act like investments, as part of your premium goes into the stock market.

- ✓ **Earlier:** Only ULIPs with an annual premium above ₹2.5 lakh were considered capital assets.
- ✓ **New Rule:** The changes are made to include ULIPs with premiums exceeding 10% of the policy value as well.
- ✓ If your premium is below ₹2.5 lakh per year, the money you get remains **tax-free**.



NSS (National Savings Scheme)

- ✓ **Earlier:** NSS withdrawals were taxable under "Income from Other Sources," with TDS applicable on amounts exceeding set limits unless exempt.
- ✓ **New Rule:** Withdrawals from National Savings Scheme (NSS) accounts will be exempt from tax starting August 29, 2024. This tax relief is especially significant for senior citizens.



Category 1 and Category 2 are two of the three main types of Alternative Investment Funds (AIFs) in India. Category 1 AIFs are considered low-risk, while Category 2 AIFs are typically medium-risk.

	Category 1 AIF	Category 2 AIF
Investment focus	Start-ups, social ventures, infrastructure, and SMEs	Private equity or debt
Risk	Considered low-risk	Typically medium-risk
Investment strategy	Invest in early-stage unlisted companies	Invest in unlisted companies in mid or late stage of growth
Borrowing	May receive incentives from the government	Typically invest without borrowing, except for day-to-day operations

Alternative Investment Funds (AIF) – Clarity on Taxation

AIFs are investment funds for high net worth individuals and institutions. They include private equity, venture capital, and hedge funds.

- Category I & II AIFs (like startup funding and infrastructure funds) were taxed in different ways earlier.
- New Rule:** Now, all profits from these funds will be considered capital gains and taxed accordingly.



The Finance Bill 2025 proposes to extend tax benefits of NPS under section 80CCD to NPS Vatsalya contributions as follows:

(a) The amount deposited in the minor's account is to be allowed as a deduction under Section 80CCD(1B) to the parent subject to a maximum limit of Rs 50,000.

(b) The total deduction for contributions made by an assessee to his own account or to the account of his minor children cannot exceed Rs. 50,000.

(c) The amount allowed as a deduction and interest accrued thereon would be taxable as income when it is withdrawn.

(d) The amount received on the closure of the account due to the minor's death would not be regarded as income of the parent.

(e) In Section 10(12BA), the parent is exempt from tax on partial withdrawals from such accounts (up to 25% of the contribution amount) in certain situations, such as education, treatment, and disability of a minor.

The provisions will apply from AY 2026-27 onwards.



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MINISTRY OF
FINANCE



— ELIGIBILITY FOR —
NPS VATSALYA SCHEME

**All minor citizens
(age below 18 years).**

Account can be opened in the name of minor and operated by parent or guardian. Minor will be the beneficiary.

Scheme can be opened through various Points of presence regulated by PFRDA such as major banks, India Post, Pension Funds and Online platform (e-NPS).

Subscriber to make a minimum contribution of Rs 1000/- per annum. There is no limit on the maximum contribution.

PFRDA will provide multiple investment choices to subscribers. Subscribers can take exposure in government securities, corporate debt, and equity in different proportions based on risk appetite and desired returns.

On attaining the age of majority, the plan can be converted seamlessly into a normal NPS account.

Budget 2025

Benefits provided under Section 80-IAC to startups will continue for next five years.

Section 80-IAC allows eligible startups to claim 100% tax deductions on profits for any three consecutive years.



Section 80-IAC provides that an eligible start-up can claim a deduction for the profits and gains arising from an eligible business under this provision.

The deduction can be claimed for up to 100% of the profits and gains derived in three consecutive years out of the ten assessment years, beginning from the year of incorporation.

However, one of the conditions is that the start-up must be incorporated on or after 01-04-2016 and before 01-04-2025.

It is now proposed to extend the benefit of the exemption under Section 80-IAC for an additional five years, making it available to eligible start-ups incorporated before 01-04-2030.

Extension of Sunset Dates

Tax concessions for IFSC units under Sections 80LA, 10(4D), 10(4F), 10(4H), and 47(viiad) are extended to **March 31, 2030**.

Life Insurance Premium Exemption

The premium cap for life insurance policies (₹2.5 lakhs for ULIPs and ₹5 lakhs for others) is removed for policies issued by IFSC insurers, making the sum received fully **tax-exempt**.

Investment Fund Regulations (Section 9A)

Under Section 9A, an eligible investment fund managed by an eligible fund manager in India is not considered to have a business connection or be deemed a resident solely due to the manager's location. Currently, Indian residents' investment must not exceed 5% of the fund's corpus. It is proposed that this condition be tested on April 1 and October 1 of the previous year, with a four-month window to rectify any shortfall. This will apply to all eligible funds, regardless of whether the fund manager is based in an IFSC.

Specified & Resultant Funds

Retail funds and ETFs in IFSC qualify as specified funds under Section 10(4D) and as resultant funds u/s 47(viiad), **ensuring tax neutrality** during fund relocation.

Capital Gains & Dividend Exemptions

- Section 10(4H) **exempts capital gains** from the transfer of equity shares in an IFSC unit by a non-resident or IFSC unit if both entities are primarily engaged in **aircraft leasing**. It is proposed to extend this exemption to include **ship leasing** businesses.
- Dividend income (Section 10(34B)) from ship leasing IFSC units is **tax-exempt** if paid by another IFSC unit engaged in **ship leasing**.
- Deemed dividend provisions will not apply to borrowings between IFSC corporate treasury centers and group entities, provided the parent entity is **listed abroad**.

Derivative Contracts

Tax exemption (Section 10(4E)) for non-residents on derivative contracts **extended** to include transactions with IFSC-based Foreign Portfolio Investors (**FPIs**).

Offshore Funds

An offshore fund qualifies as an eligible investment fund under Section 9A if certain conditions are met. The government may relax these conditions for fund managers in IFSCs who started operations by March 31, 2024. This deadline is now proposed to be extended to **March 31, 2030**.



INCOME TAX SEARCH ASSESSMENTS

RE-INTRODUCTION OF BLOCK ASSESSMENT PROCEDURES

Block Period: Definition: "block period" means the period comprising previous years relevant to **six assessment years** preceding the previous year in which the search was initiated under section 132 or any requisition was made under section 132A and also includes the period starting from the 1st day of April of the previous year in which search was initiated or requisition was made and ending on the date of the execution of the last of the authorisations for such search or such requisition.

BLOCK ASSESSMENTS

Inclusion of Virtual Digital Assets: Virtual digital assets are now included in the scope of undisclosed income under Section 158B(b), effective from 01-02-2025.

Sequential Handling of Searches: The Finance Bill 2025 proposes replacing "pending" with "required to be made" in Section 158BA(4) from 01-02-2025. This prevents new block assessments if an assessment is due, even if not pending. If a search is invalidated by Court/Tribunal, the AO can start a new assessment for a later search.

Revival of Abated Proceedings: Section 158BA(5) is amended to include recomputation and TPO references/orders under Section 92CA, allowing revival of all abated proceedings if the related block assessment is annulled.

Computation of Total Income: A new mechanism under Section 158BB(1) simplifies the computation of undisclosed income, removing the complex process of excluding disclosed income from total income.

Limitation Period for Block Assessment: The time limit for completing block assessments is revised to 12 months from the end of the quarter in which the last search or requisition was conducted, replacing the previous monthly deadline.

Extension of Limitation Period: The exclusion period during court stays now extends from the date of the stay order until the Principal CIT/CIT receives a certified copy vacating the stay. Similar changes apply to the limitation period for levying interest and penalties under Section 158BFA.

Business Trusts (Section 115UA)

Section 115UA is proposed to be amended to include Section 112A, taxing business trust income at the **maximum marginal rate**, subject to Sections 111A, 112, and 112A. LTCG on specified securities will be tax-free up to Rs. **1,25,000**, with any **excess taxed at 12.5%**.

Charitable & Religious Trusts

Extended Registration for Smaller Trusts: Trusts with total income before exemption not exceeding **₹5 crores** (in the preceding two years) will have registration validity extended **from 5 to 10 years**, excluding trusts or institutions applying for registration for the first time.

Clarification on Specified Violations: Incomplete applications will not be considered a violation leading to cancellation of registration under Section 12AB(4).

Relaxation in Classification of Specified Persons:

A person will be deemed a substantial contributor if their annual contribution **exceeds ₹1 lakh or ₹10 lakhs cumulatively over the trust's lifetime**. Relatives of substantial contributors and concerns where they hold substantial interest will no longer be treated as specified persons under Section 13(3).

Business Income & Tax Treatment of Charitable Trust



New Classification Criteria for MSMEs

2.5x

Investment limit for MSME classification to be made 2.5 times.

Turnover limits for MSME classification to be doubled.

2x

Category	Investment (in INR Crores)		Turnover (in INR Crores)	
	Current	Revised	Current	Revised
Micro	1	2.5	5	10
Small	10	25	50	100
Medium	50	125	250	500



HIGHLIGHTS

CRYPTO ASSETS

Direct Taxes

Reporting Requirements for Crypto Assets:

A new Section 285BAA is proposed to mandate crypto exchanges and other prescribed entities to report information on crypto asset transactions. This requirement will be effective from AY 2026-27.

Amended Definition of Crypto Assets:

The Finance Bill 2025 proposes to expand the definition of 'virtual digital assets' to include any crypto asset that represents value and relies on a cryptographically secured distributed ledger or similar technology for transaction validation and security, regardless of its current classification. This amendment will also apply from AY 2026-27.

12.1. Rationalisation of TP assessments for carrying out Arm's length price determination.

Under the current provisions, the arm's length price for specified domestic and international transactions is determined by the transfer pricing officer each financial year based on a reference from the assessing officer. In many instances, the specified domestic and international transactions occurring over several years are similar and repetitive in nature. These transactions involve the same enterprises, functions, asset and risk analysis (FAR), and the same ALP determination. This creates unnecessary compliance and administrative burdens for both assessee and the TPO.

TRANSFER PRICING

Bill proposes to streamline transfer pricing (TP) assessments by **reducing repetitive evaluations of similar domestic and international transactions across multiple years**. Since these transactions often involve the same entities, functions, assets, and risk (FAR) profiles, determining the Arm's Length Price (ALP) annually creates unnecessary compliance and administrative burdens for both taxpayers and tax authorities. The amendment aims to simplify the TP process and enhance efficiency.

The Finance Bill 2025 proposes to carry out TP analysis over a block of three years: the financial year in question (the first year) and two consecutive years immediately following (later years). The provisions apply from AY 2026-27 and subsequent AYs.

The procedure for the same is explained below:

- The assessee would be required to exercise the option for a block of TP assessment in the prescribed form and manner.
- TPO must declare within 1 month from the end of the month in which the option is exercised whether such option is valid.
- Once the option is declared valid, the TPO shall pass the order applying the ALP of transactions in the first year to similar transactions in later years. The AO will also recompute the assessee's total income for the later years on receipt of the order of TPO.
- No reference shall be made to TPO by AO for computation of ALP in relation to such transactions
- The provisions of exercising the option and consequent proceedings shall not apply to search cases.

PENALTIES & PROSECUTION



Penalty

Income Tax

Exemption from Prosecution: No prosecution will apply to tax collectors for delayed payments if made before the deadline for filing quarterly statements.

Amendment to Section 271AAB: Provisions will no longer apply to searches initiated under section 132 on or after 01-09-2024.

Penalty Powers Shifted: The authority to impose penalties under Sections 271C, 271CA, 271D, 271DA, 271DB, and 271E will shift from the Joint Commissioner to the Assessing Officer.

Extended Time for Passing Immunity Orders: The time limit under Section 270AA(4) for granting immunity from penalties/prosecution is extended from 1 month to 3 months after receiving the application.

Revised Time Limits for Penalty Orders: A new 6-month limit (from the end of the relevant quarter) is set for passing penalty orders under Section 275, based on events like assessment completion, revision orders, appeal outcomes, or penalty notices.

Removal of Section 271BB: The obsolete penalty provision for non-subscription to units under the defunct Section 88A is proposed to be deleted, as Section 88A was repealed in 1996.

Time limit for sale of attached immovable property

Rule 68B(1) of the Second Schedule prescribes that the sale of immovable property (attached for tax recovery) must be completed within 7 years from the end of the financial year in which the order for tax, interest, fine, penalty, or any other sum becomes final. However, the Board may extend this period by up to three more years, but only if they provide written reasons for doing so.

Further, if the property is required to be re-sold (because the highest bid was lower than the reserve price, or due to some specific circumstances mentioned in rules 57, 58 or 61), the above time limit is extended by one more year.

Rule 68B(2) prescribes that the period during which the proceedings are stayed by an order or injunction of any court shall be excluded in computing the time limit for conclusion of the proceedings. However, there was an ambiguity regarding the commencement date and the end date of the period stayed by an order or injunction of any court which was required to be excluded.

With a view to removing such ambiguity, the Finance Bill, 2025 proposed to amend the said rule so as to exclude the period 'commencing on the date on which stay was granted by an order or injunction of any court and ending on the date on which certified copy of the order vacating the stay was received by the jurisdictional Principal Commissioner or Commissioner' while computing limitation period.

Faceless Schemes:

The March 31, 2025 cutoff for notifying faceless schemes under Sections 92CA, 144C, 253, and 255 is removed, allowing the government to issue directions beyond this date.

Carry Forward of Losses (Sections 72A & 72AA):

Limits the offset of carried forward losses of a predecessor entity by the successor entity to a maximum of 8 assessment years.

Search & Seizure Provisions (Section 132):

Approval for retention of seized assets must be obtained within one month from the end of the quarter of assessment completion (currently 30 days from the date of assessment).

The term "authorisation" is replaced with "authorisations" for consistency. Updates Section 132B references from Section 158BE to Section 158B to reflect recent legislative changes.

Exclusion of Stay Periods:

Amendments to Sections 144BA, 153, 153B, 158BE, 158BFA, 263, 264, and Rule 68B ensure that the period of court stays is excluded when computing assessment/reassessment time limits, covering the duration from the stay grant date to the receipt of the vacation order's certified copy.



MINISTRY OF CORPORATE AFFAIRS



MINISTRY OF CORPORATE AFFAIRS

NOTIFICATION

New Delhi, the 31st December, 2024

G.S.R. 794(E).— In exercise of the powers conferred by sub-sections (1) and (3) of section 128, sub-section (3) of section 129, section 133, section 134, sub-section (4) of section 135, sub-section (1) of section 136, section 137 and section 138 read with section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Accounts) Rules, 2014, namely:—

1. **Short title and commencement.** —(1) These rules may be called the Companies (Accounts) Second Amendment Rules, 2024.

(2) They shall come into force on the date of their publication in the Official Gazette.



2. In the Companies (Accounts) Rules, 2014, in rule 12, in sub-rule (1B), in the fourth proviso, for the words, figures and letters “on or before 31st December, 2024”, the words, figures and letters “on or before 31st March, 2025” shall be substituted.

[F. No. 1/19/2013-CL-V Part IV-Part(1)]

BALAMURUGAN D, Jt. Secy.

Note :- The principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 239(E), dated the 31st March, 2014 and was last amended vide notification number G.S.R. 587(E), dated the 24th September, 2024.

 Attention
Stakeholders! 

 Ministry of
Corporate Affairs,
via Notification No.
G.S.R. 794 (E) dated
31st December, 2024:
The date for filing
Form CSR-2 for the
financial year
2023-24 has been
extended to 31st
March 2025! 

BREAKING

NEWS




ICAI has made several suggestions to CBDT for Comprehensive Review of the Income Tax Act, 1961

The prominent ones are listed below:

- ✍ Introduction of Special Tax Regime for firms and LLPs.
- ✍ TCS rates of 5% & 20% u/s 206C(1G) i.e. on the remittance of funds outside India be rationalized and reduced to 2%
- ✍ ICAI suggested that the New Tax Regime u/s 115BAC(1A) should be the only tax regime for individuals, HUFs, AOPs, BOIs, and artificial juridical persons, and that there should be no option to choose the alternative tax regime under the normal provisions of the Act for these assesseees.
- ✍ Removal of Income Computation and Disclosure Standards (ICDSs) – to reduce compliance burden and align with the profits derived on the basis of accounts drawn in compliance with the accounting standards issued by regulatory bodies

 Simplification of Charitable Trust Registration and Taxation Regime

 Introduction of option for Joint Taxation System of married couples with increased basic exemption limit and rationalized tax slabs and surcharge slabs and provision for filing of joint return of income

 Removal of applicability of TDS u/s 194Q and TCS u/s 206C(1H). This would also reduce the compliance burden on such buyers/sellers and facilitate ease of doing business

 Time Limit for Filing a Belated Return and Revised Return - Extension of time limit upto 31st March of the relevant assessment year instead of 31st December.

 Simplification of income-tax returns and forms.

 TDS credit should be allowed solely on the basis of Form No. 26AS and procedural requirements for issuance of TDS certificates should be dispensed with.

 Social Security Benefits to taxpayers. For Eg: a very small percentage, say 2% to 5%, of taxes paid by each taxpayer can be invested in the form of annuities in his/her name till the tax payer attains the age of 60.

V Narayanan:
ISRO's New Chief



📍 🇮🇳 🚀 India appoints V Narayanan as the new chairman of the Indian Space Research Organisation and secretary, Department of Space. Mr Narayanan will take over from S Somanath, the current head of the organisation, on Jan- 14.

[BIG BREAKING]

✅ Review Petition filed by Revenue Department on the Safari Retreats Ruling before the Hon'ble Supreme Court

🚀 SC – Chief Commissioner Of Central Goods And Service Tax v. M/s Safari Retreats Private Limited [Diary No. – 1188/2025

[CLICK ME \(READ FULL DETAIL\)](#)

DIARY NO. - 1188/2025

CHIEF COMMISSIONER OF CENTRAL GOODS AND SERVICE TAX VS. M/S SAFARI RETREATS PRIVATE LIMITED

Case Details	
Diary Number	1188/2025 Filed on 07-01-2025 12:36 PM [SECTION: XI-A]
Case Number	R.P.(C) No.
CNR Number	SCIN010011882025
Present/Last Listed On	
Status/Stage	
Category	
Petitioner(s)	1 CHIEF COMMISSIONER OF CENTRAL GOODS AND SERVICE TAX
Respondent(s)	1 M/S SAFARI RETREATS PRIVATE LIMITED
Petitioner Advocate(s)	GURMEET SINGH MAKKER
Respondent Advocate(s)	

EPFO Simplifies PF transfer Process to Enhance Service Delivery and Ensure Ease of Living for members

Posted On: 19 JAN 2025 11:37AM by PIB Delhi

To ensure ease of doing for its members, EPFO has simplified the process for transfer of PF account on change of jobs wherein the requirement to route online transfer claims through either the previous or current employer has been removed in majority of cases. With the introduction of the revised process, it is expected that in future over 1.20 crore out of 1.30 crore total transfer claims i.e. 94% of the total claims would be directly forwarded to EPFO without requiring the employer's intervention.

Presently, transfer claims in certain situations do not require any approval from the employer when a member leaves an employment and joins another establishment. From 1st April 2024 till date, around 1.30 crore transfer claims have been received by EPFO in the online mode out of which approx. 45 lakh claims are auto-generated transfer claims which account for 34.5% of the total transfer claims.

This simplified process will result in a considerable reduction of the turnaround time as the claim on submission by members. It will also greatly reduce the member grievances considerably (presently 17% of the total grievances pertain to transfer related issues) along with the corresponding rejections. Large employers who have a large workload of approving such cases will have significant improvement in the ease of doing business.

After implementation to this revised procedure, transfer claims will be processed directly by EPFO, speeding up the service for members. These reforms will not only streamline processes but also help build greater trust and confidence in EPFO services

These initiatives reflect Government's commitment to simplifying processes and improving efficiency of EPFO for Ease of Living for members. By leveraging technology and introducing member-friendly policies, EPFO aims to deliver seamless and secure services to its members.

Himanshu Pathak

EPFO has simplified the process for transferring PF accounts when changing jobs.

→ Online transfer claims no longer need to be routed through the previous or current employer in most cases.

→ After implementation to this revised procedure, transfer claims will be processed directly by EPFO.

RBI announces measures to manage liquidity conditions

On a review of current liquidity and financial conditions, the Reserve Bank has decided to conduct the following operations to inject liquidity into the banking system:

- a. OMO purchase auctions of Government of India securities for an aggregate amount of ₹60,000 crore in three tranches of ₹20,000 crore each to be held on January 30, 2025, February 13, 2025, and February 20, 2025
 - b. 56-day Variable Rate Repo (VRR) auction for a notified amount of ₹50,000 crore to be held on February 7, 2025
 - c. USD/INR Buy/Sell Swap auction of USD 5 billion for a tenor of six months to be held on January 31, 2025
2. Detailed instructions for each operation shall be issued separately.
 3. The Reserve Bank will continue to monitor evolving liquidity and market conditions and take measures as appropriate to ensure orderly liquidity conditions.

(Puneet Pancholy)
Chief General Manager

Press Release: 2024-2025/2013

Breaking !

RBI Unveils A Big Package to Boost Liquidity via OMOs, VRR, and Forex Swaps. 🔥 🔥 🔥

🚀 RBI's Liquidity Boost: Fueling the Nifty Surge! 📈

Why it Will Matter:

- Enhanced liquidity
- Lower borrowing costs
- Boosting banking, real estate, & more

RBI MPC MEETING:

Repo Rate cut by 25 bps from 6.50% to 6.25%

RBI Projects India's GDP growth at 6.7% for FY 2026.

FY 2025 CPI inflation forecast unchanged at 4.8% and has kept its stance at 'Neutral'.

Click 



FC-21 TESTIMONIALS>>>

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#TESTIMONIAL



Mohan Kewalramani
Director - Miicron Wires and Polymers Pvt. Ltd

Mohan Kewalramani
Director - Miicron Wires
and Polymers Pvt. Ltd.
Manufacturer



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Dr. Suneet Sud
Owner - SAFAL HOSPITAL

Dr. Suneet Sud
Owner - SAFAL
HOSPITAL
Hospital in Nagpur



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Karmanya Nagpal
Director - Nagpal Builders

Karmanya Nagpal
Director - Nagpal Builders
Real Estate Builder in New
Delhi



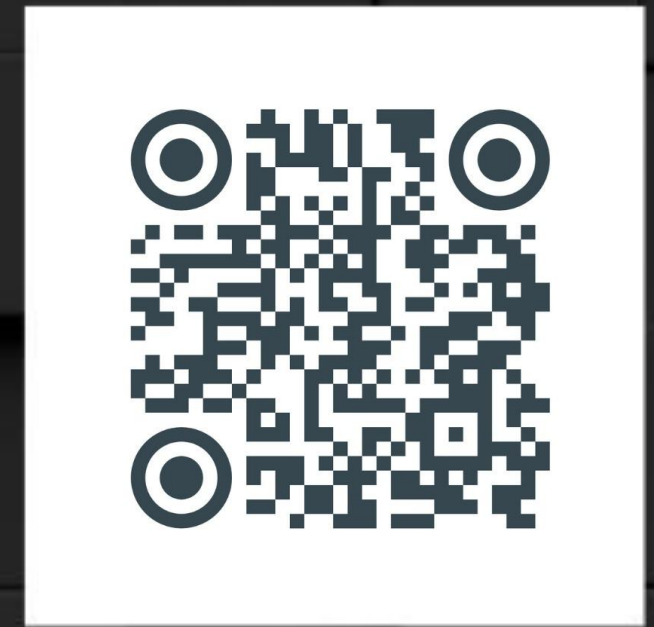
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#TESTIMONIAL



Punit Aggarwal
Director - JPK Metallics Pvt. Ltd.

Punit Aggarwal
Director - JPK Metallics Pvt.
Ltd
Manufacturer Supplier
-Delhi

CASH FLOW Summit 2025



MARCH
2025



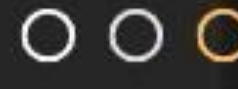
YASHOBHOOMI
DWARKA, NEW DELHI

Reserve your Seat

With your blessings, we are organising Next Cash Flow Summit 2025 in which 10,000 Business Owners are physically coming to Yashobhoomi Dwarka, New Delhi in March 2025.

Without your support, it's not possible to host such a valuable and grand International level event on Cash Flow.

You just need to click and pay Rs. 999 as your blessings for the success of this Grand Event in which Business Owners like you are coming.



Cash Flow Summit 2025 Ticket 

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About Us

Hello, I am Jagmohan Singh

Leading Cash Flow Expert & Your Financial Freedom Mentor

For 22+ years, I have been helping business owners to fix their financial woes, iron out money challenges, build a solid cash inflow-outflow mechanism.

I have been so incredibly blessed to have had some of the best mentors come into my life and share their wisdom with me, so I have vowed to continue the tradition of passing on the wisdom that has been entrusted to me.

A Global Indian of the Year awardee, I have worked with more than 879 business owners in India & abroad and helped them reach their financial freedom goals at a speed they never thought possible.





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If you have any questions, feedback, or inquiries, please don't hesitate to reach out to us. Our team is here to assist you in any way we can. You can contact us via phone, or through our website's contact form.

We value your input and look forward to hearing from you. Thank you for considering reaching out to us.

