

UNION BUDGET – 2023

ANALYSIS OF DIRECT TAX PROPOSALS

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THE NUMBERS



	2022-2023 Budget Estimates (Rs. in Crores)	2022-2023 Revised Budget Estimates (Rs. in Crores)	2023-2024 Budget Estimates (Rs. in Crores)
Corporation Tax	720000	835000	922675
Taxes on income	700000	815000	900575

**Tax collections include surcharge revised estimate of 75961.53 crores for 2022-23 and budget estimates of 89357.50 crores for 2023-24.*

THE NUMBERS

- Actual collections of corporate tax has increased from **Rs.428925 crores** in 2014-15 to revised estimates of **Rs.835000 crores in 2022-23.**
- Actual collections of personal income has increased from **Rs.258326 crores** in 2014-15 to revised estimates of **Rs.815000 crores in 2022-23.**

TAX RATES – PERSONAL TAXATION



- Major expectations from middle class on account of huge surge in expenses partly due to inflation and covid.
- Huge expectations from salaried class
- Tax slab changes expected to put money in the hands of the public to spur consumption.
- Another view is that the changes may reduced the compulsive savings driven by tax positions.
 - *Time to completely exempt citizens over the age of 75 from income.*
 - *Alternatively, based on the tax payment record of the citizens after certain age the government could provide for refund of a certain percentage of the taxes collected.*

TAX RATES –PERSONAL TAXATION

Tax Rates under section 115BAC(1A) for an Individual or HUF or AOP (other than co-operative societies) or BOI or AJP whether incorporated or not for AY 2024-25:-

NEW TAX REGIME	
TOTAL INCOME	RATE OF TAX
Upto ₹300,000	NIL
₹300,001 to ₹600,000	5%
₹600,001 to ₹900,000	10%
₹900,001 to ₹12,00,000	15%
₹12,00,001 to ₹15,00,000	20%
Above ₹15,00,000	30%



TAX RATES –PERSONAL TAXATION

NEW	OLD
The new scheme becomes applicable by default.	In case old scheme is to be applicable then the option has to be exercised in the manner prescribed.
In this scheme rebate under Section 87A is available for income upto Rs.7,00,000/-	Rebate under Section 87A continues for income of Rs.5,00,000/-.
No deductions under Chapter VIA and some specified exclusions / exemptions can be claimed (standard deductions / Agniveer deduction, etc.)	All deductions and exemptions as applicable can be availed.
Surcharge at 25% instead of 37% where income exceeds Rs.5 crores.	Surcharge continues at 37% where the income exceeds Rs.5 crores.
New slab with basic exemption of Rs.3,00,000 is applicable.	Old slab with basic exemption of Rs.2,50,000 is applicable.

EMPLOYEES

- Section 17(2) defines perquisites to include value of rent free accommodation or value of any concession in rent provided by employer.
- Currently, value of rent free accommodation is provided through IT Rules while value of concession in matters of rent is set out through the explanation in Section 17(2).
- Amendment to facilitate uniform methodology for computing the value of perquisite through rules.
- Deeming provision introduced to provide that if the value so computed exceeds the rent recoverable then it shall be deemed that accommodation has been provided at the concessional rate.
- Deletion of second proviso to Section 192A whereby failure to furnish PAN by a person in connection with payment of accumulated balance due to him, TDS will be at 20% instead of MMR.

BUSINESS OR PROFESSION

- Section 28(iv) amended to include benefits or perquisites arising from business or exercise of a profession which are in cash or kind or partly in cash and partly in kind.
 - Section 194R was inserted by Finance Act, 2022 to provide for a TDS in connection with Section 28(iv).
 - Original Section 28(iv) referred to benefit or perquisite whether convertible into money or not.
 - The Supreme Court in the case of ***Commissioner Vs. Mahindra and Mahindra Ltd. (2018) 404 ITR 1*** has held that prima facie the income must arise from business or profession and the benefit has to be in some other form rather than the shape of money.

PRELIMINARY EXPENSES

- Section 35D deals with amortization of preliminary expenses incurred prior to or after commencement of business in connection with extension or setting up of a new undertaking.
- Existing provision requires work to be carried out by the assessee or by a concern approved by the Board.
- The procedure is relaxed and now the amendment facilitates mere furnishing of statement of expenditure in the prescribed manner.
- Amendment effective from 01.04.2024.

PRESUMPTIVE TAXATION

- Section 44AD covers business except business covered under 44AE
 - Existing threshold of turnover or gross receipts increased from Rs. 2 Crores to Rs. 3 Crores.
- Section 44ADA covers professions referred to in Section 44AA
 - Existing threshold of total gross receipts increased from Rs. 50 Lakhs to Rs. 75 Lakhs.
- Amounts received in cash/ cheque or draft which is not account payee should not exceed 5% of the total turnover or gross receipts.

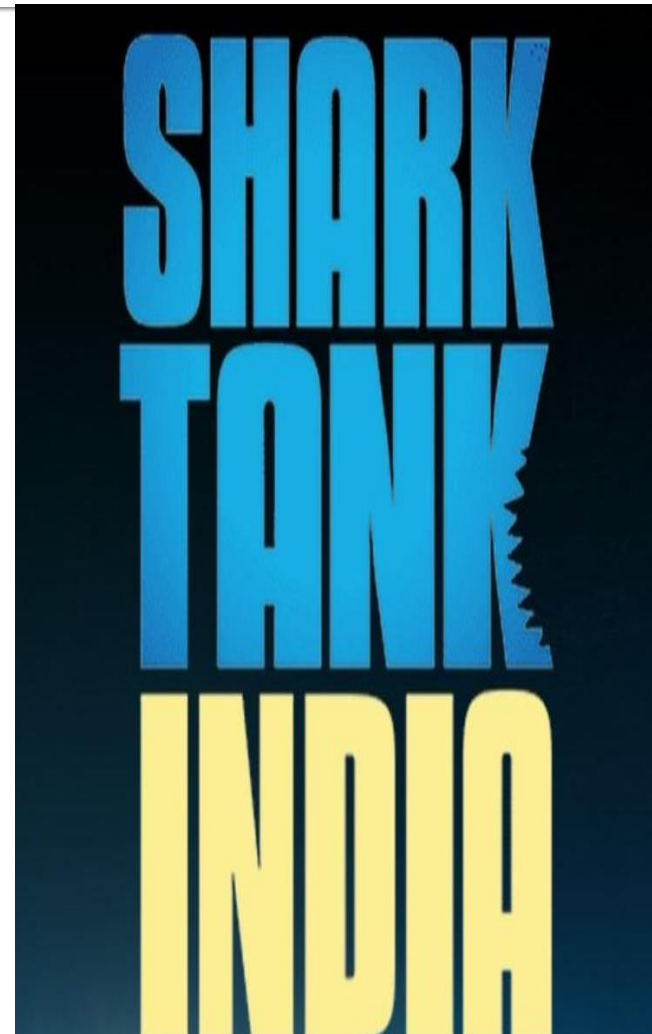


PRESUMPTIVE TAXATION

- Section 44BB provides for a scheme for non-residents engaged in certain services connected with prospecting of mineral oil
- Section 44BBB provides for a scheme for non-resident foreign company engaged in certain services connected with approved turnkey power projects.
- It was noticed that assessee shifted from the scheme to the regular system whenever there is a loss.
- Amendment to provide that where the scheme is opted the set off of unabsorbed depreciation and brought forward losses shall not allowed for such previous year.

START UPS

- Section 80-IAC provide for a deduction of an amount equal to 100% of the profits and gains derived from an eligible business by an eligible start up for 3 consecutive assessment years out of 10 years beginning from the year of incorporation. One of the conditions for availing this deduction is that the eligible start-up should have been incorporated on or after 01.04.2016 but before 01.04.2023.
- The proposed amendment extends the period for incorporation of an eligible start-up to 01.04.2024.
- Further relief in carry forward and set off losses by way of amending Section 79 – *Losses in any 3 consecutive years in the first 10 years can be carried forward as against the earlier provisions of 7 years.*



MSME

- Section 43B provides that certain deduction shall be allowed only on actual payment.
- Proviso allows deduction on accrual basis where the amounts are paid by the due date for filing return.
- Amendment to provide that payments to micro and small enterprises shall be allowed as deduction only on actual payment.
- MSME Act mandates payments within 45 days.
- Proviso not applicable.
- Amendment effective from assessment year 2024-25.
 - *Intention of Section 43B was to cover statutory payments and payments to institutions.*
 - *Scope has widened over a period of time*
 - *While non-payment within the due date will attract action under MSME Act, disallowance under Section 43B is double jeopardy*
 - *Income Tax Act is now a tool for commercial payments.*

CAPITAL GAINS

- Section 54 and 54F provides for relief from capital gains arising out of transfer of long term capital asset subject to investment in residential house property.
- The provisions were an effective tool which encouraged investments into property.
- Over a period of time amendments have been made to restrict the scope of exemption to nullify certain decisions.
- Proposed amendment provides that the maximum deduction that can be claimed under this provision is **Rs.10 crores**
- Amendment will be effective from 01.04.2024 applicable to assessment year 2024-25.
 - *Amendment does not factor realities in real estate prices in certain cities.*
 - *Non-availability of tax exemption would impact real estate sector*



CAPITAL GAINS

- New section 50AA
- Capital gains on transfer or redemption or maturity of market linked debentures.
- “Market Linked Debenture” means a security by whatever name called,
 - which has an underlying principal component in the form of a debt security and
 - where the returns are linked to the market returns on other underlying securities or indices, and
 - includes any security classified or regulated as a market linked debenture by the Securities and Exchange Board of India.’
- Capital Gains arising from transfer or redemption or maturity of market linked debenture shall be deemed to be capital gains arising from the transfer of a short-term capital asset.

CAPITAL GAINS

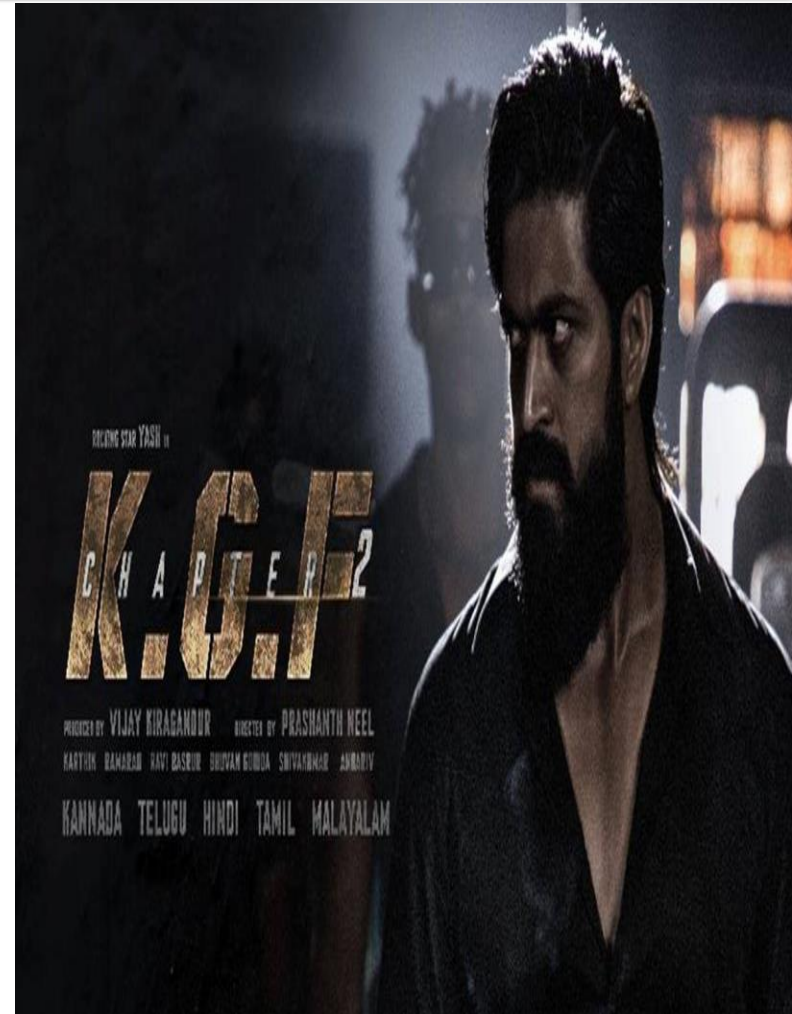
- Amendment to Section 55
- Cost of acquisition or cost of improvement of any capital assets being any intangible assets or other right shall be taken as 'nil'.
- The Supreme Court in the case of ***CIT vs. B.C. Srinivasa Setty (1981) 128 ITR 294 (SC)*** had held that if computation mechanism fails, the chargeability would collapse.
- Based on this decision, if cost of acquisition cannot be determined for transfer of any asset considered as a capital asset then there was no capital gain.
- Section 55 has been amended over a period of time to add new assets for which cost is deemed to be nil.
- The latest amendment is very wide in nature and the scope of *any intangible asset or any other right would have far reaching implications.*

CAPITAL GAINS

- Amendment to Section 48 to prevent double deduction of interest both under Section 24 / Chapter VIA and Section 48.
 - The Karnataka High Court in the case of ***CIT Vs. Hariram Hotels P. Ltd. (2010) 325 ITR 136 (Kar.)*** had held that interest on loan can also be taken as part of cost of acquisition / improvement.
 - Interest on loan availed for purchasing or constructing house property is allowed as a deduction while computing income from house property.
 - Amendment effective from 01.04.2024 – AY 2024-25.
- Section 45(5A) deals with capital gains under Joint Development Agreement and referred to full value of consideration as the stamp duty value of the landowner share as increased by consideration received in cash.
 - Amendment to replace the word 'cash' with the words 'cash or by cheque or draft or by any other mode'.
 - Amendment echoes Section 194-IC which refers to cash or by cheque or draft or by any other mode.

ELECTRONIC GOLD RECEIPT

- SEBI is a regulator for gold exchange eco system and has created a regulatory framework for spot trading in gold in stock exchanges through electronic gold receipt.
- Conversion of gold to electronic gold receipt and vice versa not considered as a transfer in terms of Section 47.
- Enabling amendments in Section 49 and Section 2(42A).
 - *Cost for capital gains calculation for EGR to be deemed to be the cost of gold in the hands of the person holding the EGR and vice versa.*
 - *Holding period to include time prior to conversion.*



SHARE PREMIUM AND SECTION 56

- Section 56(2) which deals with various transactions which are taxed on the ground that it is without adequate consideration or less than market value.
- The scope has been expanded from time to time.
- Section 56(2)(viib) covers receipt by a company of any consideration for issue of shares that exceeds the fair market value.
- This provision was not applicable to premium received from non-resident.
- Amendment from 01.04.2024 to make it applicable to non-residents.
 - *Likely to impact startups and companies where valuation is perceived based on future market potential.*

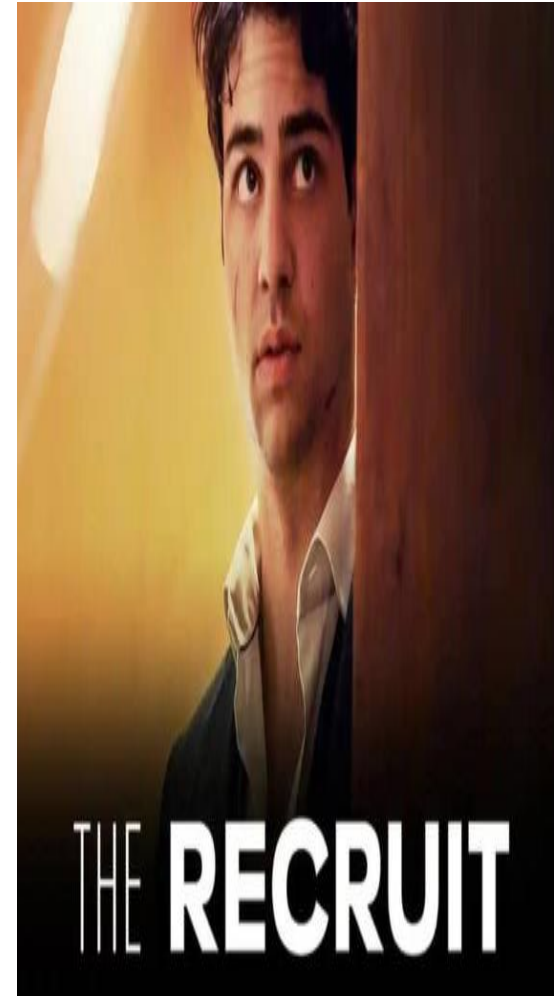
LIFE INSURANCE POLICIES

- Section 10(10D) excludes any sum received under life insurance policy including bonus subject to the condition that the premium payable for any of the years during the terms of the policy does not exceed ten per cent of the actual capital sum assured.
- **Major amendment which can impact life insurance businesses and senior citizens who were looking at certain instruments which can give returns to deal with inflation.**
- Section 10(10D) not available to life insurance policies other than ULIP issued on or after 01.04.2023 where the premium payable for any of the previous years exceeds Rs.5 lakhs.
 - ULIPs already covered by amendments through Finance Act, 2021.
 - Further changes to the proviso to give effect to the amendments.
 - Amendment to Section 56 to tax the income received under these policies. Premium can be claimed as deduction if not already claimed under any other provision.
 - However, amount received on death of the insured person continues to be exempted.



AGNIVEER SCHEME

- Payments received by an Agniveer or their nominee from Agniveer Corpus Fund is proposed to be exempt under Section 10(12C).
- Section 80CCH proposes deduction from computation of total income for contributions made by the Agniveer or the Government to the Agniveer Corpus Fund Account.
- Contribution by Central Government to the Fund Account of an individual enrolled in the scheme to be considered as salary.
- In the new tax regime, individuals enrolled in the Scheme and subscribing to the fund will get a deduction of the Government contribution to the Seva Nidhi.
- *The Scheme was introduced in 2022 by the Ministry of Defence for enrollment of Agniveer in the Indian Armed Force.*
- *The individual is required to contribute 30% of his monthly package and the Government will make a matching contribution.*
- *On completion of 4 years, the Agniveer will be paid a one time seva nidhi package.*



DEVELOPMENT AUTHORITIES



- Decision of the Supreme Court in the case of ***Ahmedabad Urban Development Authority*** in the context of definition of charitable purpose and the second proviso.
- Supreme Court had pointed out as to what would constitute commercial activities and observed that the activities referred to in Section 10(46) are the same as activities referred to in the proviso to Section 2(15).
- Relief provided to body or authority or board or trust or commission not being a company established or constituted under Central or State Act through new Section 10(46A).
- These bodies must be established for certain identified purposes and the body must be notified by the Government.

CO-OPERATIVE SOCIETY

- Section 194N requires a bank or a co-operative society to deduct TDS at 2% where the cash withdrawal exceeds Rs.1 crore.
- Where the recipient is a non-filer, TDS is at 2% on any sum exceeding Rs.20 lakhs but not exceeding Rs.1 crore and 5% when it exceeds Rs.1 crore.
- Amendment specific to co-operative societies increasing the threshold limit to Rs.3 crores.
- Amendment effective from 01.04.2023.
 - *It is not clear as to why co-operative societies need a higher threshold for cash withdrawal.*
 - *The purpose of Section 194N was to identify large cash transactions.*



CO-OPERATIVE SOCIETY

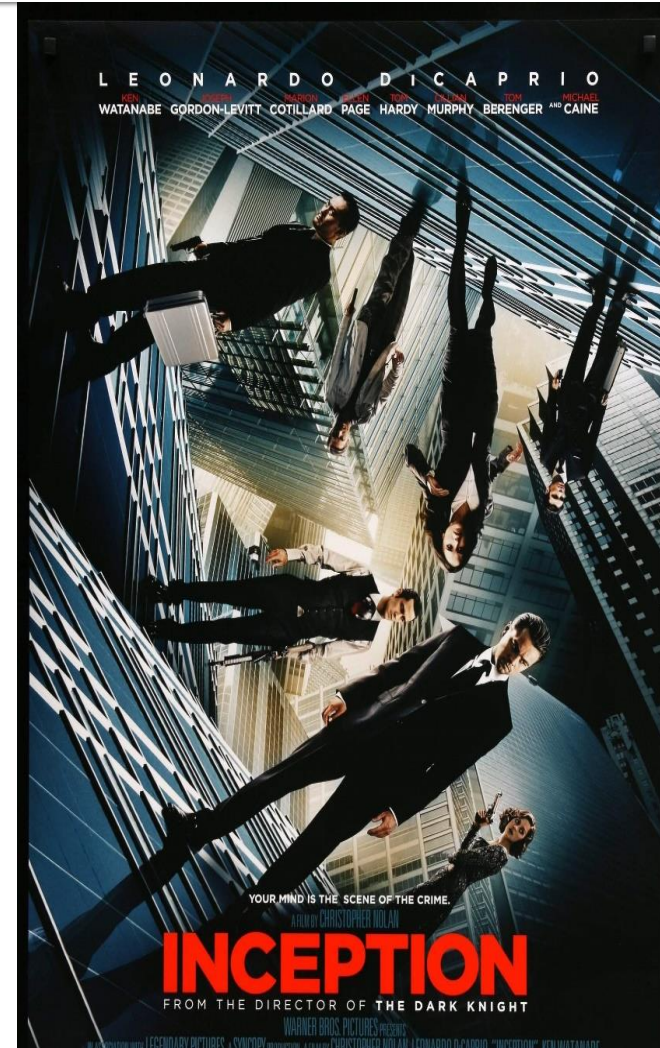
- Section 26gSS provides that no person shall take from any person any loan or deposit otherwise than by account payee cheque / bank draft or online transfer if the amount is Rs.20,000 or more.
- Section 26gT dealt with similar provision for repayment.
- Amendment raising the limit to Rs.2,00,000 for Primary Agricultural Credit Societies (PACS) and Primary Cooperative Agricultural and Rural Development Bank (PCARD).
 - Explanatory Memorandum states that PACS and PCARD are providing credit at grass root levels and require relaxation in provision.
 - Relief needed for low income group and to facilitate easier conduct of business.
- Penalty applicable only if the loan or deposit is more than Rs.2 lakhs.
- Amendment effective 01.04.2023.

CO-OPERATIVE SOCIETY

- In 2019, Section 115BAB provides for a reduced tax rate of 15% for new manufacturing domestic companies subject to conditions.
- Benefit is now extended to new manufacturing cooperative society.
- Cooperative society should not be engaged in
 - Development of computer software in any form or in any media
 - Mining
 - Conversion of marble blocks or similar items into slabs
 - Bottling of gas into cylinder
 - Printing of books or production of cinematograph film
 - Any other business as may be notified by Central Government.
- Cooperative society can be involved in the business of generation of electricity.
- Section 92BA amended to cover transaction between cooperative society and persons in close connection within the ambit of specified domestic transaction.

SUGAR CO-OPERATIVES

- Sugar factories in some States are mandated to pay sugarcane growers an amount known as the Final Cane Price which is in some cases more than the statutory minimum price fixed by the Central Government under the Sugar Control Order.
- The amount paid in excess was disallowed while computing income and this led to litigation.
- Section 36(1)(xvii) was inserted from 01.04.2016 to provide that the amount paid for purchase of sugarcane at a price equal to or less than the price fixed by or fixed with the approval of the Government shall be allowed as a deduction.
- Amendment to Section 155 to facilitate re-computation to avail the benefit of deduction for the past period.

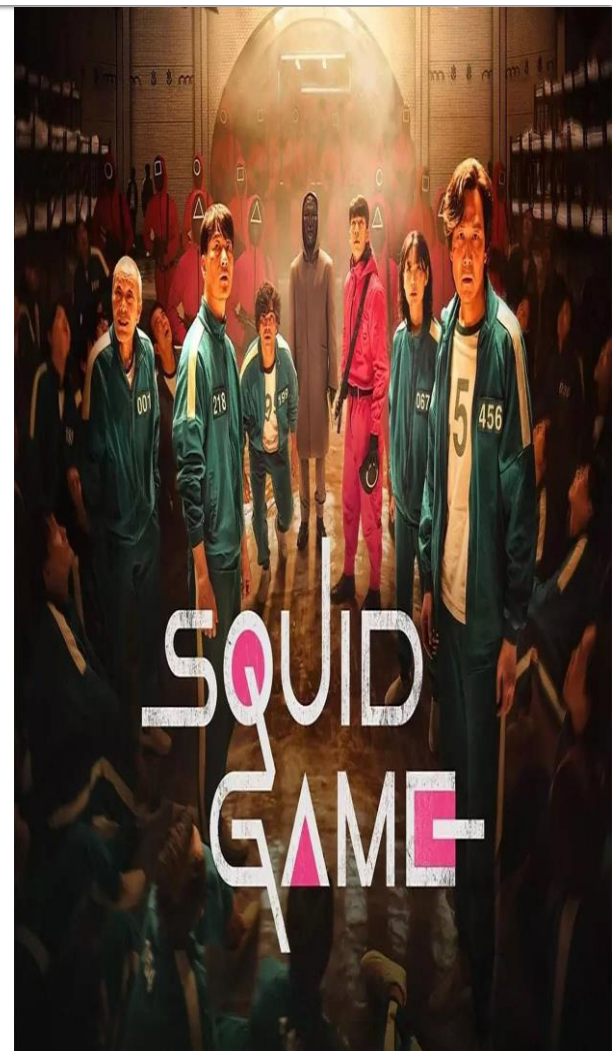


REIT

- Real Estate Investment Trust (REIT) and Infrastructure Investment Trust (InVIT) known as 'business trust' came into the tax system in 2014 with a special taxation regime.
- The earlier provision provided that income distributed by the business trust to its unit holders will have the same nature.
- Payment such as interest / dividend / rental income with a past through status are taxable in the hands of the unit holder.
- Amendment to consider any sum received by a unit holder not falling under 10(23FC) or 10(23FCA) or not chargeable under Section 115UA.
 - Explanatory Memorandum states that the amendment is to plug the non-taxation of repayment of debt.

ONLINE GAMING

- Amendment to Section 194B to include gambling or betting of any form or nature whatsoever.
- Amendment to Section 194B and 194BB to exclude online gaming, gambling and betting in any form.
- **New Section 194BA from 01.07.2023 to provide for TDS at 30% on net winning in the user account at the end of the financial year.**
- If there is withdrawal during the financial year, TDS shall be done on such withdrawal.
- Net winning to be computed in the prescribed manner.
- Where net winning is wholly in kind or partly in cash and kind and the cash element is insufficient for the TDS, then tax has to be paid before release of the winnings.
- Guidelines to be issued for removing difficulties.
- Section 115BB amended to exclude income from winnings of online games.
- New 115BBJ to tax winnings from online games at the rate of 30%.



STRATEGIC DISINVESTMENT

- Section 72A enables carry forward and set off of loss and unabsorbed depreciation in case of amalgamation under strategic disinvestment of shareholding by the Central Government or any State Government in a public sector company which results in reduction of its shareholding below fifty-one per cent along with transfer of control to the buyer.
- Definition of Strategic Disinvestment in Section 72A is proposed to be amended whereby the benefit is even available disinvestment is made by a Public Sector Company.

STRATEGIC DISINVESTMENT

- Section 72AA enables carry forward of accumulated losses and unabsorbed depreciation allowance in a scheme of amalgamation in certain cases, which, inter-alia, includes amalgamation of one or more banking company with any other banking institution.
- Amendment proposed to provide for carry forward of accumulated losses and unabsorbed depreciation allowance in the case of amalgamation of one or more banking company with any other banking institution or a company subsequent to a strategic disinvestment, if such amalgamation takes place within 5 years of strategic disinvestment.

INTERNATIONAL TAXATION

- Proviso inserted to Section 196A to provide that TDS would be at a rate lower of 20% or rate as per DTAA where it is applicable and the payee has furnished TRC referred to in Section 90(4) or 90(4A).
- Section 92D(3) amended whereby an AO or CIT(Appeals) can require a person to furnish any information or documents within a period of 10 days from the date of receipt of notice.
- Extension can be granted by a further period not exceeding 10 days.
 - *Time limit reduced for furnishing Transfer Pricing Report.*
- Section 9 is proposed to be amended to the effect that any sum of money, exceeding INR 50,000, received by a person 'resident but not ordinarily resident in India' without consideration from a person resident in India, is deemed to accrue or arise in India.

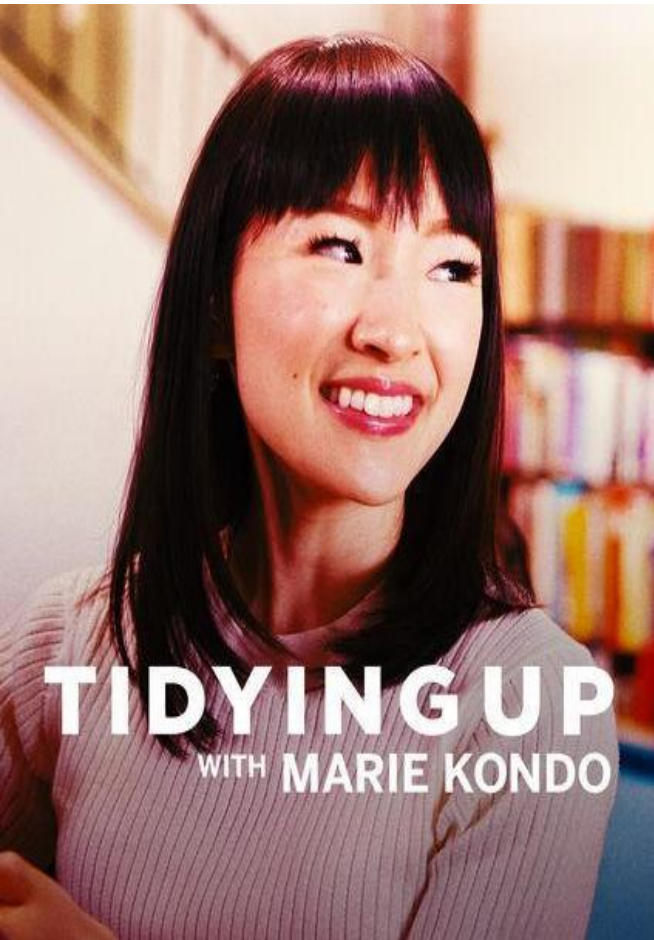


FACELESS ASSESSMENTS



- CG has notified various schemes for implementation of e-proceedings and faceless schemes.
- Time limits were also incorporated in the statute to issue directions in regard to the schemes with an intent to implement the reforms in a timely manner.
- Currently there is no express power to amend or modify the directions on expiry of relevant time period.
- Proposal to amend Section 135A, 245MA, 245R, 250 and 274 to provide that direction issued before the expiry of limitation, i.e., 31st March, 2022 or 31st March, 2023, as the case may be, the CG may, amend such direction at any time by notification in the Official Gazette.

BUSINESS REORGANISATION



- Section 170A was introduced through Finance Act, 2022 to enable filing a modified return to give effect to the order of business reorganization issued by the tribunal or court.
- Section 170A is proposed to be substituted.
- The provision did not specify the provisions for modification of return in case the original return is filed by the predecessor.
 - The anomaly is rectified through the proposed amendment.
- The provision also did not provide for a mechanism to be adopted by the AO for assessment or reassessment once the modified return is filed.
- Mechanism now provided.

COST AUDIT

- Section 148 of the Companies Act mandates maintenance of cost records and ICDS – II provides mechanism for valuation of inventory.
- Amendments made to Section 142 –
 - To enable AO to direct assessee to get inventory valued by a cost accountant nominated by PCC or CC or PC or C.
 - The expenses of incidental to the inventory valuation shall be determined by the PCC or CC or PC or C in accordance with the prescribed guidelines.
 - Except where assessment is made under Section 144 the assessee will be given an opportunity of being heard in respect of any material gathered on the basis of inventory valuation.
 - Cost accountant is defined to mean a cost accountant as defined in Section 2(1)(b) of Cost and Works Accountants Act, 1959 and who holds a valid certificate of practice.

RE-ASSESSMENT

- Section 148 provides that before making the assessment, reassessment or re-computation under Section 147 the Assessing Officer shall serve on the assessee a notice requiring him to furnish within such period, as may be specified in such notice, a return of his income or the income of any other person in respect of which he is assessable.
- It is proposed to amend the said section to provide that such return shall be furnished within a period of three months from the end of the month in which such notice is issued, or such further period as may be allowed by the Assessing Officer on the basis of an application made in this regard by the assessee.

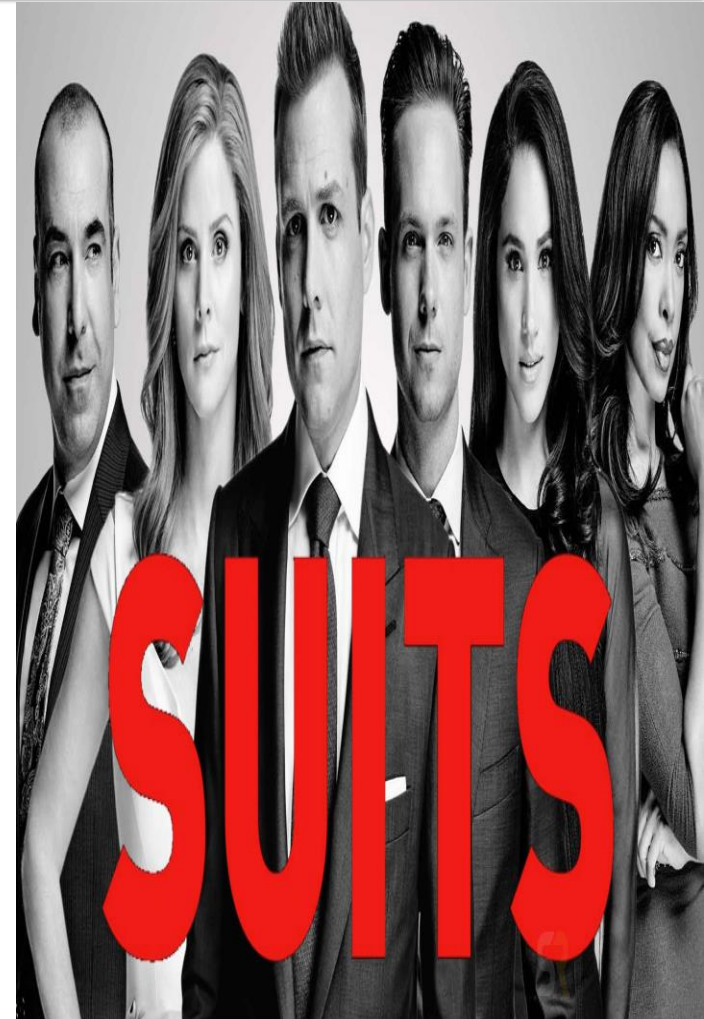
RE-ASSESSMENT

- Amendment to Section 149.
- Where there is a search or survey or requisition conducted after 15th March in a financial year and the period for issue of notice under section 148 expires on the 31st day of March of such financial year, a period of fifteen days shall be excluded for the purpose of computing the period of limitation as per this section
- The notice issued under section 148 in such case shall be deemed to have been issued on the 31st day of March of such financial year.
- It is proposed to amend Section 151 to provide that the specified authority for the purposes of Section 148 shall be the PCC or PDG or CC or DG, if more than three years have elapsed from the end of the relevant assessment year.



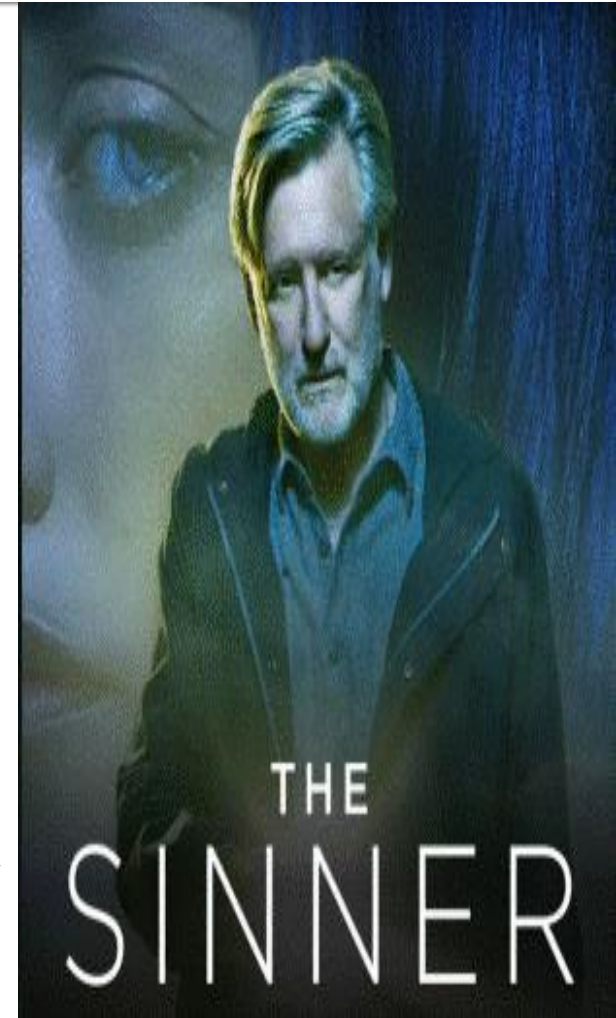
FIRST APPEAL

- Memorandum states that CIT(Appeals) is currently over burdened due to huge number of appeals.
- In order to clear the bottleneck, new authority for appeal is being created at Joint Commissioner / Additional Commissioner level to handle disputes involving smaller amount.
- Section 246 re-introduced to facilitate appeals to JC(Appeals)
- List of orders appealable to JC(Appeals) set out in the provision.
- Amendment to facilitate transfer of pending appeals to the new authority.



CHARITABLE TRUSTS

- Major amendments to the provisions relating to charitable trust dealing with
 - Depositing back of corpus and repayment of loans or borrowings
 - Treatment of donations to other trusts
 - Deletion of certain redundant provisions
 - Combining provisional and regular registration in certain cases.
 - Specified violations under Section 12AB as well as the 15th proviso to Section 10(23C).
 - Non-filing of applications pertaining to registration.
 - Alignment of time limit for filing Form for accumulation of income and tax audit report
 - Denial of exemption when return of income is not furnished within time.
- *Massive changes in substantive law as well as procedural law*
- *Re-visit of provisions and decisions dealing with corpus.*
- *Plugging of circular donations.*



SECTION 80G

- Section 80G deals with the procedure for granting approval to certain associations and funds that receive donations and deductions for the donor.
- Section 80G(2) covers a list of funds to which any sum paid in the previous year as a donation is allowed as a deduction to the extent of 50% or 100% of the amount donated.
- Three funds stand deleted.
 - *Explanatory Memorandum states that only three funds are based on the names of the persons and hence deleted. They are Jawaharlal Nehru Memorial Fund; Indira Gandhi Memorial Trust; and Rajiv Gandhi Foundation.*



SEARCH



- Section 132 deals with powers of the Income Tax Authorities during search procedure.
- Existing provision empowers the officer to seek the services of any police officer or any officer of the Central Government to assist him.
- Amendment to empower the officers to seek the services of any police officer or Central Government Officers or both or other person or entity approved by PCC or CC or PDG or DG in accordance with procedure provided by the Board through Rules to assist him.
 - *The explanatory memorandum provides that digitisation and technology has made search procedure complex requiring the use of data forensics, advanced technologies for decoding data. Further, there is a trend of undisclosed income being held in different forms of assets which need domain experts. Further, carpenters and locksmiths are required. Hence the amendments.*

TCS

- Section 206C which provides for TCS was expanded to cover foreign remittance through LRS and overseas tour packages.
- TCS on overseas tour packages increased from 5% to 20%.
- TCS on overseas remittance other than education / medical treatment increased to 20%.
 - *Himalayan increase.*
 - *Huge impact on tourism service providers in India who arrange overseas tour packages*
 - *Object of TDS and TCS has always been to identify transactions and have better compliance.*
 - *Whether it is 5% or 20%, identification will happen.*



TDS CREDIT

- TDS mismatch issues on account of tax being deducted in the subsequent year while the income has been offered in the previous year.
- Time to file revised return would have also elapsed.
- New Section 155(20) to remove difficulty caused by TDS mismatch.
- Application has to be filed to the AO within two years from the end of the financial year in which tax was deducted.
- AO shall amend the order of the assessment or intimation allowing the credit of such tax in the relevant assessment year.
 - *Welcome amendment*
 - *It is surprising that it has taken this many years.*



REFUND

- Section 241A empowers the AO to withhold the refund that becomes due under Section 143(1) if a notice for assessment is issued under 143(2) and the AO is of the opinion that the grant of refund is likely to adversely affect the revenue with the prior permission of PC or C.
- Section 245 deals with set-off of refund against tax that is remaining to be paid by the person to whom the refund is due with an intimation in writing regarding the proposed action.
- In order to avoid the overlap between the provisions it is proposed to render Section 241A inapplicable from 01.04.2023.
- Further Section 245 is proposed to be substituted to include powers under Section 241A in Section 245.
- The amendment is effective from 01.04.2023.

PENALTY

- Scope of Section 271C which deals with penalty for failure to deduct tax or failure to pay the tax deducted expanded to cover
 - Section 194R – TDS on benefit / perquisites
 - Section 194S – TDS on transfer of VDA
 - Section 194BA – TDS on net winnings from online games.
- Section 271FFA(2) provides for penalty on reporting financial institutions who provide inaccurate information in the statement and the inaccuracy is due to false or inaccurate information furnished by the holder.
 - This penalty of Rs.5,000 for every inaccurate reportable amount is in addition to the penalty Section 271FFA(1) and the reporting institution shall be entitled to recover the sum from the account holder.
 - *Penalty on institution with law allowing passing of such penalties??*

MISCELLANEOUS

- Sums on which TDS is deductible under Section 194LBA shall be eligible for certificate of deduction at lower rate under Section 197.
- Exemption granted to income of notified news agency under Section 10(22B) will not be available for AYs beginning on or after 01.04.2024.
- Amendment to Section 10AA for introducing time limit to bring in export proceeds.
- Clarificatory amendment to updated return provisions.
- Amendment to Section 193 removing exemption from TDS in respect of interest on listed debentures.
- Amendment to definition of specified person in Section 206AB and Section 206CCA to exclude persons who are not required to file return and who are notified.



MISCELLANEOUS

- Amendments to Section 94B to exclude certain class of NBFCs from restrictions with reference to interest deduction.
- Various changes in timelines for initiation, completion of assessment, re-assessment etc. By amendment to Section 153.
- Time limit available to Interim Board for Settlement for disposing pending rectification application extended.
- Amendment to Section 253 to provide for
 - Appeals against orders passed by CIT(A) under 271AAB, 271AAC and 271AAD.
 - Appeal to ITAT against 263 orders passed by PCC and CC.
 - Filing of cross objections in all classes of cases against which appeal can be made to ITAT.



THANK YOU

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