

IMPORTANT AMENDMENTS AS PER THE NEW INCOME TAX ACT, 2025

Change in Sections Under the New Income Tax Act, 2025 the section numbers have been changed with simplified language and improving compliance efficiency.

Rates of Income Tax: No Change in Income Tax Rates which are as under:-

In case of Individual, HUF, AOP and BOI:

Income Tax Slabs under the New Regime u/s 202:

Total Income (Rs.)	Rate
Upto Rs.4,00,000	NIL
From 4,00,001 to 8,00,000	5%
From 8,00,001 to 12,00,000	10%
From 12,00,001 to 16,00,000	15%
From 16,00,001 to 20,00,000	20%
From 20,00,001 to 24,00,000	25%
Above Rs.24,00,000	30%

Note: New regime continues as default tax regime

In case of Others:

Assessee Category	Rate
Domestic Company opting u/s 200	22%
Domestic Manufacturing Company opting u/s 201	15%
Firm / LLP	30%
Local Authority	30%

Surcharge: In case of New regime, the maximum rate of surcharge has been capped at 25% for incomes other than capital gains.

Income	Any other Income	Short term capital gain covered u/s 196	Long term capital gain covered u/s 197 / 198
Total income exceeding Rs.50 Lakhs upto 1 crore	10%	10%	10%
Total Income Exceeding 1 crore upto 2 crore	15%	15%	15%
Total income exceeding 2 crore	25%	15%	15%

Section 3 Definition of '**Tax Year**' means the twelve months' period of the financial year commencing on the 1st April. Earlier terms of '**Previous Year**' and '**Assessment Year**' have been abolished.

Section 11 Income arising on compulsory acquisition of any land in case of Individual and HUF under the 'Right to Fair Compensation and Transparency in Land

Acquisition, Rehabilitation and Resettlement (RFCTLARR) Act, 2013' is exempt.

Section 29

Employee contribution to PF/ESI will be allowed as deduction if deposited before the due date of filing of Income Tax Return u/s 263(1).

Section 69

Buy Back of shares will be treated as Capital Gain in the hands of shareholder.

Section 206

Minimum Alternate Tax (MAT) in case of company has been reduced to 14% from 15% earlier.

Section 263

Due Dates of Filing of Income Tax Returns:

Assessee Category	Due Date	Late Filing Fee u/s 428
Any Other Person	31 st July	Rs.1000/- if total income does not exceed Rs. 5 lakhs or else Rs.5,000/-.
Non-Audit Business Persons including partners	31 st August	
Company & Audit Persons including partners	31 st October	
Revised Return u/s 263(5)	Within 12 months (31 st March) from the end of relevant Tax Year	No fee upto 9 months. Otherwise, same as above.

Updated Return is also allowed to be filed in case of loss provided the original return has been filed before due date.

Section 397(1)(c)

Any person purchasing an immovable property from a Non-Resident Indian (NRI) seller will not be required to obtain TAN to deduct tax at source w.e.f. 01-10-2026.

Section 428(c)

Fee for default in furnishing Tax Audit Report within prescribed time limit will be a sum of Rs.75000/- for delay upto one month and a sum of Rs.1,50,000/- thereafter.

Section 454

Late filing fee of Rs.1,000/- per day but not exceeding Rs.1,00,000/- for failure to furnish Statement of Financial Transaction (SFT) or reportable account.

TDS Rates with threshold limits:

Codes to be used in Returns	Old Section	Nature of Payment	New Section (IT Act 2025)	Rates	Threshold
1001	192	Salary - Government employees (other than Union Govt.)	392	-	-
1002	192	Salary - Employees other than Government employees	392	-	-
1003	192	Salary - Indian Government employees (Union Govt.)	392	-	-
1004	192A	Any payment of accumulated balance due to an employee	392(7)	10%	-
1005	194D	Commission or brokerage - insurance	393(1) [Table: Sl. No. 1(I)]	2% in case for Individual 10% in case for Others	20,000
1006	194H	Commission or Brokerage - others	393(1) [Table: Sl. No. 1(ii)]	2%	20,000
1008	194I(a)	Rent on machinery etc.- specified person	393(1) [Table: Sl. No. 2(ii).D(a)]	2%	50,000 per month
1009	194I(b)	Rent other than machinery etc. - specified person	393(1) [Table: Sl. No. 2(ii).D(b)]	10%	50,000 per month
1011	194IC	Payment on any consideration, not being consideration in kind, under the agreement referred to in section 67(14).	393(1) [Table: Sl. No. 3(ii)]	10%	-
1012	194IA	Payment of Compensation on Acquisition of Certain Immovable Property	393(1) [Table: Sl. No. 3(iii)]	10%	5 Lakh
1013	194K	Income payable to a resident assessee in respect of Units of a specified Mutual Fund specified under Schedule VII (Table: Sl. No. 20 or 21) or units from the Administrator of the specified undertaking or units from specified company	393(1) [Table: Sl. No. 4(i)]	10%	10,000
1014	194LBA	Certain income in the form of interest from units of a business trust to a resident unit holder	393(1) [Table: Sl. No. 4(ii)]	10%	-

1015	194LBA	Certain income in the form of dividend from units of a business trust to a resident unit holder	393(1) [Table: Sl. No. 4(ii)]	10%	-
1016	194LBA	Certain income in the form of Renting from units of a business trust being a real estate investment trust to a resident unit holder	393(1) [Table: Sl. No. 4(ii)]	10%	-
1017	194LBB	Any income, other than that proportion of income which is exempt under Schedule V [Table: Sl. No. 2], in respect of units of an investment fund specified in section 224, payable to its unit holder	393(1) [Table: Sl. No. 4(iii)]	10%	-
1018	194LBC	Any income, in respect of an investment in a security section trust specified in section 221 to an investor.	393(1) [Table: Sl. No. 4(iv)]	10%	-
1019	193	Any income by way of Interest on securities	393(1) [Table: Sl. No. 5(i)]	10%	10,000
1020	194A	Any income by way of interest other than interest on securities, in case of deductee/payee is a senior citizen	393(1) [Table: Sl. No. 5(ii).D(a)]	10%	1,00,000
1021	194A	Any income by way of interest other than interest on securities, in case of deductee/ payee is other than senior citizen	393(1) [Table: Sl. No. 5(ii).D(b)]	10%	50,000
1022	194A	Any income being interest other than interest on securities	393(1) [Table: Sl. No. 5(iii)]	10%	10,000
1023	194C	Any sum for carrying out any work (including supply of labour for carrying out any work) in pursuance of a contract between the contractor and a designated person – if contractor is individual or Hindu undivided family	393(1) [Table: Sl. No. 6(i).D(a)]	1% in case for Individual 2% in case for Others	(a) ₹ 30000 for any such sum; and (b) ₹ 100000 in case of aggregate of such sums.
1024	194C	Any sum for carrying out any work (including supply of labour for carrying out any work) in pursuance of a contract between the contractor and a designated person – if contractor is a person other than individual or Hindu undivided family	393(1) [Table: Sl. No. 6(i).D(b)]	1% in case for Individual 2% in case for Others	(a) ₹ 30000 for any such sum; and (b) ₹ 100000 in case of aggregate of such sums.

1026	194J(a)	Any sum by way of— (a) fees for technical services (not being a professional services); or (b) royalty in the nature of consideration for sale, distribution or exhibition of cinematographic films; or (c) payee, engaged only in the business of operation of call center.	393(1) [Table: Sl. No. 6(iii).D(a)]	2%	50,000
1027	194J(b)	Any sum by way of— (a) fees for professional services; or (b) any sum referred to in section 26(2)(h)	393(1) [Table: Sl. No. 6(iii).D(b)]	10%	50,000
1028	194J(b)	Any sum by way of remuneration or fees or commission by whatever name called, other than those on which tax is deductible under section 392, to a director of a company	393(1) [Table: Sl. No. 6(iii).D(b)]	10%	-
1029	194	Any dividends (including on preference shares) declared. resident unit holder	393(1) [Table: Sl. No. 7]	10%	10,000 (Individual)
1030	194DA	Any sum under a life insurance policy, including the sum allocated as bonus on such policy, other than the amount not includible in the total income under Schedule II [Table: Sl. No. 2]	393(1) [Table: Sl. No. 8(i)]	2%	1 lakh
1031	194Q	Any sum for purchase of any goods	393(1) [Table: Sl. No. 8(ii)]	0.1%	in excess of 50 lakh
1032	194P	Payment to Specified Senior Citizen - bank deducts TDS and files return on their behalf	393(1) [Table: Sl. No. 8(iii)]	-	-
1033	194R	Any benefit or perquisite, whether convertible into money or not, arising from business or the exercise of a profession of any resident.	393(1) [Table: Sl. No. 8(iv)]	10%	20,000
1034	194R	Benefits or perquisites of business or profession where such benefit is provided in kind or where part in cash is not sufficient to meet tax liability and tax required to be deducted is paid before such benefit is released	393(1) [Table: Sl. No. 8(iv)] Note 6	10%	20,000
1035	194O	Sale of goods or provision of services by an e-commerce participant, facilitated by an e-commerce operator through its digital or electronic facility or platform - any e commerce operator	393(1) [Table: Sl. No. 8(v)]	0.1%	5 Lakh (Individual/ HUF)

1037	194S	Any sum by way of consideration for transfer of a virtual digital asset by other than Individual or Hindu Undivided Family.	393(1) [Table: Sl. No. 8(vi)]	1%	10,000
1038	194SP	Any sum by way of consideration, whether in cash or in kind or partly in cash and partly in kind, for transfer of a virtual digital asset.	393(1) [Table: Sl. No. 8(vi)] Note 6	1%	10,000
1039	194E	Any income referred to in section 211.	393(2) [Table: Sl. No.1]	20%	
1040	194LC	Any income by way of interest payable in respect of monies borrowed in foreign currency from a source outside India,— (a) under a loan agreement or issue of long term infrastructure bond on or after the 1st July, 2012 but before the 1st July, 2023; or (b) by way of issue of any long-term bond on or after the 1st October, 2014 but before the 1st July, 2023, which is approved by the Central Govt. in this behalf.	393(2) [Table: Sl. No. 2]	5%	
1041	194LD	Any income by way of interest payable in respect of monies borrowed from a source outside India by way of issue of rupee denominated bond before the 1st July, 2023.	393(2) [Table: Sl. No. 3]	5%	
1042	194LC	Any income by way of interest payable in respect of monies borrowed from a source outside India by way of issue of any long-term bond or rupee denominated bond, which is listed only on a recognized stock exchange located in any International Financial Services Centre. - Issued on or after the 1st April, 2020 but before the 1st July, 2023	393(2) [Table: Sl. No. 4.E(a)]	4%	
1043	194LC	Any income by way of interest payable in respect of monies borrowed from a source outside India by way of issue of any long-term bond or rupee denominated bond, which is listed only on a recognized stock exchange located in any International Financial Services Centre - Issued on or after the 1st July, 2023.	393(2) [Table: Sl. No. 4.E(b)]	9%	

1044	194LB	Income by way of Interest from Infrastructure debt fund payable to a Non-Resident	393(2) [Table: Sl. No. 5]	5%	
1045	194LBA (a)	Any distributed income referred to in section 223, being of the nature referred to in Schedule V [Table: Sl. No. 3.B(a)]	393(2) [Table: Sl. No. 6.E(a)]	5%	
1046	194LBA (b)	Any distributed income referred to in section 223, being of the nature referred to in Schedule V [Table: Sl. No. 3.B(b)]	393(2) [Table: Sl. No. 6.E(b)]	10%	
1047	194LBC	Any distributed income referred to in section 223, being of the nature referred to in Schedule V [Table: Sl. No. 4].	393(2) [Table: Sl. No. 7]	35% - For Non Resident s Company 30% - For Non Resident s other than companie s	
1048	194LBB	Any income, other than that proportion of income which is exempt under Schedule V [Table: Sl. No. 2], in respect of units of an investment fund specified in section 224.	393(2) [Table: Sl. No. 8]	10% - For Resident s 35% - For Non Resident s Company 30% - For Non Resident s other than companie s	
1049	194LBC	Any income in respect of an investment in a securitisation trust specified in section 221.	393(2) [Table: Sl. No. 9]	10% - For Resident s 35% - For Non Resident s Company 30% - For Non Resident s other than companie s	

1050	196A	Any income - (a) in respect of units of a Mutual Fund specified under Schedule VII [Table: Sl. No. 20] or [Table: Sl. No. 21]; or (b) from the specified company.	393(2) [Table: Sl. No. 10]	20% or rate provided in the agreement, whichever is lower	
1051	196B	Any income in respect of units referred to in section 208.	393(2) [Table: Sl. No. 11]	10%	
1052	196B	Any income by way of long-term capital gains arising from the transfer of units referred to in section 208.	393(2) [Table: Sl. No. 12]	12.5%	
1053	196C	Any income by way of interest or dividends in respect of bonds or Global Depository Receipts referred to in section 209.	393(2) [Table: Sl. No. 13]	10%	
1054	196C	Any income by way of long-term capital gains arising from the transfer of bonds or Global Depository Receipts referred to in section 209.	393(2) [Table: Sl. No. 14]	12.5%	
1055	196D	Any income in respect of securities referred to in section 210(1) [Table: Sl. No. 1].	393(2) [Table: Sl. No. 15]	20%	
1056	196D	Any income in respect of securities referred to in section 210(1) [Table: Sl. No. 1].	393(2) [Table: Sl. No. 16]	10%	
1057	195	Any interest (not being interest referred to against serial numbers 2, 3, 4 and 5) or any other sum chargeable under the provisions of this Act, not being income chargeable under the head "Salaries".	393(2) [Table: Sl. No. 17]	Average rate as applicable	
1058	194B	Any income by way of winnings (other than winnings from Sl. No. 2 of the table at section 393(3)) from - (a) any lottery; or (b) crossword puzzle; or (c) card game and other game of any sort; or (d) gambling or betting of any form or nature whatsoever	393(3) [Table: Sl. No. 1]	30%	10000 in case of a single transactions

1059	194B	Any income by way of winnings (other than winnings from Sl. No. 2 of the table at section 393(3)) from - (a) any lottery; or (b) crossword puzzle; or (c) card game and other game of any sort; or (d) gambling or betting of any form or nature whatsoever where consideration, is made in kind or cash is not sufficient to meet the tax liability and tax has been paid before such winnings are released	393(3) [Table: Sl. No. 1] Note 2	30%	10000 in case of a single transactions
1060	194BA	Any income by way of winnings from online game.	393(3) [Table: Sl. No. 2]	30%	-
1061	194BA	Any income by way of winnings from online games, is made in kind or cash is not sufficient to meet the tax liability and tax has been paid before such winnings are released	393(3) [Table: Sl. No. 2] Note 2	30%	10000 in case of a single transactions
1062	194BB	Any income by way of winnings from any horse race.	393(3) [Table: Sl. No. 3]	30%	10000 in case of a single transactions
1063	194G	Any income, credited or paid to a person, who is or has been stocking, distributing, purchasing or selling lottery tickets, by way of commission, remuneration or prize (by whatever name called) on such tickets	393(3) [Table: Sl. No. 4]	2%	20,000
1064	194N	Payment of certain amounts in cash by bank/ post office / co-operative society to a deductee being a co-operative society	393(3) [Table: Sl. No. 5.D(a)]	2%	3 Crore
1065	194N	Payment of certain amounts in cash by bank/ post office / co-operative society to a deductee being a person other than co-operative society	393(3) [Table: Sl. No. 5.D(b)]	2%	1 Crore
1066	194EE	Any amount referred to in section 80CCA(2)(a) of the Income-tax Act, 1961 (43 of 1961).	393(3) [Table: Sl. No. 6]	10%	2500
1067	194T	Any sum in the nature of salary, remuneration, commission, bonus or interest paid to a partner of the firm or credited to his account (including capital account).	393(3) [Table: Sl. No. 7]	10%	20,000

TCS rates on Foreign Remittances under Liberised Remittance Scheme (LRS):

Codes to be used in Returns	Old Section	Nature of Payment	New Section (IT Act 2025)	Rates
1068	206C - A	Sale of alcoholic liquor for human consumption.	394(1) [Table: Sl. No. 1]	2%
1069	206C - I	Sale of tendu leaves	394(1) [Table: Sl. No. 2]	2%
1070	206C - B	Sale of timber obtained under a forest lease	394(1) [Table: Sl. No. 3]	2%
1071	206C - C	Sale of timber obtained by any mode other than a forest lease	394(1) [Table: Sl. No. 3]	2%
1072	206C - D	Sale of any other forest produce (not being timber or tendu leaves) obtained under a forest lease.	394(1) [Table: Sl. No. 3]	2%
1073	206C - E	Sale of Scrap	394(1) [Table: Sl. No. 4]	2%
1074	206C - J	Sale of minerals, being coal or lignite or iron ore.	394(1) [Table: Sl. No. 5]	2%
1075	206C - L	Sale consideration exceeding threshold limit in case of sale of motor vehicle	394(1) [Table: Sl. No. 6.D(a)]	1%
1076	206C - MA	Sale consideration exceeding threshold limit in case of sale of wrist watch	394(1) [Table: Sl. No. 6.D(b)]	1%
1077	206C - MB	Sale consideration exceeding threshold limit in case of sale of art piece such as antiques, painting, sculpture	394(1) [Table: Sl. No. 6.D(b)]	1%
1078	206C - MC	Sale consideration exceeding threshold limit in case of sale of collectibles such as coin, stamp	394(1) [Table: Sl. No. 6.D(b)]	1%
1079	206C - MD	Sale consideration exceeding threshold limit in case of sale of yacht, rowing boat, canoe, helicopter	394(1) [Table: Sl. No. 6.D(b)]	1%
1080	206C - ME	Sale consideration exceeding threshold limit in case of sale of pair of sunglasses	394(1) [Table: Sl. No. 6.D(b)]	1%
1081	206C - MF	Sale consideration exceeding threshold limit in case of sale of bag such as handbag, purse	394(1) [Table: Sl. No. 6.D(b)]	1%
1082	206C - MG	Sale consideration exceeding threshold limit in case of sale of pair of shoes	394(1) [Table: Sl. No. 6.D(b)]	1%

1083	206C - MH	Sale consideration exceeding threshold limit in case of sale of sportswear & equipment such as golf kit, ski-wear	394(1) [Table: Sl. No. 6.D(b)]	1%
1084	206C - MI	Sale consideration exceeding threshold limit in case of sale of home theatre system	394(1) [Table: Sl. No. 6.D(b)]	1%
1085	206C - MJ	Sale consideration exceeding threshold limit in case of sale of horse for horse racing in race clubs and horse for polo	394(1) [Table: Sl. No. 6.D(b)]	1%
1086	206C - T	Remittance under the Liberalized Remittance Scheme of an amount or aggregate of the amounts exceeding threshold limit for purposes of education or medical treatment (Threshold limit - ₹ 10 lakh)	394(1) [Table: Sl. No. 7.D(a)]	2%
1087	206C - Q	Remittance under the Liberalized Remittance Scheme of an amount or aggregate of the amounts exceeding threshold limit for purposes other than education or medical treatment (Threshold limit - ₹ 10 lakh)	394(1) [Table: Sl. No. 7.D(b)]	20%
1088	206C - O	Sale of "overseas tour programme package" including expenses for travel or hotel stay or boarding or lodging or any such similar or related expenditure with amount or aggregate of amounts up to ₹ 10,00,000.	394(1) [Table: Sl. No. 8.D(a)]	2%
1089	206C - O	Sale of "overseas tour programme package" including expenses for travel or hotel stay or boarding or lodging or any such similar or related expenditure with amount or aggregate of amounts above ₹ 10,00,000.	394(1) [Table: Sl. No. 8.D(b)]	2%
1090	206C - F	Use of parking lot for the purpose of business, excluding mining and quarrying of mineral oil (including petroleum and natural gas).	394(1) [Table: Sl. No. 9]	2%
1091	206C - G	Use of toll plaza for the purpose of business, excluding mining and quarrying of mineral oil (including petroleum and natural gas).	394(1) [Table: Sl. No. 9]	2%
1092	206C - H	Use of mine or quarry for the purpose of business, excluding mining and quarrying of mineral oil (including petroleum and natural gas).	394(1) [Table: Sl. No. 9]	2%

Capital Gains Tax Rates:

Nature of Capital Asset	Income-tax Act, 1961	Income-tax Act, 2025	Holding Period	Tax Rate
Short-Term Capital Gain on listed equity shares/unit of equity-oriented fund/business trust covered u/s 111A	Sec. 111A	Sec. 196	≤ 12 months	20%
Other Short-Term Capital Gains	Sec. 45	Sec. 67	As applicable	Normal slab rates
Long-Term Capital Gain on listed equity shares/unit of equity-oriented fund/business trust	Sec. 112A	Sec. 198	> 12 months	12.5% exceeding ₹1.25 lakh
Long-Term Capital Gain on other assets	Sec. 112	Sec. 197	> 24 months / 36 months	12.5%