FINANCE BILL (CLAUSE NO.)	SECTION	NEW LAW	APPLICABLE w.e.f.	BRIEF OF AMENDMENT
3(b)	S. 2(14)(iii)	**Definition of Agriculture land widen to fall outside the scope of Capital Asset –** (iii) agricultural land[46] in India, not being land situate (a) in any area which is comprised within the jurisdiction of a municipality[46] (whether known as a municipality, municipal corporation, notified area committee, town area committee, town committee, or by any other name) or a cantonment board and which has a population[46] of not less than ten thousand. ***(b) In any area with in the distance measured aerially –*** ***(I) not being more than two kilometres, from the local limits of any municipality or cantonment board referred to in item (a) and which has a population of more than ten thousand but not exceeding one lakh.*** ***(II) not being more than six kilometres, from the local limits of any municipality or cantonment board referred to in item (a) and which has a population of more than one lakh but not exceeding ten lakh;*** *(III)* ***not being more than eight kilometres, from the local limits of any municipality or cantonment board referred to in item (a) and which has a population of more than ten lakh***	1.04.2014	Now under the below mentioned circumstances, Agriculture land will not be capital Asset if a. land is situated in an area where population is less than 10000. b. land is situated in an area with in the distance measured aerially more than 2 Km but less than Six Km and have population less than 100000. c. land is situated in an area with in the distance measured aerially more than 6 Km but less than eight Km and have population less than 1000000.

3(a)	Sub clause (A) to clause (ii) to Proviso to S.2(1A)(c)	Consequent Change in Definition of Agriculture land U/s 2(IA) to include the change made in S. 2(14) with respect to Agriculture Land.	01.04.2014	Consequential Change – [Please refer clause 3(b)]
4(i)	Insertion of new proviso after the second proviso to S. 10D(d)	**Incomes not included in total income. –** **S**. 10D - any sum received under a life insurance policy, including the sum allocated by way of bonus on such policy, other than— (d) any sum received under an insurance policy issued on or after the 1st day of April, 2012 in respect of which the premium payable for any of the years during the term of the policy exceeds ten per cent of the actual capital sum assured: ***'Provided also that where the policy, issued on or after the 1st day of April, 2013, is for insurance on life of any person, who is—*** ***(i) a person with disability or a person with severe disability as referred to in section 80U; or*** ***(ii) suffering from disease or ailment as specified in the rules made under section 80DDB,*** ***the provisions of this sub-clause shall have effect as if for the words "ten per cent.", the words "fifteen per cent." had been substituted.';***	01.04.2014	Income not to be included in total income if any sum received under an insurance policy issued on or after the 1st day of April, 2013 in respect of which the premium payable for any of the years during the term of the policy less than 15 per cent of the actual capital sum assured in case of insurance on life of any person, who is— (i) a person with disability or a person with severe disability as referred to in section 80U; or (ii) suffering from disease or ailment as specified in the rules made under section

				80DDB,
4(ii)	Insertion of new clause 23DA after clause 23D.	'***(23DA) any income of a securitisation trust from the activity of securitisation.*** ***Explanation.—For the purposes of this clause,—*** ***(a) "securitisation" shall have the same meaning as assigned to it,—*** ***(i) in clause (r) of sub-regulation (1) of regulation 2 of the Securities and Exchange*** ***Board of India (Public Offer and Listing of Securitised Debt Instruments) Regulations,*** ***2008 made under the Securities and Exchange Board of India Act, 1992 and the Securities*** ***Contracts (Regulation) Act, 1956; or*** ***(ii) under the guidelines on securitisation of standard assets issued by the Reserve*** ***Bank of India;*** ***(b) "securitisation trust" shall have the meaning assigned to it in the Explanation below*** ***section 115TC***	01.04.2014	**Consequential Amendment to Introduction of Chapter XII – EA on Special Proviions relating to Tax on Distributed Income by Securitisation Trusts** – In order to facilitate the securitization process, it is proposed to provide a special taxation regime in respect of taxation of income of securitisation entities, set up as a trust, from the activity of securitisation. It is proposed to amend section 10 by inserting clause 23DA to S. 10 in order to exempt the activity of securitisation from taxation where Securitisation vehicles

				which are set up as a trust and the activities of which are regulated by either SEBI or RBI.
4(iii)	Insertion of new clause 23ED after clause 23EC.	'(*23ED*) any income, by way of contributions received from a depository, of such Investor Protection Fund set up in accordance with the regulations by a depository as the Central Government may, by notification in the Official Gazette, specify in this behalf: Provided that where any amount standing to the credit of the Fund and not charged to income-tax during any previous year is shared, either wholly or in part with a depository, the whole of the amount so shared shall be deemed to be the income. *Explanation*.—For the purposes of this clause,— (*i*) "depository" shall have the same meaning as assigned to it in clause (*e*) of sub-section (*1*) of section 2 of the Depositories Act, 1996; (*ii*) "regulations" means the regulations made under the Securities and Exchange Board of India Act, 1992 and the Depositories Act, 1996;';	01.04.2014	a. That income, by way of contribution from a depository, of the Investor Protection Fund set up by the depository in accordance with the regulations prescribed by SEBI will not be included while computing the total income. b. Where any amount standing to the credit of the fund and not charged to income-tax during any previous year is shared wholly or partly with a depository, the amount so shared shall be deemed to be the income of the previous year in which such amount is shared.
4(iv)	Substitution of	'***Explanation*.—For the purposes of this clause,—**	01.04.2014	a. The SEBI(Alternative

	Explanation 1 of Clause 23FB to Section 10	**(*a*) "venture capital company" means a company which—** (*A*) has been granted a certificate of registration, before the 21st day of May, 2012, as a Venture Capital Fund and is regulated under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 (hereinafter referred to as the Venture Capital Funds Regulations) made under the Securities and Exchange Board of India Act, 1992; or (*B*) has been granted a certificate of registration as Venture Capital Fund as a sub-category of Category I Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (hereinafter referred to as the Alternative Investment Funds Regulations) made under the Securities and Exchange Board of India Act, 1992, and which fulfils the following conditions, namely:— (*i*) it is not listed on a recognised stock exchange; (*ii*) it has invested not less than two-thirds of its investible funds in unlisted equity shares or equity linked instruments of venture capital undertaking; and (*iii*) it has not invested in any venture capital undertaking in		Investment Funds) Regulations, 2012 (AIF regulations) have replaced the SEBI (Venture Capital Fund) Regulations, 1996 (VCF regulations) from 21st May, 2012. b. In order to provide benefit of pass through to similar venture capital funds as are registered under new regulations and subject to same conditions of investment restrictions in the context of investment in a venture capital undertaking, it is proposed to amend section 10(23FB).

		which its director or a substantial shareholder (being a beneficial owner of equity shares exceeding ten per cent. of its equity share capital) holds, either individually or collectively, equity shares in excess of fifteen per cent. of the paid-up equity share capital of such venture capital undertaking **(*b*) "venture capital fund" means a fund—** (*A*) operating under a trust deed registered under the provisions of the Registration Act, 1908, which— (*I*) has been granted a certificate of registration, before the 21st day of May, 2012, as a Venture Capital Fund and is regulated under the Venture Capital Funds Regulations; or (*II*) has been granted a certificate of registration as Venture Capital Fund as a sub-category of Category I Alternative Investment Fund under the Alternative Investment Funds Regulations and which fulfils the following conditions, namely:— (*i*) it has invested not less than two-thirds of its investible funds in unlisted equity shares or equity linked instruments of venture capital undertaking; (*ii*) it has not invested in any venture capital undertaking in		

		which its trustee or the settler holds, either individually or collectively, equity shares in excess of fifteen per cent. of the paid-up equity share capital of such venture capital undertaking; and (*iii*) the units, if any, issued by it are not listed in any recognised stock exchange; or (*B*) operating as a venture capital scheme made by the Unit Trust of India established under the Unit Trust of India Act, 1963;		
		"venture capital undertaking" means— *(i)* a venture capital undertaking as defined in clause (*n*) of regulation 2 of the Venture Capital Funds Regulations; or *(ii)* a venture capital undertaking as defined in clause (*aa*) of sub-regulation (*1*) of regulation 2 of the Alternative Investment Funds Regulations;';		
4(v)	Insertion of new clause (34A) after clause 34	"(*34A*) any income arising to an assessee, being a shareholder, on account of buy back of shares (not being listed on a recognised stock exchange) by the company as referred to in section 115QA;";	01.04.2014	Unlisted Companies, as part of tax avoidance scheme, are resorting to buy back of shares instead of payment of dividends. in order to avoid payment of tax by way of DDT particularly where the capital gains arising to the shareholders are either not chargeable to tax or are taxable at a

				lower rate. Additional tax of 20% is proposed to be levied on districuted income where the company resorts to purchase of its own unlisted shares which is in excess of the sum received by the company at the time of issue of such shares (distributed income). The income arising to the shareholders in respect of such buy back by the company would be exempt where the company is liable to pay the additional income-tax on the buy-back of shares.
4(vi)	Insertion of new clause (35A) after clause 35	'(*35A*) any income by way of distributed income referred to in section 115TA received from a Securitization trust by any person being an investor of the said trust.	01.04.2014	Consequential Amendment to S. 115TA introduced vide Introduction of Chapter XII – EA on Special Provisions relating to Tax on Distributed

				Income by Securitization Trusts.
4(vii)	Insertion of new clause (49) after clause 48	any income of the National Financial Holdings Company Limited, being a company set up by the Central Government, of any previous year relevant to any assessment year commencing on or before the 1st day of April, 2014.”.	Retrospective effect from 01.04.2013 apply in relation to A.Y. – 2013-2014, 2014-205	The Specified Undertaking of Unit Trust of India was created vide the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 as the successor of Unit Trust of India (UTI). Exemption from Income-tax was available to SUUTI in respect of its income up to 31st March, 2014. Since SUUTI has been wound up and is succeeded by a new company wholly owned by the Central Government. It has been incorporated on 7th June, 2012 as National Financial Holdings Company Limited (NFHCL). In order to provide the exemption on the lines

				of SUUTI to NFHCL, it is proposed to amend section 10 to grant exemption to National Financial Holdings Company Limited in respect of its income accruing, arising or received on or before 31.03.2014.
5	Insertion of new section 32AB after S. 32AC.	'32AC. (*1*) Where an assessee, being a company, engaged in the business of manufacture or production of any article or thing, acquires and installs new asset after the 31st day of March, 2013 but before the 1st day of April, 2015 and the aggregate amount of actual cost of such new assets exceeds one hundred crore rupees, then, there shall be allowed a deduction,— *(a)* for the assessment year commencing on the 1st day of April, 2014, of a sum equal to fifteen per cent. of the actual cost of new assets acquired and installed after the 31st day of March, 2013 but before the 1st day of April, 2014, if the aggregate amount of actual cost of such new assets exceeds one hundred crore rupees; and *(b)* for the assessment year commencing on the 1st day of April, 2015, of a sum equal to fifteen per cent. of the actual cost of new assets acquired and installed after the 31st day of March, 2013 but before the 1st day of April, 2015, as reduced by the amount of deduction allowed, if any, under clause (*a*).	01.04.2014	Section 32AC in the Income tax Act to provide that where an assessee, being a company,— (a) is engaged in the business of manufacture of an article or thing; and (b) invests a sum of more than Rs.100 crore in new assets (plant or machinery) during the period beginning from 1st April, 2013 and ending on 31st March, 2015, then, the assessee shall be allowed—

		(*2*) If any new asset acquired and installed by the assessee is sold or otherwise transferred, except in connection with the amalgamation or demerger, within a period of five years from the date of its installation, the amount of deduction allowed under sub-section (*1*) in respect of such new asset shall be deemed to be the income of the assessee chargeable under the head "Profits and gains of business or profession" of the previous year in which such new asset is sold or otherwise transferred, in addition to taxability of gains, arising on account of transfer of such new asset. (*3*) Where the new asset is sold or otherwise transferred in connection with the amalgamation or demerger within a period of five years from the date of its installation, the provisions of sub-section (*2*) shall apply to the amalgamated company or the resulting company, as the case may be, as they would have applied to the amalgamating company or the demerged company. (*4*) For the purposes of this section, "new asset" means any new plant or machinery (other than ship or aircraft) but does not include— (*i*) any plant or machinery which before its installation by the assessee was used either within or outside India by any other person; (*ii*) any plant or machinery installed in any office premises or any residential accommodation, including accommodation in the nature of a guest house;		(i) for assessment year 2014-15, a deduction of 15% of aggregate amount of actual cost of new assets acquired and installed during the financial year 2013-14, if the cost of such assets exceeds Rs.100 crore (ii) for assessment year 2015-16, a deduction of 15% of aggregate amount of actual cost of new assets, acquired and installed during the period beginning on 1st April, 2013 and ending on 31st March, 2015, as reduced by the deduction allowed, if any, for assessment year 2014-15. The phrase "new asset" has been defined as new plant or machinery but does not include—

		(*iii*) any office appliances including computers or computer software; (*iv*) any vehicle; or (*v*) any plant or machinery, the whole of the actual cost of which is allowed as deduction (whether by way of depreciation or otherwise) in computing the income chargeable under the head "Profits and gains of business or profession" of any previous year.'.		(i) any plant or machinery was used either within or outside India by any other person; (ii) any plant or machinery installed in any office premises or any residential accommodation, including accommodation in the nature of a guest house; (iii) any office appliances including computers or computer software; (iv) any vehicle; (v) ship or aircraft; or (vi) any plant or machinery, the whole of the actual cost of which is allowed as deduction (whether by way of depreciation or

				otherwise) in computing the income chargeable under the head "Profits and gains of business or profession" of any previous year. **Restriction on transfer of the plant or machinery for a period of 5 years.** However, this restriction shall not apply in a case of amalgamation or demerger but shall continue to apply to the amalgamated company or resulting company, as the case may be.
6	Insertion of New Explanation to clause (vii) to S. 36(1) & new clause	"*Explanation* 2.—For the removal of doubts, it is hereby clarified that for the purposes of the proviso to clause (*vii*) of this sub-section and clause (*v*) of sub-section (*2*), the account referred to therein shall be only one account in respect of provision for bad and doubtful debts under clause (viia) and such account shall relate to all types of advances, including advances made by rural branches;";		It is proposed to insert an Explanation in clause (vii) of section 36(1) stating that for the purposes of the proviso to section 36(1)(vii) and section 36(2)(v), only one

	(xvi) after clause (xv)	'(*xvi*) an amount equal to the commodities transaction tax paid by the assessee in respect of the taxable commodities transactions entered into in the course of his business during the previous year, if the income arising from such taxable commodities transactions is included in the income computed under the head "Profits and gains of business or profession". *Explanation.*—For the purposes of this clause, the expressions "commodities transaction tax" and "taxable commodities transaction" shall have the meanings respectively assigned to them under Chapter VII of the Finance Act, 2013.'.		account as referred to therein is made in respect of provision for bad and doubtful debts under section 36(1)(viia) and such account relates to all types of advances, including advances made by rural branches. Therefore, for an assessee to which clause (viia) of section 36(1) applies, the amount of deduction in respect of the bad debts actually written off under section 36(1)(vii) shall be limited to the amount by which such bad debts exceeds the credit balance in the provision for bad and doubtful debts account made under section 36(1)(viia) without any distinction between rural advances and other advances.

7	Insertion of new clause (iib) in Section 40 after clause a(iia)	"(*iib*) any amount— (*A*) paid by way of royalty, licence fee, service fee, privilege fee, service charge or any other fee or charge, by whatever name called, which is levied exclusively on; or (*B*) which is appropriated, directly or indirectly, from, a State Government undertaking by the State Government . *Explanation.*—For the purposes of this sub-clause, a State Government undertaking includes— (*i*) a corporation established by or under any Act of the State Government; (*ii*) a company in which more than fifty per cent. of the paid-up equity share capital is held by the State Government; (*iii*) a company in which more than fifty per cent. of the paid-up equity share capital is held by the entity referred to in clause (*i*) or clause (*ii*) (whether singly or taken together); (*iv*) a company or corporation in which the State Government has the right to appoint the majority of the directors or to control the management or policy decisions, directly or indirectly, including by virtue of its shareholding or management rights or shareholders agreements or voting agreements or in any other manner; (*v*) an authority, a board or an institution or a body established or constituted by or under any	01.04.2014	It is proposed to amend section 40 of the Income-tax Act to provide that any amount paid by way of fee, charge, etc., which is levied exclusively on, or any amount appropriated, directly or indirectly, from a State Government undertaking, by the State Government, shall not be allowed as deduction for the purposes of computation of income of such undertakings under the head "Profits and gains of business or profession". It is also proposed to define the expression "State Government Undertaking" for this purpose.

		Act of the State Government or owned or controlled by the State Government;"		
8.	Insertion of S. 43CA after S. 43C	43CA. (*1*) Where the consideration received or accruing as a result of the transfer by an assessee of an asset (other than a capital asset), being land or building or both, is less than the value adopted or assessed or assessable by any authority of a State Government for the purpose of payment of stamp duty in respect of such transfer, the value so adopted or assessed or assessable shall, for the purposes of computing profits and gains from transfer of such asset, be deemed to be the full value of the consideration received or accruing as a result of such transfer. (*2*) The provisions of sub-section (*2*) and sub-section (*3*) of section 50C shall, so far as may be, apply in relation to determination of the value adopted or assessed or assessable under sub-section (*1*). (*3*) Where the date of agreement fixing the value of consideration for transfer of the asset and the date of registration of such transfer of asset are not the same, the value referred to in sub-section (*1*) may be taken as the value assessable by any authority of a State Government for the purpose of payment of stamp duty in respect of such transfer on the date of the agreement. (*4*) The provisions of sub-section (*3*) shall apply only in a case where the amount of consideration or a part thereof has been received by any mode other than cash on or before the date of agreement		1. New Section inserted to provide the sale consideration of Land or building held as stock in trade to be not not less than Stamp Duty Value, In such case Stamp duty value shall be the full value of consideration. 2. that where the date of an agreement fixing the value of consideration for the transfer of the asset and the date of registration of the transfer of the asset are not same, the stamp duty value may be taken as on

		for transfer of the asset.".		the date of the agreement for transfer provided the amount of consideration or a part thereof for the transfer has been received by any mode other than cash on or before the date of the agreement.
9.	Amendment to S.56(2)(vii)(b)	"(*b*) any immovable property,— (*i*) without consideration, the stamp duty value of which exceeds fifty thousand rupees, the stamp duty value of such property; (*ii*) for a consideration which is less than the stamp duty value of the property by an amount exceeding fifty thousand rupees, the stamp duty value of such property as exceeds such consideration: Provided that where the date of the agreement fixing the amount of consideration for the transfer of immovable property and the date of registration are not the same, the stamp duty value on the date of the agreement may be taken for the purposes of this sub-clause:	01.04.2014	a. The existing provisions ofS. 56(2)(vii)(b) of the Income-tax Act, inter alia, provide that where any immovable property is received by an individual or HUF without consideration, the stamp duty value of which exceeds fifty thousand rupees, the stamp duty value of such property would be charged to tax in the hands of the individual or HUF as income from

		Provided further that the said proviso shall apply only in a case where the amount of consideration referred to therein, or a part thereof, has been paid by any mode other than cash on or before the date of the agreement for the transfer of such immovable property;”;		other sources. b. The existing provision does not cover a situation where the immovable property has been received by an individual or HUF for inadequate consideration. It is proposed to amend the provisions of clause (vii) of sub-section (2) of section 56 so as to provide that where any immovable property is received for a consideration which is less than the stamp duty value of the property by an amount exceeding fifty thousand rupees, the stamp duty value of such property as exceeds such consideration, shall be chargeable to tax in the hands of the individual or HUF as income from

				other sources. C. that where the date of an agreement fixing the value of consideration for the transfer of the asset and the date of registration of the transfer of the asset are not same, the stamp duty value may be taken as on the date of the agreement for transfer provided the amount of consideration or a part thereof for the transfer has been received by any mode other than cash on or before the date of the agreement.
10.	Insertion of proviso to Sub section (3A) to S. 80C	'Provided that where the policy, issued on or after the 1st day of April, 2013, is for insurance on life of any person, who is— *(a)* a person with disability or a person with severe disability as referred to in section 80U, or *(b)* suffering from disease or ailment as specified in the rules made under section 80DDB, the provisions of this sub-section shall have effect as if for the words "ten per cent.", the words "fifteen	01.04.2014	Deduction u/s 80C for persons suffering with disability u/s 80U & 80DDB will be available if the premium is not more than 15% of Sum assured - Cap of 10% extended to 15%

		per cent." had been substituted.'.		
11	80CCG	(1) Where an assessee, being a rsesident individual, has, in a previous year, acquired listed equity shares ***or listed units of an equity oriented funds*** in accordance with a scheme, as may be notified by the Central Government in this behalf, he shall, subject to the provisions of sub-section (3), be allowed a deduction, in the computation of his total income of the assessment year relevant to such previous year, of fifty per cent of the amount invested in such equity shares ***or units*** to the extent such deduction does not exceed twenty-five thousand rupees. (2) ~~Where an assessee has claimed and allowed a deduction under this section for any assessment year in respect of any amount, he shall not be allowed any deduction under this section for any subsequent assessment year.~~ ***(2) The deduction under sub-section (1) shall be allowed in accordance with, and subject to,*** ***the provisions of this section for three consecutive assessment years, beginning with the*** ***assessment year relevant to the previous year in which the listed equity shares or listed units of*** ***equity oriented fund were first acquired.*** (3) The deduction under sub-section (1) shall be subject to the following conditions, namely:— (i) the gross total income of the assessee for the relevant assessment year shall not exceed ~~ten~~ ***12*** lakh rupees; (ii) the assessee is a new retail investor as may be specified	01-04-2014	Now this deduction is also available for listed units of an ***equity oriented mutual funds***. Instead of earlier one-time deduction now this deduction is available for ***three consecutive*** assessment years. In way now taxpayers enjoy this deduction for increased number of product as well as for larger number of years.

		under the scheme referred to in sub-section (1); (iii) the investment is made in such listed equity shares ***or listed units of an equity oriented funds*** as may be specified under the scheme referred to in sub-section (1); (iv) the investment is locked-in for a period of three years from the date of acquisition in accordance with the scheme referred to in sub-section (1); and (v) such other condition as may be prescribed. (4) If the assessee, in any previous year, fails to comply with any condition specified in sub-section (3), the deduction originally allowed shall be deemed to be the income of the assessee of such previous year and shall be liable to tax for the assessment year relevant to such previous year. ***Explanation.—For the purposes of this section, "equity oriented fund" shall have the meaning assigned to it in the Explanation to clause (38) of section 10.'.***		
12	80 D(2)	Where the assessee is an individual, the sum referred to in sub-section (1) shall be the aggregate of the following, namely:— (a) the whole of the amount paid to effect or to keep in force an insurance on the health of the assessee or his family [or any contribution made to the Central Government Health Scheme] ***or such other scheme as may be notified by the Central Government in this behalf*** [or any payment made on account of preventive health check-up of the assessee or his family] as	01.04.2014	Previously deduction under this provision was available only on CGHS scheme though similar schemes do existed over which no deduction was available. Through this amendment

		does not exceed in the aggregate fifteen thousand rupees; and (b) the whole of the amount paid to effect or to keep in force an insurance on the health of the parent or parents of the assessee 42a[or any payment made on account of preventive health check-up of the parent or parents of the assessee] as does not exceed in the aggregate fifteen thousand rupees. Explanation.—For the purposes of clause (a), "family" means the spouse and dependent children of the assessee.		Government has tried to extend benefit under this Section to such other health schemes as well, which are expected to be notified in due course of time. In a way parity will be maintained by the government among all health schemes.
13	80 EE	***(1) In computing the total income of an assessee, being an individual, there shall be deducted, in accordance with and subject to the provisions of this section, interest payable on loan taken by him from any financial institution for the purpose of acquisition of a residential house property.*** ***(2) The deduction under sub-section (1) shall not exceed one lakh rupees and shall be allowed in computing the total income of the individual for the assessment year beginning on the 1st day of April, 2014 and in a case where the interest payable for the previous year relevant to the said assessment year is less than one lakh rupees, the balance amount shall be allowed in the assessment year beginning on the 1st day of April, 2015.*** ***(3) The deduction under sub-section (1) shall be subject to the following conditions, namely:—*** ***(i) the loan has been sanctioned by the financial institution during the period beginning on the***	01-04-2014	Earlier in section 24 deduction was available for interest paid on the capital borrowed for acquisitions, construction etc. of residential house property to the maximum limit of Rs. 1,50,000. However such deduction was not available in a case where the residential house property is : • Either not

		1st day of April, 2013 and ending on the 31st day of March, 2014; ***(ii) the amount of loan sanctioned for acquisition of the residential house property does not exceed twenty-five lakh rupees;*** ***(iii) the value of the residential house property does not exceed forty lakh rupees;*** ***(iv) the assessee does not own any residential house property on the date of sanction of the loan.*** ***(4) Where a deduction under this section is allowed for any interest referred to in sub-section (1), deduction shall not be allowed in respect of such interest under any other provisions of the Act for the same or any other assessment year.*** ***(5) For the purposes of this section,—*** ***(a) "financial institution" means a banking company to which the Banking Regulation Act, 1949 applies including any bank or banking institution referred to in section 51 of that Act or a housing finance company;*** ***(b) "housing finance company" means a public company formed or registered in India with the main object of carrying on the business of providing long-term finance for construction or purchase of houses in India for residential purposes.'.***		constructed, repaired etc. within specified three years: or • The property has not been yet launched and the construction is yet to begin. The amendment seems to cover above two aspects by way of providing maximum Rs. 1,00,000 in respect of interest paid subject to specified conditions.
14	80G	(1) In computing the total income of an assessee, there shall be deducted, in accordance with and subject to the provisions of this section,— [(*i*) in a case where the aggregate of the sums specified in sub-	01-04-2014	Earlier any donation made to national children fund was available as 50% deduction.

		section (2) includes any sum or sums of the nature specified in [sub-clause (*i*) or in] [sub-clause (*iiia*) [or in sub-clause (*iiiaa*) [or in sub-clause (*iiiab*)] ***or [in sub-clause (iiib)]*** [or in sub-clause (*iiie*)] [or in sub-clause (*iiif*)] [or in sub-clause (*iiig*)] [or in sub-clause (*iiiga*)] or [sub-clause (*iiih*) or] [sub-clause (*iiiha*) or sub-clause (*iiihb*) or sub-clause (*iiihc*) [or sub-clause (*iiihd*)] [or sub-clause (*iiihe*)] [or sub-clause (*iiihf*)] [or sub-clause *(iiihg)* or sub-clause (*iiihh*)] [or sub-clause (*iiihi*)] [or sub-clause (*iiihj*)] or] in] sub-clause (*vii*) of clause (*a*) [or in clause (*c*)] [or in clause (*d*)] thereof, an amount equal to the whole of the sum or, as the case may be, sums of such nature *plus* fifty per cent of the balance of such aggregate; and]		Through this amendment such donation shall now attract 100% deduction.
15	**80GGB [Deduction in respect of contributions given by companies to political parties]**	In computing the total income of an assessee, being an Indian company, there shall be deducted any sum contributed by it, in the previous year to any political party [or an electoral trust]. ***"Provided that no deduction shall be allowed under this section in respect of any sum contributed by way of cash.".*** *Explanation.*—For the removal of doubts, it is hereby declared that for the purposes of this section, the word "contribute", with its grammatical variation, has the meaning assigned to it under section 293A of the Companies Act, 1956 (1 of 1956).	01-04-2014	Now such deduction shall be available if the contribution is made by any mode, other than cash.
16	**80GGC [Deduction in respect of**	In computing the total income of an assessee, being any person, except local authority and every artificial juridical person wholly or partly funded by the Government, there shall be deducted any amount of contribution made by him, in the	01-04-2014	Now such deduction shall be available if the contribution is made by any mode, other than

	contributions given by any person to political parties.]	previous year, to a political party [or an electoral trust]. ***"Provided that no deduction shall be allowed under this section in respect of any sum contributed by way of cash.".*** Explanation.—For the purposes of sections 80GGB and 80GGC, "political party" means a political party registered under section 29A of the Representation of the People Act, 1951 (43 of 1951).]		cash.
17	80-IA(4) **[Deductions in respect of profits and gains from industrial undertakings or enterprises engaged in infrastructure developm**	(*iv*) an [undertaking] which,— (*a*) is set up in any part of India for the generation or generation and distribution of power if it begins to generate power at any time during the period beginning on the 1st day of April, 1993 and ending on the 31st day of March, ~~[*2013*].~~ ***[2014]*** (*b*) starts transmission or distribution by laying a network of new transmission or distribution lines at any time during the period beginning on the 1st day of April, 1999 and ending on the 31st day of March, ~~[*2013*].~~ ***[2014]*** **Provided** that the deduction under this section to an [undertaking] under sub-clause (*b*) shall be allowed only in relation to the profits derived from laying of such network of new lines for transmission or distribution; (*c*) undertakes substantial renovation and modernization of the existing network of transmission or distribution lines at any time during	01-04-2014	The sunset date for power sector u/s 80-IA has been extended to 31-03-2014.

	ent, etc]	the period beginning on the 1st day of April, 2004 and ending on the 31st day of March, ~~[2013].~~ ***[2014]***		
18	80JJAA **Deduction in respect of employment of new workmen.**	~~(1) Where the gross total income of an assessee, being an Indian company, includes any profits and gains derived from any industrial undertaking engaged in the manufacture or production of article or thing, there shall, subject to the conditions specified in sub-section (2), be allowed a deduction of an amount equal to thirty per cent of additional wages paid to the new regular workmen employed by the assessee in the previous year for three assessment years including the assessment year relevant to the previous year in which such employment is provided.~~ "(*1*) ***Where the gross total income of an assessee, being an Indian company, includes any profits and gains derived from the manufacture of goods in a factory, there shall, subject to the conditions specified in sub-section (2), be allowed a deduction of an amount equal to thirty per cent. of additional wages paid to the new regular workmen employed by the assessee in such factory, in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.*** (2) No deduction under sub-section (1) shall be allowed— ~~*(a)* if the industrial undertaking is formed by splitting up or reconstruction of an existing undertaking or amalgamation~~	01-04-2014	The deduction under this section is now available only for typical manufacturing sector. Unlike previous year now this deduction is not available if the factory is hived off or transferred from another entity or acquired as result of amalgamations in a way only fresh investments shall be eligible for deduction herein. Also replacing of words undertaking by factory has further narrowed the applicability of this section.

		~~with another industrial undertaking;~~ ***a) if the factory is hived off or transferred from another existing entity or acquired by the assessee company as a result of amalgamation with another company;*** (*b*) unless the assessee furnishes along with the return of income the report of the accountant, as defined in the *Explanation* below sub-section (2) of section 288 giving such particulars in the report as may be prescribed. *Explanation.*—For the purposes of this section, the expressions,— (*i*) "additional wages" means the wages paid to the new regular workmen in excess of one hundred workmen employed during the previous year : **Provided** that in the case of an existing ~~undertaking~~ ***factory***, the additional wages shall be *nil* if the increase in the number of regular workmen employed during the year is less than ten per cent of existing number of workmen employed in such ~~undertaking~~ ***factory*** as on the last day of the preceding year; (*ii*) "regular workman", does not include— (*a*) a casual workman; or (*b*) a workman employed through contract labour; or (*c*) any other workman employed for a period of less than		

		three hundred days during the previous year; (*iii*) "workman" shall have the meaning assigned to it in clause (*s*) of section 2 of the Industrial Disputes Act, 1947 (14 of 1947). ***'(iv) "factory" shall have the same meaning as assigned to it in clause (m) of section 2 of the Factories Act, 1948.'.***		
19	**87**	(1) In computing the amount of income-tax on the total income of an assessee with which he is chargeable for any assessment year, there shall be allowed from the amount of income-tax (as computed before allowing the deductions under this Chapter), in accordance with and subject to the provisions of [sections ***87A,*** 88, 88A, 88B, 88C, 88D and 88E], the deductions specified in those sections. (2) The aggregate amount of the deductions sections ***87A,*** 88, 88A, 88B, 88C, 88D and 88E], shall not, in any case, exceed the amount of income-tax (as computed before allowing the deductions under this Chapter) on the total income of the assessee with which he is chargeable for any assessment year.	01-04-2014	Newly legislated section 87A has been operationlized.
20	**87A** **Rebate of**	***An assessee, being an individual resident in India, whose total income does not exceed five hundred thousand rupees, shall be entitled to a deduction, from the amount of income-tax (as computed before allowing the deductions under this***	01-04-2014	Additional benefit of : • 100% of Income tax

	income-tax in case of certain Individuals.	***Chapter) on his total income with which he is chargeable for any assessment year, of an amount equal to hundred per cent. of such income-tax or an amount of two thousand rupees, whichever is less.".***		payable, or • Rs. 2,000/- Whichever is lower has been provided to resident individual assessee whose total income does not exceed Rs. 5,000/-.
21	90	(*a*) sub-section (*2A*) shall be omitted; (*b*) after sub-section (*2*), the following sub-section shall be inserted with effect from the 1st day of April, 2016, namely:— "(*2A*) Notwithstanding anything contained in sub-section (*2*), the provisions of Chapter X-A of the Act shall apply to the assessee even if such provisions are not beneficial to him."; (*c*) after sub-section (*4*) and before *Explanation* 1, the following sub-section shall be inserted, namely:— "(*5*) The certificate of being a resident in a country outside India or specified territory outside India, as the case may be, referred to in sub-section (*4*), shall be necessary but not a sufficient condition for claiming any relief under the agreement referred to therein."	1/4/2016	Treaty provisions were being mandatory from 1.4.13. The same has now been omitted. GAAR provisions to become mandatory even if they are detrimental to the interest of the assessee. With this amendment, the Tax Residency Certificate (TRC) is reiterated to be

				necessary **but not sufficient** condition for claiming benefit under DTAA.
22	90A	(*a*) sub-section (*2A*) shall be omitted; (*b*) after sub-section (*2*), the following sub-section shall be inserted with effect from the 1st day of April, 2016, namely:— "(*2A*) Notwithstanding anything contained in sub-section (*2*), the provisions of Chapter X-A of the Act shall apply to the assessee even if such provisions are not beneficial to him."; (*c*) after sub-section (*4*) and before *Explanation* 1, the following sub-section shall be inserted, namely:— "(*5*) The certificate of being a resident in a specified territory outside India referred to in sub-section (*4*), shall be necessary but not a sufficient condition for claiming any relief under the agreement referred to therein.".		This is in respect of agreement between specified Associations of two countries. GAAR provisions to become mandatory even if they are detrimental to the interest of the assessee. With this amendment, the Tax Residency Certificate (TRC) is reiterated to be necessary **but not sufficient** condition for claiming benefit under DTAA.

23	Chapter X A	Chapter X-A of the Income-tax Act (as inserted by section 41 of the Finance Act, 2012) relating Chapter X-A to General Anti-Avoidance 2014	1.4.2016	The erstwhile GAAR rules shall now be applicable from April 2016 instead of 2014
24	Chapter X-A	Introduction of new Chapter on General Anti Avoidance Rule**		
25	115A	**25**. In section 115A of the Income-tax Act, in sub-section (*1*), in clause (*b*), for sub-clauses (*A*), (*AA*), (*B*) and (*BB*), the following sub-clauses shall be substituted with effect from the 1st day of April, 2014, namely:— "(*A*) the amount of income-tax calculated on the income by way of royalty, if any, included in the total income, at the rate of twenty-five per cent.; Amendment (*B*) the amount of income-tax calculated on the income by way of fees for technical services, ifany, included in the total income, at the rate of twenty-five per cent.; and".	1.4.2014	This amendment refers to the taxation of Non-resident income from Royalty and Fee for Technical services (FTS) On Royalty, irrespective of the date of the contract, the rate of tax has been changed from 30% or 10% to flat 25% On Royalty, irrespective of the date of the contract, the rate of tax has been changed from 30% or 10% to flat 25%

26.	115BBD - Tax on certain dividends received from foreign companies.	In sub-section (*1*), after the words, figures and letters "the 1st day of April, 2013", the words, figures and letters "or beginning on the 1st day of April, 2014" shall be inserted with effect from the 1st day of April, 2014.	AY 2014-15	Benefit of concessional rate of 15% tax on dividends received by an Indian company from a foreign company in which the former holds more than 26% in terms of nominal value of equity share capital, extended by one more year.
27.	115-O - Tax on distributed profits of domestic companies.	In sub-section (*1A*), for clause (*i*), the following clause shall be substituted with effect from the 1st day of June, 2013, namely:— "(*i*) the amount of dividend, if any, received by the domestic company during the financial year, if such dividend is received from its subsidiary and,— (*a*) where such subsidiary is a domestic company, the subsidiary has paid the tax which is payable under this section on such dividend; or (*b*) where such subsidiary is a foreign company, the tax is payable by the domestic company under section 115BBD on such dividend: Provided that the same amount of dividend shall not be taken into account for reduction more than once;".	1 June 2013	Benefit re: removal of cascading effect of DDT in a multi – tier structure where dividend is received by a domestic company from its subsidiary (which is also a **domestic** company), extended to a domestic company which has a **foreign** subsidiary provided the domestic company is subjected to tax u/s 115BBD of the Act.

28	New Chapter XIIDA - Provisions relating to Tax on Distributed Income of Domestic Company for Buy-Back of Shares 115QA. – Tax on distributed income to shareholders	(*1*) Notwithstanding anything contained in any other provision of this Act, in addition to the income-tax chargeable in respect of the total income of a domestic company for any assessment year, any amount of distributed income by the company on buy-back of shares (not being shares listed on a recognised stock exchange) from a shareholder shall be charged to tax and such company shall be liable to pay additional income-tax at the rate of twenty per cent. on the distributed income. *Explanation.*—For the purposes of this section,— (*i*) "buy-back" means purchase by a company of its own shares in accordance with the provisions of section 77A of the Companies Act, 1956; (*ii*) "distributed income" means the consideration paid by the company on buy-back of shares as reduced by the amount which was received by the company for issue of such shares. (*2*) Notwithstanding that no income-tax is payable by a domestic company on its total income computed in accordance with the provisions of this Act, the tax on the distributed income under sub-section (*1*) shall be payable by such company. (*3*) The principal officer of the domestic company and the company shall be liable to pay the tax to the credit of the Central Government within fourteen days from the date of payment of any consideration to the shareholder on buy-back	1 June 2013	A company, having distributable reserves, has two options to distribute the same to its shareholders either by declaration and payment of dividends to the shareholders, or by way of purchase of its own shares (i.e. buy back of shares) at a consideration fixed by it. In the first case, the payment by company is subject to DDT and income in the hands of shareholders is exempt. In the second case the income is taxed in the hands of shareholder as capital gains u/s 46A. Unlisted Companies, as part of tax avoidance scheme, are resorting to buy back of shares instead of payment of dividends in order to avoid payment of tax by way of DDT

		of shares referred to in sub-section (*1*). (*4*) The tax on the distributed income by the company shall be treated as the final payment of tax in respect of the said income and no further credit therefor shall be claimed by the company or by any other person in respect of the amount of tax so paid. (*5*) No deduction under any other provision of this Act shall be allowed to the company or a shareholder in respect of the income which has been charged to tax under sub-section (*1*) or the tax thereon.		particularly where the capital gains arising to the shareholders are either not chargeable to tax or are taxable at a lower rate. In order to curb such practice it is proposed to amend the Act, by insertion of new Chapter XII-DA, to provide that the consideration paid by the company for purchase of its own unlisted shares which is in excess of the sum received by the company at the time of issue of such shares (distributed income) will be charged to tax and the company would be liable to pay additional income-tax @ 20% of the distributed income paid to the shareholder. The additional income-tax payable by the company shall be the
	115QB. 115QC.	Where the principal officer of the domestic company and the company fails to pay the whole or any part of the tax on the distributed income referred to in sub-section (*1*) of section 115QA, within the time allowed under sub-section (*3*) of that section, he or it shall be liable to pay simple interest at the rate of one per cent. for every month or part thereof on the amount of such tax for the period beginning on the date immediately after the last date on which such tax was payable and ending with the date on which the tax is actually paid. If any principal officer of a domestic company and the company does not pay tax on distributed income in accordance with the provisions of section 115QA, then, he or it shall be deemed to be an assessee in default in respect of the amount of tax payable by him or it and all the provisions of this Act for the collection and recovery of income-tax shall apply.'		

				final tax on similar lines as dividend distribution tax. The income arising to the shareholders in respect of such buy back by the company would be exempt where the company is liable to pay the additional income-tax on the buy-back of shares.
29	115R - Tax on distributed income to unit holders.	(*a*) in clause (*ii*), for the words "twelve and one-half per cent.", the words "twenty-five per cent." shall be substituted; (*b*) after sub-clause (*iii*) and before the proviso, the following proviso shall be inserted, namely:— "Provided that where any income is distributed by a mutual fund under an infrastructure debt fund scheme to a non-resident (not being a company) or a foreign company, the mutual fund shall be liable to pay additional income-tax at the rate of five per cent. on income so distributed:"; (*c*) in the proviso, for the words "Provided that ", the words "Provided further that" shall be substituted; (*d*) for the *Explanation*, the following *Explanation* shall be substituted, namely:— *'Explanation*.—For the purposes of this sub-section,— (*i*) "administrator" and "specified company" shall have the meanings respectively assigned to them in the *Explanation* to clause (*35*) of section 10;	1 June 2013	Under the existing provisions of section 115R, in case of any distribution made by a fund other than equity oriented fund to a person who is not an individual and HUF, the rate of tax is 30% whereas in case of distribution to an individual or an HUF it is 12.5% or 25% depending on the nature of the fund. In order to provide uniform taxation for all

		(*ii*) "infrastructure debt fund scheme" shall have the same meaning as assigned to it in clause (*1*) of regulation 49L of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 made under the Securities and Exchange Board of India Act, 1992.'.		types of funds, other than equity oriented fund, it is proposed to increase the rate of tax on distributed income from 12.5% to 25% in all cases where distribution is made to an individual or a HUF. Further in case of an Infrastructure debt fund (IDF) set up as a Non-Banking Finance Company (NBFC) the interest payment made by the fund to a non-resident investor is taxable at a concessional rate of 5%. However in case of distribution of income by an IDF set up as a Mutual Fund the distribution tax is levied at the rates described above in the case of a Mutual Fund. In order to bring parity in taxation of income from investment made

				by a non-resident Investor in an IDF whether set up as a IDF-NBFC or IDF-MF, it is proposed to amend section 115R to provide that tax @ 5% on income distributed shall be payable in respect of income distributed by a Mutual Fund under an IDF scheme to a non-resident Investor.
30	New Chapter XIIEA - Special provisions relating to Tax on Distributed Income by Securitisation Trusts 115TA –	(*1*) Notwithstanding anything contained in any other provisions of the Act, any amount of income distributed by the securitisation trust to its investors shall be chargeable to tax and such securitisation trust shall be liable to pay additional income-tax on such distributed income at the rate of— (*i*) twenty-five per cent. on income distributed to any person being an individual or a Hindu undivided family; (*ii*) thirty per cent. on income distributed to any other person: Provided that nothing contained in this sub-section shall apply in respect of any income distributed by the securitisation trust to any person in whose case income, irrespective of its nature and source, is not chargeable to tax under the Act. (*2*) The person responsible for making payment of the income distributed by the securitisation trust shall be liable to pay tax	1 June 2013	Section 161 of the Income-tax Act provides that in case of a trust if its income consists of or includes profits and gains of business then income of such trust shall be taxed at the maximum marginal rate in the hands of trust. The special purpose entities set up in the form of trust to undertake securitisation activities were facing

	Tax on distributed income to investors 115TB – Interest payable for non-payment of tax	to the credit of the Central Government within fourteen days from the date of distribution or payment of such income, whichever is earlier. (*3*) The person responsible for making payment of the income distributed by the securitisation trust shall, on or before the 15th day of September in each year, furnish to the prescribed income-tax authority, a statement in the prescribed form and verified in the prescribed manner, giving the details of the amount of income distributed to investors during the previous year, the tax paid thereon and such other relevant details, as may be prescribed. (*4*) No deduction under any other provisions of this Act shall be allowed to the securitisation trust in respect of the income which has been charged to tax under sub-section (*1*). Where the person responsible for making payment of the income distributed by the securitisation trust and the securitisation trust fails to pay the whole or any part of the tax referred to non-payment in sub-section (*1*) of section 115TA, within the time allowed under sub-section (*2*) of that section, he shall be liable to pay simple interest at the rate of one per cent. every month or part thereof on the amount of such tax for the period beginning on the date immediately after the last date on which such tax was payable and ending with the date on which the tax is actually paid.		problem due to lack of special dispensation in respect of taxation under the Income-tax Act. The taxation at the level of trust due to existing provisions was considered to be restrictive particularly where the investors in the trust are persons which are exempt from taxation under the provisions of the Income-tax Act like Mutual Funds. In order to facilitate the securitisation process, it is proposed to provide a special taxation regime in respect of taxation of income of securitisation entities, set up as a trust, from the activity of securitisation. It is proposed to amend section 10 and also insert a new Chapter XII-EA for providing a

	115TC – Securitization trust to be assessee in default	If any person responsible for making payment of the income distributed by thetrust to be securitisation trust and the securitisation trust does not pay tax, as referred to in sub-section (*1*) assessee in of section 115TA, then, he or it shall be deemed to be an assessee in default in respect of the default. amount of tax payable by him or it and all the provisions of this Act for the collection and recovery of income-tax shall apply. *Explanation.*—For the purposes of this Chapter,— (*a*) "investor" means a person who is holder of any securitised debt instrument or securities issued by the securitisation trust; (*b*) "securities" means debt securities issued by a Special Purpose Vehicle as referred to in the guidelines on securitisation of standard assets issued by the Reserve Bank of India; (*c*) "securitised debt instrument" shall have the same meaning as assigned to it in clause (*s*) of sub-regulation (*1*) of regulation 2 of the Securities and Exchange Board of India (Public Offer and Listing of Securitised Debt Instruments) Regulations, 2008 made under the Securities and 15 of 1992. Exchange Board of India Act, 1992 and the Securities Contracts (Regulation) Act, 1956; 42 of 1956. (*d*) "securitisation trust" means a trust, being a—		special tax regime. The salient features of the special regime are : (i) In case of securitisation vehicles which are set up as a trust and the activities of which are regulated by either SEBI or RBI, the income from the activity of securitisation of such trusts will be exempt from taxation. (ii) The securitisation trust will be liable to pay additional income-tax on income distributed to its investors on the line of distribution tax levied in the case of mutual funds. The additional income-tax shall be levied @ 25% in case of distribution being made to investors who are individual and HUF and @ 30% in other cases. No

		(*i*) "special purpose distinct entity" as defined in clause (*u*) of sub-regulation (*1*) of regulation 2 of the Securities and Exchange Board of India (Public Offer and Listing of Securitised Debt Instruments) Regulations, 2008 made under the Securities and Exchange Board of India Act, 15 of 1992. 1992 and the Securities Contracts (Regulation) Act, 1956, and regulated under the said 42 of 1956. regulations; or (*ii*) "Special Purpose Vehicle" as defined in, and regulated by, the guidelines on securitisation of standard assets issued by the Reserve Bank of India, which fulfils such conditions, as may be prescribed.'		additional income-tax shall be payable if the income distributed by the securitisation trust is received by a person who is exempt from tax under the Act. (iii) Consequent to the levy of distribution tax, the distributed income received by the investor will be exempt from tax. (iv) The securitisation trust will be liable to pay interest at the rate of one percent. for every month or part of the month on the amount of additional income-tax not paid within the specified time . (v) The person responsible for payment of income or the securitisation trust will be deemed to be an assessee in default in

				respect of amount of tax payable by him or it in case the additional income-tax is not paid to the credit of Central Government.
31	132B	Newly inserted *Explanation* '*Explanation* 2.—For the removal of doubts, it is hereby declared that the "existing liability" does not include advance tax payable in accordance with the provisions of Part C of Chapter XVII.'.	1-06-2013	Explanation 1 added which clarifies that ***Advance tax liability does not form part of existing tax liability*** meaning thereby seized cash cannot be adjusted against the advance tax liability
32	139(9)	In section 139 of the Income-tax Act, in sub-section (*9*), in the *Explanation*, after clause (*a*), the following clause shall be inserted with effect from the 1st day of June, 2013, namely:— "(*aa*) the tax together with interest, if any, payable in accordance with the provisions of section 140A, has been paid on or before the date of furnishing of the return;"	1-06-2013	Clause (aa) has been added to Explanation which stipulates Return will be treated as defective if tax together with ***interest*** u/s 140A not paid before furnishing the return of income
33	142(2A)	In section 142 of the Income-tax Act, in sub-section (*2A*), for the words "the nature and complexity of the accounts of the assessee and", the words "the nature and complexity of the accounts, volume of the accounts, doubts about the correctness of the accounts, multiplicity of transactions in the accounts	1-06-2013	The expression nature and complexity of the accounts substituted with ***the nature and complexity of the***

		or specialised nature of business activity of the assessee, and'' shall be substituted with effect from the 1st day of June, 2013		***accounts, volume of accounts, doubts about the correctness of the accounts, multiplicity of the transactions in the accounts or specialized nature of business activity of the assessee and the*** interest of the revenue Thus the powers of AO widened for asking for special audit.
34 & 35	144BA	Section 144BA of the Income-tax Act (as inserted by section 62 of the Finance Act, 2012) shall be omitted with effect from the 1st day of April, 2014. After section 144B of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2016, namely:— "144BA. (*1*) If, the Assessing Officer, at any stage of the assessment or reassessment proceedings before him having regard to the material and evidence available, considers that it is necessary to declare an arrangement as an impermissible avoidance arrangement and to determine the consequence of such an arrangement within the meaning of Chapter X-A, then, he may make a	1-04-2016	Old section 144BA omitted and a new section inserted wef 1.4.2016. Section 96 amended- words one of the main purposes omitted meaning thereby that an arrangement which have multiple purpose including obtaining tax benefit will be outside the purview of GAAR. Only arrangements having main purpose of obtaining tax benefit will attract GAAR.

		reference to the Commissioner in this regard. (*2*) The Commissioner shall, on receipt of a reference under sub-section (*1*), if he is of the opinion that the provisions of Chapter X-A are required to be invoked, issue a notice to the assessee, setting out the reasons and basis of such opinion, for submitting objections, if any, and providing an opportunity of being heard to the assessee within such period, not exceeding sixty days, as may be specified in the notice. (*3*) If the assessee does not furnish any objection to the notice within the time specified in the notice issued under sub-section (*2*), the Commissioner shall issue such directions as he deems fit in respect of declaration of the arrangement to be an impermissible avoidance arrangement. (*4*) In case the assessee objects to the proposed action, and the Commissioner after hearing the assessee in the matter is not satisfied by the explanation of the assessee, then, he shall make a reference in the matter to the Approving Panel for the purpose of declaration of the arrangement as an impermissible avoidance arrangement. (*5*) If the Commissioner is satisfied, after having heard the assessee that the provisions of Chapter X-A are not to be invoked, he shall by an order in writing, communicate the same to the Assessing Officer with a copy to the assessee. (*6*) The Approving Panel, on receipt of a reference from the Commissioner under sub-section (*4*), shall issue such directions, as it deems fit, in respect of the declaration of the arrangement as an		Now, the onus is on the assessee to prove that the main purpose of the arrangement entered into is not tax avoidance.

		impermissible avoidance arrangement in accordance with the provisions of Chapter X-A including specifying of the previous year or years to which such declaration of an arrangement as an impermissible avoidance arrangement shall apply. (*7*) No direction under sub-section (*6*) shall be issued unless an opportunity of being heard is given to the assessee and the Assessing Officer on such directions which are prejudicial to the interest of the assessee or the interests of the revenue, as the case may be. (*8*) The Approving Panel may, before issuing any direction under sub-section (*6*),— (*i*) if it is of the opinion that any further inquiry in the matter is necessary, direct the Commissioner to make such inquiry or cause the inquiry to be made by any other income-tax authority and furnish a report containing the result of such inquiry to it; or (*ii*) call for and examine such records relating to the matter as it deems fit; or (*iii*) require the assessee to furnish such documents and evidence as it may direct. (*9*) If the members of the Approving Panel differ in opinion on any point, such point shall be decided according to the opinion of the majority of the members. (*10*) The Assessing Officer, on receipt of directions of the Commissioner under sub-section (*3*) orof the Approving Panel under sub-section (*6*), shall proceed to complete the proceedings referred to in sub-section (*1*) in accordance with such directions and the provisions of Chapter X-A. (*11*) If any direction issued under sub-section (*6*) specifies that declaration of the arrangement		

		as impermissible avoidance arrangement is applicable for any previous year other than the previous year to which the proceeding referred to in sub-section (*1*) pertains, then, the Assessing Officer while completing any assessment or reassessment proceedings of the assessment year relevant to such other previous year shall do so in accordance with such directions and the provisions of Chapter X-A and it shall not be necessary for him to seek fresh direction on the issue for the relevant assessment year. (*12*) No order of assessment or reassessment shall be passed by the Assessing Officer without the prior approval of the Commissioner, if any tax consequences have been determined in the order under the provisions of Chapter X-A. (*13*) The Approving Panel shall issue directions under sub-section (*6*) within a period of six months from the end of the month in which the reference under sub-section (*4*) was received. (*14*) The directions issued by the Approving Panel under sub-section (*6*) shall be binding on— (*i*) the assessee; and (*ii*) the Commissioner and the income-tax authorities subordinate to him, and notwithstanding anything contained in any other provision of the Act, no appeal under the Act shall lie against such directions. (*15*) The Central Government shall, for the purposes of this section, constitute one or more Approving Panels as may be necessary and each panel shall		

		consist of three members including a Chairperson. (*16*) The Chairperson of the Approving Panel shall be a person who is or has been a judge of a High Court, and— (*i*) one member shall be a member of Indian Revenue Service not below the rank of Chief Commissioner of Income-tax; and (*ii*) one member shall be an academic or scholar having special knowledge of matters, such as direct taxes, business accounts and international trade practices. (*17*) The term of the Approving Panel shall ordinarily be for one year and may be extended from time to time up to a period of three years. (*18*) The Chairperson and members of the Approving Panel shall meet, as and when required, to consider the references made to the panel and shall be paid such remuneration as may be prescribed. (*19*) In addition to the powers conferred on the Approving Panel under this section, it shall have the powers which are vested in the Authority for Advance Rulings under section 245U. (*20*) The Board shall provide to the Approving Panel such officials as may be necessary for the efficient exercise of powers and discharge of functions of the Approving Panel under the Act. (*21*) The Board may make rules for the purposes of the constitution and efficient functioning of the Approving Panel and expeditious disposal of the references received under sub-section (*4*). *Explanation.*—In computing the period referred to in sub-		

		section (*13*), the following shall be excluded— (*i*) the period commencing from the date on which the first direction is issued by the Approving Panel to the Commissioner for getting the inquiries conducted through the authority competent under an agreement referred to in section 90 or section 90A and ending with the date on which the information so requested is last received by the Approving Panel or one year, whichever is less; (*ii*) the period during which the proceeding of the Approving Panel is stayed by an order or injunction of any court: Provided that where immediately after the exclusion of the aforesaid time or period, the period available to the Approving Panel for issue of directions is less than sixty days, such remaining period shall be extended to sixty days and the aforesaid period of six months shall be deemed to have been extended accordingly.”.		
36	144C	In section 144C of the Income-tax Act,— (*a*) sub-section (*14A*) shall be omitted; (*b*) after sub-section (*14*), the following sub-section shall be inserted with effect from the 1st day of April, 2016, namely:- “(*14A*) The provisions of this section shall not apply to any assessment or reassessment order passed by the Assessing Officer with the prior approval of the Commissioner as provided in subsection	1-04-2016	Sub–section 14A of section 144C omitted and new sub section 14A added.as it is. This amendment is consequential in nature. In view of new section 144BA.

		(*12*) of section 144BA.".		
37	153	In section 153 of the Income-tax Act, in *Explanation* 1,— (*a*) for clause (*iii*), the following clause shall be substituted with effect from the 1st day of June, 2013, namely:— "(*iii*) the period commencing from the date on which the Assessing Officer directs the assessee to get his accounts audited under sub-section (*2A*) of section 142 and— (*a*) ending with the last date on which the assessee is required to furnish a report of such audit under that sub-section; or (*b*) where such direction is challenged before a court, ending with the date on which the order setting aside such direction is received by the Commissioner,or"; (*b*) for clause (*viii*), the following clause shall be substituted with effect from the 1st day of June, 2013, namely:— "(*viii*) the period commencing from the date on which a reference or first of the references for exchange of information is made by an authority competent under an agreement referred to in section 90 or section 90A and ending with the date on which the information requested is last received by the Commissioner or a period of one year, whichever is less,"; (*c*) clause (*ix*) shall be omitted; (*d*) in clause (*viii*), at the end, the word ''or'' and after clause (*viii*), the following clause shall be inserted with effect from the 1st day of April, 2016, namely:—	1-06-2013	Clause (iii) of Explanation 1 of section 153 amended meaning thereby that the period where the direction of audit u/s 142(2A) is challenged before a court and such order is set aside by the court, the period between the date on which order is challenged and on which the order is set aside by the court was recd. by the AO will be excluded in limitation time of computation of assessment. Clause viii of Explanation1 substituted as The period commencing from the date on which a reference or first of the references for exchange of the information as refereed to in sec 90/90A and ending

		"(*ix*) the period commencing from the date on which a reference for declaration of an arrangement to be an impermissible avoidance arrangement is received by the Commissioner under sub-section (*1*) of section 144BA and ending on the date on which a direction under subsection (*3*) or sub-section (*6*) or an order under sub-section (*5*) of the said section is received by the Assessing Officer,".		with the date on which the information last recd. or one year whichever is less shall be excluded in limitation time computation of assessment. And at the end of the clause the word "or" is inserted Clause ix of Explanation 1 s omitted and reinserted as it is, meaning thereby the period specified under the said clause will not be considered in computing the limitation time period of assessment. In nut shell either clause viii or clause ix will be considered. while calculating limitation period.
38	153B	In section 153B of the Income-tax Act, in the *Explanation*,— (*a*) for clause (*ii*), the following clause shall be substituted with effect from the 1st day of June, 2013, namely:— "(*ii*) the period commencing from the date on which the Assessing Officer directs the assessee to get his accounts audited under sub-section (*2A*) of section	1-06-2013	Clause (ii) of Explanation of section 153B amended meaning thereby the period where the direction of audit u/s

		142 and— (*a*) ending with the last date on which the assessee is required to furnish a report of such audit under that sub-section; or (*b*) where such direction is challenged before a court, ending with the date on which the order setting aside such direction is received by the Commissioner, or"; (*b*) for clause (*viii*), the following clause shall be substituted with effect from the 1st day of June, 2013, namely:— "(*viii*) the period commencing from the date on which a reference or first of the references for exchange of information is made by an authority competent under an agreement referred to in section 90 or section 90A and ending with the date on which the information requested is last received by the Commissioner or a period of one year, whichever is less,"; (*c*) clause (*ix*) shall be omitted; (*d*) in clause (*viii*), at the end, the word ''or'' and after clause (*viii*), the following clause shall be inserted with effect from the 1st day of April, 2016, namely:- "(*ix*) the period commencing from the date on which a reference for declaration of an arrangement to be an impermissible avoidance arrangement is received by the Commissioner under sub-section (*1*) of section 144BA and ending on the date on which a direction under subsection (*3*) or sub-section (*6*) or an order under sub-section (*5*) of the said section is received by		142(2A) is challenged before a court and such order is set aside by the court, the period between date on which order is challenged and on which is set aside by the court was recd. by the AO will be excluded in limitation time computation of assessment. Clause viii of Explanation of section 153B substituted as The period commencing from the date on which a reference or first of the references for exchange of the information as referred to in sec 90/90A and ending with the date on which the information last recd. or one year whichever is less shall be excluded in limitation time

		the Assessing Officer,".		computation of assessment. And at the end of the clause the word "or" is inserted Clause ix of Explanation of section 153B omitted and reinserted as it is, meaning thereby the period specified under the said clause will not be considered in computing the limitation time period of assessment. In nut shell either clause viii or clause ix will be considered while calculating limitation period.
39	153D	Newly inserted proviso "Provided that nothing contained in this section shall apply where the assessment or reassessment order, as the case may be, is required to be passed by the Assessing Officer with the prior approval of the Commissioner under sub-section (*12*) of section 144BA.".	01-04-2016	A new proviso inserted meaning thereby the prior approval is not required where the permission under section 144BA(12) is obtained

40	167C	**Newly inserted Explanation** '*Explanation.*—For the purposes of this section, the expression "tax due" includes penalty, interest or any other sum payable under the Act.'.	1-06-2013	An explanation added which defines tax due which now also included penalty, interest or any other sum payable under the I. Tax Act,1961.
41	179	179 LIABILITY OF DIRECTORS OF PRIVATE COMPANY IN LIQUIDATION. Notwithstanding anything contained in the Companies Act, 1956 (1 of 1956), where any tax due from a private company in respect of any income of any previous year or from any other company in respect of any income of any previous year during which such other company was a private company cannot be recovered, then, every person who was a director of the private company at any time during the relevant previous year shall be jointly and severally liable for the payment of such tax unless he proves that the non-recovery cannot be attributed to any gross neglect, misfeasance or breach of duty on his part in relation to the affairs of the company. (2) Where a private company is converted into a public company and the tax assessed in respect of any income of any previous year during which such company was a private company cannot be recovered, then, nothing contained in sub-section (1) shall apply to any person who was a director of such private company in relation to any tax due in respect of any income of such private company assessable for any assessment year commencing before the 1st day of April,	June 01, 2013	Definition of tax due has been widened to include interest, penalty or or any other sum payable under the Act.

		1962. ***Explanation.—For the purposes of this section, the expression "tax due" includes penalty, interest or any other sum payable under the Act***		
42	194IA	***194-IA. (1) Any person, being a transferee, responsible for paying (other than the person referred to in section 194LA) to a resident transferor any sum by way of consideration for transfer of any immovable property (other than agricultural land), shall, at the time of credit of such sum to the account of the transferor or at the time of payment of such sum in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct an amount equal to one per cent. ofsuchsum as income-tax thereon.*** ***(2) No deduction under sub-section (1) shall be made where the consideration for the transfer of an immovable property is less than fifty lakh rupees. Explanation.— For the purposes of this section,— (a) "agricultural land" means agricultural land in India, not being a land situate in any area referred to in items (a) and (b) of sub-clause (iii) of clause (14) of section 2; (b) "immovable property" means any land (other than agricultural land) or any building or part of a building.'.***	June 01, 2013	Provisions of TDS now made applicable to transfer of certain immoveable properties other than agricultural land if the total amount of consideration Rs. Fifty lakhs or more. Transferee at the time of making the payment or crediting any sum as consideration for transfer of immoveable property other than agricultural land to resident transferor shall deduct tax @ 1% of such sum.
43	194LC	194LC. INCOME BY WAY OF INTEREST FROM INDIAN COMPANY ENGAGED IN CERTAIN BUSINESS. (1) Where any income by way of interest referred to in sub-section (2) is payable to a non-resident, not being a company	June 01, 2013	Lower rate of withholding tax benefit available under section 194LC shall be available to non-

		or to a foreign company by a specified company, the person responsible for making the payment, shall at the time of credit of such income to the account of the payee or at the time of payment thereof in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct the income-tax thereon at the rate of five per cent. (2) The interest referred to in sub-section (1) shall be the income by way of interest payable by the specified company, - (i) in respect of monies borrowed by it at any time on or after the 1st day of July, 2012 but before the 1st day of July, 2015 in foreign currency, from a source outside India under a loan agreement approved by the Central Government in this behalf; and (ii) to the extent to which such interest does not exceed the amount of interest calculated at the rate approved by the Central Government in this behalf, having regard to the terms of the loan and its repayment. ***"Provided that where a non-resident (not being a company) or a foreign company has deposited any sum of money in foreign currency in a designated account through which such sum, as converted in rupees, is utilised by the non-resident or the foreign company, as the case may be,to subscribe to any long-term infrastructure bonds issued by the specified company in India, then, such borrowing, for the purposes of this section, shall be deemed to have been made by the specified company in foreign currency.";*** Explanation. - For the purpose of this section - ***(a) "designated account" means an account of a person in a***		resident / foreign companies in respect of interest income arising on subscription of long term infrastructure bonds made in Indian currency through a designated bank account.

		bank which has been opened solely for the purpose of deposit of money in foreign currency and utilisation of such money for payment to the specified company for subscription in the long-term infrastructure bonds issued by it;. (**aa**) "foreign currency" shall have the meaning assigned to it in clause (m) of section 2 of the Foreign Exchange Management Act, 1999(42 of 1999); (b) "specified company" means an Indian company engaged in the business of – (i) generation or distribution or transmission of power; or (ii) operation of aircraft; or (iii) manufacture or production of fertilizers; or (iv) construction of road including toll road or bridge; or (v) construction of port including inland port; or (vi) construction of ships in a shipyard; or (vii) construction of dam; or (viii) developing and building a housing project as referred to in sub-clause (vii) of clause (c) of sub-section (8) of section 35AD.		
44	245N	245N. In this Chapter, unless the context otherwise requires,—	April 01, 2015	Law amended to give effect to the

		(a) "advance ruling" means— (i) a determination by the Authority in relation to a transaction which has been undertaken or is proposed to be undertaken by a non-resident applicant; or (ii) a determination by the Authority in relation to the tax liability of a non-resident arising out of a transaction which has been undertaken or is proposed to be undertaken by a resident applicant with such non-resident, and such determination shall include the determination of any question of law or of fact specified in the application; (iii) a determination or decision by the Authority in respect of an issue relating to computation of total income which is pending before any income-tax authority or the Appellate Tribunal and such determination or decision shall include the determination or decision of any question of law or of fact relating to such computation of total income specified in the application : ~~***(iv) a determination or decision by the Authority whether an arrange-ment, which is proposed to be undertaken by any person being a resident or a non-resident, is an impermissible avoidance arrangement as referred to in Chapter X-A or not.***~~ ***(iv) a determination or decision by the Authority whether an arrangement, which is proposed to be undertaken by any person being a resident or a non-resident, is an impermissible avoidance arrangement as referred to in Chapter X-A or not:;***		postponement of the provisions of GAAR.

		Provided that where an advance ruling has been pronounced, before the date on which the Finance Act, 2003 receives the assent of the President, by the Authority in respect of an application by a resident applicant referred to in sub-clause (ii) of this clause as it stood immediately before such date, such ruling shall be binding on the persons specified in section 245S; (b) "applicant" means any person who— (i) is a non-resident referred to in sub-clause (i) of clause (a); or (ii) is a resident referred to in sub-clause (ii) of clause (a); or (iii) is a resident falling within any such class or category of persons as the Central Government may, by notification in the Official Gazette42, specify in this behalf; and ~~***(iiia) is referred to in sub-clause (iv) of clause (a)***~~; and ***(iiia) is referred to in sub-clause (iv) of clause (a); and***. (iv) makes an application under sub-section (1) of section 245Q; (c) "application" means an application made to the Authority under sub-section (1) of section 245Q; (d) "Authority" means the Authority for Advance Rulings constituted under section 245-O;		

		(e) "Chairman" means the Chairman of the Authority; (f) "Member" means a Member of the Authority and includes the Chairman.		
45	245R	245R. (1) On receipt of an application, the Authority shall cause a copy thereof to be forwarded to the Commissioner and, if necessary, call upon him to furnish the relevant records : Provided that where any records have been called for by the Authority in any case, such records shall, as soon as possible, be returned to the Commissioner. (2) The Authority may, after examining the application and the records called for, by order, either allow or reject the application : Provided that the Authority shall not allow the application where the question44a raised in the application,— (i) is already pending before any income-tax authority or Appellate Tribunal except in the case of a resident applicant falling in sub-clause (iii) of clause (b) of section 245N or any court; (ii) involves determination of fair market value of any property; (iii) relates to a transaction or issue which is designed prima facie for the avoidance of income-tax except in the case of a resident applicant falling in sub-clause (iii) of clause (b) of section 245N ~~***or in the case of an applicant falling in sub-clause (iiia) of clause (b) of section 245N***~~**“*or in the case of an*	April 01, 2015	Law amended to give effect to the postponement of the provisions of GAAR.

		applicant falling in sub-clause (iiia) of clause (b) of section 245N: Provided further that no application shall be rejected under this sub-section unless an opportunity has been given to the applicant of being heard: Provided also that where the application is rejected, reasons for such rejection shall be given in the order. (3) A copy of every order made under sub-section (2) shall be sent to the applicant and to the Commissioner. (4) Where an application is allowed under sub-section (2), the Authority shall, after examining such further material as may be placed before it by the applicant or obtained by the Authority, pronounce its advance ruling on the question specified in the application. (5) On a request received from the applicant, the Authority shall, before pronouncing its advance ruling, provide an opportunity to the applicant of being heard, either in person or through a duly authorised representative. Explanation.—For the purposes of this sub-section, "authorised representative" shall have the meaning assigned to it in sub-section (2) of section 288, as if the applicant were an assessee. (6) The Authority shall pronounce its advance ruling in writing within six months of the receipt of application.		

		(7) A copy of the advance ruling pronounced by the Authority, duly signed by the Members and certified in the prescribed manner45 shall be sent to the applicant and to the Commissioner, as soon as may be, after such pronouncement.		
46	246A	(1) Any assessee or any deductor aggrieved by any of the following orders (whether made before or after the appointed day) may appeal to the Commissioner (Appeals) against— (a) an order passed by a Joint Commissioner under clause (ii) of sub-section (3) of section 115VP or an order against the assessee where the assessee denies his liability to be assessed under this Act or an intimation under sub-section (1) or sub-section (1B) of section 143 or sub-section (1) of section 200A, where the assessee or the deductor objects to the making of adjustments, or any order of assessment under sub-section (3) of section 143 except an order passed in pursuance of directions of the Dispute Resolution Panel***or an order referred to in sub-section (12) of section 144BA*** or section 144, to the income assessed, or to the amount of tax determined, or to the amount of loss computed, or to the status under which he is assessed; (aa) an order of assessment under sub-section (3) of section 115WE or section 115WF, where the assessee, being an employer objects to the value of fringe benefits assessed; (ab) an order of assessment or reassessment under section 115WG; (b) an order of assessment, reassessment or recomputation under section 147 except an order passed in pursuance of directions of the Dispute Resolution Panel***or an order referred***	April 1, 2016	Law amended to give effect to the postponement of the provisions of GAAR.

		to in sub-section (12) of section 144BA or section 150; (ba) an order of assessment or reassessment under section 153A except an order passed in pursuance of directions of the Dispute Resolution Panel***or an order referred to in sub-section (12) of section 144BA***; (bb) an order of assessment or reassessment under sub-section (3) of section 92CD; (c) an order made under section 154 or section 155 having the effect of enhancing the assessment or reducing a refund or an order refusing to allow the claim made by the assessee under either of the said sections ***~~except where it is in respect of an order referred to in sub-section (12) of section 144BA~~except where it is in respect of an order referred to in sub-section (12) of section 144BA***; (d) an order made under section 163 treating the assessee as the agent of a non-resident; (e) an order made under sub-section (2) or sub-section (3) of section 170; (f) an order made under section 171; (g) an order made under clause (b) of sub-section (1) or under sub-section (2) or sub-section (3) or sub-section (5) of section 185 in respect of an assessment for the assessment year commencing on or before the 1st day of April, 1992;		

		(h) an order cancelling the registration of a firm under sub-section (1) or under sub-section (2) of section 186 in respect of any assessment for the assessment year commencing on or before the 1st day of April, 1992 or any earlier assessment year; (ha) an order made under section 201; (hb) an order made under sub-section (6A) of section 206C; (i) an order made under section 237; (j) an order imposing a penalty under— (A) section 221; or (B) section 271, section 271A, section 271AAA, section 271AAB, section 271F, section 271FB, section 272AA or section 272BB; (C) section 272, section 272B or section 273, as they stood immediately before the 1st day of April, 1989, in respect of an assessment for the assessment year commencing on the 1st day of April, 1988, or any earlier assessment years; (ja) an order of imposing or enhancing penalty under sub-section (1A) of section 275; (k) an order of assessment made by an Assessing Officer under clause (c) of section 158BC, in respect of search initiated under section 132 or books of account, other documents or any assets requisitioned under section 132A on		

		or after the 1st day of January, 1997; (l) an order imposing a penalty under sub-section (2) of section 158BFA; (m) an order imposing a penalty under section 271B or section 271BB; (n) an order made by a Deputy Commissioner imposing a penalty under section 271C , section 271CA, section 271D or section 271E; (o) an order made by a Deputy Commissioner or a Deputy Director imposing a penalty under section 272A; (p) an order made by a Deputy Commissioner imposing a penalty under section 272AA; (q) an order imposing a penalty under Chapter XXI; (r) an order made by an Assessing Officer other than a Deputy Commissioner under the provisions of this Act in the case of such person or class of persons, as the Board may, having regard to the nature of the cases, the complexities involved and other relevant considerations, direct. Explanation.—For the purposes of this sub-section, where on or after the 1st day of October, 1998, the post of Deputy Commissioner has been redesignated as Joint Commissioner and the post of Deputy Director has been redesignated as Joint Director, the references in this sub-section for "Deputy Commissioner" and "Deputy Director" shall be substituted by		

		"Joint Commissioner" and "Joint Director" respectively. 1A) Every appeal filed by an assessee in default against an order under section 201 on or after the 1st day of October, 1998 but before the 1st day of June, 2000 shall be deemed to have been filed under this section. (1B) Every appeal filed by an assessee in default against an order under sub-section (6A) of section 206C on or after the 1st day of April, 2007 but before the 1st day of June, 2007 shall be deemed to have been filed under this section. (2) Notwithstanding anything contained in sub-section (1) of section 246, every appeal under this Act which is pending immediately before the appointed day, before the Deputy Commissioner (Appeals) and any matter arising out of or connected with such appeals and which is so pending shall stand transferred on that date to the Commissioner (Appeals) and the Commissioner (Appeals) may proceed with such appeal or matter from the stage at which it was on that day : Provided that the appellant may demand that before proceeding further with the appeal or matter, the previous proceeding or any part thereof be reopened or that he be re-heard. Explanation.—For the purposes of this section, "appointed day" means the day appointed by the Central Government by notification in the Official Gazette.		
47	253	**(1) Any Assessee aggrieved by any of the following orders may appeal to the Appellate Tribunal against such order—**	April 01, 2016	Law amended to give effect to the postponement of the

		(a) an order passed by a Deputy Commissioner (Appeals) before the 1st day of October, 1998or, as the case may be, a Commissioner (Appeals) under section 154 section 250, section 271, section 271A or section 272A; or (b) an order passed by an Assessing Officer under clause (c) of section 158BC, in respect of search initiated under section 132 or books of account, other documents or any assets requisitioned under section 132A, after the 30th day of June, 1995, but before the 1st day of January, 1997; or (ba) an order passed by an Assessing Officer under sub-section (1) of section 115VZC; or (c) an order passed by a Commissioner under section 12AA or under clause (vi) of sub-section (5) of section 80G or under section 263 or under section 271or under section 272A or an order passed by him under section 154 amending his order under section 263or an order passed by a Chief Commissioner or a Director General or a Director under section 272A; or (d) an order passed by an Assessing Officer under sub-section (3), of section 143 or section 147 or section 153A or section 153C in pursuance of the directions of the Dispute Resolution Panel or an order passed under section 154 in respect of such order. ***~~(e) an order passed by an Assessing Officer under sub-section (3) of section 143 or section 147 or section 153A or section 153C with the approval of the Commissioner as referred to in sub-section (12) of section 144BA or an order passed under section 154 or section 155 in respect of such~~***		provisions of GAAR.

		~~***order***~~. **(e) an order passed by an Assessing Officer under sub-section (3) of section 143 or section 147 or section 153A or section 153C with the approval of the Commissioner as referred to in subsection(12) of section 144BA or an order passed under section 154 or section 155 in respect of such order.** (2) The Commissioner may, if he objects to any order passed by a Deputy Commissioner (Appeals) before the 1st day of October, 1998or, as the case may be, a Commissioner (Appeals) section 154 or section 250, direct the Assessing Officer47a to appeal to the Appellate Tribunal against the order. (2A) The Commissioner may, if he objects to any direction issued by the Dispute Resolution Panel under sub-section (5) of section 144C in respect of any objection filed on or after the 1st day of July, 2012, by the assessee under sub-section (2) of section 144C in pursuance of which the Assessing Officer has passed an order completing the assessment or reassessment, direct the Assessing Officer to appeal to the Appellate Tribunal against the order. (3) Every appeal under sub-section (1) or sub-section (2) shall be filed within sixty days of the date on which the order sought to be appealed against is communicated to the assessee or to the Commissioner, as the case may be : Provided that in respect of any appeal under clause (b) of sub-section (1), this sub-section shall have effect as if for the words		

		"sixty days", the words "thirty days" had been substituted. (3A) Every appeal under sub-section (2A) shall be filed within sixty days of the date on which the order sought to be appealed against is passed by the Assessing Officer in pursuance of the directions of the Dispute Resolution Panel under sub-section (5) of section 144C. (4) The Assessing Officer or the assessee, as the case may be, on receipt of notice that an appeal against the order of the Deputy Commissioner (Appeals) or, as the case may be, the Commissioner (Appeals) or the Assessing Officer in pursuance of the directions of the Dispute Resolution Panel has been preferred under sub-section (1) or sub-section (2) or sub-section (2A) by the other party, may, notwithstanding that he may not have appealed against such order or any part thereof; within thirty days of the receipt of the notice, file a memorandum of cross-objections, verified in the prescribed manner, against any part of the orderof the Assessing Officer (in pursuance of the directions of the Dispute Resolution Panel) or Deputy Commissioner (Appeals) or, as the case may be, the Commissioner (Appeals), and such memorandum shall be disposed of by the Appellate Tribunal as if it were an appeal presented within the time specified in sub-section (3) or sub-section (3A). (5) The Appellate Tribunal may admit an appeal or permit the filing of a memorandum of cross-objections after the expiry of the relevant period referred to in sub-section (3) or sub-section (4), if it is satisfied that there was sufficient cause for not presenting it within that period.		

		(6) An appeal to the Appellate Tribunal shall be in the prescribed form56 and shall be verified in the prescribed manner and shall, in the case of an appeal made, on or after the 1st day of October, 1998, irrespective of the date of initiation of the assessment proceedings relating thereto, be accompanied by a fee of,— (a) where the total income of the assessee as computed by the Assessing Officer, in the case to which the appeal relates, is one hundred thousand rupees or less, five hundred rupees, (b) where the total income of the assessee, computed as aforesaid, in the case to which the appeal relates is more than one hundred thousand rupees but not more than two hundred thousand rupees, one thousand five hundred rupees, (c) where the total income of the assessee, computed as aforesaid, in the case to which the appeal relates is more than two hundred thousand rupees, one per cent of the assessed income, subject to a maximum of ten thousand rupees, (d) where the subject matter of an appeal relates to any matter, other than those specified in clauses (a), (b) and (c), five hundred rupees: Provided that no such fee shall be payable in the case of an appeal referred to in sub-section (2) or a memorandum of cross-objections referred to in sub-section (4). (7) An application for stay of demand shall be accompanied by a fee of five hundred rupees.		
48	271FA	271FA. PENALTY FOR FAILURE TO FURNISH ANNUAL	April 01,	Earlier amount of

		INFORMATION RETURN. ~~**If a person who is required to furnish an annual information return, as required under sub-section (1) of section 285BA, fails to furnish such return within the time prescribed under that sub-section, the income-tax authority prescribed under the said sub-section may direct that such person shall pay, by way of penalty, a sum of one hundred rupees for every day during which the failure continues.**~~ **If a person who is required to furnish an annual information return under sub-section(1) of section 285BA, fails to furnish such return within the time prescribed undersub-section (2) thereof, the income-tax authority prescribed under said sub-section (1) may directthat such person shall pay, by way of penalty, a sum of one hundred rupees for every day duringwhich such failure continues:** **Provided that where such person fails to furnish the return within the period specified in thenotice issued under sub-section (5) of section 285BA, he shall pay, by way of penalty, a sum of fivehundred rupees for every day during which the failure continues, beginning from the day immediately**	2014	penalty for not filing Annual Information Return (AIR) was limited to Rs. 100 per day. Now penalty provisions have been enhanced as under : Penalty of Rs. 100 per day would be levied for the period from due date of filing of annual information return to date of filing of the such return. Penalty of Rs. 500per day would be levied for the period from the expiry of sixty days of the notice issue by the income tax authority to the date of filing of the annual information return.
49	295	(1) The Board may, subject to the control of the Central Government, by notification in the Gazette of India, make rules for the whole or any part of India for carrying out of the purposes of this Act.	April 01, 2016	Law amended to provide following additional powers to the Central Board of

		(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters :- (a) the ascertainment and determination of any class of income; (b) the manner in which and the procedure by which the income shall be arrived at in the case of - (i) income derived in part from agriculture and in part from business; (ii) persons residing outside India : (iii) an individual who is liable to be assessed under the provisions of sub-section (2) of section 64; (c) the determination of the value of any perquisite chargeable to tax under this Act in such manner and on such basis as appears to the Board to be proper and reasonable; (d) the percentage on the written down value which may be allowed as depreciation in respect of buildings, machinery, plant or furniture; (dd) the extent to which, and the conditions subject to which, any expenditure referred to in sub-section (3) of section 37 may be allowed; (dda) the matters specified in sub-sections (2) and (3) of		Direct Taxes : **1. <u>To make rules under Chapter X-A (GAAR).</u>** **2. <u>To decide remuneration of Chairman and members of GAAR panel appointed under Chapter X-A.</u>**

		section 44AA; (e***e***) the conditions or limitations subject to which any payment of rent made by an assessee shall be deducted under section 80GG; ***(ee) the matters specified in Chapter X-A;*** (eea) the cases, the nature and value of assets, the limits and heads of expenditure and the outgoings, which are required to be prescribed under sub-section (6) of section 139; (eeb) the time within which any person may apply for the allotment of a permanent account number, the form and the manner in which such application may be made and the particulars which such application shall contain and the transactions with respect to which permanent account numbers shall be quoted on documents relating to such transactions under section 139A; (eeba) the documents, statements, receipts, certificates or audited reports which may not be furnished along with the return but shall be produced before the Assessing Officer on demand under section 139C; (eebb) the class or classes of persons who shall be required to furnish the return of income in electronic form; the form and the manner of furnishing the said return in electronic form; documents, statements, receipts, certificates or reports which shall not be furnished with the return in electronic form and the computer resource or electronic record to which such return may be transmitted under section 139D;		

		(eec) the form of the report of audit and the particulars which such report shall contain under sub-section (2A) of section 142; ***(eed) remuneration of Chairperson and members of the Approving Panel under sub-section (18) and procedure and manner for constitution of, functioning and disposal of references by, the Approving Panel under sub-section (21) of section 144BA***;. (f) the manner in which and the period to which any such income as is referred to in section 180 may be allocated; (fa) the form and manner in which the information relating to payment of any sum may be furnished under sub-section (6) of section 195; (g) the authority to be prescribed for any of the purposes of this Act; (h) the procedure for giving effect to the terms of any agreement for the granting of relief in respect of double taxation or for the avoidance of double taxation which may be entered into by the Central Government under this Act; (i) the form and manner in which any application, claim, return or information may be made or furnished and the fees that may be levied in respect of any application or claim; (j) the manner in which any document required to be filed under this Act may be verified;		

		(k) the procedure to be followed on applications for refunds; (kk) the procedure to be followed in calculating interest payable by assessees or interest payable by Government to assessees under any provision of this Act, including the rounding off of the period for which such interest is to be calculated in cases where such period includes a fraction of a month, and specifying the circumstances in which and the extent to which petty amounts of interest payable by assessees may be ignored; (l) the regulation of any matter for which provision is made in section 230; (m) the form and manner in which any appeal or cross-objection may be filed under this Act, the fee payable in respect thereof and the manner in which intimation of any such order as is referred to in clause (c) of sub-section (2) of section 249 may be served; (mm) the circumstances in which, the conditions subject to which and the manner in which, the Commissioner (Appeals) may permit an appellant to produce evidence which he did not produce or which he was not allowed to produce before the Assessing Officer; (mma) the form in which the statement under section 285B shall be delivered to the Assessing Officer; (n) the maintenance of a register of persons other than legal practitioners or accountants as defined in sub-section (2) of		

		section 288 practising before income-tax authorities and for the constitution of and the procedure to be followed by the authority referred to in sub-section (5) of that section; (o) the issue of certificate verifying the payment of tax by assessees; (p) any other matter which by this Act is to be, or may be, prescribed. (3) In cases coming under clause (b) of sub-section (2), where the income liable to tax cannot be definitely ascertained, or can be ascertained only with an amount of trouble and expense to the assessee which in the opinion of the Board is unreasonable, the rules made under this section may - (a) prescribe methods by which an estimate of such income may be made; and (b) in cases coming under sub-clause (i) of clause (b) of sub-section (2) specify the proportion of the income which shall be deemed to be income liable to tax; and an assessment based on such estimate or proportion shall be deemed to be duly made in accordance with the provisions of this Act. (4) The power to make rules conferred by this section shall include the power to give retrospective effect, from a date not earlier than the date of commencement of this Act, to the rules or any of them and, unless the contrary is permitted (whether expressly or by necessary implication), no retrospective effect		

		shall be given to any rule so as to prejudicially affect the interests of assessees.		
50	Fourth Schdule Part A Rule 3 (1)	3 ACCORDING AND WITHDRAWAL OF RECOGNITION. (1) The Chief Commissioner or Commissioner may accord recognition to any provident fund which, in his opinion, satisfies the conditions prescribed in rule 4 and the rules made by the Board in this behalf, and may, at any time, withdraw such recognition if, in his opinion, the provident fund contravenes any of those conditions. Provided that in a case where recognition has been accorded to any provident fund on or before the 31st day of March, 2006 and such provident fund does not satisfy the conditions set out in clause (ea) of rule 4, the recognition to such fund shall be withdrawn, if such fund does not satisfy, on or before the **~~31st day of March, 2013~~31st day of March, 2014** the conditions set out in the said clause and any other condition which the Board may, by rules specify, in this behalf		Time limit to satisfy the conditions of clause (ea) f rule 4 has been extended for one more year.
51	Clause (b) in Explanation 1 to Section 2(ea)	In section 2 of the Wealth-tax Act, 1957 (hereinafter referred to as the Wealth-tax Act) in clause (*ea*), in *Explanation* 1, for clause (*b*), the following clause shall be substituted with effect from the 1st day of April, 2014, namely:– '(*b*) "urban land" means land situate— (*i*) in any area which is comprised within the jurisdiction of a municipality (whether known as a municipality, municipal corporation, notified area committee, town area committee, town committee, or by any other name) or a cantonment board and which has a population of not less than ten thousand; or	1st April 2014	Meaning of urban land a. If land is situated in an area falling within the jurisdiction of a municipality or a cantonment board, where population is more than 10000. b. land is situated in an area with in the

		(*ii*) in any area within the distance, measured aerially,— (*I*) not being more than two kilometres, from the local limits of any municipality or cantonment board referred to in sub-clause (*i*) and which has a population of more than ten thousand but not exceeding one lakh; or (*II*) not being more than six kilometres, from the local limits of any municipality or cantonment board referred to in sub-clause (*i*) and which has a population of more than one lakh but not exceeding ten lakh; or (*III*) not being more than eight kilometres, from the local limits of any municipality or cantonment board referred to in sub-clause (*i*) and which has a population of more than ten lakh, but does not include land on which construction of a building is not permissible under any law for the time being in force in the area in which such land is situated or the land occupied by any building which has been constructed with the approval of the appropriate authority or any unused land held by the assessee for industrial purposes for a period of two years from the date of its acquisition by him or any land held by the assessee as stock-in-trade for a period of ten years from the date of its acquisition by him. *Explanation.*—For the purposes of clause (*b*) of *Explanation* 1, "population" means the population according to the last preceding census of which the relevant figures have been published before the date of valuation.'.		distance measured aerially not more than 2 Km which has a population of more than ten thousand but not exceeding one lakh; c. land is situated in an area with in the distance measured aerially not more than 6 Km which has a population of more than one lakh but not exceeding ten lakh; d. land is situated in an area with in the distance measured aerially not more than 8 Km which has a population of more than ten lakh; e. Urban land does not include • land on which construction of a building is not permissible. • The land

				occupied by any building which has been constructed with the approval of the appropriate authority or any unused land held by the assessee for industrial purposes for a period of two years from the date of its acquisition by him or any land held by the assessee as stock-in-trade for a period of ten years from the date of its acquisition by him.
52	Newly inserted section 14A and 14B	After section 14 of the Wealth-tax Act, the following sections shall be inserted with effect from the 1st day of June, 2013, namely:- "14A. The Board may make rules providing for a class or classes of persons who may not be required to furnish documents, statements, receipts,	1st June 2013	The Board has been provided with the powers to provide for the class or classes of persons who are required to file return

		certificates, audit reports, reports of registered valuer or any other documents, which are otherwise under any other provisions of this Act, except section 14B, required to be furnished, along with the return but on demand to be produced before the Assessing Officer. 14B. The Board may make rules providing for— (*a*) the class or classes of persons who shall be required to furnish the return in electronic form; (*b*) the form and the manner in which the return in electronic form may be furnished; (*c*) the documents, statements, receipts, certificates, audit reports, reports of registered valuer or any other documents which may not be furnished along with the return in electronic form but shall be produced before the Assessing Officer on demand; (*d*) the computer resource or the electronic record to which the return in electronic form may be transmitted.".		in electronic form along with related forms and to facilitate filing of annexure-less return of wealth.
53	46(2)	In section 46 of the Wealth-tax Act, in sub-section (*2*), after clause (*b*), the following clauses shall be inserted with effect from the 1st day of June, 2013, namely:— "(*ba*) the documents, statements, receipts, certificates, audit reports, reports of registered valuer or any other documents which may not be furnished along with the return but shall be produced before the Assessing Officer on demand under section 14A; (*bb*) the class or classes of persons who shall be required to furnish the return in electronic form; the form and the manner in which the return in	1st June 2013	The Board has been provided with the powers to provide for the class or classes of persons who are required to file return in electronic form along with related forms and to facilitate filing of annexure-less return of wealth.

		electronic form may be furnished; the documents, statements, receipts, certificates, audit reports, reports of registered valuer or any other documents which may not be furnished along with the return in electronic form and the computer resource or electronic record to which such return may be transmitted under section 14B;".		