



RUNDOWN ON DIRECT TAX PROPOSALS UNION BUDGET 2023-24

SHIVANK CHHAPARIA & CO.
CHARTERED ACCOUNTANTS



Sl. No. Particulars

1. Personal Income Tax
2. Assesses with Business/Profession Income
3. Fostering Growth of Startups
4. Capital Gains
5. TDS Provisions
6. Other Proposals

1.0 Personal Income Tax [w.e.f. AY 2024-25]

Sl. No.	Budget Proposal	Our Remarks
1.	The new tax regime for Individual and HUF, introduced vide Finance Act 2020, is now proposed to be the default regime .	In order to opt for new regime tax structure, Form 10-IE was introduced requiring the assessee to furnish the form on or before the filing return of income u/s 139(1). Now with the new tax regime being set as the default regime, it would be interesting to understand the above position and whether one would need to file a separate form (if any introduced subsequently) if they desire to opt for the old regime.
2.	This regime would also become the default regime for AOP (other than co-operative), BOI and Artificial Juridical Persons	Hitherto, Form 10-IE is applicable only for individuals and HUF. Now with the proposal opening up option for other class of assesseees as well, we may expect similar compliance of Form 10-IE to be introduced for them as well.
3.	Resident individual with total income up to Rs. 5 Lacs do not pay any tax due to rebate under both old and new regime. It is proposed to increase the rebate u/s 87A for the resident individual under the new regime so that they do not pay tax if their total income is up to Rs. 7 Lacs	This may be seen as a major move by the Government to eventually migrate a large section of assesseees to opt for new regime.
4.	Standard deduction u/s 16(ia) of Rs. 50,000/- to salaried individual, and deduction from family pension up to Rs, 15,000/- is currently allowed only under the old regime. It is proposed to allow these two deductions under the new regime also.	The proposal brings a parity between the two regimes making it ideal and appropriate for assesseees under new regime.
5.	Surcharge on income-tax under both old regime and new regime as follows:	This would reduce the maximum rate from about 42.7 % to about 39 %.

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	Total Income Slab	Surcharge % (Old Regime)	Surcharge % (New Regime)	Further, this is expected to foster greater popularity amongst assesseees to opt for new regime in addition to benefits contemplated above.
	50 Lacs to 1 Cr	10%	10%	
	1 Cr to 2 Crs	15%	15%	
	2 Crs to 5 Crs	25%	25%	
	Above 5 Crs	37%		
6.	<p>Encashment of earned leave up to 10 months of average salary, at the time of retirement in case of an employee (other than an employee of the Central Government or State Government), is exempt u/s 10(10AA)(ii) of the Income-tax Act ("the Act") to the extent notified. The maximum amount which can be exempted is Rs. 3 Lacs at present. It is proposed to issue notification to extend this limit to Rs. 25 Lacs.</p>			The proposal has strived to bring an equilibrium between salaried Government employees and their counter parts.
7.	<p>It is proposed to enable a uniform methodology for computing the value of perquisite u/s 17 w.r.t. accommodation provided by employers to their employees.</p>			In several instances it has been seen this apparent issue which appears to be put to rest post release of detailed methodology on valuation of perquisite.
8.	<p>It is proposed to provide where aggregate of premium for life insurance policies (other than ULIP) issued on or after 1st April, 2023 is above Rs. 5 Lacs, income from only those policies with aggregate premium up to Rs. 5 Lacs shall be exempt. In other words exemption u/s 10(10D) shall continue to apply where –</p> <ul style="list-style-type: none"> ✓ Proceeds from insurance company are received on death of the insured ✓ Premium value is below Rs. 5 Lacs ✓ Policies are issued before 31-03-2023 			Earlier when Finance Act 2021 had brought ULIP under the tax net, it adversely affected the preference of HNI. Now, with similar proposal being contemplated for policies other than ULIP, it may make it even and require thorough deliberation for assesseees to opt for right insurance product from tax perspective.

Sl. No.	Budget Proposal	Our Remarks																					
9.	New Tax Rates as per Sec. 115BAC(1A) - <table border="1" style="margin-top: 10px; width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%; text-align: center;">Total Income (Rs.)</th> <th style="width: 15%; text-align: center;">Tax Rate</th> <th style="width: 55%; text-align: center;">Tax Computation (Exclusive of rebate, cess & surcharge)</th> </tr> </thead> <tbody> <tr> <td>Upto 3,00,000</td> <td style="text-align: center;">NIL</td> <td>NIL</td> </tr> <tr> <td>From 3,00,001 to 6,00,000</td> <td style="text-align: center;">5 %</td> <td>5 % in excess of Rs. 3 Lacs</td> </tr> <tr> <td>From 6,00,001 to 9,00,000</td> <td style="text-align: center;">10 %</td> <td>Rs. 15,000 + 10% in excess of Rs. 6 Lacs</td> </tr> <tr> <td>From 9,00,001 to 12,00,000</td> <td style="text-align: center;">15 %</td> <td>Rs. 45,000 + 15% in excess of Rs. 9 Lacs</td> </tr> <tr> <td>From 12,00,001 to 15,00,000</td> <td style="text-align: center;">20 %</td> <td>Rs. 90,000 + 20% in excess of Rs. 12 Lacs</td> </tr> <tr> <td>Above 15,00,000</td> <td style="text-align: center;">30 %</td> <td>Rs. 1,50,000 + 30% in excess of Rs. 15 Lacs</td> </tr> </tbody> </table>	Total Income (Rs.)	Tax Rate	Tax Computation (Exclusive of rebate, cess & surcharge)	Upto 3,00,000	NIL	NIL	From 3,00,001 to 6,00,000	5 %	5 % in excess of Rs. 3 Lacs	From 6,00,001 to 9,00,000	10 %	Rs. 15,000 + 10% in excess of Rs. 6 Lacs	From 9,00,001 to 12,00,000	15 %	Rs. 45,000 + 15% in excess of Rs. 9 Lacs	From 12,00,001 to 15,00,000	20 %	Rs. 90,000 + 20% in excess of Rs. 12 Lacs	Above 15,00,000	30 %	Rs. 1,50,000 + 30% in excess of Rs. 15 Lacs	The proposed tax structure presents scope of lower tax outgo for assesseees opting under new regime.
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2.0 Assesses with Business/Profession Income

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1.	In order to promote timely payments to micro and small enterprises, it is proposed to include payments made to such enterprises within the ambit of Sec. 43B of the Act. Thus, deduction for such payments would be allowed only when actually paid. It will be allowed on accrual basis only if the payment is within the time mandated under the MSMED Act. [w.e.f. AY 2024-25]	In numerous instances, micro and small enterprises end up blocking their working capital in book debts without timely realizations. This proposal may accelerate faster clearing of receivables and ease liquidity tightness in those enterprises since delay in payment may invite adverse reporting in tax audit report of such recipient.
2.	In order to ease compliance and to promote non-cash transactions, it is proposed to increase the threshold limits for presumptive scheme of taxation for eligible businesses u/s 44AD from Rs. 2 Crs. to Rs. 3 Crs. and for specified professions u/s 44ADA from Rs. 50 Lacs to Rs. 75 Lacs. The increased limit will apply only in case the amount or aggregate of the amounts received during the year, in cash, does not exceed 5% of the total gross receipts/turnover. [w.e.f. AY 2024-25]	The proposal may be seen as an area of relief for small assesseees from compliance burden and costs.
3.	It is proposed to provide for valuation of inventory for the purpose of inquiry before assesment to minimise risk to revenue due to undervaluation of inventory . [w.e.f. 01-04-2023]	In numerous instances it is seen that the statutory auditor relies on value of inventory certified by the management after performing checks and balances as per standards. However, now the entities must ensure that their valuation ascertained falls in compliance with ICDS-II to avoid undue implications going forward.
4.	With respect to presumptive schemes for non-residents, it is proposed to disallow carried forward and set off of loss computed as per books of account with presumptive income u/s 44BB and 44BBB. [w.e.f. AY 2024-25]	The proposal attempts to prevent misuse of presumptive income scheme of the Act against carried forward losses.

3.0 Fostering Growth of Startups

Sl. No.	Budget Proposal	Our Remarks
1.	The condition of continuity of at least 51 % shareholding for setting off of carried forward losses u/s 79 is relaxed for an eligible start up if all the shareholders of the company continue to hold those shares. At present this relaxation applies for losses incurred during the period of 7 years from incorporation of such start-up. It is proposed to increase this period to 10 years. [w.e.f. AY 2023-24]	With the augment in number of startups in India, this proposal may be of much respite to those startups which incur losses in initial years and may now be entitled to set off against income arising in future periods.
2.	Certain start-ups are eligible for some tax benefit if they are incorporated before 1st April, 2023 as per Sec. 80-IAC. The period of incorporation of such eligible start-ups is proposed to be extended by one year to before 1st April, 2024. [w.e.f. AY 2023-24]	In almost every Budget it is now being seen that last date of incorporation is further extended by a year primarily owing to the fact that number of startups being formed and registered with DPIIT is on a constant increase on year-on-year basis.
3.	At present for claiming amortization of certain preliminary expenses u/s 35D the activity is to be carried out either by the assessee or by a concern approved by the Board. In order to ease the process of claiming amortization of these expenses it is proposed to remove the condition of activity in connection with these expenses to be carried out by a concern approved by the Board. Format for reporting of such expenses by the assessee shall be prescribed. [w.e.f. AY 2024-25]	This may be seen as an extension of the idea of 'Ease of Doing Business' in India where the assessee is given an opportunity to self-certify and upload the statement of their preliminary expenses and claim deduction u/s 35D as prescribed.
4.	Credit Guarantee for MSMEs through the revamped scheme will take effect from 1 st April 2023 through infusion of Rs. 9,000 Crs. in the corpus. This will enable additional collateral-free guaranteed credit of Rs. 2 Lac Crs. Further, the cost of the credit will be reduced by about 1 %.	This Scheme has proved to be a holy grail in trying times for large number of borrower assessees. With a fresh round of lending, we may expect churning of funds and liquidity issues subsiding bringing in much respite.

4.0 Capital Gains

Sl. No.	Budget Proposal	Our Remarks
1.	The conversion of physical gold to Electronic Gold Receipt and vice versa is proposed not to be treated as a “transfer” and not to attract any capital gains. This would promote investments in electronic equivalent of gold. [w.e.f. AY 2024-25]	With digitization taking over India, this proposal may be seen as an opportunity for all assesseees who prefer to store their value in gold in paperless form.
2.	Deduction u/s 54 and 54F to be capped at Rs. 10 Crs. on capital gain computed when the assessee invests the proceeds in residential property. [w.e.f. AY 2024-25]	Rationalization sought in Sec. 54 and Sec. 54F shall mostly affect HNI assesseees who are investing the proceeds in high value residential properties.
3.	There are certain assets like intangible assets or rights for which no consideration has been paid for acquisition and the transfer of which may result in generation of income. Their cost of acquisition u/s 55 is proposed to be defined to be NIL. [w.e.f. AY 2024-25]	This proposal seeks to overturn landmark judgment delivered by Hon’ble Apex Court in the case of <u>CIT -vs- B C Srinivasa Setty 128 ITR 294 (1981)(SC)</u> wherein it was held that charging provisions shall not apply where computational provisions have failed.
4.	It is proposed to amend provisions for computing capital gains in case of joint development of property to include the amount received through cheque etc. as consideration as per Sec. 45(5A) r.w.s. 194-IC. [w.e.f. AY 2024-25]	The proposal intends to clarify the position in law that monetary consideration received by assessee shall qualify as ‘consideration’ for computing capital gains.
5.	While interest paid on borrowed capital for acquiring or improving a property can, subject to certain conditions, be claimed as deduction from income, it can also be included in the cost of acquisition or improvement on transfer, thereby reducing capital gains. It is proposed to provide that the cost of acquisition or improvement shall not include the amount of interest claimed earlier as deduction u/s 24. [w.e.f. AY 2024-25]	The proposal takes a fair stand to clarify that double benefit cannot be construed to allow deduction u/s 24 along with inclusion of interest as cost of acquisition/improvement while computing capital gain.

5.0 TDS Provisions

Sl. No.	Budget Proposal	Our Remarks
1.	For online games , it is proposed to provide for TDS and taxability on net winnings at the time of withdrawal or at the end of the financial year. Moreover, TDS would be without the threshold of Rs. 10,000/-. For lottery, crossword puzzles games, etc threshold limit Rs. 10,000 for TDS shall continue but shall apply to aggregate winnings during a financial year. [w.e.f. AY 2024-25]	With winnings from online games gaining prominence, this proposal may be expected to meet dual objectives of curbing revenue leakage as well as transparency in earnings generated by the assessee through such income.
2.	TDS on payment of certain income to a non-resident is currently at the rate of 20 %, but the tax rate in treaties may be lower. It is proposed to allow the benefit of tax treaty at the time of TDS on such income u/s 196A of the Act. [w.e.f. 01-04-2023]	This may be seen as a welcoming proposal which justifies withholding tax at appropriate rate.
3.	At present the TDS rate on withdrawal of taxable component from Employees' Provident Fund Scheme in non-PAN cases is 30 %. It is proposed to reduce it to 20 %, as in other non-PAN cases. [w.e.f. 01-04-2023]	Another welcome step offered in the Budget.
4.	Sometimes, tax for income of an earlier year is deducted later, while tax thereon has already been paid in the earlier year. Amendment is proposed to facilitate such taxpayers to claim credit of this TDS in the earlier year. [w.e.f. 01-10-2023]	In several instances, the taxpayers were seen to face huge issues in reconciling claim of their past credits which was correctly offered as income in subsequent years. Hence, this proposal may prove to be a boon for several such taxpayers especially those in real estate and contracting business.
5.	Higher TDS/TCS rate applies, if the recipient is a non-filer i.e. who has not furnished his return of income of preceding previous year and has aggregate of TDS and TCS of Rs. 50,000/- or more. It is proposed to exclude a person who is not required to furnish the return of income for such previous year and who is notified by the Central Government in the Official Gazette in this behalf. [w.e.f. 01-04-2023]	There was much conjecture on this issue at the onset of its applicability. With clarification being offered by the Central Government vide Notification in due course shall enable better implementation on its grey areas.

6.0 Other Proposals

- Agnipath Scheme, 2022**
The payment received from the Agniveer Corpus Fund by the Agniveers enrolled in Agnipath Scheme, 2022 is proposed to be exempt u/s 10(12C). Deduction in the computation of total income is proposed to be allowed to the Agniveer on the contribution made by him or the Central Government to his Seva Nidhi account. **[w.e.f. AY 2023-24]**
- Relief to sugar co-operatives from past demand**
It is proposed that for sugar co-operatives, for years prior to A.Y. 2016-17, if any deduction claimed for expenditure made on purchase of sugar has been disallowed, an application may be made to the Assessing Officer, who shall recompute the income of the relevant previous year after allowing such deduction up to the price fixed or approved by the Government for such previous year. **[w.e.f. 01-04-2023]**
- Increasing threshold limit for Co-operatives to withdraw cash without TDS**
It is proposed to enable co-operatives to withdraw cash up to Rs. 3 Crs. in a year without being subjected to TDS u/s 194-N on such withdrawal. **[w.e.f. AY 2024-25]**
- Penalty for cash loan/transactions against primary co-operatives**
It is proposed to amend Sec. 269SS of the Act to provide that where a deposit is accepted by a primary agricultural credit society or a primary co-operative agricultural and rural development bank from its member or a loan is taken from a primary agricultural credit society or a primary co-operative agricultural and rural development bank by its member in cash, no penal consequence would arise, if the amount of such loan or deposit in cash is less than Rs. 2 Lacs. Further, Sec. 269T of the Act is proposed to be amended to provide that where a deposit is repaid by a primary agricultural credit society or a primary co-operative agricultural and rural development bank to its member or such loan is repaid to a primary agricultural credit society or a primary co-operative agricultural and rural development bank by its member in cash, no penal consequence shall arise, if the amount of such loan or deposit in cash is less than Rs. 2 Lacs. **[w.e.f. AY 2024-25]**
- Incentives to IFSC**
Relocation of funds to IFSC has certain tax exemptions, if the relocation is before 31.03.2023. This date is proposed to be extended to 31.03.2025. Further, any distributed income from the offshore derivative instruments entered into with an offshore banking unit is also proposed to be exempted subject to certain conditions. **[w.e.f. AY 2024-25]**
- Exemption to development authorities etc.**
It is proposed to provide exemption u/s 10(23C) & 11(7) to any income arising to a body or authority or board or trust or commission, (not being a company) which has been established or constituted by or under a Central or State Act with the purposes of satisfying the need for housing or for planning, development or improvement of cities, towns and villages or for regulating any activity or matter, irrespective of whether it is carrying out commercial activity. **[w.e.f. AY 2024-25]**

7. **Facilitating certain strategic disinvestments**
To facilitate certain strategic disinvestments, it is proposed to allow carry forward of accumulated losses and unabsorbed depreciation allowance as per Sec. 72AA in the case of amalgamation of one or more banking company with any other banking institution or a company subsequent to a strategic disinvestment, if such amalgamation takes place within 5 years of strategic disinvestment. It is also proposed to modify the definition of 'strategic disinvestment'. **[w.e.f. AY 2023-24]**
8. **15 % concessional tax to promote new manufacturing co-operative society**
In order to promote the growth of manufacturing in co-operative sector, a new co-operative society formed on or after 01.04.2023, which commences manufacturing or production by 31.03.2024 and do not avail of any specified incentive or deduction, is proposed to be allowed an option to pay tax at a concessional rate of 15 % similar to what is available to new manufacturing companies as per Sec. 115BAE. **[w.e.f. AY 2024-25]**
9. **Extending the scope for deduction of tax at source at lower or nil rate**
It is proposed to allow a taxpayer to obtain certificate of deduction of tax at source to lower or nil rate as per Sec. 197 on sums on which tax is required to be deducted u/s 194LBA of the Act by Business Trusts. **[w.e.f. 01-04-2023]**
10. It is proposed to extend the deemed income u/s 9(1)(viii) accrual provision relating to sums of money exceeding Rs. 50,000/-, received from residents without consideration to a not ordinarily resident. **[w.e.f. 01-04-2023]**
11. It is proposed to omit the provision to allow tax exemption u/s 10(22B) to news agencies set up in India solely for collection and distribution of news from FY 2023-24.
12. It is proposed to tax distributed income by business trusts in the hands of a unit holder (other than dividend, interest or rent which is already taxable) on which tax is currently avoided both in the hands of unit holder as well as in the hands of business trust as per Sec. 56(2)(xii). **[w.e.f. AY 2024-25]**
13. It is proposed to withdraw the exemption from TDS u/s 193 currently available on interest payment on listed debentures. **[w.e.f. 01-04-2023]**
14. The rate of TCS u/s 206C(1G) for foreign remittances for education and for medical treatment is proposed to continue to be 5 % for remittances in excess of Rs. 7 Lacs. Similarly, the rate of TCS on foreign remittances for the purpose of education through loan from financial institutions is proposed to continue to be 0.5 % in excess of Rs.7 Lacs. However, for foreign remittances for other purposes under LRS and purchase of overseas tour program, it is proposed to increase the rates of TCS from 5 % to 20 %. **[w.e.f. 01-07-2023]**
15. The income from market linked debentures is proposed to be taxed u/s 50AA as short-term capital gains at the applicable rates. **[w.e.f. AY 2024-25]**
16. With respect to rectification of orders by the Interim Board of Settlement, it is proposed to provide that where the time-limit for amending an order by it or for making an application to it expires on or after 01.02.2021 but before 01.02.2022, such time-limit shall stand extended to 30.09.2023. **[w.r.e.f. 01-02-2021]**

17. To expedite the disposal of certain appeals pending with Commissioner (Appeals), it is proposed to introduce a new authority in the rank of Joint Commissioner/ Additional Commissioner [JCIT(Appeals)], for appeals against certain orders passed by or with the approval of an authority below the rank of Joint Commissioner. Certain related and consequential amendments are also proposed in this regard. **[w.e.f. 01-04-2023]**
18. It is proposed to reduce the minimum time period u/s 92D required to be provided by the transfer pricing officer to assessee for production of documents and information from 30 days to 10 days. **[w.e.f. 01-04-2023]**
19. It is proposed to provide for appeal against penalty orders passed by Commissioner (Appeals) under certain sections of the Act before the Appellate Tribunal. It is also proposed to provide that an order u/s 263 of the Act passed by the Principal Chief Commissioner or Chief Commissioner and any rectification order for the same shall also be appealable before the Appellate Tribunal. Further, it is proposed to enable filing of memorandum of cross-objections in all classes of cases against which appeal can be made to the Appellate Tribunal. **[w.e.f. 01-04-2023]**
20. It is proposed to amend Sec. 132 of the Act, dealing with search and seizure, to allow the authorised officer to take assistance of specific domain experts like digital forensic professionals, valuers and services of other professionals like locksmiths, carpenters etc. during the course of search and also to aid in accurate estimation of undisclosed income held in the form of property by the assessee. **[w.r.e.f. 01-04-2022]**
21. Sec. 170A of the Act, inserted vide Finance Act, 2022 is proposed to be substituted to clarify that a modified return shall be furnished by an entity to whom the order of the business reorganisation applies, and to introduce provisions for assessment or reassessment in cases where such modified return is furnished. **[w.e.f. 01-04-2023]**
22. It is proposed that an order of assessment may be passed within a period of 12 months from the end of the relevant assessment year or the financial year in which updated return is filed, as the case may be. It is also proposed that in cases where search u/s 132 of the Act or requisition u/s 132A of the Act has been made, the period of limitation of pending assessments shall be extended by twelve months u/s 153. **[w.e.f. 01-04-2023]**
23. It is proposed to make amendments to empower the Central Government to make modifications in the already notified schemes regarding e-Verification, Dispute Resolution, Advance Rulings, Appeal and Penalty, at any time to enable better implementation of such schemes.
24. It is proposed to limit the time for furnishing of a return for reassessment u/s 148A. Further, it is also proposed to provide that in cases where search related information is available after 15th March of any financial year, an additional period of fifteen days shall be allowed for issuance of notice, for assessment/reassessments etc, u/s 148 of the Act. It is also proposed to clarify that the specified authority for granting approval shall be Principal Chief Commissioner or Principal Director General or Chief Commissioner or Director General. **[w.e.f. 01-04-2023]**
25. It is proposed to provide a penalty u/s 271FAA of Rs. 5,000/- if there is any inaccuracy in the statement of financial transactions submitted by a prescribed reporting financial institution due to false or inaccurate information submitted by the account holder. **[w.e.f. 01-04-2023]**

26. It is proposed to amend Sec. 271C and Sec. 276B of the Act to provide for penalty and prosecution where default in TDS relates to transaction in kind. **[w.e.f. AY 2024-25]**
27. It is proposed to amend the time period for filing of appeal against the order of the Adjudicating authority under Benami Act within a period of 45 days from the date when such order is received by the Initiating Officer or the aggrieved person. The definition of 'High Court' is also proposed to be modified to allow determination of jurisdiction for filing appeal in the case of non-residents. **[w.e.f. 01-04-2023]**
28. The restriction on interest deductibility u/s 94B on interest payment to overseas associated enterprise does not apply to those in the business of banking and insurance. It is proposed to extend this benefit to non-banking financial companies, as may be notified. **[w.e.f. 01-04-2024]**
29. It is proposed to clarify that the amount of advance tax paid is reduced only once for computing the interest payable u/s 234B in the case of an updated return. **[w.r.e.f. 01-04-2022]**
30. It is proposed to extend taxability of the consideration (share application money/ share premium) for shares exceeding the face value of such shares to all investors including non-residents. **[w.e.f. AY 2024-25]**
31. Due to changes in classification of non-banking financial companies by the Reserve Bank of India, it is proposed to make necessary amendments to align such classifications in the Act with the same. **[w.e.f. AY 2024-25]**
32. It is proposed to clarify that for taxability u/s 28 of the Act as well for tax deduction at source u/s 194R of the Act, the benefit could also be in cash. **[w.e.f. 01-04-2023]**
33. It is proposed to make amendments relating to exemption provided to charitable trusts and institution to:
- provide clarity on tax treatment on replenishment of corpus and on repayment of loans/borrowings;
 - treat only 85 % of donation made to another trust as application;
 - omit the redundant provisions related to rolling back of exemption;
 - combine provisional and regular registration in some cases;
 - modify the scope of specified violation;
 - provide for payment of tax on assets if a trust does not apply for exemption after getting provisional exemption and for re-exemption after expiry of exemption;
 - align of time for furnishing of certain forms;
 - Clarify that the time provided for furnishing return of income for claiming exemption shall not include the time provided for furnishing updated return.
34. It is proposed to omit certain name-based funds from Sec. 80G of the Act, which provides for deduction of donation to such funds from the income of the donor. **[w.e.f. AY 2024-25]**

35. It is proposed to provide that where refund is due to a person, such refund shall be set off against existing demand, and if proceedings for assessment or reassessment are pending in such case, the refund due will be withheld by the Assessing Officer till the date of assessment or reassessment. **[w.e.f. AY 2024-25]**
36. It is proposed to omit Sec. 88 and some of the clauses of Sec. 10 of the Act which are no longer in force. **[w.e.f. 01-04-2023]**
37. It is proposed to extend tax exemption to Specified Undertaking of Unit Trust of India (SUUTI) till 30th September, 2023. It is also proposed to enable the Central Government to notify the date of vacation of office of administrator of SUUTI. **[w.e.f. 01-04-2023]**
38. It is proposed to decriminalize certain acts of omission of liquidators u/s 276A of the Act. **[w.e.f. 01-04-2023]**

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