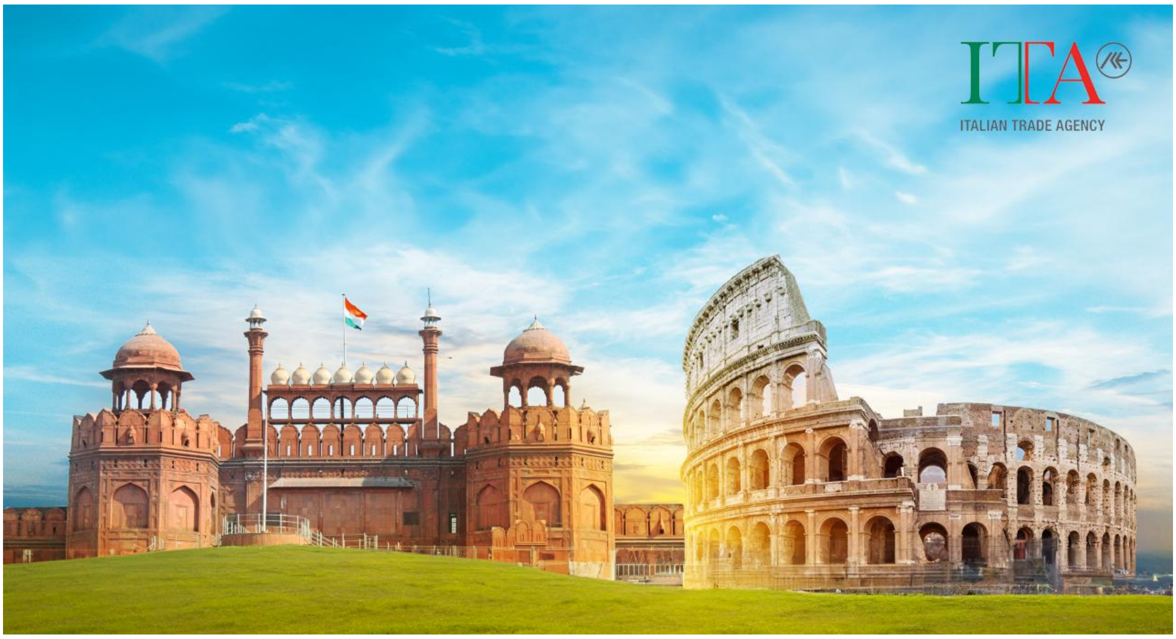

24/04/25

Emendamenti in sintesi nella Legge Finanziaria, 2025

La **Legge Finanziaria 2025** introduce una serie di emendamenti volti a migliorare la compliance fiscale, semplificare il sistema fiscale e promuovere la crescita economica. Gli emendamenti di quest'anno si concentrano in particolare sull'imposta sul reddito, con diverse disposizioni destinate a favorire i singoli contribuenti, le imprese e l'economia in generale.

Tra le modifiche principali figurano la revisione degli scaglioni dell'imposta sul reddito, l'aumento del rimborso previsto dalla Sezione 87A, la razionalizzazione delle disposizioni relative all'imposta dedotta alla fonte (TDS) e all'imposta riscossa alla fonte (TCS) e l'introduzione di nuove misure volte a migliorare la compliance. Ecco alcune importanti modifiche alle disposizioni della Legge sull'imposta sul reddito del 1961 previste dalla Legge finanziaria del 2025:

<table>
<tr><th>Sr No.</th><th>Heading</th><th>Description</th></tr>
<tr><td>1.</td><td>Revision of tax rates under the New Tax Regime (NTR)</td><td>NTR now provides a change in the tax structure with reduced slabs under:
<table>
<tr><th>Income (INR)</th><th>Rate (%)</th></tr>
<tr><td>0 – 4,00,000</td><td>Nil</td></tr>
<tr><td>4,00,001 – 8,00,000</td><td>5%</td></tr>
<tr><td>8,00,001 – 12,00,000</td><td>10%</td></tr>
<tr><td>12,00,001 – 16,00,000</td><td>15%</td></tr>
<tr><td>16,00,001 – 20,00,000</td><td>20%</td></tr>
<tr><td>20,00,001 – 24,00,000</td><td>25%</td></tr>
<tr><td>24,00,001 and above</td><td>30%</td></tr>
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Tax rebate will be provided to resident individual taxpayers with</td></tr>
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<tr><td></td><td></td><td>income (excluding special rate income like capital gains) of up to RS. 12 lakh and as a result, there will be no Income Tax up to income of RS. 12 lakh under the NTR.</td></tr>
<tr><td>2.</td><td>Rationalization of TDS/TCS for easing difficulties</td><td>TDS provisions have been rationalized to streamline the various exemption thresholds. Key revised thresholds mentioned below:
<table>
<tr><th>Section</th><th>Threshold applicable up to 31.03.2025</th><th>Threshold applicable from 01.04.2025</th></tr>
<tr><td>193 - Interest on securities</td><td>NIL/Rs.500</td><td>RS. 10,000</td></tr>
<tr><td>194 - Dividend for an individual shareholder</td><td>RS. 5,000</td><td>RS. 10,000</td></tr>
<tr><td>194A - Interest other than
Interest on securities</td><td>i) RS. 50,000 for senior citizen;
(ii) RS. 40,000 in case of others when payer is bank, cooperative society and post
office
(iii) RS. 5,000 in other cases</td><td>(i) RS. 1,00,000 for senior citizen
(ii) RS. 50,000 in case of others when payer is bank,
co-operative society and post
office
(iii) RS. 10,000 in other cases</td></tr>
<tr><td>194B – Winnings from Lottery, etc.</td><td>Rs.10,000 (aggregate of amount paid or credited during the financial year)</td><td>Rs.10,000 (for each single transaction)</td></tr>
<tr><td>194BB – Winnings from Horse Races.</td><td>Rs.10,000 (aggregate of amount paid or credited during the financial year)</td><td>Rs.10,000 (for each single transaction)</td></tr>
<tr><td>194D – Insurance Commission</td><td>RS.15,000</td><td>RS.20,000</td></tr>
<tr><td>194G – Commission on sale of Lottery Tickets</td><td>RS.15,000</td><td>RS.20,000</td></tr>
<tr><td>194H - Commission or Brokerage</td><td>RS.15,000</td><td>RS.20,000</td></tr>
<tr><td>194-I Rent</td><td>RS. 2,40,000 during the financial year</td><td>RS. 50,000 per month or part of a month</td></tr>
<tr><td>194J - Fee for professional or technical services</td><td>RS. 30000</td><td>RS. 50,000</td></tr>
<tr><td>194K - Income in respect of units of a mutual fund</td><td>RS. 5,000</td><td>RS. 10,000</td></tr>
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<tr><td>or specified company or undertaking</td><td></td><td></td></tr>
<tr><td>194LA – Compensation/enhanced compensation on acquisition of immovable property</td><td>Rs.2,50,000</td><td>Rs. 5,00,000</td></tr>
<tr><td>Sub-section (1G) of section 206C – TCS on remittance under LRS for purpose of education, financed by loan from financial institution</td><td>0.5% after 7 lakhs</td><td>Nil</td></tr>
<tr><td>206C(1G) – Remittance under LRS and overseas tour program package</td><td>RS. 7,00,000</td><td>RS. 10,00,000</td></tr>
</table>
Current Provisions:
•Section 206C(1H): Sellers must collect 0.1% TCS on sales exceeding ₹50 lakh.
•Section 194Q: Buyers must deduct 0.1% TDS on purchases exceeding ₹50 lakh.
Compliance Challenge: Both provisions apply to the same transaction, causing challenges for sellers in verifying TDS deductions by buyers
Change (Effective April 1, 2025):
•Section 206C(1H) will no longer apply.
•Only TDS under Section 194Q will be applicable.
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<td>3.</td>
<td>Extension of time limit to file updated return</td>
<td>
The return period has been extended to 48 months from the current 24 months.
<table>
<tr><th>Updated return filed within specified months from the end of the relevant financial year</th><th>Additional tax payable (in addition to normal tax) as a percentage of aggregate tax and interest liability</th></tr>
<tr><td>Up to 12 months</td><td>25%</td></tr>
<tr><td>12 to 24 months</td><td>50%</td></tr>
<tr><td>24 to 36 months</td><td>60%</td></tr>
<tr><td>36 to 48 months</td><td>70%</td></tr>
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<tr>
<td>4.</td>
<td>Computation of annual value of self-occupied properties simplified</td>
<td>
Present Rule
• House Property Occupied by Owner:
• Occupied by the owner for the purpose of residence.
• If the owner cannot occupy it due to employment, business, or profession at another location.
• Annual Value: Nil.
House Property Occupied by Owner:
• Occupied by the owner for residence purposes.
• If the owner cannot occupy it due to any reason (no longer restricted to employment/business).
• Annual Value: Nil.
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<td>5.</td>
<td>Extension of sunset date of incorporation for eligible start-up to avail profit linked tax holiday</td>
<td>Presently, the ITL under Sec 80-IAC provides that an eligible start up incorporated on or before 31 March 2025 shall be eligible for a deduction of 100% of its profits for any three consecutive tax years out of 10 years, beginning from the year of incorporation,</td>
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		at the option of the taxpayer subject to satisfaction of certain conditions. • Finance Act 2025 now extends the sunset date of incorporation under from **31 March 2025** to **31 March 2030** of eligible start-up for availing the profit linked tax holiday. • This amendment is effective from **FY 2024-25.**
6.	Presumptive taxation u/s 44BBD for setting up electronics manufacturing facility; Significant economic presence (SEP) provision harmonized	• The **25% of the total amount a non-resident** receives or is due to receive for providing services or technology as profits or gains of such non-resident. • The amendment will result in an effective tax payable of less than **10% tax on gross receipts** by non-resident. • In line with the exclusion for business connection, it is that SEP will not apply to non-residents involved in purchase of goods in India for export. • This amendment will be effective from 1 April 2026.
7.	Rationalization of capital gains taxation	**Rationalization in long-term capital gains (LTCG) tax rates for business trusts** • Currently, total income of a business trusts (being Real Estate Investment Trust and Infrastructure Investment Trust) is charged to tax at maximum marginal rate (MMR) except for short-term capital gains arising from qualifying securities (being listed equity shares or a unit of an equity-oriented fund or a unit of a business trust) and LTCG arising from non-qualifying assets. • To rationalize the provisions, it is now that LTCG arising from sale of qualifying securities will be taxed **at 12.5%** (plus applicable surcharge and cess) and not at MMR. **Rationalization in LTCG tax rates for certain non-residents** • Currently, Foreign Institutional Investors or specified fund are taxable at 12.5% (plus applicable surcharge and cess) on LTCG arising from qualifying securities and LTCG arising from non-qualifying securities is taxable at 10% (plus applicable surcharge and cess). • With an objective to bring parity, it is now that LTCG arising from non-qualifying securities will also be taxable at **12.5% (plus applicable surcharge and cess).** **Certainty on taxation of gains arising from sale of securities by Alternative Investment Funds (AIFs)** • With an objective to bring certainty in characterization of income arising from transaction in securities, it is clarified that securities held by Category-I and Category-II AIFs will be treated as '**capital asset'** only, and income arising therefrom to be in the nature of capital gains and not business income. • The above amendments will be effective from 01 April 2025.
8.	Exemption for withdrawals from National Saving Scheme (NSS) and Tax benefits and exemptions under the NPS Vatsalya Scheme	Under **Sec 80CCA**, NSS withdrawals are taxable, including accrued interest, with deductions for pre-April 1, 1992 deposits. With interest ceasing from October 1, 2024, such withdrawals, previously deductible with accrued interest, **will be exempt.** **NPS Vatsalya scheme:** • Partial withdrawals from the NPS Vatsalya Scheme, **up to 25%** of the parent or guardian's contributions, are **tax-exempt**. Full withdrawals are taxable, barring the minor's demise.

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- Deduction of up to **RS. 50,000** will be allowed from the parent or guardian's total income for contributions made to the minor's NPS Vatsalya account, which is within the overall limit of RS. 50,000 for self-contribution.

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<tr>
<td>9.</td>
<td>Introduction of 'assessments in a block' for Transfer Pricing (TP</td>
<td>
<table>
<tr><th>Particulars</th><th>Current</th><th></th></tr>
<tr>
<td>Reference</td>
<td>AO makes reference to the TPO for a standalone audit of each financial year based on the audit risk criteria determined.</td>
<td>▪ AO makes reference to the TPO for standalone audit for each financial year based on the audit risk criteria determined.
▪ Upon valid election by the taxpayer, the TPO will proceed to determine the ALP for three years.
▪ No TP reference shall be made for subsequent FYs or where a reference is made, it shall have an effect of 'no reference being made'.</td>
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<td>Determination of ALP</td>
<td>Separate determination of ALP will be done by the TPO for each financial year even if facts/ issues/ nature of transactions are similar.</td>
<td>If the TPO declares the option exercised as valid, the ALP determined for the initial year will be applied for the subsequent two consecutive FYs for the same/ similar transactions.</td>
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<td>Time limit</td>
<td>▪ The TPO has to pass the TP order within 34 months from the end of each FY.
▪ AO will incorporate the ALP determined by the TPO and pass the draft assessment order within two months from the date of TP order.</td>
<td>▪ With 'assessment in block', TPO has to pass the TP order for three consecutive years within 34 months from the end of a financial year in which such an option is elected.
▪ The AO will include the ALP adjustment within three months after the month when the assessment or audit is</td>
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				completed. ▪ Ambiguity in interplay with corporate tax assessment and collection and recovery of tax provisions.
10.	Summary of Taxation and Reporting of Virtual Digital Assets (VDA)	Finance Act 2025 introduces a new reporting requirement for prescribed reporting entities to **report crypto-asset transactions**, facilitating the automatic exchange of tax-relevant information on crypto-assets, thereby widening the tax base and enhancing transparency in the digital economy. • The detailed guidelines, rules and forms for furnishing of information on crypto transactions by specified reporting entities will be issued in due course. • This amendment will be effective from 1 April 2026.		