

Key amendments in Budget 2026-27

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* Amendment notes for CA, CS and CMA Aspirants

- New Income Tax Act 2025 to be effective from 1.4.2026
- Returns can be revised till 31st March on payments of Nominal Fels.
- Stagger timelines for individual return filing - 31st July and 31st August.
- TCS Rate reduced to 2% from 5% on Overseas Tour Package.
- TCS Rate reduced to 2% from 5% for Pursuing Medical and Engineering under LRS.
- TCS Rate increased to 2% on sale of scrap, alcohol.
- TDS application on supply of Manpower services fixed under section 194C

- TDS on sale of Properties by NRIS sellers to be deposited PAN Based (TAN not reqd.)
- Proposed scheme for lower TDS Deduction Certificate Automated
- MAT Credit allowed to be set off for companies opting to pay tax in the new regime upto 25% tax liability.
- One time six month Foreign Asset Disclosure Scheme to disclose overseas assets not disclosed earlier
- certain Penalties under Income Tax converted to Fees.
- Tax Holidays to Foreign Companies Providing cloud services having Data Centres in India.
- Increasing Safe Harbour limits for IT services
- Exemption from MAT to companies paying Tax under presumptive scheme.

→ Separate Accounting Requirement of ICDS to be removed from FY 2027-28

→ Buybacks to be taxed for all

→ STT rate raised on futures and option