CONDITIONS

BENEFITS / EXEMPTIONS / DEDUCTIONS NOT AVAILABLE u/s 115BAC(1A)

SALARY

- Sec 10(15) – LTC
- Sec 10(13A) – HRA
- Sec 10(17) – Allowance to MP/ MLA
- Sec 10(32) – Parents Minor's Income 1,500 p.a.
- Sec 16 – Profession Tax Entertainment allowance
- Sec 10(14) – Allowances

Exceptions –
- Daily Allowance
- Transport Allowance
- Conveyance Allowance
- Travel on Tour Allowance

HOUSE PROPERTY

- Sec 24 – Interest on SOP (30,000 / 2,00,000)

Exceptions –
LOP / DLOP
Interest is Allowed

- HP Losses (LOP/ DLOP) → Set Off against Other Head is NOT Allowed

PGBP

- Sec 32(i)(iia) – Additional Dep
- Sec 33AB, 33ABA – Tea, Coffee, Rubber
- Donation to Scientific Research Sec
  - 35(1)(ii) – Institute/ Research Assoc
  - 35(1)(iia) – College, Uni → Scientific Research / Social/ Statistical
  - 35(iii) – Indian Co. Engaged in R&D
  - 35(2AA) – IIT/ National Lab
- 10AA – SEZ
- 35AD – Specified Business
- 35CCC – Agri Extension Project

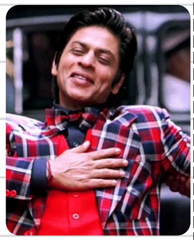
Others

Any Deduction u/Chapter VI-A

Exceptions –
(i) Sec 80JJAA
(ii) Sec 80CCD(2)
(iii) 80CCH(2)

TAXABILITY

- **In the hands of Business Trust**
  - Interest, Dividend, Rent (REIT) → EXEMPT → [PASS THROUGH STATUS]
  - Other Income
    - LTCG u/s 112
      - Bef 23/07/2024: 20%
      - on or Aft 23/07/2024: 12.5%
    - STCG u/s 111A
      - Bef 23/07/2024: 15%
      - on or Aft 23/07/2024: 20%
    - All Other Income → MMR
      - Old Scheme 30 + 37 + 4 %
      - New Scheme 30 + 25 + 4 %
- **In the hands of Unit Holder**
  - Interest
    - NR/FC → 5% (TDS 5%)
    - Others → Normal Tax Rates (TDS 10%)
  - Dividend
    - SPV paid Tax u/s 115BAA
      - NR/FC → 10% (TDS 10%)
      - Others → Normal Tax Rates (TDS 10%)
    - SPV paid Tax at Normal Rates → EXEMPT
  - Rent → Normal Tax Rates
    - NR/FC: TDS Rates in Force
    - Others: TDS 10%
  - Specified Sum → Taxable under IFOS At Normal Tax Rates



SECTION 158BB

Total block period income
Components of total income

- Income from return u/s 158BC
- Income assessed u/s 143/ 144/ 147/153A/153C
- Income return filed u/s 139/142/148
- Income for incomplete PY
  - Based on BOA/ Docs maintained before search date
- Undisclosed income determined by AO
  - Evidence sources
    - Search or survey
    - BOA
    - Other material info

Special provisions & rules

- Tax Computation
  - Tax
  - (-) Tax on Prev Assessed Income
  - (-) Tax in Filed Returns
  - (-) Tax on Incomplete Yr Inc
- Loss Treatment
  - If disclosed Income shows Loss
  - Ignore
- Previous losses & Unabsorbed Depn
  - Cannot be set off against undisclosed Income
  - Can be carried forward to future years
- International/ Domestic Transactions
  - Not included in Block Period
  - Assessed Separately
- Rules for Firm
  - Income before Sal, Int, Commission & Bonus
- Sections applicable
  - Sec 68, 69, 69A, 69B, 69C applies
  - 92CA applies with ref to Modified Year

VO = valuation office
TPO = transfer pricing officer

Start of assessment

Base timeline : 12 months from last authorisation

Additional time needed?

Yes

Exclusion periods

Exclusion period	Ends at
Search/ requisition period	Max 180 days from search initiation to document handover
Court stay period	Duration of stay order
Info Exch	Period between request and receipt (Max 1 year)
Audit period	Audit report, submission or court order
Ref to VO	Receipt of valuation report
Government intimation	Receipt of order/ notification
Commissioner reference	Receipt of order
Impermissible arrangement	Receipt of direction or order
Advance ruling	Receipt of rejection of ruling
Ref to TPO	+12 months additional time

Final timeline calculation

Remaining period < 60 days?

- Yes → Extend to 60 days
- No → Continue with remaining period

Expires mid-month → Yes → Extent to end of month

FINAL ASSESSMENT ORDER

IMPOSITION OF PENALTY

Penalty imposition procedure

- Reasonable OOBH
- Approval needed if penalty > ₹ 2 lakhs
- Time limit based on appeal/ revision status
  - **Appeal cases**
    Later of
    - end of FY of proceedings
    - 6 months from appeal order
  - **Revision cases**
    6 months from end of FY of revision
  - **Other cases**
    Later of
    - end of FY of proceedings
    - 6 months from penalty notice

Time exclusions:
1. Rehearing Time
2. Court Stay Period

If remaining time < 60 days, extend to 60 days

If it expires before month end Then extend to Month End

Copy of Order of Penalty sent to AO

END

Dispute Resolution Committee - Section 245MA

Start of Process

(1) Constitution & Composition

Rule 44DAA → 3 members

- 1 member → Serving officer, Principal / Commissioner Rank
- 2 members → Retired IRS officers Commissioner Rank 5+ Years

3 year Term

decisions by Majority

(2) Eligibility Criteria

Specified orders

- Draft order u/s 144C ,
- intimation u/s 143(1),
- assessment, orders except DRP final order
- rectification order u/s 154
- TDS/ TCS default order

Conditions

- Variation ≤ ₹ 10 lakhs
- Returned income ≤ ₹ 50 Lakhs
- Not from Search / Survey / DTAA

Disqualifications

- COFEPOSA detention
- Criminal convictions
- Tax prosecutions
- Special court act cases
- Black money act cases

(3) Application & Process

Application

- Fees ₹1000
- Time: 1 month from order
- Board specified time for pending Appeals

DRC actions

- Screen application,
- examine records
- get AO report
- additional information
- order within 6 months

DRC powers

- Modify variations
- waive penalty
- grant immunity

(4) Completion & Termination

Termination grounds

- Non-cooperation
- no response
- Concealment
- Non-payment

Final steps

- AO order within 1 month
- no Appeal allowed,
- No DRP reference

End of Process