

Sec 44 AB : Compulsory Audit of Books of Account (Tax Audit)

- 1) In case of business Audit is compulsory if Turnover of current PY is more than 1 cr.

Note Turnover limit is 10 cr. if :-

a) Cash receipt out of total receipt is upto 5% in previous year. AND

b) cash payment out of total payment is upto 5% in PY

* cross cheque, Bearer cheque is treated as cash only

- > In case of Profession Audit is compulsory if Gross receipt of profession is more than 50 Lakhs in PY

- > Audit can be done only by CA holding cop.

- > Due Date of Audit is month before of Due Date return filing.

ex Suppose Due Date of RF is 31 Oct 2025 then Audit due date is 30th Sep 2025

If Assessee fails to get Account Audited then penalty u/s 271B is Applicable.

↓ i) 0.5 % TLO / GIR

ii) 150000

which ever is lower.

* Presumptive taxation.

Sec 44 AE : Presumptive taxation ^{for} Transporter

- If Assessee engaged in the business, plying, Hiring, leasing of goods carriage vehicles. (Transporter) then PGBP shall be computed.

→ (Gross vehicle weight > 12 tons (12000 kgs))

A) Heavy goods vehicle : ₹ 1000 per ton of Gross vehicle weight or unladen weight as the case may be for every month or part of month.

B) Other vehicles : ₹ 7500 every month or part of the month.

* Notes

1. this Sec is Applicable if assessee own ^{max} 10 ~~trucks~~ vehicles.
2. if Assessee assessee own more than 10 vehicles at any time during the py then this Sec NA
- 2) income is calculated even if vehicle is not put to use but owned by assessee.
- 3) If Gross vehicle weight is not Available then assess can take unladen weight
- 4) Assessee can declare higher income in his return of income.
- 5) If assessee opting this Sec, then he is not required

to maintain Books of Accounts & get it audited. However if assessee declares lower income then he is required to maintain BOA & get it audited.

6) dedⁿ u/s 30 to 37 not allowed (assume it is deemed to be already allowed) 40(b)

7) Partner remuneration & interest u/s 40B allowed against income computed u/s this sec.

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(PY 24-25 AY 25-26)

Mr. X

Computation of PGBP.

No.	No. of vehicles	Date of Acq.	Car	Income.
1	2	10/4/24	7500 X 2V X 12m	180000
2.	1	15/3/25	7500 X 1V X 1m	7500
3.	3.	16/7/24	7500 X 3V X 9m	202500
4.	1	02/01/25	7500 X 1V X 3m	22500
5.	2	29/08/24	15000 X 2V X 8m	240000
6.	1	23/2/25	15000 X 1V X 2m	30000
PGBP				<u>682500</u>

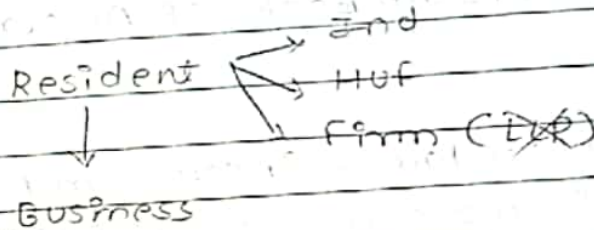
Note

No, Ans will be not change as income is computed for the month in which vehicle are own by assessee.

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r.No.	vehicles	Acq. date	Cal'n	Income
1	1	2/08/2023	7500 X 1V X 12m	90000
2	1	15/05/23	15000 X 1V X 12m	180000
3	1	4/08/23	7500 X 1V X 12m	90000
4	1	20/4/24	7500 X 1V X 12m	90000
5	1	15/5/24	14000 X 1V X 11m	154000
			PG&BP	604000

Sec 44 AD: Presumptive Taxation For Business



1. eligible Assessee :- resident ind / HUF / Firm (other other than LLP)
2. this sec is Applicable if assessee engaged in business. (except :- profession, sec 44 AE, Ager business. Commission and brokerage business)
3. This sec is Applicable if TLO is upto ₹ 2000000

* If amount received during previous year in cash is up to 5% of Total Turnover then limit is 3 crore instead to 2 crore.

4. $PGPB = \text{Turnover} \times 8\%$

* If T/O ~~realise~~ realised by A/c payee cheque, DD, ECS upto the due date of return filing then $PGPB = T/O \times 6\%$.

Assessee can declare higher income. If assessee declare income as per this section then he is not required to maintain Books of Accounts and get it audited.

If assessee declare lower income and his net taxable income is more than basic exemption then he is required to maintain books of accounts.

If assessee declare income as per this sec in any previous year and he does not declare income as per sec 44AD in any of the "5" consecutive previous year then he shall not be eligible to claim benefit of sec 44AD for 5 year subsequent to the year in which assessee did not declare income as per sec 44AD.

Sec 44ADA : Presumptive taxation For Profession.

1) eligible assessee :- Resident ind / Firm exclude LLP.

2) This sec is applicable only if Profession having GIR is upto 50 lakh.

Note :- If amount received during py incash is upto 5% of the Gross receipt of such previous year then limit is 75 lakh instead of 50 lakh.

③ $PGPB = GIR \times 50\%$

④ Assessee can declare higher income.

⑤ if assessee declare lower income and his NET NTI is more than Basic exemption then he is required to maintain Books of Accounts & get it Audited.

Common points for Sec 44AD & 44ADA

1) Dedⁿ u/s 30 to 37 Not allowed (Assumed it is deemed to be allowed)

2) Partner remuneration and interest not Allowed.