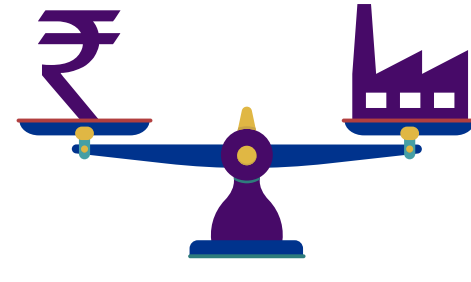




Goodwill no longer eligible for depreciation. The proposed amendment also applies to purchased goodwill.

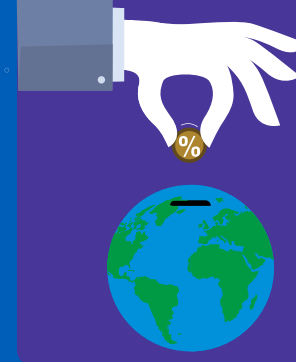


The definition of "slump sale" expanded to include "transfer" for non-cash consideration.

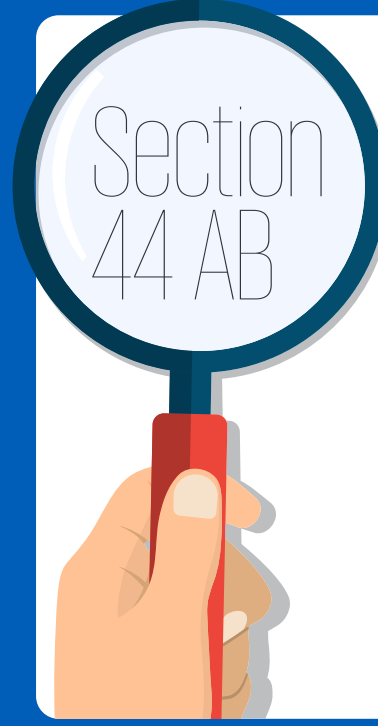
Provisions relating to sovereign wealth funds (SWF) and pension funds (PF) rationalised. Scope of eligible investments expanded – SWFs / PFs can now invest in AIFs which have invested not less than 50% in infrastructure companies and InvITs. Also, investment through domestic holding companies and NBFCs viz. infrastructure finance companies / infrastructure debt funds proposed to be allowed.



Various incentives for IFSC units have been proposed.



Tax withholding on payments made to foreign institutional investors now possible at lower tax treaty rates.

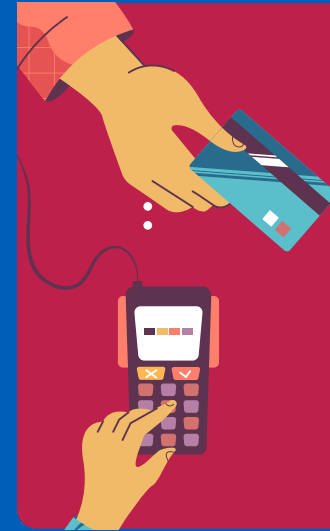


Threshold limit for getting the accounts audited under section 44AB of the Act increased from **INR5 crore to INR10 crore** where receipts / payments in cash during the previous year do not exceed 5% of such receipts / payments.



Withholding tax on dividend payments to REITs / InvITs abolished with retrospective effect from 1 April 2020.

Special provisions introduced for higher rate of TDS / TCS for non-filers of income-tax return subject to certain conditions.



TDS on purchase of goods from residents introduced w.e.f. 1 July 2021 subject to fulfilment of certain specified conditions – will prevail over TCS provisions introduced last year.



Time limit for completion of assessment and issuance of notice stands reduced by 3 months.

Procedure for reassessment and search assessment overhauled. Reduced 3 year timeline applicable in certain cases.



Authority for Advance Rulings to be replaced by Board of Advance Rulings. Rulings not binding.



Faceless ITAT scheme proposed in line with faceless appeal scheme introduced earlier.

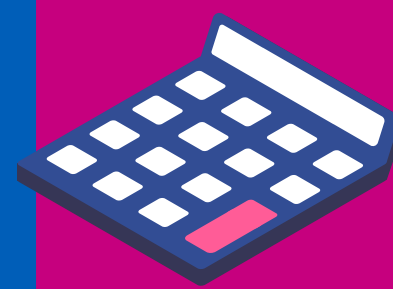


Income Tax Settlement Commission to be discontinued from 1 February 2021. Interim board to be constituted for pending applications filed up to 31 January 2021.

Dispute Resolution Committees proposed to be constituted for small and medium taxpayers. The Committees will have the power to reduce / waive penalties and grant immunity from prosecution in eligible cases.



Scope of Equalisation Levy (EL) clarified to exclude consideration taxable as royalty / FTS.



Rationalisation of provisions relating to EL. Certain expressions defined.



Exemption from income-tax for incomes covered by EL made applicable from 1 April 2020.

Interest accrued from PPF and EPF on individual / employees contribution exceeding INR 250,000 made taxable.

