

**Summary of key changes in the Income Tax Bill, 2025**

S. No.	Income Tax Act, 1961 (IT Act, 1961)		Income Tax Bill, 2025 (ITB, 2025)		Changes
1	3-"Previous year" defined	For the purposes of this Act, "previous year" means the financial year immediately preceding the assessment year	3-Definition of "tax year"	<b>3(I)</b> For the purposes of this Act, "tax year" means the twelve months period of the financial year commencing on the 1 <sup>st</sup> April.	'Previous year' referred to as tax year. Concept of 'assessment year' done away with.
2	9(1)(vi)(c)-Income deemed to accrue or arise in India	vi) income by way of royalty payable by— (a) .....or (b) ..... or (c) a person who is a non-resident, where the royalty is payable in respect of any right, property or information used or services utilised for the purposes of a business or profession carried on by such person in India or <b>for the purposes of making or earning any income from any source in India</b>	9(6)(a)(iii)-Income deemed to accrue or arise in India.	(6)(a) Income by way of royalty payable by— (i) ....., (ii)....., (iii) a non-resident, if the royalty is payable in respect of any right, property or information used or services utilised for the purposes of— (A) a business or profession carried on by the non-resident in India; or (B) <b>making or earning any income from any source outside India, shall be deemed to accrue or arise in India</b>	Royalty payable by non-resident – income from any source ' <b>outside</b> ' India appears to have been inadvertently stated in the ITB, 2025, as against " <b>in</b> " India.
3	40(a)(ii)-Amounts not deductible	(ii) any sum paid on account of any rate or tax levied on the profits or gains of any business or profession or assessed at a proportion of, or otherwise on the basis of, any such profits or gains.	35(a)-Amounts not deductible in certain circumstances.	Irrespective of any other provision of Chapter IV-D, the <b>following amounts shall not be allowed as deduction</b> in computing the income chargeable under the head "Profits and gains of business or profession":— (a) any amount on account of— (i) <b>tax paid on income</b> ; or (ii).....; or (iii).....; or and <b>shall include any surcharge or cess on such tax, by whatever name called;</b>	The ITB, 2025 clarifies that any tax paid on 'income,' including surcharge or cess on such tax, cannot be deducted while calculating income under the head Profits and Gains of Business or Profession.
4	44BBD-Presumptive taxation	Finance Bill 2025 proposed introduction of a presumptive taxation regime for non-	61- Special provision for computation of	61(2) Table: S.no. 6:- 25% of (A+B) Where, -	<ul style="list-style-type: none"> <li>The ITB, 2025 introduced presumptive taxation scheme for non-residents engaged in</li> </ul>

	<p>regime for non-residents who are engaged in providing services or technology in India for the setting up an electronics manufacturing facility or in connection with manufacturing or producing electronic goods, article or thing in India</p> <p>India for the setting up an electronics manufacturing facility or in connection with manufacturing or producing electronic goods, article or thing in India</p>	<p>residents who are engaged in providing services or technology in India to resident companies satisfying certain conditions. The proposal deems 25% of the total amount received/ receivable by, or paid/ payable to, the non-resident, on account of providing services or technology, as profits and gains of such non-resident from this business.</p>	<p>income on presumptive basis in respect of certain business activities of certain non-residents.</p>	<p>25 per cent of (A+B)</p> <p>A = the amount paid/payable to the non-resident assessee or to any person on his behalf on account of providing the services or technology</p> <p>B = the amount received/deemed to be received by the non-resident assessee or on behalf of non-resident assessee on account of providing services or technology</p>	<p>the business of providing services or technology to resident companies engaged in manufacturing of electronics goods, etc.</p> <ul style="list-style-type: none"> <li>The formula specified in ITB, 2025 could potentially lead to inclusion of the amount twice.</li> </ul>
5	<p>44AB- Audit of accounts by certain persons carrying on profession or business.</p> <p>44AA- Maintenance of accounts by certain persons carrying on</p>	No such provisions	<p>63- Tax audit</p> <p>62- Maintenance of books of account.</p>	<p>63(2) The provisions of this section <b>shall not apply</b>, —</p> <p>(b) <b>where the person, other than that referred in section 61(2) (Table: Sl. No. 6), is deriving income of the nature referred to in section 61(2).</b></p> <p><b>62(2)</b> The conditions in respect of persons referred to in sub-section (1)(b) shall be the following:—</p>	<ul style="list-style-type: none"> <li>The Finance Bill, 2025 proposed to introduce Section 44BBD, which allows non-residents providing services or technology in India for electronics manufacturing to opt for presumptive taxation.</li> <li>There was no specific proposal in respect of the requirement for such non-residents to maintain books</li> </ul>

	profession or business.			(c) where during the tax year, the assessee, other than the assessee referred to in section 61(2) (Table: Sl. No. 6), has claimed income from business or profession to be lower than the deemed profits as referred to in section 58(2) or section 61(2);	of accounts and undergo audits.  • As per ITB, 2025 maintenance of books of accounts and audit is mandatory.
6	44BBC- Special provision for computing profits and gains of business of operation of cruise ships in case of non-residents	1) Notwithstanding anything to the contrary contained in sections 28 to 43A, in the case of an assessee, being a non-resident, engaged in the business of operation of cruise ships subject to such conditions as may be prescribed, a sum equal to twenty per cent of the aggregate of the amounts specified in sub-section (2) shall be deemed to be the profits and gains of such business chargeable to tax under the head "Profits and gains of business or profession"	61- Special provision for computation of income on presumptive basis in respect of certain business activities of certain non-residents.	(3) For the purposes of <b>(Table: Sl. Nos. 1 to 5) of sub-section (2), the specified assessee may claim that the profits actually earned from the specified business are lower than the business profits</b> computed under sub-section (2), if,— (a) he keeps and maintains such books of account and other documents as required under section 62; and (b) gets his accounts audited and furnish a report of such audit as required under section 63.	<ul style="list-style-type: none"> <li>• The ITB, 2025 proposes to give an option to such taxpayers to offer income lower than the presumptive rate, provided they maintain books of accounts in a prescribed manner and get their accounts audited.</li> <li>• This option was not available earlier under ITA, 1961.</li> </ul>
	44BBA- Special provision for computing profits and gains of the business of operation of aircraft in the case of non-residents	(1) Notwithstanding anything to the contrary contained in sections 28 to 43A, in the case of an assessee, being a non-resident, engaged in the business of operation of aircraft, a sum equal to five per cent of the aggregate of the amounts specified in sub-section (2) shall be deemed to be the profits and gains of such business chargeable to tax under the head "Profits and gains of business or profession".			
7	44BBB- Special provision for computing profits and	(3) Notwithstanding anything contained in sub-section (2) of section 32 and sub-section (1) of section 72, where an assessee declares profits and gains of	61- Special provision for computation of income on presumptive	(4) <b>Any loss, allowance or deduction allowable under the provisions of this Act shall not be allowed</b> against the income computed in the	<ul style="list-style-type: none"> <li>• The ITA, 1961 prohibits the set-off of unabsorbed depreciation and brought forward business losses.</li> </ul>

	gains of foreign companies engaged in the business of civil construction, etc., in certain turnkey power projects	business for any previous year in accordance with the provisions of sub-section (1), <b>no set off of unabsorbed depreciation and brought forward loss shall be allowed to the assessee for such previous year.</b>	basis in respect of certain business activities of certain non-residents	manner specified in sub-section (2).	<ul style="list-style-type: none"> <li>However, ITB, 2025 prohibits the set-off of <b>any</b> loss and the claiming of any deduction or allowance (e.g., section 80G of the Income Tax Act, 1961) against deemed profits.</li> </ul>
	44BB-Special provision for computing profits and gains in connection with the business of exploration, etc., of mineral oils.	(4) Notwithstanding anything contained in sub-section (2) of section 32 and sub-section (1) of section 72, where an assessee declares profits and gains of business for any previous year in accordance with the provisions of sub-section (1), <b>no set off of unabsorbed depreciation and brought forward loss shall be allowed to the assessee for such previous year.</b>			
8	54EC- Capital gain not to be charged on investment in certain bonds	(1) <b>Where the capital gain arises from the transfer of a long-term capital asset</b> , being land or building or both, (the capital asset so transferred being hereafter in this section referred to as the original asset) and the assessee has, at any time within a period of six months after the date of such transfer, invested the whole or any part of capital gains in the long-term specified asset, the capital gain shall be dealt with in accordance with the following provisions of this section	85- Capital gains not to be charged on investment in certain bonds.	(1) Where an assessee has— (a) <b>long-term capital gains</b> arising from the transfer of land or building, or both, (original asset); and (b) within six months after the date of such transfer, invested whole or part of the capital gains in a long-term specified asset (new asset), then, the capital gains shall be dealt with as follows	<ul style="list-style-type: none"> <li>The language in section 85 is changed from “<i>Where the capital gain arises from the transfer of a long-term capital asset...</i>” to “<i>long-term capital gains arising from the transfer of land or building.</i>”</li> <li>This can potentially impact availability of exemption under section 85 in respect of short-term capital gain arising from transfer of a depreciable asset, which is otherwise a long-term capital asset.</li> <li>Similar change is not affected in corresponding section 86 (existing section 54F) where the language remains as <i>capital gains</i></li> </ul>

					<i>arises from the transfer of any <u>long-term capital asset</u>.</i>
9	74- Losses under the head "Capital gains"	(1) Where in respect of any assessment year, the net result of the computation under the head "Capital gains" is a loss to the assessee, the whole loss shall, subject to the other provisions of this Chapter, <b>be carried forward to the following assessment year, and—</b> (a).....; (b) in so far as <b>such loss relates to a long-term capital asset, it shall be set off against income, if any, under the head "Capital gains" assessable for that assessment year in respect of any other capital asset not being a short-term capital asset</b>	536(2)- Repeal and savings	(n) <b>any amount of loss under the head capital gains, whether related to a long-term capital asset or a short term capital asset, referred to in section 74 of the repealed Income-tax Act,</b> brought forward from the tax year beginning before the 1st April, 2026 had the Income-tax Act, 1961 not been repealed, <b>shall be set off and carried forward against the income under the head "Capital gains" computed under this Act for any tax year beginning on or after the 1st April, 2026</b> upto eight financial years immediately succeeding the financial year in which such loss was first computed under the repealed Income-tax Act	<ul style="list-style-type: none"> <li>• The provision relating to set off of Long-Term Capital Loss (LTCL) against Long-Term Capital Gains (LTCG) remains unchanged under the ITB, 2025.</li> <li>• However, the savings clause in ITB, 2025 allows taxpayers to carry forward and set off LTCL incurred up to March 31, 2026, against all future capital gains, including Short-Term Capital Gains (STCG), starting from the tax year 2026-27.</li> </ul>
10	90- Agreement with foreign countries or specified territories	(3) <b>Any term used but not defined in this Act or in the agreement</b> referred to in sub-section (1) shall, unless the context otherwise requires, and is not inconsistent with the provisions of this Act or the agreement, <b>have the same meaning as assigned to it in the notification issued by the Central Government in the Official Gazette in this behalf.</b>	159- Agreement with foreign countries or specified territories and adoption by Central Government of agreement between specified associations for double taxation relief.	(7) Where, any— (a).....; or (b).....; or (c) <b>term is used in any agreement</b> entered into under sub-section (1) or (2), and <b>not defined under the said agreement or this Act, or in any notification issued</b> under clause (b), then, unless the context otherwise requires, it shall have the same meaning as assigned to it— <b>(i) in any Act of the Central Government related to taxes; and</b> <b>(ii) in any other case, in any other law of the Central Government,</b>	The ITB, 2025 proposes that if a term is not defined in the tax treaty, ITB, 2025, or any Notification issued by the Central Government, then unless the context otherwise requires, the term shall have the same meaning as it has under any Act of the Central Government dealing with taxes. If no such definition exists, the term may be interpreted based on its meaning in any other Act of the Central Government.

				and shall be deemed to have effect from the date on which the said agreement came into force.	
11	79(1)- Carry forward and set off of losses in case of certain companies	(1) Notwithstanding anything contained in this Chapter, where a change in shareholding has taken place during the previous year in the case of a company, not being a company in which the public are substantially interested, no loss incurred in any year prior to the previous year shall be carried forward and set off against the income of the previous year, unless on the last day of the previous year, the shares of the company carrying not less than fifty-one per cent of the voting power were beneficially held by persons who beneficially held shares of the company carrying not less than fifty-one per cent of the voting power on the last day of the year or years in which the loss was incurred	119(3)- Carry forward and set off of losses not permissible in certain cases.	(3) In case of <b>change in shareholding of a company, not being a company in which public are substantially interested</b> , during any tax year, <b>loss brought forward from any preceding tax year shall not be allowed to be set off against the income of the said tax year and subsequent tax years</b> unless the following conditions are satisfied: – (a) if the beneficial owners of shares of the company carrying at least 51% of voting power, as on the last day of tax year in which loss was incurred, shall continue to be the beneficial owner of shares carrying at least 51% of voting power, as on the last day of the tax year in which such change in shareholding takes place; or	<ul style="list-style-type: none"> <li>• Under ITA, 1961, there was ambiguity regarding whether companies could benefit from the set-off and carry forward of losses if the 49% shareholding threshold was maintained in the year of incurrence and the year of set-off, but not in the intervening period.</li> <li>• The ITB, 2025 appears to provide that once the shareholding changes beyond 49% from the year of incurrence of the loss, the right to set off the loss is lost, even if the shareholding is restored in subsequent years.</li> </ul>
12	112- Tax on long-term capital gains	(1)(c) in the case of a non-resident (not being a company) or a foreign company,— (i).....; and (ii).....; and (iii) the amount of income-tax on long-term capital gains arising from the transfer of a capital asset, being unlisted securities or shares of a company not being a company in which the public are substantially interested, as computed without giving effect to the first and second provisos	197- Tax on long-term capital gains.	(1) Where the total income of an assessee includes any income arising from the transfer of a long-term capital asset which is chargeable under the head “Capital gains”, the tax payable by the assessee on the total income, subject to sub-sections (2) and (3), shall be the aggregate of— (a) income-tax payable on the total income as reduced by such long-term capital gains, had the total income, as so	<ul style="list-style-type: none"> <li>• Under ITA, 1961 LTCG for non-residents from the transfer of shares in an Indian company are taxed at 12.5% without considering foreign exchange fluctuation.</li> <li>• The ITB, 2025 provides the foreign exchange fluctuation benefit to non-residents on LTCG from transfer of unlisted shares or unlisted securities of an Indian company.</li> </ul>



		to section 48, calculated on such long-term capital gains,—  (A) at the rate of ten per cent for any transfer which takes place before the 23rd day of July, 2024; and  (B) at the rate of twelve and one-half per cent for any transfer which takes place on or after the 23rd day of July, 2024;		reduced, been his total income; and  (b) income-tax calculated on such long-term capital gains at the rate of 12.5%.	
13	139- Return of income	No related provisions	263(1)(a)(ix)- Return of income	(I)(a) The following persons shall furnish a return of income for the tax year under this Act, on or before the due date:-  (ix) <b>a person who intends to make a claim of refund under Chapter XX;</b>	The ITB, 2025 specifically provides that claim of refund can only be made by filing income tax return before the original due date.
14	115BAB- Tax on income of certain domestic companies	(2) For the purposes of sub-section (1), the total income of the company shall be computed <b>(i) without any deduction</b> under the provisions of section 10AA or clause (iia) of sub-section (1) of section 32 or section 32AD or section 33AB or section 33ABA or sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of section 35 or section 35AD or section 35CCC or section 35CCD or <b>under any provisions of Chapter VI-A other than the provisions of section 80JJAA or section 80M</b>	200- Tax on income of certain domestic companies	(1) Irrespective of anything contained in this Act but subject to the provisions of Parts A, B and this Part, other than sections 199 and 201, the income-tax payable for a tax year shall be at the rate of 22%, at the option of a person being a domestic company, in respect of the total income of such person computed in the following manner: –  (a) <b>without any deduction under—</b> (i) sections 45(2)(c) and 47(1)(b); or  (ii) <b>Chapter VIII other than the provisions of section 146; or</b> (iii) sections specified in section 205(1)(a) to (g);	<ul style="list-style-type: none"> <li>• Earlier, deduction on inter corporate dividends under section 80M (new section 148) was available where company opts tax rate of 22% concessional tax regime u/s 115BAB (new section 200).</li> <li>• Under ITB, 2025 the deduction is not available where a company opts for tax rate of 22 percent, but available where company opts for concessional tax rate of 15% (new section 201, earlier section 115BAB).</li> </ul>
15	144C(6)- Reference to dispute resolution panel	(6) The Dispute Resolution Panel shall issue the directions referred to in sub-section (5), after considering the following, namely:—	275(6)- Reference to Dispute Resolution Panel	(6) The Dispute Resolution Panel shall issue the directions as referred to in sub-section (5), in writing, stating the points of	The ITB, 2025 requires the DRP to issue a reasoned order, but the requirement to consider taxpayer evidence or remand reports has been removed.

		(a) draft order; (b) objections filed by the assessee; (c) evidence furnished by the assessee; (d) report, if any, of the Assessing Officer, Valuation Officer or Transfer Pricing Officer or any other authority; (e) records relating to the draft order; (f) evidence collected by, or caused to be collected by, it; and (g) result of any enquiry made by, or caused to be made by, it.		determination, the decision thereon and the reason for such decision.	
16	197- Certificate for deduction at lower rate	(1) Subject to rules made under sub-section (2A), where, in the case of any income of any person or sum payable to any person, income-tax is required to be deducted at the time of credit or, as the case may be, at the time of payment at the rates in force under the provisions of sections 192, 193, 194, 194A, 194C, 194D, 194G, 194H, 194I, 194J, 194K, 194LA, 194L, 194M, 194N, 194O, 194P, 194Q, 194R, 194S, 194T, 194U, 194V, 194W, 194X, 194Y, 194Z, 194AA, 194AB, 194AC, 194AD, 194AE, 194AF, 194AG, 194AH, 194AI, 194AJ, 194AK, 194AL, 194AM, 194AN, 194AO, 194AP, 194AQ, 194AR, 194AS, 194AT, 194AU, 194AV, 194AW, 194AX, 194AY, 194AZ, 194BA, 194BB, 194BC, 194BD, 194BE, 194BF, 194BG, 194BH, 194BI, 194BJ, 194BK, 194BL, 194BM, 194BN, 194BO, 194BP, 194BQ, 194BR, 194BS, 194BT, 194BU, 194BV, 194BW, 194BX, 194BY, 194BZ, 194CA, 194CB, 194CC, 194CD, 194CE, 194CF, 194CG, 194CH, 194CI, 194CJ, 194CK, 194CL, 194CM, 194CN, 194CO, 194CP, 194CQ, 194CR, 194CS, 194CT, 194CU, 194CV, 194CW, 194CX, 194CY, 194CZ, 194DA, 194DB, 194DC, 194DD, 194DE, 194DF, 194DG, 194DH, 194DI, 194DJ, 194DK, 194DL, 194DM, 194DN, 194DO, 194DP, 194DQ, 194DR, 194DS, 194DT, 194DU, 194DV, 194DW, 194DX, 194DY, 194DZ, 194EA, 194EB, 194EC, 194ED, 194EE, 194EF, 194EG, 194EH, 194EI, 194EJ, 194EK, 194EL, 194EM, 194EN, 194EO, 194EP, 194EQ, 194ER, 194ES, 194ET, 194EU, 194EV, 194EW, 194EX, 194EY, 194EZ, 194FA, 194FB, 194FC, 194FD, 194FE, 194FF, 194FG, 194FH, 194FI, 194FJ, 194FK, 194FL, 194FM, 194FN, 194FO, 194FP, 194FQ, 194FR, 194FS, 194FT, 194FU, 194FV, 194FW, 194FX, 194FY, 194FZ, 194GA, 194GB, 194GC, 194GD, 194GE, 194GF, 194GG, 194GH, 194GI, 194GJ, 194GK, 194GL, 194GM, 194GN, 194GO, 194GP, 194GQ, 194GR, 194GS, 194GT, 194GU, 194GV, 194GW, 194GX, 194GY, 194GZ, 194HA, 194HB, 194HC, 194HD, 194HE, 194HF, 194HG, 194HH, 194HI, 194HJ, 194HK, 194HL, 194HM, 194HN, 194HO, 194HP, 194HQ, 194HR, 194HS, 194HT, 194HU, 194HV, 194HW, 194HX, 194HY, 194HZ, 194IA, 194IB, 194IC, 194ID, 194IE, 194IF, 194IG, 194IH, 194II, 194IJ, 194IK, 194IL, 194IM, 194IN, 194IO, 194IP, 194IQ, 194IR, 194IS, 194IT, 194IU, 194IV, 194IW, 194IX, 194IY, 194IZ, 194JA, 194JB, 194JC, 194JD, 194JE, 194JF, 194JG, 194JH, 194JI, 194JJ, 194JK, 194JL, 194JM, 194JN, 194JO, 194JP, 194JQ, 194JR, 194JS, 194JT, 194JU, 194JV, 194JW, 194JX, 194JY, 194JZ, 194KA, 194KB, 194KC, 194KD, 194KE, 194KF, 194KG, 194KH, 194KI, 194KJ, 194KK, 194KL, 194KM, 194KN, 194KO, 194KP, 194KQ, 194KR, 194KS, 194KT, 194KU, 194KV, 194KW, 194KX, 194KY, 194KZ, 194LA, 194LB, 194LC, 194LD, 194LE, 194LF, 194LG, 194LH, 194LI, 194LJ, 194LK, 194LL, 194LM, 194LN, 194LO, 194LP, 194LQ, 194LR, 194LS, 194LT, 194LU, 194LV, 194LW, 194LX, 194LY, 194LZ, 194MA, 194MB, 194MC, 194MD, 194ME, 194MF, 194MG, 194MH, 194MI, 194MJ, 194MK, 194ML, 194MN, 194MO, 194MP, 194MQ, 194MR, 194MS, 194MT, 194MU, 194MV, 194MW, 194MX, 194MY, 194MZ, 194NA, 194NB, 194NC, 194ND, 194NE, 194NF, 194NG, 194NH, 194NI, 194NJ, 194NK, 194NL, 194NM, 194NN, 194NO, 194NP, 194NQ, 194NR, 194NS, 194NT, 194NU, 194NV, 194NW, 194NX, 194NY, 194NZ, 194OA, 194OB, 194OC, 194OD, 194OE, 194OF, 194OG, 194OH, 194OI, 194OJ, 194OK, 194OL, 194OM, 194ON, 194OO, 194OP, 194OQ, 194OR, 194OS, 194OT, 194OU, 194OV, 194OW, 194OX, 194OY, 194OZ, 194PA, 194PB, 194PC, 194PD, 194PE, 194PF, 194PG, 194PH, 194PI, 194PJ, 194PK, 194PL, 194PM, 194PN, 194PO, 194PP, 194PQ, 194PR, 194PS, 194PT, 194PU, 194PV, 194PW, 194PX, 194PY, 194PZ, 194QA, 194QB, 194QC, 194QD, 194QE, 194QF, 194QG, 194QH, 194QI, 194QJ, 194QK, 194QL, 194QM, 194QN, 194QO, 194QP, 194QQ, 194QR, 194QS, 194QT, 194QU, 194QV, 194QW, 194QX, 194QY, 194QZ, 194RA, 194RB, 194RC, 194RD, 194RE, 194RF, 194RG, 194RH, 194RI, 194RJ, 194RK, 194RL, 194RM, 194RN, 194RO, 194RP, 194RQ, 194RR, 194RS, 194RT, 194RU, 194RV, 194RW, 194RX, 194RY, 194RZ, 194SA, 194SB, 194SC, 194SD, 194SE, 194SF, 194SG, 194SH, 194SI, 194SJ, 194SK, 194SL, 194SM, 194SN, 194SO, 194SP, 194SQ, 194SR, 194SS, 194ST, 194SU, 194SV, 194SW, 194SX, 194SY, 194SZ, 194TA, 194TB, 194TC, 194TD, 194TE, 194TF, 194TG, 194TH, 194TI, 194TJ, 194TK, 194TL, 194TM, 194TN, 194TO, 194TP, 194TQ, 194TR, 194TS, 194TT, 194TU, 194TV, 194TW, 194TX, 194TY, 194TZ, 194UA, 194UB, 194UC, 194UD, 194UE, 194UF, 194UG, 194UH, 194UI, 194UJ, 194UK, 194UL, 194UM, 194UN, 194UO, 194UP, 194UQ, 194UR, 194US, 194UT, 194UU, 194UV, 194UW, 194UX, 194UY, 194UZ, 194VA, 194VB, 194VC, 194VD, 194VE, 194VF, 194VG, 194VH, 194VI, 194VJ, 194VK, 194VL, 194VM, 194VN, 194VO, 194VP, 194VQ, 194VR, 194VS, 194VT, 194VU, 194VV, 194VW, 194VX, 194VY, 194VZ, 194WA, 194WB, 194WC, 194WD, 194WE, 194WF, 194WG, 194WH, 194WI, 194WJ, 194WK, 194WL, 194WM, 194WN, 194WO, 194WP, 194WQ, 194WR, 194WS, 194WT, 194WU, 194WV, 194WW, 194WX, 194WY, 194WZ, 194XA, 194XB, 194XC, 194XD, 194XE, 194XF, 194XG, 194XH, 194XI, 194XJ, 194XK, 194XL, 194XM, 194XN, 194XO, 194XP, 194XQ, 194XR, 194XS, 194XT, 194XU, 194XV, 194XW, 194XX, 194XY, 194XZ, 194YA, 194YB, 194YC, 194YD, 194YE, 194YF, 194YG, 194YH, 194YI, 194YJ, 194YK, 194YL, 194YM, 194YN, 194YO, 194YP, 194YQ, 194YR, 194YS, 194YT, 194YU, 194YV, 194YW, 194YX, 194YY, 194YZ, 194ZA, 194ZB, 194ZC, 194ZD, 194ZE, 194ZF, 194ZG, 194ZH, 194ZI, 194ZJ, 194ZK, 194ZL, 194ZM, 194ZN, 194ZO, 194ZP, 194ZQ, 194ZR, 194ZS, 194ZT, 194ZU, 194ZV, 194ZW, 194ZX, 194ZY, 194ZZ. <b>the Assessing Officer is satisfied that the total income of the recipient justifies the deduction of income-tax at any lower rates or no deduction of income-tax</b> , as the case may be, the Assessing Officer shall, on an application made by the assessee in this behalf, give to him such certificate as may be appropriate.	395- Certificates	(1) Where tax is required to be deducted on any income or sum under this Chapter, then subject to the rules made under this Act, — <b>(a) the payee may make an application before the Assessing Officer for deduction of tax at a lower rate</b>  <b>(5) The assessing officer may cancel the certificate granted under sub-section (1) or (3) after giving reasonable opportunity to the applicant.</b>	<ul style="list-style-type: none"> <li>• Nil rate for lower deduction certificates (LDC) not included under section 395.</li> <li>• Scope broadened to cover all type of income / expense which are subject TDS and TCS provisions.</li> <li>• Further, assessing officer has been explicitly given the power to cancel the certificate after giving reasonable opportunity to the applicant.</li> </ul>