



**PRARAMBH
2026**

AWARENESS CAMPAIGN ON

Income Tax Act 2025 & Income Tax Rules 2026

with special focus on provisions relating to filing of SFT

**DIRECTORATE OF INTELLIGENCE AND
CRIMINAL INVESTIGATION,
HYDERABAD**





KEY FEATURES OF NEW INCOME TAX ACT 2025

Tax year

The concept of "previous year" & "Assessment Year" was replaced with singular concept of Tax year

Drastic reduction in Chapters

Streamlines the previous law into a cleaner code, shrinking chapters from 47 down to 23

Integrated Explanations

Absorbs over 2,100 provisos and footnotes directly into main textual points to stop legal fragmentation

Replacing Outdated Terms

Swaps archaic legal language like "notwithstanding" with clear, universal phrases like "irrespective of"

Thematic Consolidation

Gathers scattered rules into specific blocks, moving all nonprofit entity terms into a single chapter

Simplified Forms & Rules

Standardized and re-engineered forms for easier e-filing and digital compliance

No Policy changes

Preserves actual underlying tax liability rules despite changing the timeline jargon

Seamless Transitional Protections

To ensure no legal or financial disruptions during the migration from the 1961 Act, Section 536 acts as a "repeal and savings" bridge

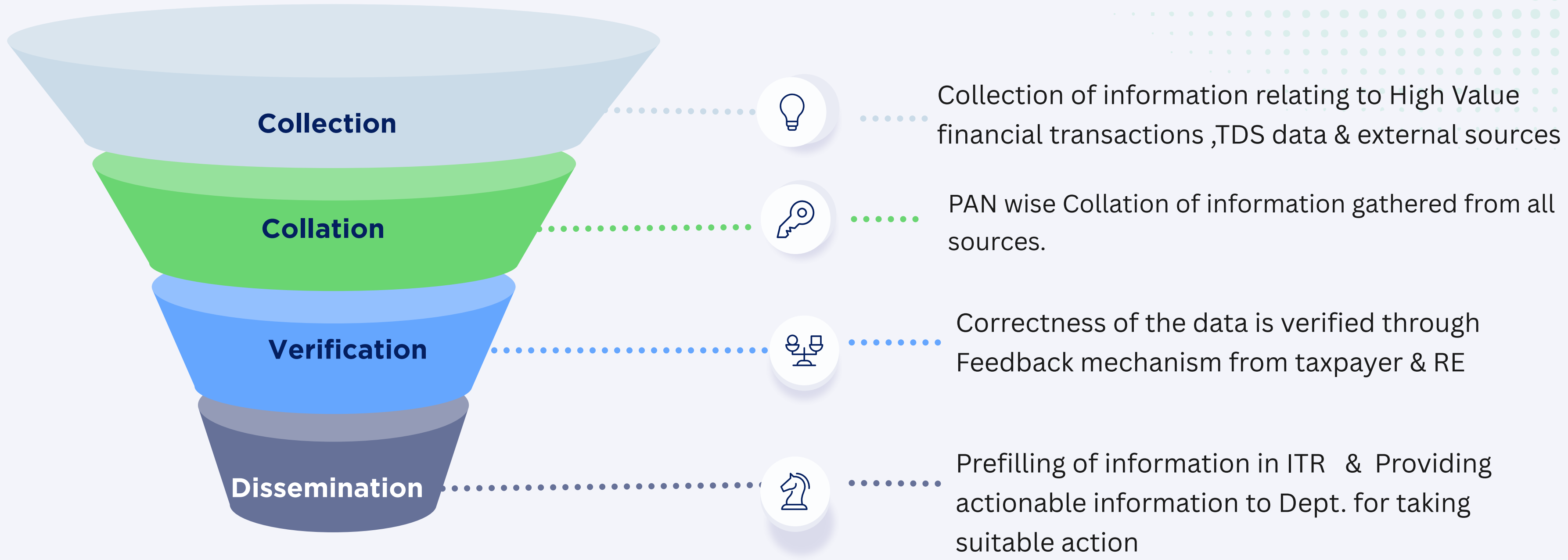


SUMMARY OF CHANGES IN IT ACT 2025

Old Act	Item	New Act		Old Act	Item	New Act
5,12,535	Words	2,59,676		18	Tables	57
880	Pages	572		14	Schedules	16
47	Chapters	23		6	Formulae	46
1200	Provisos	0		298	Sections	536



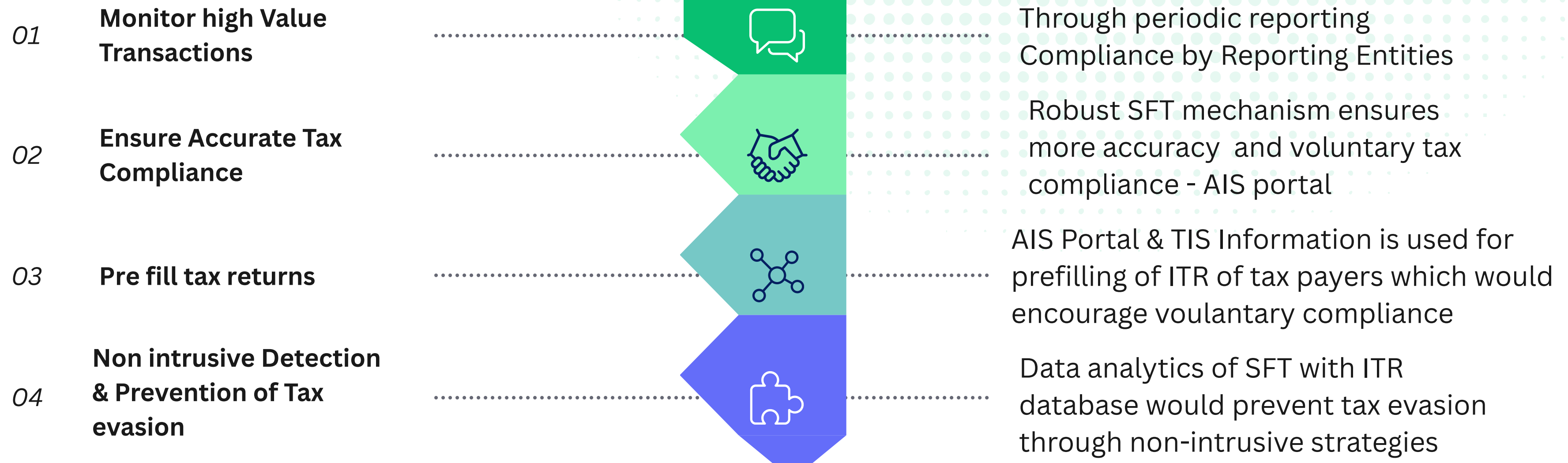
DATA DRIVEN TAX ADMINISTRATION










SFT

KEY TO DATA DRIVEN TAX ADMINISTRATION









CHANGES IN SEC. & RULES RELATING TO SFTS

Item	Old Act / Rules	New Act / Rules
 Governing Sections	Sec. 285BA & Sec.139A	Sec. 508 & Sec. 262
 Quoting of PAN	Rule 114 B	Rule 159 (1)
 PAN Validation & Obtaining Form 60/97	Rule 114 C	Rule 159 (5)
 Time & manner of filing of Form 61 / Form 98	Rule 114 D	Rule 160
 Furnishing of Form 61 A / Form 165	Rule 114 E	Rule 237





CHANGES IN FORMS RELATING TO SFTS

Item	Old Forms	New Forms
 Declaration for Non - PAN Transactions	60	97
 Reporting of Non-PAN transactions	61	98
 SFT filing	61A	165
 FATCA / CRS Compliance	61B	166



CO-OPERATIVE BANKS

SFT - 003, 004 ,005 & 015

003	004	SFTs	005	015
Cash deposit in Current Account	Cash deposit other than current account		Time Deposit	Interests
> Rs. 50 lakhs	> Rs. 10 lakhs	Thresold Limit	> Rs. 10 lakhs	No Limit
Yes	Yes	PAN Requirement	> 5 Lakhs	Not mandatory
165	165	Form	165	Excel Format



CORPORATES AS REPORTING ENTITIES

SFT - 07, 08 ,09 & 16

07	08	SFTs	09	16
Debentures & bonds Purchases	Share Purchases		Buy Back of Shares	Dividends
> Rs. 10 lakhs	> Rs. 10 lakhs	Thresold Limit	> Rs. 10 lakhs	No Limit
Company/Institution/ Authority	Company	Reporting Entities	Listed Company	Company
61A / 165	61A / 165	Form	61A / 165	Excel Format













IMMOVABLE PROPERTY TRANSACTIONS

SFT 012

Item	Old Rule	New Rule
 Transactions to be reported	Sale deed	Sale deed, Gift deed & JDA
 Thresold limit for SFT	> Rs. 30 Lakhs	> Rs. 45 Lakhs
 Thresold limit for Non - PAN Transactions	> Rs. 10 Lakhs	> Rs. 20 Lakhs
 Cash Transactions reportable in SFT	No Field	New Filed created



SHARE ISSUE & BUY BACK OF SHARES

- 01  **IPO issue** New Shares issued through Initial Public Offering for raising capital - **SFT to be Filed** 
- 02  **Rights Issue** Existing shareholders are given the right to buy new shares pro rata, usually at a discount - **SFT to be Filed** 
- 03  **Preferential issue** Shares issued to a select group of investors on a private basis - **SFT to be Filed** 
- 04  **Buy Back of Share** Buyback of shares by listed company from the shareholders through tender route- **SFT to be Filed** 
- 05  **Bonus issue** No fresh capital is raised - **SFT Filing not required** 



DIVIDENDS REPORTING (SFT-015)

A dividend is a distribution of a portion of a company's post-tax profits to its shareholders. The payment of dividend to be reported once it is paid/credited to shareholder.

- ✓ No Threshold limit - Even single rupee dividend distributed is reportable
- ✓ Shareholder-wise dividend payable created in company's books: Reportable
- ✓ Payment failed & amount moved to unpaid dividend A/c: Reportable
- ✓ Even Non-PAN transactions also reportable





SFT - 013

SALE OF GOODS & SERVICES IN CASH



01

Transaction to be reported

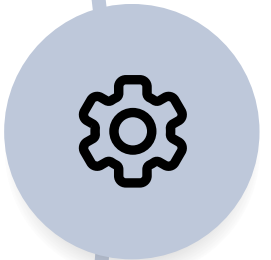
Receipt of cash payment for sale, by any person, of good or services of any nature



02

Reporting Entities

Any person liable for audit under **section 44AB**



03

Threshold Limit

Receipt of cash payment exceeding Rs. 2 Lakhs



04

Filing of SFT

- SFT under Form 165 to be filed annually for transactions exceeding the threshold limit



05

Non-PAN Transactions

In case of Non-PAN cases Form 97 (old Form 60) to be collecte and Form 98 (old Form 61) to be filed biannually.



QUOTING OF PAN ON CERTAIN TRANSACTIONS

RULE 159 (OLD RULE 114B)

Item	Old Rules	New Rules
 Sale / purchase, by any person, of goods and services of any nature	> Rs. 2 Lakhs	> Rs. 2 Lakhs
 Sale or purchase of, by any person, of shares of unlisted company	> Rs 1 Lakhs	> Rs 1 Lakhs
 Payment to a company for acquiring debentures	> Rs. 50,000	> Rs. 50,000
 Payment to Mutual Fund	> Rs. 50,000	> Rs. 50,000

Payment in excess of threshold limit is per transaction & not aggregate amount



CHANGES IN RULE 159 (OLD RULE 114B)

Reporting Entities

Old Rules	Reporting Entities	New Rules
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Rs. 50,000

Hotel / restaurant

Rs. 1 Lakhs

Rs. 50,000

Convention Centre / Banquet Halls

Rs. 1 Lakhs

Rs. 50,000

Event Management

Rs. 1 Lakhs

Payment in **cash** against a bill or bills at any one time



PAN VALIDATION- RULE 159 (OLD RULE 114C)

**Collection &
Verification of
PAN is the
responsibility of
the RE**

Quoting of PAN

Quoting of PAN as per Rules 159(1)

Correctness of PAN

Responsibility of RE to verify the correctness of PAN

Non-PAN transactions

Form 97 to be collected from the parties who are not having PANs

Filing of Form 98

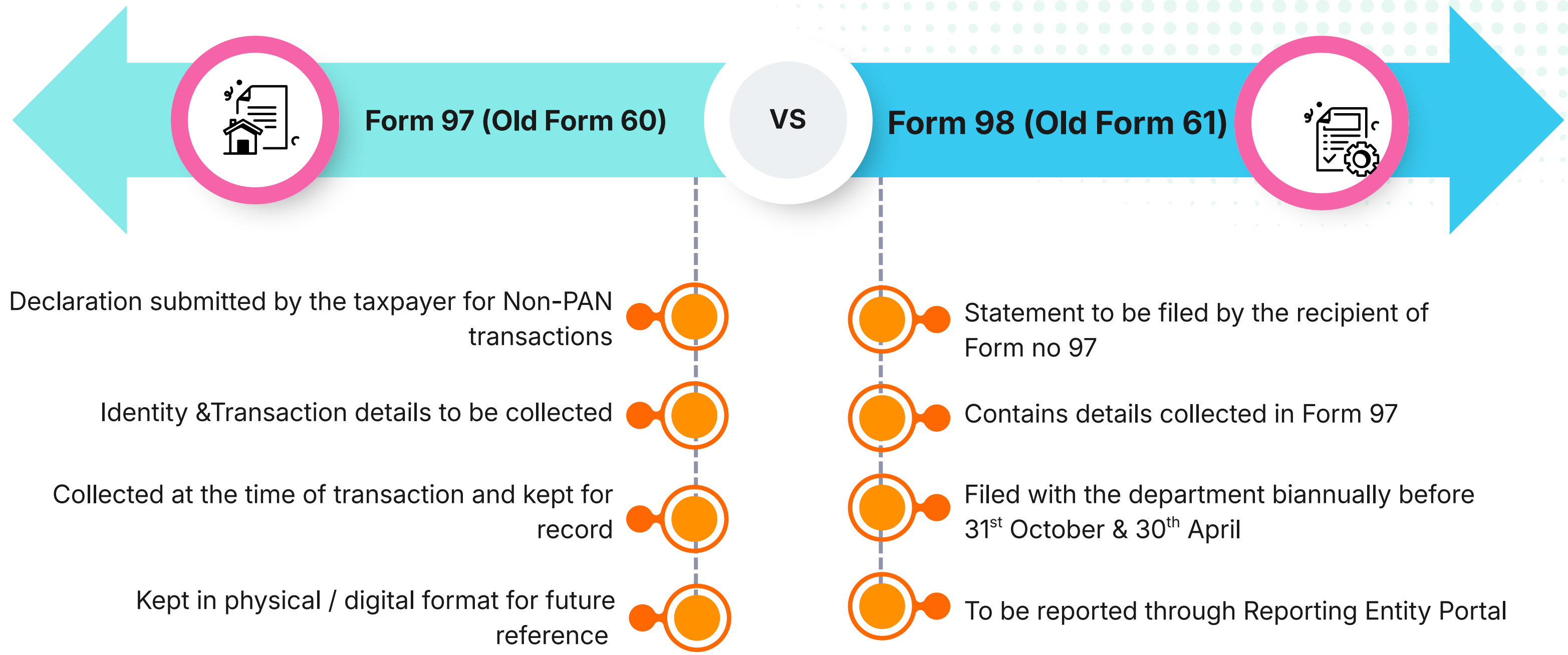
All Non-PAN transactions, declaration Form 97 to be collected and Form 98 to be filed bi-annually

**PAN to be collected &
Maintained**

Correct PAN has to be collected as per Rules and maintained for future verification for 6 years.



NON PAN DECLARATION VS FILING



The recipient of Declaration to be registered as "Reporting Entity" for filing Form 98



CHANGES MADE IN FORM 97 (OLD FORM 60)

Contents

Name & Address including pin code	01
Date of Birth & Fathers Name (Mandatory for Individuals)	02
Transaction Details & Mode of Transaction	03
Income Details	04
Date of Application of PAN	05
Declaration & Verification	06

Documents required

01	Aadhar Card
02	Passport
03	Driving License
04	Electoral ID
05	Copy of trust Deed /Certificate of Registration
06	Certificate of Registration

PRECAUTIONS IN HANDLING FORM 60

01

Identity details

Verify whether person submitting and signing the declaration are same

02

Encourage to obtain PAN

May be encouraged to obtain Aadhar based instant PAN

03

Record keeping of Declaration

Ensure that declarations collected are stored for future reference

04

Splitting of bills

Splitting of bills should not be done to avoid the reporting compliance

05

Avoid Duplicate Entries

Ensure that duplicate entries / information are not made in filing of SFT

06

Restrain Non / Late Filing

Ensure that Form 98 is filed in time. Late / non-filing would attract penal provisions



SFT FILING BY HOSPITALS



- **SFT - 013**
Receipt of in cash exceeding Rs.2 Lakhs transactions to be reported in **Form 165**
- **Collection of PAN / FORM 97**
Receipt of amount exceedings Rs 2 lakhs, PAN has to collected. If no PAN is available then **Form 97** to be collected
- **FORM 98**
Transactions where Form 97 was collected has to be reported in **Form 98**



SFT FILING BY JEWELLERS



- **SFT - 013**

Sale of goods in cash exceeding Rs.2 Lakhs to be reported in **Form 165**

- **Collection of PAN / FORM 97**

Sale of goods exceedings Rs 2 lakhs, PAN has to collected. If no PAN is available then **Form 97** to be collected

- **FORM 98**

Transactions where Form 97 was collected has to be reported in **Form 98**





SFT FILING BY HOTELS, CONVENTION HALLS & EVENT MANAGERS



- **SFT - 013**

Receipt of cash exceeding Rs.2 Lakhs transactions to be reported in **Form 165**

- **Collection of PAN / FORM 97**

Receipt of amount in **CASH** exceeding Rs 1 Lakhs, PAN to be verified. If no PAN is available then **Form 97** shall be collected

- **Collection of PAN / FORM 97**

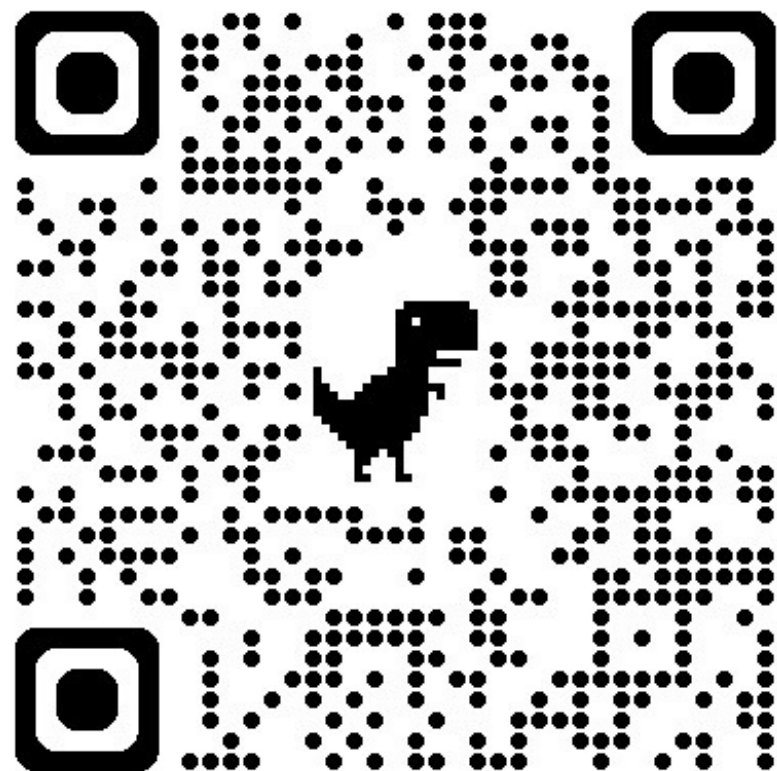
Receipt of amount exceeding Rs 2 lakhs through any mode, PAN has to collected. If PAN not available, then **Form 97** to be collected

- **FORM 98**

Transactions where Form 97 was collected has to be reported in **Form 98**



THANK YOU !!!



Pls scan the QR code for the Feedback Form

