



# KANU DOSHI GROUP

Knowledge Dedication Assured



## TAX UPDATES

---

### **Insertion of Rule 12AB to Income Tax Rules, 1962**

Central Board of Direct Taxes (CBDT) has issued Notification No. 37/2022 on 21<sup>st</sup> April, 2022 through which Central Government has introduced Rule 12AB.

Before the insertion of Rule 12AB to Income Tax Rules, 1962, it was mandatory for persons other than a Company or a Firm, to file Income Tax Return, if any of the following conditions were satisfied –

- Income exceeded the Basic Exemption Limit;
- Deposited more than Rs. 1 Crore in one or more Current Accounts;
- Incurred expenditure of more than Rs. 2 Lakhs for himself or for any other person for travel to a foreign country;
- Incurred expenditure of more than Rs. 1 Lakh towards consumption of electricity.

In addition to the above conditions, according to Rule 12AB, it is mandatory for **persons other than a Company or a Firm** to file Income Tax Return, if in a Financial Year,

- Total Sales, Turnover or Gross Receipts in Business is more than Rs. 60 Lakhs; or
- Total Gross Receipts from Profession is more than Rs. 10 Lakhs; or
- Total Tax deducted at source (TDS) or Tax collected at source (TCS) is Rs. 25000 or more (Limit is Rs. 50,000 for Resident Individuals of age 60 years or more); or
- Deposited Rs 50 Lakhs or more in one or more Savings Accounts.