

NDA Update – Amendment in Income Tax Rules

CBDT has issued a notification on 01-10-2020 making certain amendments in Income Tax Rules. Some of the important amendments are as under:

- Restriction on allowance in respect of depreciation of any block of assets entitled to more than 40% to be 40% on the written down value in respect of persons exercising option under Section 115BA / 115BAA / 115BAB / 115BAC / 115BAD
- The option to be exercised under section 115BAC by an individual or Hindu undivided family, for any previous year relevant to the assessment year beginning on or after the 1st day of April, 2021, shall be in Form No. 10-IE which has been notified.
- The option to be exercised under section 115BAD by a cooperative society resident in India, for any previous year relevant to the assessment year beginning on or after the 1st day of April, 2021, shall be in Form No. 10-IF which has been notified.
- Tax Audit Report under Section 44AB has been amended to provide certain information relating to Section 115BA /115BAA /115BAB
 - 8a. Whether the assessee has opted for taxation under section 115BA/115BAA/115BAB?
 - 18(ca) Adjustment made to the written down value under section 115BAA (for assessment year 2020-21 only)
 - 18(cb) Adjusted written down value
 - 32(a) Details of brought forward loss or depreciation allowance, in the following manner, to the extent available:

Sl No	Assessment Year	Nature of loss/ allowance (in rupees)	Amount as returned (in rupees)	All losses/ allowances not allowed under section 115BAA	Amount as adjusted by withdrawal of additional depreciation on account of opting for taxation under section 115BAA	Amounts as assessed (give reference to relevant order)	Remarks
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<http://egazette.nic.in/WriteReadData/2020/222194.pdf>