

*INCOME TAX*

# IMPORTANT NOTIFICATIONS



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# IMPORTANT NOTIFICATIONS – TO KNOW IN INCOME TAX ALL TIME



## INCOME TAX – NOTIFICATION DATED 19<sup>TH</sup> OCTOBER, 2023 FORM 56F

### ❖ FORM 56F OF INCOME TAX ACT

*This form is now mandatory for companies to file while claiming deductions under Section 10AA and it came into force on 19<sup>th</sup> October 2023 i.e. from AY: 2023-2024 for which the due date is given as 31<sup>st</sup> December 2023. A new Rule 16D was added in the Income Tax Rules, 1962.*

**MINISTRY OF FINANCE**  
**(Department of Revenue)**  
**(CENTRAL BOARD OF DIRECT TAXES)**

**NOTIFICATION**

New Delhi, the 19th October, 2023

**INCOME-TAX**

**G.S.R. 786(E).**—In exercise of the powers conferred by sub-section (5) of section 10A read with sub-section (8) of section 10AA and section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:—

**1. Short title and commencement.**—(1) These rules may be called the Income-tax (Twenty Sixth Amendment) Rules, 2023.

(2) They shall be deemed to have come into force from the 29<sup>th</sup> day of July, 2021.

2. In the Income-tax Rules, 1962 (hereinafter referred to as principal rules), after rule 16CC, the following rule shall be inserted, namely:—

**"16D. Form of report for claiming deduction under section 10AA.**—The report of an accountant which is required to be furnished by the assessee, under sub-section (8) of section 10AA read with sub-section (5) of section 10A shall be in Form No. 56F."

3. In the principal rules, in rule 130,—

(a) in sub-rule (1), the figures and letter "16D", shall be omitted;

(b) in sub-rule (2), the figures and letter "56F", shall be omitted.

4. In the principal rules, in Appendix II, after Form No.56E [as it stood immediately before its omission by the Income-tax (21<sup>st</sup> Amendment) Rules, 2021], the following Form shall be inserted, namely:—

**"FORM NO. 56F**

**[See rule 16D]**

**Report under section 10AA of the Income -tax Act, 1961**

1. I/We \* have examined the accounts and records of \_\_\_\_\_ (name and address of the assessee with permanent account number) relating to the business of their Unit named \_\_\_\_\_ engaged in the export of articles or things or provision of services during the year ended on the 31st March \_\_\_\_\_.

2. \* I/We certify that the Unit is located at \_\_\_\_\_ (exact location of the Unit) registered under \_\_\_\_\_ special economic zone \* and that the deduction to be claimed by the assessee under section 10AA of the Income-tax Act, 1961 in respect of the assessment year \_\_\_\_\_ is Rs. \_\_\_\_\_, which has been determined on the basis of the details in Annexure A to this Form.

3. I/We \* certify that I/We \* have collected all the relevant information necessary for computing the deduction allowable under this section and have verified the same with reference to the accounts and records of the assessee.

4. In my/our \* opinion and to the best of my/our \* knowledge and according to the explanations given to me/us\*, the particulars given in the Annexure A are true and correct.

Date \_\_\_\_\_

Signed

*The new rule states as follows that taxpayers who are supposed to submit their annual audit report under Section 10AA along with section 10A (5), its mandatory to file this form 56F.*



### ❖ **ELIGIBILITY TO FILE FORM 56F**

- 1. Companies registered u/s 2(j) of the Special Economic Zone 2005 act*
- 2. Must had begun its production on or after 1<sup>st</sup> April 2006*
- 3. Already claimed deductions under this section in the last 10 years are not eligible.*

### **DUE DATE FOR FILING FORM 56F**

*Due date is same as the due date for filing Audit Report u/s 44AB which is 30<sup>th</sup> September of the relevant assessment year.*



## ❖ DEDUCTION UNDER SECTION 10AA

*To promote foreign investment and for the welfare of our nation's economy this section of deduction is introduced under Foreign Policy Act.*

*Provided deductions are follows:*

- 1. 100% of the profit earned from the export is entitled to tax deduction for the first 5 years of the company being incorporated*
- 2. 50% of the profit earned from the export is entitled for tax deductions for the next 5 years.*

*Thus make sure that when you claim those deductions stay conscious about the recent updates from the INCOME TAX DEPARTMENT and arise as a socially equipped citizen with efficient knowledge and power.*

*Make sure you regularly **visit our websites** and blogs for the timely updates and information, above all, information is wealth, we are glad to share it with our incredible clients and followers all time. Stay tuned for the next update until then read other blogs posted lately.*