

APRIL 2025

NEWSLETTER

TAX

- Income Tax
- Goods and Services Tax



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Income Tax

1. Intimation of Aadhar number to the Income Tax Department in the specified cases.

CBDT

Notification No. 25 & 26 / 2025 dated 03.04.2025

Vide these notifications, CBDT has amended Rule 114 to provide that persons who were allotted a PAN based on the Enrolment ID of Aadhaar application form filed prior to 01-10-2024 shall intimate the Income Tax Department about their Aadhaar numbers.

Details are as under:

- Section 139AA of the Income Tax Act mandates every person who is eligible to obtain an Aadhaar to quote the Aadhaar number in the ITR Form and in the application for allotment of PAN. Where the person does not possess Aadhaar number, the Enrolment ID is required to be quoted in the Income-tax return and in the application for PAN.
- However, the Finance (No. 2) Act 2024 has amended section 139AA to provide that an **Aadhaar Enrolment ID cannot** be used in place of an Aadhaar number in the PAN application form and in the Income tax returns with effect from 01-10-2024.
- Now, persons who have filed PAN applications (and have been allotted PAN) on or before 01-10-2024 based on Aadhaar Enrolment IDs are required to intimate their Aadhaar numbers to the Income Tax Department **on or before 31-12-2025 or such date as may be prescribed by the CBDT.**

[Notification number 25 & 26](#)

2. New Income Tax Return (ITR B) introduced for Block Assessment years

CBDT

Notification No. 30/2025 dated 07.04.2025

Vide this notification, CBDT has introduced ITR B form to be filed for block assessment years by taxpayers on whom search (Section 132) or requisition operation (Section 132A) has been initiated on or after 1st September 2024.

- Section 158BC of the Income Tax Act provides that in case search has been initiated on the taxpayer under section 132 or books of account, other documents are requisitioned under section 132A on or after 01-09-2024, the Assessing officer can issue a notice to such taxpayer to file Income tax return in Form ITRB within such period as specified in the notice, but not exceeding 60 days.
- Block Assessment period: The block period comprises the 6 assessment years immediately preceding the previous year in which the search or requisition occurs, along with the period from 1st April of the previous year until the completion of the last authorization of the search or requisition.
- Claims of tax credit (other than self-assessment tax) against undisclosed income in the ITR B will be **subject to verification by the Assessing Officer**
- Companies, Political parties and taxpayers requiring Audit under section 44AB will file the Form ITRB electronically with Digital Signature. Other Taxpayers can file either **with a digital signature** or through **electronic verification code (EVC)**.

[Notification No. 30](#)

3. Direct Tax Vivad se Vishwas Scheme, 2024-

CBDT

Notification No. 32/2025 dated 08.04.2025

Vide this notification, CBDT has notified **30th April, 2025** as the last date to file application under Direct Tax Vivad se Vishwas Scheme, 2024.

This scheme aims to reduce income tax litigation by allowing taxpayers to settle pending appeals, writs, and petitions before various appellate authorities.

Under this scheme the disputed amount of tax as well as a specified percentage on this disputed tax amount is supposed to be paid. Once the specified amount is deposited to the government along with the application form, the income tax department will waive off all additional penalties, penal interest amount and close the tax dispute case.

[Notification No.32](#)

4. Application of Tax collection at Source (TCS) on luxury items.

CBDT

Notification No. 35 & 36/2025 dated 22.04.2025

Vide these notifications, CBDT has notified list of Luxury goods on which TCS shall be applicable from 22nd April 2025.

- List of luxury items on which TCS shall be applied if value of item **exceeds Rs. 10 Lacs:**

S.No.	Items
1	Wrist watch
2	Art pieces (antiques, paintings, sculptures)
3	Collectibles (coins, stamps)
4	Yachts, rowing boats, canoes, helicopters
5	Sunglasses
6	Bags (handbags, purses)
7	Shoes
8	Sportswear and equipment (golf kits, ski-wear)
9	Home theatre system
10	Horses (for horse racing and polo)

- Form 27EQ (Quarterly TCS Return Form) is also amended to include the above items for reporting in the Return.

[Notification No. 35 & 36](#)

5. Non-Deduction of settlement expense

CBDT

Notification No. 38/2025 dated 23.04.2025

Vide this notification, CBDT has disallowed the expenditure incurred to settle the proceedings initiated in relation to contravention or defaults under the following laws:

- (a) The Securities and Exchange Board of India Act, 1992
- (b) The Securities Contracts (Regulation) Act, 1956
- (c) The Depositories Act, 1996

(d) The Competition Act, 2002

Expenses incurred to resolve proceedings under above four specific laws will not be considered a business expenses under section 37 of the Income Tax Act and hence will be disallowed in the Income Tax Return. Such expense may be in the form of fine, penalties and other ad hoc amounts paid for the settlement of proceedings.

[Notification No.38](#)

<u>Goods and Service Tax</u>
No notifications or circulars received in Goods and Service Tax in April 2025.

Disclaimer:

This is not a complete listing of all circulars/notifications issued during the month.
Instead, it is only a listing of some of the circulars/notifications that we considered important



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