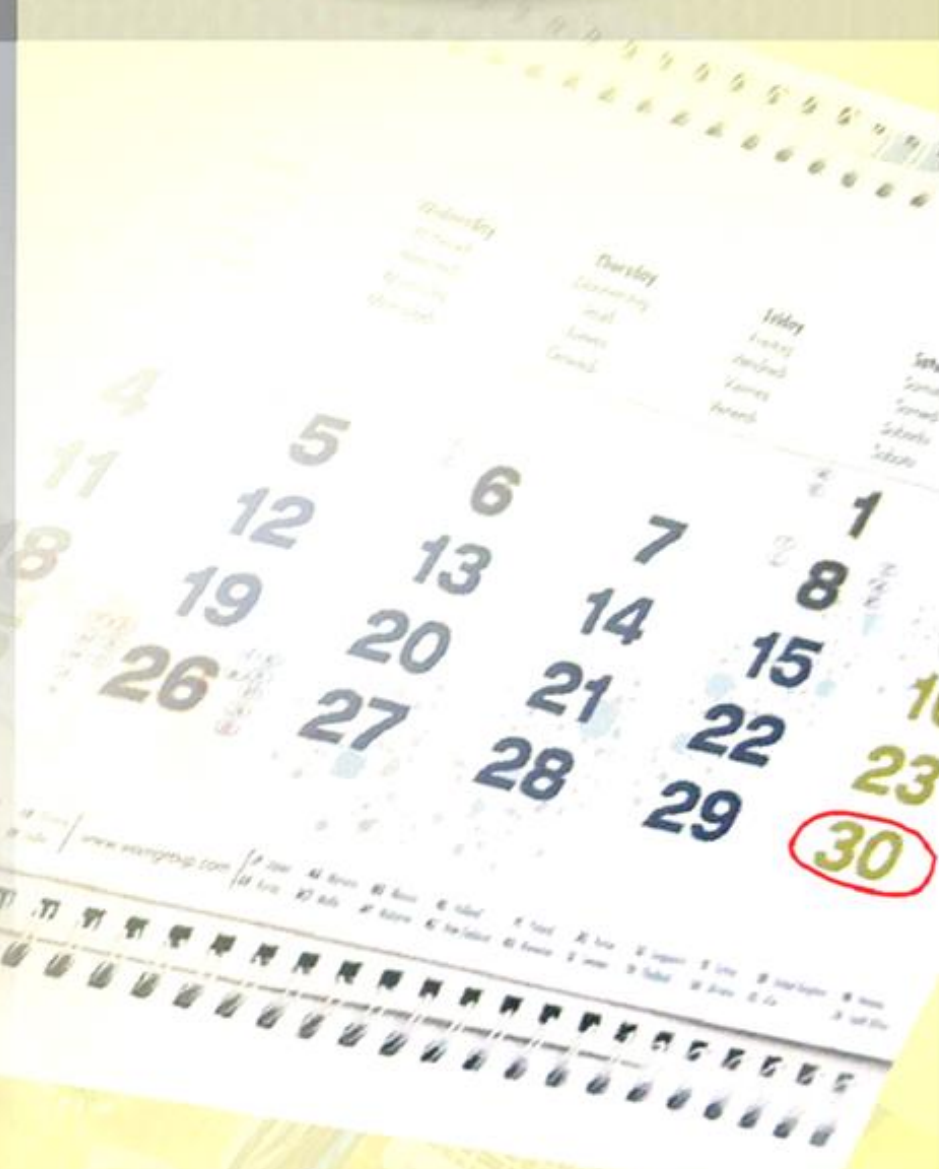


May 2025

# NEWSLETTER

## TAX

- Income Tax
- Goods and Services Tax



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<b><u>Income Tax</u></b>	
<b>1. Income-tax (Fourteenth Amendment) Rules, 2025</b>	
<div>CBDT</div> <div>Notification No. 42 /2025 dated 01.05.2025</div>	
<p>Vide this notification, CBDT has released <b>new Income Tax Return Form (ITR)- 5</b> for Assessment Year 2025–26.</p> <p><b>Key Changes in ITR-5</b></p> <ul style="list-style-type: none"> <li>Discontinuation of the acceptance of the <b>Aadhaar Enrolment ID</b> in the ITR Form in place of Aadhar Number.</li> <li>Detailed disclosures for <b>capital losses on share buybacks</b> occurring on or after <b>October 1, 2024</b>, stipulating that such losses are allowable only if the related dividend income is reported under "Income from Other Sources".</li> <li><b>Segregated reporting of capital gains</b> based on the transaction date—specifically distinguishing between gains realized before and after <b>July 23, 2024</b>, in accordance with the Finance Act, 2024.</li> <li>The form now includes a <b>dedicated section for tax regime declaration</b>, allowing eligible taxpayers to <b>opt in or opt out</b> of: <ul style="list-style-type: none"> <li><b>Section 115BAC(6)</b>: Applicable to firms and LLPs choosing the new tax regime with concessional rates.</li> <li><b>Section 115BAE</b>: Applicable to newly established manufacturing cooperative societies eligible for lower tax rates.</li> <li>The revised form also requires taxpayers to provide additional details such as the <b>acknowledgement number and date of filing</b> of <b>Form 10-IEA (for 115BAC)</b> or <b>Form 10-IFA (for 115BAE)</b>.</li> </ul> </li> </ul> <p><a href="#">Notification No. 42</a></p>	
<b>2. Amendment in Income-tax (Fifteenth Amendment) Rules, 2025</b>	
<div>CBDT</div> <div>Notification No. 43/2025 dated 03.05.2025</div>	
<p>Vide this notification, CBDT has released new <b>ITR 2 Form</b>, for Assessment Year 2025–26.</p> <p><b>Key Changes in the ITR-2</b></p> <ul style="list-style-type: none"> <li>The income threshold for mandatory disclosure of assets and liabilities has been raised from <b>₹50 lakh to ₹1 crore</b>. Taxpayers exceeding this limit must provide detailed information about their assets and liabilities.</li> <li>Discontinuation of the acceptance of the <b>Aadhaar Enrolment ID</b> in the ITR Form in place of Aadhar Number.</li> <li>Detailed disclosures for <b>capital losses on share buybacks</b> occurring on or after <b>October 1, 2024</b>, stipulating that such losses are allowable only if the related dividend income is reported under "Income from Other Sources".</li> </ul>	

- **Segregated reporting of capital gains** based on the transaction date—specifically distinguishing between gains realized before and after **July 23, 2024**, in accordance with the Finance Act, 2024

[Notification No. 43](#)

### 3. Amendment in Income-tax (Seventeenth Amendment) Rules, 2025

CBDT

Notification No. 45/2025 dated 07.05.2025

Vide this notification, CBDT has released new **Form ITR-V** for Assessment Year 2025–26.

- Form ITR-V is an acknowledgement of the ITR filed by the tax payer.
- ITR-V is required to be sent to CPC, Bangalore if the ITR is filed but not verified electronically.
- **Date of ITR filing:**
  - If ITR-V is filed electronically and submitted to CPC, Bengaluru **within 30 days of transmission:** date of electronic filing will be the date of filing
  - If the ITR-V is submitted to the CPC, Bengaluru **after the expiry of 30 days** from the date of transmitting the return electronically, then the **date of receipt of ITR-V at CPC** shall be treated as the **date of filing the return**. Consequently, if the **original due date for filing the return** has already lapsed by that time, the return will be considered a **belated return** under the Income Tax Act.

[Notification No. 45](#)

### 4. Amendment in Income-tax (Nineteenth Amendment) Rules, 2025

CBDT

Notification No. 49/2025 dated 19.05.2025

Vide this notification, CBDT has released new **Form ITR-U in place of old Form ITR-U**.

**ITR-U** is used for filing **updated returns** as defined under **Section 139(8A)** of the Income Tax Act.

#### Major Changes in the New ITR-U Form

- Taxpayers can now file ITR -U **within 4 years** from the end of the relevant assessment year, earlier the permitted time period **was 2 years** from the end of the relevant assessment year.
- **General Information**
  - Disclosure on whether return was previously filed and under which section
  - Acknowledgement number and date of filing original/revised return
  - Reasons for updating return (e.g., income not reported, wrong head of income, reduction of losses/depreciation)
  - time period** range for updating - 1, 2, 3, & 4 years from filing of original return

[Notification No. 49](#)

**5. Extension of due date for furnishing return of income for the Assessment Year 2025–26.**

CBDT

Circular No. 6/2025 dated 27.05.2025

Vide this notification, CBDT has extended due date for filing the Return of Income under Section 139(1) of the Income Tax Act for **non-Audited payers**.

**Original Due Date:** 31st July 2025

**Extended Due Date:** 15th September 2025

[Circular No. 6](#)

<b><u>Goods and Service Tax</u></b>
No notification or circular received in Goods and Service Tax in May 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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