The Institute of Chartered Accountants of India
(Set up by an Act of Parliament)

CA INDIA

LIVE WEBINAR ON

Session 1:

Transforming Your Practice with Income Tax ACT 2025 and AI

Session 2:

Non-Resident Taxation and Related Issues for Domestic Practitioners



Organised by:

Direct Taxes Committee of ICAI

12 NOVEMBER 2026 THURSDAY | **04.00 PM to 06.00 PM (IST)** | **2 UNSTRUCTURED CPE HOURS**

WELCOME ADDRESS



CA. Chandrashekhar Vasant Chitale
Chairman
Direct Taxes Committee, ICAI

OPENING REMARKS



CA. Pankaj Shah
Vice-Chairman
Direct Taxes Committee, ICAI

SPEAKER (SESSION 1)



CA. Gopal Maheshwari

SPEAKER (SESSION 2)

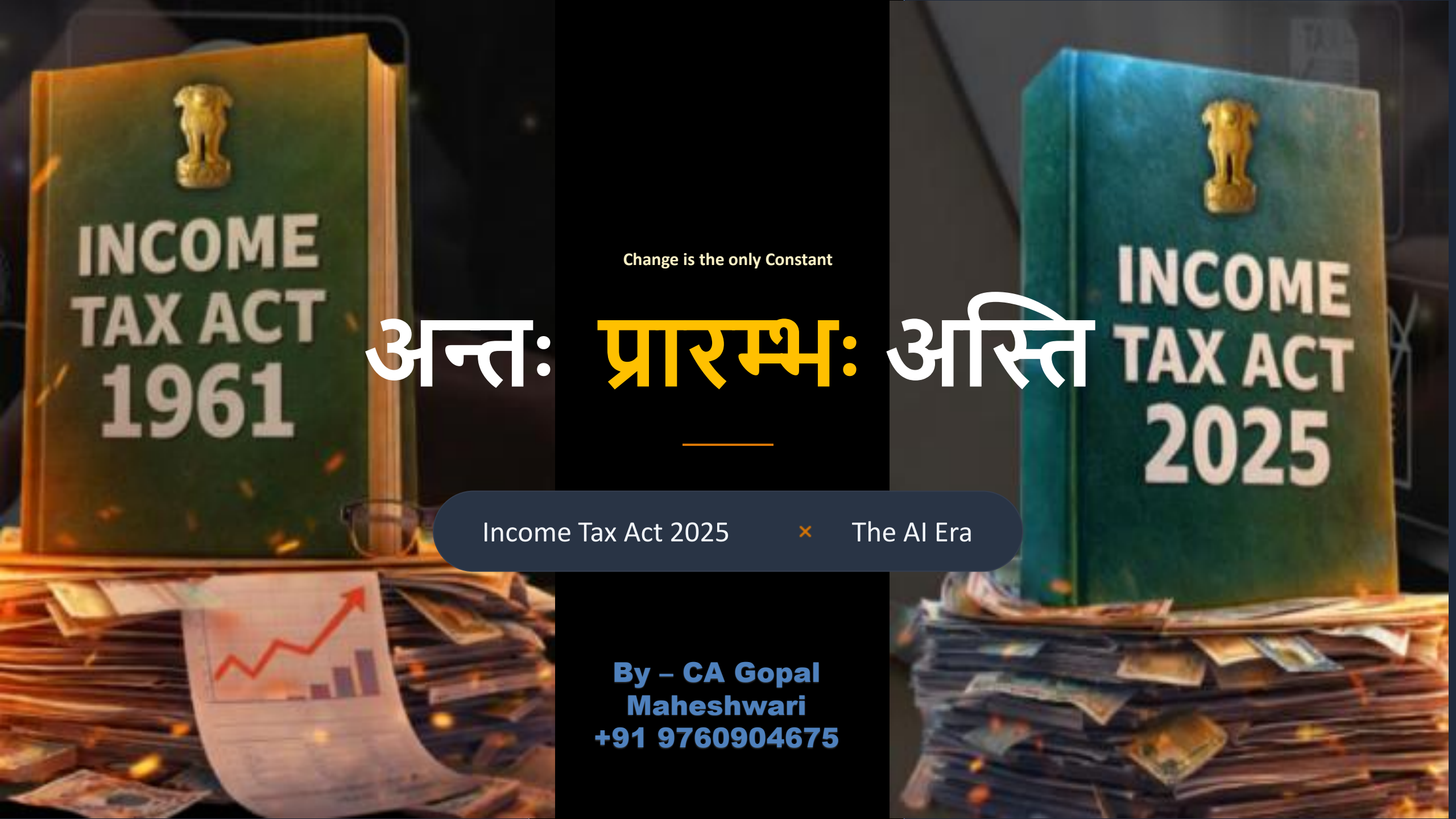


CA. Sanjay Menariya

SESSION MODERATOR



CA. Sameer Ladda
Past Chairman
Pune Branch of WIRC of ICAI



Change is the only Constant

अन्तः प्रारम्भः अस्ति

Income Tax Act 2025 × The AI Era

By – CA Gopal Maheshwari
+91 9760904675

ROADMAP / TRAILER

Connecting the Dots

01.	**The 2025 Reality**	Key structural shifts in the New Act.
02.	**The ₹4 Lakh tax saving Hack**	Old is the new Gold Again (Old Regime + New Rules Optimization)
03.	**The AI Trap**	The hallucination disaster in courtrooms.
04.	**The AI Blueprint**	Safe, grounded prompts and official sites.

★ **Bonus: Engagement** — WhatsApp automation for clients.

By – CA Gopal Maheshwari
+91 9760904675

DOT 01: THE REALITY

The Herculean Shift

The Select Committee review behind the 2025 Act.

4,500+

Pages in Report

322

Stakeholder Representations

566

Committee Recommendations

Core Approach: No Major Policy Change

The objective is strictly structural simplification and removing six decades of redundant, bulky provisions.

THE NEW LEXICON

Simplifying the Structure



Assessment Year

↓

"Tax Year"

Effective April 1, 2026

Drafting Methodology

- Elimination of Explanations and provision.
- Inserted as part of provision / Sub section
- Computation simplified via formula.
- TDS rates mapped in unified tables instead of multiple section.
- NotwithStanding → irrespective of
- https://www.incometaxindia.gov.in/utility-to-check-provisions-of-income-tax-act-1961-vis-a-vis-income-tax-act-2025
- What is change in a single Sheet.

TRANSITIONAL PROVISIONS

The Ghost of 1961

The **Old Act continues to govern** specific historical scenarios.

Assessments & Appeals

All proceedings for years prior to April 1, 2026.

Losses & Exemptions

Carried forward losses and continuing exemptions.

Refunds & Demands

Recovery of taxes and issuance of pending refunds.

FINANCE ACT 2026

Business Compliance Relief

Filing Extension

ITR due date for non-audit businesses extended to **August 31**.

Filing Updated Return

Also Filed in case of reduction in Loss.

Penalty Conversions

Penalty for late filing of **Tax Audit** converted into **late fees**.

Filing Extension – Revised Return

ITR due date extended From Dec to **Mar 31** (With Nominal Fee)

Combined Orders

Assessment & Penalty proceedings combined into a **single AO order**.

FINANCE ACT 2026

Corporate MAT Updates

RATE REDUCTION

15% → **14%**

MAT is now a **Final Tax**. No future credit accumulation.

Old Credit (upto Mar '26) usable. **Cap: Max 25%** of tax liability per year.

No Changes in Rates of TDS.

SALARY TAX UPDATES – Why Old is again becoming the New Gold

Perquisites & Allowances

Allowance / Perquisite	Exemption Limit under 1961 Act	Exemption Limit under 2025 Act	Regime
Children Education Allowance	INR 100 per month per child	INR 3,000 per month per child	Old
Hostel Expenditure Allowance	INR 300 per month per child	INR 9,000 per month per child	Old
Meal/Food Perquisite	INR 50 per meal	INR 200 per meal	Both
Gifts and Festival Vouchers	INR 5,000 p.a.	INR 15,000 p.a.	Both
Interest-free or Concessional Loans	INR 20,000	INR 2,00,000	Both
Leave Travel Allowance	Actual amount reimbursed	Actual amount reimbursed	Old
HRA (Refer Note)	Varies (up to 50% of Basic in 4 metros)	Varies (up to 50% of Basic in 8 metros - **Pune, Hyderabad, Bengaluru and Ahmedabad**)	Old
Telephone / Internet	—	Up to INR 60,000	Both

SALARY TAX UPDATES

The Car Perquisite Matrix

Mixed Usage (Employer Owned/Hired, Expenses met by Employer)



Upto 1.6 Litres / EV

₹5,000

Perquisite Value / month



Above 1.6 Litres

₹7,000

Perquisite Value / month

*Add ₹3,000 to the above values if a chauffeur is provided.

DOT 02: CASE STUDY – Why Old is Gold

The Surcharge Trap

DEFAULTING TO NEW REGIME

₹60,000,00

Gross Salary Income

Income > ₹50L = Surcharge Triggered

Massive spike in overall tax burden under default rules.

DOT 02: THE SOLUTION

The ₹4 Lakh Hack: Old Regime + New Rules

The Act hasn't changed, but notified rules create leverage.

Default Strategy

New Regime

Only Standard Deduction applies.

Net Income > ₹50L

Surcharge Applies

The Hack Strategy

Old Regime + Enhanced Rule Benefits

- Section 80C Deductions
- Home Loan Interest (Sec 24)
- **New Notified Rules: 8 Metro 50% HRA**

Net Income < ₹50L = ZERO Surcharge

Total Tax Saved: ~₹3.5 - 4 Lakhs

CAPITAL GAINS STRATEGY

The Indexation Rescue Plan

Real estate purchased before July 23, 2024.

The Dual Option

Taxpayers can choose: 12.5% without indexation OR 20% with indexation.

Section 54EC Bond Optimization

Opt for the 20% Indexation route to mathematically lower the computed capital gain amount.

Result: Blocks significantly less capital in NHAI/REC bonds to claim full exemption.

COMPLIANCE INFRASTRUCTURE

The Great Form Migration

Form 3CD	→	**Form 26**	
Form 16	→	**Form 130**	
Form 24Q (Salary)	→	**Form 138**	
Form 26Q (Non-Sal)	→	**Form 140**	
Form 26AS	→	**Form 168**	
Form 35 (Appeal)	→	**Form 99**	

DOT 03: THE SHORTCUT

The Hallucination Disaster

The Action

Professionals asked AI to draft a Supreme Court reply regarding a complex tax dispute.

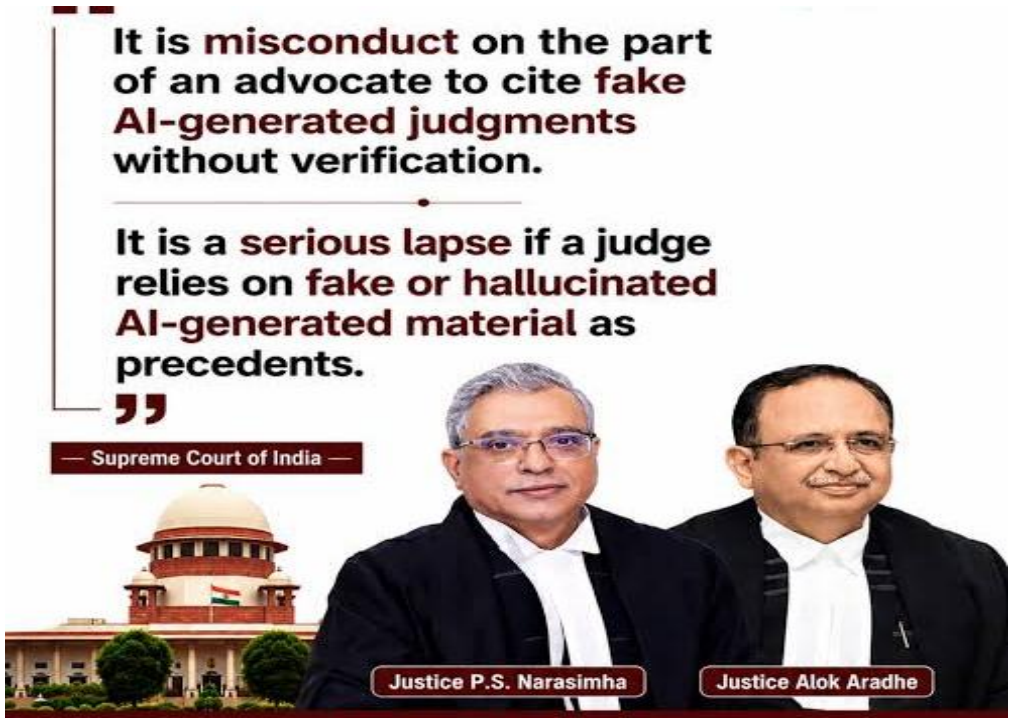
The Output

AI drafted flawless English, but invented fake case laws and cited repealed sections.

The Result

Instant Suspension.

AI is a confident language engine, not an authentic legal dictionary.



DOT 04: SAFE AI USAGE

The AI Blueprint (Grounding)

Step 1: The Official Brahmastra

Copy source text manually from:

- itat.gov.in
- incometaxindia.gov.in-
  https://www.incometaxindia.gov.in/utility-to-check-provisions-of-income-tax-act-1961-vis-a-vis-income-tax-act-2025
- Bare Act 2025 PDF

Step 2: The Constrained Prompt

Paste the text and apply boundaries:

"Act as a Senior CA. Based **ONLY** on the text I provide below, draft a polite reply. **DO NOT** browse the internet. **DO NOT** cite any external sections."

DOT 05: BONUS

The Engagement Secret

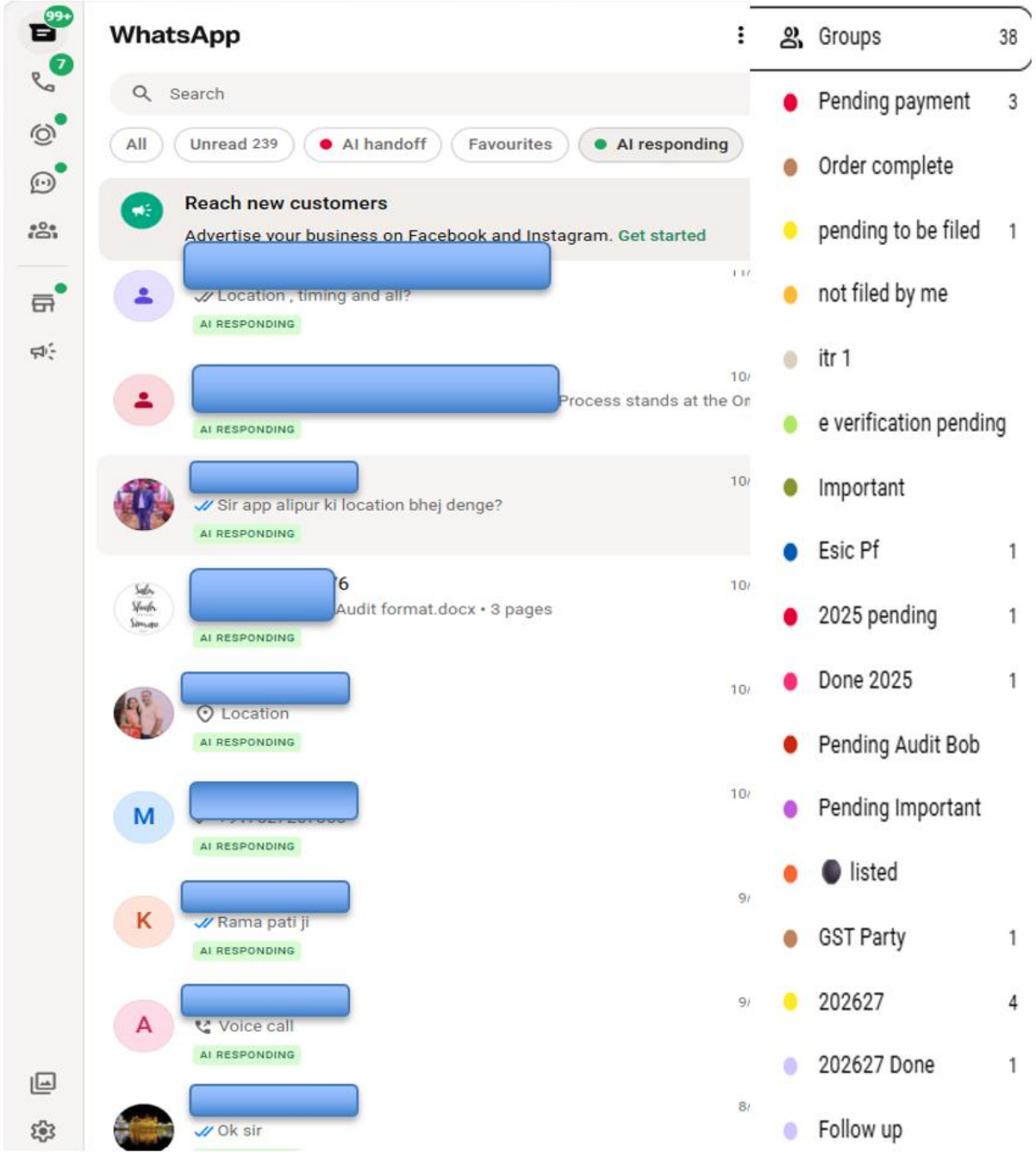
Automate value delivery instead of asking for OTPs at 11 PM.

WA Business Labels

Filter specific clients and broadcast non-audit August 31st reminders instantly.

Google Sheets API

Auto-trigger tailored WhatsApp messages the moment staff marks tax as 'Computed'.



Meta Business Agent
Your AI Agent

Quick check: Are you currently offering **ITR filing** at a regular price of **2000**? I want to make sure I have the right item and price before sharing it with your customers. 9:08 am

1/11/2026

New info from 21 customers

Your AI agent got responses from 21 customers when it asked for their information this week. 10:27 am

See info

3/11/2026

I have **2 chats** needing your attention from the last 5 days. 6:51 am

Review chats

Quick check: Are you currently offering **GUAVA TINI DE-TAN BODY WASH** at a regular price of **449.00**? I want to make sure I have the right item and price before sharing it with your customers. 6:51 am

Sunday

New info from 20 customers

Your AI agent got responses from 20 customers when it asked for their information this week. 10:24 am

See info

Your AI learned new things

New knowledge was added from your business chats. 7:28 pm

Review AI Knowledge

Today

I've replied in **1 chat** for you over the last 7 days. 7:25 am

Hey there! Do you currently offer **GST Registration, Return Fillong and other Services**? I don't have the price listed yet. Could you let me know how much it costs so I can share it with interested customers? 7:25 am

Type a message

Thank You All
For Listening carefully

- CA Gopal Maheshwari