

Intricacies in Presumptive Taxation

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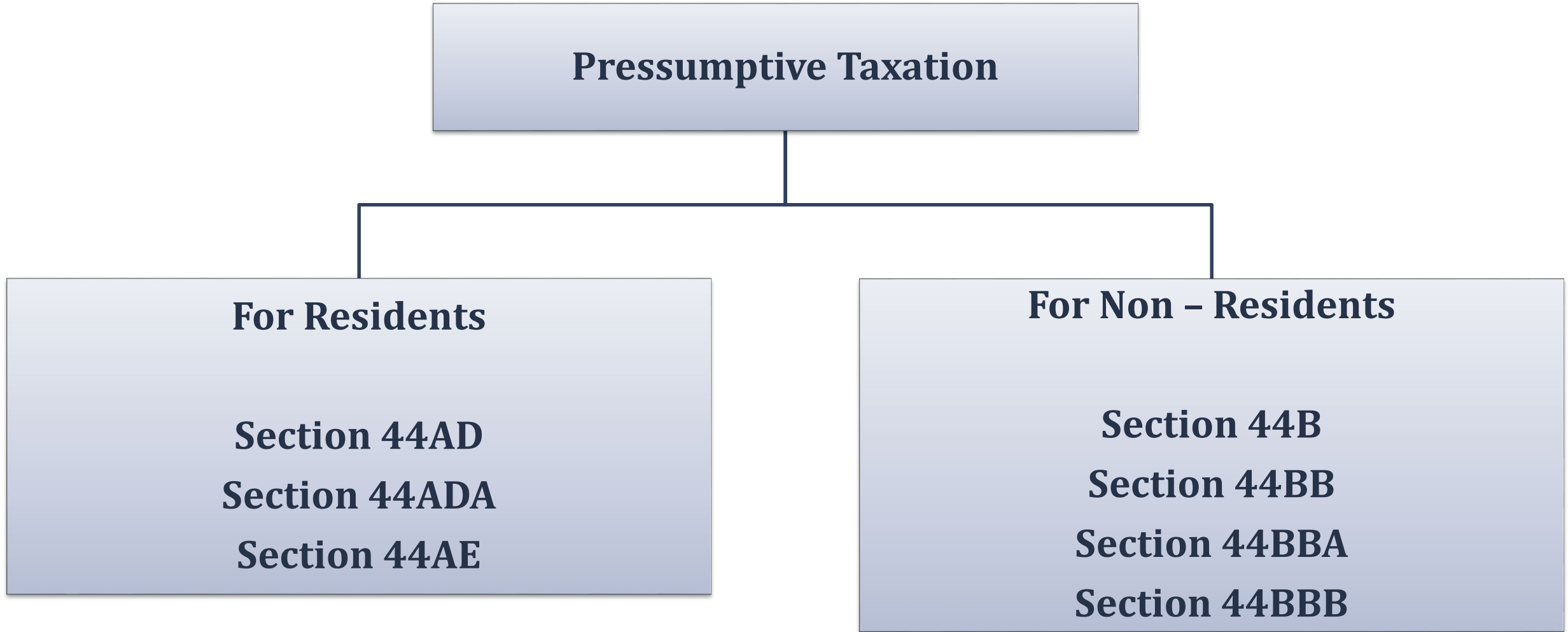
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COVERAGE OF PRESUMPTIVE PROVISIONS

- **SECTION 44AD** – Special Provision for computing profits and gains of business on presumptive basis
- **SECTION 44ADA** – Special Provision for computing profits and gains of profession on presumptive basis
- **SECTION 44AE** – Special provision for computing profits and gains of business of plying, hiring or leasing goods carriages

PRESUMPTIVE PROVISIONS

The Budget 2023 amended Section 44AD and Section 44ADA and revised the presumptive taxation limits for FY 2023-24 (AY 2024-25) as follows: -

Category	Previous Limits	Revised Limits
Section 44AD: For Small Business	Rs. 2 crore	Rs. 3 Crore *
Section 44ADA: For Professionals	Rs. 50 lakhs	Rs. 75 Lakhs *

* The increase in limits is subject to a condition that receipts in cash does not exceed 5% of total gross receipts

Audit Applicability 44AB VS 44AD - Business

Turnover (44AB/44AD) - Business

Less than 1Cr

44AB is Not Applicable

If after opting for 44AD, assessee declares income as per regular business

Then, for subsequent 5 years

If total Income exceeds maximum amount chargeable to tax

44AB will apply

More than 1Cr

Between 1 Cr to 3 Cr

Option to opt for 44AD up to 2cr

Up to 3cr in case, cash receipt < 5% of the Total T/O or Gross Receipt

Between 1 Cr to 10 Cr

Not Applicable in case when receipt and payment, by mode other account payee cheque, made during the year does not exceed 5% of total receipt or payment including amount received for sales, turnover or gross receipt during PY and amount paid for expenditure during PY, as the case may be

> 10 Cr

44AB will apply

- **Who can avail sec 44AD?**

Eligible assessee engaged in **eligible business** can avail 44AD

- **Who is eligible assessee?**

“Eligible assessee” means,—

- (i) an **individual, HUF or a partnership firm**, who is a **Resident**, but **not a LLP**
and
- (ii) who has **not claimed deduction u/s 10A, 10AA, 10B, 10BA or Chapter VIA** under the heading "C. - Deductions in respect of certain incomes" in the relevant assessment year;

Who cannot avail this section?

Section 44AD(6)-

The provisions of this section, notwithstanding anything contained in the foregoing provisions, shall not apply to—

- (i) a person carrying on profession as referred to in subsection (1) of section 44AA;
- (ii) a person earning income in the nature of commission or brokerage; or
- (iii) a person carrying on any agency business.

- **What is eligible business ?**

“Eligible business“ means,—

(i) any business **except** the business of **plying, hiring or leasing goods carriages referred to in section 44AE;**

and

(ii) whose **total turnover or gross receipts** in the **previous year does not exceed** an amount of two crore rupees or three crore rupees (in case receipt is cash is less than 5%)

Section 44AD – Who cannot avail ?

As per Explanation of “Eligible Assessee”	As per Explanation of “Eligible Business”	As per Clause (6) of Section 44AD
<ul style="list-style-type: none">➤ Non Resident➤ Limited Liability Partnership Firm (as defined under Limited Liability Partnership Act, 2008)➤ Who has claimed deduction under any of the sections 10A, 10AA, 10B, 10BA or deduction under any provisions of Chapter VI A under the heading “C. – Deductions in respect of certain incomes” in the relevant assessment year	<ul style="list-style-type: none">➤ Business of plying, hiring or leasing goods carriage referred to in section 44AE➤ Total Turnover or gross receipts exceeds Rupees 2 Crore or 3 Crore as the case may be.	<ul style="list-style-type: none">➤ A Person carrying on profession under section 44AA(1)➤ A Person earning income in the nature of commission or brokerage➤ A Person carrying on any Agency Business

Intricacies relating to Sec 44AD (eligibility – Ss (1) & Ss (6))

- **Can a non-resident avail the benefit of sec 44AD?**
 - *No, since they are not an eligible assessee as per Explanation of eligible assessee*

- **Can a LLP or AOP or BOI or company avail the benefit of sec 44AD?**
 - *No, since they are not eligible assessee as per Explanation of eligible assessee*

- **Can sec 44AD be availed for one out of many eligible business ?**
 - *Yes*

- **How much to offer ?**
 - a sum equal to **eight per cent** of the total turnover or gross receipts
or
 - **a sum higher than the aforesaid sum claimed to have been earned**
- **Any exception?**
 - A sum equal to **six per cent**, if received in banking channel before the due date u/s 139(1)

- Other conditions?

Sub-section (2) of section 44AD:-

Deduction u/s 30 to 38 shall be deemed to have been already given full effect to and no further deduction under those sections shall be allowed.

Sub-section (3) of section 44AD:-

The **WDV of any asset of an eligible business shall be deemed to have been calculated** as if the eligible assessee had claimed and had been actually allowed the deduction in respect of the depreciation for each of the relevant assessment years.

Implications on Opting out of Sec 44AD

Section 44AD(4):-

Where an eligible assessee declares profit for any previous year in accordance with the provisions of this section and he declares profit for any of the five assessment years relevant to the previous year succeeding such previous year not in accordance with the provisions of sub-section (1),

he shall not be eligible to claim the benefit of the provisions of this section for five assessment years subsequent to the assessment year relevant to the previous year in which the profit has not been declared in accordance with the provisions of sub-section (1).

Implications on Opting out of Sec 44AD

Section 44AD(5):-

Notwithstanding anything contained in the foregoing provisions of this section, an eligible assessee to whom the provisions of sub-section (4) are applicable and whose total income exceeds the maximum amount which is not chargeable to income-tax, shall be required to keep and maintain such books of account and other documents as required under sub-section (2) of section 44AA and get them audited and furnish a report of such audit as required under section 44AB.

Whether audit u/s 44AB is mandatory because the income from eligible business is less than 8% / 6% ?

• Sec 44AB - Every person,—

(a), (b), (c), (d),.....

(e) carrying on the business shall, if the provisions of subsection (4) of section 44AD are applicable in his case and his income exceeds the maximum amount which is not chargeable to income-tax in any previous year,

get his accounts of such previous year audited by an accountant before the specified date and furnish by that date the report of such audit.....

Intricacies relating to Sec 44AD (audit – Ss (4) & Ss (5))

- Mr. S commenced his eligible business.
- His turnover & income details during the first two years were as follows-

Year	Turnover	Income
1st Year	70 lakhs	3.5 Lakhs (5%)
2nd Year	90 lakhs	4.5 Lakhs (5%)

- Whether sec 44AB is applicable to him for the first two years?
 - No, since Mr. S had not opted for section 44AD previously and Turnover is below Rupees One Crore as per section 44AB.

• Sec 44AD –

(4) Where an eligible assessee **declares profit** for any previous year in accordance with the provisions of this section and he **declares profit for any of the five assessment years** relevant to the previous year succeeding such previous year **not in accordance with the provisions of sub-section (1)**, he shall **not be eligible to claim** the benefit of the provisions of this section for five assessment years subsequent to the assessment year relevant to the previous year in which the profit has not been declared in accordance with the provisions of sub-section (1).

Intricacies relating to Sec 44AD (audit – Ss (4) & Ss (5))

- Mr. S engaged in Eligible business, gives the following details:

AY	Turnover	Busi. Income	%	Audit u/s
2019-20	80 Lakhs	4.00 Lakhs	5%	44AB
2020-21	82 Lakhs	4.10 Lakhs	5%	44AB
2021-22	84 Lakhs	4.20 Lakhs	5%	44AB
2022-23	90 Lakhs	4.50 Lakhs	5%	44AB
2023-24	94 Lakhs	4.70 Lakhs	5%	44AB
2024-25	60 Lakhs	2.40 Lakhs	4%	?

- Whether Mr. S required to get his accounts audited since the income is less than 8% / 6% of its turnover

Intricacies relating to Sec 44AD (audit – Ss (4) & Ss (5))

- Mr. S gives following information about his eligible business

AY	Turnover	Busi. Income	%	Opts
2021-22	50 Lakhs	4.00 Lakhs	8%	44AD(1)
2022-23	58 Lakhs	5.80 Lakhs	10%	44AD(1)
2023-24	70 Lakhs	8.40 Lakhs	12%	44AD(1)
2024-25	70 Lakhs	3.50 Lakhs	5%	(No 44AD)

- He is eligible for deduction of Rs.1.5 lacs u/s. 80C
- He has no other income
- Whether sec 44AB is applicable to him?

Intricacies relating to Sec 44AD (audit – Ss (4) & Ss (5))

- M/s. S & co (firm) gives following information about its Eligible business

AY	Turnover	Busi. Income	%	Opts
2021-22	50 Lakhs	4.00 Lakhs	8%	44AD(1)
2022-23	58 Lakhs	5.80 Lakhs	10%	44AD(1)
2023-24	70 Lakhs	8.40 Lakhs	12%	44AD(1)
2024-25	70 Lakhs	3.50 Lakhs	5%	No 44AD , whether Audit applicable

Intricacies relating to Sec 44AD (audit – Ss (4) & Ss (5))

- Mr. S engaged in Eligible business furnishes the following information

AY	Turnover	Busi. Income	%	Audit u/s
2021-22	80 Lakhs	6.80 Lakhs	8%	44AD(1)
2022-23	150 Lakhs	13.50 Lakhs	9%	44AD(1)
2023-24	210 Lakhs	16.80 Lakhs	8%	44AB(a) (assuming 1cr limit applicable)
2024-25	90 Lakhs	7.20 Lakhs	8%	?

- Whether the assessee can opt for sec 44AD in AY 2023-24?

Intricacies relating to Sec 44AD (audit – Ss (4) & Ss (5))

- Mr. S engaged in Eligible business furnishes the following information

AY	Turnover	Busi. Income	%	Audit u/s
2021-22	80 Lakhs	8.00 Lakhs	10%	44AD(1)
2022-23	150 Lakhs	7.50 Lakhs	5%	44AD(4) & 44AB
2023-24	210 Lakhs	21.00 Lakhs	10%	44AB(a) (assuming 1cr limit applicable)
2024-25	90 Lakhs	7.20 Lakhs	8%	?

- Whether the assessee can opt for sec 44AD in AY 2023-24?

Intricacies relating to Sec 44AD (audit – Ss (4) & Ss (5))

- Mr. S engaged in Eligible business furnishes the following information

AY	Turnover	Busi. Income	%	Audit u/s
2023-24	80 Lakhs	8.00 Lakhs	10%	44AD(1)
2024-25	70 Lakhs	4.20 Lakhs	6%	?

- During the AY 2023-24, Mr. S also took agency business and made Turnover of Rs.20 lacs (profit – 2%) – whether 44AD can be opted for eligible business
- Whether Mr. S is liable for audit of his accounts as per sec 44AD (4) r.w.s 44AB(e) of the Act for AY 2023-24?

Intricacies relating to Sec 44AD (audit – Ss (4) & Ss (5))

- Mr. S engaged in Eligible business furnishes the following information

AY	Turnover	Busi. Income	%	Audit u/s
2023-24	80 Lakhs	8.00 Lakhs	10%	44AD(1)
2024-25	70 Lakhs	4.20 Lakhs	6%	?

- During the AY 2023-24, Mr. S also received a commission of Rs. 10000/- in connection with a land deal.
- Whether Mr. S is liable for audit of his accounts as per sec 44AD (4) r.w.s 44AB(e) of the Act for AY 2023-24?? - Yes

Intricacies– Tax Audit applicability

Q - Sec. 44AD vis-a-vis Sec. 44AB

Eg : Turnover of one or more eligible business - Rs. 80 lacs

Turnover of non eligible business - Rs. 60 lacs.

Whether audit would be required u/s. 44AB?

A- Prima face it appears that as Sec. 44AB speaks of Total Turnover/Gross Receipts, it would be applicable once aggregate turnover/gross receipts exceed the specified limit whether from eligible or non eligible business.

However, according to ICAI GN on Tax Audit turnover in relation to Eligible Business income from which is declared in terms of Sec. 44AD needs to be excluded. For determining the limit/s referred to in Sec. 44AB.

This view of ICAI appears to be better view considering the legislative intent behind the provisions of Sec. 44AD. Hence no audit in this case.

Issues – Tax Audit applicability

Q – Where assessee carries on both business and profession

Gross receipts of profession – INR 51 lakhs

Sales/ turnover/ gross receipts of business – INR 45 lakhs

Gross receipts of profession – INR 21 lakhs

Sales/ turnover/ gross receipts of business – INR 86 lakhs

Both needs to be audited

No audit requirement

Set off brought forward losses against 44AD profit?

Q - Can an assessee set off brought forward business loss/unabsorbed depreciation against business income declared u/s. 44AD ?

A- The assessee can set off b/fwd. Business Loss against income declared u/s. 44AD.

Note that Sec. 44AD does not override Chapter VI of the At which deals with Set Off and Carry Forward of losses.

It however appears that Unabsorbed Depreciation arising from eligible business income from which is declared on presumptive basis and b/fd. from earlier year/s cannot be set off against business income declared u/s. 44AD. This is because depreciation is deemed to have allowed in the past and as such there would no unabsorbed depreciation allowance.

Disallowance u/s 40(a)(ia) when opted 44AD/44ADA

Q - Whether there could be disallowance u/s.40(a)(ia) for non deduction of tax when Income is declared u/s. 44AD or 44ADA ?

A- No.

Bipinchanra H. Thakkar [2021] 124 taxmann.com 236 (Surat - Trib.).

Assessing Officer could not invoke provisions of section 40(a)(ia) to disallow interest payment if a person had opted for presumptive taxation scheme under section 44AD and its turnover was Rs. 92 lakhs

Mak Construction [2012] 53 SOT 22

Where civil contractor had disclosed profits more than 8 per cent of gross receipts as per section 44AD, no separate addition could be made under section 40(a)(ia)

Teja Construction [2010] 39 SOT 13 (Hyd.) (URO)

had held that rigors of Section 40(a)(ia) could be applied only with regard to claim for deduction under Sections 30 to 38 of the Act.

Section 44AD doesn't mean straight forward deduction of 92% of Expense

Q – Can the Assessing Officer consider higher income of the assessee based on investments of the assessee as against income offered by the assessee under section 44AD

A- Yes.

Section 44AD doesn't mean straight forward deduction of 92% of Expenses.

The presumptive scheme of taxation allows taxpayers to offer income higher than the prescribed rate. In short, it is the minimum rate under section 44AD which has to be considered and a higher income option is open for the taxpayers which has to be used if taxpayers have higher income.

Section 44AD cannot override the definition of income as given under section 2(24) for taxation purpose.

The powers of the Assessing Officer are very wide and exhaustive. The Assessing Officer can assess the correct income on the basis of investment if they have sufficient documentary evidence which is very much possible during survey, search and assessment proceedings. The Assessing Officer can bring to tax the higher income in such cases.

Section 44AD doesn't mean straight forward deduction of 92% of Expense

Though the presumptive scheme of taxation is introduced with an aim to relieve the taxpayers from the requirements of maintaining the books of accounts, it does not relieve the taxpayer from justifying its investment sources.

In short it may not be taken as a permission to show lower income even if the taxpayers are earning higher income.

Not offering true or correct income may even result in application of Section 69 69A or section 69C of the Act if the investment or expenditure is in excess of the returned income.

Section 44AD does not give a license to the assessee to declare lower income despite the assessee having a higher income.

Section 44AD doesn't mean straight forward deduction of 92% of Expense

The above view was affirmed by **ITAT Ahmedabad in case of Shivani Builders Vs. Income Tax Officer, Ward 6(2), Ahmedabad [2007] 108 ITD 520 (Ahmedabad ITAT) 110 TTJ 719 (Ahmedabad ITAT) [27-10-2005]**

*Whether since provision of **section 44AD** is only for a person who does not, or chooses not to, maintain regular books of account, assessee having maintained its books of account, and disclosing therein its real income higher than that assessable under section 44AD, ignore book results and claim to be entitled for being assessed at a lower presumptive rate of income than that revealed by such books - Held, yes - Whether once assessee's income, in terms of underlying documents, stands worked out at higher sum than presumptive income, same has to be accepted as such, excepting for prima facie adjustments in respect of clear inadmissibles - Held, yes*

CIT Vs Surinder Pal Anand [2010] 192 Taxman 264 (P&H)

No obligation to explain every book entry – Once under special provision of Section 44AD, exemption from maintenance of books of accounts has been provided and presumptive tax at the rate 8% of gross receipt itself is basis for determining taxable income, assessee is not under any obligation to explain individual entry of cash deposit in bank unless such entry has no nexus with gross receipt.

CIT Vs Sobti Construction (India) [2008] 174 Taxman 39 (Delhi)

Section 44AD would not apply where gross receipts of the assessee were more than 40 lakhs (now 2 crores), even if said figure included undisclosed income.

ACIT Vs Anandkumar [2020] 122 Taxman 252 (Madras)

Section 44AD would not apply where assessee's claim of estimating income on presumptive basis with respect to interest and remuneration is earned from partnership firm.

Whether professional can avail sec 44AD(1)?

- Section applies to eligible business.
- Business defined in sec 2(13) and whereas Profession in sec 2(36)
- Eligible business does not include profession referred to in sec 44AA(1) only.
- Sec 44AA(1) – deals with specified and notified profession (11 profession)
- Sec 44AA(2) – deals with business or **profession not being a profession referred to in sub-section (1)**
- So, can profession falling under 44AA(2) avail 44AD(1)??

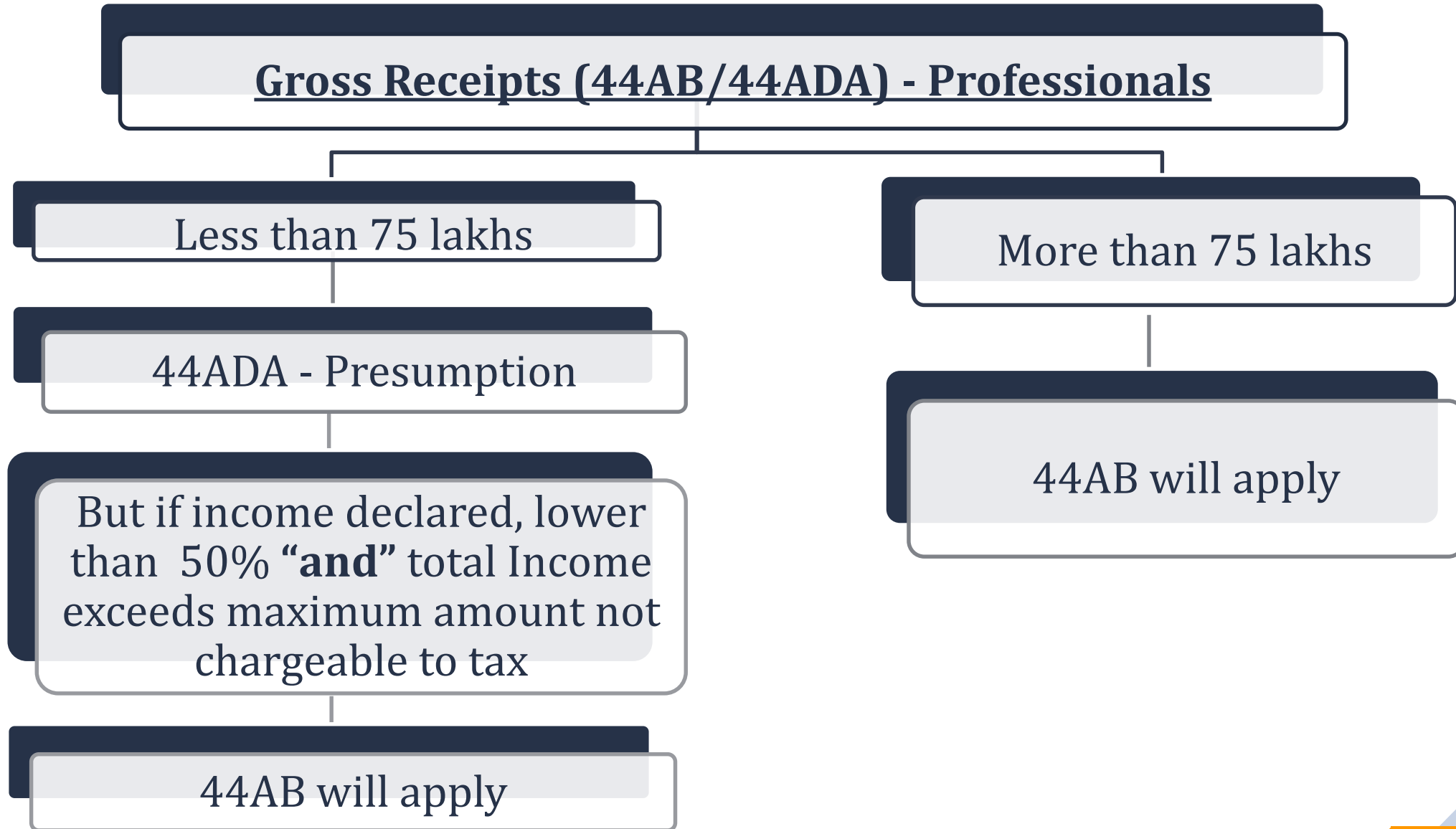
Profession specified u/s. 44AA(1) Vs Code prescribed – Others

Sector	Sub-sector	Code	44AD	44ADA	44AE
PROFESSIONS	Advertising	16006	√	X	X
	Auctioneers	16010	√	X	X
	Business brokerage	16011	X	X	X
	Market research and public opinion polling	16012	√	X	X
	Labour recruitment and provision of personnel	16014	√	X	X
	Investigation and security services	16015	√	X	X
	Building-cleaning and industrial cleaning activities	16016	√	X	X
	Packaging activities	16017	√	X	X
	Other professional services n.e.c.	16019	√	X	X

Intricacies relating to Sec 44AD (eligibility – Ss (1) & Ss (6))

- **Whether the person owning more than 10 goods carriages can avail the benefit of sec 44AD?**
 - "eligible business" means,—
 - (i) any business except the business of plying, hiring or leasing **goods carriages referred to in section 44AE**;
- **Whether partner receiving interest & salary from firm can avail the benefit of sec 44AD?**
 - Investing in partnership is not amounting to “business”
Tara Devi Behl, 218 ITR 541 (P&H)
 - As a corollary, sec 44AD shall not be applicable for the income by way of interest / salary received from firm
A Anand Kumar – Mad HC, 430 ITR 391

Audit Applicability 44AB VS 44ADA- Profession



Basics of Sec 44ADA

- **Who can avail?**

- Status – Individual & Firm (other than LLP)
- Residential status – Resident
- Nature of activity – profession (specified u/s 44AA(1))

- **How much to offer?**

- 50% of gross receipts **or**
- Such higher sum claimed to have been earned

- **What are other conditions?**

Ss. (2) **Deduction u/s 30 to 38** shall be **deemed** to have been **already given full effect** to and **no further deduction** under those sections **shall be allowed**.

Ss. (3) The **WDV of any asset** used for the purpose of the profession **shall be deemed to have been calculated** as if the assessee had claimed and had been actually allowed the deduction in respect of the depreciation for each of the relevant assessment years.

- **What if the income not offered as specified in Ss (1)?**
 - Maintain books of account – sec 44AA (1)
 - Get the books audited u/s. 44AB (d) (only if the total income exceeds basic limit)

Profession specified u/s. 44AA(1)

Professions specified under section 44AA(1) include the following: -

- legal,
- medical,
- engineering or
- architectural profession or
- the profession of accountancy or
- technical consultancy or
- interior decoration or any other profession as is notified by the Board in the Official Gazette
- Authorized representatives
- Film Artists
- Company Secretaries and
- Information technology

Analysis of sec 44ADA

- Section does not apply to all professionals – it applies to only professionals specified u/s. 44AA(1) –
- Sec 44AA(2) - Every person carrying on business or profession not being a profession referred to in sub-section (1) shall

Profession specified u/s. 44AA(1) Vs Code prescribed – Medical – Part 1

Sector	Sub-sector	Code	44AD	44ADA	44AE
Health Care Services	General Hospitals	18001	X	√	X
	Specialty and super specialty hospitals	18002	X	√	X
	Nursing homes	18003	X	√	X
	Diagnostic Centres	18004	X	√	X
	Pathological laboratories	18005	X	√	X
	Independent blood banks	18006	√	X	X
	Medical transcription	18007	√	X	X
	Independent ambulance service	18008	√	X	X
	Medical suppliers , agencies and stores	18009	√	X	X
	Medical clinics	18010	X	√	X

Profession specified u/s. 44AA(1) Vs Code prescribed – Medical – Part 2

Sector	Sub-sector	Code	44AD	44ADA	44AE
HEALTH CARE SERVICES	Dental practices	18011	X	√	X
	Ayurveda practice	18012	X	√	X
	Unani practice	18013	X	√	X
	Homeopathy practice	18014	X	√	X
	Nurses, physiotherapists or other para- medical practitioners	18015	X	√	X
	Veterinary hospitals and practice	18016	X	√	X
	Medical education	18017	X	√	X
	Medical research	18018	X	√	X
	Practice of alternative medicine	18019	X	√	X
	Other healthcare services	18020	X	√	X

Profession specified u/s. 44AA(1) Vs Code prescribed - Accountancy , Consultancy

Sector	Sub-sector	Code	44AD	44ADA	44AE
PROFESSIONS	Accounting , Book keeping and Auditing profession	160021	X	√	X
	Tax consultancy	16003	X	√	X
	Fashion designing	16007	X	√	X
	Photography	16009	X	√	X
	Business and management consultancy activities	16013	X	√	X
	Individual artist including authors	20010	X	√	X
	Literary activities	20011	X	√	X
	Other cultural activities n.e.c	20012	X	√	X

Profession specified u/s. 44AA(1) Vs Code prescribed - Information Technology

Sector	Sub-sector	Code	44AD	44ADA	44AE
COMPUTER AND RELATED SERVICES	Software development	14001	X	√	X
	Other software consultancy	14002	X	√	X
	Data processing	14003	X	√	X
	Data base activities and distribution of electronic content	14004	X	√	X
	Other IT enabled services	14005	X	√	X
	BPO services	14006	X	√	X
	Maintenance and repair of office, accounting and computing machinery	14008	X	√	X
	Cyber café	14007	√	X	X
	Computer training and educational institutions	14009	√	X	X
	Other computer related services n.e.c.	14010	√	X	X

Analysis of sec 44ADA

- All deductions shall be deemed to be claimed and allowed in full
- Firm – partners interest and remuneration deemed to be allowed already
- Profit on sale of assets – block becoming negative – shall not be included in the presumptive income

Intricacies relating to Sec 44ADA (audit – Ss (4) r.w.s 44AB(d))

- o Mr. A is a individual practicing advocate.
- o His annual Gross receipts – Rs.10 lacs
- o His net profit from profession was Rs. 4.0 lacs i.e. (40%)
- o He has loss from house property of Rs.1.25 lacs and deduction u/s 80C –
Rs.0.75 lacs
- o Examine the applicability of sec 44AB / sec 44ADA

Hint:- Total Income @ Rs. 2 lakhs

Intricacies relating to Sec 44ADA (audit – Ss (4) r.w.s 44AB(d))

- o Mr. HS is a practicing advocate.
- o His annual Gross receipts – Rs.60 lacs
- o His net profit from profession was Rs. 20 lacs
- o Both cash receipts/ payments are less than 5% of total receipts/payments respectively
- o Examine the applicability of sec 44AB

Intricacies relating to Sec 44ADA (audit – Ss (4) r.w.s 44AB(d))

- o Dr. R is a medical practitioner, having clinic and medical shop.
- o His turnover/gross receipts are as under:
 - o Fees from Profession – Rs. 40 lacs
 - o Sales in medial Shop – Rs. 70 lacs
- o He would like to offer
 - a) Rs. 20 lacs as income from profession u/s 44ADA (50%)
 - b) Rs. 5.6 lacs as income from pharmacy u/s 44AD (8%)
- o Can he do so??

A-

- Sec 44AD –

(6) The provisions of this section, notwithstanding anything contained in the foregoing provisions, shall not apply to—

(i) a person carrying on profession as referred to in sub-section (1) of section 44AA;

(ii) a person earning income in the nature of commission or brokerage; or

(iii) a person carrying on any agency business.

Presumptive cases – comparative study

PARTICULARS	44AD	44ADA
Applicable to whom	Resident Individuals/HUF/Firm(Not LLP)	Professionals covered u/s 44AA
Applicability	Turnover ≤ Rs. 2 crores Turnover ≤ Rs. 3 crores , 5% condition	Receipts ≤ Rs.50Lac Receipts ≤ Rs.75Lac 5% condition
Deemed Income	8% of Turnover, 6% in case of Non- cash Turnover (Cheque or other Electronic mode)	50% of Receipts
Expense allowed	None	None
Rate of Tax	As Applicable	As Applicable
44AA/44AB	Not Applicable	Not Applicable
Year to Year Option	No; once opts out then not available for 5 years	Yes



Questions

**THANK YOU
CA PIYUSH S. CHHAJED**



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