

The Income-tax Act, 2025

Chapter 13: Determination of Tax in Special Cases

Section 202: New tax regime for individuals, Hindu undivided family and others

- (1) Irrespective of anything contained in this Act other than Chapter XVII-B but subject to Parts A, B, E and this Part of this Chapter, the income-tax payable by a person, being—
- (a) an individual; or
 - (b) a Hindu undivided family; or
 - (c) an association of persons (other than a co-operative society); or
 - (d) a body of individuals, whether incorporated or not; or
 - (e) an artificial juridical person referred to in section 2(77)(g), in respect of the total income for a tax year, shall, unless the person exercises the option in the manner provided under sub-section (4), be computed at the rate of tax given in the following Table:—
- | Total income | Rate of tax |
|-----------------------------|-------------|
| Upto ₹ 400000 | Nil |
| From ₹ 400001 to ₹ 800000 | 5% |
| From ₹ 800001 to ₹ 1200000 | 10% |
| From ₹ 1200001 to ₹ 1600000 | 15% |
| From ₹ 1600001 to ₹ 2000000 | 20% |
| From ₹ 2000001 to ₹ 2400000 | 25% |
| Above ₹ 2400000 | 30% |
- (2) For the purposes of sub-section (1), the total income of the assessee shall be computed—
- (a) without any exemption or deduction under—
 - (i) Schedule III (Table: Sl. No. 5 or 6 or 7 or 8 or 11 or 17);
 - (ii) Schedule III (Table: Sl. No. 12 or 13) (other than those as may be prescribed for this purpose);
 - (iii) section 144;
 - (iv) section 19(1) (Table: Sl. No. 1);
 - (v) section 22(1)(b), in respect of properties referred to in section 21(6);
 - (vi) section 33(8);
 - (vii) section 48;
 - (viii) section 49;
 - (ix) section 45(3)(a) or (b) or (c);
 - (x) section 46;
 - (xi) section 47(1)(a); and
 - (xii) Chapter VIII other than the provisions of sections 124(1) and 124(2), or 125(2) or 146; and
 - (b) without set off of—
 - (i) any loss carried forward or depreciation from any earlier tax year, if such loss or depreciation is attributable to any of the deductions referred to in clause (a); or
 - (ii) any loss under the head “Income from house property” with any other head of income; and
 - (c) without any exemption or deduction for allowances or perquisite, called by any name, provided under any other law in force.
- (3) The loss and depreciation referred to in sub-section (2)(b) shall be deemed to have been given full effect to and no further deduction for such loss or depreciation shall be allowed for any subsequent year.

- (4) Nothing contained in sub-section (1) shall apply to a person, where an option is exercised by such person under this section, in such manner as may be prescribed, for any tax year, and such option is exercised,—
- (a) in case of a person having income from business or profession,—
- (i) on or before the due date specified under section 263(1) for furnishing the returns of income for such tax year;
 - (ii) such option, once exercised, shall apply to subsequent tax years;
 - (iii) such option, once exercised, may be withdrawn only once for a tax year other than the tax year for which it was exercised; and
 - (iv) after such withdrawal, the person shall never be eligible to exercise the option under this sub-section, except where such person ceases to have any income from business or profession, and in such a case the option under clause (b) shall be available;
- (b) in case of a person not having income from business or profession, along with the return of income to be furnished under section 263(1) for the tax year.
- (5) In case of a person, having a Unit in the International Financial Services Centre, the provisions of sub-section (2) shall be modified to the extent that deduction under section 147 shall be available to such Unit subject to fulfilment of the conditions contained in that section.