

Tax year transition reference sheet

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The Income-tax Act, 2025 has applied since 1 April 2026. The 1961 Act continues for earlier years.

Source: Income Tax Department FAQs on returns and on Form No. 26. Dates and forms can change by notification; see the regulatory updates.

Which Act, which year

	Income of FY 2025-26	Income of FY 2026-27
Year label	Assessment year 2026-27	Tax year 2026-27
Governing Act	Income-tax Act, 1961	Income-tax Act, 2025
Return forms	ITR forms of the 1961 Act, with the assessment year selected on the portal	Forms notified under the Income-tax Rules, 2026
Tax audit	Section 44AB; Forms 3CA/3CB with 3CD	Section 63; Form No. 26 (Rule 47)
Return provision	Section 139	Section 263
Revised, belated, and updated returns	Under the 1961 Act, even if filed after 1 April 2026	Section 263: belated within nine months of the end of the tax year; updated within 48 months from the end of the following financial year
Notices, scrutiny, rectification	Under the 1961 Act	Under the 2025 Act

Tax audit under section 63

- ☐ Business: sales, turnover, or gross receipts above Rs 1 crore (Rs 10 crore where cash receipts and cash payments are each 5 per cent or less of the totals)
- ☐ Profession: gross receipts above Rs 50 lakh
- ☐ Certain presumptive-taxation cases
- ☐ Due one month before the return due date under section 263(1)

- ☐ UDIN generated by the signing accountant; firm registration number quoted for a firm
- ☐ Penalty for failure under section 446: the lesser of 0.5 per cent of turnover or gross receipts and Rs 1,50,000

Keep separate in the records

- ☐ A dividing line in the books at 31 March 2026
- ☐ Challans marked with the right year: assessment year 2026-27 or tax year 2026-27
- ☐ TDS and TCS statements and Form 26AS reconciled separately for each year
- ☐ Loss schedules from the last return under the 1961 Act, with the year of each loss; losses carry forward under the conditions of the 2025 Act
- ☐ A mapping from old section numbers to new ones for each provision used

Reviewed against the sources on 3 October 2026.

General information, not advice on any particular matter, and not a solicitation or advertisement. The law may have changed since the date shown. Kalani Gattani & Co, Chartered Accountants.