

Niti

*Developments in Tax Laws
November, 2025*



*"Krishna controls the Finite and the Infinite with inconceivable supernatural transcendental force.
This is the power of inner energy."*

.....Bhagavad Gita



Section I – Direct Tax Laws

A. Government Notifies Tolerance Range for Arm's Length Price for AY 2025–26

<https://incometaxindia.gov.in/communications/notification/notification-157-2025.pdf>

The Ministry of Finance (Department of Revenue) has issued a notification on November 6, 2025 specifying the acceptable tolerance range for determining the Arm's Length Price (ALP) under Section 92C of the Income-tax Act, 1961 for Assessment Year 2025–26.

As per the said notification, the actual transaction price will be deemed to be the ALP if the variation from the computed ALP does not exceed:

- 1% for wholesale trading transactions, and
- 3% for all other international or specified domestic transactions.

Wholesale trading qualifies only if purchase costs of finished goods constitute 80% or more of total trading costs and average monthly closing inventory is 10% or less of sales. The notification applies retrospectively without adversely affecting taxpayers, as certified in the explanatory memorandum.

B. Capital Gains Accounts (Second Amendment) Scheme, 2025

<https://incometaxindia.gov.in/communications/notification/notification-161-2025.pdf>

The Central Board of Direct Taxes (CBDT) has notified the Capital Gains Accounts (Second Amendment) Scheme, 2025, on November 19, 2025, modernizing the Capital Gains Accounts Scheme, 1988, to include Section 54GA for shifting industrial undertakings to Special Economic Zones and expanding "Deposit Office" eligibility to authorized branches of SBI, its subsidiaries, nationalized banks, and other banking companies.

Key updates introduce "electronic mode" payments (ECS, cards, net banking, IMPS, UPI, RTGS, NEFT, BHIM Aadhaar Pay), recognize electronic account statements alongside passbooks, and deem deposits via cheque, draft, or digital modes effective from receipt date upon realization for exemption claims under Sections 54 to 54GB. The Scheme effective from gazette publication supports digital compliance, with electronic closure options mandated from April 1, 2027.



C. Authorisation of Additional Banks under the Capital Gains Accounts Scheme

<https://incometaxindia.gov.in/communications/notification/notification-162-2025.pdf>

The Central Government has authorised all non-rural branches of 19 additional banks to receive deposits and maintain accounts under the Capital Gains Accounts Scheme, 1988, via Notification S.O. 5294(E) dated November 19, 2025. This expands access following prior notifications from 1988 and 2012, covering major private banks including HDFC Bank Ltd, ICICI Bank Ltd, Axis Bank Ltd, Kotak Mahindra Bank Ltd, and others like Bandhan Bank Ltd and Tamilnad Mercantile Bank Ltd.

Rural branches defined as those in centres with population under 10,000 per the 2011 Census remain excluded. Taxpayers claiming capital gains exemptions under Sections 54 to 54GB can now utilise a broader network of branches for CGAS compliance, aligning with recent Scheme amendments for digital and operational ease.



Section II – Some Reminders for December, 2025

Particulars		Due Date
Payment of	Tax Deducted at Source for the month of November, 2025	7 th December, 2025
	Provident Fund (includes EDLI) for the month of November, 2025	15 th December, 2025
	ESIC for the month of November, 2025	15 th December, 2025
	Advance Tax – 3 rd Installment	15 th December, 2025
Filing of	GSTR- 1 for November, 2025 (turnover of more than or less than Rs. 5 crores)	11 th December, 2025
	GSTR-8 for November, 2025 [return to be filed by the e-commerce operators who are required to deduct TCS (Tax collected at source) under GST]	10 th December, 2025
	GSTR-7 for November, 2025 [return to be filed by the persons who is required to deduct TDS (Tax deducted at source) under GST]	10 th December, 2025
	GSTR - 3B for November, 2025 (turnover of more than Rs. 5 crores)	20 th December, 2025
	GSTR - 3B for November, 2025 (turnover up to Rs. 5 crores, depending on the state)	22 nd December, 2025
	Income tax returns for the assessee to whom tax audit is applicable	10 th December, 2025
	Annual GSTR-9 / GSTR-9C	31 st December, 2025
	Return of Foreign Liabilities and Assets on FLAIR portal of the RBI (provisional Return to be filed by 15 th July, if accounts are not audited)	Immediately after the audited financials are available
	Annual Performance Report (for ODI)	31 st December, 2025
	AOC-4 – Annual Accounts	31 st December, 2025
	Form MGT-7 Annual Return	31 st December, 2025



Particulars		Due Date
	Belated Income Tax Return for FY 2024-25 (AY 2025-26)	31 st December, 2025



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