

Department of Revenue
Central Board of Direct Taxes
Note - Draft Income-tax Rules & Forms, 2026

A. Income-tax Act, 2025 is to come into force from the 1st of April, 2026. Draft Income-tax Rules, 2026 and forms forming part of these Rules have been framed. These Rules are required to be notified shortly. Prior to the said notification, it has been decided to place the draft Income-tax Rules, 2026 (and Forms) in public domain so as to seek the feedback/comments from stakeholders and public. The draft rules and forms shall remain in public domain for a period of 15 days i.e. upto 22nd of February, 2026. All stakeholders and members of public are requested to go through these draft rules and forms and provide considered feedback on the same so as to make the exercise of framing of subordinate legislation more participative and effective.

B. The drafting of new Income-tax Rules and forms has followed the same philosophy as that of the new Income-tax Act 2025. The language of the rules has been simplified to the extent possible. Formulas and tables have been provided wherever necessary. Redundancy in the Income-tax Rules, 1961 has been sought to be eliminated. While preserving the larger content of the policy, certain changes have been introduced in line with the changes in the Income-tax Act, 2025.

C. The forms which are part of the draft rules have also been simplified to a large extent for the ease of the tax payers. Standardization of common information has been done across the forms with a view to reducing the compliance burden of the tax payers. Forms have been designed in a smart way so as to provide for automated reconciliation and also prefill capabilities so as to make filing more intuitive and less error-prone. These smart forms would considerably ease the filing and enhance the user experience. They

would also enable centralised processing and data driven decision making so that the technology is used to provide better services to the taxpayers. The language of the forms has also been simplified so as to avoid any operational, administrative or legal ambiguity. Notes to forms have been simplified.

- D.** Rationalisations carried out in the Rules are expected to simplify the provisions which will help in ease of understanding and comprehension. The process simplifications proposed will help in ease of living and general ease of business across all sections of taxpayers. Simplifications carried in forms coupled with use of technology is expected to bring considerable ease to the users.
- E.** The Income-tax Rules, 1962 contains 511 rules and 399 forms. As a result of the changes proposed in new rules and forms, including removal of redundancy and consolidation of rules wherever possible, draft Income-tax Rules, 2026 contains 333 rules and 190 forms.
- F.** Along with the new draft rules and forms, two navigators – one providing the mapping of the old rules and the new draft rules and the second providing the mapping of the old forms and the new draft forms is also provided for the guidance of stakeholders and public. The feedback is also proposed to be obtained rule -wise and form-wise.
