

Key Changes applicable in ITR-4 form for AY 2024-25



The new tax regime is the default tax regime; taxpayers must choose to opt-out to go with the old regime:

With respect to the details of New tax regime under section 115BAC, following changes have been made:

- The question 'Have you exercised the option u/s 115BAC(6) of Opting out of new tax regime ?' has been added. The answer to the same has been set to default 'No'.
- If opting out of New regime, then select 'Yes'.
- Where the answer is selected as 'Yes', taxpayer filing ITR-4 with Business or Professional Income, the option need to be exercised in Form 10-IEA. Form 10-IEA is required to be furnished on or before due date of filing the return.



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“Receipts in Cash” column added to claim enhanced turnover limit:

The Finance Act, 2023 has enhanced the turnover threshold from INR 2 crores to INR 3 crores for opting for the presumptive taxation scheme under Section 44AD, if the receipts in cash do not exceed 5% of the total turnover or gross receipts for the previous year.

Similarly, Section 44ADA was amended to enhance the threshold limit of gross receipts from INR 50 lakhs to INR 75 lakhs, if the receipts in cash do not exceed 5% of the total gross receipts for the previous year.

To give effect to the above amendments, the CBDT has amended ITR forms to include a new column of “receipts in cash” for disclosing cash turnover or cash gross receipts under the Schedule BP. Gross receipts are to be bifurcated as :

- I. Through Account Payee cheque or Account Payee bank draft or Bank Electronic Clearing System received or prescribed electronic modes received before specified date
- II. Receipts in cash
- III. Any mode other than (i) and (ii) above

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Standard Deduction u/s 16

In schedule Salary Standard deduction u/s 16(ia) of Rs.50,000 will be given in new tax regime also.

Family pension deduction u/s 57

In Other sources, deduction u/s 57(ia) against family pension will be given in new tax regime also.

Chapter VIA deduction

In chapter VIA, schedule 80GGC, 80U, 80DD new schedules have been added to provide additional details.

In case Taxpayer claims any deduction u/s 80DD or 80U then it's recommended to file form 10-IA also before filing of return. Form 10IA can be filed later also but followed by a revised return so that the claim of deduction can be considered by the department however it is recommended to file form 10-IA along with return of income to avoid any inconvenience later.



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Type of Bank Account:

While providing bank account details, 'type of bank account' also to be selected out of the available dropdowns. Also, the selection of bank account for credit of refund has been removed from utility from this Assessment year.

In case taxpayer is having multiple accounts, then refund will be credited to one of the pre-validated accounts available after processing the return.

Key changes applicable in ITR-1 form for AY 2024-25



The new tax regime is the default tax regime; taxpayers must choose to opt-out to go with the old regime:

With respect to the details of new tax regime under section 115BAC, following changes have been made:

- The question “ Do you wish to exercise the option under section 115BAC(6) of opting out of new tax regime?’ has been added.
The answer to the same has been set to default ‘No’.
- If opting out of new regime, then select ‘Yes’.

Who can file ITR-4?

ITR 4 is to be filed by the Resident Individuals/HUF/Partnership firm whose Total Income of AY 2024-25 includes:



Business income under section 44AD or 44AE



Income from Profession calculated under section 44ADA



Salary/Pension income



Income from One House Property (excluding the brought forward losses or losses to be carried forward cases under this head)



Income from Other Sources (Excluding winning from lottery and income from horse races)

Who can use the ITR-1 form?



Income from a Salary/Pension



Income from a single house property



Income from Other Sources such as interest ,dividend, gifts, etc.



Income from Agriculture i.e. exempt income of not more than Rs.5,000.



The Total income that is generated shall not exceed Rs.50 lakhs
