

Govt withdraws Income Tax Bill

Updated version to be tabled on Aug 11

PRESS TRUST OF INDIA

New Delhi, 8 August

Finance Minister Nirmala Sitharaman on Friday withdrew the Income Tax (I-T) Bill, 2025, in the Lok Sabha, and the government will come out with an updated version of the legislation after incorporating changes suggested by the Select Committee. A new version of the Income Tax Bill will be introduced in the Lok Sabha on August 11.

“To avoid confusion by multiple versions of the Bill and to provide a clear and updated version with all changes incorporated, the new version of the Income Tax Bill will be introduced for the consideration of the House on Monday,” sources said.

The Select Committee, chaired by Baijayant Panda, had suggested a host of changes in the Bill, which was introduced in the Lok Sabha on February 13.

Soon after its introduction, the Bill, which will replace the six-decade-old Income Tax Act, 1961, was referred to the Select Committee for scrutiny.

The 31-member Select Committee had made some suggestions on the Bill.

They also favoured continuing tax exemption on anonymous donations made to religious-cum-charitable trusts in the new law, besides suggesting that



UPDATED VERSION OF THE INCOME TAX BILL WILL INCORPORATE A SLEW OF CHANGES SUGGESTED BY THE 31-MEMBER SELECT COMMITTEE AND WILL REPLACE THE 60-YR- OLD INCOME TAX ACT 1961

taxpayers be allowed to claim TDS refund even after the ITR filing due date without paying any penal charges.

The government in the new Bill has exempted non-profit organisations from taxing anonymous donations received by purely religious trusts. However, such donations received by a religious trust that may also have other charitable functions, like running hospitals and educational institutions, will be taxed as per law, as per the Bill.