

Income Tax Rules 2026: Major Form Renumbering

511 Rules consolidated to 333. 399 Forms reduced to 190. The biggest structural overhaul of India's income tax framework since 1961 — effective **April 1, 2026**.

#INCOMETAX

#TAXREFORM

#CBDT

#APRIL2026



What Is Changing?

The **Income Tax Act, 2025** replaces the 63-year-old Income Tax Act, 1961, effective April 1, 2026. This is the most comprehensive restructuring of India's direct tax framework in modern history — not a rate revision, but a full-scale renumbering and consolidation exercise.

333

Rules Retained

Down from 511 rules — a 35% reduction in regulatory volume

190

Forms in Force

Reduced from 399 forms — a 52% reduction in compliance burden

Aug 31

New ITR-3/4 Deadline

Extended from July 31 under the new Act

 **Critical:** Every form number is changing. Systems, templates, and processes must be updated before the first compliance deadline.

TDS and TCS Form Renumbering

Every TDS and TCS form used in day-to-day payroll and vendor compliance has been renumbered. The complete mapping is below — update your templates, software, and SOPs immediately.

Purpose	Old Form	New Form
TDS Certificate (Salary)	Form 16	Form 130
TDS Certificate (Non-Salary)	Form 16A	Form 131
TCS Certificate	Form 27D	Form 133
Quarterly TDS Statement (Salary)	Form 24Q	Form 138
Quarterly TDS Statement (Non-Salary)	Form 26Q	Form 140
Quarterly TCS Statement	Form 27EQ	Form 141
Quarterly TDS (NR Payments)	Form 27Q	Form 144
Annual Information Statement	Form 26AS	Form 168

Tax Audit and PAN/TAN Form Changes

The Biggest Audit Simplification in Decades

Three separate tax audit forms — **Form 3CA, Form 3CB, and Form 3CD** — have been merged into a single consolidated **Form 26**. This eliminates years of multi-form coordination for every statutory audit engagement.

PAN / TAN Applications

- Form 49A (PAN Application) → **Form 4**
- Form 49B (TAN Application) → **Form 14**

Key Section Renumbering

- Section 80C → **Section 123**
- Section 80D → **Section 126**
- All deduction references across the Act are renumbered accordingly

 **Note for CAs:** All audit reports, engagement letters, and management representation letters referencing old section numbers must be updated before the first audit sign-off under the new Act.



What Stays the Same

Amid all the renumbering, it is important to reassure clients and teams: **this is a structural reorganisation, not a tax rate change.** Your actual tax liability is unaffected.



Tax Rates & Slabs

All income tax slabs and rates remain exactly as they were. No new tax burden on individuals or corporates.



Deduction & Exemption Limits

All monetary limits under deductions and exemptions are unchanged — only the section numbers have been renumbered.



E-Filing Portal Workflow

The Income Tax e-filing portal processes remain the same. Only form numbers and references are updated, not the underlying workflow.



Standard Deduction

Same monetary amount applies — just referenced under the new section number per the 2025 Act.

Stakeholder Impact: Who Needs to Do What

The transition affects professionals, businesses, and founders differently. Here is a targeted breakdown of action required by each stakeholder group before April 1, 2026.

CA Professionals

- Update all audit templates to reference consolidated **Form 26**
- Revise compliance calendars with new form numbers
- Train staff on section renumbering (80C → 123, 80D → 126)
- Update client communication and engagement templates

Founders & Startups

- Confirm payroll vendor has updated for **Form 130** (was Form 16)
- Verify TDS software reflects new quarterly statement numbers (138/140)
- Update internal finance team SOPs and approval workflows
- Reassure team: no change to actual TDS rates or deductions

MSMEs & Business Owners

- TCS certificates now issued as **Form 133** (was Form 27D)
- Quarterly TCS filings now **Form 141** (was Form 27EQ)
- Annual Information Statement is now **Form 168** (was Form 26AS)
- Ensure accounting software vendors push updates before April 1

Critical Warnings and Caveats

The transition window is tight. These four risks require immediate attention to avoid compliance errors and penalties under the new Act.

1 Software Vendor Readiness

Not all TDS and payroll software vendors may be ready by April 1. Confirm your vendor's update timeline **immediately** — do not assume updates are automatic.

2 Dual Reference Confusion

During the transition, teams may encounter both old and new form numbers. Create an internal old-to-new mapping sheet and brief all staff to avoid errors in filings and client communications.

3 ITR Deadline Shift — Selective, Not Universal

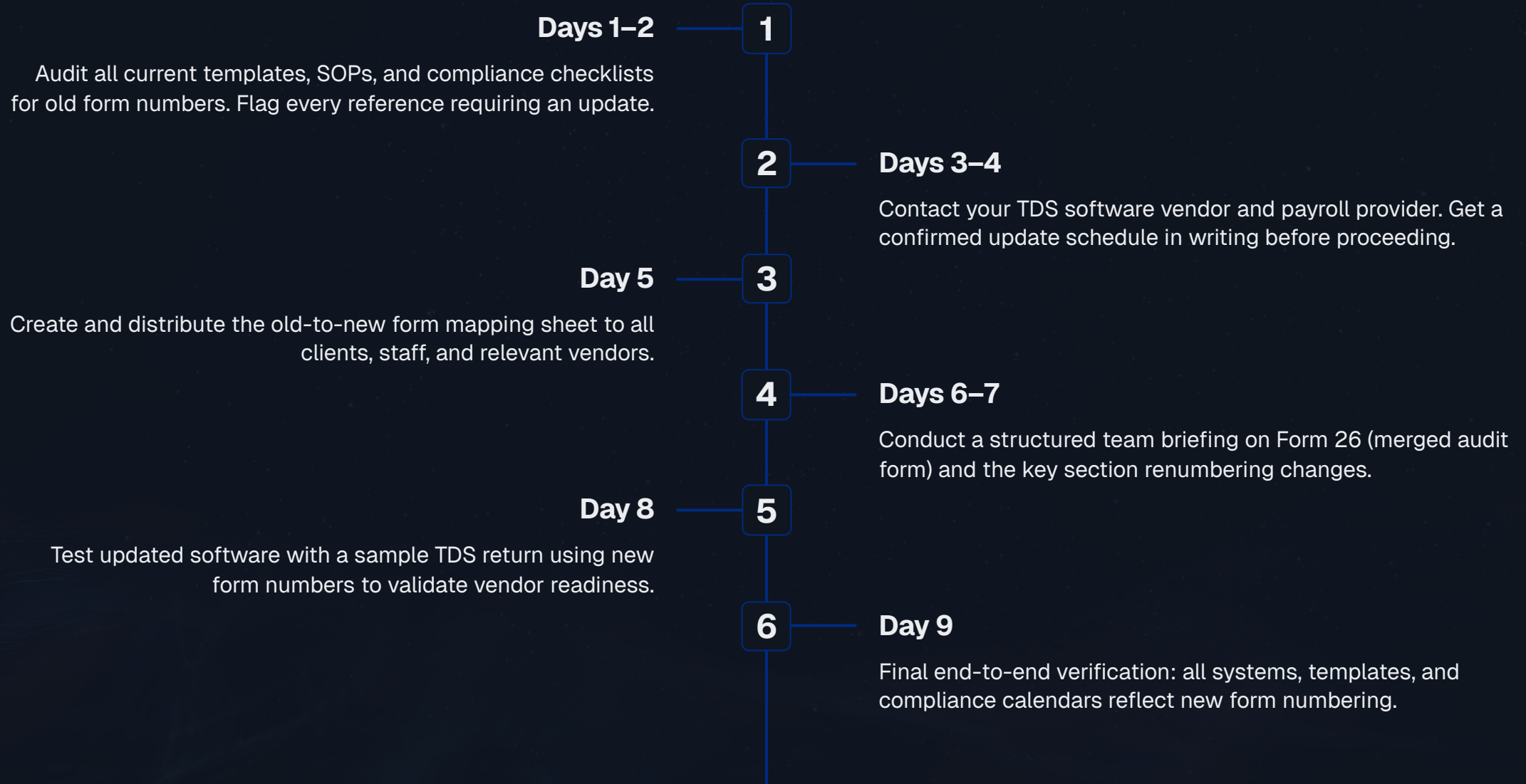
Only **ITR-3** and **ITR-4** deadlines move to August 31. Do not assume all ITR deadlines have changed — verify each form type individually before communicating to clients.

4 CBDT Final Notification Pending

Draft Rules were open for public comments until **February 22, 2026**. The final notification may incorporate changes. Monitor CBDT circulars closely until official publication.

9-Day Action Plan Before April 1, 2026

With the deadline firm, here is a structured sprint plan to ensure your practice and clients are fully compliant before the new Act takes effect.



Key Dates & Next Steps

The new Act is not waiting. Mark these dates and act now to ensure a seamless transition for you and your clients.


Critical Timeline

- **April 1, 2026** — Income Tax Act, 2025 and new Rules take full effect
- **First compliance test** — Next TDS quarterly filing (Forms 138 / 140 / 141 / 144)
- **August 31, 2026** — Extended ITR-3 and ITR-4 deadline (first under new Act)

The forms change. The deadlines do not wait.

Need Expert Guidance?

Navigating the transition requires precision. **A S Banka Advisors Private Limited** is ready to help your practice or business prepare — from form mapping to team training and software readiness checks.

 **Book a 30-minute call:**
calendly.com/asbanka-info/30min

- Early preparation is the only protection against April 1 compliance errors.