

UNION BUDGET 2026

What's in it for you?



1 – New Income Tax Act, 2025 from 01 April 2026

- Objective to simplify and modernise the direct tax system

2 – Due date for filing your ITR

If you have ITR-3 or ITR-4 (which is business income), the due date has moved from 31st July to 31st August. Individuals with ITR 1 and ITR 2 returns will continue to file till 31st July and non-audit business cases or trusts are proposed to be allowed time till 31st August.

3 – Revised Return

The due date for filing a revised return has moved from 31st December to 31st March, giving you three extra months.

4 – Share Buybacks

Share buybacks were taxed as dividend income. Now, if you've held the share for more than one year, you only pay 12.5% capital gains tax on buybacks.

5 – TCS (Tax Collected at Source) changes

- TCS on health and education has been reduced from 5% to 2%.
- TCS on foreign tours also comes down to 2% (from 20% or 5% previously).

6 – Foreign Assets Amnesty Scheme

One-time 6-month foreign asset disclosure scheme

- Applicable to small taxpayers, students & NRIs - for those who did not disclose overseas incomes and assets, and those who declared income and paid tax, but could not declare assets.

7 – Sovereign Gold Bonds (SGBs)

You get capital gains tax exemption only if you bought the SGB at issuance and held to maturity. Secondary market trades don't get this benefit.

8 – Real Estate Purchase from NRIs

If you bought real estate from an NRI, you still pay TDS. But now you can pay it using your PAN number instead of needing a TAN number.

9 – STT (Securities Transaction Tax) Hike

Discourages speculative trading by small investors

- Futures: STT increased from 0.02% to 0.05%
- Options: Increased from 0.10% to 0.15%

10 – Investment by PROIs in Indian Equities

- Individual Persons Resident Outside India (PROIs) will be permitted to invest in equity instruments of listed Indian companies through the Portfolio Investment Scheme (PIS).
- Individual investment cap for PROIs increased to 10% from 5% - Aggregate limit for all such investors has been raised to 24% from 10%.