

PRESS RELEASE

Form No. 3CD is prescribed under the Income-tax Rules, 1962 for audit report in respect of the accounts of any specified person carrying on business or profession. Vide Notification S. O. 1287 (E) dated 10-08-2006, certain changes have been made in Form No. 3CD. Significant changes are :-

- (i) New item 12A has been inserted to seek information regarding a capital asset converted into stock in trade.
- (ii) New sub-item 17(*l*) has been inserted to capture information regarding expenses incurred in relation to exempt income which is disallowable under section 14A of the Income-tax Act, 1961.
- (iii) New sub-item 17(m) has been inserted to obtain information regarding amount inadmissible under the proviso to section 36(1)(iii).
- (iv) Item No. 27 has been substituted to elicit information regarding instances where tax has not been deducted, deducted late or short deducted or tax deducted but not paid to the Central Government account.
- (v) A separate Annexure - II has been added to Form No. 3CD to incorporate 'data-field' regarding Fringe Benefit Tax introduced by the Finance Act, 2005 w.e.f. Assessment Year 2006-07.
- (vi) Changes to reflect amendments made to sections 40(a), 40A(3), 43B etc. have also been incorporated in the amended Form.