

## 6 Comparison between the new Form No. 97 and erstwhile Form No. 60

As a result of re-engineering, following changes are made with respect to filing of erstwhile Form No. 60 and new Form No. 97, for each transaction:

S. No.	Nature of transaction under Rule 159 of Income-tax Rules, 2026	PAN mandatory for undertaking transaction under Income-tax Rules, 2026	Filing of Form No. 97
1.	Sale/purchase of motor vehicle (above 5 lakhs)	YES	Filing of Form No. 97 not allowed
2.	Opening of bank account	NO	YES
3.	Application for credit card	YES	Filing of Form No. 97 not allowed
4.	Opening a demat account	YES	Filing of Form No. 97 not allowed
5.	Payment to hotel / restaurant / community centre / banquet hall / any person engaged in event management (cash payment exceeding ₹1,00,000/-)	NO	YES
6.	Purchase of Mutual Fund (above ₹50,000)	YES	Filing of Form No. 97 not allowed
7.	Purchase of debentures/bonds from a company (above ₹50,000)	YES	Filing of Form No. 97 not allowed
8.	Purchase of bonds from RBI (above ₹50,000)	YES	Filing of Form No. 97 not allowed
9.	Cash Deposit and withdrawal in bank account (exceeding ₹10 lakhs)	YES	Filing of Form No. 97 not allowed



S. No.	Nature of transaction under Rule 159 of Income-tax Rules, 2026	PAN mandatory for undertaking transaction under Income-tax Rules, 2026	Filing of Form No. 97
10.	Time deposit with bank	NO	YES
11.	Commencement of account based relationship with an insurer (excluding where insurance premium is less than ₹50,000/-)	NO	YES
12.	Contract for sale or purchase of securities (above ₹1 lakh per transaction)	YES	Filing of Form No. 97 not allowed
13.	Sale or purchase of unlisted shares (above ₹1 lakh per transaction)	YES	Filing of Form No. 97 not allowed
14.	Sale/purchase of immovable property (Above ₹20 lakhs)	NO (Below ₹45 lakhs)	YES
15.	Sale/purchase of other goods/ services (Above ₹2,00,000/- per transaction)	NO	YES

Further, the following transactions under Rule 114B of the Income Tax Rules, 1962 have now been removed from the framework of Form No. 97 :

1	Payment for purchase of foreign currency
2	Purchase of bank draft in cash
3	Payment for purchase of PPI

## 7 Key benefits of new simplified Forms:

### Significant reduction in Form No. 97:

The requirement to file **Form no. 97** has been removed for a large number of transactions, substantially lowering compliance requirement. **The filing is expected to be reduced from 12.5 cr to less than 2 cr.**



## Enhanced data completeness and reliability:

Inclusion of supporting documents such as Proof of Identity, Proof of Address, and Proof of Date of Birth/Incorporation in revised Form Nos. 97 and 98 ensures more accurate and verifiable information.

## 8 QR Code of "Samvaad" session:

For the benefit of the Taxpayers and Reporting Entities, the QR code of the link to the "Samvaad" session with the officer involved in drafting of the new Form, is given at the bottom of the brochure. This may be referred to for detailed discussion on the Form Nos. 97 and 98 (erstwhile Form Nos. 60 and 61).



QR Code of Samvaad Session on Form 97 and 98



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Income Tax Department  
Central Board of Direct Taxes



Form Nos. 97 and 98  
(Erstwhile Form Nos. 60 and 61)



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**NEW INCOME TAX FORM:  
A USER FRIENDLY HANDBOOK  
Form Nos. 97 and 98  
(Erstwhile Form Nos. 60 and 61)**

**BACKGROUND:**

The Income Tax Department has introduced simplified tax Forms under the Income-tax Act, 2025, effective April 1, 2026, to improve ease of compliance for all stakeholders. The new Forms use simpler language, standardized pre-filled formats, and technology-driven processes to reduce errors and disputes.

As part of the "Taxpayer Information Series" we have selected frequently used Forms or those Forms that have undergone significant business process re-engineering. This brochure focuses on re-engineered **Form Nos. 97 and 98** (Erstwhile Form Nos. 60 and 61), whose simplification aim to ease compliance for all stakeholders. As a result of re-engineering, the filing of these Forms is expected to be reduced by around 80%-85%, from current annual filing of around 12.5 crore.



**1 Who should file:**

**Form No. 97**

All persons who do not possess a permanent account number(PAN) and enter into specified transaction in rule 159 of the Income-tax Rules, 2026, are allowed to undertake such transaction without quoting PAN upon filing a declaration in Form No. 97. Following 'persons' are either not allowed or not required to file Form No. 97:

- » Firm
- » Company
- » Central Government, State Governments and Consular Offices
- » Non-residents, while undertaking certain transactions

A foreign company, not having any taxable income in India, can file Form No. 97 while opening a bank account or a time deposit with a banking unit in IFSC.

**Form No. 98**

All persons (subject to conditions prescribed for certain transactions), who receive Form No. 97 declarations from the persons undertaking any transaction specified in rule 159 of the Income-tax Rules, 2026.



**2 Periodicity of filing**

Form Number	Period	Due Date for Filing
97 (by declarant)	Not Applicable	At the time of undertaking the specified transaction.
98 (by Reporting Entity)	Declarations received during April – September	31 <sup>st</sup> October of the tax Year
98 (by Reporting Entity)	Declarations received during October – March	30 <sup>st</sup> April of the next tax Year

**3 Structure of Form Nos. 97 and 98**

**Form No. 97**

- Part A** » Nature of transaction being undertaken
- Part B** » Non-PAN declaration
- Part C** » Identity and address details of the declarant
- Part D** » Details of transaction
- Part E** » Details of documents submitted as identity / address / DOB / DOI proof
- Part F** » Verification of the information

**Form No. 98**

- Part A** » Details of reporting person, statement and principal officer of reporting entity.
- Part B** » Report number, details of person, financial transaction and documents produced by the person as identity/address/DOB/DOI proof.



**4 Documents required to file Form Nos. 97 and 98**

Supporting documents for Proof of Identity, Proof of Address and Proof of Date of Birth/Incorporation are required for filing Form No. 97 by declarant.

The reporting entity only requires details captured in Form No. 97 for filing Form No. 98.

**5 Key Features of New Form and benefits to the stakeholders:**

Sl. No.	Key Features of New Forms	Benefits to the stakeholders
1.	In some transactions as the threshold limit has been increased, therefore PAN quoting has been made mandatory and consequently Form No. 97 is now required for six transactions only.	This will result in reduced reporting and will ease the compliance requirement for taxpayers and reporting entity.
2.	Details of supporting documents for Proof of Identity, Proof of Address and Proof of Date of Birth / Incorporation to be filed in revised new Form Nos. 97 and 98.	The verification will ensure authenticity, leads to transparency and enhanced quality of information.

