

Form No. 125 – Frequently Asked Questions (FAQ)

Declaration by Specified Senior Citizen u/s 393(1) [Table: Sl. No. 8(iii)] of the Income-tax Act, 2025

Name of form as per I.T. Rules, 1962	12BBA	Name of form as per I.T. Rules, 2026	125
Corresponding section of I.T. Act, 1961	194P	Corresponding section of I.T. Act, 2025	393(1) [Table: Sl. No. 8(iii)]
Corresponding Rule of I.T. Rules, 1962	26D	Corresponding Rule of I.T. Rules, 2026	208

1. What is Form No. 125 and its use?

Ans: Form No. 125 is a declaration furnished by a Specified Senior Citizen under section 393(1) [Table: Sl. No. 8(iii)] of the Income-tax Act, 2025, in respect of Pension Income and Interest received or receivable through a specified bank. TDS is accordingly deducted by the Specified Bank. Such declaration in Form No. 125 does not include any other income such as rent, commission, capital gains etc.

2. Who is a “Specified Senior Citizen”?

Ans: A "Specified Senior Citizen" is a resident senior citizen who is 75 years of age or older and has income limited to pension and interest only, both of which must be received through a specified bank, as per provisions of Section 402(39).

3. What is the purpose of filing Form No 125?

Ans: The form grants specified senior citizens exemption from filing an Income-tax Return (ITR). The specified bank handles the tax computation and deduction of tax, on their behalf.

4. To whom should Form No. 125 be submitted?

Ans: It must be submitted to the specified bank where the account in which pension and interest income is received or receivable is being maintained.

5. Is it mandatory to submit Form No. 125?

Ans: Yes, submission of Form No. 125 is mandatory if the specified senior citizen wishes to seek exemption from filing of an ITR, in accordance with provisions of Section 263(8)(b).

6. What is the timeline for submission of Form No. 125?

Ans: It must be submitted once a year for every Tax Year, for which exemption from filing of ITR is claimed.

7. Can Form No. 125 be submitted online?

Ans: Form No 125 can be submitted in paper form as well as E-filed through net banking using the facility provided by the specified bank.

8. Can a submitted Form No. 125 be revised or withdrawn?

Ans: Yes. If there is a change in income or details, a fresh declaration should be submitted. If the senior citizen earns any other type of income later, the declaration must be withdrawn or revised. In case of withdrawal of previously filed Form No. 125, then such specified senior citizen must file Return of Income (ITR).

9. Is TDS deducted even after submitting Form No. 125?

Ans: Yes. The bank will compute the total income and deduct the applicable tax after considering relevant deductions and rebates. Filing of Form No. 125 only provides exemption from filing of an ITR to a specified Senior Citizen. It does not offer any exemption from deduction of tax at source on pension and interest income.