

## **FORM NO. 183 – Frequently Asked Questions (FAQs)**

Audit report under Section 49 read with paragraph 2 of Schedule X of the Income-tax Act, 2025.

Name of Form as per I.T.Rules, 1962	Form 3AD	Name of Form as per I.T.Rules, 2026	Form No. 183
Corresponding Section of I.T.Act, 1961	33ABA	Corresponding section of I.T.Act, 2025	49
Corresponding Rule of I.T.Rules, 1962	Rule 5AD	Corresponding Rules of I.T.Rules, 2026	Rule 291

### **1. What is Form No. 183?**

Ans:- Form No. 183 is a prescribed audit report required to be furnished under Rule 291 read with Section 49 of the Income-tax Act, 2025. This report is used for certifying the deduction claimed by an assessee engaged in the business of prospecting, extracting, or producing petroleum, natural gas, or both in India. It serves as an audit certificate authenticating the correctness of the deduction, which can be up to 20% of the profits from such business as computed under the head Profits and gains of business or profession.

### **2. Who should file Form No. 183?**

Ans:- Form No. 183 is required to be furnished by an assessee engaged in the business of prospecting, extracting, or producing petroleum, natural gas, or both in India, who claims deduction under Section 49. The audit report is to be certified by an Accountant as defined in Section 515(3)(b).

### **3. Is filing of Form No. 183 compulsory?**

Ans:- Yes. Furnishing of Form No. 183 is mandatory where deduction under Section 49 is claimed. In absence of this audit report, the deduction would not be allowed.

#### **4. What is the due date for furnishing Form No. 183?**

Ans:- Form No. 183 is required to be furnished annually, one month prior to the due date for furnishing the return of income under Section 263(1) of the Income-tax Act, 2025.

#### **5. What documents / information are required to prepare Form No. 183?**

Ans:- The Accountant will require the following documents and information to certify the audit report:

- a. Complete books of account relating to the business of prospecting, extracting, or producing petroleum, natural gas, or both in India.
- b. A copy of the audit report, if the accounts of the business have already been audited under any other law.
- c. The audited or provisional Balance Sheet and Profit & Loss Account
- d. Evidence of deposits made into the "specified account" (Special Account or Site Restoration Account) before the end of the tax year.
- e. Details of any interest credited to the specified account during the tax year.
- f. Statements showing details of withdrawals made, including the date, amount, and the specific purpose of each withdrawal.
- g. Proof of utilization for funds withdrawn, including documents related to the purchase of assets or expenditures incurred as per the approved scheme.
- h. Information regarding the sale or transfer of any asset acquired under the scheme, specifically if transferred within eight years of acquisition.
- i. A formal computation of the deduction claimed under Section 49 to verify that it does not exceed 20% of the profits from such business as computed under the head Profits and gains of business or profession.

## **6. What is the effect of furnishing Form No. 183?**

Ans:- The audit report enables certification of the correctness of the deduction, which can be up to 20% of profits .

## **7. What is the structure of Form No. 183?**

Ans:- Form No. 183 consists of:

- Part A: Audit report where accounts are audited under any other law
- Part B: Audit report where accounts are not audited under any other law
- Part C: Particulars of the assessee
- Part D: Statement of claim of deduction under Section 49

## **8. What is the process flow of filing Form No. 183?**

Ans:- The process flow includes:

- a. The assessee must first deposit eligible amounts into a "specified account," which refers to a Special Account with the State Bank of India, or a Site Restoration Account approved by the Ministry of Petroleum and Natural Gas, within the timelines prescribed by the scheme.
- b. The assessee's business accounts must be audited by an "Accountant" as specifically defined in section 515(3)(b) of the Income-tax Act, 2025.
- c. The accountant examines the books of account and prepares the statement of particulars, which includes verifying deposits, interest credited during the tax year, and the purposes and utilization of withdrawals.
- d. The accountant furnishes the audit report online as an e-form (Form No. 183) via the designated e-filing portal.
- e. It is mandatory for the accountant to provide their Membership Number, Firm Registration Number, and a Unique Document Identification Number (UDIN) within the form.

- f. The accountant must verify the submitted form electronically using their Digital Signature Certificate (DSC).
- g. The statutory filing process is finalized only after the taxpayer logs into the portal and "Accepts" the form furnished by the Accountant.

**9. Why is Form No. 183 important?**

Ans:- Form No. 183 is the statutory audit certificate that forms the basis for allowing deduction under Section 49. It ensures verification of deemed income (by way of usage of funds not in accordance with provisions, sale of assets prematurely, etc.) and validates permissible deduction limits.