

Frequently Asked Questions

Form for furnishing of details under section 206(1) of the Income-tax Act, 2025

Name of form as per I.T. Rules, 1962	29B	Name of form as per I.T. Rules, 2026	66
Corresponding section of I.T. Act, 1961	115JA, 115JAA, 115 JB	Corresponding section of I.T. Act, 2025	206(1)
Corresponding Rule of I.T. Rules, 1962	40B	Corresponding Rule of I.T. Rules, 2026	137

1. What is Form No. 66 ?

Ans: Form 66 is prescribed for furnishing details related to Computation of Book Profit and Minimum Alternate Tax (MAT) as per provisions of Section 206(1) of **Income Tax Act, 2025**.

2. What is "Book Profit"?

Ans: It is the profit shown in a company's profit and loss account, adjusted (increased or decreased) by specific items mentioned in Section 206.

3. What is Minimum Alternate Tax (MAT)?

Ans: Minimum Alternate Tax is the Tax to be paid on Book Profit Computed as per Provisions of Section 206(1) and at the rates mentioned therein. It is a mechanism to ensure that profitable companies paying zero or very little tax due to deductions still pay a minimum amount of tax.

4. Who should file Form 66?

Ans : All taxpayers which are Company and which are not otherwise required to pay MAT as per Section 206. It applies only if "normal" tax payable by a company is lower than the calculated "minimum" tax.

5. Is Form 66 mandatory?

Ans: It is mandatory for all taxpayers which are Company and if "normal" tax payable by a company is lower than the calculated "minimum" tax.

6. What are exempted entities from MAT?

Ans: The exemption clauses are defined in Section 206 e.g. If the taxpayer has opted for the New-Tax Regime, it is exempted from MAT. Similarly, Individual / HUF / AoP / BoI / AJP, are exempted from AMT if the adjusted total income does not exceed twenty lakh rupees.

7. Does it apply to life insurance companies?

Ans: Section 206 has specific sub-clauses for insurance companies, which are taxed as per the specified rate other than MAT.

8. What is the time limit for filing Form 66?

Ans : It must be filed along with the return of income

9. Do I have to calculate MAT, even if the net income is loss?

Ans: Yes.

10. If my income tax as per regular provisions is more than the MAT, do I have to pay MAT?

Ans: No, the taxpayer has to pay the higher of the two.

11. Can I file Form 66 myself (DIY)?

Ans: Technically, you can log in and upload it, **but** the form requires a certificate from a Chartered Accountant (CA). You cannot generate this certificate yourself.

12. Why do I need a CA?

Ans: Section 206 mandates that an "Accountant" (CA) must certify that the computation of Book Profit.

13. What happens if I file my ITR but forget Form 66?

Ans: Your return will be considered "defective" or the tax officer will process it without giving you the benefit of MAT credits.

14. Is the form filed online or offline?

Ans: It is filed electronically on the Income Tax Portal.

15. Do I attach the balance sheet to Form 66?

Ans: Form 66 is to be filed alongwith filing of ITR which inter-alia contains the Financial Statements.

16. How is MAT calculated under Section 206?

Ans: The Form 66 has been aligned with the provisions of the Sub-section 1 of the Section 206. Taxpayer needs to fill the respective fields and the MAT will be calculated.

17. What is "MAT Credit"?

Ans: If you pay extra tax today because of MAT, you get a credit for that extra amount. You can use this credit to pay tax in future years as per Section 206, when your Normal Tax is higher.

18. Has the credit mechanism changed in Section 206?

Ans: The mechanism remains the same, however, Section 206 consolidates the credit rules (previously s. 115JAA/115JD of the I.T. Act, 1961). You can still carry forward credit.

19. Can I use MAT credit to pay interest or penalties?

Ans: No, MAT/AMT credit can only be used to pay the *tax* component, not interest or penalties.

20. Does Section 206 allow for depreciation adjustment?

Ans: Yes, depreciation is one of the main adjustments. The amount of depreciation is adjusted to reach Book Profit.

21. Are capital gains included in MAT?

Ans: Yes, capital gains are part of Book Profit unless specifically identifying as "exempt" income.

22. Does Section 206 consider Ind-AS (Indian Accounting Standards)?

Ans: Yes, Section 206 has specific subsections dealing with "Transition Amounts" for companies following Ind-AS to ensure fair calculation.

23. How to adjust the transition amount ?

Ans: One-fifth of the transition amount in the year of convergence and each of the following four tax years is to be adjusted from the book-profit.

24. What happens if the information in Form 66 is wrong?

Ans: You may receive a notice for "Defective Return" or a demand notice under Section 270(1) of the I.T. Act, 2025 (S. 143(1) of the I.T. Act, 1961) asking for higher tax. You will have to revise the form.

25. Can I revise Form 66?

Ans: Yes, if you discover an error, your CA can file a revised form, and you must then file a Revised ITR.

26. What are the consequences for not obtaining the CA report?

Ans: The return will be defective.

27. Will I get a notice if I don't file Section 206 forms?

Ans: Yes, the Central Processing Centre (CPC) usually compares your ITR claims with the absence of Form 66 and will likely raise a "Proposed Adjustment" notice.

28. Does Section 206 apply if I opt for the "New Tax Regime" as per S. 200 and S. 201 of the I.T. Act, 2025 (S. 115BAA, S. 115BAB of the I.T. Act, 1961)?

Ans: No, it is exempted.

29. Can a layman calculate the "Book Profit" accurately?

Ans: With the correct understanding of Section 206, anyone can fill the Form, but it should be filed with the certificate of an Accountant. "Book Profit" has over several technical which may require Professional help.

30. What happens if I pay Normal Tax but the Govt says I should have paid MAT?

Ans: You will be asked to pay the difference (Shortfall) plus Interest under Sections 424 and S. 425 of the I.T. Act, 2025 (S.234B and S.234C of the I.T. Act, 1961).

31. Is interest charged if I default on Section 206 payment?

Ans: Yes, interest for default in payment of Advance Tax applies to MAT liabilities just like normal tax.

32. Can I appeal against a Section 206 addition?

Ans: Yes, if the tax officer calculates your Book Profit incorrectly during scrutiny, you can file an appeal before the Commissioner (Appeals).