

Income Tax Updates 2026 – Budget Analysis

CA S K NAREDI & CO LLP
Chartered Accountant
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INCOME TAX UPDATES 2026

KEY CHANGES • IMPACT • ACTION POINTS

Simpler Taxation. Greater Transparency. Stronger Economy.

- 01 OVERVIEW OF INCOME TAX CHANGES**
 - Key amendments introduced in FY 2025-26
 - Focus on simplification and transparency
 - Alignment with economic growth objectives
- 02 CHANGES IN TAX SLABS & RATES**
 - Revision in income tax slabs under new regime
 - Encouragement towards simplified tax structure
 - Reduction in tax burden for middle-income groups
- 03 DEDUCTIONS & EXEMPTIONS**
 - Gradual reduction of traditional deductions
 - Shift towards standard deduction model
 - Rationalization of exemptions
- 04 COMPLIANCE & REPORTING**
 - Expansion of pre-filled returns
 - Increased reporting through AIS and TIS
 - Stricter scrutiny of mismatches
- 05 TECHNOLOGY & DIGITAL INTEGRATION**
 - Use of data analytics in assessments
 - Real-time tracking of financial transactions
 - Automation of notices and compliance
- 06 IMPACT ON TAXPAYERS**
 - Salaried individuals: Simplified return filing
 - Professionals: Increased compliance requirements
 - High-income individuals: Greater transparency
- 07 CAPITAL GAINS & INVESTMENTS**
 - Possible changes in capital gains taxation
 - Focus on long-term investment incentives
 - Alignment with market conditions
- 08 CHALLENGES & CONCERNS**
 - Reduced scope for tax planning
 - Initial adjustment to new regime
 - Increased system dependency
- 09 OPPORTUNITIES & BENEFITS**
 - Simplified tax system
 - Reduced litigation
 - Improved taxpayer experience
- 10 ACTION POINTS FOR TAXPAYERS**
 - Review tax planning strategies
 - Ensure accurate AIS reconciliation
 - Maintain proper documentation
 - Stay updated with latest provisions
- 11 CONCLUSION**
 - Income tax reforms aim for simplicity and efficiency
 - Focus on voluntary compliance
 - Support for sustainable economic growth

Stay Informed. Stay Compliant. Grow Confidently.

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Chartered Accountant
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Income Tax Services | GST Consulting | Audit & Assurance | Business Advisory | Compliance Support

09431113380 | info@sknaredi.co.in | sknaredi.co.in | sknaredi.com

1. Overview of Income Tax Changes

- Key amendments introduced in FY 2025-26
- Focus on simplification and transparency
- Alignment with economic growth objectives

2. Changes in Tax Slabs & Rates

- Revision in income tax slabs under new regime
- Encouragement towards simplified tax structure
- Reduction in tax burden for middle-income groups

3. Deductions & Exemptions

- Gradual reduction of traditional deductions
- Shift towards standard deduction model
- Rationalization of exemptions

4. Compliance & Reporting

- Expansion of pre-filled returns
- Increased reporting through AIS and TIS

- Stricter scrutiny of mismatches

5. Technology & Digital Integration

- Use of data analytics in assessments
- Real-time tracking of financial transactions
- Automation of notices and compliance

6. Impact on Taxpayers

- Salaried individuals: Simplified return filing
- Professionals: Increased compliance requirements
- High-income individuals: Greater transparency

7. Capital Gains & Investments

- Possible changes in capital gains taxation
- Focus on long-term investment incentives
- Alignment with market conditions

8. Challenges & Concerns

- Reduced scope for tax planning
- Initial adjustment to new regime
- Increased system dependency

9. Opportunities & Benefits

- Simplified tax system
- Reduced litigation
- Improved taxpayer experience

10. Action Points for Taxpayers

- Review tax planning strategies
- Ensure accurate AIS reconciliation
- Maintain proper documentation
- Stay updated with latest provisions

11. Conclusion

- Income tax reforms aim for simplicity and efficiency
- Focus on voluntary compliance
- Support long-term economic stability