

Government of India
Land & Development Office
Ministry of Housing and Urban Affairs,
Nirman Bhawan, New Delhi
(Cash Section)

Dated: - 11th November, 2025

CIRCULAR

As per Ministry of Finance, Department of Revenue's clarification vide Circular F. No. 370142/06/2023-TPL dt. 5th April, 2023 (copy enclosed), new tax regime is the default tax regime applicable to all, which is as under:-

Income Tax slab rates for FY 2025-26
New Tax Regime

Slabs	Individuals
Upto Rs. 4,00,000	NIL
From Rs. 4,00,001 to Rs. 8,00,000	5%
From Rs. 8,00,001 to Rs. 12,00,000	10%
From Rs. 12,00,001 to Rs. 16,00,000	15%
From Rs. 16,00,001 to Rs. 20,00,000	20%
From Rs. 20,00,001 to Rs.24,00,000	25%
Above Rs. 24,00,000	30%

Tax rebate under Section 87 A up to 12 Lakh is NIL.

2. The officers/officials who wish to opt old tax regime may provide duly filled pro forma which is at Annexure-I.

Income Tax slab rates for FY 2025-26
Old Regime

Slabs	Individuals
Upto Rs. 2,50,000	NIL
From Rs. 2,50,001 to Rs. 5,00,000	5%
From Rs. 5,00,001 to Rs. 10,00,000	20%
Above Rs. 10,00,000	30%

3. All officers/officials working in L&DO are requested to furnish their option if they want to compute their taxes as per Old Tax Regime, in Annexure-I latest by **18th November, 2025**. In case, option is not furnished by due date, Income Tax will be calculated based on New Tax Regime (Default regime).

Encl: Annexure-I

To,

All officers/officials of L&DO
(Through e-office)


Drawing and disbursing Officer

F. No.370142/06/2023-TPL

Government of India

Ministry of Finance

Department of Revenue

Central Board of Direct Taxes

(TPL Division)

Dated: 5th April, 2023

Sub: Clarification regarding deduction of TDS under section 192 read with sub-section (1A) of section 115BAC of the Income-tax Act, 1961 - reg.

Vide Finance Act, 2023, sub-section (1A) has been inserted in section 115BAC of the Income-tax Act, 1961 (the Act) to provide for a new tax regime with effect from the assessment year beginning on or after the 1st day of April, 2024. This regime applies to an individual or Hindu undivided family or association of persons [other than a cooperative society] or body of individuals, whether incorporated or not, or an artificial juridical person. Under this new regime, the income-tax in respect of the total income of the person shall be computed at the rates provided in sub-section (1A) of section 115BAC, subject to certain conditions, including the condition that the person does not avail of specified exemptions and deductions.

2. The above mentioned new tax regime is the default tax regime applicable to all persons mentioned above. However, under sub-section (6) of section 115BAC of the Act, a person may exercise an option to opt out of this tax regime. A person not having income from business or profession can exercise this option every year.

3. Representations have been received expressing concerns regarding tax to be deducted at source (TDS) on salary income of a person under section 192 of the Act as the deductor, being an employer, would not know if the person, being an employee, would opt out from taxation under sub-section (1A) of section 115BAC of the Act or not.

4. In order to avoid the genuine hardship in such cases, the Board, in exercise of powers conferred under section 119 of the Act, hereby directs that a deductor, being an employer, shall seek information from each of its employees having income under section 192 of the Act regarding their intended tax regime and each such employee shall intimate the same to the deductor, being his employer, regarding his intended tax regime for each year and upon intimation, the deductor shall compute his total income, and deduct tax at source thereon according to the option exercised.

5. If intimation is not made by the employee, it shall be presumed that the employee continues to be in the default tax regime and has not exercised the option to opt out of the new tax regime. Accordingly, in such a case, the employer shall deduct tax at source, on income under section 192 of the Act, in accordance with the rates provided under sub-section (1A) of section 115BAC of the Act.

6. It is also clarified that the intimation would not amount to exercising option in terms of sub-section (6) of section 115BAC of the Act and the person shall be required to do so separately in accordance with the provisions of the sub-section.

7. This circular is in supersession of Circular No. C1 of 2020 dated 13.04.2020 and shall be applicable for TDS during the financial year 2023-24 and subsequent years.



Vipul Agarwal
Director(TPL-I)

Copy to the:

1. PS/ OSD to FM/ PS/OSD to MoS(F).
2. PS to the Finance Secretary.
3. Chairman and Members, CBDT.
4. Joint Secretaries/ CsIT/ Directors/ Deputy Secretaries/ Under Secretaries, CBDT.
5. C&AG of India (30 copies).
6. JS & Legal Adviser, Ministry of Law & Justice, New Delhi.
7. Institute of Chartered Accountants of India.
8. CIT (M&TP), Official Spokesperson of CBDT.
9. Principal DGIT (Systems) for uploading on departmental website.



Vipul Agarwal
Director(TPL-I)

Declaration Form

Name of the Officer : _____

Designation : _____

PAN : _____

Any income other than : a. _____

Salaries (Specify) : _____

b. _____

Loss on House Property

(Details in from 12C & 10BB) : _____

HRA Rebate (with supporting document) : _____

Life Insurance : _____

Public Provident Fund : _____

Home Loan/ HBA

(Details in from 12C & 10BB) Principal : _____

Interest : _____

Tuition Fee
(Max 2 Children) : _____

Sukanya Samridhi Yojna : _____

Medical Insurance Prem. : _____

Additional contribution

under NPS (other than Salary deduction, limited to Rs. 50,000/-) : _____

Any Other Saving (Specify): a. _____

b. _____

(Signature)