



**PART - 1**

**BIG CHANGES  
FROM APRIL 1st**

Every Indian should know about!

# Salary Structure is CHANGING!

Earlier	Now (1st April)	How will it affect you?
<p>Base component was usually <b>25–40% of CTC</b></p>	<p>Uniform wage definition will apply</p> <p><b>Wages = Base + DA + retaining allowance</b> must be at least <b>50% of CTC</b></p> <p>PF, gratuity, etc. will be calculated on this</p>	<p>Since DA and retaining allowance are rare in private jobs</p> <p><b>Base salary will increase to 50% of CTC</b></p>

# In-Hand Salary vs Retirement Corpus

Earlier	Now (1st April)	How will it affect you?
<p>Lower Basic meant <b>lower PF deductions</b>, leading to higher monthly cash in hand.</p>	<p>Higher base component means <b>more EPF is deducted</b> every month.</p>	<p>Your monthly take-home might <b>drop slightly</b>, but your <b>retirement savings (PF) will grow much faster</b>.</p>

# Full & Final Settlement

Earlier	Now (1st April)
It usually took <b>30 to 90 days</b> to receive your final paycheck after leaving a job.	Companies must pay your full settlement within <b>2 working days</b> of your last day.

# WAIT!!

That's not the only big update.

From 1st April 2026

**Our 65-year-old  
Income Tax Act (1961)  
will be REPLACED**

**with the new Income Tax Act 2025**

**Here's how it will impact you →**

# Introduction of Tax Year

Earlier	Now (1st April)	How will it affect you?
<p>Two confusing terms:</p> <p><b>Previous Year</b> (you earn) + <b>Assessment Year</b> (you file)</p>	<p>One unified term: <b>Tax Year</b></p> <p>Tax Year = the year you earn income and file taxes</p>	<p><b>Tax Year 2026</b> = income earned Apr 2025 – Mar 2026</p> <p>Simpler, cleaner, less confusing for everyone.</p>

## Other Changes

Particulars	Earlier	Now (1st April)
<b>TCS on Overseas Tour Package</b>	Below ₹7L → <b>5%</b> Above ₹7L → <b>20%</b>	Uniform <b>2%</b> flat
<b>Sovereign Gold Bond (SGB) Taxation</b>	SGB maturity gains were <b>100% tax-free</b> for all investors.	Tax-free only for <b>original RBI buyers</b>  Secondary market buyers pay <b>12.5% LTCG</b> or STCG (whichever applicable)

# Other Changes

Particulars	Earlier	Now (1st April)
<b>STT Hike</b> Securities Transaction Tax	Equity Futures → <b>0.02%</b> Options → <b>0.125%</b>	Equity Futures → <b>0.05%</b> Options → <b>0.15%</b>
<b>Revised Return            Timeline</b>	<b>9 months</b>	<b>12 months</b>
 <i>Filing after 9 months will attract a fee — even though the deadline is 12 months.</i>		

# New Income Tax Rules 2026

On March 20, the government approved the new income tax rules 2026, effective April 1.

Feature	Earlier	Now (From 1st April)
<b>Education Allowance</b> exemption limit	₹100 / month per child up to 2 kids	<b>₹3,000</b> / month per child up to 2 kids
<b>Hostel Allowance</b> exemption limit	₹300 / month per child up to 2 kids	<b>₹9,000</b> / month per child up to 2 kids

# New Income Tax Rules 2026

Feature	Earlier	Now (From 1st April)
<b>Rent Scrutiny</b>	No relation disclosure required	You must <b>declare your relationship with the landlord</b> if rent > ₹1 Lakh/year
<b>HRA Exemption</b>	Higher exemption (up to 50%) allowed only in <b>4 cities:</b> Mumbai, Delhi, Chennai, Kolkata	Up to <b>50% exemption</b> now applies to <b>8 cities</b>  Added: Bangalore, Ahmedabad, Pune, Hyderabad



# New Income Tax Rules 2026

Particulars	Earlier	Now (From 1st April)
<b>Gift Voucher</b> Exemption limit	₹5,000 per year	<b>₹15,000</b> per year
<b>Meal Coupons</b> Exemption limit	₹50 per meal ~ ₹26,400 per year	<b>₹200</b> per meal ~ ₹1,05,600 per year
<b>Interest Free Loan</b> from Employer	₹20,000 exemption	<b>₹2,00,000</b> exemption

# New Taxation Forms

Under the new income tax rules, some forms have been renamed —

Old Name	New Form Code	Description
Form 16	<b>Form 130</b>	Salary TDS certificate from employer
Form 26AS / AIS	<b>Form 168</b>	Summary of all taxes linked to PAN



# New Taxation Forms

Under the new income tax rules, some forms have been renamed —

Old Name	New Form Code	Description
Form 16A	<b>Form 131</b>	TDS certificate for non-salary income
Form 26Q	<b>Form 140</b>	TDS return for non-salary payments

# PAN Usage

PAN is required for many financial transactions — and now the limits have been revised.

Transaction	Earlier	Now (From 1st April)
Cash Deposits	> ₹50,000 / day	₹10 Lakh / year
Vehicle Purchase	All (excl. 2-wheelers)	Value > ₹5 Lakh
Hotel / Event Bills	> ₹50,000	> ₹1 Lakh
Property Purchase	> ₹10 Lakh	> ₹20 Lakh

# #1 New RBI Rules

RBI issued new rules on how banks offer **Basic Savings Bank Deposit (BSBD)** accounts.

प्रेस प्रकाशनी PRESS RELEASE



**भारतीय रिज़र्व बैंक**  
**RESERVE BANK OF INDIA**

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December 04, 2025

## **RBI issues Amendment Directions to amend Responsible Business Conduct Directions, 2025**

The Basic Savings Bank Deposit (BSBD) account was introduced as a savings bank account which offers certain minimum facilities, free of charge, to the holders of such accounts with an objective of deepening financial inclusion. Access to financial services has improved significantly in recent years. However, the ongoing digitalisation of the banking sector requires a BSBD account that is in sync with the customer's evolving requirements. Accordingly, it was decided to review the extant instructions and [draft Reserve Bank of India \(Basic Savings Bank Deposit Account\) Directions, 2025 were issued on October 1, 2025](#) for public consultation / feedback.

# What is BSBD Account?

A **zero-balance savings account** — no minimum balance required, but has certain limits and restrictions.

Feature	Earlier	Now (From 1st April)
<b>Digital Banking</b>	Often restricted or paid	<b>Mandatory &amp; Free</b> (Internet / Mobile banking)
<b>Debit Card</b>	Only ATM card (sometimes paid)	<b>Free ATM-cum-Debit Card</b> (No issuance / annual fee)

# BSBD Account — Revised Rules

Feature	Earlier	Now (From 1st April)
<b>Cheque Book</b>	Not guaranteed	Min. <b>25 free leaves</b> per year (on request)
<b>Digital Payments</b>	Counted as "withdrawals"	<b>Unlimited &amp; Free</b> (UPI, NEFT, IMPS don't count as withdrawals)
<b>Cash Withdrawals</b>	4 free per month (total)	<b>4 free</b> cash / ATM withdrawals (digital is extra & unlimited)



## #2 RBI — Online Payments

RBI is making your everyday payments **more secure** — here's what's changing.

### Mandatory Multi-Factor Authentication

Every digital payment (UPI, cards, wallets) will need **at least two layers** of distinct verification:



**Something you know** — PIN or password



**Something you have** — your phone or card



**Something you are** — fingerprint or face ID

## #2 RBI — Online Payments

Feature	Current Rules	New Rule (From 1st April)
<b>Required Factors</b>	Often just a PIN or a single OTP	Must use <b>at least two factors</b> from different categories (Knowledge, Possession, Inherence)
<b>Dynamic Security</b>	Static PINs often reused for every transaction	At least <b>one factor must be dynamic</b> (unique to that specific transaction)
<b>Biometric Integration</b>	Optional for most apps	Encouraged as a primary <b>Inherence factor</b> (Fingerprint, Face ID) to prevent SIM-swap fraud

# Other Minor Updates

## 1. FASTag Annual Pass

Earlier	→	Now
<del>₹3,000</del>		₹3,075

## 2. Crypto Asset Disclosure

- ! Not disclosed properly → ₹200 penalty per day
- ! Wrong details reported & not corrected → ₹50,000 penalty