



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 25–40% of CTC</p>	<p>Uniform wage definition will apply</p> <p>Wages = Base + DA + retaining allowance must be at least 50% of CTC</p> <p>PF, gratuity, etc. will be calculated on this</p>	<p>Since DA and retaining allowance are rare in private jobs</p> <p>Base salary will increase to 50% of CTC</p>

In-Hand Salary vs Retirement Corpus

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

Full & Final Settlement

Earlier	Now (1st April)
It usually took 30 to 90 days to receive your final paycheck after leaving a job.	Companies must pay your full settlement within 2 working days 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>Previous Year (you earn) + Assessment Year (you file)</p>	<p>One unified term: Tax Year</p> <p>Tax Year = the year you earn income and file taxes</p>	<p>Tax Year 2026 = income earned Apr 2025 – Mar 2026</p> <p>Simpler, cleaner, less confusing for everyone.</p>

Other Changes

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

Other Changes

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

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)
Education Allowance exemption limit	₹100 / month per child up to 2 kids	₹3,000 / month per child up to 2 kids
Hostel Allowance exemption limit	₹300 / month per child up to 2 kids	₹9,000 / month per child up to 2 kids

New Income Tax Rules 2026

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



New Income Tax Rules 2026

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

New Taxation Forms

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

Old Name	New Form Code	Description
Form 16	Form 130	Salary TDS certificate from employer
Form 26AS / AIS	Form 168	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	Form 131	TDS certificate for non-salary income
Form 26Q	Form 140	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

वेबसाइट : www.rbi.org.in/hindi

Website : www.rbi.org.in

ई-मेल/email : helpdoc@rbi.org.in



संचार विभाग, केंद्रीय कार्यालय, शहीद भगत सिंह मार्ग, फोर्ट, मुंबई - 400 001

Department of Communication, Central Office, Shahid Bhagat Singh Marg, Fort, Mumbai - 400 001 फोन/Phone: 022 - 2266 0502

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)
Digital Banking	Often restricted or paid	Mandatory & Free (Internet / Mobile banking)
Debit Card	Only ATM card (sometimes paid)	Free ATM-cum-Debit Card (No issuance / annual fee)

BSBD Account — Revised Rules

Feature	Earlier	Now (From 1st April)
Cheque Book	Not guaranteed	Min. 25 free leaves per year (on request)
Digital Payments	Counted as "withdrawals"	Unlimited & Free (UPI, NEFT, IMPS don't count as withdrawals)
Cash Withdrawals	4 free per month (total)	4 free 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)
Required Factors	Often just a PIN or a single OTP	Must use at least two factors from different categories (Knowledge, Possession, Inherence)
Dynamic Security	Static PINs often reused for every transaction	At least one factor must be dynamic (unique to that specific transaction)
Biometric Integration	Optional for most apps	Encouraged as a primary Inherence factor (Fingerprint, Face ID) to prevent SIM-swap fraud

Other Minor Updates

1. FASTag Annual Pass

Earlier

~~₹3,000~~

→

Now

₹3,075

2. Crypto Asset Disclosure

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