

MINISTRY OF FINANCE

(Department of Revenue)

[CENTRAL BOARD OF DIRECT TAXES]

NOTIFICATION

New Delhi, the 29th September, 2023

INCOME-TAX

G.S.R.702(E).—In exercise of the powers conferred by sub-section (5) of section 115BAE, read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:—

1. **Short title and commencement.**—(1) These rules may be called the Income-tax (Twenty-Third Amendment) Rules, 2023.

(2) They shall come into force from the date of their publication in the Official Gazette.

2. In the Income-tax Rules, 1962 (hereinafter referred to as the principal rules), after rule 21AH, the following rule 21AHA shall be inserted, namely:—

“**21AHA. Exercise of option under sub-section (5) of section 115BAE.** (1) The option to be exercised in accordance with the provisions of sub-section (5) of section 115BAE by a person, being a co-operative society resident in India, for any previous year relevant to the assessment year beginning on or after the 1st day of April, 2024, shall be in Form No. 10-IFA.

(2) The option in Form No. 10-IFA shall be furnished electronically either under digital signature or electronic verification code.

(3) The Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems), as the case may be, shall, —

- (i) specify the procedure for filing of Form No. 10-IFA;
 - (ii) specify the data structure, standards and manner of generation of electronic verification code, referred to in sub-rule (2), for verification of the person furnishing the said Form; and
 - (iii) be responsible for formulating and implementing appropriate security, archival and retrieval policies in relation to the Form so furnished.”
3. In the principal rules, in the APPENDIX II, after Form No. 10-IF, the following Form shall be inserted, namely:—

“FORM No. 10-IFA

[See sub-rule (1) of rule 21AHA]

Application for exercise of option under sub-section (5) of section 115BAE of the Income-tax Act, 1961

To,

The Assessing Officer,

.....

.....

Sir/ Madam,

I,....., on behalf of [name and registered address of the co-operative society exercising the option under sub-section (5) of section 115BAE] having Permanent Account Number (PAN)do hereby exercise the option referred to in sub-section (5) of section 115BAE of the Income-tax Act, 1961 for the previous year 20.....-..... and subsequent years,

2. The details of the co-operative society are given below:

- (i) Name of the co-operative society :
- (ii) Whether a resident co-operative society : Yes/No
- (iii) PAN :
- (iv) Registered Address :
- (v) Date of Registration : dd/mm/yyyy
- (vi) Nature of activities :
- (vii) Date of commencement of :
manufacturing/ production

3. I understand that the option under sub-section (5) of section 115BAE, once exercised for any previous year, cannot be subsequently withdrawn for the same or any other previous year.

4. I do hereby affirm that-

- (i) the business has not been formed by splitting up or reconstruction of a business already in existence;
- (ii) the business does not use any machinery or plant previously used except as provided in *Explanation 1* and *Explanation 2* of sub-section (2) of section 115BAE of the Act;

(iii) the co-operative society is not engaged in any business other than the business of manufacture or production of any article or thing and research in relation to, or distribution of, such article or thing manufactured or produced by it as specified against point 2(vi) above.

5. I do hereby further affirm that the conditions stipulated in section 115BAE, in addition to the above conditions, shall be satisfied by the aforesaid co-operative society.

Place:

Date:

Yours faithfully,

Signature of Principal Officer

Name

Designation

Address

Note: This form shall be signed by the principal officer.

[Notification No. 83/2023/ F.No.370142/32/2023-TPL]

AMRIT PRITOM CHETIA, Under Secy.(Tax Policy and Legislation Division)

Note : The principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii) *vide* Notification Number S.O. 969 (E) dated the 26th March 1962 and were last amended *vide* Notification Number G.S.R 697(E) dated 27th September, 2023.