STATUTORY COMPARISON / MAP-3E40FD06310A

The charging structure is unpacked into five subsections

RETAINED

1961 ACT / 4 - CHARGE OF INCOME-TAX

Section 4 charges total income of the previous year at rates enacted for the assessment year, with special-period and tax-collection machinery provisions.

2025 ACT / 4 - CHARGE OF INCOME-TAX

Section 4 charges total income of the tax year; additional tax, special periods and source or advance collection receive separate subsections.

READING CHRONOLOGY

01 Operative provisions / 02 Change analysis / 03 Transition / 04 Compliance / 05 Disputes / 06 Expert Commentary

02 PRECISE CHANGE ANALYSIS

Old section 4(1) is distributed across new section 4(1)-(4). New section 4(3) expressly includes additional income-tax by whatever name called. New section 4(5) expressly mentions collection at source alongside deduction and advance tax; old section 4(2) mentioned deduction and advance payment. These are structural and express drafting changes, not a new standalone collection obligation.

03 TRANSITION AND EFFECTIVE DATES

The charge must be applied to the relevant tax year and the applicable rate enactment. Section 536(2)(c) preserves the earlier Act for pre-commencement tax-year proceedings.

04 COMPLIANCE IMPACT

Rate tables must be associated with the correct tax year. Source collection still requires the operative machinery provision; section 4(5) supplies no independent rate, threshold or payer category.

05 ASSESSMENT AND LITIGATION IMPACT

A liability argument should separately identify the charging provision, the inclusion or computation rule and the applicable rate. Merely pointing to source collection cannot resolve whether a receipt forms taxable income.

06 AKHB EXPERT COMMENTARY

Separating the charging components improves readability without removing their interdependence. The new express reference to collection at source is not a licence to treat every collected amount as conclusive tax on income. The statute continues to require a charge on total income and to make collection operate as provided elsewhere in the Act. Disputes should therefore distinguish the incidence of tax from the mechanism and timing of its collection.

STATUTORY SOURCES AND PINPOINTS

Income-tax Act, 1961 - Charge of income-tax - 4 - Charge of income-tax

Income-tax Act, 2025 - Charge of Income-tax - 4 - Charge of income-tax

Income-tax Act, 2025 - Repeal and savings - 536(2)(b)-(c): accrued positions and legacy proceedings; 536(3): earlier-year references where applicable

SOURCE AND ANALYTICAL SCOPE

Whole sections 4. Retained describes the core charging architecture; explicit drafting additions are separately identified. Based on CBDT statutory text cached 5 October 2026, consolidation labelled as amended by Finance Act 2026. Corresponding 2025 source page was opened live on 18 October 2026; this is not a Gazette-to-consolidation audit.

Status labels describe the analysed provision and may coexist: a provision can be renumbered and substantively changed. Retained does not certify every surrounding rule or notification. Commentary is separate from the legislation.

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