STATUTORY COMPARISON / MAP-99C45D9197D3

House-property deductions: separate instalment clause, common ceiling

RETAINED | RENUMBERED | MERGED

1961 ACT / 24 - DEDUCTIONS FROM INCOME FROM HOUSE PROPERTY

Section 24 allows 30% annual-value deduction and qualifying borrowing interest, including five instalments of pre-acquisition or construction interest and self-occupied limits.

2025 ACT / 22 - DEDUCTIONS FROM INCOME FROM HOUSE PROPERTY

Section 22 reorganises deductions and limits and also incorporates the overseas-interest restriction formerly in section 25.

READING CHRONOLOGY

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

02 PRECISE CHANGE ANALYSIS

Old 24(a),(b) map to 22(1)(a),(b). Pre-acquisition or construction interest is separately expressed in 22(1)(c), with the prior-deduction reduction in (3). Section 22(2), as amended by Finance Act 2026 from 1 April 2026, expressly aggregates (1)(b) and (c) for the self-occupied ceiling. Sections 22(4),(5) deal with certificates and the aggregate Rs 2 lakh limit. Section 22(6) incorporates old section 25: the successor is broader in coverage than old section 24 alone.

03 TRANSITION AND EFFECTIVE DATES

Carry forward the existing five-instalment schedule rather than starting five fresh deductions at commencement. The 2026 amendment to 22(2) applies from 1 April 2026.

04 COMPLIANCE IMPACT

For eligible self-occupied property, combine current interest and the pre-construction instalment before testing the ceiling. Preserve borrowing, completion and refinancing certificates and check any separate regime restriction before claiming the deduction.

05 ASSESSMENT AND LITIGATION IMPACT

A separate clause for pre-construction interest does not create a second self-occupied limit. For interest payable overseas, examine both statutory conditions in 22(6), rather than asserting automatic disallowance merely because the lender is overseas.

06 AKHB EXPERT COMMENTARY

The most material drafting trap is reading the newly separated instalment clause as additional relief outside the ceiling. The amended text expressly defeats that reading. The deduction analysis must first establish the borrowing's use, then identify the annual and deferred-interest components, and finally apply the relevant aggregate limitation. The merger of old section 25 also means that a citation to new section 22 can concern a disallowance rather than an affirmative deduction.

STATUTORY SOURCES AND PINPOINTS

Income-tax Act, 1961 - Deductions from income from house property - 24 - Deductions from income from house property

Income-tax Act, 2025 - Deductions from income from house property - 22 - Deductions from income from house property

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

Income-tax Act, 1961 - Amounts not deductible - 25

SOURCE AND ANALYTICAL SCOPE

Whole sections 24 and 22 plus old section 25. Old 24's 1 April 1999 borrowing date and old 25's pre-1 April 1938 public-subscription exception are absent from successor wording; no live legacy-loan conclusion is expressed without factual and savings analysis. 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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