

New Income Tax Rules for Claiming Deductions: **A Warning for Salaried Taxpayers**

As the income tax filing season commences, salaried individuals often seek to maximize their refunds by claiming deductions. However, in some cases, this has led to fraudulent or exaggerated deduction claims. To curb such practices and ensure transparency, the Income Tax Department has introduced significant changes to the Income Tax Return (ITR) validation rules applicable for Financial Year 2024–25 (Assessment Year 2025–26).

What's New?

The key change is the introduction of **enhanced declaration requirements** at the time of ITR filing. Until now, the verification of deduction claims was typically conducted manually during return processing. Going forward, this verification process has been integrated into the ITR filing stage itself.

This move aims to curb the misuse of deduction claims and promote accurate reporting, leading to fewer discrepancies and faster processing of returns.

Who Is Affected?

These enhanced validation rules are primarily applicable to taxpayers who opt for the **Old Tax Regime**. If you are claiming certain deductions (such as under Sections 80C, 80D, 80G, etc.), you are now **mandatorily required** to provide additional information in your return.

Important: If the required details are not furnished, the ITR will not pass validation and cannot be submitted.

Objective of the Changes

- Discourage false claims of deductions
- Improve accuracy in ITR filing
- Streamline and expedite the ITR processing system

Summary Table (for easy understanding)

Section	Additional Detail required
HRA	Mandatory to Report: Place of Work, Actual HRA Received, Actual Rent Paid, Basic Salary & DA, 50% or 40% of Basic Salary,
Interest on Borrowed Capital u/s 24(b)	Name of Bank/Institute, Loan A/c No. date of loan Sanction, Total Loan amount, Loan Outstanding Balance and Interest on borrowed Loan.

Section 80C	For claiming deduction required to mention Policy Number (for LIC) or document Identification number for eligible investment U/s 80C.
Section 80D	Provide Name of Insurance Company and Policy/document Number.
Section 80E	Bank name, Loan A/c No. date of loan Sanction, Total Loan amount, Loan Outstanding Balance and Interest of the Loan.
Section 80EE	Same additional disclosure as required to claim deduction U/s 80E for residential house property
Section 80EEA	Same additional disclosure as required to claim deduction U/s 80E for residential house property
Section 80EEB	Disclose Bank name, Loan detail and Vehicle registration Number.
Section 80DDB	Must specify the Name of specified dieses to claim deduction U/s 80DDB

Final Note...!

Understand the new requirements and plan your tax filing accordingly. Consult a tax professional if needed, to ensure compliance with the latest regulations