



# भारत का राजपत्र The Gazette of India

सी.जी.-डी.एल.-अ.-31032023-244830  
CG-DL-E-31032023-244830

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 8] नई दिल्ली, शुक्रवार, मार्च 31, 2023/ चैत्र 10, 1945 (शक)  
No. 8] NEW DELHI, FRIDAY, MARCH 31, 2023/ CHAITRA 10, 1945 (SAKA)

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।  
Separate paging is given to this Part in order that it may be filed as a separate compilation.

## MINISTRY OF LAW AND JUSTICE (Legislative Department)

*New Delhi, the 31st March, 2023 / Chaitra 10, 1945 (Saka)*

The following Act of Parliament received the assent of the President on the 31st March, 2023 and is hereby published for general information:—

### THE FINANCE ACT, 2023

No. 8 OF 2023

[31st March, 2023.]

An Act to give effect to the financial proposals of the Central Government for the financial year 2023-2024.

BE it enacted by Parliament in the Seventy-fourth Year of the Republic of India as follows:—

#### CHAPTER I

##### PRELIMINARY

1. (1) This Act may be called the Finance Act, 2023.

Short title and commencement.

(2) Save as otherwise provided in this Act,—

(a) sections 2 to 127 shall come into force on the 1st day of April, 2023;

(b) sections 128 to 163 shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

#### CHAPTER II

##### RATES OF INCOME-TAX

2. (1) Subject to the provisions of sub-sections (2) and (3), for the assessment year commencing on the 1st day of April, 2023, income-tax shall be charged at the rates specified in Part I of the First Schedule and such tax shall be increased by a surcharge, for the purposes of the Union, calculated in each case in the manner provided therein.

(ii) "successor" means all resulting companies in a business reorganisation, whether or not the company was in existence prior to such business reorganisation.¹.

**81.** In section 177 of the Income-tax Act, in sub-section (2), for the words and brackets "the Commissioner (Appeals)", the words and brackets "the Joint Commissioner (Appeals) or the Commissioner (Appeals)" shall be substituted. Amendment of section 177.

**82.** In section 189 of the Income-tax Act, in sub-section (2), for the words and brackets "the Commissioner (Appeals)", the words and brackets "the Joint Commissioner (Appeals) or the Commissioner (Appeals)" shall be substituted. Amendment of section 189.

**83.** In section 192A of the Income-tax Act, the second proviso shall be omitted. Amendment of section 192A.

**84.** In section 193 of the Income-tax Act, in the proviso, for clause (ix), the following clause shall be substituted, namely:— Amendment of section 193.

'(ix) any interest payable to a "business trust", as defined in clause (13A) of section 2, in respect of any securities, by a special purpose vehicle referred to in the *Explanation* to clause (23FC) of section 10.¹.

**85.** In section 194B of the Income-tax Act,— Amendment of section 194B.

(i) for the marginal heading, the following marginal heading shall be substituted, namely:—

"Winnings from lottery or crossword puzzle, etc.";

(ii) for the words "in an amount exceeding ten thousand rupees", the words "or from gambling or betting of any form or nature whatsoever, being the amount or the aggregate of amounts exceeding ten thousand rupees during the financial year" shall be substituted;

(iii) after the proviso, the following shall be inserted, namely:—

'Provided further that nothing contained in this section shall apply to deduction of income-tax on winnings from any online game on or after the 1st day of April, 2023.

*Explanation.*—For the purposes of this section, "online game" shall have the meaning assigned to it in clause (iii) of the *Explanation* to section 115BBJ.¹.

**86.** After section 194B of the Income-tax Act, the following section shall be inserted, namely:— Insertion of new section 194BA.

**194BA.** (1) Notwithstanding anything contained in any other provisions of this Act, any person responsible for paying to any person any income by way of winnings from any online game during the financial year shall deduct income-tax on the net winnings in his user account, computed in the manner as may be prescribed, at the end of the financial year at the rates in force: Winnings from online games.

Provided that in a case where there is a withdrawal from user account during the financial year, the income-tax shall be deducted at the time of such withdrawal on the net winnings comprised in such withdrawal, as well as on the remaining amount of net winnings in the user account, computed in the manner as may be prescribed, at the end of the financial year.

(2) In a case where the net winnings are wholly in kind or partly in cash, and partly in kind but the part in cash is not sufficient to meet the liability of deduction of tax in respect of whole of the net winnings, the person responsible for paying shall, before releasing the winnings, ensure that tax has been paid in respect of the net winnings.

(3) If any difficulty arises in giving effect to the provisions of this section, the Board may, with the previous approval of the Central Government, issue guidelines for the purposes of removing the difficulty.

(4) Every guideline issued by the Board under sub-section (3) shall, as soon as may be after it is issued, be laid before each House of Parliament, and shall be binding on the income-tax authorities and on the person liable to deduct income-tax.

*Explanation.*—For the purposes of this section—

(a) "computer resource", "internet" and "online game" shall have the meanings respectively assigned to them in section 115BBJ;

(b) "online gaming intermediary" means an intermediary that offers one or more online games;

(c) "user" means any person who accesses or avails any computer resource of an online gaming intermediary;

(d) "user account" means account of a user registered with an online gaming intermediary.!

Amendment of section 194BB. **87.** In section 194BB of the Income-tax Act, for the words "in an amount exceeding ten thousand rupees", the words ", being the amount or aggregate of amounts exceeding ten thousand rupees during the financial year," shall be substituted.

Amendment of section 194LC. **88.** In section 194LC of the Income-tax Act, with effect from the 1st day of July, 2023,—  
(i) in sub-section (1), after the proviso, the following proviso shall be inserted, namely:—

“Provided further that in case of income by way of interest referred to in clause (ic) of sub-section (2), the income-tax shall be deducted at the rate of nine per cent.”;

(ii) in sub-section (2),—

(I) in clause (ib), for the word “and”, the word “or” shall be substituted;

(II) after clause (ib), the following clause shall be inserted, namely:—

“(ic) in respect of money borrowed by it from a source outside India by way of issuance of any long-term bond or rupee denominated bond on or after the 1st day of July, 2023, which is listed only on a recognised stock exchange located in an International Financial Services Centre; and”.

Amendment of section 194N. **89.** In section 194N of the Income-tax Act, after the second proviso, the following proviso shall be inserted, namely:—

‘Provided also that where the recipient is a co-operative society, the provisions of this section shall have effect, as if for the words "one crore rupees", the words "three crore rupees" had been substituted.!

Amendment of section 194R. **90.** In section 194R of the Income-tax Act, the *Explanation* shall be numbered as *Explanation 1* thereof, and after *Explanation 1* as so renumbered, the following *Explanation* shall be inserted, namely:—

"*Explanation 2.*—For the removal of doubts, it is clarified that the provisions of sub-section (1) shall apply to any benefit or perquisite, whether in cash or in kind or partly in cash and partly in kind."

Amendment of section 196A. **91.** In section 196A of the Income-tax Act, in sub-section (1), the following proviso shall be inserted, namely:—

"Provided that where an agreement referred to in sub-section (1) of section 90 or sub-section (1) of section 90A applies to the payee and if the payee has furnished a certificate referred to in sub-section (4) of section 90 or sub-section (4) of section 90A, as the case may be, then, income-tax thereon shall be deducted at the rate of twenty per cent. or at the rate or rates of income-tax provided in such agreement for such income, whichever is lower."

Amendment of section 197. **92.** In section 197 of the Income-tax Act, in sub-section (1), after the figures and letters "194LA,", the figures and letters "194LBA," shall be inserted.

Amendment of section 206AB. **93.** In section 206AB of the Income-tax Act,—  
(i) in sub-section (1), after the figures and letter "194B,", the figures and letters "194BA," shall be inserted;

(ii) in sub-section (3), for the proviso, the following proviso shall be substituted, namely:—