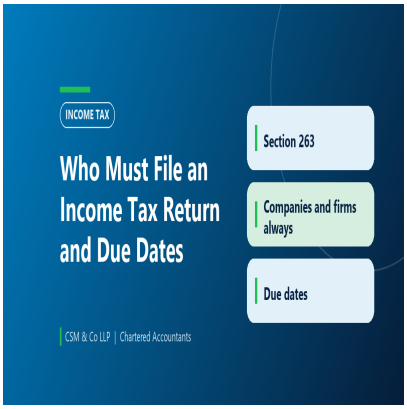


Who Must File an Income Tax Return and Due Dates (Tax Year 2026-27)

Description

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Quick summary

- Section 263 of the Income-tax Act, 2025 requires a return from companies, firms and certain institutions regardless of income, from other persons whose total income before specified deductions exceeds the basic exemption limit, and from anyone with a business or capital gains loss to carry forward or foreign assets.
- Rule 163 adds conditions that force a return even below the exemption limit: current account deposits above ?1 crore, foreign travel above ?2 lakh, electricity above ?1 lakh, business turnover above ?60 lakh and others.
- Due dates for tax year 2026-27 are 31 July 2027 for most individuals, 31 August for business owners without audit, 31 October for audit cases and companies, and 30 November where a transfer pricing report is needed.
- A return can be filed late within nine months of the end of the tax year, with a fee.

Whether you must file a return depends on who you are, how much you earned and, since the law now has several non-income triggers, what you did during the year. This post follows section 263 of the Income-tax Act, 2025 and Rules 163 and 164 of the Income-tax Rules, 2026, which apply to tax year 2026-27 (income of FY 2026-27, filed in 2027).

Who must file under section 263(1)

Category	Must file a return
Company	Always, whether there is income or loss
Firm (including LLP)	Always

Category	Must file a return
A university, college or other institution of the kind in section 45(3)(a)	Always
Business trust and investment fund	Always
A resident (other than a not ordinarily resident) with foreign assets	Always, if at any time in the tax year he holds any asset (including a financial interest in an entity) located outside India, has signing authority in an account abroad, or is a beneficiary of such an asset
Any other person (individual, HUF, AOP, BOI and so on)	If total income, before the deductions and exemptions named in section 263(1)(a)(iii), exceeds the **basic exemption limit**
A specified entity (such as a trust)	If its total income without applying section 11 exceeds the basic exemption limit
Anyone with a loss	If he has a loss under “Profits and gains of business or profession” or “Capital gains” and wants to carry it forward
Persons meeting a prescribed condition	See Rule 163 below

The persons in the first five rows and the foreign asset category must file on or before the due date **regardless of income or loss** (section 263(1)(b)).

The basic exemption limit

The limit is tested on total income **before** Chapter VIII deductions (such as section 123) and certain capital gains exemptions. A salary of ?6 lakh with a ?1.5 lakh section 123 deduction therefore still crosses the limit, and a return is compulsory.

Taxpayer	Limit
New regime (section 202)	?4,00,000
Old regime, below 60	?2,50,000
Old regime, resident aged 60 to under 80	?3,00,000
Old regime, resident aged 80 or more	?5,00,000

Rule 163: conditions that make a return compulsory

For a person other than a company or a firm, a return is also required if, in the tax year, he:

1. deposited more than **?1 crore** in one or more current accounts with a bank or co-operative bank; or
2. spent more than **?2 lakh** on foreign travel for himself or anyone else (travel to neighbouring countries and notified pilgrimage places is not counted); or
3. spent more than **?1 lakh** on electricity; or
4. had business sales, turnover or gross receipts above **?60 lakh**; or
5. had gross receipts in a profession above **?10 lakh**; or
6. suffered TDS and TCS of **?25,000 or more** (**?50,000 or more** for a resident individual aged 60 or above); or
7. deposited **?50 lakh or more** in total in savings bank accounts.

Due dates for tax year 2026-27

Section 263(1)(c), as amended by the Finance Act, 2026:

Who	Due date
An assessee, including a partner of a firm or the partner's spouse (where section 10 applies), who must furnish a transfer pricing report under section 172	30 November 2027
A company; any person other than a company whose accounts are required to be audited; a partner of a firm whose accounts are audited, or the spouse of such a partner (not requiring a section 172 report)	31 October 2027
A person with business or professional income whose accounts are **not** required to be audited, and a partner of a non-audited firm or the spouse of such a partner	31 August 2027
Any other assessee, including salaried individuals	31 July 2027

The 31 August date for non-audited business and professional income was introduced by the Finance Act, 2026 and applies to returns of income of FY 2025-26 as well (due 31/08/2026). A person whose income is mainly from salary, interest and house property still files by 31 July.

Who need not file

- A person whose total income is below the limit, **and** who meets none of the conditions above.
- A class of persons exempted by notification of the Central Government (section 263(3)). For example, certain senior citizens are exempt under a separate rule (see our post on the section 194P exemption).

Filing even when not required

You may want to file voluntarily to:

- claim a **refund** of TDS or advance tax;
- carry forward a **loss**. Under section 121 a loss that is not determined in a return filed under section 263(1), that is by the due date, cannot be carried forward;

- keep an **income proof** for visa, loan or tender purposes.

What happens if you do not file

- A **fee** under section 428 (?1,000 if total income is ?5 lakh or less, ?5,000 otherwise) if you file after the due date.
- **Interest** under section 423 at 1% a month on the tax unpaid (after advance tax and TDS), from the due date.
- Loss of the right to carry forward losses (section 121).
- Difficulty with loans, visas and tenders, where a return is asked for.
- Possible notice and penalty or prosecution where income was concealed.

See our post on late, revised and updated returns for the time limits and the fee and interest rules.

Which return form

The form depends on your income:

- **SAHAJ (ITR-1):** resident individuals (other than not ordinarily resident) with income from salary or family pension, up to **two** house properties with no loss to carry forward, other sources (not lottery or race horses), and long-term capital gains under section 198 of up to ?1,25,000, with no brought forward loss. Total income must not exceed ?50 lakh and there must be no foreign asset, income from abroad, unlisted equity share held at any time, directorship in a company and so on.
- **ITR-2:** individuals and HUFs with no business or profession income who are not eligible for ITR-1.
- **SUGAM (ITR-4):** residents with business or professional income computed under the presumptive provisions, and who also meet the ITR-1-type limits.
- **ITR-3:** individuals and HUFs with business or professional income who cannot use ITR-1, ITR-2 or ITR-4.
- **ITR-5, ITR-6 and ITR-7:** other persons, companies, and persons required to file under the provisions for trusts and institutions.

This is a summary of Rule 164. Check the form notified for your year before filing.

Frequently asked questions

Who must file an income tax return?

A company or a firm in every case; any other person whose total income, before specified deductions and exemptions, exceeds the basic exemption limit; anyone who has a business or capital gains loss to carry forward; a resident (other than not ordinarily resident) with an asset or signing authority outside India; and anyone who meets a condition in Rule 163 (section 263(1)).

What is the basic exemption limit for tax year 2026-27?

Under the new regime ?4,00,000. Under the old regime ?2,50,000, or ?3,00,000 for a resident aged 60 to under 80, or ?5,00,000 for a resident aged 80 or more.

Do I have to file a return if my income is below the limit?

Not necessarily, but you must if any Rule 163 condition applies: deposits of more than ?1 crore in current accounts, foreign travel spending above ?2 lakh, electricity bills above ?1 lakh, business turnover above ?60 lakh, professional receipts above ?10 lakh, TDS and TCS of ?25,000 or more (?50,000 for a resident senior citizen), or savings account deposits of ?50 lakh or more.

What is the due date?

31 July after the end of the tax year for most individuals; 31 August for a business owner whose accounts are not audited; 31 October for a company or a person whose accounts are audited; 30 November where a transfer pricing report is required (section 263(1)(c)).

Do I have to file if I have foreign assets but no income?

Yes. A resident who is not a not ordinarily resident and who held any asset, including a financial interest in an entity, located outside India, or has signing authority in a foreign account, at any time in the tax year, must file whatever the income or loss.

Can I file after the due date?

Yes, within nine months from the end of the tax year, or before the assessment is completed if earlier (section 263(4)), with a fee under section 428 and interest under section 423.

Official sources

- Income Tax Department: Income-tax Act, 2025 (sections 263, 423, 428)
- Income Tax Department: Income-tax Rules, 2026 (Rules 163 and 164)
- Finance Act, 2026

Related reading

- Section 80C of Income Tax Act: 80C Deduction List, Limit and Examples
- How to Calculate Income From Salary: Step by Step With Example (Tax Year 2026-27)
- Missed the Proof Submission Deadline? How to Claim HRA and Deductions in Your Return (2026-27)

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