

**Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Direct Taxes**

**PRESS RELEASE**

**New Delhi, the 20<sup>th</sup> June, 2016**

**Sub: Threshold Limit of tax audit under section 44AB and  
section 44AD – clarification regarding**

Section 44AB of the Income-tax Act ('the Act') makes it obligatory for every person carrying on business to get his accounts of any previous year audited if his total sales, turnover or gross receipts exceed one crore rupees. However, if an eligible person opts for presumptive taxation scheme as per section 44AD(1) of the Act, he shall not be required to get his accounts audited if the total turnover or gross receipts of the relevant previous year does not exceed two crore rupees. The higher threshold for non-audit of accounts has been given only to assesseees opting for presumptive taxation scheme under section 44AD.

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Official Spokesperson, CBDT.**