⚖️ PAN Rules Getting a Reset from April 2026

CBDT has notified Income Tax Rules, 2026 under the new Act, with clear impact on PAN applications and transaction reporting.

PAN Application — Stricter from April 2026

Starting April 2026, the rules around PAN applications are changing significantly. Here is what you need to know about the upcoming stricter requirements:

Aadhaar-Only Route Removed

The option to apply for a PAN using **Aadhaar alone** has been removed under the new rules effective April 2026.

DOB Proof Now Mandatory

Date of Birth proof is now mandatory for all PAN applications. Accepted documents include Passport, Driving Licence, 10th certificate, Voter ID, etc.

Transition Window

Till **31 March 2026**, the Aadhaar-only route for PAN application remains valid. Act before the deadline if you wish to use this method.

New PAN Application Forms — Category-Based

Under the new Income Tax Rules, 2026, PAN application forms have been restructured on a **category basis**. Each applicant type now has a dedicated form:

Form 93

Indian Individuals

Form 94

Indian Entities

Form 95

Foreign Individuals

Form 96

Foreign Entities

Pending Applications — No Impact

If you have already filed your PAN application, there is no cause for concern. The transition to new rules does not affect pending applications:

Applications filed before 31 March 2026 remain valid

Any PAN application submitted on or before 31 March 2026 will continue to be processed under the existing rules without any disruption.

No need to reapply under new rules

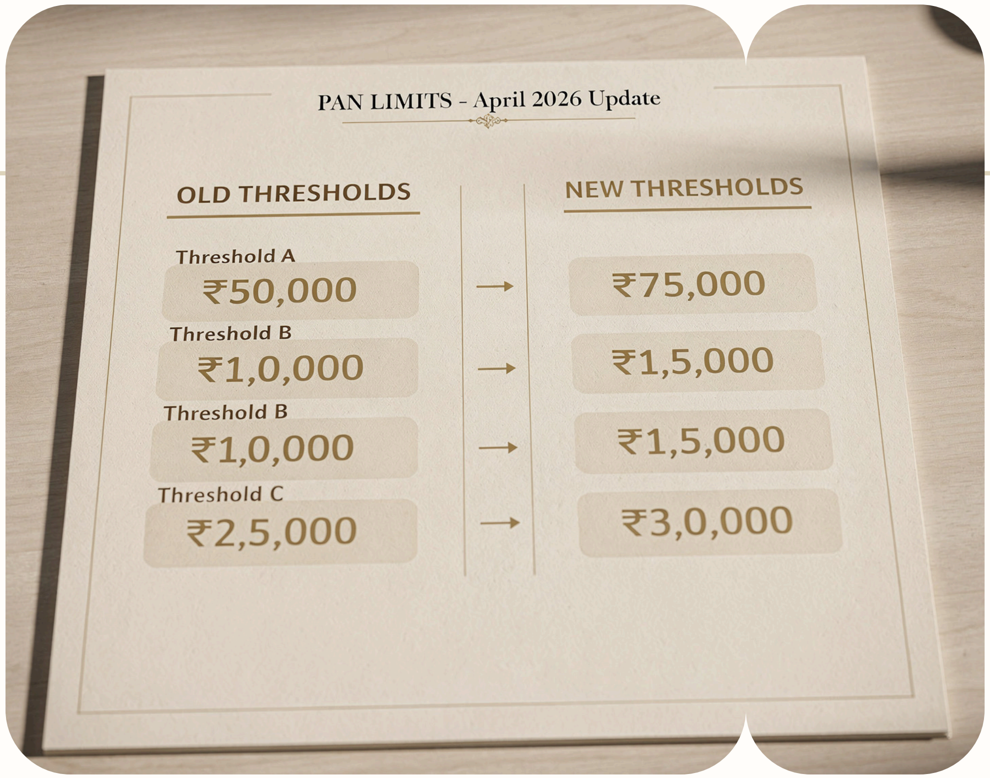
Applicants who have already submitted their forms do **not** need to reapply or submit fresh documentation under the new category-based forms.

PAN Thresholds for Transactions — Significantly Revised

One of the most impactful changes under the new Income Tax Rules, 2026 is the **significant revision of PAN thresholds** for various transactions. The new limits are more practical and aligned with current economic realities.

Old PAN Thresholds

Lower, more restrictive limits before April 2026



New PAN Thresholds

Higher, revised limits effective April 2026

The revised thresholds affect cash transactions, motor vehicle purchases, hotels and events, and property transactions — each with meaningfully higher limits than before.

Cash Transactions — New PAN Threshold

New Rule (from April 2026)

PAN required if **aggregate cash transactions ≥ ₹10 lakh/year**

Earlier Rule

PAN was required for cash transactions of **₹50,000 per day**

The shift from a daily threshold of ₹50K to an annual aggregate of ₹10 lakh is a significant relaxation for day-to-day cash dealings, while still ensuring large-scale cash flows are tracked.

Motor Vehicle Purchase — New PAN Threshold

New Rule (from April 2026)

PAN required if motor vehicle purchase is **> ₹5 lakh**

Earlier Rule

PAN was required for **all motor vehicle purchases**, regardless of value

This change provides relief for buyers of lower-value vehicles, as PAN will now only be mandatory for purchases exceeding ₹5 lakh.

Hotels, Events & Restaurants — New PAN Threshold

New Rule (from April 2026)

PAN required if bill at hotels, events, or restaurants is **> ₹1 lakh**

Earlier Rule

PAN was required for bills exceeding **₹50,000** at hotels, events, or restaurants

The threshold has been doubled from ₹50,000 to ₹1 lakh, reducing compliance burden for mid-range hospitality and event spending.

Property Transactions — New PAN Threshold

New Rule (from April 2026)

PAN required if property transaction value is **> ₹20 lakh**

Earlier Rule

PAN was required for property transactions exceeding **₹10 lakh**

The property transaction threshold has been doubled from ₹10 lakh to ₹20 lakh, reflecting the rise in property values across India and reducing compliance requirements for smaller property deals.

Summary — Key Changes at a Glance

Here is a consolidated view of all the major changes under the new Income Tax Rules, 2026 notified by CBDT:

Area of Change	Earlier Rule	New Rule (April 2026)
Aadhaar-only PAN application	Allowed	Removed
DOB proof for PAN	Not mandatory	Mandatory
PAN forms	Common forms	Form 93 / 94 / 95 / 96
Cash transactions	₹50K/day	≥ ₹10 lakh/year
Motor vehicle purchase	All vehicles	> ₹5 lakh
Hotels / Events / Restaurants	₹50K	> ₹1 lakh
Property transactions	₹10 lakh	> ₹20 lakh

Transition note: Applications filed before 31 March 2026 remain valid. No need to reapply under new rules. Till 31 March 2026, Aadhaar-only PAN application is still valid.