



**ABTIK SERVICES**  
*Innovate, Grow & Transform*

# *The Startup Founder's* **Guide to Tax Exemption**

Save 30% Profits Legally



Experience  
**03**

Abtik Group of Company

Step by step **guide to claiming**  
Startup **India benefits** under  
**Section 80-IAC**

*Every founder*  
**DREAMS OF BUILDING A PROFITABLE STARTUP.**



You earn ₹1 crore in profit.  
Almost ₹30 lakhs is taken away in taxes.

The Government of India supports startups through the Startup India initiative. Under Section 80 IAC, eligible startups can claim 100% tax exemption on profits for 3 years.

This eBook explains everything you need to know step by step so you can legally save money and grow faster.

# *What is* **SECTION 80 IAC?**

Section 80 IAC was introduced as part of the Startup India Action Plan to encourage innovation and entrepreneurship.

## **Here's what it offers:**

- 100% tax exemption on profits for 3 consecutive years (out of the first 10 years).
- Available only to startups recognized by the Department for Promotion of Industry and Internal Trade (DPIIT).
- Applicable to Private Limited Companies or LLPs (not proprietorships or partnership firms).



In simple terms: If you qualify, the government gives you a tax holiday so you can reinvest profits into your business instead of paying them as tax.

# Eligibility CHECKLIST



Not every startup can claim this benefit. Before applying.

**check if you tick all the boxes:**

- **Business Structure** – Must be a Private Limited Company or LLP
- **Incorporation Date** – Within the last 10 years
- **Turnover Limit** – Should not exceed ₹100 crores in any financial year
- **Innovation & Scalability** – Focus on innovation, improvement, or job creation
- **Not Formed by Restructuring** – Should not be created by splitting/reconstructing an existing business
- **DPIIT Recognition** – Must be recognized by DPIIT under Startup India

# Common Mistakes **FOUNDERS MAKE**

- Skipping DPIIT recognition
- Incomplete/missing documents
- Applying too early (before profitability)
- Choosing low-profit years for exemption
- Filing without expert guidance

Avoid these mistakes, and your approval chances increase greatly.





*Case Study*

## **HOW A STARTUP SAVED 30 LAKHS**

Startup: Tech Innovators Pvt. Ltd.

Incorporation: 2019

Revenue (2021–22): ₹2 Crores

Profit: ₹1 Crore

Normal Tax = ₹30 Lakhs

With Section 80-IAC = ₹0 Tax

Over 3 years, Tech Innovators reinvested ₹30 Lakhs into hiring, marketing, and product development.

**The result:** faster growth and higher valuation.



## *How Abtik Services* **MAKES THIS EASY**

As a founder, your time is better spent on growth, fundraising, and customers not struggling with government portals.

### **That's where we step in:**

- **End to End Help** – From DPIIT recognition to final exemption filing
- **No Guesswork** – We prepare and review your documents perfectly
- **Approval Support** – Guidance for IMB review
- **Tax Filing Done Right** – We ensure exemption reflects in your ITR
- **Proven Results** – Startups we've supported have saved anywhere from ₹25 Lakhs to ₹50 Lakhs

With Abtik, you stay focused on building. We handle the paperwork.



# *Don't let taxes* **Eat Into Your Profits**

Claim your Startup India Tax Exemption under Section 80 IAC with confidence.



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