



Changes in Income-tax Forms (ITR 1 to 4) & Amendments in Income-tax Act 1961

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Training Session For CA Students

Bombay Chartered Accountants' Society

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A close-up photograph of a Scrabble board. The word "COMPLEX" is spelled out in yellow tiles across the middle of the board. The board is green with a white grid. Various colored tiles (blue, orange, red) are scattered around, some with words like "DOUBLE LETTER" and "DOUBLE WORD".

Who Is Liable To
File?

Who Is Liable To File?

- Basic income exceeds basic exemption limit of INR 2.5 lakhs
- Deposited amount or aggregate of amounts exceeding INR 1 crores in one or more current accounts during the year
- Individual has spent an amount or aggregate of amounts exceeding INR 2 lakh for himself or any other person for travel to a foreign country;
- Individual has paid electricity bill exceeding INR 1 lakh in a single bill or on aggregate basis during the financial year
- Ordinarily resident individual having income from foreign countries and/or assets in foreign countries and/or having signing authority in any account outside India; and
- Individual's Total Income exceeds basic exemption limit before claiming exemption from capital gains u/s 54, 54B, 54D, 54EC, 54F, 54G, 54GA or 54GB.

Please answer the following questions to proceed further

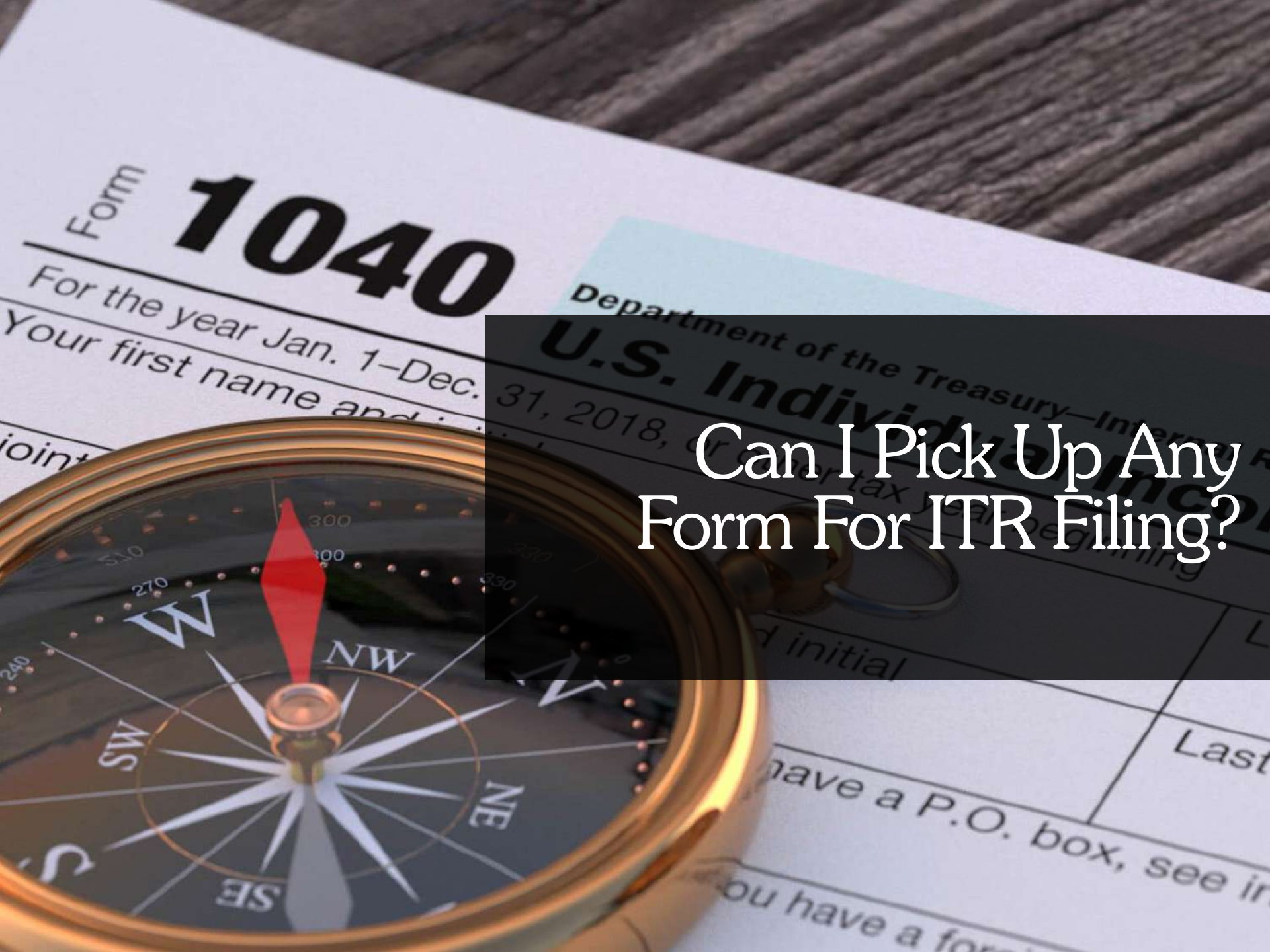
- Taxable income is more than basic exemption limit
- Filing return of income due to fulfilling any one or more below mentioned conditions as per Seventh Proviso to section 139(1): ⓘ
- Deposited amount or aggregate of amounts exceeding ₹ 1 crore in one or more current account during the previous year;
 - Incurred expenditure of an amount or aggregate of amount exceeding ₹ 2 lakhs for travel to a foreign country for yourself or for any other person;
 - Incurred expenditure of amount or aggregate of amount exceeding ₹ 1 lakh on consumption of electricity during the previous year
- Others

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ⓘ Based on your previous response, please furnish following information OR [Edit Response](#)

- Are you filing return of income under Seventh proviso to section 139(1) but otherwise not required to furnish return of income? ⓘ

No



Form **1040**

Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return

Can I Pick Up Any Form For ITR Filing?

For the year Jan. 1–Dec. 31, 2018, or short tax year beginning

Your first name and last name

joint



initial
Last
have a P.O. box, see in
you have a form

S. N.	Particulars	ITR 1	ITR 2	ITR3	ITR4
1.	Salary (ROR)	✓	✓	✓	✓
2.	Salary (NOR/NR)		✓	✓	
3.	Director of Company		✓	✓	
4.	Holding Unlisted Shares		✓	✓	
5.	Income from one House Property	✓	✓	✓	✓
6.	Income from Multiple HP & Loss c/f.		✓	✓	
7.	Income from Business or Profession			✓	
8.	Presumptive Income (ROR)				✓
9.	Presumptive Income (NOR/NR)			✓	

S. N.	Particulars	ITR 1	ITR 2	ITR3	ITR4
10.	Interest/Salary/Share of Profit from Firm/LLP			✓	
11.	Capital Gain		✓	✓	
12.	IFOS	✓	✓	✓	✓
13.	IFOS (Chargeable at special rates)		✓	✓	
14.	Foreign Income, Signatory for foreign Bank A/c., Foreign Assets		✓	✓	
15.	Claiming TDS of other person		✓	✓	
16.	Agriculture Income > INR 5,000 Total Income > INR 50,00,000		✓	✓	

Why Special Care
Needs to be Taken in
This Year?





Dono alag alag hote hain kya?



**Tareekh Pe Tareekh, Tareekh Pe Tareekh, Tareekh pe
Tareekh Milti Rahi he Mylord MAGAR INSAF NAHIMILA**

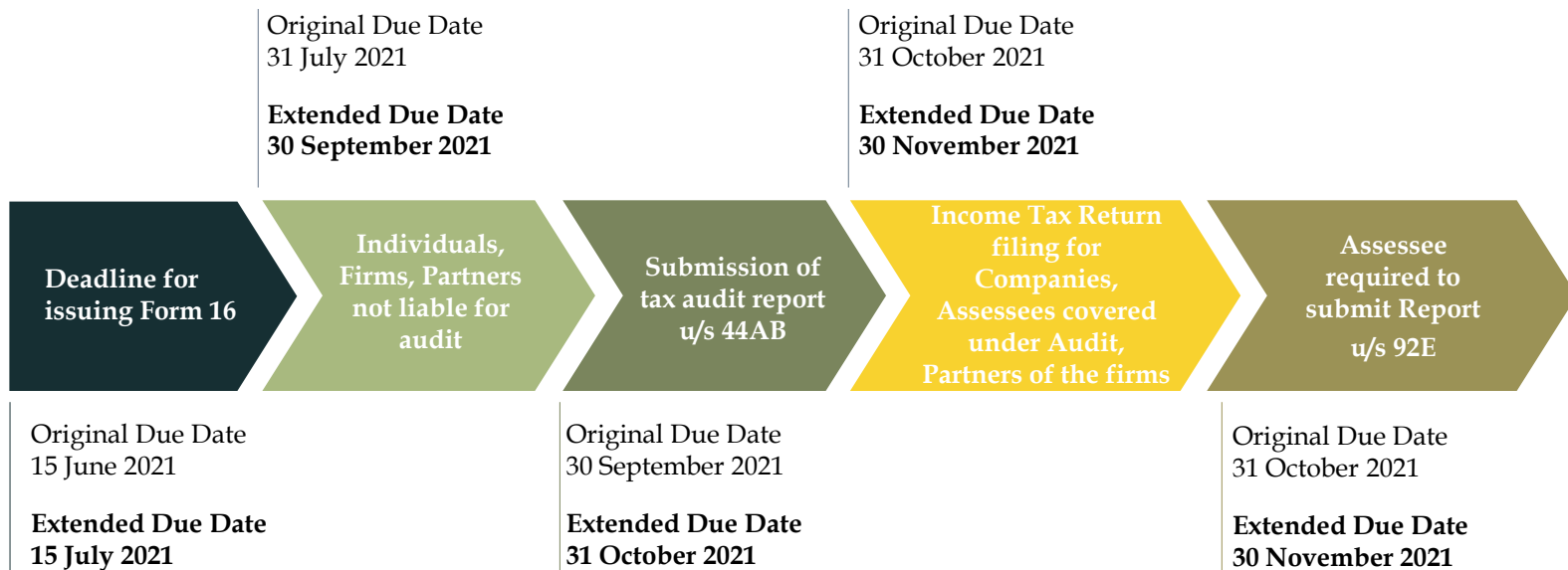
YUP FILED ITR



**E - VERIFICATION AND
ACKNOWLEDGEMENT PENDING**



Return Forms – Key Due Dates





Amendments in Income-tax Act 1961



Old Tax Rates v/s New Tax Rates

Old Tax Rates v/s New Tax Rates

Old Rates (With Exemptions and Deductions)	Annual Income	New rate (Without Exemptions and Deductions)
Nil	Up to INR 2.5 lakhs	Nil
5%	INR 2.5 – 5 lakh	5%
20%	INR 5 – 7.5 lakh	10%
	INR 7.5 – 10 lakh	15%
30%	INR 10-12.5 lakh	20%
	INR 12.5-15 lakh	25%
	INR 15 and above	30%

Deductions not allowed while Opting for New Tax Regime

- Standard Deduction of INR 50,000/- under Salary
- HRA
- Leave travel Assistance
- Children Education Allowance
- Deduction from Family Pension
- Interest on Self Occupied Property
- 80C
- 80D
- 80CCD
- Loss of SOP
- CFL in respect of LOP
- No Set Off of any BFL against Income under the new scheme
- No Depreciation u/s. 32 except clause (ii) of sub-section (1) allowed;
- Deductions u/s 32AD, 33AB, 33ABA, 35, 35AD, 35CCC

Deductions allowed while Opting for New Tax Regime

- Deduction u/s 80CCD (2) (employer's contribution to your pension account)
- Deduction **u/s 80JJAA** (additional employee cost)
- Transport Allowance for Differently Abled Employees (Divyang)
- Conveyance Allowance for performance of office duties
- Any Allowance for the cost of Travel/ Tour/ Transfer
- Daily Allowance given to employees under certain conditions

Are you opting for new tax regime u/s 115BAC ?

Yes No

If yes, please furnish date of filing of form 10-IE along with Acknowledgment number


Date of filing of form 10-IE

Acknowledgment Number

Choose a date



Based on your previous response, please furnish following information OR [Edit Response](#)

- Are you filing return of income under Seventh proviso to section 139(1) but otherwise not required to furnish return of income?  No
- Deposited amount or aggregate of amounts exceeding ₹ 1 crore in one or more current account during the previous year No
- Incurred expenditure of an amount or aggregate of amount exceeding ₹ 2 lakhs for travel to a foreign country for yourself or for any other person No
- Incurred expenditure of amount or aggregate of amount exceeding ₹ 1 lakh on consumption of electricity No



Since you are opting for New tax Regime u/s 115BAC. You will not be eligible to set-off House property loss and claim following deduction/allowances. Do you want to continue?

- 1) Certain allowances u/s section 10 (LTA, HRA, allowances granted to meet expenses in performance of duties of office, Allowances granted to meet personal expenses in performance of duties of office, Allowance received by MP/MLA/MLC, Standard deduction in case of Minor child).
- 2) Deductions u/s 16 (Standard Deduction, Entertainment allowance and Professional tax).
- 3) Interest payable on borrowed capital for self occupied property.
- 4) Standard Deduction in case of family pension.
- 5) Deduction u/s 10AA in respect of newly established Units in Special Economic Zones.
- 6) Additional depreciation u/s 32(1) (iia)

Cancel

Proceed

Economic Zones.

6) Additional depreciation u/s 32(1) (iia)

7) Investment allowance in notified backward areas in certain States u/s 32AD

8) Deduction in respect of tea/coffee/rubber business u/s 33AB

9) Deduction in respect of business of prospecting for, or extraction or production of, petroleum or natural gas u/s 33ABA

10) Deduction in respect of expenditure on scientific research u/s 35(2AA) and 35(1)(ii)/35(1)(iia)/ 35(1)(iii)

11) Deduction in respect of expenditure on specified business u/s 35AD

12) Deduction in respect of expenditure on agricultural extension project u/s 35CCC

13) Chapter VIA Deduction (life insurance, health insurance premium, pension funds, provident fund, donation etc) except Contribution made by employer to notified pension scheme u/s 80CCD(2) & Deduction in respect of employment of new employees u/s 80JJAA

Do you want to proceed?

Cancel

Proceed



Filed in response to notice u/s

139(9)
Filed in response to notice u/s
139(9) to rectify the defect

142(1)
Return filed against notice u/s
142(1)

148
Return filed against notice u/s
148 for assessment

Are you opting for new tax regime u/s 115BAC ?

Yes No

If yes, please furnish date of filing of form 10-IE along with Acknowledgment number

Date of filing of form 10-IE

Acknowledgment Number

Form 10-IE Filing Date and/ or Acknowledgement Number fields are BLOCKED which are otherwise necessary to enter. Pray that it is entered in pre-filled forms.

i Based on your previous response, please furnish following information OR [Edit Response](#)

- Are you filing return of income under Seventh proviso to section 139(1) but otherwise not required to furnish return of income? **i** No
- Deposited amount or aggregate of amounts exceeding ₹ 1 crore in one or more current account during the No

Extract from Preview Return from Offline Desktop Utility – ITR 3

	<p>Are you opting for new tax regime u/s 115BAC ?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Not showing Form 10-IE Filing Date and/ or Acknowledgement Number which is otherwise prescribed in the notified forms</p>
(b)	<p>Are you filing return of income under Seventh proviso to Section 139(1) – (Tick) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, please furnish following information</p> <p>[Note: To be filled only if a person is not required to furnish a return of income under section 139(1) but filing return of income due to fulfilling one or more conditions mentioned in the seventh proviso to section 139(1)]</p>	
(bi)	<p>Have you deposited amount or aggregate of amounts exceeding Rs. 1 Crore in one or more current account during the previous year? (Yes/No)</p>	<p>Amount (Rs) (If Yes) ₹ 0</p>
(bii)	<p>Have you incurred expenditure of an amount or aggregate of amount exceeding Rs. 2 lakhs for travel to a foreign country for yourself or for any other person</p>	<p>Amount (Rs) (If Yes) ₹ 0</p>
(biii)	<p>Have you incurred expenditure of amount or aggregate of amount exceeding Rs. 1 lakh on consumption of electricity during the previous year? (Yes/No)</p>	<p>Amount (Rs) (If Yes) ₹ 0</p>
(c)	<p>If revised/Defective/Modified, then enter Receipt No. and Date of filing original return</p>	

Changes In Residential Status



Provisions before amendment for individuals

Resident

- Stay in India for 182 days or more during PY [S. 6(1)(a)]
- Stay in India for 60 days or more during PY + 365 days or more in preceding 4 years before PY [S. 6(1)(c)]
60 days replaced for 182 days in following [Exp. to S. 6(1)]
 - IC leaving for employment outside India
 - IC leaving as crew member of Indian Ship
 - IC or PIO residing outside India who have come for visit to India

Resident but Not-Ordinarily Resident

- Individual is NR in 9 out of 10 preceding PYs; or
- Stay in India is less than 730 days in 7 preceding PYs

NRI Status - How was it 'Managed'?

Exhibit 1

An HNI stayed in various countries in FY 2018-19 as follows –

UAE (1 April 2018 to 15 Sept. 2018)

Singapore (16 Sept. 2018 to 10 Jan. 2019)

India (11 Jan. 2019 to 31 March 2019)

He ends up not being resident in any of the country. He pays tax only on source basis in all jurisdictions. Not liable to pay tax on global income or disclose foreign assets in any country. He does this every year. Such individual holds '**Indian Citizenship**'.

Exhibit 2

An individual **being IC** is managing his business from India. During FY 2019-20, he visits India for 10-15 days every month for controlling business operations. However, his stay in India will not exceed 180 days (15 days X 12 months). **Consequently, he will be treated as a Non-Resident since his stay during the year is less than 182 days.**

Changes In Residential Status - Amendments

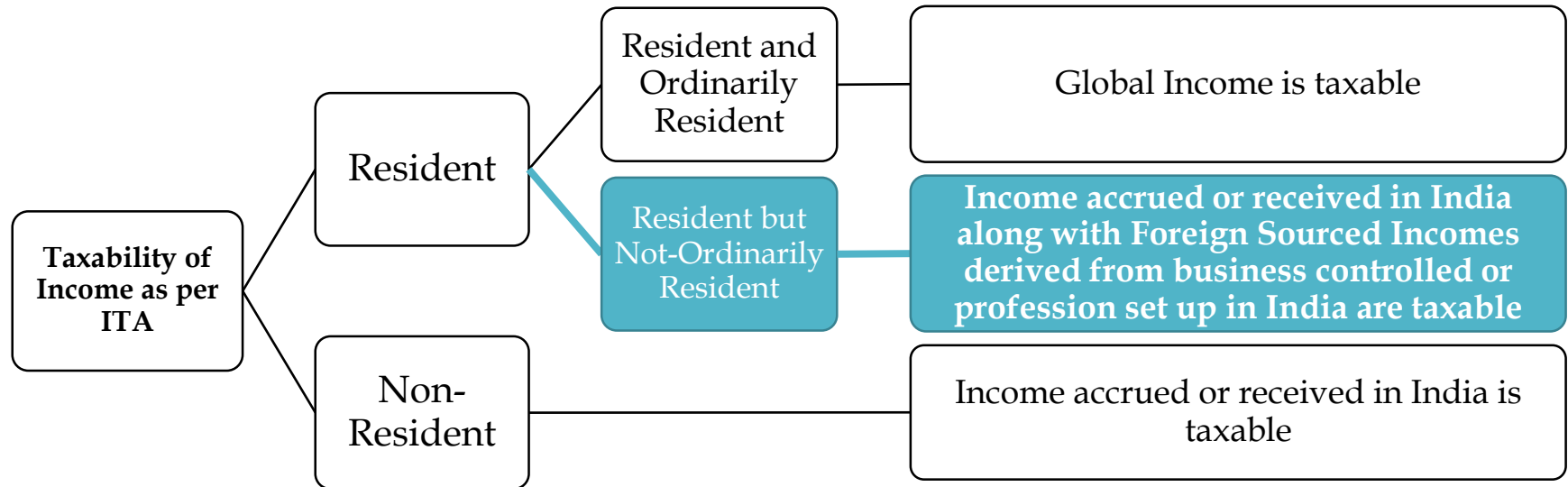
- FA 2020 tweaked provisions related to Residential Status for preventing tax abuse by individuals
 - Tax nomads
 - People doing economic activities from India and managing to stay NR
- It is such that certain category of individuals will fall under the category of 'Residents' who were otherwise considered as 'Non-Residents'.
- All the amendments are applicable if Income from Indian Sources of such person exceeds INR 15 lakhs ('IIFS Condition')

Changes In Residential Status - Amendments

- Reduction in number of days for **IC or PIO** visiting India [Exp. 1(b) to S. 6(1), S. 6(6)(c) & Exp. to S. 6]
 - Visit condition reduced to 120 days (earlier 182 days)
- Deemed RNOR Status [S. 6(1A), S. 6(6)(d) & Exp. to S. 6]
 - Indian Citizen
 - **Not liable to tax** in any other country by reason of domicile, residence or such other criteria

Changes In Residential Status – Implications

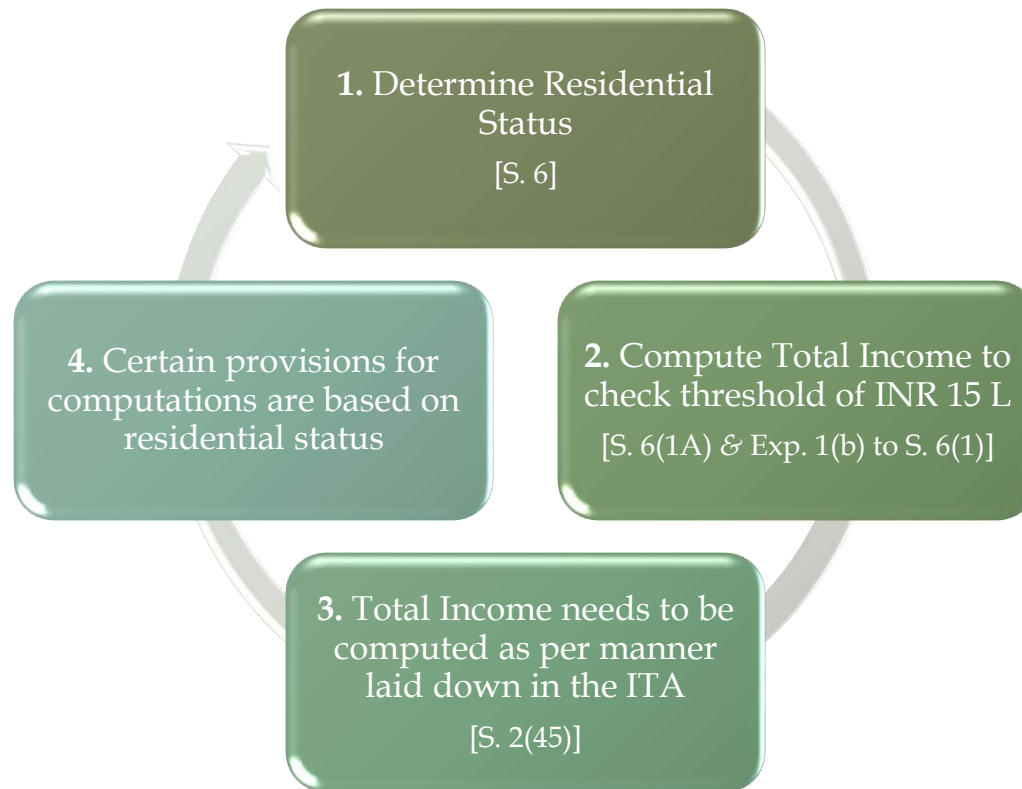
- Widening of scope of total income (S. 5)



- Dilution of RNOR Condition – S. 6(6)(a)
 - First limb* He has to be NR in 9 out of 10 years preceding the relevant year; **or**
 - Second limb* His stay in India should be less than 730 days in 7 years preceding the relevant year.
- Presumptive Tax Schemes, Residential Status based exemptions, Special Tax Rates, etc.

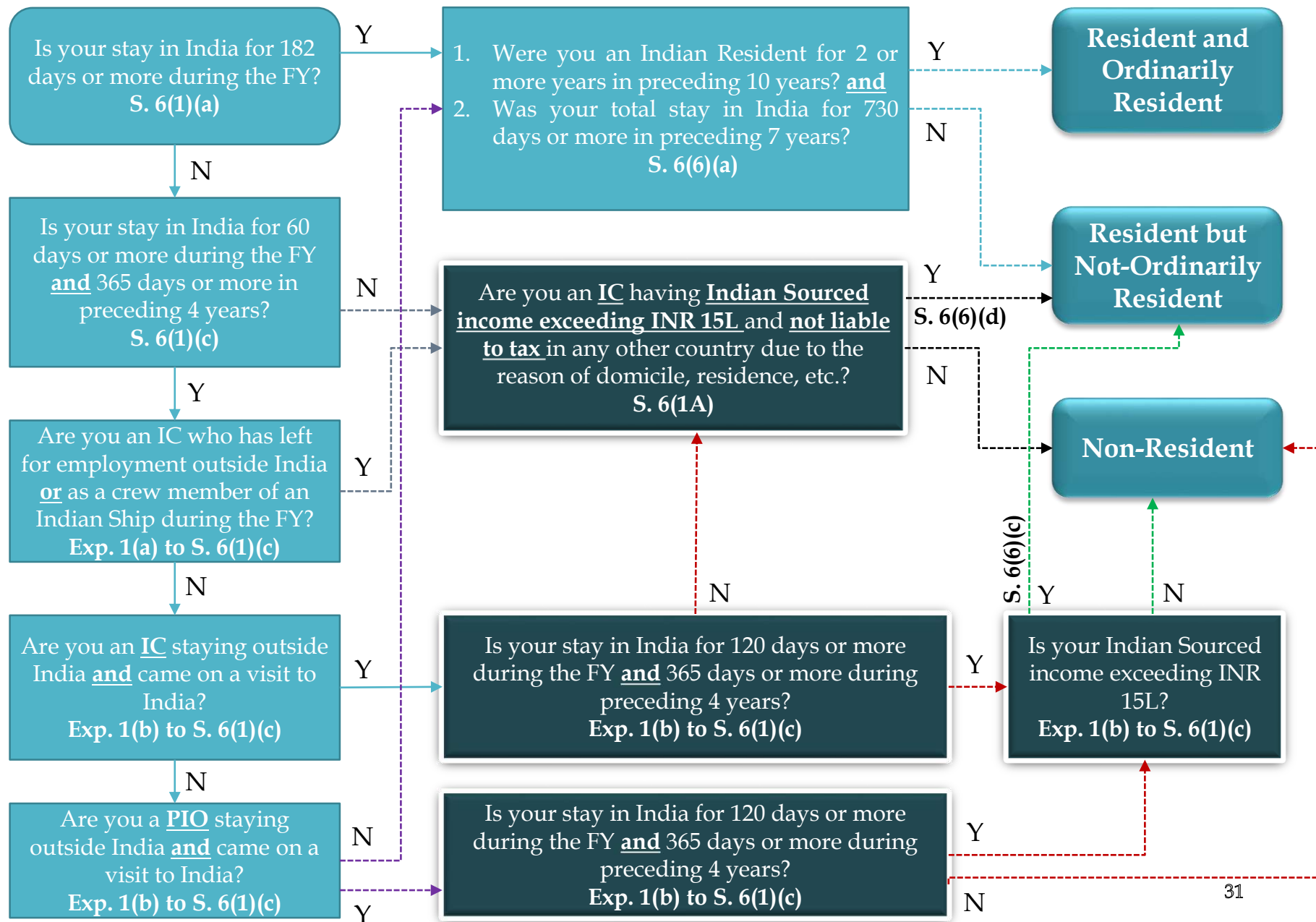
Changes In Residential Status – Ambiguities

- Circular Reference



- 'Liable to Tax' – Interpretation Issues [S. 2(29A)]
- Income derived from Business Controlled or Profession Set-up in India

Residential Status for an Individual under Income-tax Act, 1961



(f)	Residential Status in India (for individuals) <i>(Tick applicable option)</i>	A. Resident	<input type="checkbox"/> You were in India for 182 days or more during the previous year [section 6(1)(a)]		
			<input type="checkbox"/> You were in India for 60 days or more during the previous year, and have been in India for 365 days or more within the 4 preceding years [section (6)(1)(c)] [where Explanation 1 is not applicable]		
		B. Resident but not Ordinarily Resident	<input type="checkbox"/> You have been a non-resident in India in 9 out of 10 preceding years [section 6(6)(a)]		
			<input type="checkbox"/> You have been in India for 729 days or less during the 7 preceding years [section 6(6)(a)]		
		C. Non-resident	<input type="checkbox"/> You were a non-resident during the previous year.		
			(i) Please specify the jurisdiction(s) of residence during the previous year -		
			S.No.	Jurisdiction of residence	Taxpayer Identification Number
			1		
			2		
			(ii) In case you are a Citizen of India or a Person of Indian Origin (POI), please specify -		
			Total period of stay in India during the previous year (in days)	Total period of stay in India during the 4 preceding years (in days)	
	Residential Status in India (for HUF) <i>(Tick applicable option)</i>	<input type="checkbox"/> Resident	<input type="checkbox"/> Resident but not Ordinarily Resident	<input type="checkbox"/> Non-resident	
(g)	Do you want to claim the benefit under section 115B9 (applicable in case of resident)			<input type="checkbox"/> Yes	<input type="checkbox"/> No

Conditions related to amendments made in FA 2020 have not been inserted. In case any person has become RNOR due to such amendment will not be able to file ROI accurately and may have to give incorrect declaration. Consequences u/s 277 of the Income-tax Act may follows.

Residential Status in India *

Resident but not Ordinarily Resident ▼

Conditions for Residential Status *

Select ▲

Select

You have been a non-resident in India in 9 out of 10 preceding years [section 6(6)(a)]

You have been in India for 729 days or less during the 7 preceding years [section 6(6)(a)]

Do you want to claim the benefit under section 115
(applicable in case of resident)

Yes No



Salary Income

ESOP to employees of eligible start-up u/s 80-IAC

- The tax is required to be paid or deducted in respect of such ESOPs within 14 days from the earliest of the following period:
 - After expiry of 48 months from the end of AY relevant to the FY in which ESOPs are allotted;
 - From the date the assessee ceases to be an employee of the organization; or
 - From the date of sale of shares allotted under ESOP.

It needs to be noted that taxation of income has not been deferred, only tax payment has been deferred

Computation of Tax Deferment on ESOP

ABC Pvt. Ltd launched an ESOP Scheme for its employee in Year 00 under which shares of the company would be allotted to employees at free of cost. Mr. A, is one of the employees of ABC Pvt. Ltd.

Mr. A exercises his option to apply for the shares of the company in year 01. At the time of exercising of option, the fair market value of shares was INR 100. However, the company allots shares to Mr. A in Year 02.

What shall be the amount of perquisite and in which year it shall be chargeable to tax in hands of Mr. A and at what rate?

Computation of Tax Deferral on ESOP

$$\begin{array}{l} \text{Tax payable on salary} \\ \text{income excluding} \\ \text{ESOPs perquisite} \end{array} = \begin{array}{l} \text{Tax on total} \\ \text{income includi} \\ \text{ng ESOPs perq} \\ \text{uisites} \end{array} \times \begin{array}{l} \text{Total income excl} \\ \text{uding ESOPs perq} \\ \text{uisites} \\ \\ \text{Total income inclu} \\ \text{ding ESOPs perqu} \\ \text{isites} \end{array}$$

Illustration

Mr. A, working in a start-up company, has been allotted 100,000 shares at the rate of INR 10 per share under the ESOP scheme in the Financial Year 2020-21. The fair market value of shares at the time of exercising of option by Mr. A is INR 100. The perquisite value of ESOPs taxable in the hands of Mr. A shall be INR 90 Lakhs [100,000 shares* (INR 100 - INR 10)].

The annual salary of Mr. A (excluding perquisite value of ESOPs) in that year is INR 40 Lakhs. He continues with the company even after expiry of 48 months from the end of the assessment year in which shares are allotted and he does not sell the shares even after expiry of said period.

What shall be the mechanism for deferment of TDS and tax on perquisite value of ESOPs in such a case?

FOR AY 2021-22

Total Income before including perquisite value of ESOPs (A)	40,00,000
<i>Add:</i> Perquisite Value of ESOPs (B)	90,00,000
Total Income after including perquisite value of ESOPs (C)	1,30,00,000
Tax on INR 1.30 crores as per slab rates applicable for Assessment Year 2021-22 as per old taxation regime (D)	44,40,150
Tax liability attributable to salary income (excluding the perquisite of ESOPs) [D * A / C]	13,66,200

FOR AY 2026-27

Total tax liability for Assessment Year 2021-22 after considering perquisite value of ESOPs	44,40,150
<i>Less:</i> Tax already paid at the time of filing of return for the Assessment Year 2021-22	13,66,200
Differential amount to be deducted or paid by the employer or employee in the Assessment Year 2026-27	30,73,950

Total ₹ 0

b. Value of perquisites as per section 17(2)

As per Form16 ⓘ ₹ 1,00,00,000

Please provide the breakup of the above value

Nature of Perquisites *

Amount

Stock options allotted or transferred by employer being an eligible start-up referred to in section 80-IAC ▾

Delete

₹ 1,00,00,000

Do you want to add more breakup values?

+ Add Another

Total ₹ 1,00,00,000

[View Schedule AMT](#)

2. Tax payable on total income ₹ 35,08,924

[Show Details >](#)

3. Gross tax payable (higher of 1d and 2i) ₹ 35,08,924

3a. Tax on income without including income on perquisites referred in section 17(2)(vi) received from employer, being an eligible start-up referred to in section 80-IAC (Schedule Salary) ₹ 2,15,585

3b. Tax deferred - relatable to income on perquisites referred in section 17(2)(vi) received from employer, being an eligible start-up referred to in section 80-IAC ₹ 32,93,339

4. Credit u/s 115JD of tax paid in earlier years (applicable if 2i is more than 1d) (5 of Schedule AMTC) ₹ 0

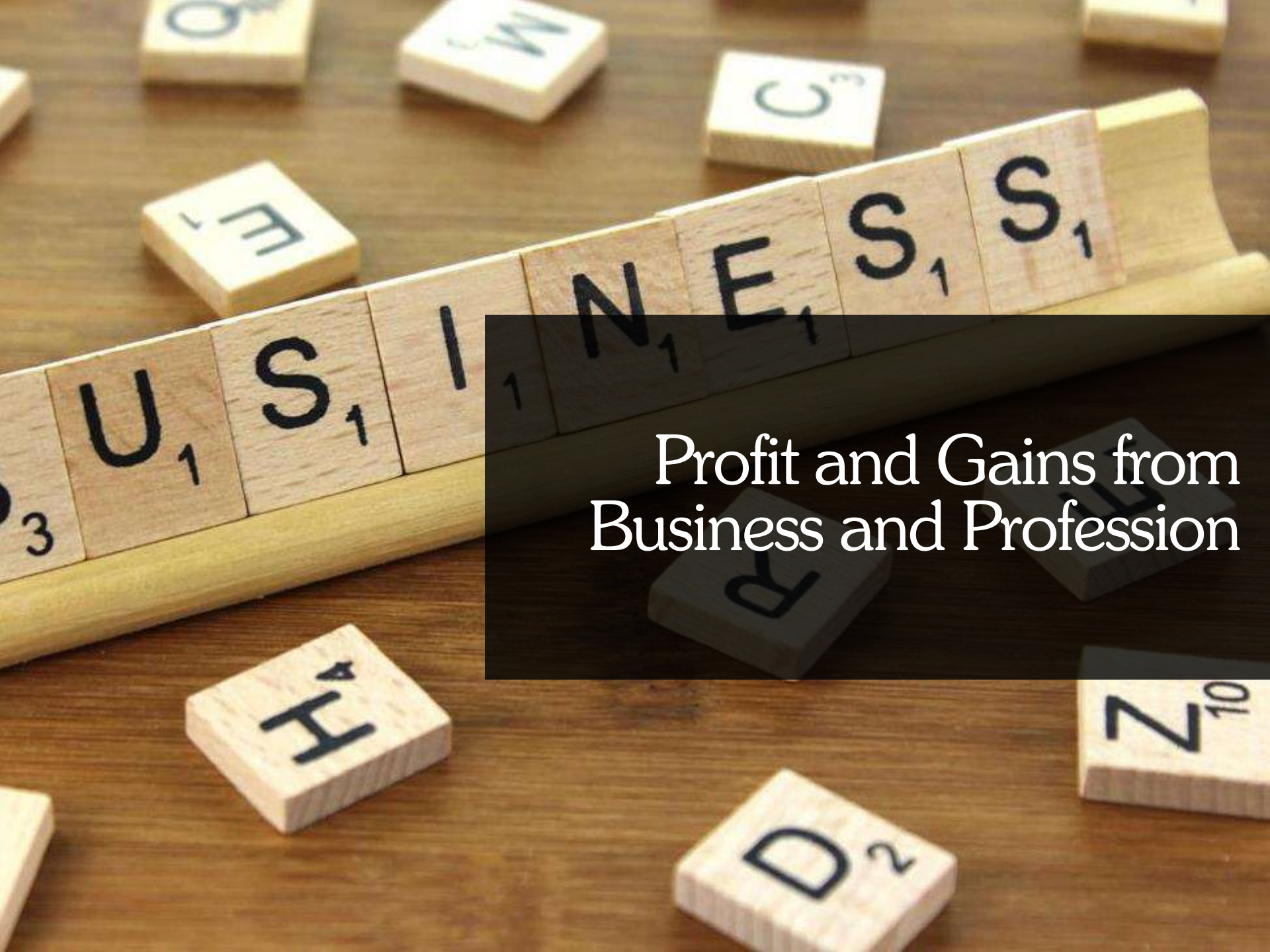
[View Schedule AMTC](#)

5. Tax payable after credit under section 115JD (3a - 4) ₹ 2,15,585

6. Tax relief ₹ 0

[Show Details >](#)

7. Net tax liability (5 - 6d) ₹ 2,15,585

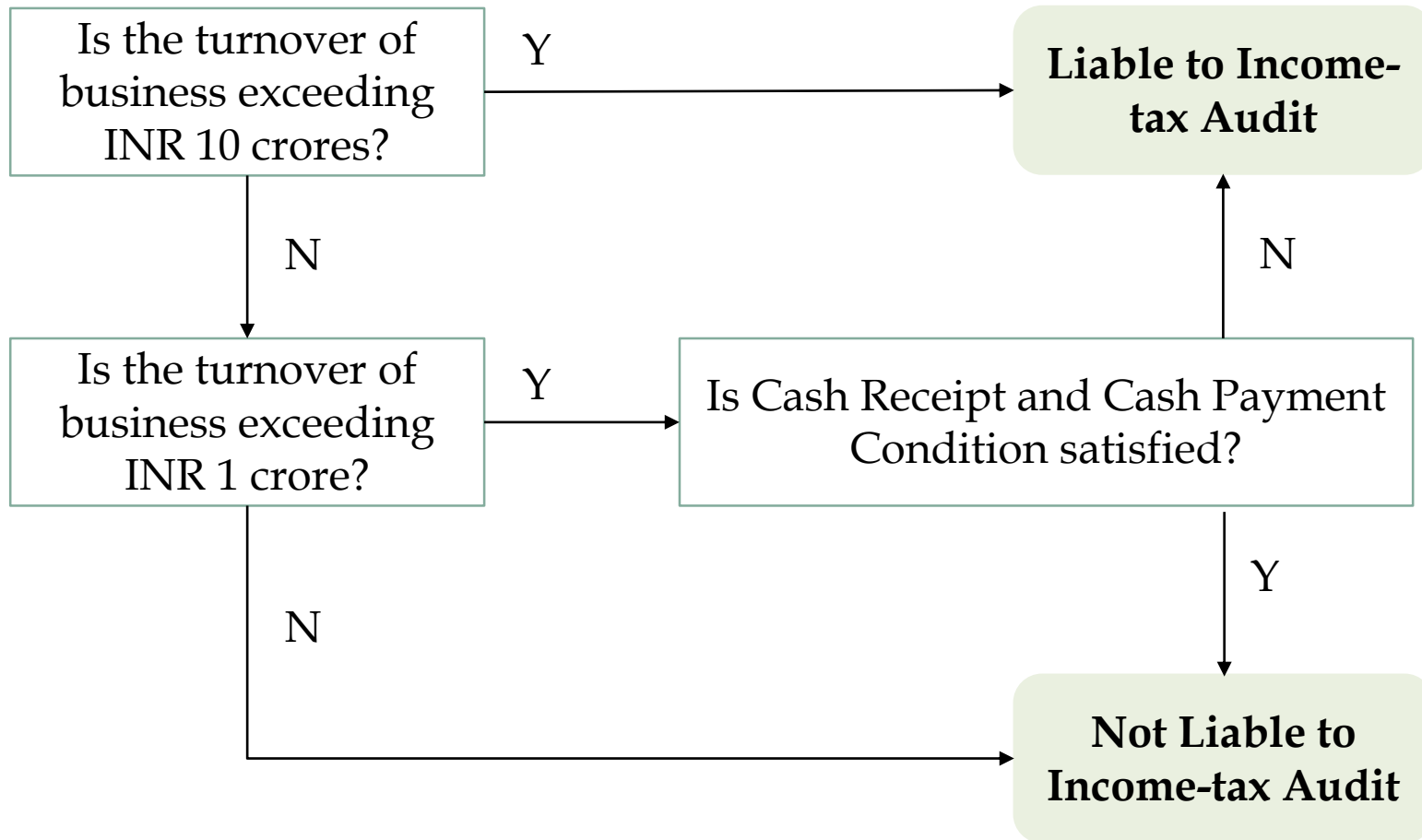


Profit and Gains from Business and Profession

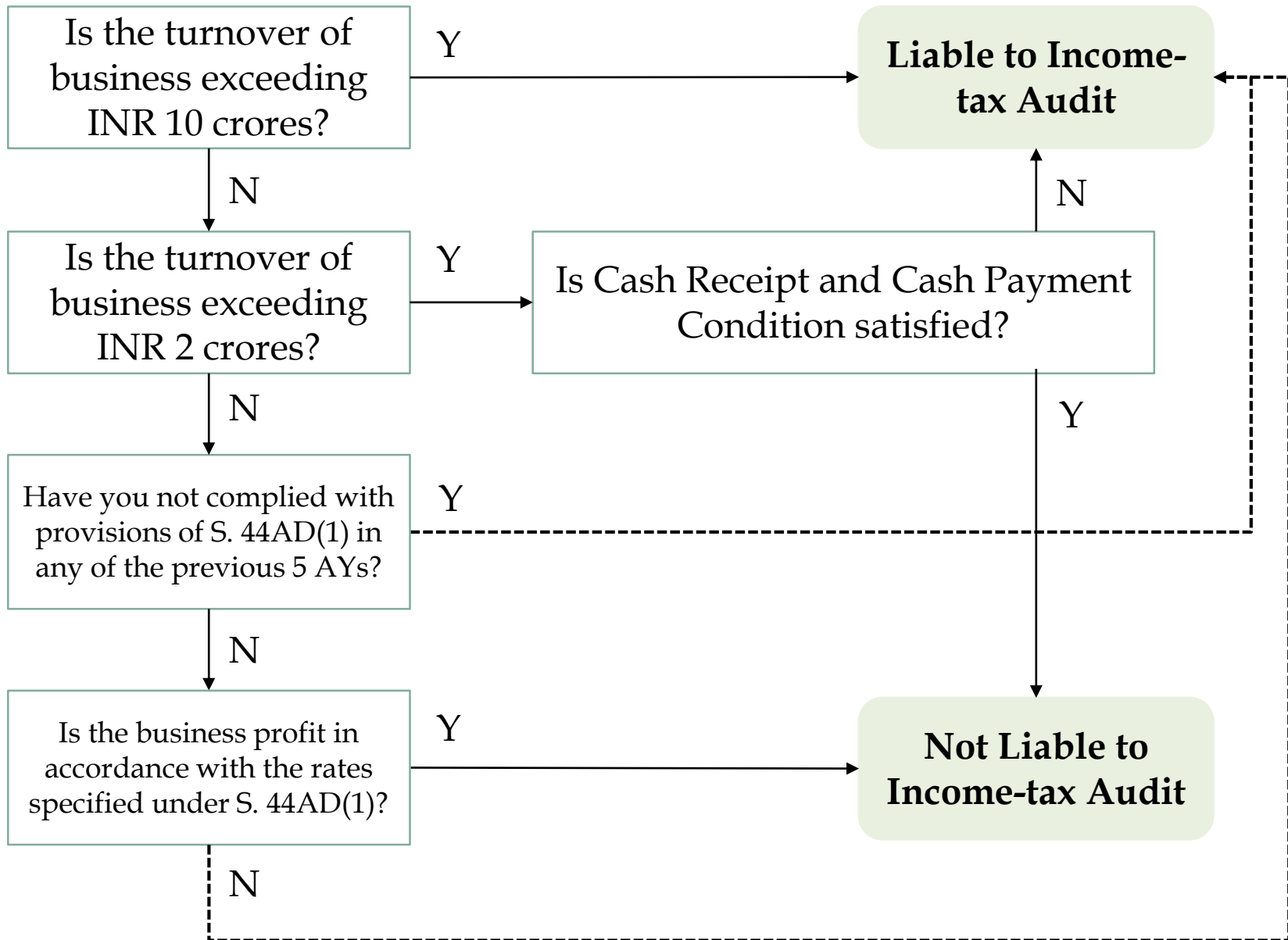
Audit Related Amendments

- Tax Audit Limit (FA 2021 w.e.f. 1 April 2021, i.e. AY 2021-22)
 - Increased to INR 10 crores subject to satisfaction of Cash Receipt and Cash Payment condition elaborated as follows –
 - *Cash receipts, including amount received for sales, turnover or gross receipts, does not exceeds 5% of the aggregate amount received during the previous year; and*
 - *Cash payments, including amount incurred for expenditure, does not exceed 5% of the aggregate amount paid during the previous year.*
- Presumptive Taxation Provisions for professionals (S. 44ADA)
 - Earlier applicable to all resident assessees
 - Now been restricted to – Individuals, Partnership Firms (other than LLPs)
 - In line with provisions of S. 44AD

Income-tax Audit criteria for Companies, LLPs and Individuals, HUFs & Firms engaged in business of agency, brokerage or commission



Income-tax Audit criteria for Individuals, HUFs & Firms not engaged in business of agency, brokerage or commission



› Filing Section

▼ Audit Information

Are you liable to maintain accounts as per section 44AA? ⓘ

Yes No

Whether assessee is declaring income only under section 44AE/44B/
44BB/44AD/44ADA/44BBA/44BBB? ⓘ

Yes No

Are you liable for audit under section 44AB? ⓘ

Yes No

Are you liable for Audit u/s 92E? ⓘ

Yes No

Whether during the year Total sales/turnover/gross receipts of business
exceeds ₹ 1 crore but does not exceed ₹ 10 crores ?

Yes No

Are you liable to maintain accounts as per section 44AA? ⓘ

Yes No

Whether assessee is declaring income only under section 44AE/44B/
44BB/44AD/44ADA/44BBA/44BBB? ⓘ

Yes No

Whether during the year Total sales/turnover/gross receipts of business
exceeds ₹ 1 crore but does not exceed ₹ 10 crores ?

Yes No

Whether aggregate of all amounts received including amount
received for sales, turnover or gross receipts or on capital account
like capital contributions, loans etc. during the previous year, in
cash, does not exceed five per cent of said amount?

Yes No

Whether aggregate of all payments made including amount incurred for
expenditure or on capital account such as asset acquisition, repayment of
loans etc., in cash, during the previous year does not exceed five per cent of
the said payment?

Yes No

Are you liable for audit under section 44AB? ⓘ

Yes No

← You will have to still manually select

Are you liable for Audit u/s 92E? ⓘ

Yes No

If liable to furnish other audit report,
mention the date of furnishing the audit report

Whether assessee is declaring income only under section 44AE/44B/44BB/44AD/44ADA/44BBA/44BBB

Please indicate whether you are declaring income only under section 44AE/44B/44BB/44AD/44ADA/44BBA/44BBB by ticking the applicable checkbox:

- Yes
 No

If No, whether during the year Total sales/turnover/gross receipts of business exceeds Rs. 1 crore but does not exceeds Rs. 5 Crore?

Mistake in instruction, should not get confused

If no is selected above, whether during the year Total sales/turnover/gross receipts of business exceeds Rs. 1 crore but does not exceeds Rs. 10 Crore by ticking the applicable checkbox:

- Yes
 No

Contribution to Welfare Funds

- No deduction of employee's contribution to welfare funds if paid after the relevant due dates
 - Explanation inserted to S. 36(1)(va) to clarify that the provisions of S. 43B do not and deemed to have never been applied
 - *Suo-motu* rectifications being done by CPC for earlier AYs
 - Decisions affirmed
 - *PCIT v. Suzlon Energy Ltd* [2020] 115 *taxmann.com* 340 (Gujarat)
 - *Unifac Management Services (India) (P.) Ltd. v. DCIT* [2018] 100 *taxmann.com* 244 (Madras)
 - *Popular Vehicles & Services (P.) Ltd. v. CIT* [2018] 96 *taxmann.com* 13 (Kerala)
 - Decisions overruled
 - *PCIT v Rajasthan State Beverages Corpn. Ltd.* [2017] 84 *taxmann.com* 173 (Rajasthan)
 - *Bihar State Warehousing Corporation Ltd. v. DCIT* [2017] 88 *taxmann.com* 455 (Patna)
 - *CIT v. Kichha Sugar Co. Ltd* [2013] 35 *taxmann.com* 54 (Uttarakhand)
 - *CIT v. Vijay Shree Ltd.* [2014] 43 *taxmann.com* 396 (Calcutta)
 - *CIT v. Udaipur Dugdh Utpadak Sahakari Sangh Ltd.* [2013] 35 *taxmann.com* 616 (Rajasthan)
 - *Bihar State Warehousing Corporation Ltd. v. CIT* [2016] 71 *taxmann.com* 247 (Patna)

Unabsorbed depreciation

- Section 32(1)(iia) provides for additional depreciation
- Unabsorbed depreciation resulting due to allowance of such additional depreciation is not allowed for set-off u/s 115BAC(2)(ii)(a)
- Such portion of unabsorbed depreciation is allowed to be added back to opening WDV for AY 2021-22



▼ **Schedule DPM**

Depreciation on plant and machinery (other than assets on which full capital expenditure is allowable as deduction under any other section)

[Edit](#) [Delete](#)

S.NO					
1.	Block of Assets		Plant and Machinery		
2.	Rate (%)	15 (i)	30 (ii)	40 (iii)	45 ⁽ⁱ⁾ (iv)
3.	Written down value on the first day of previous year	₹ 1,53,225	₹ 0	₹ 1,836	₹ 0
3a.	Amount as adjusted on account of opting for taxation under section 115BAC	₹ 1,25,800	₹ 0	₹ 0	
3b.	Adjusted Written down value on the first day of previous year (3) + (3a)	₹ 2,79,025	₹ 0	₹ 1,836	₹ 0

Depreciation on Goodwill

- Depreciation on Goodwill not to be allowed from AY 2021-22 – FA 2021
- Advance-tax interest consequences
- Rulings overruled
 - Hon'ble Supreme Court – CIT v/s Smifs Securities Ltd. [2012] 24 taxmann.com 222
 - Hon'ble Supreme Court – PCIT v/s Zydus Wellness Ltd. [2020] 113 taxmann.com 154

Safe Harbour Limits

- S. 43CA - Increase in safe harbour limit on sale of land or building or both
 - Residential Units up to INR 2 crores being allotted first time – From 5% to 20%
 - *Relief to developers*
 - *For period – 12 November 2020 to 30 June 2021*
 - Others – From 5% to 10%

**Directly income needs to be
computed and entered**

22. Deemed income under section 43CA

₹	0
---	---

23. Any other item of addition under section 28 to 44DA

₹	0
---	---

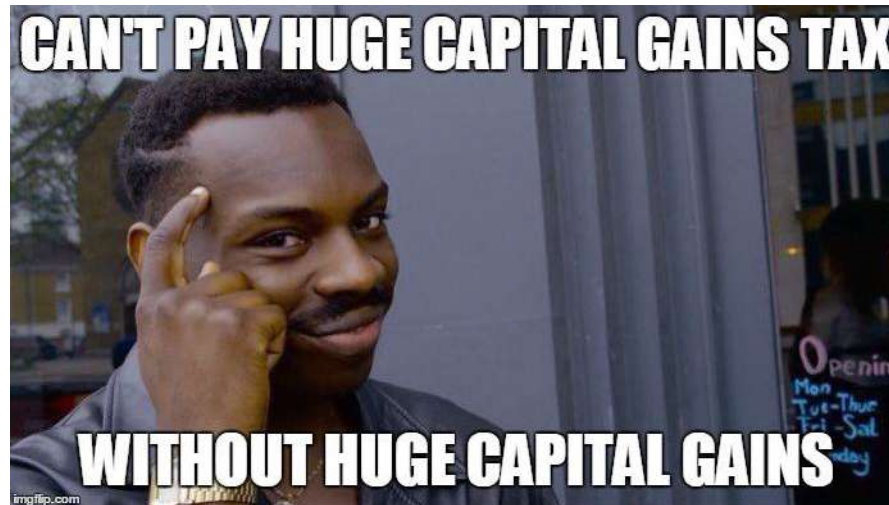


Capital Gains

Increase In Safe Harbour Limit - Section 50C

		
You	Buyer	Appraiser
Your home value as seen by...		
Bank	Inspector	Tax Assessor
		

Long Term Capital Gain on Sale of Shares and Equity Oriented Mutual Funds – Section 112A and 115AD



Slump Sale

- Earlier, slump sale was defined to include the transfer only by way of 'sale' [S. 2(42C)]
- Whether other means of transfer listed u/s 2(47) in relation to capital asset like exchange, relinquishment etc., were excluded?
- Courts held that –
 - Slump sale only if it is as a result of sale
 - No monetary consideration – No Slump Sale

Slump Sale

- S. 2(42)(C) amended – slump sale means *transfer* of one or more undertaking, *by any means* for a lump sum consideration without values being assigned to the individual assets and liabilities in such sales.
- Also inserted *Explanation 3*, that for the purposes of this clause, “*transfer*” shall have the meaning assigned to it in clause (47) of section 2 of the Act;
- Rulings overruled
 - *CIT v. Bharat Bijlee Ltd.* [2014] 46 *taxmann.com* 257 (Bombay)
 - *Areva T & D India Ltd. v. CIT* [2020] 119 *taxmann.com* 171 (Madras)
 - *PCIT v. UTV Software Communication Ltd* [2019] 103 *taxmann.com* 12 (Bombay)

Section 50B – After amendment

- S. 50B(2) retrospectively amended by FA 2021 w.e.f. 1 April 2001 (FY 2000-01)
 - FMV of Capital Assets as on date of transfer deemed to be full value of consideration
- Net Worth NOT to include goodwill of business or profession other than the one which has been acquired by way of purchase
- **Notfn. No. 68/2021 dated 24th May 2021** notified Rule 11UAE for Computation of Fair Market Value of Capital Assets for the purposes of S. 50B.

Distribution of Assets by Partnership Firm to Partner – Section 45(4)

- Transfer of stock or Capital asset shall be considered deemed transfer – Section 9B
- Such transfer shall deemed to be income of firm

Rationalization of Section 55

- S. 55B provide for computation of Capital Gain, In respect of assets acquired before 1st April 2001 (FY 2000-01), COI is determined as under
 - Actual Cost of Acquisition
 - FMV of Capital Assets as on 01.04.2001
- Proviso has been inserted which restricts the FMV as on 01.04.2001 to Stamp Duty Value where stamp Duty is available

A photograph of a wind farm on a rolling hill. The foreground is a dry, brownish-orange field with a dirt path curving through it. In the middle ground, several wind turbines are silhouetted against a clear, bright blue sky. The turbines are spaced out across the hillside. A dark rectangular box is overlaid on the right side of the image, containing the text "Income from Other Sources" in white serif font.

Income from Other Sources

Dividend Income

- All Dividends – Company and Mutual Funds
- Returning back to classical system of taxation
- Taxation at slab rates
- Liable to advance-tax
- Tax Deduction at Source
- Expenses allowed to be claimed for earning such dividend income
 - S. 57(i) – ‘Reasonable Sum’ being ‘commission or remuneration’ paid to banker or any other person
 - S. 57(iii) – Expense allowed if expended wholly and exclusively for earning such income
 - **Proviso to the section – No expense allowed other than interest expense which is further restricted to 20% of such income**

Dividend Income - Issues

- Non-Residents liable to pay tax at flat rate of 20%
 - No basic exemption limit
 - No slab rates benefit
 - No Chapter VI-A deductions
 - DTAA Benefit available
 - Allowance of expenses restricted



ai. Expenses / Deductions (in case other than family pension)

₹

aii. Deduction u/s 57(iia) (in case of family pension only) ⓘ

₹

b. Depreciation

₹

c. Interest expenditure u/s 57(1) ⓘ

Interest expenditure claimed

₹

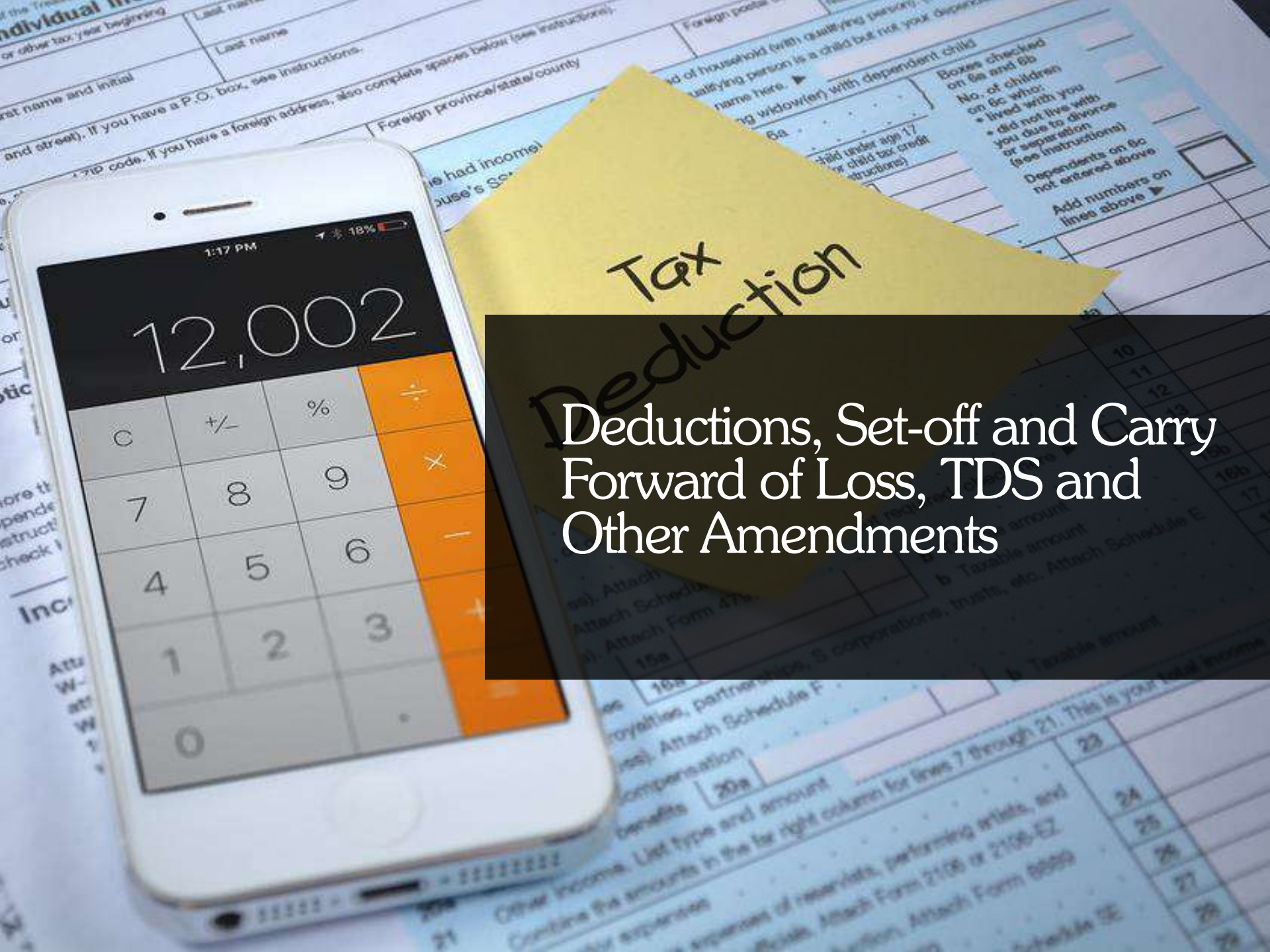
Error : Interest expenditure on dividend u/s 57(1) cannot be more than 20% of Dividend income

Eligible amount of interest expenditure

₹

d. Total

₹ 3,00,000



Deductions, Set-off and Carry Forward of Loss, TDS and Other Amendments

Deduction under Section 80GGA

- Section 80GGA – deduction for donations made by an assessee who is not earning income under the head ‘profits and gains of business or profession’.
- No deduction is allowed for the cash donation in excess of INR 2,000.

Carry Forward Loss

- Assessee opting for alternative tax regime of Section 115BAC or Section 115BAD has to forego various exemptions and deductions. Further, carried forward losses attributable to such exemptions and deduction are not allowed to be set off. These losses are deemed to have been given full effect to and no further deduction for such loss shall be allowed for any subsequent year.
- ITR Forms notified for Assessment Year 2021-2022 have been amended to require the adjustment of such losses which are not allowed to be carried forward and set off.

Computation of Marginal Relief

- Marginal relief is allowed when taxable income is beyond the threshold limit after which surcharge is payable, but the net income in excess of threshold limit is less than the amount of surcharge.
- Earlier no separate effect of marginal relief was required to be shown in the ITR while computing total tax of the assessee. Now, the ITR Forms for the Assessment year 2021-22 have been amended to specifically require the assessee to show the effect of marginal relief on the tax payable by disclosing “surcharge computed before marginal relief” and “surcharge computed after marginal relief” separately

TDS Provision

Rates of TDS reduced by 25% w. e. f. 14.05.2020 and the new rate will be applicable up to 31.03.2021

Case Study

Turnover of Goods is 3 Crores. He is not liable for Tax Audit under Income Tax Act.


Is he liable to Deduct TDS?

Instances where TDS is required to be deducted despite not being liable for Tax Audit in preceding year

- Salaries – S. 192
- Rent > INR 50,000/- per month – S. 194-IB
- Purchase of Immovable Property where consideration is INR 50 Lakhs or more – S. 194-IA
- Person paying cash consideration under JDA – S. 194-IC
- Payment for carrying out any Contractual Work or Commission or Brokerage or Professional Fees if consideration is INR 50 Lakhs or more – S. 194M
- Payment to Non-Residents – S. 195

TCS on Sale of Goods – S. 206C(1H)

- Applicable if previous year's business turnover exceeded INR 10 crores
- TCS to be collected at 0.075% if sales receipt collected from one person exceeded INR 50L
- Applicable w.e.f – 01.10.2020
- Collection Mechanism – TCS Payable on Payment Basis



PROFESSIONAL
CHAOS
COORDINATOR

How it started!



Income Tax India  @IncomeTaxIndia · Jun 7



We proudly present to our valued taxpayers, the new e-Filing portal incometax.gov.in. Designed with your convenience in mind, the portal offers features to make your e-filing experience smoother, simpler & smarter.

You Come First, Always!

[#eFilingMadeEasier](#) [#NewPortal](#)



The banner features a central laptop displaying an illustration of people interacting with a computer. To the left, a smartphone shows a person using the app, with text: "User friendly & Mobile friendly features". To the right, another smartphone shows a chatbot interface, with text: "Helpdesk support and chatbot". Below the laptop, text reads: "Pre filled forms and easy to use ITR utility". On the right side of the banner, the text "e-Filing 2.0 is LIVE NOW" is written in large yellow letters. Below this, it says "Access our all new e-Filing portal at" followed by a white pill-shaped button containing the URL "www.incometax.gov.in". At the bottom right, it says "Making e-Filing easier for you!". The banner also includes the Income Tax India logo in the top right corner and social media icons at the bottom.

NSitharamanOffice and 5 others



Income Tax India 

@IncomeTaxIndia



Ministry of Finance has summoned Sh Salil Parekh, MD&CEO [@Infosys](#) on 23/08/2021 to explain to hon'ble FM as to why even after 2.5 months since launch of new e-filing portal, glitches in the portal have not been resolved. In fact, since 21/08/2021 the portal itself is not available.

1:55 PM · Aug 22, 2021 · Twitter for Android



Tax Guru @taxguru_in · Aug 23



Replying to [@IncomeTaxIndia](#) and [@Infosys](#)

Question is why it took 2.5 Month to summon him when it should have happened within a week's time, after all this portal affects direct tax revenue of the country. Now It's difficult to say the portal has Glitches as the portal itself is a Glitch.

23

77

432



Recent Login Issues in Portal




Login

PAN: [REDACTED]


Secure Access Message


Login

Please confirm your secure access message * 

Enter password for your e-Filing account

Password *

 **Error:** Something seems to have gone wrong while processing your request. Please try again. If error persists quote error number ITD-EXEC2002 when you contact customer care for quick resolution.



* Indicates mandatory fields

sections.login_title

labels.login_user_id *

[Continue >](#)

[< Back](#)

labels.login_other_ways

 [labels.login_net_banking](#)

labels.login_Know labels.login_userid



labels.login_pan
labels.login_individuals labels.login_salaried
labels.login_other_than_individual labels.login_company



labels.login_aadhaar
labels.login_individuals labels.login_salaried



labels.login_other_userid
labels.login_lab3_ca
labels.login_lab3_arca
TAN (Tax Deductor & Collector)

[Show More](#)

Bank Pre-validation Issues



Static Password >

Aadhaar OTP Login >

Jurisdiction Details >

Source of Income >

Authorised Signatory for Income tax Returns/Forms >

Representative Assessee >

Portuguese Civil Code Applicability >

Activity Log

Last log out 29-Aug- 2021, 02:03 PM

Resident

Contact

The contact details will be used for all future communications.

[Edit](#)

Mobile

Primary (Self)
9699225755

Secondary (-)
--

Residential/ Office (Mobile)
--

Residential/Office (Landline)
--

Email

Primary (Self)
virenitax2@gmail.com

Secondary (-)
--

Address

BLO
SAD

Communication to be
addressed to
Primary



Bank Name

Bank Branch

STATE BANK OF INDIA

RAJKOT, GYMKHANA

Contact Details

This account can be added for receiving Refund and to generate EVC for e-Verification. Please provide Mobile number and Email Id linked with your bank account.

Mobile Number linked to the Bank Account *

 9699225755



Email Id linked to the Bank Account

virenitax2@gmail.com



[< Back](#)

[Validate](#)

e-Verify Return via Bank Account Number



Bank of Baroda

The Saraswat Cooperative
Bank Ltd

IDFC FIRST BANK LIMITED

The Cosmos Cooperative
Bank Ltd

JANA SMALL FINANCE
BANK LTD

UCO Bank

Axis Bank

Indian Bank

IDBI Ltd

ICICI Bank Ltd

Union Bank of India

Punjab National Bank

Karur Vysya Bank

Mahindra Bank Box

State Bank of India

Close



Infosys India Business

21 Tweets



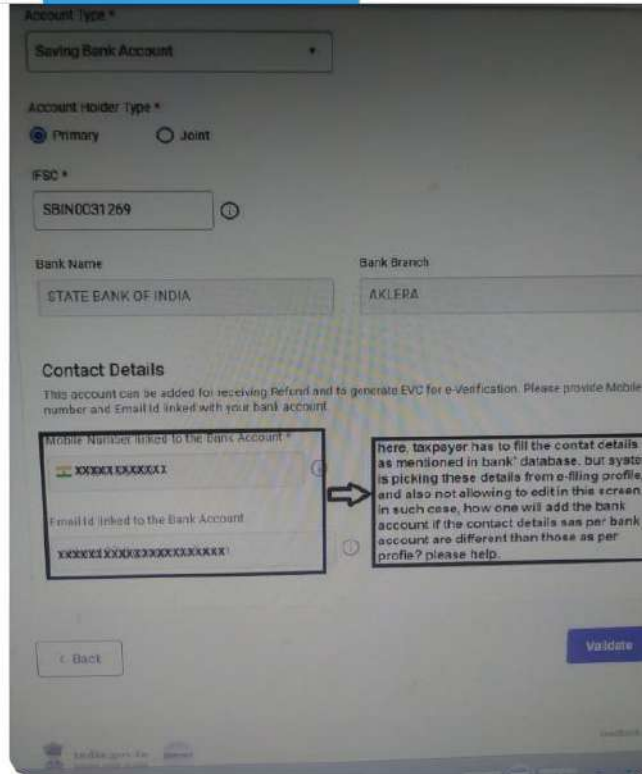
Tweets

Tweets & replies

Media

Likes

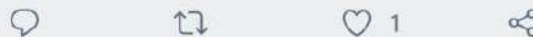
12 June 2021



Infosys India Business @Infosysl... · 14h



Hi [redacted] We deeply regret this inconvenience and thank you for notifying us. We have informed our teams and they are working to resolve the issue.



Refund Re-issue Services



e-Filing *Anywhere Anytime*
Income Tax Department, Government of India



Refund failure
Feb 5, 2021

Date of failure : 2021-02-05

Reason for Failure : Refund failed due to Incorrect / Invalid Bank Account details

Date of Communication : 2021-02-05

Email ID : [REDACTED]

Submit Refund Reissue : [<Click Here>](#)

Action : Taxpayer to submit Refund Re-Issue Request by providing the correct Bank Account details



Refund failure
Feb 5, 2021



Processed with refund due
Jan 6, 2021



Under Processing
Jan 5, 2021



Under Processing
Jan 4, 2021



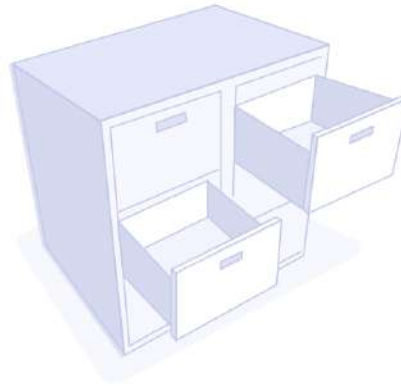
E-Verified
Dec 22, 2020



Create Refund Reissue request

Raise a request to reissue failed refund amount for Income tax returns and Wealth tax returns

You have no refund failures to raise reissue requests.



User Manual and FAQs for ITR 3 Not Available on Portal

How to File Tax Returns

How to File Tax Returns

For information on How to File Returns, please refer to the following resources:

- ITR-3 User Manual (This content will be available shortly)
- ITR-3 Frequently Asked Questions (This content will be available shortly)
- [ITR-4 User Manual](#)
- [ITR-4 Frequently Asked Questions](#)

Issues in ITR

The screenshot shows the e-Filing portal interface for the Income Tax Department, Government of India. The user is in the 'Personal Information' step of the ITR-4 filing process. The progress bar indicates the following steps: 1. Validate Return, 2. Confirm your Return Summary, 3. Verify and Submit, 4. Personal Information, 5. Gross Total Income, 6. Disclosures and Exempt Income, 7. Total Deductions, 8. Taxes Paid, 9. Total Tax Liability. The 'Personal Information' step is currently active.

Verify your personal information [Need Help ?](#)

Please verify your personal information, contact details, and bank account details to proceed further.

Status *
Individual

* Indicates mandatory fields

Profile

First Name	Middle Name	Last Name	PAN ⓘ
Date of Birth/Formation	Aadhaar Number ⓘ Edit 8xxx xxxx 7090	Aadhaar Enrolment ID Edit	

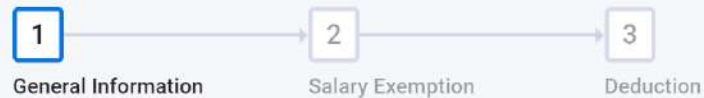
Contact [Edit](#)

Details furnished here will be used for communication purposes

Nothing except Aadhaar Number being pre-filled for newly registered assessee.
Also, no option to enter manually.
How to file!?

Schedule questions

Answers these questions so that we can help you to determine which schedules you need to file



General Information

Please provide following information

Are you opting for new tax regime u/s 115BAC ?

Yes No

< Back

Skip The Questions

Continue >

Salary Exemption

Please provide following information

Are you eligible to claim exemption in respect of expenditure incurred on cost of travel on tour or transfer etc [i](#)

[Refer [Section 10\(14\)\(i\)](#) read with [Rule 2BB\(1\)\(a\) to \(c\)](#)]

 Yes No

Are you eligible to claim exemption in respect of transport allowance to commute between the place of residence and the place of duty [i](#)

[Refer [Section 10\(14\)\(ii\)](#) read with [Rule 2BB\(2\)\(11\)](#)]

 Yes No

Are you eligible to claim exemption in respect of expenditure incurred on cost of travel on tour or transfer, maintenance of uniform, etc [i](#)

[Refer [Section 10\(14\)\(i\)](#) read with [Rule 2BB\(1\)](#)]

 Yes No

General Information

Salary Exemption

Deduction

Deduction

Please provide following information

Are you eligible to claim deduction in respect of payments made towards life insurance premium and / or Public Provident Fund and / or 5 Years Tax Saver Fixed Deposit, etc?

[Refer [Section 80C](#)]

 Yes No

Are you eligible to claim deduction u/s 80CCD(2) Contribution to pension scheme of Central Government by employer?

[Refer [Section 80CCD\(2\)](#)]

 Yes No

Are you eligible to claim deduction in respect of payments made towards medical insurance premium and / or preventive health check-up and / or medical expenditure for specified individuals?

Plethora of Schedule Quiz Questions asked before initiation of ITR filing.
Further, even after selection, such schedules do not necessarily disappear.
Makes process tedious.

Edit Contact

* Indicates mandatory fields

Contact Details

Residential/Office Phone Number with STD/ISD code

Email Address 1 (Self) *

Mobile Number 1 *

Error : Country Code in Mobile Number1 is mandatory.

Email Address 2

Mobile Number 2

Address Details

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Address Details

Country *

Error : Country is mandatory.

PIN Code *

Zip Code *

 No ZIP Code

Town / City / District *

State *

Flat / Door / Block No. *

Name of Premises / Building / Village

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Address Details

Country *

1014-British Indian Ocean Territory
91-India

Search option was not available
in old portal and utilities. Now
it is available.

Zip Code *

 No ZIP Code

Town / City / District *

State *

Flat / Door / Block No. *

Name of Premises / Building / Village

If liable to furnish other audit report,
mention the date of furnishing the audit report

Yes No

Section Code

1

10A

Delete

Whether have you furnished such other audit
report?

Yes No

*Automatically selects this field,
change every time.*

Do you want to add more sections?

+ Add Another

If liable to audit under any Act other than the Income-tax act,
mention the Act, section and date of furnishing the audit report

Yes No

Home > Filing Returns for A.Y. 2021-22 > ITR-3 > Schedules > Part A - General Information > Add Bank Account

Add Bank Account

* Indicates mandatory fields

⚠ It is suggested that bank account is added in My bank account service on e-filing portal and then prefilled in ITR.


IFS Code of the bank *

Name of the Bank *

Account Number *

Get refund credited in this bank account

**Such option not available in online form filing,
it only allows pre-validated bank accounts.**

 Kindly ensure that atleast one bank account is prevalidated for transfer of refund

Do you have a bank account in India?

(Non-Residents claiming refund with no bank account in India may select No)

Yes No



XXXX XXXX XXX6 271



Nominated for Refund



XXXX XXXX XX58 42



Nominated for Refund



XXXX XXX1 341



Nominated for Refund



XXXX XXXX XX30 79



Nominated for Refund



Do you want to add more bank accounts?

+ Add Another

[Home](#) > [Filing Returns for A.Y. 2021-22](#) > [ITR-3](#) > [Schedules](#) > [Nature of Business](#)

Nature of Business

Other than those declaring Income under sections 44AD, 44ADA and 44AE ⓘ

* Indicates mandatory fields

<input checked="" type="checkbox"/>	S. No.	Code	Trade Name of the Proprietorship, if any	Description
<input checked="" type="checkbox"/>	1			

Do you want to add more businesses?

[+ Add Another](#)

[Edit](#) [Delete](#)

Although filled up, not showing in utility.

[← Back To Schedules](#)

[Confirm](#)

Nature of Business

Other than those declaring Income under sections 44AD, 44ADA and 44AE ⓘ

* Indicates mandatory fields

Code *

16001 -Legal profession ▾

Please see instruction

Trade name of the proprietorship, if any

Description

Remaining Characters : 125

Cancel

Save

[Home](#) > [Filing Returns for A.Y. 2021-22](#) > [ITR-3](#) > [Schedules](#) > Nature of Business

Nature of Business

Other than those declaring Income under sections 44AD, 44ADA and 44AE ⓘ

* Indicates mandatory fields

Edit

Delete

<input type="checkbox"/>	S. No.	Code	Trade Name of the Proprietorship, if any	Description
<input type="checkbox"/>	1	16001	-Legal profession	

Do you want to add more businesses?

+ Add Another

< Back To Schedules

Confirm

> 1. Gross income chargeable to tax at normal applicable rates ₹ 40

> 2. Income chargeable at special rates ₹ 0

> 3. Deductions u/s 57 ⓘ ₹ 0

4. Amounts not deductible u/s 58 One needs to click on each tab to expand and then enter. In the earlier utilities, every head was provided
5. Profits chargeable to tax u/s 59 and relevant amount was required to be entered.

6. Net income from other sources chargeable at normal applicable rates ⓘ ₹ 40
[1 (after reducing income related to DTAA portion) - 3 + 4 + 5]

7. Income from other sources (other than from owning race horses) (2 + 6) ⓘ ₹ 40

∨ 2. Income chargeable at special rates

For every entry, one needs to click on add details, then select from drop-down! 😊



applicable rates

Nature of income

b. Interest, Gross

Select

a. Dividends, Gross

b. Interest, Gross

c. Rental income from machinery, plants,
buildings, etc., Gross

iii. From income tax refund

iv. In the nature of Pass through income / loss


v. Others

Separate nature of income needs to be selected every time.

Multiple Verifications

ITDe-Filing

Home Help

 **e-Filing** *Anywhere Anytime*
Income Tax Department, Government of India

Desktop
Utility(ITR 1-4)

Call Us | English | A A* | Utility connected Online

ITD e-Filing-DU-v1.0.9

i If user is rectifying the error, user needs to click on error hyperlink to rectify and not back button

⚠ Validation completed -4 Errors Found
Please rectify the error to proceed further

S.No.	Error Description	Suggestion
1.	Please enter the Bank name.	These errors are not reflected while respective schedule is saved. Further, every time one changes details after being re-directed from here. All the schedules need to be re-confirmed and re-validated.
2.	Please enter the Bank name.	
3.	Town/City/District is mandatory.	
4.	Country is mandatory.	

items per page 10 | 1 of 1 pages

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Home > Filing Returns for A.Y. 2021-22 > ITR-2 > Schedules > E-verify



Complete your Verification

Select a Verification method below to finish filing

- e-Verify Now** Recommended
Instant e-Verification via Aadhaar OTP/Prevalidated Bank Account/ Prevalidated Demat Account
- e-Verify Later**
You can submit the return now and e-Verify within 30 days of submission

Error : Please correct the below mentioned error(s) in the uploaded json and try again.

Sl. No	Error Description
--------	-------------------

	Could not open Hibernate Session for transaction; nested exception is org.hibernate.exception.GenericJDBCException: Unable to acquire JDBC Connection; nested exception is org.springframework.transaction.CannotCreateTransactionException: Could not open Hibernate Session for transaction; nested exception is org.hibernate.exception.GenericJDBCException: Unable to acquire JDBC Connection
--	--

1 to 1 of 1

Page 1 of 1

Back

Proceed To Verification

PAN
AAFHD4015H

Assessment Year
2021-22

How do you want to e-verify your return?

I would like to verify using OTP on mobile

Generate Electronic Verification Code (EVC)

- Through Net Banking
- Through Bank Account
- Through Demat Account

I already have an Electronic Verification Code (EVC)

Verify OTP



Aadhaar OTP request sent to UIDAI. You will be receiving OTP from UIDAI shortly to the number registered with Aadhaar.

Aadhaar OTP *

 **Error:** OTP validation failed.

[Resend OTP](#) (Allowed only once)

Cancel

Validate

There were issues in uploading ITR of HUF which have been resolved in last couple of days. Also, issues with respect to inability to e-verify already filed ITR for AY 2021-22 have been resolved in few cases and still there issues in few cases. However, Aadhaar OTP validation failing in case of HUFs.

Welcome Back,
GHA [Redacted]



[Redacted]
XXXXXXXX3613
[Redacted]

Logged in As

Self

Contact Details

[Update](#)

Your account is not
secure with e-vault

[Secure Account](#)

Assessment Year 2021-22 filing

 **Filed successfully**

Note: We will process your filing and make sure it is completed at the earliest. Please find the return processing status below.



[File Revised Return](#)

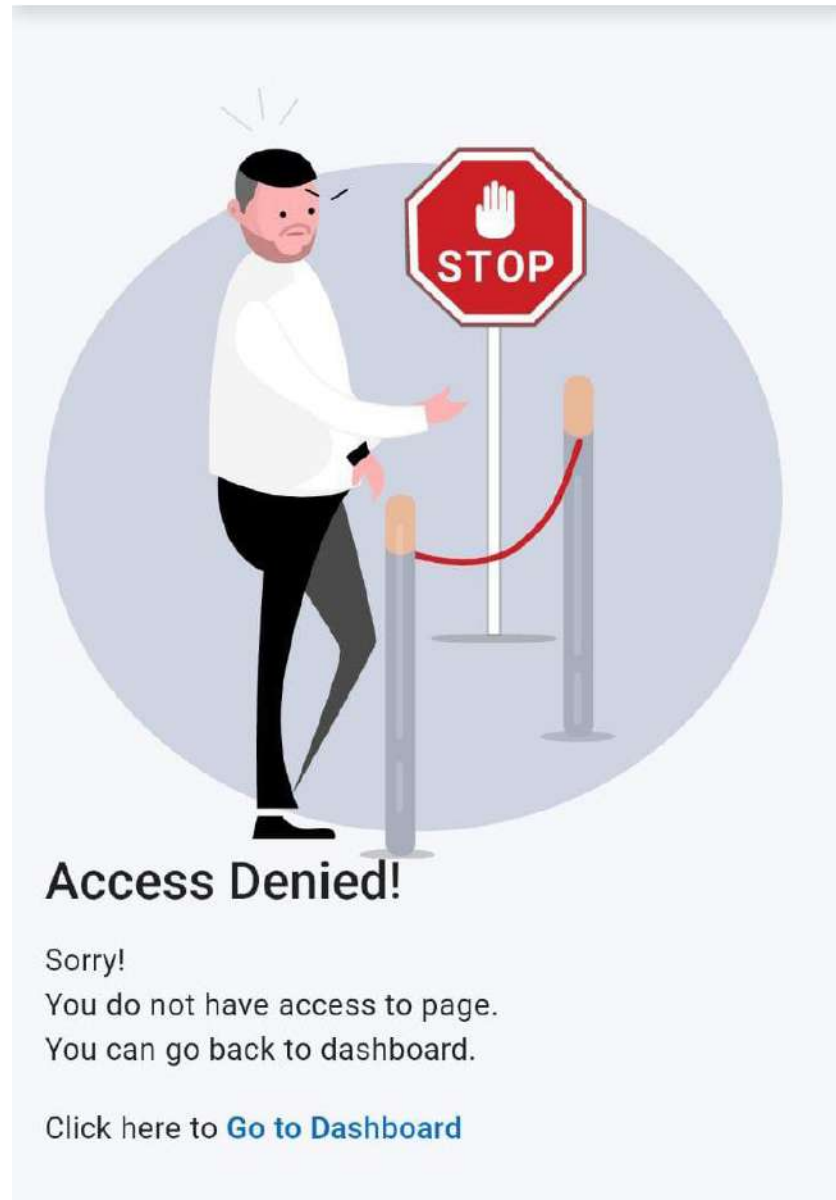
Dashboard > e-file > Income tax Returns > e-Verify Return



e-Verify Return

Please select the return you would like to verify
Showing (0) returns

Search by Acknowledgement No



Such issue comes while downloading acknowledgement for AY 2021-22.

Good things!

ITDe-Filing Home Help

e-Filing Anywhere Anytime
Income Tax Department, Government of India

Desktop Utility(ITR 1-4)

Call Us English A+ A- Utility connected Online

ITD e-Filing-DU-v1.0.9

Returns **Draft Version of Returns** Pre-filled Data

Filter

Search

ITR 4

All the ITR Forms one is working on are saved in draft version of returns. So, every time you want to open a form in same utility, you do not need to provide the location of earlier JSON and open. It is ready on the Desktop Utility itself. It was not available on earlier portal.

PAN [Redacted]

Name [Redacted]

Last Saved : 29-Aug-2021
A.Y. :2021-22

Edit

ITR 2

PAN [Redacted]

Last Saved : 10-Aug-2021

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Further, consider a case when an individual is signing authority in 5 non-individual entities. His DSC was required to be registered for each entity and for his individual PAN separately. Now, DSC needs to be registered only against a PAN. Every time PAN is quoted, system will fetch DSC related details and allow signing. Also, there is no need for DSC Utility, EmSigner and technical hacks like 127.0.0.1.

Resources

Resources

Consequences of late filing

- Late Fee under Section 271F
- Penal Interest @ 1% per month under Section 234A
- Losses cannot be carried forward
- Deductions under Section 10A, 10B, 80-IA, 80-IB etc. not allowed.
- Section 80AC introduced to extend the disallowance of deductions under Section 80H to Section RRB
- Prosecution for not filing the ITR – Section 276CC

Assessment Related Features

- E-proceedings extended to all scrutiny assessments
- Higher penalty for default in furnishing AIR [Section 271FA]

Resources

Help Resources

- Resources for Help Available on the ITD Website:
 - **Income Tax Related Queries** 1800 180 1961
 - **E-Filing and CPC** 1800 103 0025 | 1800 419 0025
+91 80 4612 2000 | +91 6146 4700
 - **Tax Information Network (NSDL)** +91 20 2721 8080
 - **E-mail** orm@cpc.incometax.gov.in
efilingwebmanager@incometax.gov.in

A spiral-bound notebook is shown from a top-down perspective, slightly angled. The notebook is open to a page with horizontal lines. A silver pen with a textured grip is resting on the page. The entire image is overlaid with a semi-transparent grid pattern. The word "Checklist" is written in a teal, sans-serif font in the center-right area of the page.

Checklist

Check List

Sr. No.	Particulars	Check Points
1.	Salary Income	Whether all details of perquisites are available
2.	House property Income	Check interest and Municipal Taxes
3.	Business Income	<ul style="list-style-type: none"> ▪ Check applicability of 44AD/44ADA ▪ Compare closing Balance of Capital and Stock of last year with Current Year ▪ Check any items of disallowances & items to be treated separately ▪ Check Cash receipts and payments and verify whether they are eligible for enhanced Limits of Tax Audit ▪ Check date of Purchase of assets and compute Depreciation(100% or 50%) accordingly ▪ In case of of related clients check the internal reconciliation of transactions between them ▪ Check whether remuneration and interest paid to partners are in accordance with partnership deed and provisions of Section 40(b)

Check List

Sr. No.	Particulars	Check Points
4.	Capital Gain	<ul style="list-style-type: none"> ▪ Grandfathering Comparison in case of sale of listed Equity Shares(Long Term) ▪ Short Term gain or business income - whether considered ▪ Transaction statement of Mutual Funds for Switch-in & Switch-out of Mutual Fund units ▪ Whether relief u/s. 54, etc. claimed ▪ Whether benefit of 10% tax without indexation
5.	Other Income	<ul style="list-style-type: none"> ▪ Check reinvestment of Dividend ▪ Check interest on renewed Fixed Deposits ▪ Check taxability of gifts, etc
6.	Minors Income	<ul style="list-style-type: none"> ▪ Club in the Parents hands
7.	Gift to Spouse	<ul style="list-style-type: none"> ▪ Club in the hands of Donor
8.	Loss	<ul style="list-style-type: none"> ▪ Check Set off of Current Years Loss ▪ Check if there is any Brought Forward Loss

Check List

Sr. No.	Particulars	Check Points
12.	Interest	<ul style="list-style-type: none"> ▪ 234A ▪ 234B ▪ 234C ▪ Penalty for delay in filing on Income Tax Return
13.	Final Tax Position	<ul style="list-style-type: none"> ▪ Work our Final Tax Payable or Refund Receivable ▪ Intimate to client at the earliest to avoid undue interest
14.	Prepare Notes	<ul style="list-style-type: none"> ▪ Residential Status of Client ▪ Accounting Policies followed ▪ Nature of Business ▪ Stamp Duty Valuation ▪ Important issues in the return and final call taken along with relevant Section & Notification ▪ Notes on Significant Difference if any compared to Last years return of Income

Check List

Sr. No.	Particulars	Check Points
15.	Deduction	<p>Common Deductions</p> <ul style="list-style-type: none"> ▪ 80C ▪ 80D (Mediclaime & Preventive Health Check up) ▪ 80TTA (Saving Bank Interest) ▪ 80TTB (Interest of Fixed Deposit for Senior Citizen) ▪ 80EE (Interest on Loan taken for residential House) ▪ 80G (Donation to specified Institution)
16.	Tax Working	<ul style="list-style-type: none"> ▪ Tax Free Limit for Resident, Senior Citizen, Super Senior Citizen (No specific limit for Non Resident) ▪ Special Rate for LTCG ▪ Special Rate for STCG (No relief for tax free limit from Long Term and Short term gain for Non-residents) ▪ DTA Rate/Section 91 Relief ▪ MAT ▪ Surcharge and Marginal Relief(If any)
17.	Credit of Taxes Paid	<ul style="list-style-type: none"> ▪ TDS (Follow up for credit not available on 26AS) ▪ Advance Tax ▪ Self Assessment Tax ▪ Foreign Tax

Information Required to be furnished

- KYC Details (PAN; Aadhaar; Passport)
- Bank Details along with IFSC Code and Account Number
- Phone Number and email id
- Name, Address and PAN of employer
- Details of Partnership Firm, LLP, Company where assessee is Partner/Director
- Details are per schedule of Foreign Assets
- Date of Furnishing of Audit Report
- Name, Membership Number, PAN/Aadhaar of Auditor
- Address of property owned by assessee
- Assesses percentage share in the property
- Name, PAN/Aadhaar, Percentage share of each co-owner
- PAN/Aadhaar of tenant
- PAN/Aadhaar of buyer in case of sale of Property

Information Required to be furnished

- Stamp duty value of land or building transferred
- Name and address and PAN of each of the donee to whom donation has been given and deduction u/s 80G is to be claimed
- TDS brought forward from earlier years with details of financial year in which it was deducted
- Name and PAN (Optional) of person, Relationship and Nature of income in case of Income of specified person
- In case of LLP / company - LLPIN / CIN
- DPIN / DIN of designated partners of LLP and directors of company
- Brought forward losses if losses as assessed are different from losses as returned
- Date of furnishing of report under Ss. 92E, 115JB, 115JC, wherever applicable
- Date of furnishing of report under Ss. 92E, 115JB, 115JC, wherever applicable
- In case assessee is a partner in a firm / LLP - name of the firm where he is a partner, PAN of the firm, his profit sharing ratio, his capital balance in the firm as on 31st March.
- Shareholding Pattern of the Company along with Issue Price and date of issue of shares

Questions?

Comments and Suggestions are Welcome!

Thank You!

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