

**OVERVIEW OF
CBDT INSTRUCTIONS
FOR
REPORTING REQUIREMENTS OF
ITR (AY 2020-21)**

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INSTRUCTIONS FOR ITR

Instruction notes for ITRs of AY 2019-20 → 340 pages (approx.)

Instruction notes for ITRs of AY 2020-11 → 720 pages (approx.)

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Approx. 2,900 permutation & combinations of **Category A defects in ITR-** *Category A defect are the defects, wherein return will not be allowed to be uploaded and error message will be displayed to the tax payer.* → 330 pages (approx.)

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Instructions for ITR → 390 pages (approx.)

(increase on account of newly inserted Schedule DI, Schedule 80D, and other changes in ITR based on applicable law)

Residential status

RESIDENTIAL STATUS FOR FY 2019-20

In case of an individual who has come to India - on a visit before 22/03/2020 and:

- a) Has been unable to leave India on or before 31/03/2020
 - his stay in India from 22/03/2020 to 31/03/2020
 - **shall not be taken into account** for determining his residential status.

- b) Has left India in an evacuation flight on or after 22/03/2020 but before 31/03/2020,
 - then his stay for that intervening period
 - shall not be taken into account for determining his residential status.

- c) Has been quarantined on or after 01/03/2020 and has left India (evacuation flight) or is unable to leave India; on or before 31/03/2020,
 - then his stay for such a period in India - **shall not be taken into account** for determining his residential status.

Notification of ITRs

Notification No. 1/2020 –
(now superseded by Notification No. 31/2020)

Apart from the existing eligibility conditions to file ITR-1 or ITR-4 , following new conditions were inserted:

- a) In case where an assessee owns a house property *in joint-ownership* with two or more persons than he shall not be eligible to fill-up Form ITR-1 or Form ITR-4.

- b) An assessee cannot opt to File Form ITR-1 or Form ITR-4 in case where he is required to file return of income on account of mandate provided in seventh proviso to Section 139(1)

Following new reporting requirements were inserted in Form ITR-4 (SUGAM):

- a) reporting the following particulars of **cash and bank** transaction relating to presumptive business:
 - Opening balance
 - Receipts during the previous year
 - Payments / Withdrawals during the previous year
 - Closing Balance

Eligibility- FORM ITR-1 SAHAJ

Form ITR-1 SAHAJ

[For individuals being a resident (other than not ordinarily resident) having total income upto Rs.50 lakh, having Income from Salaries, one house property, other sources (Interest etc.), and agricultural income upto Rs.5 thousand]

[Not for an individual who is either Director in a company or has invested in unlisted equity shares]

- This Return Form is to be used by an **individual who is a resident** other than not ordinarily resident, whose **total income** for the Assessment Year 2020-21 **does not exceed Rs. 50 lakh** and who has income under the following heads:-
 - (a) Income from Salary/ Pension; or
 - (b) **Income from One House Property**; or
 - (c) Interest income and/ or family pension taxable under Other Sources.

Who is not eligible to use ITR 1?

- A. This Return Form **should not be used** by an individual who –
 - (a) is a Director in a company;
 - (b) has held any unlisted equity shares at any time during the previous year;
 - (c) has any asset (including financial interest in any entity) located outside India;
 - (d) has signing authority in any account located outside India;
or
 - (e) has income from any source outside India.

Who is not eligible to use ITR 1?

- B. This return form also cannot be used by an individual who has any income of the following nature during the previous year:-
- (a) Profits and gains from business and professions;
 - (b) Capital gains;
 - (c) Income from more than one house property;
 - (d) Income under the head other sources which is of following nature:-
 - (i) winnings from lottery;
 - (ii) activity of owning and maintaining race horses;
 - (iii) income taxable at special rates under section 115BBDA or section 115BBE;
 - (e) Income to be apportioned in accordance with provisions of section 5A;
or
 - (f) Agricultural income in excess of Rs. 5,000.

Who is not eligible to use ITR 1?

C. Further, this return form also cannot be used by an individual who has any claims of loss/deductions/relief/tax credit etc. of the following nature:-

(a) any brought forward loss or loss to be carried forward under the head 'Income from house property'; **(use ITR-2 in order to C/L the loss)**

(b) loss under the head 'Income from other sources';

(c) any claim of relief under section 90 and/or section 91;

(d) any claim of deduction under section 57, other than deduction under clause (iia) thereof (relating to family pension); or

(e) any claim of credit of tax deducted at source in the hands of any other person.

Eligibility - Form ITR-2

Eligible person who can file ITR-2:

Return in ITR 2 can be filed by an individual and an HUF, whether resident or non-resident, in respect of following incomes:

1. Salary or pension
2. Income or loss from one or more house properties
3. Income or loss under the head 'Capital Gains'
4. Income under the head 'Other sources' (including income chargeable at special rates)

Person who cannot opt for filing ITR-2:

1. Income chargeable under 'PGBP'
2. Wants to claim deduction u/s. 10AA or Sec. 80H to Sec. 80RRB

Form-ITR 3

- Income-tax return can be filed in ITR 3 by an Individual or an HUF if he/it has income from business or profession.
- Return in ITR 3 cannot be filed by any person other than an individual or HUF.

Form-ITR 4 SUGAM - Eligibility

- This Return Form is to be used by an **individual or HUF**, who is **resident** other than not ordinarily resident, **or a Firm** (other than LLP) which is a resident, whose **total income for the assessment year 2020-21 does not exceed Rs.50 lakh** and who has income under the following heads:-
 - (a) Income from business where such income is computed on presumptive basis under Section 44AD (i.e. Gross Turnover upto Rs. 2 crore) or Section 44AE (income from goods carriage upto ten vehicles); or
 - (b) Income from Profession where such income is computed on presumptive basis under Section 44ADA (i.e. Gross receipt upto Rs. 50 lakh); or
 - (c) Income from Salary/ Pension; or
 - (d) Income from One House Property; or
 - (e) Interest income and / or income from family pension taxable under Other Sources.

ITR 5 - Eligibility

This Form can be used by a person being:

- a firm,
- Limited Liability Partnership (LLP),
- Association of Persons (AOP),
- Body of Individuals (BOI),
- Artificial Juridical Person (AJP),
- local authority,
- representative assessee referred to in section 160(1)(iii) or (iv),
- cooperative society,
- society registered under Societies Registration Act, 1860 or under any other law of any State, trust **other than trusts eligible to file Form ITR-7**,
- estate of deceased person,
- estate of an insolvent,
- business trust referred to in section 139(4E) and
- investments fund referred to in section 139(4F).

ITR 6 - Eligibility

Eligible Person :

(i) Indian Company

(ii) Body corporate incorporated by or under the laws of country outside India

(iii) Any institution, association or body, whether incorporated or not & whether Indian or Non-Indian which is declared by general or special order of the CBDT to be company, etc.

(other than a company which is required to file return in Form ITR-7)

ITR 7 - Eligibility

Eligible Person :

Section 139(4A) – income from property held under trust
(charitable/religious)

Section 139(4B) - Political Party

Section 139(4C) – Research association, news agencies, specified
institutions, specified funds.

Section 139(4D) - University, College and other specified institution

Changes in ITRs & Relevant instructions

Schedule DI

ITR – 1,2,3,4,5,6

Schedule - DI

- The date for making various investment/ payment for claiming deduction under Chapter-VIA-B of the Act which includes section 80C to section 80GGC are extended to 31st July, 2020.

Hence the investment/ payment can be made upto 31st July, 2020 for claiming the deduction under these sections for FY 2019-20.

[Dropdown in Schedule VI-A]

- The date for commencement of operation for the SEZ units for claiming deduction under section 10AA is extended to 31.03.2021 for the units which received necessary approval by 31st March, 2020.

[Fill up details in Schedule 10AA]

- The date for making investment/ construction/ purchase for claiming roll over benefit/ deduction in respect of capital gains under sections 54 to 54GB of the Act is extended to 30th September, 2020. Therefore, the investment/ construction/ purchase made up to 30th September, 2020 shall be eligible for claiming deduction from capital gains.

[Fill up details in Schedule CG]

Part A & B of 'Schedule – DI'

Schedule DI Details of investment

A Investment/ Deposit/ Payments for the purpose of claiming deduction under Chapter VIA

Sl.No.	Section (1)	Eligible amount of deduction during FY 2019-20 (2)	Deduction attributable to investment/expenditure made between 01.04.2020 to 31.07.2020 (3)
1	80G	50000	20000
2	80GGA	0	0
3	80GGB	0	0
4	80GGC	0	0
Total		50000	20000

B Eligible amount of deduction u/s 10AA

Sl.No		Undertaking as per schedule 10AA	Amount of deduction as per schedule 10AA	Date of letter of approval issued in accordance with the provisions of the SEZ Act, 2005	Is this the first year of claiming deduction u/s 10AA AND whether conditions have been complied between 01.04.2020 to 30.09.2020
1	<input type="checkbox"/>	Undertaking No 1	400000	25/03/2020	Yes <input checked="" type="checkbox"/>
Total			400000		

Part C of 'Schedule – DI'

C Payment/Acquisition/Purchase/Construction for the purpose of claiming deduction u/s 54 to 54GB			
i Long Term Capital Gain			
Sl.No.	Section (1)	Amount utilised out of Capital Gains account (2)	Amount utilised between 01.04.2020 to 30.09.2020 out of Col 2 (3)
1	54D	2000000	500000
2	54G	0	0
3	54GA	0	0
Total		2000000	500000
ii Short Term Capital Gain			
Sl.No.	Section (1)	Amount utilised out of Capital Gains account (2)	Amount utilised between 01.04.2020 to 30.06.2020 out of Col 2 (3)
1	54D	0	0
1	54G	0	0
3	54GA	0	0
Total		0	0

Donation to PM Cares Fund

Extracts from FAQs of PM Cares

Q.10 Are contributions towards the PM CARES Fund exempted from Income Tax?

Yes, all contributions towards the PM CARES Fund are 100% exempt from Income Tax under Section 80(G) of the Income Tax Act, 1961 for those who opt for the old tax slabs.

Q.11 Is PM CARES Fund exempted from paying Income Tax?

Yes, the fund is exempted from paying Income Tax as per Section 10(23)(c) of Income Tax Act, 1961.

Extracts from FAQs of PM Cares

Q.12 Does contribution towards PM CARES Fund qualify as CSR expenditure?

Yes, any contribution made to the PM CARES Fund by any Company or a PSU shall qualify as Corporate Social Responsibility (CSR) expenditure as provided under the Companies Act, 2013..

Q.13 Does PM CARES Fund have a Permanent Account Number (PAN)?

Yes, PM CARES Fund has been allotted a Permanent Account Number (PAN) **AAETP3993P**.

Seventh Proviso to Section 139(1)

ITR – 1,2,3,4

Background of the provision

- If a person whose total income **before allowing** deductions under Chapter VI-A of the Income-tax Act or deduction for capital gains (or [section 54](#) or [section 54B](#) or [section 54D](#) or [section 54EC](#) or [section 54F](#) or [section 54G](#) or [section 54GA](#) or [section 54GB](#)) or exempt long term capital gains (section 10(38)) or u/s. 10A, 10B, 10BA, **does not exceeds the maximum amount which is not chargeable to income-tax but fulfils one or more conditions** mentioned below is obligated to furnish his return of income.
 - a) **Deposit of amount** or aggregates of amount exceeding **Rs 1 crore** in one or more **current accounts**;
 - b) **Incurred expenditure** of an amount or aggregate of amount **exceeding Rs. 2 lakhs** for **travel to a foreign country** for oneself or any other person;
 - c) **Incurred expenditure** of amount or aggregate of amount **exceeding Rs. 1 lakh** on **consumption of electricity**.

(Disclosure of the corresponding amount required)

Details of seventh proviso to Section 139(1)

Part A - General information

Are you filing return of income under Seventh proviso to Section 139(1) - If yes, please furnish following information [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)]*	Yes 
Have you deposited amount or aggregate of amounts exceeding Rs. 1 Crore in one or more current account during the previous year? (Yes/No)	Yes 
Amount	200000000
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)	No 
Amount	
Have you incurred expenditure of amount or aggregate of amount exceeding Rs. 1 lakh on consumption of electricity during the previous year? (Yes/No)	Yes 
Amount	500000

Opting for
Section 115BAA
[ITR-6]

Form- 10IC → Opting for Section 115BAA

- File Form 10-IC on e-filing portal [Section 115BAA(5) r.w. Rule 21AE]
- One time filing. (will apply to the relevant AY as well as for subsequent AYs) [Clause 1]
- General information of the company to be furnished. [Clause 2]
- If company has unit in IFSC the details of such units needs to be given. [Clause 3]
- If the assessee company has earlier opted fro Section 115BA then declaration for withdrawal from that section needs to be given. [Clause 4& 5]
- Option once exercised cannot be withdrawn . [Clause 6]

Overview of Sec 115BAA

- Applicability – Any domestic company
- Rate of Tax – 22% (except on income chargeable to special rate of tax e.g. 111A,112,112A)
- Rate of Surcharge – 10% (except for income chargeable u/s. 115BBE)
- Rate of H&E Cess – 4% (on amount of tax + surcharge)
- Effective Rate of Tax – 25.168%
- MAT not applicable (however, **b/f MAT cannot be set off** against income under this section **but can be c/f**)

Overview of Sec 115BAA

- Conditions for opting 115BAA:
 - a) cannot claim exemption/deduction in respect of Section 10AA, 32(1)(ia), 32AD, 33AB, 33ABA, 35(1)(ii)/(ia)/(iii), 35(2AA), 35(2AB), 35AD, 35CCC, 35CCD, Part- c of Chapter VI-A (except Section 80JJA or 80M).
 - b) no c/f or set off any loss or allowance of unabsorbed depreciation attributable to above deductions/exemptions or deemed so u/s. 72A. (other losses allowed to be set off)
 - c) claiming the depreciation, if any, under any provision of section 32, **except** clause (ia) of sub-section (1) of the said section, **determined in such manner as may be prescribed.**

Overview of Sec 115BAA

- Implication on failure to satisfy the conditions:
 - a) The option exercised would be considered as invalid for the relevant AY as well as all subsequent AYs.
 - b) Consequently other provisions of the Act will apply as if the option had not been exercised for the relevant AY as well as for all subsequent AYs.

Changes in ITR w.r.t. 115BAA

- Unclaimed additional depreciation [Sec .32(1)(iia)] –
Example:
 - New P&M acquired on – 10/01/2019 (FY 2018-19) (less than 180 days) – Rs. 1,00,000/-
 - Additional depreciation allowed in FY 2018-19 → 10% (half of 20%) – Rs. 10,000/-
 - Balance additional depreciation of 10% to be allowed in FY 2019-20 (AY 2020-21) → Rs. 10,000/-

If assessee opts for section 115BAA from AY 2020-21:

Instead of claiming deduction of the balance additional depreciation → **make an addition to opening WDV on 01.04.2019 of Rs. 10,000/-**

Extract of ITR – Additional Depreciation

Depreciation on Plant and Machinery (Other than assets on which deduction under any other section)			
1	Block of assets	Plant and Machinery	
2	Rate (%)	15	30
		(i)	(ii)
3	Written down value on the first day of previous year	90000	0
3a	Amount as adjusted on account of opting for taxation under section 115BAA	10000	0
3b	Adjusted Written down value on the first day of previous year (3) + (3a)	100000	0
4	Additions for a period of 180 days or more in the previous year	0	0
5	Consideration or other realization during the previous year out of 3b or 4	0	0
6	Amount on which depreciation at full rate to be allowed(3b + 4 -5)	100000	0

Extract of ITR – C/F of Loss & UD

Assessment Year	Date of Filing (DD/MM/YYYY)	House property loss			Loss from business other than loss from speculative Business , specified business & Insurance business as referred in section 115B		
		Normal (4a)	PTI (4b)	Total 4c=4a+4b	Brought forward business loss (5a)	Amount as adjusted on account of opting for taxation under section 115BAA/115BA (5b)	Brought forward Business loss available for set off during the year 5c=5a - 5b
2010-11							
2011-12							
2012-13				0			0
2013-14				0			0
2014-15				0			0
2015-16				0			0
2016-17				0			0
2017-18				0			0
2018-19				0			0
2019-20	16/07/2019	50000		50000	110000	50000	60000
Total of earlier year				50000			60000

Opting for
Section 115BAB
[ITR-6]

Form- 10ID → Opting for Section 115BAB

- File Form 10-ID on e-filing portal [Section 115BAA(7) r.w. Rule 21AF]
- One time filing. (will apply to the relevant AY as well as for subsequent AYs) [Clause 1]
- General information of the company to be furnished. [Clause 2]
- Option once exercised cannot be withdrawn . [Clause 3]
- Declaration w.r.t. entity structure etc. [Clause 4]
- Declaration about satisfying the conditions. [Clause 5]

Overview of Sec 115BAB

- Applicability – Domestic manufacturing company
- Company must be set-up and registered on or after 01.10.2019
- Company must commence manufacturing or production of article or thing on or before 31.03.2023
- Must not be formed by splitting up , reconstruction, P&M must be new.
- Should not use building previously used as hotel/convention centre for which deduction u/s. 80-ID has been claimed and allowed.
- Should not be engaged in any business other than the business of manufacturing or production of any article or things and research in relation to , or distribution of, such article or thing manufactured or produced by it.

Overview of Sec 115BAB

- Rate of Tax – in respect of income derived from or incidental to manufacturing or production of article or things → 15%
- Rate of Tax on income covered U/C – XII (E.g. 11A, 112, 112A) → applicable special rate
- Rate in respect to income on which no specific rate is provided → 22% (no corresponding deduction allowed) –first proviso to section 115BAB(1)
- If adjustment made by AO for transaction made with persons having close relation → 30%
- Surcharge → Flat 10% of Tax (except for income chargeable u/s. 115BBE)
- H&E Cess → 4% of Tax + Surcharge
- MAT not applicable.

Overview of Sec 115BAB

- Conditions for opting 115BAB:
 - a) cannot claim exemption/deduction in respect of Section 10AA, 32(1)(ia), 32AD, 33AB, 33ABA, 35(1)(ii)/(ia)/(iii), 35(2AA), 35(2AB), 35AD, 35CCC, 35CCD, Part- c of Chapter VI-A (except Section 80JJA).
 - b) no c/f or set off any loss or allowance of unabsorbed depreciation attributable to above deductions/exemptions or deemed so u/s. 72A. (other losses allowed to be set off)
 - c) claiming the depreciation, if any, under any provision of section 32, **except** clause (ia) of sub-section (1) of the said section, determined in such manner as may be prescribed.

Overview of Sec 115BAB

- Implication on failure to satisfy the conditions:
 - a) The option exercised would be considered as invalid for the relevant AY as well as all subsequent AYs.
 - b) Consequently other provisions of the Act will apply as if the option had not been exercised for the relevant AY as well as for all subsequent AYs.
 - c) When option u/s. 115BAB is rendered invalid → company may opt for section 115BAA
 - d) The option has to be exercised in the first ROI.
 - e) In case of amalgamation the option u/s. 115BAB shall remain valid only if conditions of eligibility are fulfilled.

Depreciation

ITR – 3,5,6

Schedule DPM

The new depreciation rates were notified by the CBDT vide Notification No. 69/2019, dated 20-09-2019 with retrospective effect from 23-08-2019.

Motor Vehicle	Rate
Motor cars (other than those used in a business of running them on hire)	15%
Motor buses, motor lorries and motor taxis used in a business of running them on hire	30%
Motor cars (other than those used in a business of running them on hire) acquired between 23-08-2019 and 31-03-2020 and is put to use on or before 31-03-2020	30%
Motor buses, motor lorries and motor taxis used in a business of running them on hire, acquired between 23-08-2019 and 31-03-2020 and is put to use on or before 31-03-2020	45%

Proviso to
Clause (a) of
Section 44AB

ITR – 3,5,6

Audit Information

AUDIT INFORMATION		
(a1)	Are you liable to maintain accounts as per section 44AA?	Yes
(a2)	Whether assessee is declaring income only under section 44AE/44B/44BB/44AD/44ADA/44BBA/44BBB	No
(a2i)	If No , Whether during the year Total sales/turnover/gross receipts of business exceeds Rs. 1 crores but does not exceed Rs. 5 crores?	Yes
(a2ii)	If Yes is selected at a2i, 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	Select
(a2iii)	If Yes is selected at a2i, 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	Select
(b)	Are you liable for audit under section 44AB?	No

Which option to select? (Yes/No)

- “...whether aggregate of all amounts received including ...during the previous year, in cash, **does not** exceed five per cent of said amount?”
- “... whether aggregate of all payments made including ..., in cash, during the previous year **does not** exceed five per cent of the said payment?”

→ Yes, it does not exceed 5%.

→ No, it does not exceed 5%.

Audit Information

<p>a2ii) If Yes is selected at a2i, whether aggregate of all amounts received including amount received for sales, turnover or gross receipts or on capital account such as capital contribution, loans etc. during the previous year, in cash, does not exceed five per cent of said amount?</p>	<p>If Yes is ticked in a2i, <u>please indicate</u> whether aggregate of all amounts received including amount received for sales, turnover or gross receipts or on capital account such as capital contribution, loans etc. during the previous year, in cash, does not exceed five per cent of said amount by ticking the applicable checkbox</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>a2iii) If Yes is selected at a2i, whether aggregate of all payments made including amount incurred for expenditure or on capital account such as asset acquisition, repayment of loan etc., in cash, during the previous year does not exceed five per cent of the said payment ?</p>	<p>If Yes is ticked in a2i, <u>please indicate</u> whether aggregate of all payments made including amount incurred for expenditure or on capital account such as asset acquisition, repayment of loan etc. during the previous year, in cash, does not exceed five per cent of the said payment by ticking the applicable checkbox:</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>(b) Whether liable for audit under section 44AB?</p>	<p>Please indicate whether you are liable to get your accounts audited by an accountant and furnish the report of audit u/s 44AB by ticking the applicable checkbox:</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

Schedule 80D

ITR – 1,2,3,4

Schedule 80D

1	Whether you or any of your family member (excluding parents) is a senior citizen?	No <input type="checkbox"/>
	a Self & Family	25000
	(i) Health Insurance	60000
	(ii) Preventive Health Checkup	5000
	b Self & Family (Senior Citizen)	0
	(i) Health Insurance	
	(ii) Preventive Health Checkup	
	(iii) Medical Expenditure (This deduction can be claimed on which health insurance is not claimed at (i) above)	
2	Whether any one of your parents is a senior citizen?	Yes <input type="checkbox"/>
	a Parents	0
	(i) Health Insurance	
	(ii) Preventive Health Checkup	
	b Parents (Senior Citizen)	
	(i) Health Insurance	
	(ii) Preventive Health Checkup	0
	(iii) Medical Expenditure (This deduction can be claimed on which health insurance is not claimed at (i) above)	
3	Eligible Amount of Deduction	60000

The amount of preventive health check up of all the fields combined together should not exceed 5000

Summary of deduction

Nature of amount spent	Deduction for individuals				Deduction for HUF	
	Family Member (individual, his spouse and his dependent children)		Parents		For any member	For any member
	Age below 60 years	Age above 60 years	Age below 60 years	Age above 60 years	Age below 60 years	Age above 60 years
Medical Insurance	25,000	50,000	25,000	50,000	25,000	50,000
Central Government health scheme	25,000	25,000	-	-	-	-
Health Check-up	5,000	5,000	5,000	5,000	-	-
Medical Expenditure (only if no amount has been paid towards health insurance of such person.)	-	50,000	-	50,000	-	50,000
Maximum deduction	25,000	50,000	25,000	50,000	25,000	50,000

Preventive Health Checkup – Overall restricted to Rs. 5,000/-

Scrip Wise Reporting [ITR 2,3,5,6]

Schedule (Tool) 112A/115AD(1)(iii)

From sale of equity share in a company or unit of equity oriented fund or unit of a business trust on which STT is paid under section 112A

Sl. No.		ISIN Code	Name of the Share/Unit	No. of Shares/Units	Sale-price per Share/Unit	Full value of Consideration (Total Sale Value) (4*5)
(1)		(2)	(3)	(4)	(5)	(6)
1	<input type="checkbox"/>	INNOTAVAILAB	ITR LTD	1000	1000	1000000.00
<input type="button" value="+ Add"/> <input type="button" value="X Delete"/>						
Total of each column						1000000.00

From sale of equity share in a company or unit of equity oriented fund or unit of a business trust on which STT is paid under section 112A

Cost of acquisition without indexation (higher of 8 or 9)	Cost of acquisition	If the long term capital asset was acquired before 01.02.2018, lower of B1 and B2 -Lower of 6 & 11	Fair Market Value per share/unit as on 31st January,2018	Total Fair Market Value of capital asset as per section 55(2)(ac)- (4*10)	Expenditure wholly and exclusively in connection with transfer	Total deductions (7+12)	Balance 6-13 Ite of LTCG Schedul
(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
400000.00	100000	400000.00	400	400000.00	0	400000.00	600000.00
400000.00	100000.00	400000.00		400000.00	0.00	400000.00	600000.00

Schedule CG

4	From sale of equity share in a company or unit of equity oriented fund or unit of a business trust on which STT is paid under section 112A			
	a	LTCG u/s 112A (column 14 of Schedule 112A)	4a	600000
	b	Deduction under sections 54F (Specify details in item D below)	4b	0
	c	Long-term Capital Gains on sale of capital assets at B4 above (4a - 4b)	4c	600000

Schedule SI

Sl.No.	Section/Description *	Special rate (%)**	Income (i)**	Taxable Income after adjusting for Min Chargeable to Tax**	Tax thereon (ii)**
1	111 - Tax on accumulated balance of recognised PF	1	0	0	0
2	111A (STCG on shares where STT paid)	15	0	0	0
3	112 (LTCG on others)	20	0	0	0
4	112 proviso (LTCG on listed securities/ units without indexation)	10	0	0	0
5	112(1)(c)(iii)(LTCG on unlisted securities in case of non-residents)	10	0	0	0
6	112A (LTCG on sale of shares or units on which STT is paid)	10	600000	600000	50000

CBDT Press Release dt. 26.09.2020

- there is no requirement in the return of income for scrip wise reporting in case of short-term/business income arising from share transactions.
- The scrip wise details in the return of income for AY 2020-21 is required to be filled up only for the reporting of the long-term capital gains for these shares/units which are eligible for the benefit of grandfathering.
- Thus, the main intent behind requiring scrip wise detail is to facilitate the taxpayer in correctly computing the long-term capital gains on these shares/units.

Deductions

ITR – 1,2,3,4

Section 80EEA

From AY 2020-21 onwards, an individual assessee who is not claiming deduction u/s.80EE can claim deduction of upto Rs. 1,50,000/- u/s. 80EEA in respect of **interest payable on loan borrowed** by him from **any financial institution** for the **purpose of acquisition of a residential house property**, subject to fulfillment of following conditions:

- 1) Loan has been sanctioned during the financial year 2019-20,
- 2) the stamp duty value of house property **does not exceed Rs. 45,00,000/-;**
- 3) assessee does not own any residential house property on the date of sanction of loan.

Section 80EEB

Deduction u/s. 80EEB of upto Rs. 1,50,000/- will be allowed to an individual for **interest on loan borrowed for purchase of an electric vehicle** provided that the sanction of loan must be between 01/04/2019 to 31/03/2023.

Further, it is also provided that the said interest shall not be eligible for any other deduction under any other provision of this Act [E.g. Section 36(1)(iii)].

Details of unlisted shares

ITR – 2,3,4,5,6,7

Part A - General

- Whether you have held unlisted equity shares at any time during the previous year? If yes, please furnish following information in respect of equity shares - (YES/NO)

- Details Asked:
 - Name of company
 - Type of Company (Domestic/Foreign)
 - PAN
 - Op. Balance (No. of Shares & COA)
 - Shares Acquired During the Year
(No. of shares, F.V., Issue Price/Purchase price)
 - Shares Transferred during the year
(No. of shares, sales consideration)

Relevant Instruction

- If you have held shares of a company during the previous year, which are **listed** in a recognized stock exchange **outside India**. You may select “No” here and you are **not required to report the requisite details here**.
- In case PAN of delisted company cannot be obtained, you may enter a default value in place of PAN, as **“NNNNN0000N”**.
- In case unlisted equity shares are **acquired or transferred by way of gift, will, amalgamation, merger, demerger, or bonus issue etc.**, In such cases You may enter zero or the appropriate value against “cost of acquisition” or “sale consideration” in such cases.

Relevant Instruction

- Please note that the details of unlisted equity shares held during the year are required only for the purpose of reporting. **The quantitative details entered in this column are not relevant for the purpose of computation of total income or tax liability**
- Even in case where you have **held unlisted equity shares as stock-in-trade of business** during the previous year you are required to report the same in this clause.
- In case you are **holding equity shares of a Co-operative Bank or Credit Societies**, which are unlisted, only the details of equity shareholding in any entity which is **registered under the Companies Act, and is not listed on any recognised stock exchange, is only required to be reported.**

Changes in ITR-7

Schedule ER

- Any contribution by a charitable or religious trust registered under section 12AA to any other trust registered under Section 12AA, with a specific direction that it shall form part of corpus of recipient trust shall not be treated as application of income for the donor trust.
- The Finance Act, 2020 has provided that the corpus donation to institutions referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of section 10(23C) shall also not to be considered as an application of income.
- Accordingly, now a corpus donation made by a donor trust/institution cannot be claimed as application of income by such donor trust/institution.

Schedule ER (Part-B)

B	Expenditure on objects of the trust/institution		
1	Donation – Other than Corpus	1	<input type="text" value="0"/>
2	Religious	2	<input type="text" value="0"/>
3	Relief of poor	3	<input type="text" value="0"/>
4	Educational	4	<input type="text" value="0"/>
5	Yoga	5	<input type="text" value="0"/>
6	Medical relief	6	<input type="text" value="0"/>
7	Preservation of environment	7	<input type="text" value="0"/>
8	Preservation of monuments etc	8	<input type="text" value="0"/>
9	General public utility	9	<input type="text" value="0"/>
10	Total B(sum of B1 to B9)	10	<input type="text" value="0"/>

Schedule ER (Part-C)

C	Disallowable expenditure (C1+C2+C3+C4)		<input type="text" value="0"/>
1	Bad debts	1	<input type="text" value="0"/>
2	Provisions	2	<input type="text" value="0"/>
3	<u>Donation forming part of Corpus fund</u>	3	<input type="text" value="0"/>
4	Any other disallowable expenditure	4	<input type="text" value="0"/>

Re-registration under new provisions

Details of registration or approval under Income Tax Act (Mandatory if required to be registered)

S No.		Section under which registered or approved	Indicate the registration section based on which exemption is claimed in the return	Date of registration or approval	Approval/ Notification/ Registration No.	Approving/ registering Authority
1	<input type="checkbox"/>	Section 12A/12AA <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	10/08/2018	CIT EXEMPTION, MUM/12	CIT E Mumbai
2	<input type="checkbox"/>	Section 10(23C)(iv) <input checked="" type="checkbox"/>	<input type="checkbox"/>	14/03/2018	CIT EXEMPTION, MUM/10	CIT E Mumbai

Whether Application for registration is made as per new provisions	Section under which the registration is applied	Date on which the application for registration/approval as per new provisions is made	Section of exemption opted for under the new provisions
Select <input type="button" value="v"/>	Select <input type="button" value="v"/>	<input type="text"/>	Select <input type="button" value="v"/>
Select <input type="button" value="v"/>	Select <input type="button" value="v"/>	<input type="text"/>	Select <input type="button" value="v"/>

Interchangeability of PAN & AADHAR

ITR – 1,2,3,4,5,6,7

Background of the provision

- Sub-section (5E) to Section 139A to allow the interchangeability of Aadhaar with PAN.

“(5E) Notwithstanding anything contained in this Act, every person who is required to furnish or intimate or quote his permanent account number under this Act, and who, —

(a) **has not been allotted a permanent account number but possesses the Aadhaar number, may furnish or intimate or quote his Aadhaar number** in lieu of the permanent account number, and such person shall be allotted a permanent account number in such manner as may be prescribed;

(b) has been allotted a permanent account number, and who has intimated his Aadhaar number in accordance with provisions of sub-section (2) of section 139AA, **may furnish or intimate or quote his Aadhaar number in lieu of the permanent account number.**”

Provide – Either PAN or AADHAR

- (a) A person filing the Income-tax return as a representative assessee;
- (b) Auditor (proprietorship/ firm);
- (c) Debtors, in respect of whom bad-debt of Rs. 1 lakh or more is claimed;
- (d) Co-owner of the house property;
- (e) Tenant(s) of the house property;
- (f) Buyer of the immovable property transferred during the year;
- (g) A person whose tax credit is being claimed by the assessee;
- (h) Tenants/buyer who has deducted tax at source;
- (i) Key person and person verifying the return of a company;
- (j) Person holding 10% or more of the voting power in case of unlisted company;
- (k) Shareholders of unlisted companies including start-ups;
- (l) Person whose income is clubbed with the income of assessee; and
- (m) Spouse governed by Portuguese Civil Code.

Reporting u/s. 43B
ITR – 3,5,6

Interest payment to NBFC

- Upto AY 2019-20, interest payable to NBFCs was allowable to the payer on accrual basis even if the payer has not made payment to the NBFC.
- From AY 2020-21, deduction of interest payable to NBFCs shall be allowed to the payer on actual payment only in accordance with Section 43B.
- Report in Schedule OI → Clause 11da
“Any sum payable by the assessee as interest on any loan or borrowing from a deposit taking non-banking financial company or systemically important non-deposit taking non-banking financial company, in accordance with the terms and conditions of the agreement governing such loan or borrowing”

Quoting of DIN ITR – 1,2,3,4,5,6,7

DIN required to be quoted

- In case the return is being filed in response to a statutory notice, Document Identification Number is **mandatory to be quoted-**
 - (a) If filed in response to a notice u/s 139(9)
 - (b) If filed in response to notice u/s 142(1)
 - (c) If filed in response to notice u/s 148
 - (d) If filed in response to notice u/s 153A
 - (e) If filed in response to notice u/s 153C
 - (f) If filed after obtaining condonation approval u/s. 119(2)(b)
– details of the order to be quoted.

Payment of refunds

ITR – 1,2,3,4,5,6,7

Refund payments

- Assessee can choose multiple bank accounts for payment of refund.
- The refund will be credited to one of the account decided by CPC after processing of the Income-tax return.
- It is not mandatory to provide details of dormant accounts which are not operational for more than 3 years.
- Non-residents, who are claiming income-tax refund and not having bank account in India may, at their option, furnish the details of one foreign bank account:
 - SWIFT Code
 - Name of Bank
 - Country of location
 - IBAN (i.e. A/c No.)

Schedule TPSA

ITR – 3,5,6

Instructions for Schedule-TPSA

- Please enter the amount of primary adjustment on which option u/s 92CE(2A) is exercised on such excess money or part thereof .
- The adjustment should be in respect of amount which has not been repatriated in India as per section 92CE of the Act.
- The Additional Tax & surcharge will be computed at the rate of 18% and 12% respectively on the such excess money or part thereof.
- Please note that the taxes paid under section 92CE(2A) will be treated as final payment and no further credit shall be claimed.

TP Adjustments

- Schedule OI →

Whether assessee is exercising option under sub-section 2A of section 92CE Tick) [If yes , please fill schedule TPSA]

- Schedule TPSA →

Details of Tax on secondary adjustments as per section 92CE(2A)						
Tax on secondary adjustment as per section 92CE(2A)						
1	Amount of primary adjustment on which option u/s 92CE(2A) is exercised & such excess money has not been repatriated within the prescribed time					
2	a	Additional Income tax payable @ 18% on above				
	b	Surcharge @ 12% on "a"				
	c	Health & Education cess on (a+b)				
	d	Total Additional tax payable (a+b+c)				
3	Taxes paid					
4	Net tax payable (2d-3)					
Details of Taxes Paid						
Sl.No. (1)	BSR Code* (2)	Name of Bank and Branch* (3)	Date of Deposit (DD/MM/YYYY)* (4)	Serial number of challan* (5)	Amount* (6)	
1	<input type="checkbox"/>					
Amount deposited						

Other Points

Other Points

- Section 23(5) → property held as S-I-T → ALV = NIL
Dropdown for 'Self-occupied' in ITR 5 & ITR 6 made available
- Separate disclosure provided under 'schedule OS' for reporting dividend income chargeable u/s. 115BBD
- Employee category expanded to include 'state government' employee/employer.
- No Account Schedule deleted for IndAS compliant companies.
- Facility to report losses (for IFHP & CG) in Schedule PTI made available. (Fill up corresponding primary schedule) ⁸¹

ITR-V
&
ITR
Acknowledgement

If ITR is not verified – only ITR furnished

FORM ITR-V	<u>INDIAN INCOME TAX RETURN VERIFICATION FORM</u> [Where the data of the Return of Income in Form ITR-1 (SAHAJ), ITR-2, ITR-3, ITR-4(SUGAM), ITR-5, ITR-7 filed but NOT verified electronically] (Please see Rule 12 of the Income-tax Rules, 1962)		Assessment Year 2020-21
Name			
PAN		Form Number	
Filed u/s		e-Filing Acknowledgement Number	
VERIFICATION			
I, _____ son/ daughter of _____, solemnly declare that to the best of my knowledge and belief, the information given in the return which has been submitted by me vide acknowledgement number _____ is correct and complete and is in accordance with the provisions of the Income-tax Act, 1961. I further declare that I am making this return in my capacity as _____ and I am also competent to make this return and verify it. I am holding permanent account number _____.			
Signature →			
Date of submission		Source IP address	
System Generated Barcode/QR Code			
Instructions:			
<ol style="list-style-type: none"> 1. Please send the duly signed (preferably in blue ink) Form ITR-V to “Centralized Processing Centre, Income Tax Department, Bengaluru 560500”, by ORDINARY POST OR SPEED POST ONLY. Alternately, you may e-verify the electronic transmitted return data using Aadhaar OTP or Login to e-filing account through Net-Banking login or EVC obtained generated using Pre-Validated Bank Account/Demat Account or EVC generated through Bank ATM. 2. Form ITR-V shall not be received in any other office of the Income-tax Department or in any other manner. The confirmation of receipt of this Form ITR-V at ITD-CPC will be sent to the e-mail Id registered in the e-filing account. 3. On successful verification, the return filing acknowledgement can be downloaded from e-Filing portal as a proof of completion of process of filing the return of Income. 			

On successful verification of ITR

INDIAN INCOME TAX RETURN ACKNOWLEDGEMENT		Assessment Year	
[Where the data of the Return of Income in Form ITR-1 (SAHAJ), ITR-2, ITR-3, ITR-4(SU/GAM), ITR-5, ITR-6, ITR-7 filed and verified] (Please see Rule 12 of the Income-tax Rules, 1962)		2020-21	
PAN			
Name			
Address			
Status	Form Number		
Filed u/s	e-Filing Acknowledgement Number		
Taxable Income and Tax details	Current Year business loss, if any	1	
	Total Income		
	Book Profit under MAT, where applicable	2	
	Adjusted Total Income under AMT, where applicable	3	
	Net tax payable	4	
	Interest and Fee Payable	5	
	Total tax, interest and Fee payable	6	
	Taxes Paid	7	
(+)Tax Payable (-)Refundable (6-7)	8		
Dividend Distribution Tax details	Dividend Tax Payable	9	
	Interest Payable	10	
	Total Dividend tax and interest payable	11	
	Taxes Paid	12	
	(+)Tax Payable (-)Refundable (11-12)	13	
Accreted Income & Tax Detail	Accreted Income as per section 115TD	14	
	Additional Tax payable u/s 115TD	15	
	Interest payable u/s 115TE	16	
	Additional Tax and interest payable	17	
	Tax and interest paid	18	
(+)Tax Payable (-)Refundable (17-18)	19		
Income Tax Return submitted electronically on DD-MM-YYYY 00:00:00 from IP address _____ and verified			
by _____ having PAN _____ on _____ using _____ paper ITR-Verification			
Form /Electronic Verification Code _____ generated through			
_____ mode			
System Generated Barcode/QR Code			

* Strike of whichever is not applicable

DO NOT SEND THIS ACKNOWLEDGEMENT TO CPC, BENGALURU

Thank You

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Vamshi Mergu

~ CA. Shashank A. Mehta

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*'It's not the profession that glorifies you,
you glorify the profession.'*

(281 and Beyond - VVS Laxman)