

# CHAPTER 16

## FILING OF RETURN

### 1. ICAI STUDY MATERIAL QUESTIONS

#### Concept Problem 1

Paras aged 55 years is a resident of India. During the F.Y. 2021-22, interest of INR 2,88,000 was credited to his Non-resident (External) Account with SBI. INR 30,000, being interest on fixed deposit with SBI, was credited to his saving bank account during this period. He also earned INR 3,000 as interest on this saving account. Is Paras required to file return of income?

What will be your answer, if he has incurred INR 3 lakhs as travel expenditure of self and spouse to US to stay with his married daughter for some time?

#### Solution

An individual is required to furnish a return of income under section 139(1) if his total income, before giving effect to the deductions under Chapter VI-A or exemption under section 54/54B/54D/54EC or 54F, exceeds the maximum amount not chargeable to tax i.e. INR 2,50,000 (for A.Y. 2022-23).

Computation of total income of Mr. Paras for A.Y. 2022-23.

Particulars	Amount
<b>Income from other sources</b>	
Interest earned from Non-resident (External) Account INR 2,88,000 [Exempt u/s 10(4)(ii), assuming that Mr. Ram has been permitted by RBI to maintain the aforesaid account]	Nil
Interest on fixed deposit with SBI	30,000
Interest on savings bank account	3,000
<b>Gross Total Income</b>	<b>33,000</b>
Less: Deduction under section 80TTA (Interest on saving bank account)	3,000
<b>Total Income</b>	<b>30,000</b>

Since the total income of Mr. Paras for A.Y.2022-23, before giving effect, inter alia, to the deductions under Chapter VI-A, is less than the basic exemption limit of INR 2,50,000, he is not required to file return of income for A.Y.2022-23.

#### Note:

In the above solution, interest of INR 2,88,000 earned from Non-resident (External) account has been taken as exempt on the assumption that Mr. Paras, a resident, has been permitted by RBI to maintain the aforesaid account.

However, in case he has not been so permitted, the said interest would be taxable. In such a case, his total income, before giving effect, inter alia, to the deductions under Chapter VI-A, would be INR 3,21,000 (INR 30,000 + INR 2,88,000 + INR 3,000), which is higher than the basic exemption limit of INR 2,50,000. Consequently, he would be required to file return of income for A.Y.2022-23.

If he has incurred expenditure of INR 3 lakhs on foreign travel of self and spouse, he has to mandatorily file his return of income on or before the due date under section 139(1).

#### Concept Problem 2

Explain with brief reasons whether the return of income can be revised under section 139(5) of the Income-tax Act, 1961 in the following cases:

*This Question Bank is meant for Nov 2022 exams and must be read with our Lectures (Regular or Fast Track) as many additional concepts are covered in class. We do lots of written practice in class & Kishan Sir personally evaluates grand Mock Test. Must cover Income Tax Chalisa Handwritten Notes as well.*

- i) Belated return filed under section 139(4).
- ii) Return already revised once under section 139(5)
- iii) Return of loss filed under section 139(3).

### Solution

Any person who has furnished a return under section 139(1) or 139(4) can file a revised return at any time before the end of the relevant assessment year or before the completion of assessment, whichever is earlier, if he discovers any omission or any wrong statement in the return filed earlier.

Accordingly,

- i) A belated return filed under section 139(4) can be revised.
- ii) A return revised earlier can be revised again as the first revised return replaces the original return. Therefore, if the Assessee discovers any omission or wrong statement in such a revised return, he can furnish a second revised return within the prescribed time i.e. within the end of the relevant assessment year or before the completion of assessment, whichever is earlier.
- iii) A return of loss filed under section 139(3) is deemed to be return filed under section 139(1), and therefore, can be revised under section 139(5).

### Concept Problem 3

Mrs. Hetal, an individual engaged in the business of Beauty Parlour, has got her books of account for the Financial year ended on 31st March, 2022 audited under section 44AB. Her total income for the assessment year 2022-23 is INR 3,35,000. She wants to furnish her return of income for assessment year 2022-23 through a tax return preparer. Can she do so?

### Solution

Section 139B provides a scheme for submission of return of income for any assessment year through a tax return preparer. However, it is not applicable to persons whose books of account are required to be audited u/s 44AB.

Therefore, Mrs. Hetal cannot furnish her return of income for A.Y.2022-23 through a tax return preparer.

### Concept Problem 4

State with reasons, whether the following statements are true or false, with regard to the provisions of the Income-tax Act, 1961:

- i) The Assessing Officer has the power, inter alia, to allot PAN to any person by whom no tax is payable.
- ii) Where the Karta of a HUF is absent from India, the return of income can be verified by any male member of the family.
- iii) Return of income of Limited Liability Partnership (LLP) could be verified by any partner.
- iv) Time limit for filing return under section 139(1) in the case of Mr. A having total turnover of INR 160 lakhs (100 lakhs received in cash) for the year ended 31.03.2022, whether or not opting to offer presumptive income under section 44AD, is 31<sup>st</sup> October 2022.
- v) A Limited Liability Partnership with business loss of INR 130,000 is not required to file ROI.

### Solution

- i) **True:** Section 139A(2) provides that the Assessing Officer may, having regard to the nature of transactions as may be prescribed, also allot a PAN to any other person, whether any tax is payable by him or not, in the manner and in accordance with the procedure as may be prescribed.
- ii) **False:** Section 140(b) provides that where the Karta of a HUF is absent from India, the return of income can be verified by any other adult member of the family; such member can be a male or female member.

- iii) **Disagree:** The return of income of LLP should be verified by a designated partner. Any other partner can verify the Return of Income of LLP only in the following cases:
- where for any unavoidable reason such designated partner is not able to verify the return, or,
  - where there is no designated partner.
- iv) **Disagree:** In case Mr. A opts to offer his income as per the presumptive taxation provisions of section 44AD, then, the due date under section 139(1) for filing of return of income for the year ended 31.03.2022, shall be 31<sup>st</sup> July, 2022
- In case Mr. A does not opt for presumptive taxation provisions under section 44AD and, has to get his accounts audited under section 44AB, since his turnover exceeds INR 1 crore, in which case, the due date for filing return would be 31<sup>st</sup> October, 2022.
- v) **False:** As per third proviso to section 139(1), every Company or Firm shall furnish on or before the due date the return in respect of its income or loss in every previous year.
- Since LLP is included in the definition of “Firm” under the Income-tax Act, 1961, it has to file its return mandatorily, even though it has incurred a loss.

### Concept Problem 5

Mr. Vineet submits his return of income on 12-09-2022 for A.Y 2022-23 consisting of income under the head “Salaries”, “Income from house property” and bank interest. On 21-12-2022, he realized that he had not claimed deduction under section 80TTA in respect of his interest income on the Savings Bank Account. He wants to revise his return of income. Can he do so? Examine. Would your answer be different if he discovered this omission on 21-03-2023?

### Solution

Since Mr. Vineet has income only under the heads “Salaries”, “Income from house property” and “Income from other sources”, he does not fall under the category of a person whose accounts are required to be audited under the Income-tax Act, 1961 or any other law in force. Therefore, the due date of filing return for A.Y.2022-23 under section 139(1), in his case, is 31<sup>st</sup> July, 2022. Since Mr. Vineet had submitted his return only on 12.9.2022, the said return is a belated return under section 139(4).

As per section 139(5), a return furnished under section 139(1) or a belated return u/s 139(4) can be revised. Thus, a belated return under section 139(4) can also be revised. Therefore, Mr. Vineet can revise the return of income filed by him under section 139(4) in December 2022, to claim deduction under section 80TTA, since the time limit for filing a revised return is three months prior to the end of the relevant assessment year, which is 31.12.2022.

However, he cannot revise return had he discovered this omission only on 21-03-2023, since it is beyond 31.12.2022.

### Concept Problem 6

Explain the term “return of loss” under the Income-tax Act, 1961. Can any loss be carried forward even if return of loss has not been filed as required?

### Solution

A return of loss is a return which shows certain losses. Section 80 provides that the losses specified therein cannot be carried forward, unless such losses are determined in pursuance of return filed under the provisions of section 139(3).

Section 139(3) states that to carry forward the losses specified therein; the return should be filed within the time specified in section 139(1).

Following losses are covered by section 139(3):

- business loss to be carried forward under section 72(1),

- b) speculation business loss to be carried forward under section 73(2),
- c) loss from specified business to be carried forward under section 73A(2).
- d) loss under the head “Capital Gains” to be carried forward under section 74(1); and
- e) loss incurred in the activity of owning and maintaining race horses to be carried forward u/s 74A(3)

However, loss from house property to be carried forward under section 71B and unabsorbed depreciation under section 32 can be carried forward even if return of loss has not been filed as required under section 139(3).

### Concept Problem 7

Mr. Aakash has undertaken certain transactions during the F.Y.2021-22, which are listed below. You are required to identify the transactions in respect of which quoting of PAN is mandatory in the related documents:

S.No.	Transaction
1.	Payment of life insurance premium of INR 45,000 in the F.Y.2021-22 by account payee cheque to LIC for insuring life of self and spouse
2.	Payment of INR 1,00,000 to a five-star hotel for stay for 5 days with family, out of which INR 60,000 was paid in cash
3.	Payment of INR 80,000 by ECS through bank account for acquiring the debentures of A Ltd., an Indian company
4.	Payment of INR 95,000 by account payee cheque to Thomas Cook for travel to Dubai for 3 days to visit relatives
5.	Applied to SBI for issue of credit card.

### Solution

	Transaction	Is quoting of PAN mandatory?
1.	Payment of life insurance premium of INR 45,000 in the F.Y.2021-22 by account payee cheque to LIC for insuring life of self and spouse	No, since the amount paid does not exceed INR 50,000 in the F.Y.2021-22.
2.	Payment of INR 1,00,000 to a five-star hotel for stay for 5 days with family, out of which INR 60,000 was paid in cash	Yes, since the amount paid in cash exceeds INR 50,000
3.	Payment of INR 80,000, by ECS through bank account, for acquiring the debentures of A Ltd., an Indian company	Yes, since the amount paid for acquiring debentures exceeds INR 50,000. Mode of payment is not relevant in this case.
4.	Payment of INR 95,000 by account payee cheque to Thomas Cook for travel to Dubai for 3 days to visit relatives	No, since the amount was paid by account payee cheque, quoting of PAN is not mandatory even though the payment exceeds INR 50,000
5.	Applied to SBI for issue of credit card.	Yes, quoting of PAN is mandatory on making an application to a banking company for issue of credit card.

## 2. ICAI RTPS, MTPS AND PAST YEAR QUESTIONS

### Concept Problem 8

Enumerate the circumstances in which an individual Assessee is empowered to verify his return of income under section 139 by himself or otherwise by any authorized person.

### Solutions

The following table enumerates the specific circumstances and the authorized persons empowered to verify the return of income of an individual Assessee filed under section 139(1) in each such circumstance:

*This Question Bank is meant for Nov 2022 exams and must be read with our Lectures (Regular or Fast Track) as many additional concepts are covered in class. We do lots of written practice in class & Kishan Sir personally evaluates grand Mock Test. Must cover Income Tax Chalisa Handwritten Notes as well.*

S No.	Circumstances	ROI Verified by
1	Where he is absent from India	Individual himself; <b>or</b> any person duly authorized by him in this behalf holding a valid power of attorney from the individual. (Such power of attorney should be attached to ROI)
2	Where he is mentally incapacitated from attending to his affairs	His guardian; or any other person competent to act on his behalf.
3	Where, for any other reason, it is not possible for the individual to verify the return	Any person duly authorized by him in this behalf holding a valid power of attorney from the individual (Such power of attorney should be attached to ROI)
4	In circumstances not covered above	The individual himself.

### Concept Problem 9

Examine with reasons, whether quoting of PAN in the following transactions is mandatory or not, as per the provisions of Income-tax Act, 1961 for A.Y. 2022-23:

- i) Mr. Nihar makes cash payment to a hotel Ginger, Rishikesh of Rs. 50,000 against the bill raised by the hotel.
- ii) Mr. Suresh, in a single transaction, makes contract of Rs. 1,85,000 for sale/purchase of securities (other than shares) as defined in section 2(h) of the Securities Contracts (Regulation) Act, 1956.
- iii) Payment to Mutual Funds of Rs. 57,000 for purchase of its units.

### Solution

Requirement of quoting PAN in respect of certain transactions [Rule 114B of Income-tax Rules, 1962]

- i) PAN not required to be quoted:  
Mr. Nihar is not required to quote his PAN while making payment Rs. 50,000 in cash to a hotel Ginger, Rishikesh, since such payment does not exceed Rs. 50,000.
- ii) PAN is mandatorily required to be quoted:  
Mr. Suresh is required to quote his PAN while making contract of Rs. 1,85,000 for sale/purchase of securities (other than shares) as defined in section 2(h) of the Securities Contracts (Regulation) Act, 1956, since amount of the transaction exceeds Rs. 1,00,000.
- iii) PAN is required to be quoted:  
PAN has to be mandatorily quoted while making payment of Rs. 57,000 to Mutual Funds for purchase of its units, since such payment exceeds Rs. 50,000.

### Concept Problem 10

Briefly mention the provisions of Income-tax Act, 1961 with regard to quoting Aadhar Number under section 139AA of the Act.

### Solution

#### Provisions of Income-tax Act, 1961 relating to quoting of Aadhar Number under section 139AA

Every person who is eligible to obtain Aadhar Number is required to mandatorily quote Aadhar Number, on or after 1<sup>st</sup> July, 2017:

- a) in the application form for allotment of Permanent Account Number (PAN)
- b) in the return of income

The provisions of section 139AA relating to quoting of Aadhar Number would, however, not apply to an individual who does not possess the Aadhar number or Enrolment ID and is:

*This Question Bank is meant for Nov 2022 exams and must be read with our Lectures (Regular or Fast Track) as many additional concepts are covered in class. We do lots of written practice in class & Kishan Sir personally evaluates grand Mock Test. Must cover Income Tax Chalisa Handwritten Notes as well.*

- i) residing in the States of Assam, Jammu & Kashmir and Meghalaya;
- ii) a non-resident as per Income-tax Act, 1961;
- iii) of the age of 80 years or more at any time during the previous year;
- iv) not a citizen of India.

If a person does not have Aadhar Number, he is required to quote Enrolment ID of Aadhar application form issued to him at the time of enrolment in the application form for allotment of PAN or in the return of income furnished by him.

Every person who has been allotted PAN as on 1<sup>st</sup> July, 2017, and who is eligible to obtain Aadhar Number, shall intimate his Aadhar Number to prescribed authority on or before a date as may be notified by the Central Government.

### Concept Problem 11

Can Mr. Raghuram file his return for the A.Y. 2022-23 belatedly u/s 139(4) in the previous year 2023-24, if he has failed to file said return on or before the due date of filing return of income for the A.Y. 2022-23, due to inadvertent reasons? Also, specify the consequences of non-filing of return within the due date under section 139(1).

### Solution –

If any person fails to furnish a return within the time allowed to him under section 139(1), he may furnish the belated return for any previous year at any time –

- i. Before the end of the relevant assessment year, or
- ii. Before the completion of the assessment, whichever is earlier.

The last date for filing return of income for A.Y. 2022-23 is 31<sup>st</sup> December, 2023. Thereafter Mr. Raghuram cannot furnish his belated return. Since previous year 2023-24 begins on 1st April, 2023, Mr. Raghuram cannot file his return of income for the A.Y. 2022-23 u/s 139(4) in the previous year 2023-24.

### Consequences for non – filing return of income within the due date under section 139(1)

**Carry Forward and set-off certain losses** : Carry forward and set-off of business loss, speculation business loss, loss from specified business, loss under the head “Capital Gains”, and loss from the activity of owning and maintaining race horses, would not be allowed to be carried forward whereas return of income is not furnished within the time limit allowed under section 139(1).

**Interest under Section 234A** : Interest under section 234A@1% per month or part of the month for the period commencing from the date immediately following the due date under section 139(1) till the date of furnishing of return of income is payable where the return of income is furnished after the due date. However, no interest u/s 234A shall be charged on self-assessment tax paid by the assessee on or before the due date of filing of return.

**Fee under section 234F**: Late fee of 5,000 would be payable under section 234F, if the return of income is not filed before the due date specified in section 139(1).

However, such fee cannot exceed 1,000, if the total income does not exceed 5,00,000.

### Concept Problem 12

~~Enumerate the cases where a return of loss has to be filed on or before the due date specified u/s 139(1) for carry forward of the losses. Also enumerate the cases where losses can be carried forward even though the return of loss has not been filed on or before the due date.~~

### Solution

~~As per section 139(3), an assessee is required to file a return of loss within the due date specified u/s 139(1) for filing return of income.~~



~~As per section 80, certain losses which have not been determined in pursuance of a return filed under section 139(3) on or before the due date specified under section 139(1) cannot be carried forward and set off. Thus, the assessee has to file a return of loss under section 139(3) within the time allowed u/s 139(1) in order to carry forward and set off of following losses:~~

- ~~— Loss under the head “Capital Gains”~~
- ~~— Loss from activity of owning and maintaining race horses.~~
- ~~— Business loss~~
- ~~— Speculation business loss and~~
- ~~— Loss from specified business.~~

~~However, following can be carried forward for set off even if the return of loss has not been filed before the due date:~~

- ~~— Loss under the head “Income from house property” and~~
- ~~— Unabsorbed depreciation.~~

### Concept Problem 13

You are required to state with reasons, whether the assessee is still required to file the return of income or loss for A.Y. 2022-23 in each of the following independent situations:

- i) Manish & Sons (HUF) sold a residential house on which there arose a long term capital gain of 12 lakhs which was invested in Capital Gain Bonds u/s 54EC so that no long term capital gain was taxable.
- ii) Mrs. Archana was born in Germany and married in India. Her residential status under section 6(6) of the Income-tax Act, 1961 is ‘resident and ordinarily resident’. She owns a car in Germany which she uses for her personal purposes during her visit to her parent place in that country.
- iii) Sudhakar has incurred an expenditure of 1,20,000 towards consumption of electricity, the entire payment of which was made through banking channels.

### Solution

- i) A HUF whose total income without giving effect to, inter alia, section 54EC, exceeds the basic exemption limit of 2,50,000, is required to file a return of its income on or before the due date under section 139(1). In this case, since the total income without giving effect to exemption under section 54EC is 12 lakhs, exceeds the basic exemption limit, the HUF is required to file its return of income for A.Y. 2022-23 on or before the due date under section 139(1).
- ii) Every person, being a resident other than not ordinarily resident in India would be required to file a return of income or loss for the previous year on or before the due date, even if his or her total income does not exceed the basic exemption limit, if such person at any time during the previous year, inter alia, holds any asset located outside India.

In this case, though Mrs. Archana owns a car in Germany, the same does not fall within the ambit of “Capital asset” as it is a personal effect. Hence, Mrs. Archana is not required to file her return of income for A.Y. 2022-23 on account of owning a car for personal purposes in Germany.

- iii) If an individual has incurred expenditure exceeding 1 lakh towards consumption of electricity during the previous year, he would be required to file a return of income, even if his total income does not exceed the basic exemption limit. Since Mr. Sudhakar has incurred expenditure of 1,20,000 in the P.Y. 2021-22 towards consumption of electricity, he has to file his return of income for A.Y. 2022-23 on or before the due date under section 139(1).

### Concept Problem 14

Mr. Mukesh born on 1.4.1962 furnished his original return for Assessment Year 2022-23 on 30.07.2022. He has shown salary income of 7.30 lakhs (computed) and interest from his savings bank of 12,700 and from his fixed

*This Question Bank is meant for Nov 2022 exams and must be read with our Lectures (Regular or Fast Track) as many additional concepts are covered in class. We do lots of written practice in class & Kishan Sir personally evaluates grand Mock Test. Must cover Income Tax Chalisa Handwritten Notes as well.*

deposits of 43,000. He also claimed deduction under section 80C of 1.50 lakhs. He had claimed deduction u/s 80D of 25,000. He also claimed deduction u/s 80TTA of 10,000. His employer had deducted TDS of 33,950 from his salary, which he adjusted fully against tax payable.

He paid health insurance premium of 38,000 by account payee cheque for self and wife. He paid 1,500 in cash for his health check-up and 4,000 by cheque for preventive health check-up of his parents. He also paid medical insurance premium of 33,000 during the year to insure the health of his mother, aged 80 years, staying with his younger brother. He further incurred medical expenditure of 25,000 on his father, aged 81 years, who is staying with him. His father is not covered under any Mediclaim policy.

He seeks your advice about possibility of revising his return and if possible, file his revised return. Analyze the above narrated facts as per applicable provisions of the Income-tax Act, 1961. Does he need to revise his return and for what reasons? Please advise him suitably and if needed, re-compute his income and tax payable or refund due for the Assessment Year 2022-23.

### Solution

#### Computation of total income of Mr. Mukesh for A.Y.2022-23 [As per the original return filed by him]

	Particulars	Amount	Amount
i.	<b>Salaries (Computed)</b>		7,30,000
ii.	<b>Income from Other Sources</b>		
	Interest on savings bank account	12,700	
	Interest on fixed deposits	43,000	55,700
	<b>Gross Total Income</b>		<b>7,85,700</b>
	<b>Less: Deductions under Chapter VI –A</b>		
i.	Deduction u/s 80C	1,50,000	
ii.	Deduction u/s 80D	25,000	
iii.	Deduction u/s 80TTA	10,000	1,85,000
	<b>Total Income</b>		<b>6,00,700</b>

#### Computation of tax liability of Mr. Mukesh for A.Y. 2022-23 (As per original return)

Particulars	Amount
Tax on total income [20% of 1,00,700 (i.e., 6,00,700 – 5,00,000) + 12,500]	32,640
Add: HEC @ 4%	1306
Tax payable on total income	33,946
<b>Tax payable on total income (rounded off)</b>	<b>33,950</b>
Less: Tax deducted at source u/s 192	33,950
<b>Tax Payable</b>	<b>Nil</b>

#### Need for filing revised return – Analysis

Since Mr. Mukesh's birthday falls on 1.4.2022, he would be treated as having completed 60 years of age in the P.Y.2021-22, and hence, he would be eligible for the benefit of higher deduction u/s 80D, higher deduction of up-to 50,000 u/s 80TTB (instead of 10,000 u/s 80TTA) while computing his total income as well as for higher basic exemption limit of 3,00,000 in the P.Y.2021-22 itself while computing his tax liability. Also, he would be entitled to deduction in respect of medical insurance premium paid to insure the health of his mother and medical expenses incurred on his father who is not covered under any Mediclaim policy.

Accordingly, having discovered such omissions in the original return, he has to file his revised return of income u/s 139(5) on or before 31.3.2023 to avail these benefits which he has not availed while filing his original return of income.



The computation of total income and tax liability (refund due) as per revised return are worked out here under:

### Computation of Total Income of Mr. Mukesh for the A.Y. 2022-23 [As per the Revised Return]

	Particulars	Amount	Amount
i.	<b>Salaries (Computed)</b>		7,30,000
ii.	<b>Income from Other Sources</b>		
	Interest on savings bank account	12,700	
	Interest on fixed deposits	43,000	
			55,700
	<b>Gross Total Income</b>		<b>7,85,700</b>
	<b>Less: Deductions under Chapter VI –A</b>		
i.	<b>Deduction u/s 80C</b>	1,50,000	
ii.	<b>Deduction u/s 80D</b>		
	Medical insurance premium for self and spouse	38,000	
	Preventive health check-up for self (allowable even if paid in cash)	1,500	
	<b>Fully allowed as it is within overall limit of 50,000 for family</b>	<b>39,500</b>	
	Medical insurance premium for mother	33,000	
	Medical expenditure for father not covered under any policy	25,000	
	Preventive health check-up for parents (4,000, restricted to 3,500, being 5,000 -1,500 claimed for self and spouse)	3,500	
		<u>61500</u>	
	Restricted to maximum of 50,000 for parents	50,000	
		<b>89,500</b>	
iii.	<b>Deduction u/s 80TTB</b>		
	Interest on saving bank account	12,700	
	Interest on fixed deposits	43,000	
		55,700	
	Restricted to maximum of 50,000	50,000	2,89,500
	<b>Total Income</b>		<b>4,96,200</b>

### Computation of tax liability of Mr. Mukesh for A.Y. 2022-23 [As per the Revised Return]

Particulars	Amount
Tax on total income [5% of 1,96,200 (i.e., 4,96,200 – 3,00,000 basic exemption limit)]	9,810
Less: Rebate u/s 87A (Since his total income does not exceed 5 lakh) – 12,500 or tax on total income, whichever is lower	9,810
Tax payable on total income	Nil
Less: Tax deducted at source u/s 192	33,950
<b>Refund due</b>	<b>33,950</b>

Therefore, Mr. Mukesh has to file a revised return showing the above revised computation of total income and tax liability on or before 31.3.2023 to claim the enhanced deductions which he had not claimed in the original return

*This Question Bank is meant for Nov 2022 exams and must be read with our Lectures (Regular or Fast Track) as many additional concepts are covered in class. We do lots of written practice in class & Kishan Sir personally evaluates grand Mock Test. Must cover Income Tax Chalisa Handwritten Notes as well.*

and get refund of the entire income-tax of 33,950 deducted at source by his employer.

### Concept Problem 15

What is the fee for default in furnishing return of income u/s 234F?

#### Solution

Where a person, who is required to furnish a return of income under section 139, fails to do so within the prescribed time limit under section 139(1), he shall pay, by way of fee, a sum of Rs. 5,000.

However, if the total income of the person does not exceed Rs. 5 lakhs, the fees payable shall not exceed Rs. 1,000.

### Concept Problem 16

Mr. Naksh has undertaken certain transactions during the F.Y.2021-22, which are listed below. You are required to identify the transactions in respect of which quoting of PAN is mandatory in the related documents:

	Particulars
1.	Payment of life insurance premium of Rs. 40,000 in F.Y. 2021-22 by account payee cheque to LIC for insuring life of self and spouse
2.	Payment of Rs. 1,10,000 to RBI acquiring its bonds
3.	Applied for issue of credit card to SBI
4.	Payment of Rs. 1,00,000 by account payee cheque to travel agent for travel to Singapore for 3 days to visit

#### Solution

	Transaction	Is quoting of PAN mandatory?
1.	Payment of life insurance premium of Rs. 40,000 in the F.Y. 2021-22 by account payee cheque to LIC for insuring life of self and spouse.	No, since the amount does not exceed Rs. 50,000 in the F.Y. 2021-22.
2.	Payment of Rs. 1,10,000 to RBI for acquiring its bonds.	Yes, since the amount paid exceeds Rs. 50,000
3.	Applied to SBI for issue of credit card.	Yes, quoting of PAN is mandatory on making an application to Bank for issue of credit card.
4.	Payment of Rs. 1,00,000 by account payee cheque to travel agent for travel to Dubai for 3 days to visit.	No, since the amount was paid by account payee cheque, quoting of PAN is not mandatory even though the payment exceeds Rs. 50,000.

### Concept Problem 17

Elaborate the conditions, non-fulfilment of which would render a return of income filed by an assessee not maintaining regular books of accounts, defective.

### Concept Problem 18

Briefly explain the concept of self- assessment tax u/s 140 A of the Income- tax Act, 1961 and its components.