

# FILING OF RETURN OF INCOME.

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**Mandatory Filing of Return on Income** [more than this amt he will compulsory to file return within prescribed time]

## Deposits

- Current a/c - 1000000
- Savings a/c - 500000

Foreign Travel - 200000

Electricity consumption - 100000

Total Sales - 6000000

Profession - 1000000

## TDS & TCS

- persons - 25000
- Senior - 50000

## Due dates for filing return on Income.

Assessee including partners U/S 92E 30-11-20--

Company, Non-corporate, firm 31-10

Assessee [who get Salary, HP, Capital gain, OS, PGBP] 31-07

## Forms of Income tax Return [ITR]

ITR - 1 For individuals having salary & one HP, other sources except lottery & Race horses  
Total income upto 5000000

ITR - 2 For individuals having income other than PGBP

ITR - 3 For individuals & HUF having income from PGBP

ITR - 4. For individuals, HUF & firm (other than LLP)  
Presumptive income 44AD, 44ADA, 44E

ITR - 5 For firms, AOP, BOI

ITR - 6. For companies

ITR - 7 For charitable, religious, trusts, political party

ITR - 8. Acknowledgement.

## Fees for default in furnishing Return of Income

Total income does not exceed ₹ 500000 - 1000 Section (120B)

Total income exceeds ₹ 500000 - 5000

## Sec 139(3) Loss Return

Option to carry forward:

Business loss (Speculative bis)

Loss from bis Specified U/S 35AD.

Capital loss

Loss from owing & maintaining race horses

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} if loss return is filed within the due date U/S 139(1)

Exception: Loss from HP

unabsorbed depreciation

} loss return is not filed before the due date U/S 139(1)

## Sec 139(4) Belated Return

who can file: assessee, who fails to file Return within time limit U/S 139(1)

Time limit: Before 31<sup>st</sup> Dec (or) before completion of AY → WEF Earlier

Fee: Income < 500000 - 1000

Income > 500000 - 5000

Interest: liable to pay int U/S 234A [1% P.M.]

## Sec 139(4A) Return by Charitable (or) religious trust

who can file: Every person who is receipt of income from property held under trust wholly or partly, by way of voluntary contribution.

Time limit: Exemption U/S 11 or 12 exceeds basic limit on or before due date U/S 139(1)

Penalty: 100 per day during which failure continues U/S 272A(2)

## Sec 139(5) Revised Return

who can file: assessee discovers any omission in filing return U/S 139(5) he can again be revised & also loss can be revised

Time limit: On or before 31<sup>st</sup> Dec (or) before completion of AY → WEF Earlier

## Sec 139(9) Defective Return

General details

- Tax Computation Statement
- Audit Report U/S 44AB
- Payment of TDS & TCS, advance tax
- Compulsory deposit
- Audited financial Statement

accounts of assessee are audited under any other law

Specific details

> Books maintain by assessee

- Financial Statement
- Capital a/c, personal / owner / partner a/c

> Books not maintain by assessee

- Statement of turnover & income Statement
- Statement of current assets & liabilities

## Sec-14 Identification & Signing of ROI

### Individual:

- Present in India - assess himself
- Absent in India - himself (or) authorised by him
- Mentally incapable - by behalf (or) legal guardian
- Other reason - person duly authorised by him

### Hindu undivided Family

- General - Karta
- Karta absent (or) mentally incapable - any other adult member

### Company

- General - Managing director (MD)
- MD is not able to sign (or) No MD - other director
- Co not resident in India - holder of a valid power of attorney
- Co is in liquidation - The liquidator
- Mgt taken over govt - principal officer
- Corporate insolvency resolution - professional appointed

### Local authority - principal officer

### Political party - chief executive officer

### Association of persons - any member (or) principal officer

### Any other person - sign on his behalf.

## Sec 139 (8A) updated Return

Time limit - within 24 Months

Non-applicability - it can't be file return on loss, decreasing tax liability & increases refund.

Not Eligible for updated return.

- \* Already updated
- \* Any proceeding is pending
- \* Assessing officer has info in respect of smugglers Act 1976, 1982  
Black money
- \* Assesse received agreements under Sec 90 or 90A
- \* Assesse is in jail
- \* Person belongs to such class notified by CBDT

### Computation of additional Income tax

- \* Income after expiry of 139 (4) or (5) before completion of the period 12M  
25% of aggregate of tax + surcharge + cess & int
- \* after 12M & end of AY before completion of of period 24M  
50% of aggregate of tax + surcharge + cess & int

Sec-139 B

## Tax Return preparer

Meaning: A TRP is an individual who has been authorized to make any specified class of person to prepare

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### TRP Scheme:

- TRP shall assist the person furnishing the ROI
- The Educational & other qualifications to be possessed
- Training & other conditions required to be fulfilled
- Code of Conduct
- Duties & obligations
- Authorization may be withdrawn
- Any other matter

### Not Eligible

CA, legal practitioners, officers of Scheduled bank, Current a/c holder

### Educational Qualifications

- Bachelor of any degree from recognised indian university
- Pass Inter level examination conducted by ICAI, ICMAI & ICS2

## PAN

It is 10 digits alpha-numeric code given by Income tax department  
A person can have only one PAN.

### Mandatory Application for allotment of PAN

|   |   |
|---|---|
| Any person his <sup>Person need to apply PAN</sup> total income exceeds Basic limit | - On or before 31 <sup>st</sup> May                           |
| Resident person other than individual aggregate amt more than 250000                | - On or before 31 <sup>st</sup> May                           |
| Any MD, Director, Partner, trustee, author, founder                                 | - On or before 31 <sup>st</sup> May                           |
| Any Sales (or) turnover exceeds 500000 in PY  | - On or before end of AY                                      |
| Any person received income in TDS under FY  | - On or before end of AY                                      |
| Any person who required to export-import code                                       | - Before making   |
| Assesse under the GST   | - Before making application for register under <sup>95T</sup> |
| Any person intends to enter specified biz   | - 7 days before entering biz                                  |

Penalty on failure to apply for PAN → 10000 U/S 272B

### Voluntary application for PAN

Any person not covered under mandatory application for allotment of PAN can apply for PAN in the prescribed form & along with specified fee.

### Radhar Number

Every person is eligible to obtain Radhar Number after 1-7-2017

- In the application form for allotment of PAN
- In the return of Income

### Importance of PAN

v.v. Imp

## Sec-142 Inquiry before Assessment by department

Issue of notice to assessee - The assessing officer may issue a notice to person who not submitted ROF, documents & accounts, furnish writing info & statement of all assets & liabilities.

Direction to get Books of accounts audited

- > order for Audit by Assessing officer
- > Additional audit
- > Nomination of auditor
- > Timing of issue of order.
- > Time limit for Audit Report -> Not exceed 180 days
- > Form of audit Report
- > Audit fee.
- > Failure to conduct audit

## Sec-144 Best Judgement Assessment.

Meaning: An assessment carried out by applying the wide discretionary power of the assessing officer. VAG

Reasons for Best Judgement assessment.

- \* The assessee fails to file Return within due date. 139(1)(a) (s)
- \* The assessee fails to comply with all terms of a notice 148(1)(2A)
- \* The assessee fails to comply with all terms notice issued by 148(2)
- \* where Assessing officer is not satisfied about correctness
- \* where method of accounts not been regularly followed
- \* where income has not been computed under ICDS  
Income Computation disclosure Statement

## Sec-144 Income Escaping Assessment.

- > No return is filed by assessee
- > Assessee has filed ROF, but no Assessment made.
- > Assessment has been made on facts which are false
- > Report U/S 92E -> transfer Price
- > Assets outside India

Issue of Notice -> within 4 years from AY, by assessing officer not below rank of JCTT. After expiry of 4 years from end of AY

Time limit for issue of Notice

- upto 4 years - for any amt of income escaping assessment
- Beyond 4 years to 6 years - only 100000 or more
- Beyond 4 years to 16 years - only assets located outside India

Time limit for completion of Assessment

9 Months from the end of FY which is notified U/S 148