

SOME BASICS BEFORE PROCEEDING TO E FILE INCOME TAX RETURN

Financial Year (FY)	Assessment Year (AY)
FY is the period between 01 st of April to 31 st of March	AY is the <u>next year</u> in which the income is evaluated and taxed.
For example, if FY is from 1 April, 2016 - 31 March, 2017 , then it is known as FY 2016-17	For FY 2016-17, AY for income earned during this period will begin after the FY ends that is 1 April, 2017- 31 March,2018 (i.e AY 2018-19)

YOUR PAN STRUCTURE

- PAN structure is as follows: AAAAA9999A: First five characters are letters, next 4 numerals, last character letter
- Each assessee is uniquely identified by the PAN
- If the PAN does not follow the above structure, then the PAN will be shown invalid
- The fourth character of the PAN must be one of the following, depending on the type of assessee:
 - C — Company
 - P — Person
 - H — HUF(Hindu Undivided Family)
 - F — Firm
 - A — Association of Persons (AOP)
 - T — AOP (Trust)
 - B — Body of Individuals (BOI)
 - L — Local Authority
 - J — Artificial Juridical Person
 - G — Government
- The fifth character of the PAN is the first character
 - (a) of the surname / last name of the person, in the case of a "Personal" PAN card, where the fourth character is "P" or
 - (b) of the name of the Entity/ Trust/ Society/ Organisation in the case of Company/ HUF/ Firm/ AOP/ BOI/ Local Authority/ Artificial Juridical Person/ Govt, where the fourth character is "C","H","F","A","T","B","L","J","G".

Nowadays, the DOI (Date of Issue) of PAN card is mentioned at the right (vertical) hand side of the photo on the PAN card.

EXAMPLES: PAN:AAB**CC**3929J - **C**OAL INDIA LIMITED (COMPANY)
PAN:ABJ**F**AXXXXC - **A**ERIS EMPLOYMENT SERVICES (FIRM)
PAN:AFG**P**TXXXXD - GAUTAM KUMAR **T**HACKAR (INDIVIDUAL)

DO'S & DON'TS

DO'S

- Please ensure your Name,DOB,Sex in ADHAAR & PAN are **CORRECT & SAME**.
- Use **Strong Password** for accessing the e-Filing account
- Choose the **Correct ITR Form** for filing return
- Check your **Residential Status** for the Previous Year
- Mention **Mandatory Details** in Income Tax Return
- Verify Prepaid Taxes viz TDS, TCS, Advance Tax from **26 AS** Statement with Form 16/16A.
- File the ITR **before Deadline**
- Stay aware and cautious
- Verify the ITR using EVC / DSC / Aadhaar OTP / SEND ITR V TO CPC - BANGALORE

DONT'S

- DON'T Get confused between **AY** and **FY** while filing ITR
- DON'T Make a mistake in **TAN, Bank Account, Email** address
- DON'T **Forget** to Claim Deduction
- DON'T **Hurry** while filing ITR
- DON'T Work on ITRs using **public Wi-Fi**
- DON'T Ignore **Software Updates**
- **DON'T Reply to fraud mails, phone calls and SMS**
- DON'T **Share** your Personal Information

REGISTRATION OF PAN AT INCOME TAX E-FILING WEBSITE

Prerequisite

Before taxpayers start registration, ensure the following details should be hand-in-hand.

- Valid PAN
- Valid Mobile Number
- Valid Current Address
- Valid Email Address, preferably your own

Registration Process

Perform the following steps to register as a 'Individual User':

Step 1	Visit the 'e-Filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Click ' Register Yourself ' button located at right side of the Home Page.
Step 3	Select the user type as ' Individual ' ⇒ Click Continue
Step 4	Provide the following basic details: PAN Surname, First Name and Middle Name Date of birth Residential Status
Step 5	Click 'Continue'
Step 6	Fill in the following mandatory details: Password Details Contact Details Current Address Click 'Submit'

Step 7	<p>After registration, For Residents, a six digit OTP1 and OTP2 will be shared on your mobile number and email ID, specified at the time of registration. For Non-residents, OTP will be shared on your primary email ID, specified at the time of registration.</p>
Step 8	<p>Enter the correct OTP to complete the registration process</p>
Note:	<p>Your OTP will expire after 24 hours from the actual time of receipt. Hence, registration process will be expired. You need to register again from the beginning.</p>

Correct e-mail id & mobile number is required as the income tax department will send a [https: link](#) to the registered e mail id and a mobile PIN (OTP) to activate the account.

26 AS STATEMENT

Following details are available

- Advance tax, Self-Assessment Tax and Regular Assessment Tax paid by self
- Tax paid through Tax Deducted at Source (TDS) or TCS on behalf of users own presence
- Refund issued by the Department to self
- Information received from various agencies on high value transaction carried by self.
- This statement is presented yearly, which reflects the transaction of the concerned year.

Perform the following steps to view or download the form:

Step 1	<u>Logon</u> to the ' e-Filing ' Portal www.incometaxindiaefiling.gov.in
Step 2	Go to the ' My Account ' menu located at upper-left side of the page ⇒ Click ' View Form 26 AS (Tax Credit) ' , User is redirected to TDS-CPC Portal
Step 3	View the disclaimer ⇒ Click ' Confirm ' ⇒ Agree the acceptance of usage ⇒ Click ' Proceed '
Step 4	Click ' View Tax Credit (Form 26AS) '
Step 5	Select the ' Assessment Year ' and ' View type ' (HTML, Text or PDF)
Step 6	Click ' View / Download '

MISCONCEPTIONS AS TO FILING OF INCOME TAX RETURN

- Some think if their income is not taxable, they need not file their return.
- Others believe that if tax has been deducted at source, their tax compliance is taken care of.
- It is mandatory to file Income Tax Return if you own a PAN Number.

TRUTH:

The rules say that an individual has to file his tax return if the "**GROSS TOTAL INCOME**" is above the **basic exemption limit**.

This limit is Rs 2.5 lakh for general taxpayers,
Rs 3 lakh for senior citizens (above 60 years) and
Rs 5 lakh for very senior citizens (above 80 years)

EXAMPLE

	TAXPAYER A	TAXPAYER B	TAXPAYER C	VERY SENIOR CITIZEN TAXPAYER
GROSS TOTAL INCOME	₹3 LAKH	₹4 LAKH	₹8 LAKH	₹4.5 LAKH
Exemptions (HRA, conveyance, LTA, etc)	₹20,000	₹1.6 lakh	₹2 lakh	Nil
Deductions (80C, 80D, 80TTA)	₹40,000	₹70,000	₹1.5 lakh	₹1.5 lakh
Net taxable income	₹2.4 lakh	₹1.7 lakh	₹4.5 lakh	₹3 lakh
Tax payable	Nil	Nil	₹15,450	Nil
Tax deducted at source	Nil	Nil	₹15,450	₹25,000
WHETHER INDIVIDUAL HAS TO FILE RETURNS?	YES Even though tax is nil, the gross income before deductions is above basic limit.	NO After exemptions, the gross income is below the basic limit.	YES Even though all taxes are paid, gross income is above the basic limit.	YES Return has to be filed to claim refund of TDS on bank deposits.

GROSS TOTAL INCOME = TAXABLE INCOME BEFORE DEDUCTIONS U/S 80C TO 80U

CHOOSING THE CORRECT ITR

ITR	Description
ITR 1	For Individuals having Income from Salaries, one house property, other sources (Interest etc.) and having total income upto Rs.50 lakh
ITR 2	For Individuals and HUFs not carrying out business or profession under any proprietorship
ITR 3	For individuals and HUFs having income from a proprietary business or profession
ITR 4	For presumptive income from Business & Profession
ITR 5	For persons other than:- (i) Individual, (ii) HUF, (iii) Company and (iv) Person filing Form ITR-7
ITR 6	For Companies other than companies claiming exemption under section 11
ITR 7	For persons including companies required to furnish return under sections 139(4A) or 139(4B) or 139(4C) or 139(4D) or 139(4E) or 139(4F)

FORM	SAHAJ ITR-1	INDIVIDUAL INCOME TAX RETURN	Assessment
		[For Individuals having Income from Salaries, One House Property, Other Sources (Interest etc.) and having taxable income upto Rs.50 lakh] (Refer instructions for eligibility)	Year 2017-18

NOTE: ITR FORMS are released every year after the end of Financial Year. Please ensure you have chosen the correct form# before filing your ITR.

Correct Form w.r.t

- Correct ITR
- Correct Assessment Year

Income Tax Slab Rate for AY 2018-19 for Individuals:

1.1 Individual (resident or non-resident), who is of the age of less than 60 years on the last day of the relevant previous year:

Taxable income	Tax Rate
Up to Rs. 2,50,000	<i>Nil</i>
Rs. 2,50,000 to Rs. 5,00,000	5%
Rs. 5,00,000 to Rs. 10,00,000	20%
Above Rs. 10,00,000	30%

1.2 Resident senior citizen, i.e., every individual, being a resident in India, who is of the age of 60 years or more but less than 80 years at any time during the previous year:

Taxable income	Tax Rate
Up to Rs. 3,00,000	<i>Nil</i>
Rs. 3,00,000 - Rs. 5,00,000	5%
Rs. 5,00,000 - Rs. 10,00,000	20%
Above Rs. 10,00,000	30%

1.3 Resident super senior citizen, i.e., every individual, being a resident in India, who is of the age of 80 years or more at any time during the previous year:

Taxable income	Tax Rate
Up to Rs. 5,00,000	<i>Nil</i>
Rs. 5,00,000 - Rs. 10,00,000	20%
Above Rs. 10,00,000	30%

Surcharge: 10% of tax where total income exceeds Rs. 50 lakh
15% of tax where total income exceeds Rs. 1 crore

Education cess: 3% of tax plus surcharge

Note: A resident individual is entitled for rebate u/s 87A if his total income does not exceed Rs. 3,50,000. The amount of rebate shall be 100% of income-tax or Rs. 2,500, whichever is less. (**Calculated before Cess**)

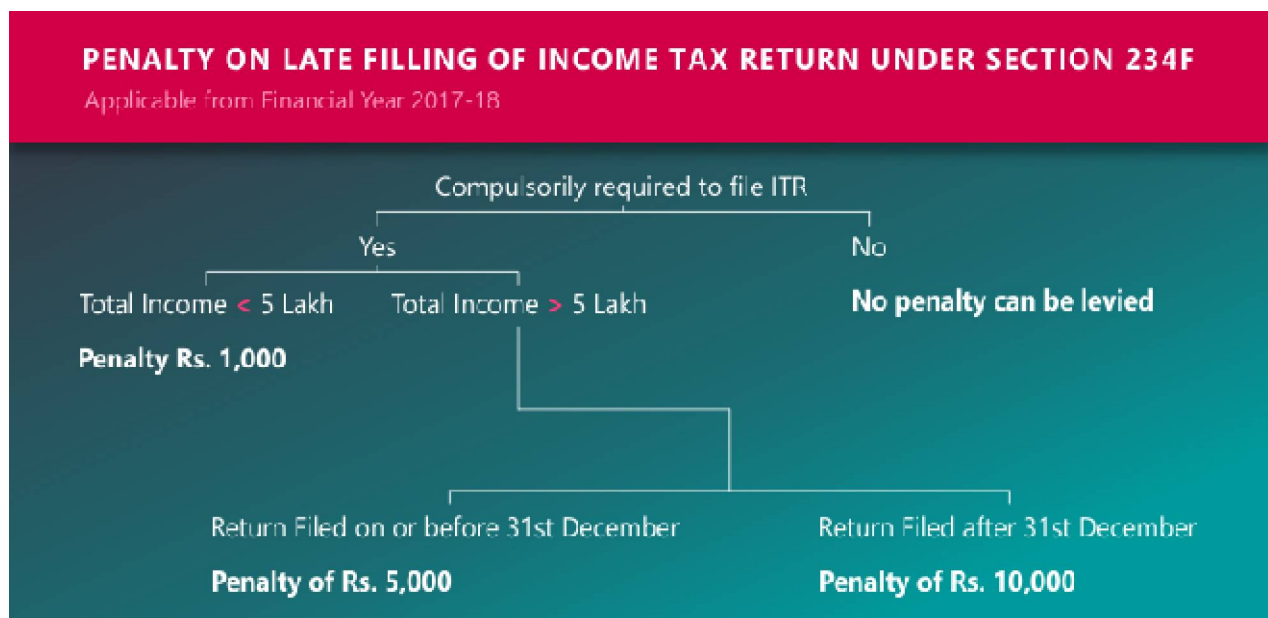
ITR Filing Deadlines

- Normal Time Limit : 31st July of AY (Salaried & Non Audit Cases)
- Audit Cases : 30th September of AY
- Special Cases : 30th November of AY

The above is the standard notified time limit which is in general applicable unless CBDT extends due date by separate notification w.r.t a particular AY.

Consequences of Delayed ITR Filing

- Interest on Tax – U/s 234A, 234B, 234C
- Penalty (w.e.f – **AY 2018-19 i.e FY 2017-18**) u/s 234F



- **Reduction in the time limit to **revise** your ITR**
Apart from penalty on late filing of ITR, if you make a mistake while filing for FY2017-18, then you would have time till **31 March, 2019 to file your revised return.**

Earlier a taxpayer was allowed to revise his returns up till **two years** from the end of the financial year for which the return was filed. However, from now on, he will be allowed to revise his return only up till **one year** from the end of the financial year.

Therefore, for the financial year ending on **31 March, 2018**, a person will have time till **31 March, 2019** to revise his ITR.

FORM ITR-1 SAHAJ

INDIAN INCOME TAX RETURN

Assessment Year

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

2018 - 19

PART A GENERAL INFORMATION											
PAN				Name				Aadhaar Number (12 digit)/Aadhaar Enrolment Id (28 digit) (If eligible for Aadhaar)			
Mobile No.		Address: Flat/Door/Block No.		Name of Premises/Building/Village				Road/Street/Post Office			
Email Address		Area/locality		Town/City/District		State		Country		Pin code	
Return filed (Tick)[Please see instruction-] <input type="checkbox"/> On or before due date- u/s 139(1), <input type="checkbox"/> Belated- u/s 139(4), <input type="checkbox"/> Employer, if any – Revised - u/s 139(5), <input type="checkbox"/> u/s 119(2)(b), or in response to notice u/s <input type="checkbox"/> 139(9)-Defective, <input type="checkbox"/> 142(1), <input type="checkbox"/> 148, <input type="checkbox"/> Govt. <input type="checkbox"/> PSU <input type="checkbox"/> Others <input type="checkbox"/> 153A/153C											
If revised/defective, then enter Receipt No. and Date of filing original return (DD/MM/YYYY) / /											
If filed in response to notice u/s 139(9)/142(1)/148/153A/153C, enter date of such notice / /											
Are you governed by Portuguese Civil Code as per section 5A? Tick <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (If "YES" fill PAN of the Spouse)											
PART B GROSS TOTAL INCOME											
Whole- Rupee (₹) only											
SALARY / PENSION	B1 i Salary (excluding all allowances, perquisites and profit in lieu of salary) i										
	ii Allowances not exempt ii										
	iii Value of perquisites iii										
	iv Profit in lieu of salary iv										
	v Deductions u/s 16 v										
	vi Income chargeable under the head 'Salaries' (i + ii + iii + iv - v) B1										
HOUSE PROPERTY	B2 Tick applicable option <input type="checkbox"/> Self Occupied <input type="checkbox"/> Let Out If let out, furnish details below –										
	i Gross rent received/ receivable/ lettable value i										
	ii Tax paid to local authorities ii										
	iii Annual Value (i - ii) iii										
	iv 30% of Annual Value iv										
	v Interest payable on borrowed capital v										
vi Income chargeable under the head 'House Property' (iii - iv - v) B2 ()											
B3 Income from Other Sources B3											
B4 Gross Total Income (B1+B2+B3) (If loss, put the figure in negative) B4()											
PART C - DEDUCTIONS AND TAXABLE TOTAL INCOME (Refer instructions for Deduction limit as per Income-tax Act)											
80C			80D			80G			801TA		
Any Other (Please specify section)											
Total deductions C1			Total Income (B4-C1)			C2					
PART D - COMPUTATION OF TAX PAYABLE											
D1 Tax payable on total income				D2 Rebate u/s 87A				D3 Tax after Rebate			
D4 Cess, on D3				D5 Total Tax and Cess				D6 Relief u/s 89(1)			
D7 Interest u/s 234A				D8 Interest u/s 234B				D9 Interest u/s 234C			
D10 Fee u/s 234F				D11 Total Tax, Fee and Interest (D5+D7+D8+D9+D10 - D6)							
D12 Total Taxes Paid				D13 Amount payable (D11-D12) (if D11>D12)				D14 Refund (D12-D11) (if D12>D11)			
Exempt Income: For reporting purpose		10 (38)		10(34)		Agricultural Income (< Rs.5000)		Others		Pls. specify	
PART E - OTHER INFORMATION											
D15 Details of all Bank Accounts held in India at any time during the previous year (excluding dormant accounts)											
Sl.	IFS Code of the Bank			Name of the Bank			Account Number			(tick one account <input checked="" type="checkbox"/> for refund)	
I											
II											
Schedule-IT Details of Advance Tax and Self-Assessment Tax payments											
BSR Code		Date of Deposit (DD/MM/YYYY)				Serial Number of Challan			Tax paid		
Col (1)		Col (2)				Col (3)			Col (4)		
R1											
R2											
Schedule-TDS Details of TDS/TCS [As per Form 16/16A/27D issued or Form 26QC furnished by Deductor(s)/ Employer(s)/ Collector(s)]											
TAN of deductor/ PAN of the Tenant		Name of the Deductor/ Collector/Tenant		Amount which is subject to tax deduction /collection		Year of tax deduction/ collection		Tax Deducted/ collected		Amount out of (5) claimed this Year	
Col (1)		Col (2)		Col (3)		Col (4)		Col (5)		Col (6)	
T1											
T2											

VERIFICATION

Stamp Receipt No., Seal, Date & Sign of Receiving Official

I, son/ daughter of _____ solemnly declare that to the best of my knowledge and belief, the information given in the return 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 _____ (if allotted) (Please see instruction).
Date: _____ Sign: _____

If the return has been prepared by a Tax Return Preparer (TRP) give further details below:

Identification No. of TRP _____ Name of TRP _____ Counter Signature of TRP _____

If TRP is entitled for any reimbursement from the Government, amount thereof _____

* Important : Please see notes overleaf before filling up the challan						Single Copy (to be sent to the ZAO)											
CHALLAN NO./ ITNS 280		Tax Applicable (Tick One)*						Assessment Year									
		(0020) INCOME-TAX ON COMPANIES (CORPORATION TAX) <input type="checkbox"/>			(0021) INCOME TAX (OTHER THAN COMPANIES) <input type="checkbox"/>			-									
Permanent Account Number																	
Full Name																	
Complete Address with City & State																	
Tel. No. Pin																	
Type of Payment (Tick One)																	
Advance Tax (100) <input type="checkbox"/>				Self Assessment Tax (300) <input type="checkbox"/>				Tax on Regular Assessment (400) <input type="checkbox"/>				Surtax (102) <input type="checkbox"/>					
						Tax on Distributed Profits of Domestic Companies (106) <input type="checkbox"/>						Tax on Distributed Income to Unit Holders (107) <input type="checkbox"/>					
DETAILS OF PAYMENTS						Amount (in Rs. Only)						FOR USE IN RECEIVING BANK					
Income Tax												Debit to A/c / Cheque credited on					
Surcharge												-		-		-	
Education Cess												D D		M M		Y Y	
Interest												SPACE FOR BANK SEAL					
Penalty																	
Others																	
Total																	
Total (in words)																	
CRORES		LACS		THOUSANDS		HUNDREDS		TENS		UNITS							
Paid in Cash/Debit to A/c /Cheque No.						Dated											
Drawn on																	
(Name of the Bank and Branch)																	
Date:						Signature of person making payment						Rs.					
Taxpayers Counterfoil (To be filled up by tax payer)												SPACE FOR BANK SEAL					
PAN																	
Received from						(Name)											
Cash/ Debit to A/c /Cheque No.						For Rs.											
Rs. (in words)																	
Drawn on																	
(Name of the Bank and Branch)																	
on account of						Companies/Other than Companies/Tax											
Income Tax on						(Strike out whichever is not applicable)											
Type of Payment						(To be filled up by person making the payment)											
for the Assessment Year						-											
												Rs.					

PLEASE USE THIS CHALLAN FOR DEPOSITING TAXES (TYPES OF PAYMENT) MENTIONED OVERLEAF. KINDLY DO NOT USE THIS CHALLAN FOR DEPOSITING TAX DEDUCTION AT SOURCE (TDS)

KINDLY ENSURE THAT THE BANK'S ACKNOWLEDGEMENT CONTAINS THE FOLLOWING:

1. 7 DIGIT BSR CODE OF THE BANK BRANCH
2. DATE OF DEPOSIT OF CHALLAN (DD MM YY)
3. CHALLAN SERIAL NUMBER

THESE WILL HAVE TO BE QUOTED IN YOUR RETURN OF INCOME.

RESTRICTION w.r.t SET OFF OF LOSS U/H HOUSE PROPERTY

FINANCE ACT, 2017 – HOUSE PROPERTY INCOME

As per newly inserted sub section (3A) in Section 71 for House Property Losses can be set off against any other head of Income only up to Rs 2 Lakhs in the same year, balance loss has to be c/f and set off against **House Property income only** up to 8 AY's immediately succeeding the A.Y. in which loss was first computed.



Bamb Taori & Co.

Particulars	Pre Budget		Post Budget Amendment	
Salary/Business & other Incomes		5,00,000		5,00,000
Rental Income from House Property	2,40,000		2,40,000	
Municipal Taxes	(10,000)		(10,000)	
Less : 30% SD	(69,000)		(69,000)	
HP Income before Intt.		1,61,000		1,61,000
Interest on House Loan		(8,00,000)		(8,00,000)
Loss Adjusted		(8,00,000)		(3,61,000)
Net Income/ (Loss)		(1,39,000)		3,00,000
C/F of loss up to 8 AYs				4,39,000

COMMON DEDUCTION FROM GROSS TOTAL INCOME

80C – Specified amounts paid/deposited by in the Previous Year

(Available only to Individuals & HUF)

- Life Insurance Premium (Self, Spouse & Children) 2Yrs
- Contribution to SPF / RPF (Salaried Assesses).
- Deposit in PPF A/c (Salaried + Self Employed).
- Notified units of Mutual Funds (ELSS – 3Yrs Lock In).
- Tuition Fees Component of School Fees of Children.
- Tax Saver Fixed Deposits with Banks (5yrs Lock In).
- 5yrs Time Deposit Scheme with Post Offices.
- Principal Component in case of Housing Loan. 5Yrs

80 CCG – Rajiv Gandhi Equity Scheme

- Gross Total Income does not exceed Rs.12 lakhs
- 1st time Retail Investor
- Specified Listed Shares/ Units of Mutual Funds
- Once in Life Time Deduction
- Max Deduction 50% of amount invested or Rs 25,000/- w.e.lower.
- 3 years Lock In Period
- Need to have a Demat Account.

80D – Medical Insurance Premium/CGHS/

- Amount to be paid by any mode other than **CASH**
- For Preventive Health Check Up even CASH payment allowed. (Max Rs. 5,000/- for family & parents)
- Max Deduction – Family (Self,Spouse,Dependent Children) 25,000/- + 5,000/- (Sr. Citizen)
- Max Deduction – Parents* (Dependent or Otherwise) 25,000/- + 5,000/- (Sr. Citizen)
- Maximum Deduction u/s 80 D is **Rs 60,000/-**

*Parents donot include Father In Law / Mother In Law

80E – Education Loan

- Only Individual Assesseees
- Loan for Higher Education (After SSC)
- Loan from Bank/FIs/Approved Charitable Institution
- No condition of Education in India unlike 80C
- Loan taken for higher education of Self/Spouse/Child
- Deduction w.r.t Interest on Loan.
- Actual Interest paid can be claimed, no upper cap.
- Deduction available for 8yrs or loan repayment completion w.e.earlier.
- 1st year begins from the year of repayment.

80TTA – Savings Bank Account Interest

- Actual Interest or Rs. 10,000/- w.e.lower

80 G - Donations