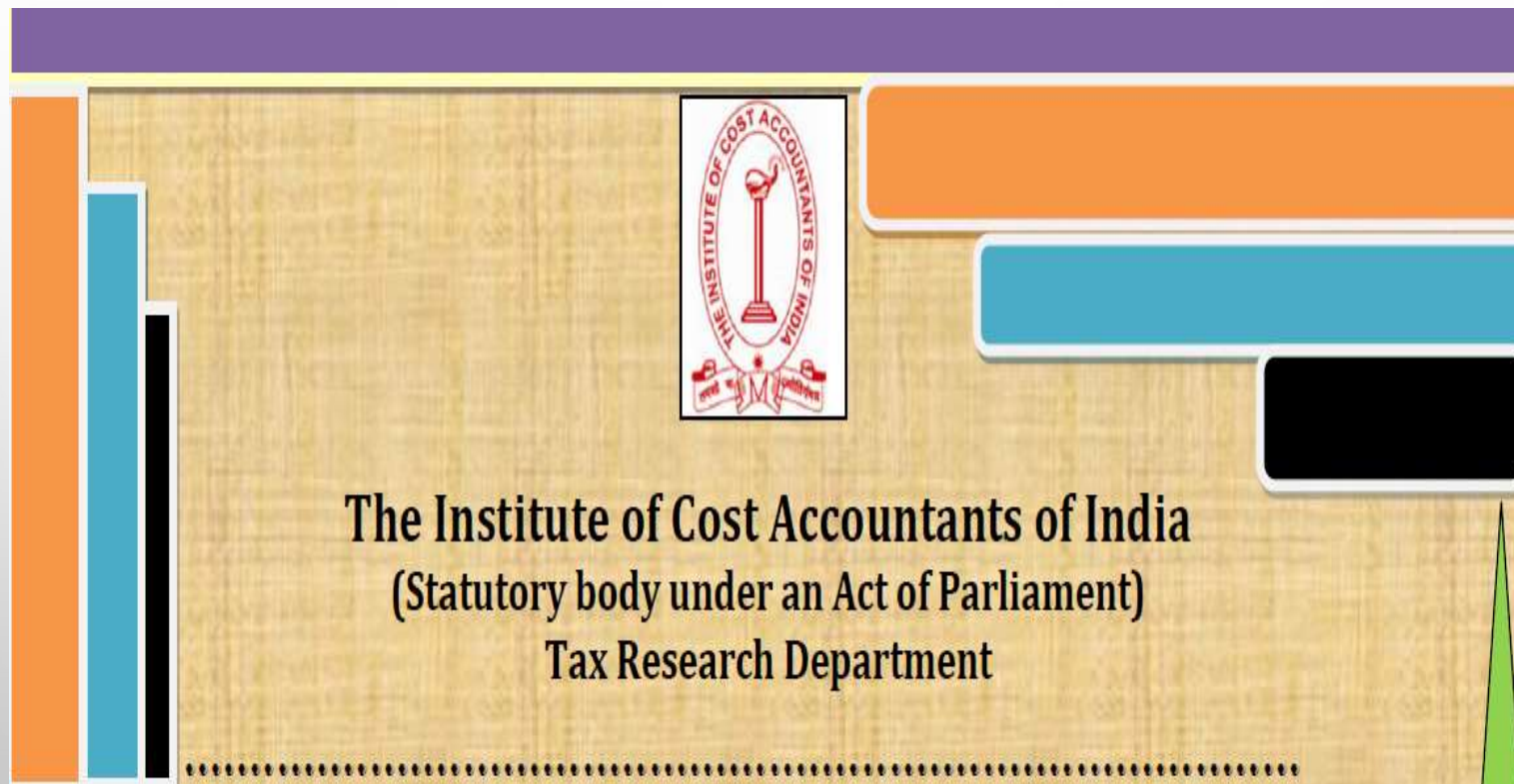




CMA CA KEDARNATH

HYDERABAD

ONLINE CERTIFICATE COURSE ON ITR FILING - 6TH BATCH



ONLINE CERTIFICATE COURSE ON ITR FILING – 6TH BATCH



Form ITR-6

Who is eligible to file ITR-6

- This Return Form can be used by a company as per section 2(17) of the Income Tax Act, 1961

- As per section 2(17) of Income Tax Act, **company** means: -
 - ✓ Indian Company (Domestic Company)
 - ✓ Body corporate incorporated by or under the laws of country outside India
 - ✓ Any institution, association or body, whether incorporated or not & whether Indian or Non-Indian which is declared by general or special order of the board to be company, etc.

- ITR-6 is filed by company other than a company which is required to file return in Form ITR-7

- In Simple, Companies other than companies claiming exemption under section 11 of Income tax Act, 1961

Companies under IT Act, 1961

❖ **Indian Company S.2(26):** means a company formed and registered under Companies Act, 1956 or 2013

❖ **Domestic Company S.2(22A):**

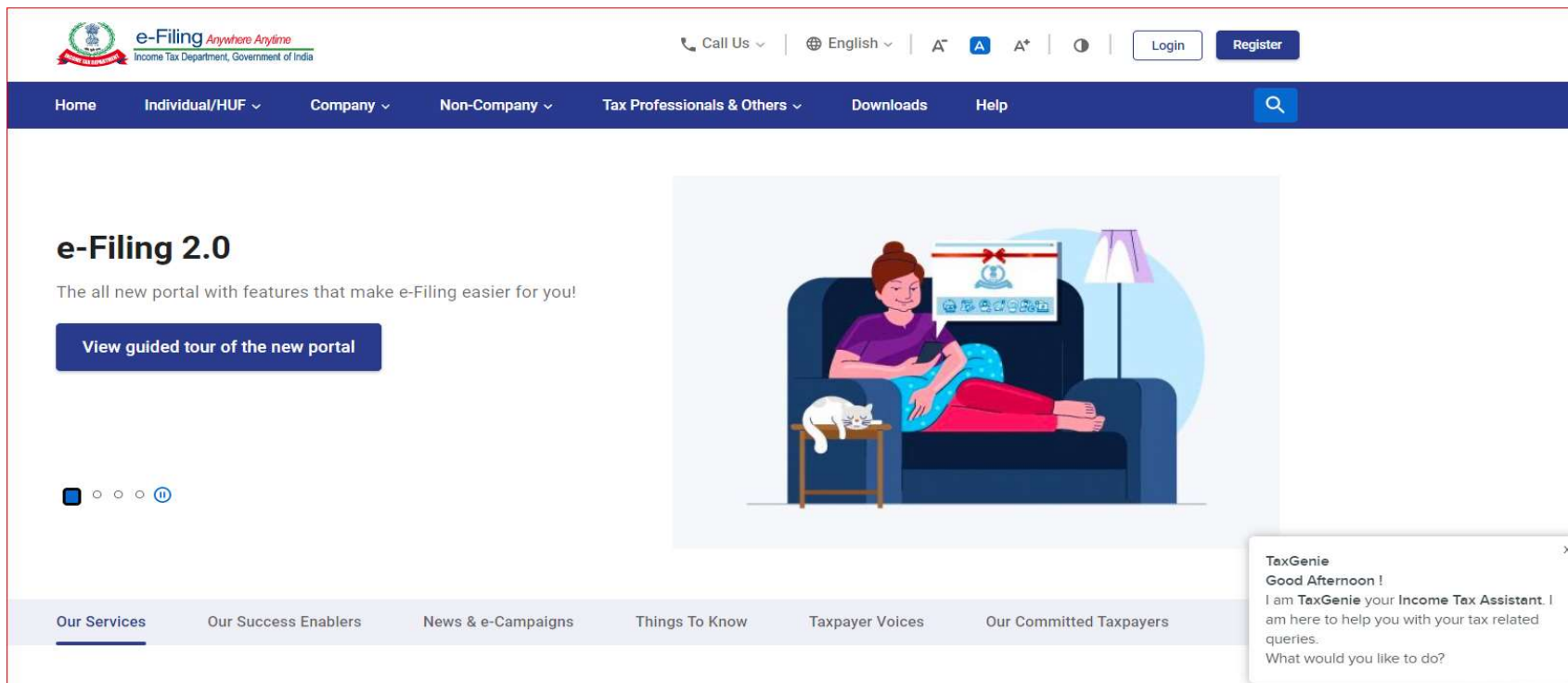
- ✓ A Domestic company means an **Indian company** or
- ✓ **Any other company** which in respect of its income, liable to tax under the Income-tax Act, And has made the prescribed arrangements for the declaration and payment of **dividends** within India,
- ✓ Thus, all Indian Company are treated as Domestic Company but all Domestic Company are **not** Indian Company.

❖ **Foreign Company S.2(23A): :**

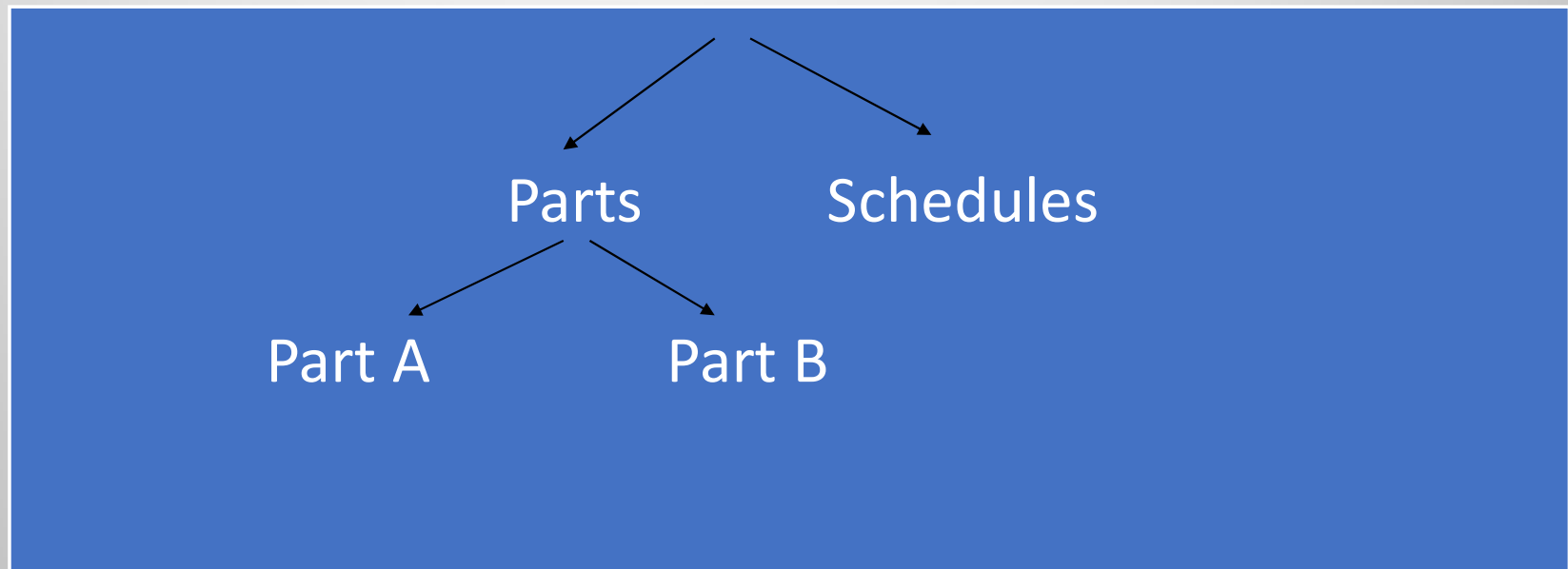
- ✓ Foreign company means a company which is not a domestic company,
- ✓ The Foreign Company may be treated as Domestic Company **if such company makes prescribed arrangement** in India for declaration and payment of **dividends** within India

Manner of Filing ITR-6

- Electronically through e-filing Portal
- The new Income Tax Portal (i.e., 2.0) : www.incometax.gov.in
- Digitally Signed with DSC Key of the Authorized signatory



Structure of ITR-6



Part A

- General information
- BS: Balance Sheet as on 31st March 2021
- BS-Ind AS: Balance Sheet as on 31st March 2021 or as on the date of the business combination
- Manufacturing Account for the financial year 2020-21
- Trading Account for the financial year 2020-21
- P&L: Profit and Loss Account for the financial year 2020-21
- Manufacturing Account-Ind AS: Manufacturing Account for the financial year 2020-21
- Trading Account Ind-AS: Trading Account for the financial year 2020-21
- P&L Ind-AS: Profit and Loss Account for the financial year 2020-21
- OI: Other information
- QD: Quantitative details
- OL: Receipt and payment account of company under liquidation
- Schedules as mentioned below

Key Changes in ITR-6

- ❖ In case of domestic company, the rate of income-tax shall be 25% of the total income,
- ❖ If the total turnover or gross receipts of the previous year 2018-19 does not exceed 400 **Crores** rupees.
- ❑ In AY 2020-21 , the threshold limit for a person **carrying on business** was increased from **1 crore** rupees to **5 crore** rupees in cases where the cash receipts or payments by a business don't exceed 5% of the such receipts or such payments,
- ❑ However in AY 2021-22 , the limit of 5 crore rupees is increased to **10 crore** rupees

Rule - 12

Rule 12(1) Explains the “Form of Return of Income” i.e., ITR-1 / 2 / 3 / 4 / 5 etc., ...

Rule 12(2) provides that returns shall **not** be accompanied by

- Any statement showing the computation of the tax payable, or
- Proof of the tax TDS / TCS / advance tax / tax on self-assessment, if any paid or
- Any document or copy of any account

Rule - 12

Rule 12(3) explains Manner of Furnishing Return of Income

❑ **Companies** = Electronically + DSC

❑ **Individual / HUF**

✓ Having Tax Audit u/s 44AB = Electronically + DSC

✓ Individual / HUF = Electronically + DSC (or) EVC

✓ Individual whose Age > 80 Years: Electronically (or) **Paper mode** + DSC (or) EVC

❑ **Person required to File ITR-7:** Electronically + DSC (or) EVC

❑ **Firm/LLP:**

✓ Having Tax Audit u/s 44AB = Electronically + DSC

✓ **Other Cases** = Electronically + DSC (or) EVC

IMP Points:

- CIN: Refer MCA portal
 - 92CD: If this is a modified return, filed in accordance with an Advanced Pricing Agreement (APA)
 - S.115BA: 25% Tax Rate + Form - 10 IB
 - S.115BAA: 22% Tax Rate + Form - 10 IC
 - S.115BAB: 15% Tax Rate + Form - 10 ID
- } Filed on or before 139(1) due date
- These forms filed only in the First year of opting the scheme
 - NR - Permanent Establishment
 - If liable to furnish other audit report under the Income-tax Act: S.10AA / 50B / 80-IA / 80 JJ AA

Part-A Balance Sheet

- ❖ Fill the details of the Balance Sheet items as on 31st March, 2021
- ❖ If you are domestic company **and** is liable to maintain books of accounts as per section 44AA, then it is **mandatory** to fill
 - *Balance sheet and*
 - *Manufacturing or*
 - *Trading or profit & loss account as applicable,*
- ❖ Otherwise the return will be treated as *defective u/s 139(9)* of the Act.
- ❖ **Part A-BS – Ind AS:**
 - *Applicable for a company whose financial statements are drawn up in compliance to the Indian Accounting Standards specified in Annexure to the companies (Indian Accounting Standards) Rules, 2015*

Part-A: Compulsory Books of Accounts

In case Regular Books of accounts are *maintained* u/s 44AA

☐ *Manufacturing Account : fill items 1 to 3*

☐ *Trading Account : fill items 4 to 12*

☐ *P&L A/c: fill items 13 to 60*

Section 44AA:

✓ Specified Profession: If Gross Receipts > Rs 1,50,000/- (3 PPY's)

Other Assessee (Business):

✓ If PGBP Income > Rs 1,20,000 & Turnover > Rs 10,00,000 (3 PPY's)

✓ Individual & HUF if PGBP Income > Rs 2,50,000 & Turnover > Rs 25,00,000 (3 PPY's)

✓ S.271A: If Assessee fails to maintain books of accounts Rs 25,000 penalty may attract.

Part-A: Not Compulsory Books of Accounts

In case Regular Books of *accounts* are **NOT maintained** u/s 44AA

Fill Items 61 to 62

61. Computation of presumptive income from goods carriages under section 44AE

- ✓ Presumptive income u/s 44AE for the goods carriage
- ✓ Computed @ Rs.1000 per ton per month in case tonnage exceeds 12MT, or else @ Rs.7500 per month or
- ✓ The amount claimed to have been actually earned,
- ✓ Whichever is higher

NOTE:

- ✓ *If the profits are lower than prescribed under S.44AE (or) the number of goods carriage owned / leased / hired at any time during the year **exceeds 10**, then ,*
- ✓ *it is mandatory to maintain books of accounts and*
- ✓ *have a tax audit under section 44AB*

Part-A: Not Compulsory Books of Accounts

In case Regular Books of *accounts* are **NOT maintained** u/s 44AA

Fill Items 61 to 62

62. In case of Foreign Company whose total income comprises solely of profits and gains from business referred to in sections 44B, 44BB, 44BBA or 44BBB, furnish the following information

Gross receipts / Turnover ***

Net profit ***

Note: NR Carrying PGBP & Offering under presumptive basis on Income

S.44B: Shipping Business – **7.50%** of Gross Receipts

S.44BB: Exploration of mineral oil etc., - **10 %** of Gross Receipts

S.44BA: Operation of Aircraft - **5 %** of Gross Receipts

S.44BBB: Civil constructions etc., in Turnkey projects - **10 %** of Gross Receipts

Part-A – OI & QD & OL

- ❖ **Other Information** : *mandatory, if liable for audit under section 44AB, for other fill, if applicable*
- ❖ **QD (Quantitative details)** : *mandatory, if liable for audit under section 44AB*
- ❖ **OL: Receipt and payment account of company *under liquidation*:** in case of company under liquidation

Clarifications:

- **Insurance Agent** can follow Cash / Accrual method of Accounting:
- If the commission reflects in the Form - 26AS we need to offer for the same year
- TDS should not claimed

❖ **Audit to a S.8 Company / Trust Registered u/s 12AA**

- ☐ Section 12A states **two conditions** for availing the exemption available under the Act,
- ☐ The first condition is regarding registration
- ☐ The second condition is regarding audit by qualified chartered accountant.
- ✓ It means audit is pre-requisite for claiming exemption under section 11 and 12,
- ✓ Where the total income of the trust computed without giving effect to the provisions of section 11 and 12 exceeds Rs 2,50,000 in any previous year, then the accounts of the trust for that year should be audited by a Chartered Accountant.
- ✓ Form - ITR-6 (or) 7
- ✓ Rates: <https://www.incometax.gov.in/iec/foportal/help/non-company/return-applicable-0#taxslabs>

Clarifications:

❖ Audit to a S.8 Company / Trust Registered u/s 12AA

- ✓ Trust Registered u/s 12AA = Individual Tax Rates
- ✓ Trust NOT Registered u/s 12AA = Considered as AOP & Tax Rate: 30%

12AA Trust Registered

- ✓ Audit Compulsory
- ✓ Form – 10B
- ✓ If Exceed > 2,50,000/-
- ✓ Form – 7 (including Section 8 companies)

12AA NOT Trust Registered

- ✓ Audit NOT Compulsory , because 30% Tax Rate
- ✓ Form – 10B
- ✓ If Exceed > 2,50,000/-
- ✓ Form – 5

Part B

- ❑ **TI: Computation of Total Income**
- ❑ **TTI: Computation of Tax Liability on Total Income**
- ❑ **Tax Payments**

Schedules

- Schedule-HP: Computation of income under the head Income from House Property
- Schedule-BP: Computation of income under the head “profit and gains from business or profession”
- Schedule-DPM: Computation of depreciation on plant and machinery under the Income-tax Act
- Schedule DOA: Computation of depreciation on other assets under the Income-tax Act
- Schedule DEP: Summary of depreciation on all the assets under the Income-tax Act
- Schedule DCG: Computation of deemed capital gains on sale of depreciable assets
- Schedule ESR: Deduction under section 35 (expenditure on scientific research)
- Schedule-CG: Computation of income under the head Capital gains.
- Schedule-OS: Computation of income under the head Income from other sources.
- Schedule-CYLA: Statement of income after set off of current year’s losses
- Schedule-BFLA: Statement of income after set off of unabsorbed loss brought forward from earlier years.
- Schedule- CFL: Statement of losses to be carried forward to future years.

- Schedule –UD: Details of unabsorbed depreciation and allowance under section 35(4)
- Schedule ICDS: Effect of Income Computation Disclosure Standards on profit
- Schedule- 10AA: Computation of deduction under section 10AA
- Schedule- 80G: Details of donation entitled for deduction under section 80G
- Schedule 80GGA: Details of donations for scientific research or rural development
- Schedule RA: Details of donations to research associations etc.
- Schedule- 80IA: Computation of deduction under section 80IA
- Schedule- 80IB: Computation of deduction under section 80IB
- Schedule- 80IC or 80IE: Computation of deduction under section 80IC or 80 IE
- Schedule-VIA: Statement of deductions (from total income) under Chapter VIA.
- Schedule-SI: Statement of income which is chargeable to tax at special rates
- Schedule PTI: Pass through income details from business trust or investment fund
- Schedule-EI: Statement of Income not included in total income (exempt incomes)
- Schedule-MAT: Computation of Minimum Alternate Tax payable under section 115JB
- Schedule-MATC: Computation of tax credit under section 115JAA

- Schedule BBS: Details of tax on distributed income of domestic company on buy back of shares, not listed on stock exchange
- Schedule TPSA: Secondary adjustment to transfer price as per section 92CE(2A)
- Schedule FSI: Details of income from outside India and tax relief
- Schedule TR: Summary of tax relief claimed for taxes paid outside India
- Schedule FA: Details of Foreign Assets and income from any source outside India
- Schedule SH-1: Shareholding of unlisted company
- Schedule SH-2: Shareholding of Start-ups
- Schedule AL-1: Assets and liabilities as at the end of the year
- Schedule AL-2: Assets and liabilities as at the end of the year (applicable for start-ups only)
- Schedule DI: Schedule of tax-saving investments or deposits or payments to claim deduction or exemption in the extended period from 1 April 2020 until 30 June 2020
- Schedule GST: Information regarding turnover/gross receipt reported for GST
- Schedule FD: Break-up of payments/receipts in Foreign currency





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Thank you

By
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