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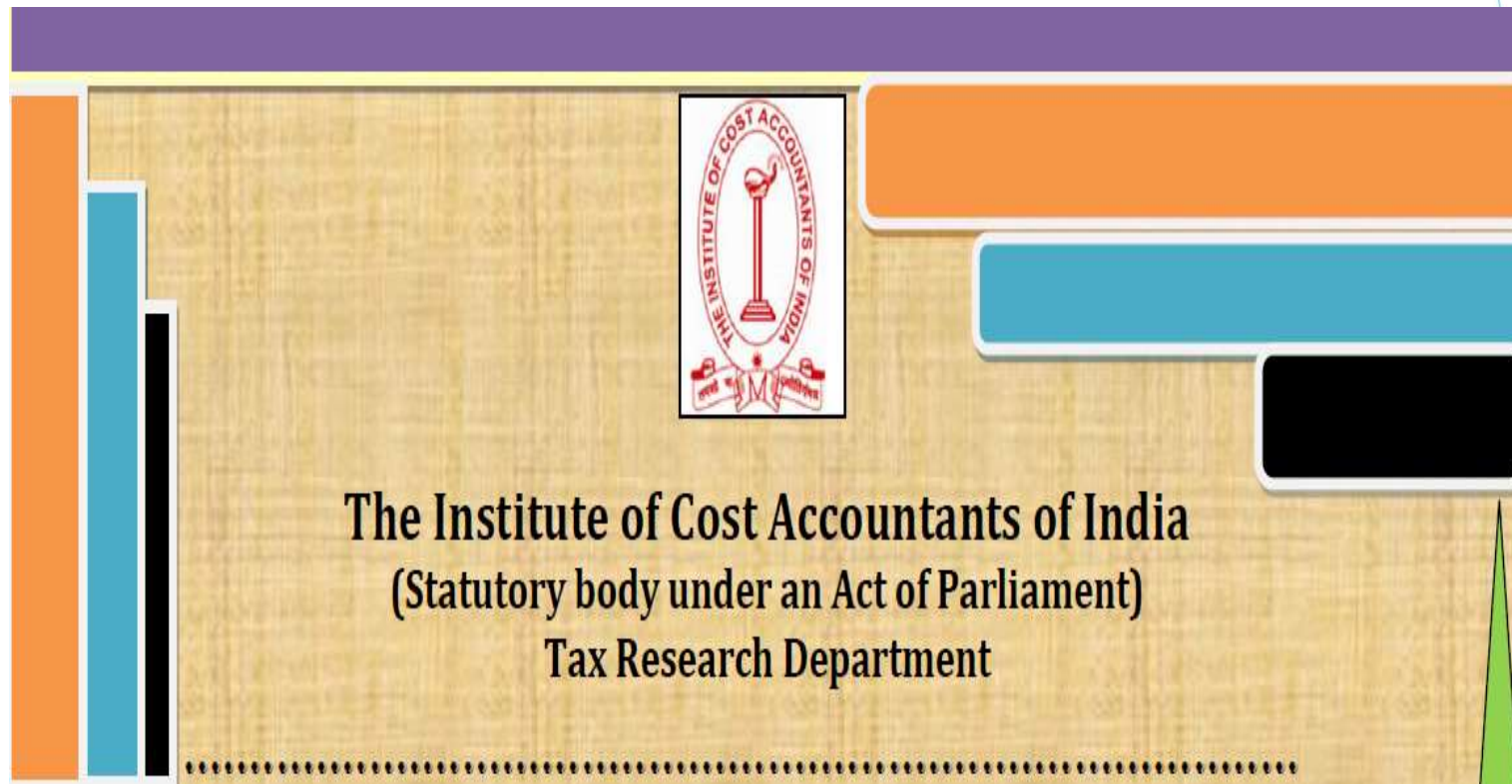
CMA Kedarnath

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Hyderabad

20-Jan-22

ONLINE CERTIFICATE COURSE ON ITR Filing – 7th Batch



ONLINE CERTIFICATE COURSE ON ITR-2 Filing



Introduction to ITR Filing

❖ Why we need to file Income Tax Return:

❑ To inform the Income Tax Department about our

- ✓ Income
- ✓ Expenses
- ✓ Chapter VI-A Deductions
- ✓ Exemptions
- ✓ Rebate
- ✓ Relief
- ✓ TDS
- ✓ TCS
- ✓ Tax Payable if any
- ✓ Payment of tax by way of self assessment tax

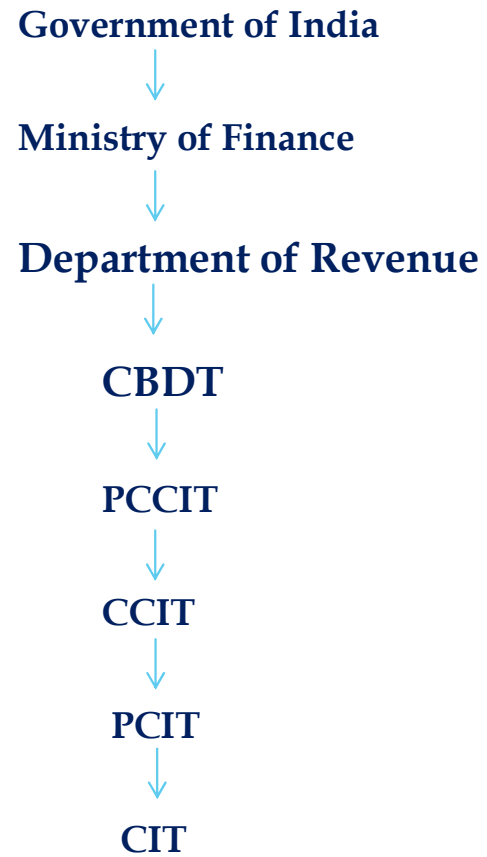
Benefits of Filing & Payment of Income Tax : To the Society

- ✓ Funding of public infrastructure
- ✓ Development and welfare projects
- ✓ Defense expenditure
- ✓ Research & Development
- ✓ Salaries to Government employees
- ✓ Operations & administration of the government entities
- ✓ Public transportation
- ✓ Unemployment benefits
- ✓ Pension schemes
- ✓ Law enforcement
- ✓ Public health
- ✓ Public Education
- ✓ Public utilities such as water, energy, and waste management systems

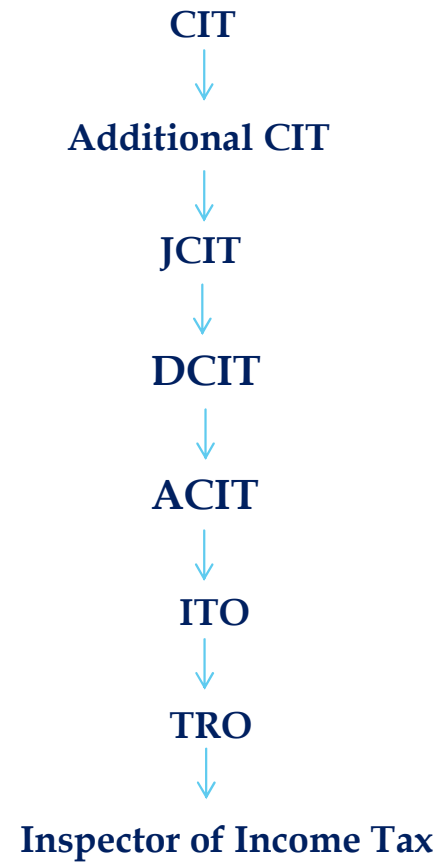
Benefits of Filing Income Tax Return: To the Assessee

- ✓ Housing Loan Sanctions
- ✓ Proof of Income for Self-employed individuals
- ✓ Government tenders
- ✓ Carrying forward of losses:
- ✓ Claiming tax refunds
- ✓ High-cover life insurance
- ✓ Visa Approvals

Administration / Hierarchy of Direct Taxes : Code - C PC PC AJD AI TI



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Introduction to ITR Filing

- ❖ **Who has to file the ROI ?**
- **Every Company & Firm (including LLP):** Irrespective of Income / loss mandatorily they have to file the ROI on or before the due date specified u/s 139(1)
- **Other Assessee:** (Individual/HUF/AOP/BOI/AJP/LA): whose Total Income before giving Chapter VI-A Deductions & Exemptions u/s 54,54B,54D,54EC,54G,54GA & 54GB exceed Maximum amount not chargeable to income tax **{GTI >BEL}**

Who is Compulsory required to file ROI ?

- ❖ **RBOR:** Compulsory required to file ROI (irrespective of his income/loss)
 - If he is a beneficial owner for any asset located outside India, including Financial interest (or)
 - he has a signing authority in any account located outside India (including a Bank account)

- ❖ **Remaining/ Other Assesses:**

- As per law he doesn't require to file ITR but, as per the seventh proviso to S.139(1) if

- (i) He has deposited an amount **more than 1 Crore** in aggregate in one or more current account maintained with a banking company or a co-operative bank; (or)

- (ii) He has incurred foreign travel expenditure of **more than Rs 2,00,000/-** for himself or any other person (or)

- (iii) He had incurred expenditure of an amount or aggregate of the amounts exceeding **Rs 1,00,000/-** towards consumption of electricity; (or)

- (iv) fulfils such other conditions as may be prescribed.

{Added in FA 2019}

Introduction to ITR Filing : Q & A

1. Mr. Ram age is 36 years whose Gross Total Income is Rs 4,50,000/- does Mr. Ram required to file IT Return ?
2. M/s ABC Partnership firm suffered with Rs 10,00,000 loss during the FY 2021-22, does it require to file ROI ?
3. Mr Narayana aged about 85 years whose Gross Total Income is Rs 4,95,000/- does he require to file ?
4. XYZ Pvt Ltd earned an amount of Rs 10,000/- as Net Profit from the business, does it require to file ROI ?
5. Mr. John whose Gross Total Income is Rs 3,50,000 and he has deductions under chapter VI-A i.e., LIC premiums & Tax saving investments of Rs 1,50,000, does he required to file ITR ?
6. Mr. Santosh Gross Total Income is Rs 2,35,000 from a business, does he required to file IT Return ?

Due Dates for Filing ROI u/s 139(1)

- ❖ Transfer Pricing Audit u/s 92E - 30th Nov of AY
- ❖ Company
- ❖ Tax Audit cases
- ❖ Partner of firm (where firm a/c's are Tax Audit)
- ❖ Others: 31st July of AY

31st Oct of AY

[LA Finance Act, 2020]

Note:

Filing of Tax Audit Report: 30th Sep of AY

Powers of CBDT u/s 119

U/s 119 CBDT has an exclusive powers to issue

- ✓ Notifications
- ✓ Circulars
- ✓ Guidelines
 - From time to time
 - To clarify and remove the doubts of “Both”
- ✓ Assessee and
- ✓ A.O

Note:

- ✓ Circulars issued by the CBDT is binding on AO but not on Assessee
- ✓ If it is favorable Assessee can adopt the same

Circular No.08/2021 issued by CBDT u/s 119

Circular No. 08 /2021

F.NO.225/49/2021/ITA-II
Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes

New Delhi, Dated 30th April, 2021

Subject: Extension of time lines related to certain compliances by the Taxpayers under the Income-tax Act 1961

1. In view of severe pandemic, the Central Board of Direct Taxes, in exercise of its powers under Section 119 of the Income-tax Act, 1961, provides following relaxation in respect of Income-tax compliances by the taxpayers:

a) Appeal to Commissioner (Appeals) under Chapter XX of the Income-tax Act, 1961 for which the last date of filing under that Section is 1st April 2021 or thereafter, may be filed within the time provided under that Section or by 31st May 2021, whichever is later;

b) Objections to Dispute Resolution Panel (DRP) under Section 144C of the Income-tax Act, 1961, for which the last date of filing under that Section is 1st April 2021 or thereafter, may be filed within the time provided under that Section or by 31st May 2021, whichever is later;

c) Income-tax return in response to notice under Section 148 of the Income-tax Act, 1961, for which the last date of filing of return of income under the said notice is 1st April 2021 or thereafter, may be filed within the time allowed under that notice or by 31st May 2021, whichever is later;

d) Filing of belated return under sub-section (4) and revised return under sub-section (5) of Section 139 of the Income-tax Act, 1961 for Assessment Year 2020-21, which was required to be filed on or before 31st March 2021, may be filed on or before 31st May 2021;

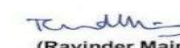
e) Payment of tax deducted under Section 194-IA, Section 194-IB and Section 194M of the Income-tax Act, 1961 and filing of challan-cum-statement for such tax deducted, which are required to be paid and furnished by 30th April 2021 under Rule 30 of the Income-tax Rules, 1962, may be paid and furnished on or before 31st May 2021;

f) Statement in Form No. 61, containing particulars of declarations received in Form No.60, which is due to be furnished on or before 30th April 2021, may be furnished on or before 31st May 2021.


(Ravinder Maini)
Director to the Government of India.

Copy to:

1. PS to F.M./PS to MoS (F).
2. PS to Revenue Secretary.
3. Chairman (CBDT) & All Members of CBDT.
4. All Pr. CCsIT/CCsIT/Pr. DGsIT/DGsIT.
5. All Joint Secretaries/CsIT, CBDT.
6. Directors/Deputy Secretaries/Under Secretaries of CBDT.
7. Web Manager, with a request to place the order on official Income-tax website.
8. CIT (M&TP), Official Spokesperson of CBDT with a request to publicize widely.
9. JCIT, Data Base Cell for placing it on irsOfficersonline.gov.in.
10. The Institute of Chartered Accountants of India, IP Estate, New Delhi.
11. All Chambers of Commerce.
12. The Guard File.


(Ravinder Maini) 30/04/2021
Director to the Government of India.

Types of ITR

ITR-1:

- ✓ Name of the Form: SAHAJ
- ✓ Applicable for Individual only
- ✓ Salary / Pension + 1 HP + Other Sources + Agriculture Income up to Rs 5,000/-

Note: This return is applicable for a Resident (other than Not Ordinarily Resident) Individual i.e., RBOR having Total Income from any of the following sources up to ₹ 50 lakh

ITR-2:

- ✓ Applicable for Individual & HUF
- ✓ Who is Not eligible to File ITR-1
- ✓ Ind / HUF having all incomes except Income under the head PGBP

Types of ITR

ITR-3:

- ✓ Applicable for Individual & HUF
- ✓ Who is Not eligible to File ITR-1, 2 & 4
- ✓ Individual / HUF having Income under the head **PGBP**

ITR-4:

- ✓ Name of the Form: SUGAM
- ✓ Applicable for Individual / HUF / Firm (Other than LLP)
- ✓ Salary / Pension + 1 HP + Other Sources + Agriculture Income up to Rs 5,000/- + PGBP Income computed u/s 44AD / 44ADA / 44AE

Types of ITR

ITR-5: Applicable to

1. Firm
2. Limited Liability Partnership (LLP)
3. Association of Persons (AOP)
4. Body of Individuals (BOI)
5. Artificial Juridical Person (AJP) referred to in clause (vii) of Section 2(31)
6. Local Authority referred to in clause (vi) of Section 2(31)
7. Representative Assessee referred to in Section 160(1)(iii) or (iv)
8. Cooperative Society
9. Society Registered under Societies Registration Act, 1860 or under any other law of any State
10. Trust other than Trusts eligible to file Form ITR-7
11. Estate of Deceased Person
12. Estate of an Insolvent
13. Business Trust referred to in Section 139(4E) and Investment Fund referred to in Section 139(4F)

Types of ITR

ITR-6: Applicable to

- ✓ Indian Company
- ✓ Body corporate incorporated by or under the laws of country outside India
- ✓ Any institution, association or body, whether incorporated or not and whether Indian or Non-Indian which is declared by general or special order of the Board, to be Company, etc.

ITR-7: Applicable to

- ✓ 139(4A) - Income derived from Property held under Trust wholly / in part for charitable or religious purposes
- ✓ 139(4B) - Chief Executive Officer of every Political Party
- ✓ 139(4C) - Various entities like Research Association, News Agency, etc. mentioned in Section 10
- ✓ 139(4D) - University, College or other Institution referred in Section 35

Q&A

1. Mr. A is a retired Govt employee and he receives pension from the Govt, also he has Bank FD's and earns interest income, which ITR is applicable to Mr. A?
2. Mr. X has income from Salary as well as he is doing part time business, which ITR is applicable to him ?
3. Mr. Y having income from two house properties, Capital Gains and IFOS, which ITR is applicable to him ?
4. M/s LMN Pvt Ltd company wants to file ITR and they don't have any income during the FY 2021-22, suggest them whether they need to file IT Return or not? If yest suggest ITR No.?
5. M/s ABC LLP wants to file the IT Return, which ITR is applicable to them?
6. TTD wants to file IT Return suggest the applicable ITR?
7. Mr. K is a Chartered Accountant, which ITR is applicable to him?
8. What is the maximum amount of deduction can be claimed u/s 80C?
9. Mr. X paid an amount of Rs 15,000/- for health insurance of self and the payment done in the form of Cash mode, what is the eligible amount of deduction u/s 80D?
10. What is the amount of standard deduction eligible for a salaried employee?

How to Download **ITR-2** from New Income Tax Portal: www.incometax.gov.in

The screenshot displays the 'Downloads' page on the Income Tax e-Filing portal. The URL in the browser is https://www.incometax.gov.in/iec/foportal/downloads/income-tax-returns?field_assessment_year_taxonomy_t_target_id=49. The page features a navigation bar with links for Home, Individual/HUF, Company, Non-Company, Tax Professionals & Others, Downloads (highlighted), and Help. A search icon is also present. On the left, a sidebar lists 'Income Tax Returns', 'Income Tax Forms', and 'DSC Management Utility'. The main content area is titled 'Downloads' and includes a dropdown for 'Assessment Year' set to '2022-23'. A link for 'Read General Instructions' is available. The content is organized into expandable sections: 'Common Offline Utility (ITR 1 to ITR 4)', 'ITR 1', 'ITR 2' (expanded), 'ITR 3', and 'ITR 4'. Under the 'ITR 2' section, it specifies 'For Individuals and HUFs not having income from profits and gains of business or profession' and lists three downloadable files: 'Schema' (39 KB), 'Validations' (504 KB), and 'ITR 2 Notified Form_AY 2022-23' (1226 KB). The dates of first release for the Schema and Validations are noted as 04-Apr-2022 and 20-Apr-2022, respectively.

Assessment Year *

2022-23

[Read General Instructions](#)

> Common Offline Utility (ITR 1 to ITR 4)

> ITR 1

> **ITR 2**

For Individuals and HUFs not having income from profits and gains of business or profession

[Schema](#) (39 KB)

Date of first release of JSON Schema 04-Apr-2022

[Validations](#) (504 KB)

Date of first release of validation 20-Apr-2022

ITR 2 Notified Form_AY 2022-23 (1226 KB)

> ITR 3

> ITR 4

ITR-2

ITR-2 Can be filed through

Online

(or)

Offline

Steps:

Fill the Data

Validate each sheet

Save Draft

Then prepare **XML** document &

Upload the XML document in the IT Portal

Verification

ITR-2 : Verification Process

One can verify the Income Tax Return through any of the following options:

1. I would like to e-Verify
2. I would like to e-Verify later within 120 days from the date of filing.
3. I don't want to e-Verify and would like to send a signed ITR-V through normal or speed post to

To,

Centralized Processing Center,

Income Tax Department,

Bengaluru – 560500

within 120 days from the date of filing.

Now, 'Submit' the ITR.

ITR-2 : Verification Process

- Follow the following steps to proceed to E-verification on your return:
- On Choosing 'I would like to E-Verify' option, you can e-Verify through the following options. All you need to do is enter the EVC/OTP when asked for.
 1. EVC generated through bank ATM or Generate EVC option under My Account
 2. Aadhaar OTP
 3. Prevalidated Bank Account / Prevalidated Demat Account
- The EVC/OTP should be entered within 60 seconds else, the Income Tax Return (ITR) will be auto-submitted. You can verify the ITR later through your ITR login account. Just login and click on the 'My Account > e-Verify Return' option. You can also verify by sending a signed ITR-V to CPC, Bengaluru.

Key aspects needs to consider while filing ITR-2

Income related:

- ❖ **Form-16** : Given by employer
- ❖ **Form-26AS** : Downloaded from IT Portal
- ❖ **AIS**: Annual Information Statement
- ❖ **TIS**: Tax Payer Information Summary
- ❖ **Bank Statements**: Verify Credit amounts like House Rentals, Capital Gains etc.,
- ❖ **Capital Gain Statement**: Obtain from share broker like Share khan, Zerodha etc.,
- ❖ **Mutual Fund**: Sale summary Statements

Key aspects needs to consider while filing ITR-2

Deduction related:

- ❖ Life Insurance premium payment receipts
- ❖ Children school fees payments
- ❖ Sukanya Samrudhi Scheme Deposits
- ❖ Tax Saving FD's receipts
- ❖ Tax saving MF's (ELSS)
- ❖ Housing Loan Interest & Principal Certificates: for claiming deductions
- ❖ Health Insurance premium receipts
- ❖ Interest on education loan
- ❖ 80G Donation Receipts
- ❖ Any other donation receipts



*{Arise, awake and stop not until the goal is reached}
- Swami Vivekananda*



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