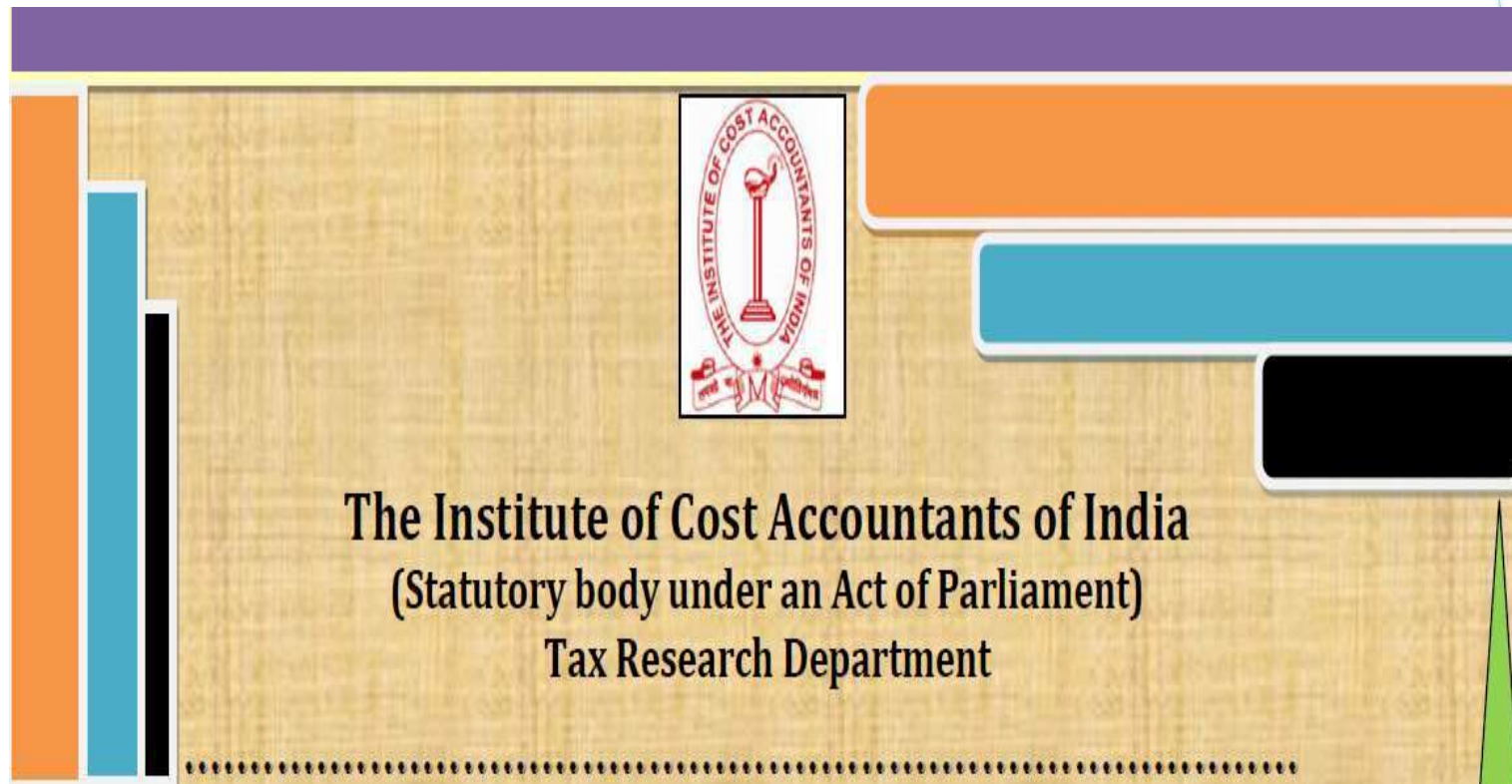


## ONLINE CERTIFICATE COURSE ON ITR Filing – 9<sup>th</sup> Batch

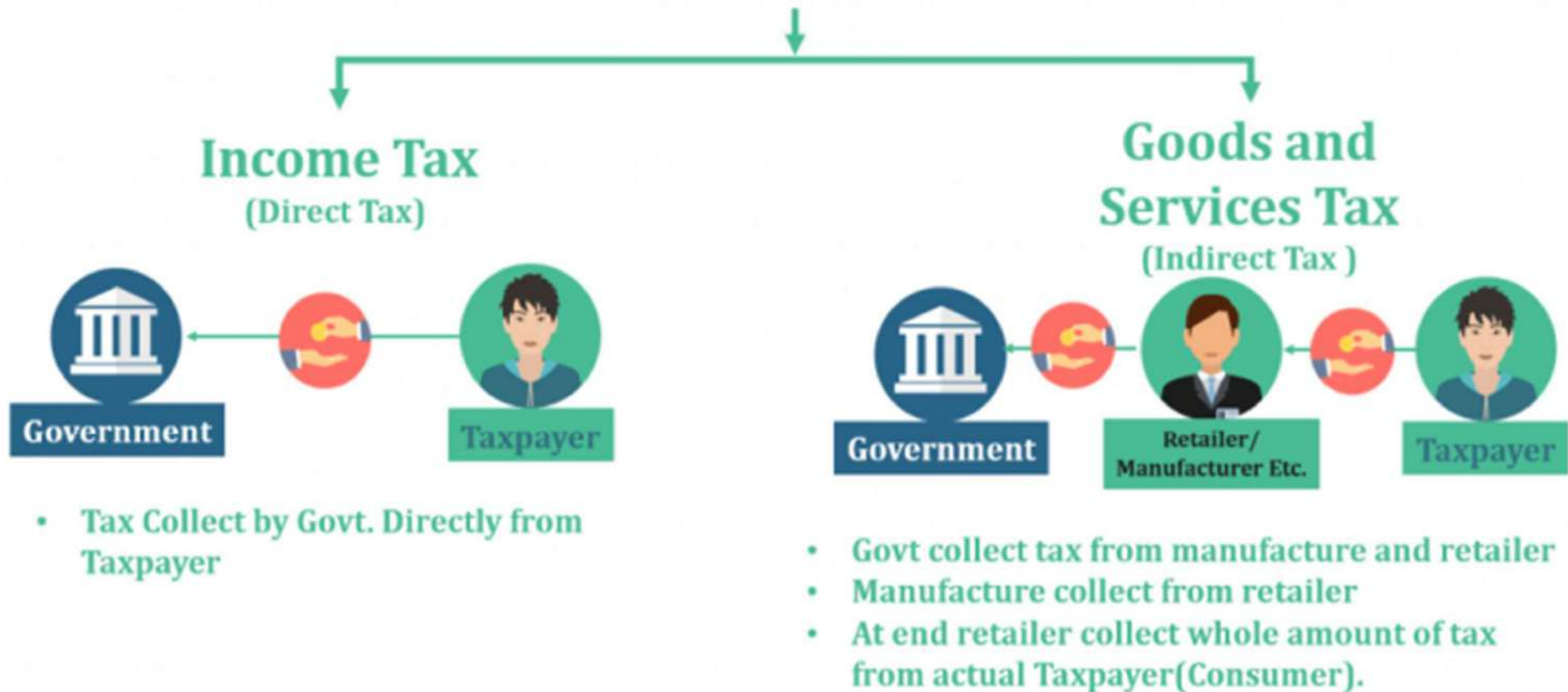


By CMA Kedarnath  
9985162155  
[pkedarnathassociates@gmail.com](mailto:pkedarnathassociates@gmail.com)

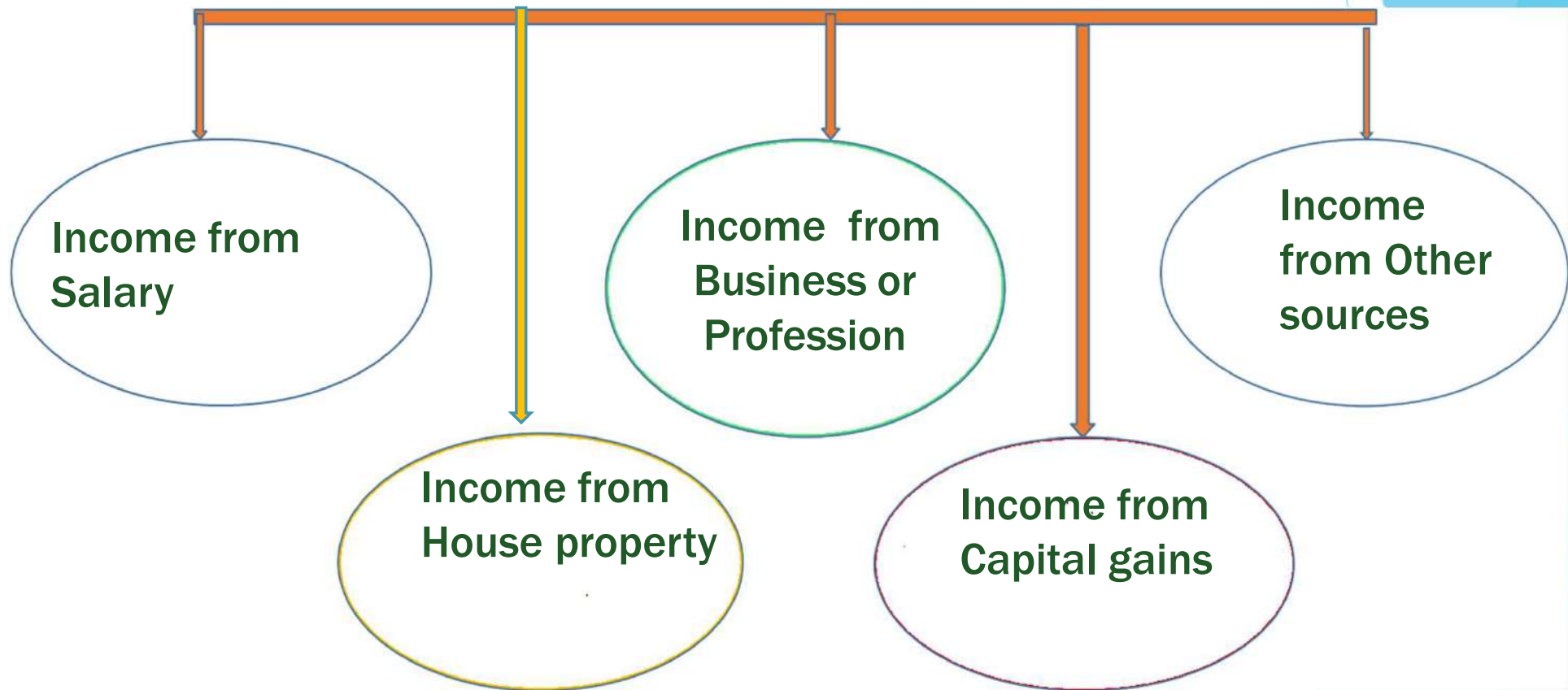
## A Session on Filing of ITR-4



# Taxation in India



## HEADS OF INCOME



## Why we need to file Income Tax Return: To inform IT Dept about

Income	Expenses	High value transactions like Capital Gains etc.,	IFOS
Chapter VI-A Deductions	Exemptions	Rebate / Relief	Tax Payable
Advance Tax Paid	TDS / TCS	Self-Assessment Tax Paid	Refund



## 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

## Introduction to ITR Filing



# Benefits of Filing Income Tax Return

**Claim of Income Tax refund**

**Carry forward of losses to next year**

**Income and Address Proof**

**ITR is an Essential Document**

**Easy Loan Processing**

**Easy Credit Card Processing**

**Hassel Free Approval of Visa Application**

**Avoid Penalty**

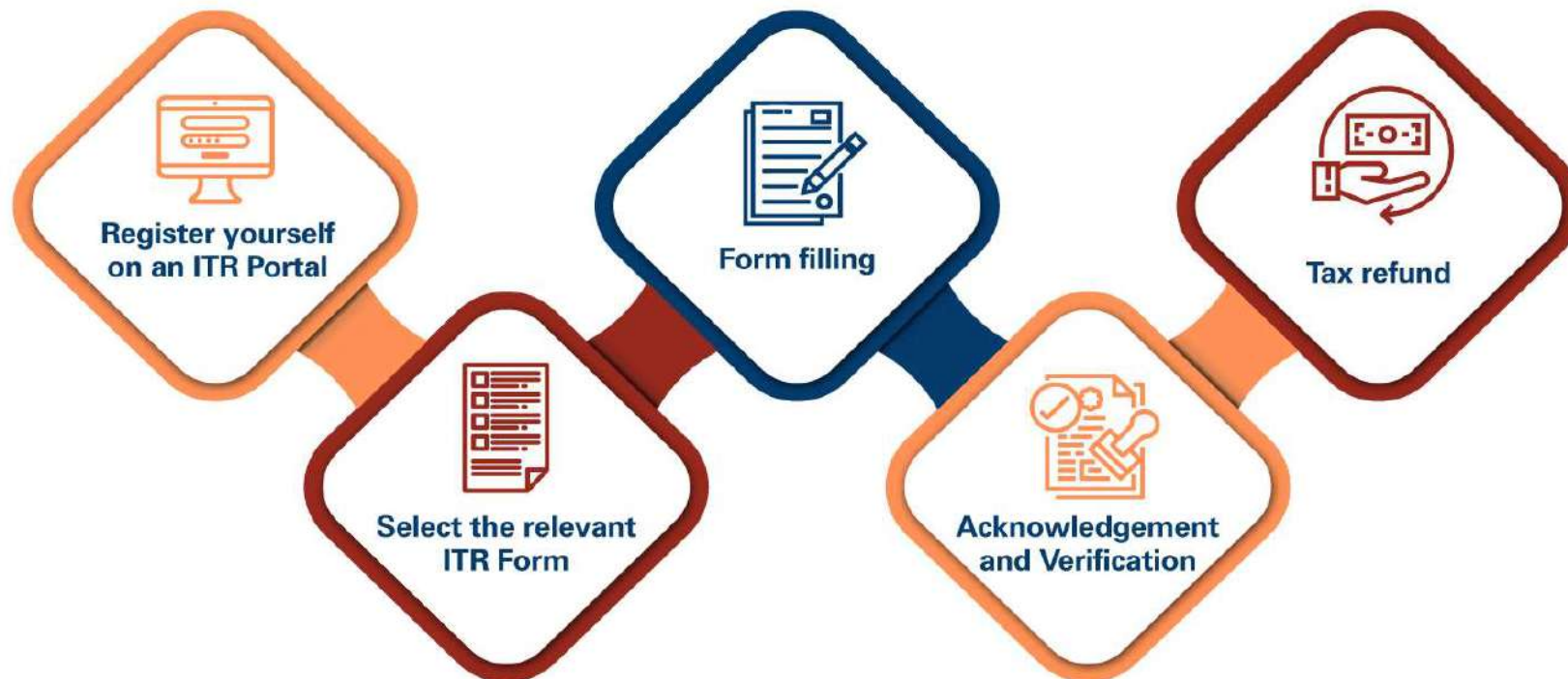
**Excess Intrest Can be Avoided**

[www.manthanexperts.com](http://www.manthanexperts.com)

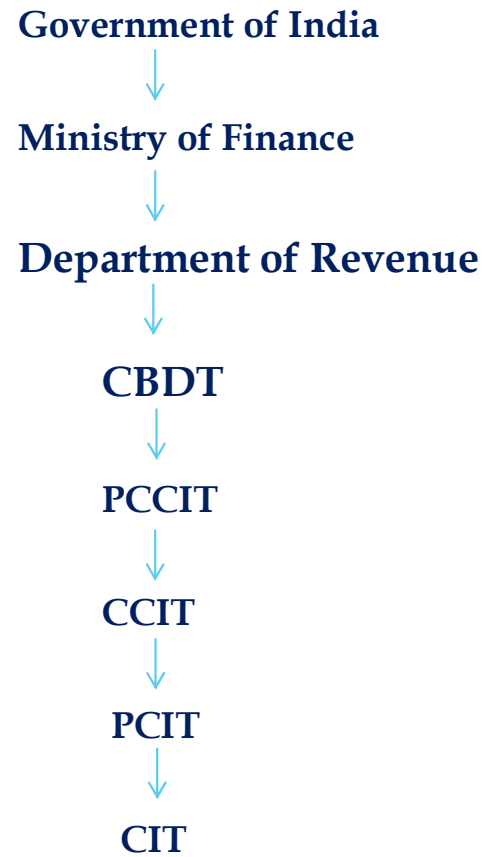


## Introduction to ITR Filing

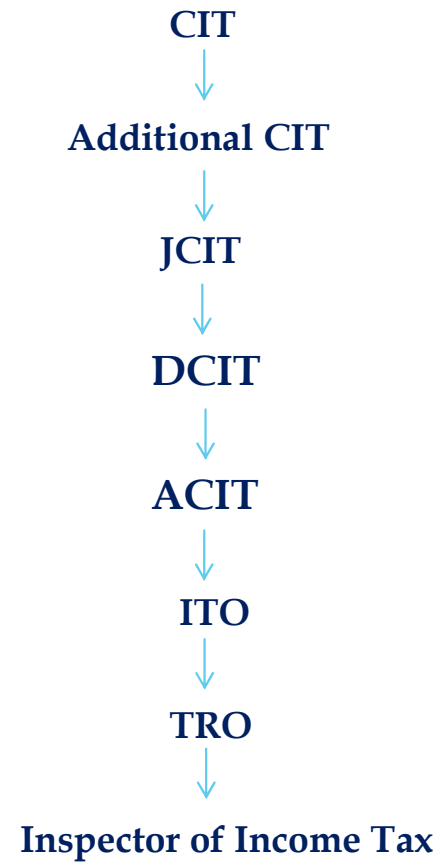
### Efiling Income Tax Process



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



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



## 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 - 30<sup>th</sup> Nov of AY
- ❖ Company
- ❖ Tax Audit cases
- ❖ Partner of firm (where firm a/c's are Tax Audit)
- ❖ Others: 31<sup>st</sup> July of AY

31<sup>st</sup> Oct of AY

[LA Finance Act, 2020]

### Note:

Filing of Tax Audit Report: 30<sup>th</sup> 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 30<sup>th</sup> 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 1<sup>st</sup> April 2021 or thereafter, may be filed within the time provided under that Section or by 31<sup>st</sup> 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 1<sup>st</sup> April 2021 or thereafter, may be filed within the time provided under that Section or by 31<sup>st</sup> 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 1<sup>st</sup> April 2021 or thereafter, may be filed within the time allowed under that notice or by 31<sup>st</sup> 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 31<sup>st</sup> March 2021, may be filed on or before 31<sup>st</sup> 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 30<sup>th</sup> April 2021 under Rule 30 of the Income-tax Rules, 1962, may be paid and furnished on or before 31<sup>st</sup> 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 30<sup>th</sup> April 2021, may be furnished on or before 31<sup>st</sup> 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/P. 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 [insofficersonline.gov.in](http://insofficersonline.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
- ✓ 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-4** from New Income Tax Portal: [www.incometax.gov.in](http://www.incometax.gov.in)

The screenshot displays the 'Downloads' section of the New Income Tax Portal. The URL in the address bar is <https://www.incometax.gov.in/iec/foportal/downloads/income-tax-returns>. The page features a navigation bar with links to Home, Individual/HUF, Company, Non-Company, Tax Professionals & Others, Downloads, 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 shows the 'Assessment Year' set to '2022-23' with a 'Read General Instructions' link. Below this, a list of download options is shown: 'Common Offline Utility (ITR 1 to ITR 4)', 'ITR 1', 'ITR 2', 'ITR 3', and 'ITR 4'. The 'ITR 4' section is expanded, revealing details for individuals, HUFs, and firms with income up to Rs. 50 lakh. It lists three downloadable files: 'Utility Excel Based' (3.7 MB, Version 1.1), 'Schema' (21 KB), and 'Validations' (230 KB), along with their release dates.

Assessment Year \*

2022-23 [Read General Instructions](#)

- > Common Offline Utility (ITR 1 to ITR 4)
- > ITR 1
- > ITR 2
- > ITR 3
- ▼ ITR 4
  - For Individuals, HUFs and Firms (other than LLP) being a resident having total income upto Rs.50 lakh and having income from business and profession which is computed under sections 44AD, 44ADA or 44AE and agricultural income upto Rs.5 thousand.
  - [Utility Excel Based](#) (Version 1.1) (3.7 MB)
  - Date of release of latest version of utility 22-Sep-2022
  - [Schema](#) (21 KB)
  - Date of first release of JSON Schema 04-Apr-2022
  - [Validations](#) (230 KB)

## ITR-4

ITR-4 Can be filed through

Online

(or)

Offline Desktop Version

### Steps:

Fill the Data

Save Draft

Then prepare **Jason** document &

Upload the Jason document in the IT Portal

Verification

## Presumptive Taxation: S.44AD

### Presumptive Taxation

- # **Sec. 44AD: Profit & Gains of Business on Presumptive Basis**
- a) **Eligible Assessee : Resident Individual/Resident HUF / Resident firm (excluding LLP)**  
**who has not claimed dedn u/s 10AA or 80IA to 80RRB**
- b) **This Section is applicable for any Business except**  
**-Sec. 44AE Business**  
**-Agency Business**  
**-Commission & Brokerage business**  
**and Turnover / Gross Receipts is up to ₹2 crore.**
- c) **Presumptive PGBP income = Turnover / Gross receipt x 8%**  
**"If Turnover/ Gross Receipts realized by Account Payee Cheque/DD/ Electronic payment through Bank Account or any other electronic mode as may be prescribed upto due date of Return Filing then PGBP = T/O x 6%"**
- d) **If assessee declares income as per Sec. 44AD or higher income and whose T/o is up to ₹2cr then assessee is not required to maintain books of account & get it audited.**

## Presumptive Taxation: S.44AD

e) If assessee declares income for any P.Y as per 44AD & he doesn't declare income as per 44AD in any of the five consecutive P.Y.s, then he shall not eligible to claim benefit of sec. 44AD for 5 years subsequent to the year in which assessee did not declare income as per Sec. 44AD.

f) If point (e) is applicable & NTI of assessee is more than basic exemption then assessee is required to maintain books of accounts & get it audited.

Example :

Let us consider the following particulars relating to an resident individual, Mr.

A being an eligible assessee whose Gross Receipts do not exceed ₹ 2 crore in any of the assessment years between A.Y. 2017-18 to A.Y. 2019-20.

	A.Y 2017-18	A.Y 2018-19	A.Y 2019-20
Gross receipts (₹)	1,80,00,000	1,90,00,000	2,00,00,000
Income offered for Taxation(₹)	14,40,000	15,20,000	10,00,000
% of gross receipts	8%	8%	5%
offered incomes as per 44AD	YES	YES	NO

In the above case Mr. A an eligible assessee, opts for presumptive taxation u/s 44AD for A.Y. 2017-18 & A.Y. 2018-19 and offer income of ₹ 14.40 lakh & ₹ 15.20 lakh on



## Presumptive Taxation: S.44AD

gross receipts of ₹ 1.80 crore & ₹ 1.90 crore respectively. However, for A.Y. 2019-20, he offers income of only ₹ 10 lakh on turnover of ₹ 2 crore, which amounts to 5% of his gross receipts. He has to maintain books of accounts u/s 44AA & gets the same audited u/s 44AB. Since he has not offered income in accordance with the provisions of Sec. 44AD, for five consecutive A.Y. after A.Y. 2017-18, he will not be eligible to claim the benefit of Sec. 44AD for next five AY succeeding A.Y. 2019-20 i.e. from A.Y. 2020-21 to 2024-25.



## Presumptive Taxation: S.44ADA

- # **Sec. 44ADA : PGBP on presumptive basis for professional**
- a) **Eligible Assessee: Resident Individual or resident firm (excluding LLP) engaged in profession as referred in Sec.44AA**
  - b) **This section is applicable if Gross Receipt is upto ₹ 50lakhs.**
  - c) **PGBP Income = Gross receipt × 50%.**
  - d) **If assessee declares income as per Section 44ADA or higher then, he is not required to maintain books of accounts & get it audited.**
  - e) **If assessee declares income lower than 50% & his NTI is more than basic exemption he is required to maintain books of A/cs & get it audited.**

### → **Common notes for 44AD and 44ADA**

- 1. **Deduction u/s 30-38 shall not be deemed. (Assume its deemed to be already allowed).**
- 2. **WDV is to be calculated considering notional dep every PY.**
- 3. **Partners' remuneration & interest are not allowed from deemed PGBP.**
- 4. **100% Advance Tax can be paid by 15th march of PY.**

## Presumptive Taxation: S.44AE

### Sec. 44AE: Presumptive Taxation for Transporters

IF assessee engaged in the business of plying, hiring, leasing such goods carriage  
then PGBP will be-

Heavy goods Vehicle : ₹ 1,000 per ton of gross vehicle weight or unladen weight,  
as the case may be, for every month or part of a month

Other Vehicle: ₹ 7,500 for every month or part of a month

The assessee can also declare a higher amount in his return of income. In such  
case, the latter will be considered to be his income



## Presumptive Taxation: S.44AD

### Notes :

1. This section is applicable if assessee owns Max 10 vehicles. If assessee owns more than 10 vehicles at any time during the P.Y. then this section shall not apply.
2. Income calculated even vehicle not put to use but own by assessee.
3. Partners remuneration, salary, interest etc as per 40(b) shall be deductible while computing income u/s 44AE
4. Heavy goods vehicle means any goods carriage, the gross vehicle weight of which exceeds 12,000 kilograms (12 tons)
5. As per CBDT clarification we have to consider gross vehicle weight for calculating income however if gross vehicle weight not available then we have to consider unladen weight like tractor.
6. Assessee's opting for presumptive taxation are not required to maintain books of account as per Sec 44AA or get them audited u/s 44AB. However, where an Assessee wishes to declare income lesser than as computed u/s 44AE, he is required to mandatorily maintain books of account and get the same audited.

## Presumptive Taxation: S.44AE

7.	Deduction u/s 30-38 shall not be deemed. (Assume its deemed to be already allowed).
8.	WDV is to be calculated considering notional dep every PY.

COMPUTATION OF PRESUMPTIVE BUSINESS INCOME UNDER SECTION 44AD				
S. No.	Name of Business		Business code	Description
(i)				
E1	Gross Turnover or Gross Receipts			
	a	Through a/c payee cheque or a/c payee bank draft or bank electronic clearing system received or prescribed electronic modes received before specified date	E1a	
	b	Any other mode	E1b	
E2	Presumptive Income under section 44AD			
	a	6% of E1a or the amount claimed to have been earned, whichever is higher	E2a	
	b	8% of E1b or the amount claimed to have been earned, whichever is higher	E2b	
	c	Total (a + b)	E2c	
	NOTE—If Income is less than the above percentage of Gross Receipts, it is mandatory to have a tax audit under 44AB & other ITR as applicable has to be filed			



## ITR-4: Presumptive Taxation Scheme – S.44ADA

COMPUTATION OF PRESUMPTIVE INCOME FROM PROFESSIONS UNDER SECTION 44ADA			
S. No.	Name of Business	Business code	Description
(i)			
E3	Gross Receipts		E3
E4	Presumptive Income under section 44ADA (50% of E3) or the amount claimed to have been earned, whichever is higher NOTE—If Income is less than 50% of Gross Receipts, it is mandatory to have a tax audit under 44AB & other ITR as applicable has to be filed		E4

## ITR-4 : 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.



## ITR-4 : 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

**LA:** Returns filed on or after 01.08.2022 the time limit reduced to **30 Days** to e-verify the return either online or offline.

Address: To,

Centralized Processing Center,

Income Tax Department,

Bengaluru – 560500

within 30 days from the date of filing.

## Key aspects needs to consider while filing ITR

### 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-4

### 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*



By

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