



**THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA**

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CERTIFICATE COURSE ON FILING OF RETURNS

Today's Content – Practical Guide to file ITR- 5

What is ITR 5?

ITR-5 is an Income Tax Return (ITR) form used by specific entities such as firms, LLPs, Association of Persons (AOPs), and other non-individual taxpayers in India. It is designed for reporting income, tax computation, and compliance with tax laws.

1. Eligibility to File ITR-5

Entities required to file ITR-5 include:

- ✓ **Firms (Partnership Firms & LLPs)**
- ✓ **Association of Persons (AOPs)**
- ✓ **Body of Individuals (BOIs)**
- ✓ **Artificial Juridical Persons (AJP)**
- ✓ **Local Authorities**
- ✓ **Co-operative Societies**
- ✓ **Business Trusts & Investment Funds**

Who Cannot File ITR-5?

Entities not allowed to file ITR-5:

- ✗ **Individuals and HUFs (they file ITR-1 to ITR-4)**

- ✗ Companies (they file ITR-6)
 - ✗ Charitable/religious trusts (they file ITR-7)
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2. Key Features of ITR-5

☒ Comprehensive Reporting of Income

- Business or professional income (Presumptive or Regular)
- Capital Gains (Short-term and Long-term)
- Rental income (House Property)
- Income from Other Sources (Interest, Dividends, etc.)

☒ Tax Computation & Deductions

- Adjustments for **depreciation, carry forward of losses, and deductions under Chapter VI-A**
- Deductions under **Sections 80C, 80D, 80G, 80JJAA, 80P, etc.**
- Exemptions available under sections **10, 54, 54EC, 54F, etc.**

☒ Balance Sheet & Profit & Loss Reporting

- Detailed disclosures for firms, LLPs, and AOPs
- **Breakdown of assets, liabilities, and capital structure**
- **Tax audit requirements (if applicable)**

☒ TDS & TCS Credit

- **Claim of TDS deducted** under Section 194C, 194J, etc.
- **TCS (Tax Collected at Source) credits**

☒ MAT (Minimum Alternate Tax) & AMT (Alternate Minimum Tax)

- If applicable, businesses must **calculate MAT under Section 115JB or AMT under 115JC.**

☒ Schedule IF: Partnership Firms

- If the entity is a **partner in another firm**, its share of profit/loss is reported here.

☒ **GST & Other Regulatory Disclosures**

- GST Turnover details required for reconciliation with **GSTR filings**.
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3. Filing Procedure for ITR-5

◇ Mode of Filing

ITR-5 must be **electronically filed** through:

- 1** **Income Tax E-filing Portal** (<https://www.incometax.gov.in/>)
- 2** **Using Digital Signature Certificate (DSC)** (Mandatory for Tax Audit Cases)
- 3** **Electronic Verification Code (EVC)** for non-audit cases

◇ Steps to File Online

- 1. Login to the Income Tax Portal**
- 2. Go to “e-File” → “Income Tax Returns” → “File Income Tax Return”**
- 3. Select the Assessment Year & ITR-5**
- 4. Fill in relevant details in schedules (Income, Deductions, Taxes, etc.)**
- 5. Validate and Generate XML**
- 6. Submit using DSC or EVC**

◇ Due Date for Filing ITR-5 Form

- **When accounts are to be audited under the Income-Tax Act - 31 October of the assessment year**
- **When report in Form No. 3CEB is to be furnished - 30 November of the assessment year**
- **In other cases (where accounts need not be audited) - 31 July of the assessment year**

4. Common Mistakes to Avoid

- ✗ Not reporting all sources of income**
- ✗ Failing to reconcile GST turnover with Income Tax returns**

- ✗ Incorrect **computation of depreciation and MAT/AMT**
 - ✗ Claiming **ineligible deductions or exemptions**
 - ✗ Not verifying the return after filing (returns remain invalid if not verified)
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5. Penalties for Late Filing

- **After Due Date (31st July/31st Oct):** Late filing fee under **Section 234F**
 - **₹5,000** (if filed before 31st Dec)
 - **₹10,000** (if filed after 31st Dec)
 - **₹1,000** (if total income is below ₹5 lakh)
 - Interest under **Sections 234A, 234B, and 234C** for late payment of tax.
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Key Changes in the ITR-5 Form in AY 2024-25

- Provide the acknowledgement number for the Audit Report and UDIN
- Show the sum subjected to be paid to MSME beyond the mentioned time limit
- Comprehensive data related to the utilisation of capital gains accounts scheme
- Under Schedule 80GGC, the information for the contribution to political parties is sought in detail.
- Schedule OS included the declaration of bonus payment under LIC policies, receipt information of dividends from IFSC units
- Startups under Section 80-IAC- The schedule asks for the information date of incorporation, nature of business, certificate number obtained from Inter-Ministerial Board, First AY - when deduction claimed, and amount of deduction availed for current AY
- MSME particulars are needed, such as registration status and registration number as allotted MSME

Practical Guide

What is the Structure of the ITR-5 Form?

The Form has been divided into two parts and several schedules:

Part A: General information

Part A-BS: Balance Sheet as on 31st March 2024

Part A-Manufacturing Account for the financial year 2023-24

Part A-Trading Account for the financial year 2023-24

Part A-P and L: Profit and Loss Account for the financial year 2023-24

Part A-OI: Other information

Part A-QD: Quantitative details

Part B

There are 40 schedules details of which are as under:

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 112A: Sale of equity shares in a company or unit of equity-oriented fund on which STT is paid under Section 112A

Schedule VDA - Income from transfer of Virtual Digital Assets

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: Unabsorbed Depreciation

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 donation for scientific research or rural development

Schedule 80GGC: Details of contributions made to political parties

Schedule 80IAC: Deduction in respect of eligible start-up

Schedule 80LA: Deduction in respect of offshore banking unit or IFSC

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/ 80-IE: Computation of deduction under section 80IC/ 80-IE.

Schedule 80P: Deductions under section 80P

Schedule-VIA: Statement of deductions (from total income) under Chapter VIA.

Schedule –AMT: Computation of Alternate Minimum Tax payable under section 115JC

Schedule AMTC: Computation of tax credit under section 115JD

Schedule-SI: Statement of income which is chargeable to tax at special rates

Schedule IF: Information regarding partnership firms in which you are partner

Schedule-EI: Statement of Income not included in total income (exempt incomes)

Schedule PTI: Pass Through Income details from business trust or investment fund as per section 115UA, 115UB

Schedule TPSA: Secondary adjustment to transfer price as per section 92CE(2A)

Schedule 115TD: Accreted Income under section 115TD

Schedule FSI: Details of Income from outside India and tax relief

Schedule TR: Details Summary of tax relief claimed for taxes paid outside India

Schedule FA: Details of Foreign Assets and Income from any source outside India

Schedule GST: Information regarding turnover/gross receipt reported for GST

Part B – TI: Computation of total income

Part B – TTI: Computation of tax liability on total income

Tax payments:

Details of payment of advance tax and tax on self-assessment tax

Details of tax deducted at source on income other than salary (16A, 16B, 16C)

Details of collected at source

Sequence for filling out parts and schedules The Income Tax Department recommends assesses to follow the sequence mentioned below while filling out the income tax return.

Part A

Schedules

Part B

Verification

Discussion on any questions

