



LAST OPPORTUNITY TO FILE INCOME TAX

**RETURN FOR THE AY 2019-20
AND**

TIME LIMIT OF INVESTMENT ELIGIBLE FOR

DEDUCTION FOR THE AY 2020-21

- **LAST DAY OF FILING OF INCOME TAX RETURN FOR THE ASSESSMENT YEAR 2019-20 IS 30.06.2020**
- **LATE FEES U/S 234F remains same i.e. Rs.10,000/- provided the Total Income exceeds Rs.5,00,000/-**
- **ELSE 1/10 TH OF ABOVE i.e. Rs.1,000/- only**
- **INTEREST ON DELAY FILING AS APPLICABLE U/S 234A IS 75% OF THE USUAL RATE. i.e. 9% P.A. DURING THE PANDEMIC PERIOD.**
- **SEPARATE PENALTY PROCEEDINGS ALSO APPLICABLE BUT CAN NOT BE FEASIBLE DURING THE PANDEMIC SITUATION.**
- **SELF ASSESSMENT TAX U/S 140A EVEN PAID IN THE MONTH OF JUNE 2020 FOR THE ASSESSMENT YEAR 2019-20 IS STILL CONSIDERED AS SELF ASSESSMENT TAX.**
- **TIME LIMIT FOR COMPLETION OF ASSESSMENT FOR THE ASSESSMENT YEAR 2019-20 HAS NOT BEEN EXTENDED TILL DATE. PRESENTLY IT APPEARS ON 31.03.2021**
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- **ATTENTION BEFORE PROPER FILING OF RETURN**

- NO INCOME WILL BE Understated or
- NOT Computed excessive loss or
- NOT Under paid OF the tax UNDER any manner

- **NON COMPLIANCE OF ABOVE:**

- The assessee shall require to attend the department by any manner to produce documents / evidences in support of the Return.
- SPECIAL REGULAR ATTENTION :
- ON INVESTMENT
- BOOKS OF REAL ENTRY
- ENTIRE INCOME COVERED UNDER THE TOTAL INCOME
- CLAIM SUCH EXPENSES WHICH WILL BE SUBSTANTIATED BY EVIDENCE
- FOREIGN TRANSACTION AND REMITANCES

- **CONSEQUENCES OF NON FILING**

- **iii) Prosecution**

- Willful failure to file return may attract prosecution u/s 276CC.
- **iv)** In case of charitable trust and institutions / other association and institutions there is a penalty of Rs. 100 per day u/s 272A(2) for delay in filing the return.
- **v)** In case of Political party exemption u/s section 13A shall not be allowed unless it furnishes the return of income.
- **vi)** In case of charitable trust and institutions exemption u/s section 11 and 12 shall not be allowed unless it furnishes the return of income.

- **Consequences of non filing of the return:**

- **i) Interest for default in filing the return u/s 139(1) or 139(4) or in response to notice u/s 142(1) – section 234A(1)**

- Interest is payable @1% p.m. for every month or part of month BUT during PANDEMIC IT IS .75% P.A.
- a) Where the return of income is furnished after the due date specified u/s 139(1) – from date immediately following the due date till the date of furnishing the return.
- b) Where the return of income is not furnished– from date immediately following the due date till the date of completion of best judgement assessment u/s 144

- **Section 139 (3) – Return of loss:**

- If a person who has sustained a loss in any previous year under the head “profit and gain of business or profession” or under the head “Capital Gains” and claims that such loss or any part thereof should be carried forward under section 72(1) / 73(2) / 73A(2) / 74(1) and (3) or 74A(3) then he may furnish a return of loss within the time prescribed under section 139(1) and all the provisions of this Act shall apply as if it were a return under section 139(1).

- **Section 140 – Verification of Return:**

- **a) Individual –**

- i) By individual himself
- ii) he is absent from India, then by himself or by authorised person
- iii) If he is mentally incapacitated – by his guardian or any other competent person to do so
- iv) In case of his inability – by any person duly authorised by him

- **b) HUF (Hindu undivided family)** – by karta himself and where karta is absent / mentally incapacitated then by any other adult member of the family

- **c) Company –**

- i) by managing director or in case of his inability / absence by any director
- ii) in case of the company being wound up – by liquidator
- iii) in case of a company whose management is taken over by Central / State Government – by principal officer thereof
- iv) in case of company which has admitted application for corporate insolvency resolution – by appointed insolvency professional

- **d) Firm** – by managing partner or in case of his inability / absence by any partner
- **e) LLP** (Limited liability partnership) – by designated partner or in case of his inability / absence by any partner
- **f) Local Authority** – by principal officer
- **g) Political party** – by chief executive officer
- **h) Any other association** – by any member of the association or principal officer
- **i) Any other person** – i) by that person or ii) any other competent person on his behalf

- **Time limit of investment for the F.Y. 2019-20**

- By virtue of an Ordinance vide no. CG-DL-E-31032020-218979 the due date as covered under Chapter VIA, Section 10AA,10(23C),54 54G has been extended till 30.06.2020. i.e. even if the sum paid in the F.Y. 2020-21 WILL BE TREATED AS PAID IN THE F.Y. 2019-20.
- THESE INVESTMENTS ARE APPLICABLE TO THE EXISTING PROVISIONS COVERED UNDER CHAPTER VIA
- i.e. Section 80C, Section 80CCC,Section 80D,SECTION 80DD,SECTION 80DDB

| DEDUCTION UNDER CHAPTER VI-A IN RESPECT OF 'PAYMENTS' | | |
|---|---|---------------|
| Section | Nature of Payment | Who can Claim |
| <u>80C</u> | Life Insurance Premium, Provident Fund Contribution (Maximum : Rs. 1,50,000) | Individuals |
| <u>80CCC</u> | Pension Fund [Maximum : Rs. 1,50,000 | Individuals |
| <u>80CCD(1)</u> | Deduction available in respect of Employee's / Assessee's Contribution to National Pension Scheme (NPS) [Section 80CCD(1)] | Individuals |
| <u>80CCD(1B)</u> | Additional Deduction of Rs. 50,000 is available in respect of Employee's / Assessee's Contribution to National Pension Scheme (NPS) [Section 80CCD(1B)] | Individuals |
| <u>80CCD(2)</u> | Deduction available in respect of Employer's Contribution to National Pension Scheme (NPS) [Section 80CCD(2)] | Employees |

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|------------------|--|---|
| <u>80D</u> | Deduction in respect of Health or Medical Insurance Premium | Individual/HUF |
| <u>80DD</u> | Deduction in respect of Maintenance Including Medical Treatment of a Dependent who is a Person with Disability | Resident Individual/ Resident HUF |
| <u>80DDB</u> | Deduction in respect of Medical Treatment , etc. | Resident Individual/ Resident HUF |
| <u>80E</u> | Payment of interest of Loan taken for higher studies | Individual |
| <u>80EE</u> | Deduction in respect of Interest on Loan taken for Residential House Property | Individual |
| <u>80G</u> | Deduction in respect of Donations to certain Funds, Charitable Institutions , etc. [Section 80G] | All Assessee |
| <u>80GG</u> | Deduction in respect of Rents Paid [Section 80GG] | Individual |
| <u>80GGA</u> | Deduction in respect of certain Donations for Scientific Research or Rural Development [Section 80GGA] | All assessees not having any income chargeable under the head 'Profits and gains of business or profession' |
| <u>80GGB/GGC</u> | Contribution to Political Parties | |

from Industrial Undertaking or Enterprises engaged in infrastructure Development [Section 80IA]

80-IAB

Deduction in respect of profits and gains by an undertaking or an enterprise engaged in development of Special Economic Zone (SEZ)

Developers

80-IAC

Special Provision in respect of Eligible Business of Eligible Start Up [Section 80-IAC] [W.e.f. A.Y. 2017-18]

Companies / LLPs

80-IB

Deduction in respect of Profit & Gain from certain Industrial Undertaking other than Infrastructure Development Undertaking [Section 80-IB]

All Assessee

80-IBA

Deduction in respect of Profits and Gains from Housing Projects [Section 80-IBA]

All Assessee

80-IC

Deduction in respect of Profits and Gains of Certain Undertaking or Enterprises in certain Special Category States. [Section 80-IC]

All Assessee

80-ID

Deduction in respect of Profits and Gains from Business of Hotels and Convention center in NCR

All Assessee

| | | |
|--------------------------------|---|-------------------------|
| <u>80-IE</u> | Deduction in respect of certain undertaking in North-Eastern States | All Assessee |
| <u>80-JJA</u> | Deduction In Respect Of Profit And Gains From Business Of Collecting And Processing Of Bio-Degradable Waste | All Assessee |
| <u>80-JJAA</u> | Deduction In Respect Of Employment Of New Employees [Section 80-JJAA] w.e.f. A.Y. 2017-18 | All Assessee |
| <u>80LA</u> | Deduction in respect of certain incomes of Offshore Banking Units and International Financial Services Centre | Scheduled Banks |
| <u>80P</u> | Deduction in respect of income of Co-operative Societies | Co-operatives Societies |
| <u>80PA</u> | Deduction in respect of income of Farm Producer Companies [W.e.f. A.Y. 2019-20] | Producers Companies |
| <u>80QQB</u> | Deduction in respect of royalty income, etc., of authors of certain books other than text books [Maximum Rs. 3,00,000] | Resident Individuals |
| <u>80RRB</u> | Deduction in respect of royalty on patents [Maximum Rs. 3,00,000] | Resident Individuals |
| <u>80TTA</u> | Deduction in respect of interest on deposits in savings accounts to the maximum extent of Rs. 10,000 | Individuals / HUF |
| <u>80TTB</u> | Senior citizen to be allowed a deduction of Rs. 50,000 on account of interest on deposits with Banks / co-operative bank / post office. [W.e.f. A.Y. 2019-20] | Senior Citizens |
| <u>80U</u> | Deduction in case of a person with disability [Maximum : Rs.1,25,000] | Resident Individuals |

- **House Property Assessment Year 2020-21**

- For the FY 2019-20 and onwards, the benefit of considering the houses as self-occupied has been extended to 2 houses. Now, a home-owner can claim his 2 properties as self-occupied and remaining house as let out for Income tax purposes.
- a) Maximum Deduction under Interest for House property for self-occupied
- b) House property 1 – Max. Interest allowed 150000/-
- c) House property 2 – Max. Interest allowed 150000/-
- d) But Maximum can be 200000/-
- **Purchase of Two houses after selling the existing House:**
- Under Section 54 (sale of residential house property – purchase of residential house property), the Amendment in this section is of **Long Term Capital Gains(LTCG)** is upto 2 Crore, then assessee can acquire TWO residential house properties within the prescribed time limit. The benefit of purchase of 2 house property is available only once in life

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- **Changes in the provisions related to NRI: Assessment Year 2020-21**

- a) Indian Citizens/Person of Indian Origin (PIO) shall be treated as resident but not ordinarily resident if he was in India for more than 120 days and his income received/accrued in India is more than Rs. 15 Lacs. However those earning less than Rs. 15 Lacs would continue to be governed by the old provisions.
- b) Indian Citizen living out of India and not assessed for Income Tax in other country (e.g. living in Dubai) would now be deemed as 'Resident' in India if his total Income exceeds Rs. 15 Lacs from Indian sources/ Indian Connection. Visit to India is not required for such Citizen.

- **. Deduction under Section 80G in respect of contribution to 'PM CARES Fund'**
- Every person donating to PM CARES Fund shall be eligible to claim a 100% deduction of the amount donated from his total income. Further, the restriction of Section 80G(4) which limits the deduction to 10% of adjusted gross income shall also not be applicable for donation made to PM CARES Fund
- Donations made to PM Cares Fund between 01-04-2020 and 30-06-2020 can be claimed as deduction either in the financial year 2019-20 or 2020-21, at the option of the taxpayer. . But, if the taxpayer opts to claim a deduction in the Financial Year 2020-21, then he shall not be eligible to opt for concessional tax regime of section 115BAC and 115BAD, as the case may be.
- **Extension of Time-limit for deduction of Interest on Loan for affordable Housing:**
- Section 80EEA provides for deduction of Interest up to Rs. 1.5 Lacs on the borrowings made from the Bank/Housing Finance Company, for the purchase of residential house having stamp value not exceeding Rs. 45 Lacs. Such deduction has been extended for the loans sanctioned up to 31st March, 2021.