

SIGNIFICANT CHANGES IN INCOME TAX THAT WOULD COME WITH EFFECT FROM 1ST APRIL 2021

SI No	Particulars	W.E.F 1 st April 2021
1.	Pre-filled ITR Forms	<p>A major change in ITR Form is expected as per Budget 2021 (Pre Filed ITR) will be introduced.</p> <p>The Prefilled ITR Forms will have information of Capital Gains from Listed Securities, Dividend Income, Interest from Banks/Post Office, etc.</p> <p>Earlier Pre-filed ITR form was available for Salaried employees where Income was reflected on basis of Form 16, but now the scope has become wide.</p>
2.	Tax on Interest on PF	<p>Interest earned from the Provident fund is exempt from Income Tax.</p> <p>But, in Budget 2021 has proposed that Interest on Employee Contributions to Provident fund over Rs. 2.5 lakhs should Taxable.</p>
3.	Penalty for Non-Linking of Aadhar & PAN	<p>The Due Date for linking Aadhar and Income Tax PAN is 31st March 2021.</p> <p>In case of non-linking, your PAN Card would become in-operative.</p> <p>In case of Non-Linking, you may be Charged a Fine of Rs. 10,000 as per Section 272B of the Income Tax Act.</p>
4.	High TDS/TCS Rate for Income Tax Return (ITR) Non-Filers	<p>A new sec 206AB has been inserted in Income Tax Act as a special provision providing for higher rate for TDS for the non-filers of income tax return (ITR). The Proposed Rate on Non-Filer is higher of the following:</p> <ul style="list-style-type: none"> • 5% • twice the rate specified in the relevant provision of the Act • twice the rate or rates in force <p>Similarly, a new sec 206CCA has been inserted in Income Tax Act as a special provision providing for higher rate for TCS for the non-filers of income tax return (ITR). The Proposed Rate on Non-Filer is higher of the following:</p> <ul style="list-style-type: none"> • 5% • twice the rate specified in the relevant provision of the Act
5.	Submission of bills under LTC Cash Voucher Scheme	<p>To avail the tax benefit under the LTC Cash Voucher Scheme, ensure that required bills in the correct format containing GST amount and GST number of the vendor have been submitted to your employer (provided the employer is offering the scheme) on or before March 31, 2021. As per the</p>

		scheme, an employee is required to spend three times the amount deemed as LTA fare on goods and services attracting GST of 12% or more.
6.	No Tax Filing For Senior Citizens Above 75	Persons whose age is above 75 years and who has pension income and interest from fixed deposit comes in the same bank and who has only interest income, they need not file income tax return. Bank will deduct the income tax which he has to pay and deposit to the government. The condition is the person should have only pension income and interest from fixed deposit should accrue in the same bank.