UNIT-V
PREPARATION OF RETURN OF INCOME

1. What is Return of Income?

Ans. It is mandatory for every taxpayer to communicate the details of his income to the Income-tax Department. These details are to be furnished in the prescribed form known as return of income or filling of return of income.
Return of Income may be Mandatory, Voluntary or Compulsory.

2. What are the provisions relating to filing of return of income?
Or
Who are required filing the return of income?

Ans. Person required filing the return of income: The provisions relating to filing of return of income depend upon the status of the taxpayer. The position in this regard is given below:

(i) In the case of companies: Every person, being a company, has to file its return of income compulsorily, irrespective of its income being profit or loss. In other words, it is mandatory for every company to file the return of income irrespective of its income or loss.

(ii) In the case of partnership firms: Every person, being a partnership firm (including Limited Liability Partnership), has to file its return of income compulsorily, irrespective of its income being profit or loss. In other words, it is mandatory for every partnership firm to file the return of income irrespective of its income or loss.

(iii) In the case of an Individual/HUF/AOP/BOI/Artificial Juridical Person: Every individual/HUF/AOP/BOI/artificial juridical person has to file the return of income if his total income (including income of any other person in respect of which he is assessable) without giving effect to the provisions of section 10(38), 10A, 10B, 10BA 54, 54B, 54D, 54EC, 54F, 54G, 54GA, or 54GB or Chapter VIA (i.e., deduction under section 80C to 80U), exceeds the maximum amount which is not chargeable to tax i.e. exceeds the exemption limit.

(iv) In the case of charitable or religious trusts: Every person in receipt of income derived from property held under charitable or religious trusts/legal obligations or in receipt of income being voluntary contributions referred to in section 2(24)(iia), has to file the return of income if its total income without giving effect to the provisions of sections 11 and 12 exceeds the maximum amount not chargeable to income-tax.

(v) In the case of political parties: The Chief Executive Officer of every political party has to file the return of income of the party if the total income of the party without giving effect to the provisions of section 13A exceeds the maximum amount not chargeable to income-tax.

(vi) In the case of certain associations: Following entities are liable to file the return of income if their total income without giving effect to the provisions of section 10 exceeds the maximum amount not chargeable to tax: [A s amended by Finance Act, 2021]:
(a)Research association referred to in section 10(21)
(b)News agency referred to in section 10(22B)
(c)Association or institution referred to in section 10(23A)
(d)Person referred to in clause (23AAA) of section 10.
(e)Institution referred to in section 10(23B) etc.

(vii) **In the case of certain university, college or other institution**: Every university, college or other institution referred to in clause (ii) and clause (iii) of section 35(1), which is not required to furnish return of income or loss under any other provision of the Act, shall furnish the return of income every year, irrespective of income (or) loss.

(viii) **In the case of Business Trust** Every business trust, which is not required to furnish return of income or loss under any other provision of the Act, shall furnish the return of income every year, irrespective of income (or) loss.

(ix) **In case of investment fund referred to in section 115UB** Every investment fund referred to in section 115UB, which is not required to furnish return of income or loss under any other provisions, shall furnish the return of income in respect of its income or loss every year irrespective of income (or) loss.

3. What are the provisions relating to Mandatory filing of return?

Ans. Mandatory filing of return in certain cases With effect from Assessment Year 2020-21, it is mandatory for every person (other than a company or a firm), who is not required to furnish return of income under any other provision of section 139(1), to file return of income if during the previous year he:

1. Has deposited an amount (or aggregate of amount) in excess of Rs. 1 crore in one or more current account maintained with a bank or a co-operative bank.
2. Has incurred aggregate expenditure in excess of Rs. 2 lakh for himself or any other person for travel to a foreign country.
3. Has incurred aggregate expenditure in excess of Rs. 1 lakh towards payment of electricity bill.
4. Fulfils such other conditions as may be prescribed.

4. What are the due dates of filling of Income Tax Return for various assessees?

Ans. Due date of filing of return of income:

Status of the taxpayer	Due date
1.Any company other than a company who is required to furnish a report in Form No. 3CEB under section 92E (i.e. other than covered in 2 below)	October 31 of the assessment year
2. Any person (may be corporate/non-corporate) who is required to furnish a report in Form No. 3CEB under section 92E	November 30 of the assessment year
3. Any person (other than a company) whose accounts are to be audited under the Income-tax Law or under any other law	October 31 of the assessment year
4. A working partner of a firm whose accounts are required to be audited under this Act or under any other law.	October 31 of the assessment year
5. Any other assessee	July 31 of the assessment year

5. What are the consequences of delay in filing the return of income?

Ans. Consequences of delay in filing the return of income: Delay in filing the return of income may attract certain adverse consequences. Following are the consequences of delay in filing the return of income:
(i) Loss (other than loss under the head "Income from house property") cannot be carried forward.
(ii) Levy of interest under section 234A.
(iii) Levy of fee under section 234F
(iv) Exemptions under sections 10A, 10B, are not available.
(v)Deduction under Part-C of Chapter VI-A shall not be available.

If assessee failed to furnish return of income within due date as prescribed in section 139(1) then he is required to pay:-
(a) Rs. 5000 if return is furnished on or before 31 December of assessment year.
(b) Rs. 10,000 in any other case. However, if total income of the person does not exceed Rs. 5 lakh then fee payable shall be Rs. 1000.

6. Mention the fees for late filing the return of income.

Ans. If assessee failed to furnish return of income within due date as prescribed in section 139(1) then he is required to pay:-
(a) Rs. 5000 if return is furnished on or before 31 December of assessment year.
(b) Rs. 10,000 in any other case. However, if total income of the person does not exceed Rs. 5 lakh then fee payable shall be Rs. 1000.

7. Explain the various forms available for filling of return of income tax.

Ans. Forms of return prescribed under the Income -tax Law for the assessment year 2021-22

Return Form	Brief Description
ITR – 1	Also known as **SAHAJ** is applicable to a ordinarily Resident individual having salary or pension income or income from one house property (not a case of brought forward loss or loss to be carried forward) or income from other sources (not being lottery winnings and income from race horses and income chargeable to tax at special rates). However, an individual who is a director in a company or has held equity shares of an unlisted company shall not be eligible to use ITR -1. Further, the ITR-1 shall not be available to a taxpayer in whose case the tax has been deducted on cash withdrawal under Section 194N or tax has been deferred in respect of ESOPs allotted by an eligible startup.
ITR – 2	It is applicable to an individual or an Hindu Undivided Family not having income chargeable to income-tax under the head "Profits or gains of business or profession".
ITR – 3	It is applicable to an individual or a Hindu Undivided Family who has any income chargeable to tax under the head business or [As amended by Finance Act, 2021] profession
ITR – 4	Also known as **SUGAM** is applicable to individuals or Hindu Undivided Family or partnership firm who have opted for the presumptive taxation scheme of section 44AD/44ADA/44AE.
ITR – 5	This Form can be used by a person being a firm, LLP, AOP, BOI, artificial juridical person referred to in section 2(31)(vii), cooperative society, local authority Private Discretionary Trust, Society registered under Society Registration Act, 1860, trust other than trusts eligible to file ITR 7, estate of deceased person, estate of an insolvent, business trust and investment fund.

	However, a person who is required to file the return of income under section 139(4A) or 139(4B) or 139(4C) or 139(4D) shall not use this form (i.e., trusts, political parties, institutions, colleges.)
ITR – 6	It is applicable to a company, other than a company claiming exemption under section 11 (exemption under section 11 can be claimed by charitable/religious trust).
ITR – 7	It is applicable to a persons including companies who are required to furnish return under section 139(4A) or section 139(4B) or section 139(4C) or section 139(4D) (i.e., trusts, political parties, institutions, colleges.).
ITR – V	It is the acknowledgement of filing the return of income.

8. Explain the different modes of filing the return of income Return.

Ans. Modes of filing the return of income Return: Forms can be filed with the Income-tax Department in any of the following ways, -
(i) by furnishing the return in a paper form;
(ii) by furnishing the return electronically under digital signature;
(iii) by transmitting the data in the return electronically under electronic verification code;
(iv) by transmitting the data in the return electronically and thereafter submitting the verification of the return in Return Form ITR-V;

9. What is Revision of Return?

Ans. Sometimes the taxpayer may omit to include certain information in the return or may commit any mistake at the time of filing the return of income. In such case any unintentional mistake or error or omission in the return of income filed by the taxpayer can be corrected by filing a revised return.
A return can be revised at any time before the end of the relevant assessment year or before the completion of the assessment, whichever is earlier. It should be noted that only a return filed under section 139(1) or belated return filed under section 139(4) can be revised.
A return of income filed pursuant to notice under section 142(1) of Act cannot be revised under section 139(5).

10. What is Belated of Return?

Ans. Return filed after the prescribed due date is called as a belated return. A belated return can be filed at any time but before 31st December of relevant assessment year or before completion of the assessment, whichever is earlier.

11. What is Defective Return?

Ans. If the validation of the return filed by the assessee is not successful then the IT department treats such a return as defective return and issues a notice to the taxpayer. Leaving any column or row blank in the ITR form may render the return to be a defective return. The taxpayer shall rectify such defect in the return of income within a period of 15 days of such intimation or within such further period as the Assessing Officer may allow. If the taxpayer fails to rectify the defect within the allowed period, the return shall be treated as invalid and it shall be presumed that the taxpayer has failed to furnish the return.

12. Is it mandatory to file return of loss?

Ans. An assessee has to file a return of loss before the due date to carry forward or set off his loss against income in the same or subsequent year.

13. What is PAN? Who has to obtain PAN? Name any five transactions in which quoting of PAN is mandatory. Mention the penalty for not having PAN if required as per Section 139A/false quoting PAN/having more than one PAN.

Ans. PAN stands for Permanent Account Number. PAN is a ten-digit unique alphanumeric number issued by the Income Tax Department. PAN is issued in the form of a laminated plastic card (commonly known as PAN card). The Permanent Account Number (PAN) is unique to an individual or entity and it is valid across India.

PAN is a ten-digit unique alphanumeric number issued by the Income Tax Department.

PAN is to be obtained by:

(i) Every person if his total income or the total income of any other person in respect of which he is assessable during the year exceeds the basic exemption amount.

(ii) A charitable trust who is required to furnish return under Section 139(4A).

(iii) Every person who is carrying on any business or profession whose total sale, turnover, or gross receipts are or is likely to exceed 5, 00,000 during the previous year.

(iv) Any resident person (other than an individual) which enters into a financial transaction of an amount aggregating to 2, 50,000 or more in a financial year.

(v) Assessee as defined in Section 65(6) of the Finance Act, 1994 relating to Service tax.

(vi) Assessee as defined in Rule 2(3) of the Central Excise Rules.

(vii) Every importer/exporter who is required to obtain Import/Export code.

(viii) Every person who is entitled to receive any sum/income after deduction of tax at source.

Transactions in which quoting of PAN is Mandatory

(i) Buying or selling a motor vehicle (other than two wheeled vehicle)

(ii) Opening a bank account

(iii) Applying for a debit or credit card

(iv) Opening a demat account

(v) Cash payment of more than 50,000 to a hotel or restaurant against bill at any one time

(vi) Cash payment of more than 50,000 in connection with travel to any foreign country or payment for purchase of any foreign currency at any one time etc

(vii) Depositing cash exceeding 50,000 in a day in a bank etc.

Penalty for not having PAN (if required as per Sec. 139A)/false quoting of PAN/Having more than one PAN [Section 272B]

(i) In case, a person fails to comply with the provisions of Section 139A, i.e., to obtain PAN, the Assessing Officer may direct him to pay a penalty of Rs. 10,000.

(ii) Similarly, if an assessee quotes a false/incorrect PAN on any document and which he knows to be false/ incorrect, the Assessing Officer may direct him to pay a penalty of Rs. 10,000.

However, such penalty can be levied only after the person has been given the opportunity of being heard.

14. What is electronic filing of return i.e. e-filing? Explain the provisions relating to Electronic filing of return under Income-tax Act, 1961 [Section 139D].

Ans. The process of electronically filing Income tax returns through the internet is known as e-Filing or electronic filing of return.

Provisions relating to Electronic filing of return under Income-tax Act, 1961 [Section 139D]

Section 139D empowers The Central Board of Direct Taxes (i.e. Board) to make rules regarding E-filing of return by various persons. It states that the Board may make rules providing for:

(a) The class or class of persons who shall be required to furnish the return in electronic form;

(b) The form and the manner in which the return in electronic form may be furnished;

(c) The documents, statements, receipts, certificates, or audit reports which may not be furnished alongwith the return in electronic form but shall be produced before the Assessing Officer on demand;

(d) The computer resource or the electronic record to which the return in electronic form may be transmitted.

15. Write the benefits of e-filing of Income Tax Return.

Ans. Once an assessee adopts this method of income tax return filing, he will never go back to the offline mode. The benefits of e-Filing are as under:

1. One can e-File income tax return from his home or office.

2. One can e-file income tax return 24x7.

3. Personal details and tax paid amount would be already there in the ITR.

4 The income tax return utility will immediately calculate the tax liability. One can tally it with the TDS.

5. The assessee will have online record of income tax return for further verification.

6. The income tax refund is swift through the e-Filing.

16. Name the documents required for ITR filing.

Ans. The documents that are required for the filing of income tax returns online are as follows:

(i) PAN card

(ii) Bank statement

(iii) Interest certificates from banks or post offices

(iv) Self-assessment Challan/Advance tax Challan

(v) Statement related to home loan

(vi) Details related to property

(vii) Deductions under Section 80C to 80U

(viii) Tax saving investment proofs

(ix) Form 16 (for salaried assessees)

(x) Salary slip

(xi) TDS proof

(xii) Form 16A/16B/16C

(xiii) Form 26AS 1.

17. What is Form-16?

Ans. The salaried employees get form 16. This form 16 has the details of your income and TDS. The 80C deduction is also incorporated in the form 16. The government has prescribed a format of form 16. This form 16 is used to file income tax return. Please note form 16 is not required with the income tax return form. It is used only for reporting the income and tax details. It is a certificate of TDS from the employer to the employee. You should preserve it for any further query.

18. What is Form 16A?

Ans. This is also a TDS certificate similar to form 16. But it is used for TDS other than the salary income. There are many payments other than salary which is given after the tax deduction at source. The certificate of this deduction is given in the form 16A. Form 16 is given annually while form 16A is given quarterly.

19. What is Form 26AS?

Ans. The Income Tax Department maintains the database of the total tax paid by the taxpayer i.e., tax credit in the account of a taxpayer. The tax credit will cover TDS, TCS and tax paid by the taxpayer in other forms like advance tax, self-assessment tax, etc. Form 26AS is an annual statement provided by the income tax department. It shows all the taxes paid against a PAN. One can verify his tax payments through the form 26AS. Anyone can access his form 26AS through the income tax e-filing website. The login ID and password of e-filing is used to view the form 26AS. You can also see your form 26AS through the internet banking,

Income Tax Department will generally allow a taxpayer to claim the credit of taxes as reflected in his Form 26AS.

20. Name the ways for collection of tax.

Ans. The Government collects Income Tax as under:
(1) Deduction of Tax at Source;
(2) Collection of Tax at Source;
(3) Advance Payment of Tax;
(4) Payment of Tax on Self-assessment; and
(5) Notice of Demand.

21. What is Advance Payment of Tax?

Ans. Advance tax is the amount of income tax that is paid much in advance rather than a lump-sum payment at the year-end. Also known as earn tax, advance tax is to be paid in instalments as per the due dates decided by the income tax department.

22. Who is liable to pay advance tax?

Ans. As per section 208, every person whose estimated tax liability for the year is Rs. 10,000 or more, shall pay his tax in advance, in the form of "advance tax". In this part you can gain knowledge on various provisions relating to payment of advance tax by a taxpayer.

23. On what dates the instalments of advance tax are due and what amount is to be paid on them?
Ans.

Status	By 15th June	By 15th Sept.	By 15th Dec.	By 15th March
All assessees (other than the eligible assessee as referred to in Section 44AD or section 44ADA)	Up to 15% of advance tax	Up to 45% of advance tax	Up to 75% of advance tax	Up to 100% of advance tax
Taxpayers who opted for presumptive taxation scheme of section 44AD or section 44ADA	Nil	Nil	Nil	Upto 100% of Advance tax

24. What is Tax Deducted at Source (TDS)? Name few payments on which is tax deducted at source.

Ans. The tax deducted at source means that the person responsible for making payment of certain incomes to the income earners deduct income tax at the prescribed rates on such incomes before payment is made to them. The amount so deducted at source shall be deposited by the deductor in the Government Treasury within the prescribed time limit. The tax so deducted is called deduction of tax at source.

Payments subject to deduction of tax at source: The following types of income are subject to deduction of tax at source:

1. Salaries (Sec. 192]

2. Payment of Recognised Provident Fund (Sec. 192A)

3. Interest on securities [Sec. 193]

4. Dividends (Sec. 194)

5. Interest other than interest on securities [Sec. 194A)

6. Winnings from lotteries or crossword puzzles (Sec. 194B)

7. Winnings from horse races [Sec. 194BB] etc.

25. When and how is tax to be deducted at source from salary? (AUS 2022) Or

What are the provisions regarding the deduction of tax at source under the head salaries?

Ans. U/s 192(1) any person responsible for paying any income chargeable under the head 'Salaries' (Sec. 15) shall deduct income-tax at the time of payment.

The following are the important provisions in case of salaried employees:

(i) Employment under more than one employer during relevant previous year: The assessee must furnish details of his salary received from previous employer to the present employer for deduction of tax at source [u/s 192 (2)].

(ii) Relief u/s 89 (1): In case any arrears are paid to an employee working in any Government organisation or company, co-operative society, local authority, University, institution, association or body, and he is entitled to relief u/s 89 (1), he may apply to his employer and employer can allow relief u/s 89 (1) [u/s 192 (2A)].

(iii) Income from any other head: A salaried employee can furnish details of his other incomes to his employer and employer can deduct tax at source for such incomes also. But assessee has the right to claim the set off of any loss under the head income from house property [Section 192(2B)].

(iv) Statement of perquisites or Profit in lieu of Salary to employee: A person responsible for paying any income chargeable to tax under the head "Salaries" shall furnish to the person to whom salary is paid a statement giving full and correct particulars of perquisites and profits in lieu of salary provided to him [Section 192 (2C)].

(v) Allowability of deductions under chapter VI-A [i.e. u/s 80]:

(a) All deductions under section 80C, 80CCC, 80CCD, 80D, 80DD, 80E, 80G, 8OGG and 80U may be allowed while calculating estimated total income of employee.

(b) Generally, deduction u/s 80G shall not be allowed by the employer from the salary income. However, the following donations made by the employee through employer shall be allowed while calculating estimated total income of employee:

- Prime Minister's National Relief Fund
- Chief Minister's Relief Fund
- Lieutenant Governor's Relief Fund.

(vi) Tax on perks paid by employer: The employer has been given an option to pay tax on income by way of perquisites (not provided by way of monetary payments) and such amount paid by employer shall be deemed to have been paid by the assessee.

(vii) Rates of Tax to be deducted at Source: The following rates of income tax for deduction of tax at source from salaries and computing advance tax during the financial year 2019-20 (for the assessment year 2020-21) shall be applied:

(a) **Individual-Senior citizen (resident in India, who is of the age of 60 years or more but less than 80 years during the previous year):**

On Rs. 3, 00,000 .... Nil

Next on Rs. 2, 00,000... @ 5%

Next on Rs. 5, 00,000... @ 20%

Next – Balance... @ 30%

(b) **Individual—Super Senior citizen (resident in India, who is of the age of 80 years more during the previous year):**

On Rs. 5, 00,000 .... Nil

Next on Rs. 5, 00,000.. @ 20%

Next – Balance... @ 30%

(c) **Other individuals:**

On Rs. 2, 50,000 .... Nil

Next on Rs. 2, 00,000.. @ 5%

Next on Rs. 5, 00,000.. @ 20%

Next – Balance... @ 30%

Rebate of tax u/s 87A: In case of an individual resident in India, whose total income does not exceed Rs. 5, 00,000, shall be entitled to a deduction from the amount of income tax payable upto Rs. 12,500.

Surcharge: (a) 10% if total income exceeds Rs. fifty lakh but does not exceed Rs. one crore.
(b) @ 15% if such income exceeds one crore.

Health and Education cess: On the amount of income tax and surcharge @ 4%.

26. Who will issue certificate of TDS? What will due date of issue of TDS certificate?

Ans. The person deducting the tax at source has to issue a certificate of deduction to the assessee stating the amount of tax deducted at source in the prescribed Form No. 16 in case of salaries and Form No. 16A in all other cases.

Due Date of issue of the TDS Certificate

1. Form No. 16-Annual, upto 15th June.

2. Form No. 16A-Quarterly, within 15 days from the due date for furnishing the statement of tax deducted at source under Rule 31A.

Due date under Rule 31A is as under w.e.f. 1.6.2016:

S.No.	Quarter ending	Due date
1	30th June	31st July
2	30th September	31st October
3	31st December	31st January
4	31st March	31st May

27. What is Tax Collected at Source (TCS)?

Ans. Tax collected at source (TCS) is the tax payable by a seller which he collects from the buyer at the time of sale. Section 206C of the Income-tax act governs the goods on which the seller has to collect tax from the purchasers.

28. Who will issue certificate of TCS? What will due date of issue of TCS certificate?

Ans. The person responsible for collecting the tax is required to issue a certificate of collection of tax at source to the collectee in Form No. 27D within 15 days from the due date of furnishing the statement of tax collected at source specified under rule 31AA(2). [Rule 37D (1) & (3)].

In other words, certificate in Form No. 27D should be issued within the time limit specified as under:

S.No.	Quarter ending	Due date
1	30th June	30th July
2	30th September	30th October
3	31st December	30th January
4	31st March	30th May

29. What is assessment? Explain the different types of assessment.

The process of examination of ITR by the Income Tax Department is called Assessment. The assessment also includes re-assessment and best judgement assessment under section 147 and 144 respectively and the different type of income tax assessment.

The following are the types of income tax assessment:

1. **Self Assessment u/s 140A:** This type of income tax assessment is the in which the assessee calculate the tax by himself, usually to accompany his calculation with payment of the amount he regards as due.

The tax payable is required to be furnished under section 139 or section 142 or section 148 or section 153A, after taking TDS and deducting advance tax paid.

There are no specific dates to pay Self Assessment Tax. Payment of Self Assessment Tax and non-filling of the returns should be paid within 31st July of every year.

2. **Summary Assessment u/s 143(1):** Assessment u/s 143(1) is like checking of the return of income. Under this section, income tax department sent intimation u/s 143(1) taxpayer. A Comparative Income Tax computation is sent by the department. In income tax assessment, total income or loss incurred is computed.

Assessment u/s 143(1) can be made within a period of one year from the end of financial year in which the return is filed.

3. **Scrutiny Assessment u/s 143(3):** Scrutiny assessment is the assessment of the return filed by the assessee by giving an opportunity to the assessee to substantiate the declared income and expenses and the claims of deductions, losses, exemptions, etc in the return with the help of evidence. It is managed by the Committee through a single work plan. Specific work is undertaken through the committee and by establishing informal panels (for in-depth activities) or working groups.

The assessing officer gets the opportunity to conduct an inquiry and aims at ascertaining whether the income is correctly shown by the assessee or not. The claims for deductions, exemptions etc are legally and factually.

4. **Best Judgement Assessment:** The Best Judgement Assessment means evaluation or estimation in the context of income tax law of the assessee by the assessing officer. In the case of best judgement

assessment, the assessing officer will make the assessment based on best reasoning i.e. they will not act dishonestly. The assessee will neither be dishonest in assessment nor have a bitter attitude towards the officer. This is a type of income tax assessment which involves the input of both the assessee and the officer equally.

There are two types of Best Judgement Assessment:

(I)Compulsory Assessment: Assessing Officer finds that there is non-cooperation by the assessee or found to be a defaulter in supplying information to the department.

(II)Discretionary/Optional Assessment: When Assessing Officer is dissatisfied with the authenticity/validity of the accounts given the assessee or where no regular method of accounting has been followed by the assessee.

5. **Protective Assessment:** This is a type of assessment that focus on those assessments which are made to protect the interest of the revenue.

Though, there is no provision in the income tax act authorizing the levy of income tax on a person other than whom the income tax is payable. It is open to the authorities to make a protective or an alternative assessment if it is not ascertainable who is really liable to pay the tax among a few possible persons.

6. **Re-assessment or Income Escaping Assessment u/s 147**: Income Escaping Assessment u/s 147 is the assessment which is done by the Assessing Officer if there is a reason for him to believe that income chargeable to tax has escaped assessment for any assessment year. It gives power to him to re-assess or re-compute income, turnover etc. which has escaped assessment.

7. **Assessment in case of search u/s 153A:** Under this type of Income Tax Assessment, the Assessing Officer will:

(I)Issue notice to such person requires furnishing within such period, as specified in the notice. Clause (b) referred to the return of income of each assessment year falling within six assessment years and is verified prescribed form.

(II)Assessor re-assess the total income of six assessment years immediately preceding the assessment year relevant to the previous year in which such search is conducted or requisition made.

30. Explain the Procedure for e-filing the return of income.

Ans. Income Tax Department has established an independent portal for e-filing the return of income. The taxpayers can log on to www.incometaxindiaefiling.gov.in for e-filing the return of income. The Income Tax Department has provided free e-filing utility (i.e., software) to generate e-return and furnishing the return electronically.

The Central Board of Direct Taxes (CBDT) started JSON Utility for ITR-1 & ITR-4 for Assessment Year 21-22. Open the utility and start filing.

ITR-1 has five sections that must be filled before submitting it and one summary section where one can review his or her tax computation. The sections are as follows:

(i) Personal Information: In the Personal Information section of the ITR, you need to verify the pre-filled data such as name, date of birth, Aadhaar number (if you have linked it with you PAN), contact no., address, bank details, etc. which is auto-filled from your e-Filing profile. You can edit your contact details, filing type details and bank details in the form. It also asks you the following questions:

- Are you opting for New tax regime under section 115BAC?
- Your reason for filing income tax return?

(ii) Gross Total Income: In the Gross Total Income section, you need to review the pre-filled information and verify your income from salary/pension, house property, and other sources (such as interest income, family pension, etc.). You will also be required to enter the remaining/additional details including your exempt income, if any.

(iii) Total Deductions: In the Total Deductions section, you need to add and verify any deductions you want to claim under Chapter VI-A (section 80C to 80U) of the Income Tax Act.

(iv) Tax Paid: In this section, you need to verify taxes paid by you in the previous year such as TDS on Salary: TDS on incomes other than Salary, TCS, Advance Tax and Self-Assessment Tax.

(v) Total Tax Liability: In the Total Tax Liability section, you need to review tax liability computed as per the sections filled previously. It also shows Rebate u/s 87 A and Relief under section 89, Interest under sections 234A; 234B; 234C and Fees under section 234F for late filing of income tax return.