



Key Changes in Filing of Income Tax Returns (ITR)

One Should Know before filing ITR

Key Changes in Filing of ITR forms

Considering the COVID-19 pandemic, various relaxations have been provided under the statutory compliances and one of them is with respect to Filing of Income Tax Returns (ITR). During the current year, while filing the ITR one has to keep in mind various relaxations provided by the government as a relief measure.

Basic questions before knowing about the changes in ITR:

- ✓ Are you planning to file your ITR this year?
- ✓ Have you consulted professional for guidance?
- ✓ Do you know what are the changes this year in ITR?
- ✓ Do you know what precautions to be taken during the year to file your ITR?

If answer to any of the above question is NO, then ensure to go through the content of this document to get answer to your questions.

Following is the summarised table enumerating the key changes to be kept in mind while filing of ITR forms.

A) Extension in various dates

Sr No	Head	Change Description
1	Extension in date of filing of return for FY 2018-19 (AY 2019-20)	The due date for filing of return of FY 2018-19 is extended from March 31, 2020 to June 30, 2020. But the penalty as per law of Rs. 1,000/- and Rs. 10,000/- has to be paid.
2	Extension in date of filing of return for FY 2019-20 (AY 2020-21)	The due date for filing of return of FY 2019-20 is extended to November 30, 2020 from July 31, 2020.
3	Extension in date of making investments u/s 80C for FY 2019-20 (AY 2020-21)	Assessee whose investment under PPF, NSC or any other tax saving scheme was not done up to March 31, 2020 then that can be made up to June 30, 2020. Maximum benefit of Rs. 1,50,000/- can be taken.
4	Extension in date of filing of Tax Audit Report for FY 2019-20 (AY 2020-21)	The due date for filing of tax audit report of FY 2019-20 is extended from September 30, 2020 to October 31, 2020. Also, the due date of filing of such returns is extended to November 30, 2020.

Notification No. 31/2020 dated 29.05.2020

In exercise of the powers conferred by Section 139 read with Section 295 of the Income-tax Act, 1961, the CBDT amended the Income-tax Rules, 1962. The amendment known as Income-tax (12th Amendment) Rules, 2020 has been notified vide **Notification No. 31/2020** dated 29.05.2020. For incorporating changes to curb tax evasion certain amendments are carried out in Finance Act, 2019 accordingly changes in ITR forms are being made.

Sr No	Head	Change Description
1	Providing additional information relating to expenditure and deposit of cash	<p>Taxpayers are now required to provide following information for Deposit of Cash in current accounts, Expenditure on foreign travel and expenditure on electricity expense in ITR -1, ITR -2, ITR -3 and ITR -4.</p> <p>a. Have you deposited amount or aggregate of amounts exceeding Rs. 1 Crore in one or more current account during the previous year? (Yes/No)</p> <p>b. Have you incurred expenditure of an amount or aggregate of amount exceeding Rs. 2 lakhs for travel to a foreign country for yourself or for any other person? (Yes/ No)</p> <p>c. Have you incurred expenditure of amount or aggregate of amount exceeding Rs. 1 lakh on consumption of electricity during the previous year? (Yes/No)</p>
2	Changes in nature of employment under government employees	In form ITR -1, ITR -2, ITR -3 and ITR -4 under nature of employment, government employees have been bifurcated as central govt., state govt., public sector undertaking, pensioners, others and additional New “ N.A.” field is added which can be used by person who are claiming family pensions.
3	Addition of Schedule DI- Details of Investments	“Schedule DI – Details” of investment has been incorporated in all ITR forms, to include relaxation given during the period 1.4.2020 to 30.06.2020 for the

Parikh & Associates
Chartered Accountants

		purpose of claiming any deduction under Chapter VI-A, deposit and payment for claiming deduction u/s 54 to 54GB.
4	Person earning Dividend Income can't file ITR – 1 form	If any person is having taxable income as dividend from domestic companies, then the person is not eligible to file ITR -1 form. The person or assessee has to file return other than ITR -1.
5	Interchangeability of PAN and Aadhaar Number	Has been introduced in the new ITR Forms. Now, while filing ITR-1, ITR-2, ITR-3 or ITR-4, an Individual assessee having Aadhaar Number but not having a PAN can file his/her Return of Income by simply quoting his/her Aadhaar Number.
6	Changes in ITR - 4 with respect to Section 44AD	In ITR -4 under section 44AD, one new clause added as the electronic mode in addition to electronic clearance and reduced the presumptive income from 8% to 6%.
7	Changes in ITR – 6 for selecting concessional tax rate, if any	Drop down to be provided in e-filing utility in ITR 6 for domestic companies if the assessee has opted for taxation under concessional tax rate under section 115BA/115BAA/115BAB.

Key Changes in Filing of ITR forms – One has to take care!

About Parikh & Associates

Parikh & Associates, Chartered Accountants is Chartered Accountancy Firm Registered with The Institute of Chartered Accountants of India (ICAI). We are the team of young and energetic professionals having experience in diversified areas of the industry with a positive approach to provide expert and professional services with due care of professional ethics.

We believe in a steady approach towards offering high-quality professional services to our clients.

Offices

Ahmedabad

308, Akshar Stadia,
Opp. Symphony House,
Off Sindhuhavan Road,
Bodakdev, Ahmedabad – 380 054

Godhra

Swaminarayana Complex,
Bamroli Road,
Godhra. – 389001

Contact:

CA Vedant K. Parikh

Partner
T: +91 9427261777

CA Jainam P. Shah

Partner
T: +91 9429966332

www.parikhandassociates.in

E: info@parikhandassociates.in



parikhandassociates



parikhandassociate

This publication contains information in summary form and is therefore intended for general guidance only. It is not intended to be a substitute for detailed research or the exercise of professional judgment. Neither Parikh and Associates nor any other member of the organization accepts any responsibility for loss occasioned to any person acting or refraining from action as a result of any material in this publication. On any specific matter, reference should be made to the appropriate advisor.