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Chartered Accountants





02

Recent Changes in Income Tax Portal

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03

Introduction of JSON utility

The Income Tax Department has introduced a JSON utility for offline filing of Income Tax returns. Architectural and engineering design. This utility for offline return filing is expected to increase the return filing convenience. The new e-filing portal will be integrated with immediate processing of Income Tax Returns.

04

Non- Permissibility to use ITR 1 in case of TDS Deducted u/s 194N

Section 194N of the IT Act provides for deduction of TDS in case of cash withdrawal by any person exceeding the specified limit as mentioned therein. In case of TDS deducted under Section 194N shall not be allowed to file ITR1. Also, since TDS deducted u/s 194N of the IT Act can be only claimed as a refund pertaining to such year of deduction, the ITRs have been amended in order to restrict the carry forward of such TDS to subsequent assessment years.





05

Amendment in Schedule UD to give effect to section 115BAC

Section 115BAC provide for special tax regime for individuals or HUFs. These special tax regimes provide for concessional tax rates. The ITRs have been revised in order to incorporate the optional tax regimes. Accordingly, the taxpayer would have to provide information Part-A (General Information) whether they would be opting for the Concessional Tax regime or not. Also Schedule UD in ITR 3 has been revised to forego the unabsorbed depreciation or losses in case one opts for 115BAC.



Incorporation of changes in the Dividend Regime



As per amendment in Finance Act 2020, now DDT has been abolished and dividends are taxable in hands of shareholder. Accordingly, Schedule OS has been revised to provide for dividend taxability. Further, a quarterly breakup of dividend income would be required to be provided in all the ITR forms which would further enable computation of interest liability under section 234C. Correspondingly, Schedule EI (Exempt Income) which provided for exemption of dividend income up to Rs 10 lakh has been correspondingly revised.



07

Additional reporting requirement of nature of security

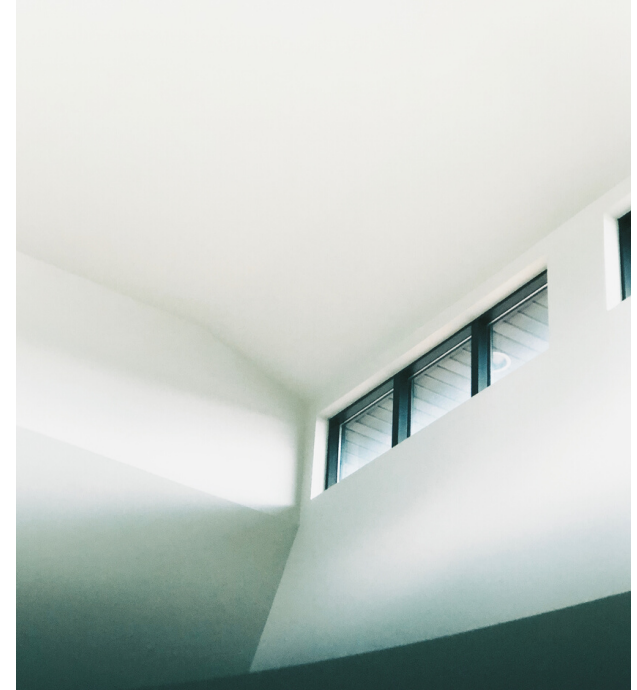
Schedule 112A and Schedule 115AD require reporting of various details in respect of long term capital gains arising on transfer of securities, being equity shares, units of equity-oriented mutual fund or units of business trust, provided transfer of such capital asset is chargeable to Securities Transaction Tax (STT). Now, a new column has been added under both the schedules for reporting the nature of security i.e. whether it is a share or unit.



Reporting of details of tax deducted under section 194M



For details of tax deducted under section 194M, certificate in Form 16D will be issued under Rule 31. The ITR forms have been amended to provide reference of Form 16D in case of tax deducted at source under section 194M. However, it is notable that no such deduction under this section shall be made if such sum or, as the case may be, aggregate of such sums, credited or paid to a resident during a financial year does not exceed Rs 50 lakh.



MISCELLANEOUS CHANGES



EMPLOYEES RECEIVING ESOP FROM STARTUP U/S 80IAC

Needs to be
disclosed in Part B of
Schedule TTI by
employee.





Now two varied interest rates(4%/5%) is applicable in this case. Consequent changes made in forms for proper disclosure.

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