

Comprehensive update on
Income Tax (Fourth Amendment) Rules, 2017
amending Rule 12
of the
Income Tax Rules, 1962
w.e.f. 1.4.2017
relating to ITRs for AY 2017-18

{vide Notification No. S.O. 1006(E) – 21/2017F No. 370142/5/2017-TLP dated 30.3.2017}

Return of income and return of fringe benefits

In exercise of the powers conferred by **section 139** read with **section 295** of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes has made Income Tax amendment rules further to amend **Rule 12** of the Income-tax Rules, 1962, which shall come into force *w.e.f.* 1st April, 2017.

Section 139(1) of the Income Tax Act *{hereinafter referred to as the Act}* mandates that every person being a company **or** a firm **or** being a person *other than* a company **or** a firm, *if* his total income **or** the total income of any other person in respect of which he is assessable exceeds the maximum amount which is not chargeable to income-tax, shall **on or before the due date**, furnish a return of his income **or** the income of such other person during the previous year, -

- in the **prescribed form and**
- verified in the **prescribed manner and**
- *setting forth such other particulars* as may be **prescribed**.

Further **section 139(6)** provides that the **prescribed form** of the return referred to in sub-section (1) *{and also sub-section (3) of section 139 and section 142(1)(i)}* *shall*, in such cases as may be **prescribed, require** the assessee to *furnish* –

- the particulars of income exempt from tax,
- assets of the **prescribed nature and value**, held by him as a -
 - beneficial owner **or**
 - otherwise **or**
 - in which he is a beneficiary,
- his bank account **and**
- credit card held by him,
- expenditure exceeding the prescribed limits incurred by him under **prescribed heads and**
- such other outgoings as may be **prescribed**.

It means that an assessee is obliged to furnish a return of income in the **prescribed form**, to verify it in the **prescribed manner and** setting forth therein the **prescribed particulars and** information as may be prescribed u/s 139(6).

The word “**prescribed**” is defined in **section 2(33)** of the Act to mean “prescribed by **rules** made under this Act”.

Section 295(1) of the Act empowers CBDT to make rules for the whole **or** any part of India **for carrying out the purpose of this Act, and** in particular, as per **section 295(2)(eea)**, for the following matters as mandated by section 139(6):

- the nature **and** value of assets,
- the limits **and** heads of –
 - expenditure **and**
 - the outgoings

Hence, **Rule 12** was made by the CBDT, which has been amended from time to time, and **now** by the Income Tax (4th amendment) Rules, 2017 dated 30.3.2017, which is being presented hereunder in the amended form with analytical comments.

For the purpose of understanding the provisions of Rule 12 it is pertinent to analyse the scheme of setting of the rule, which is as follows:

SN	Rule	Subject	Section mandating the Rule
1	12(1)	ITR Forms to be used by different class of assesses under different circumstances.	139(1) 139D 295(2)(<i>eebb</i>)
2	12(2)	Documents not required to be furnished along with the ITRs	139C 139D 295(2)(<i>eeba</i>) 295(2)(<i>eebb</i>)
3	12(2) proviso	Furnishing of reports of audit electronically	295(1)
4	12(3)	Manner of furnishing of ITRs	139(1) 139D 295(2)(<i>eebb</i>)
5	12(4)	Delegation of powers to the Principal Director General of Income tax (Systems) or Director General of Income tax (Systems) for specifying the - <ul style="list-style-type: none"> • procedures, • formats and • standards for ensuring – <ul style="list-style-type: none"> • secure capture and 	295(1)

		<ul style="list-style-type: none"> • transmission of data and to – • evolve and • implement appropriate – • security, • archival and • retrieval policies in relation to – • furnishing of returns in the manners (other than the paper form) specified in column (iv) of the Table in sub rule and • the report of audit or • notice in the manner specified in proviso to sub rule (2). 	
6	12(5)	Where a return of income relates to the assessment year commencing on the 1st day of April, 2016 or any earlier assessment year, it shall be furnished in the appropriate form as applicable in that assessment year.	139(1) 139D 295(2)(<i>eebb</i>)

Rule 12

{Amendments are mentioned and highlighted in “green” colour}

12. (1) The return of income required to be furnished under subsection (1) **or** subsection (3) **or** subsection (4A) **or** subsection (4B) **or** subsection (4C) **or** subsection (4D) **or** subsection (4E) **or** subsection (4F)] of section 139 **or** clause (i) of subsection (1) of section 142 **or** subsection (1) of section 148 **or** section 153A relating to the assessment year commencing on the 1st day of April, **2017** shall,—

(a) in the case of a person **being an individual** where the total income includes income chargeable to income tax, under the head,—

(i) "Salaries" **or** income in the nature of family pension as defined in the *Explanation* to clause (iia) of section 57; **or**

(ii) "Income from house property", where assessee **does not own** more than one house property **and does not have** any brought forward loss under the head; **or**

(iii) "Income from other sources", except winnings from lottery or income from race horses **and does not have** any loss under the head,

be in **Form [SAHAJ] (ITR 1)** and be verified in the manner indicated therein:

Provided that the provisions of this clause shall **not** apply to a person who,—

(I) is a resident, other than not ordinarily resident in India within the meaning of sub section (6) of section 6 **and** has, —

(i) assets (including financial interest in any entity) located outside India;

Or

(ii) signing authority in any account located outside India; **or**

(iii) income from any source outside India;

(II) has claimed any relief of tax under section 90 or 90A or deduction of tax under section 91;

(III) has agricultural income, **exceeding** five thousand rupees;

(IV) has total income, exceeding fifty lakh rupees;

(V) has income taxable under section 115BBDA; or

(VI) has income of the nature referred to in section 115BBE;

(b) {Omitted}

(ba) {Omitted}

(c) **in the case of a person being an individual [not being an individual to whom clause (a) applies] or a Hindu undivided family where the total income does not include income derived from a proprietary business or profession, be in Form No. ITR-2 and be verified in the manner indicated therein;**

(ca) in the case of a person being an individual **or** a Hindu undivided family **or** a firm, **other than** a limited liability partnership firm, **‘income under the head “Profits or gains of business or profession” and such income is computed in accordance with special provisions referred to in section 44AD, section 44ADA and section 44AE of the Act for computation of such income, be in Form SUGAM (ITR-4)’** and be verified in the manner indicated therein:

Provided that the provisions of this clause shall **not** apply to a person who,—

(I) is a resident, other than not ordinarily resident in India within the meaning of sub-section (6) of section 6 and gas, -

(i) assets (including financial interest in any entity) located outside India; or

(ii) signing authority in any account located outside India; or

(iii) income from any source outside India;

(II) has claimed any relief of tax under section 90 or 90A or deduction of tax under section 91;

- (III) has agricultural income, exceeding five thousand rupees;
- (IV) **has income taxable under section 115BBDA; or**
- (V) **has income of the nature referred to in section 115BBE;**
- (d) in the case of a person being an individual **or** a Hindu undivided family other than the individual **or** Hindu undivided family referred to in clause (a) **or** clause (c) **or** clause (ca) **and** deriving income from a proprietary business or profession, be in **Form No. ITR 3** and be verified in the manner indicated therein;
- (e) in the case of a **person not being** an individual **or** a Hindu undivided family **or** a company **or** a person to which clause (g) applies, be in **Form No. ITR 5** and be verified in the manner indicated therein;
- (f) in the case of a company **not being** a company to which clause (g) applies, be in **Form No. ITR 6** and be verified in the manner indicated therein;
- (g) in the case of a person **including** a company whether or not registered under section 25 of the Companies Act, 1956 (1 of 1956), required to file a return under subsection (4A) **or** Subsection (4B) **or** subsection (4C) **or** subsection (4D) **or** subsection (4E) **or** subsection(4F) of section 139, be in Form No. ITR7 and be verified in the manner indicated therein;
- (h) 45[***]

(2) The return of income required to be furnished in Form SAHAJ (ITR 1) **or** Form No. ITR 2 **or** Form No. ITR 3 **or** **Form SUGAM (ITR4)** **or** Form No. ITR 5 **or** Form No. ITR 6 **or** Form No. ITR 7 shall not be accompanied by a statement showing the computation of the tax payable on the basis of the return, **or** proof of the tax, if any, claimed to have been deducted **or** collected at source **or** the advance tax **or** tax on self assessment, if any, claimed to have been paid **or** any document **or** copy of any account or form **or** report of audit required to be attached with the return of income under any of the provisions of the Act:

Provided that where an assessee is required to furnish a **report of audit** specified under sub clause (iv), (v), (vi) or (via) of clause (23C) of section 10, section 10A, section 10AA, clause (b) of subsection (1) of section 12A, section 44AB, section 44DA, section 50B, section 80IA, section 80IB, section 80IC, section 80ID, section 80JJAA, section 80LA, section 92E, section 115JB or section 115VW **or** to give a **notice** under clause (a) of subsection (2) of section 11 of the Act, **he shall furnish the same electronically.**

(3) The return of income referred to in sub rule (1) shall be furnished by a person mentioned in column (ii) of the **Table** below to whom the conditions specified in column (iii) apply, in the **manner** specified in column (iv) thereof: -

Table

Sl. (i)	Person (ii)	Conditions (iii)	Manner of furnishing of return (iv)
1	Individual or Hindu Undivided Family	<p>(a) Accounts are required to be audited under section 44AB of the Act;</p> <p>(b) Where total income assessable under the Act during the previous year of a person,-</p> <p style="padding-left: 20px;">(i) being an individual of the age of 80 years or more at any time during the previous year; or</p> <p style="padding-left: 20px;">(ii) whose income does not exceed five lakh rupees and no refund is claimed in the return of income, and who furnishes the return in Form No. SAHAJ ITR-1 or Form No. SUGAM (ITR-4)</p> <p>(c) In any other case</p>	<p>Electronically under digital signature;</p> <p>(A) Electronically under digital signature; or</p> <p>(B) Transmitting the data electronically in the return under electronic verification code; or</p> <p>(C) Transmitting the data in the return electronically and thereafter submitting the verification of the return in Form ITR-V; or</p> <p>(D) Paper form;</p> <p>(A) Electronically under digital signature; or</p> <p>(B) Transmitting the data electronically in the return under electronic verification code; or</p> <p>(C) Transmitting the data in the return electronically and thereafter submitting the verification of the return in Form ITR-V; or</p>

2	Company	In all cases	Electronically under digital signature
3	A person required to furnish the return in Form ITR 7	(a) In case of a political party; (b) In any other case	Electronically under digital signature (A) Electronically under digital signature; or (B) Transmitting the data electronically in the return under electronic verification code; or (C) Transmitting the data in the return electronically and <u>thereafter</u> submitting the verification of the return in Form ITR-V; or
4	Firm or limited liability partnership or any person (other than a person mentioned in Sl. 1 to 3 above) who is required to file return in Form ITR 5	(a) Accounts are required to be audited under section 44AB of the Act; (b) In any other case	Electronically under digital signature (A) Electronically under digital signature; or (B) Transmitting the data electronically in the return under electronic verification code; or (C) Transmitting the data in the return electronically and <u>thereafter</u> submitting the verification of the return in Form ITR-V; or

Explanation.— For the purposes of this sub-rule "**electronic verification code**" means a code generated for the purpose of electronic verification of the person furnishing the return of income as per the data structure and standards specified by Principal Director General of Income-tax (Systems) or Director General of Income-tax (Systems).

(4) The Principal Director General of Income tax (Systems) **or** Director General of Income tax (Systems) shall specify the procedures, formats and standards for ensuring secure capture **and** transmission of data **and** shall also be responsible for evolving **and** implementing appropriate security, archival **and** retrieval policies in relation to furnishing the returns in the manners (other than the paper form) specified in column (iv) of the Table in sub rule (3) **and** the report of audit **or** notice in the manner specified in proviso to sub rule (2).

(5) Where a return of income relates to the assessment year commencing on the 1st day of April, **2016 or** any earlier assessment year, it shall be furnished in the appropriate form as applicable in **that** assessment year.

In the principal rules, in
Appendix II

- (a) for Form Sahaj (ITR-1), the following Form shall be **substituted**, namely:- **Sahaj (ITR-1)**;
- (b) for Form ITR-2, the following Form shall be **substituted**, namely:- **ITR-2**;
- (c) Form ITR-2A shall be **omitted**;
- (d) for Form ITR-3 the following Form shall be **substituted**, namely:- **ITR-3**;
- (e) for Form ITR-4S, the following Form shall be **substituted**, namely:- **Sugam (ITR-4)**;
- (f) Form ITR-4 shall be **omitted**;
- (g) for Form ITR-5, the following Form shall be **substituted**, namely:- **ITR-5**;
- (h) for Form ITR-6, the following Form shall be **substituted**, namely:- **ITR-6**;
- (i) for Form ITR-7, the following Form shall be **substituted**, namely:- **ITR-7**;
- (j) for Form ITR-V, the following Form shall be **substituted**, namely:- **ITR-V**

Comments

ITR Forms

- **Rule 12(1)** provides ITR Forms.
- In the last line of sub-rule (1) for the figures “2016” figures “**2017**” has been **substituted** *w.e.f.* 1.4.2017 *i.e.* from AY 2017-18.

Form [SAHAJ] (ITR1)

Clause (a) of Rule 12(1)

- Though ITR Forms are prescribed **and** for AY 2017-18 have been prescribed by CBDT u/r 12(1) **but** u/r 12(4) Principal Director General of Income tax (Systems) **or** Director General of Income tax (Systems), as the case may be, enjoys delegated powers to **specify** the **procedures, formats and standards** for ensuring secure capture **and** transmission of data **and** are also be responsible for evolving **and** implementing appropriate security, archival **and** retrieval policies in relation to furnishing the returns in the manners (other than the paper form) specified in column (iv) of the Table in sub-rule (3) **and** the report of audit **or** notice in the manner specified in proviso to sub-rule (2).

➤ Therefore, wherever electronic return is required to be filed, it is imperative to watch the online Forms of ITR hosted by DG (Systems) on CPC online portal www.incometaxindiaefiling.gov.in.

➤ Persons covered by **clause (a)** of Rule 12(1) shall be obliged to file return of income in **Form [SAHAJ] (ITR1)**.

➤ It is applicable to **all persons**, being an **“individual”**.

➤ It **cannot** be used where such individual has “capital gains” **or** “business / professional income.”

➤ In the **1st proviso** of clause (a) of rule 12(1) following three **new sub-clauses** have been **inserted**:

(IV) has total income, exceeding fifty lakh rupees;

(V) has income taxable under section 115BBDA; or

(VI) has income of the nature referred to in section 115BBE;

➤ It means that if total income of any person –

○ exceeds Rs. 50 Lakh; **or**

○ includes income taxable u/s 115BBDA; **or**

○ includes income of the nature referred to in section 115BBE

such person **cannot** use **Form [SAHAJ] (ITR1)**.

➤ **Section 115BBDA** relates to “Tax on certain dividends received from domestic companies” applicable from AY 2017-18 *vide* the Finance Act, 2016.

➤

➤ **Section 115BBE** relates to “Tax on income referred to in section 68 or section 69 or section 69A or section 69B or section 69C or section 69D” applicable from AY 2013-14 *vide* the Finance Act, 2012, and as amended by the Finance Act, 2016 from AY 2017-18 and The Taxation Laws (Second amendment) Act, 2016 *w.e.f.* 15.12.2016.

➤ **Form [SAHAJ] (ITR1)** has been **substituted** for AY 2017-18.

➤ Since u/r 12(5) DG (Systems) enjoys delegated powers, therefore, online **Form [SAHAJ] (ITR1)** has also been prescribed and hosted on the online portal of CPC (Income Tax) www.incometaxindiaefiling.gov.in, which provides **different** data structure from the physical Form prescribed by CBDT.

➤ The new **Form [SAHAJ] (ITR1)** has following new features:

- As per Row 6 details of **Aadhaar No. {12 digits}** / Aadhaar Enrolment ID {28 digits}, are required, but is **not** mandatory till 30.6.2017.

	Aadhaar Number/Aadhaar Enrolment Id	
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- However, The Finance Act, 2017 has inserted new **Section 139AA** in Chapter XIV (Procedure for assessment) *w.e.f.* 1.7.2017, according to which as per the provisions of its **sub-section (1)(ii)** every **person who is eligible to obtain** Aadhaar number shall be obliged to quote Aadhaar Number **as from 1.7.2017** in the return of income. Its **proviso** further provides that where the person does not possess the Aadhaar Number, the Enrolment ID of the Aadhaar application form issued to him at the time of enrolment shall be quoted in the return of income furnished by him.
- As per Sl. No. 5 following **deductions** can be claimed under Chapter VIA:

5 Deductions under Chapter VI A (Section)				
	a	80 C	5a	
	b	80 CCC	5b	
	c	80 CCD (1)	5c	
	d	80 CCD(1B)	5d	
	e	80 CCD (2)	5e	
	f	80 CCG	5f	
	g	80 D	5g	
	h	80 DD	5h	
	i	80 DDB	5i	
	j	80 E	5j	
	k	80 EE	5k	
	l	80 G	5l	0
	m	80 GG	5m	
	n	80 GGA	5n	
	o	80 GGC	5o	
	p	80 QQB	5p	
	q	80 RRB	5q	
	r	80 TTA	5r	
	s	80 U	5s	
6	Total Deductions (Total of 5a to 5s)		6	0

- It means that if any person wants to claim **deduction** under any other section of Chapter VIA, he **cannot** use **ITR Form 1 [SAHAJ]**
- As per Sl. No. 26, details of **exempted income** has been changed, as follows:

26 Exempt income (For reporting Purposes)				
	A	Sec. 10(38)		
	B	Sec. 10(34)		
	C	Agriculture Income (≤ Rs.5000)		
	D	Others		
		Sl.No	Nature of Income	Amount
		1		
		2		
		3		
		Add Row(s)		(Do Not Delete Blank Rows)

- As per Sl. No. 27, following **details of bank accounts** held in India during the previous year (excluding dormant accounts) are required to be furnished:

27 Details of all Bank Accounts held in India at any time during the previous year (excluding dormant accounts)					
Bank Account in which refund, if any, shall be credited					
	Sl.No	IFS Code of the Bank	Name of the Bank	Account Number (the number should be 9 digits or more as per CBS system of the bank)	Cash deposited during 09.11.2016 to 30.12.2016 (if aggregate cash deposits during the period ≥ Rs.2 lakh)
	1				
Other Bank account details					
	Sl.No	IFS Code of the Bank	Name of the Bank	Account Number (the number should be 9 digits or more as per CBS system of the bank)	Cash deposited during 09.11.2016 to 30.12.2016 (if aggregate cash deposits during the period ≥ Rs.2 lakh)

		2				
		3				
		4				
	Add Row(s)					
	(Do Not Delete Blank Rows)					

Clause (b) & (ba) of Rule 12(1)

- Following **clauses (b) and (ba)** of Rule 12(1) have been **omitted** w.e.f. 1.4.2017, i.e. from AY 2017-18:

“(b) in the case of a person being an individual [not being an individual to whom clause (a) applies or a Hindu undivided family where the total income does not include any income chargeable to income tax under the head "Profits or gains of business or profession", be in **Form No. ITR 2** and be verified in the manner indicated therein;

(ba) in the case of a person being an individual not being an individual to whom clause (a) applies or a Hindu undivided family where the total income does not include any income chargeable to income tax under the heads "Profits or gains of business or profession" and "Capital gains" and to whom the provisions of clause (I) and clause (II) of the proviso to clause (a) does not apply, be in **Form No. ITR 2A** and be verified in the manner indicated therein;”

- It means that **ITR Form 2 and ITR Form 2A** valid up to and for AY 2016-17 have been scrapped **and** new **ITR Form 2** has been prescribed under clause (c) for individuals and HUF **not** carrying on business or profession as proprietor.

Form No. ITR-2 Clause (c) of Rule 12(1)

- **Clause (c)** of Rule 12(1) have been **substituted** w.e.f. 1.4.2017, i.e. from AY 2017-18:
- The **substituted** clause (c) is as follows:

“(c) in the case of a person being an individual or a Hindu undivided family who is a partner in firm and where income chargeable to income tax under the head "Profits or gains of business or profession" does not include any income except the income by way of any interest, salary, bonus, commission or remuneration, by whatever name called, due to, or received by him from such firm, be in **Form No. ITR 3** and be verified in the manner indicated therein;”

- The **substituting** clause (c) is as follows:

(c) in the case of a person being an **individual** [not being an individual to whom clause (a) applies] or a **Hindu undivided family** where the total income **does not** include income derived from a **proprietary** business or profession, be in **Form No. ITR-2** and be verified in the manner indicated therein;

- New **Form No. ITR-2** is applicable for following persons:
 - **individual**
 - such individual is **not** covered by clause (a) & **cannot** use **ITR Form 1 [SAHAJ]**
 - **HUF**
 - total income does not include income from **proprietary** business or profession.
 - total income includes income from any source comprised under any or all following heads of income:
 - Income under the head “Salaries”;
 - Income under the head “Profits & gains from business or profession”;
 - Income under the head “Income from house property”;
 - Income under the head “Capital gain”;
 - Income under the head “Income from other sources”.
 - Since income under the head “Profits & gains of business of profession” can be included in this Form, therefore, for the purpose of share of a partner from a Firm, **Form No. ITR-2** shall be used, **instead of** **Form No. ITR-3**, which has now been prescribed for income from proprietary business or profession for individuals and HUFs.
- The new **Form ITR 2** has following new features:
 - As per Row 15 details of **Aadhaar No. {12 digits}** / Aadhaar Enrolment ID {28 digits}, are required, but is **not** mandatory till 30.6.2017.

	Aadhaar Number/Aadhaar Enrolment Id (if eligible for Aadhaar)	
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- However, The Finance Act, 2017 has inserted new **Section 139AA** in Chapter XIV (Procedure for assessment) *w.e.f.* 1.7.2017, according to which as per the provisions of its **sub-section (1)(ii)** every **person who is eligible to obtain** Aadhaar number shall be obliged to quote Aadhaar Number **as from 1.7.2017** in the return of income. Its **proviso** further provides that where the person does not possess the Aadhaar Number, the Enrolment ID of the Aadhaar application form issued to him at the time of enrolment shall be quoted in the return of income furnished by him.

- For declaring income from Firms, AOP, **Schedule BP** has been provided as follows:

Schedule BP		Details of Income from Firms of which partner				
FIRMS	Firm PAN. (From Schedule-IF)	Salary, bonus, commission or remuneration received from the firm	Interest received from the firm on the capital	Total ii + iii	Expenses in relation to iv	Net Income iv - v
Sr no	i	ii	iii	iv	v	vi
1		0	0	0	0	0
2		0	0	0	0	0
3		0	0	0	0	0
4	Total	0	0	0	0	0

Add Row(s)

(Do not delete blank rows)

5	Deduction, if any, for payment of any sum for carrying out and eligible project of scheme as per section 35AC	
6	Net Income from Business [4(vi) – 5]	0
NOTE	Please include the income of the specified persons referred to in Schedule SPI while computing the income under this head	

- For capturing **details of partnership firm Schedule IF** has been provided as follows:

Schedule IF		Information regarding partnership firms in which you are partner						
		Number of firms in which you are partner						
Sl no	Name of the Firm	PAN of the firm	Whether the firm is liable for audit? (Yes/No)	Whether section 92E is applicable to firm? (Yes/ No)	Percentage Share in the profit of the firm	Amount of share in the profit i	Capital balance on 31st March in the firm ii	
1			(Select)	(Select)				
2			(Select)	(Select)				

3			(Select)	(Select)			
4			(Select)	(Select)			
5			(Select)	(Select)			
6			(Select)	(Select)			
Total					0		

- For declaring “Income from other sources” **Schedule OS** has been substituted as follows

Schedule OS		Income from other sources	
1		Income	
a	Dividends, Gross	1a	
b	Interest, Gross	1b	
c	Rental income from machinery, plants, buildings, etc., Gross	1c	
d	Others, Gross (excluding income from owning race horses)Mention the nature		
		Nature (i)	Income (2)
	1	5BB-Winnings from lotteries, crossword puzzles etc.	
	2(a)	Cash credits u/s 68	
	2(b)	Unexplained investments u/s 69	
	2(c)	Unexplained money etc. u/s 69A	
	2(d)	Undisclosed investments etc. u/s 69B	
	2(e)	Unexplained expenditure etc. u/s 69C	
	2(f)	Amount borrowed or repaid on hundi u/s 69D	
		Total (a + b + c + d + e + f)	
	3		
	4	(Select)	
	5	(Select)	
	6	(Select)	
	7	(Select)	
1d	Total		

Add Row(s)

(Do not delete blank rows)

e	Total (1a + 1b + 1c + 1d)		
f	Income included in ‘1e’ chargeable to tax at special rate (to be taken to schedule SI)		
	i	Income by way of winnings from lotteries, crossword puzzles, races, games, gambling, betting etc (u/s 115BB)	1fi

ii	Dividend Income from domestic company that exceeds Rs.10 Lakh (u/s 115BBDA)					1fii	
iii	Deemed Income chargeable to tax u/s 115BBE					1fiii	
iv	Income from patent chargeable u/s 115BBF					1fiv	
v	Any other income chargeable to tax at the rate specified under chapter XII/XII-A					1fv	
vi	FOR NON-RESIDENTS- Income chargeable to be taxed under DTAA						
	Sl.	Country name, code	Article of DTAA	Rate of tax under DTAA	Whether TRC obtained?	Corresponding section of the Act which prescribes rate	Amount of income
	1	(Select)			(Select)		
	2	(Select)			(Select)		
	3	(Select)			(Select)		

Add Row(s)

(Do not delete blank rows)

	III	Total amount of income chargeable to tax under DTAA	1fvi	
	Vii	Income included in '1e' chargeable to tax at special rate (1fi +1fii + 1fiii+1fiv+1fv+1vi)	1fvii	
g		Gross amount chargeable to tax at normal applicable rates (1e-1fvii)	1g	
H		Deductions under section 57 (other than those relating to income under 1fi, 1fii,, 1fiii, 1fiv, 1fv & 1fvi)		
	i	Expenses / Deductions	hi	
	ii	Depreciation	hii	
	iii	Total	hiii	
I		Income from other sources (other than from owning race horses and amount chargeable to tax at special rate) (1g – hiii) <i>(If negative take the figure to 4i of schedule CYLA)</i>	1i	0
2		Income from other sources (other than from owning race horses) (1fiv + 1i) <i>(enter 1i as nil, if negative)</i>	2	0
3		Income from the activity of owning and maintaining race horses		
	a	Receipts	3a	
	b	Deductions under section 57 in relation to (3)	3b	
	c	Balance (3a – 3b) <i>(if negative take the figure to 7xi of Schedule CFL)</i>	3c	
4		Income under the head "Income from other sources" (2 + 3c) <i>(take 3c as nil if negative)</i>	4	

NOTE

Please include the income of the specified persons referred to in Schedule SPI while computing the income under this head

- o Following **deductions** can be claimed under Chapter VIA:

Schedule VI-A		Deductions under Chapter VI-A			
TOTAL DEDUCTIONS	a	80C	a		0
	b	80CCC	b		0
	c	80CCD(1)	c		0
	d	80CCD(1B)	d		0
	e	80CCD(2)	e		0
	f	80CCG	f		0
	g	80D	g		0
	h	80DD	h		0
	i	80DDB	i		0
	j	80E	j		0
	k	80EE	k		0
	l	80G (Eligible Amount)	l	0	0
	m	80GG	m	0	0
	n	80GGA	n		0
	o	80GGC	o		0
	2. Part C, CA and D- Deduction in respect of certain incomes/other deduction				
	p	80QQB	p		0
q	80RRB	q		0	
r	80TTA	r		0	
s	80U	s		0	
t	Total deductions under Chapter VI-A (Total of a to s)			0	0

- o As per Sl. No. 14, following **details of bank accounts** held in India during the previous year (excluding dormant accounts) are required to be furnished:

14	Details of all Bank Accounts held in India at any time during the previous year (excluding dormant accounts)				
Bank Account in which refund, if any, shall be credited					
	Sl.No	IFS Code of the Bank	Name of the Bank	Account Number (the number should be 9 digits or more as per CBS system of the bank)	Cash deposited during 09.11.2016 to 30.12.2016 (if aggregate cash deposits during the period ≥ Rs.2 lakh)
	1				
	Other Bank account details				

- Cash in hand
- Interest held in assets of firm or AOP as partner or member –
 - Name of the firm or AOP

•	Name of the firm(s)/ AOP(s)
•	
•	(2)
•	
•	
•	
•	
•	

- Address of the firm or AOP
- PAN of the firm or AOP

PAN of the firm/ AOP
(4)

- Assessee’s investment in the firm or AOP on cost basis

Assessee’s investment in the firm/ AOP on cost basis
(5)

Form [SUGAM] (ITR 4)
Clause (ca) of Rule 12(1)

- **Clause (ca)** of Rule 12(1) has been amended largely by making several **substitutions** w.e.f. 1.4.2017, i.e. from AY 2017-18:
- The **existing clause (ca)** of Rule 12(1) provided as follows, which was applicable up to AY 2016-17:

“(ca) in the case of a person being an individual **or** a Hindu undivided family or a firm, **other than** a limited liability partnership firm, deriving **business income and such income is computed in accordance with special provisions referred to in section 44AD and section 44AE of the Act for computation of business income, be in Form SUGAM (ITR4S) {substituted}** and be verified in the manner indicated therein:

Provided that the provisions of this clause shall not apply to a person who,—

- (I) is a resident, other than not ordinarily resident in India within the meaning of sub- section (6) of section 6 and has,-
 - (i) assets (including financial interest in any entity) located outside India; or
 - (ii) signing authority in any account located outside India; or
 - (iii) income from any source outside India;
 - (II) has claimed any relief of tax under section 90 or 90A or deduction of tax under section 91; or
 - (III) has agricultural income, exceeding five thousand rupees;”
- The **existing clause (ca)** of Rule 12(1) provided **Form [SUGAM] (ITR 4S)** for presumptive incomes u/s 44AD **and** 44AE.
 - Now, vide the **amended clause (ca)** of Rule 12(1), w.e.f. 1.4.2017, i.e. AY 2017-18 **Form [SUGAM] (ITR 4S)** has been **replaced** by **Form [SUGAM] (ITR 4)**, which shall now be applicable under following circumstances:
 - It is to be used by following persons only:
 - Individual
 - HUF
 - Firm (excluding LLP)
 - Such person derives income under the “Profits or gains of business or profession”;
 - Such income is computed in accordance with the provisions of :
 - Section 44AD;
 - Section 44ADA; **and**
 - Section 44AE

- In the proviso following sub-clause has been inserted w.e.f 1.4.2017, i.e. AY 2017-18:
 - (IV) has income taxable under section 115BBDA; or
 - (V) has income of the nature referred to in section 115BBE

- It means that if total income of any persons –
 - includes income taxable u/s 115BBDA; or
 - includes income of the nature referred to in section 115BBE
 such person cannot use Form [SUGAM] (ITR 4).

- Section 115BBDA relates to “Tax on certain dividends received from domestic companies” applicable from AY 2017-18 *vide* the Finance Act, 2016.

- Section 115BBE relates to “Tax on income referred to in section 68 or section 69 or section 69A or section 69B or section 69C or section 69D” applicable from AY 2013-14 *vide* the Finance Act, 2012, and as amended by the Finance Act, 2016 from AY 2017-18 and The Taxation Laws (Second amendment) Act, 2016 *w.e.f.* 15.12.2016.

- Since u/r 12(5) DG (Systems) enjoys delegated powers, therefore, online Form [SUGAM] (ITR 4) has also been prescribed and hosted on the online portal of CPC (Income Tax) www.incometaxindiaefiling.gov.in, which provides different data structure from the physical Form prescribed by CBDT.

- The new Form [SUGAM] (ITR 4) has following new features:
 - As per column provided in Rows 11,12,13 & 14 details of Aadhaar No. / Aadhaar Enrolment ID, are required, but is not mandatory till 30.6.2017.

Aadhaar Number/ Aadhaar Enrolment Id (if eligible for Aadhaar)

- However, The Finance Act, 2017 has inserted new Section 139AA in Chapter XIV (Procedure for assessment) *w.e.f.* 1.7.2017, according to which as per the provisions of its sub-section (1)(ii) every person who is eligible to obtain Aadhaar number shall be obliged to quote Aadhaar Number **as from 1.7.2017** in the return of income. Its **proviso** further provides that where the person does not possess the Aadhaar Number, the Enrolment ID of the Aadhaar application form issued to him at the time of enrolment shall be quoted in the return of income furnished by him.

- As per Sl. No. 5 following **deductions** can be claimed under Chapter VIA:

6 Deductions under Chapter VI A (Section)			
	a	80 C	6a
	b	80 CCC	6b
	c	80 CCD (1)	6c
	d	80 CCD (1B)	6d
	e	80 CCD (2)	6e
	f	80 CCG	6f
	g	80 D	6g
	h	80 DD	6h
	i	80 DDB	6i
	j	80 E	6j
	k	80 EE	6k
	l	80 G	6l
	m	80 GG	6m
	n	80 GGC	6o
	o	80 QQB	6p
	p	80 RRB	6q
	Q	80 TTA	6r
	r	80 U	6s
7	Total Deductions (Total of 6a to 6r)		6

- It means that if any person wants to claim **deduction** under any other section of Chapter VIA, he **cannot** use **ITR Form 4 [SUGAM]**
- Schedule BP has been **substituted** as follows:

Schedule BP		DETAILS OF INCOME FROM BUSINESS OR PROFESSION	
COMPUTATION - PRESUMPTIVE INCOME	COMPUTATION OF PRESUMPTIVE INCOME UNDER 44AD		
	E1	Gross Turnover or Gross Receipts	
	(a)	Through a/c payee cheque or a/c payee bank draft or bank electronic clearing system received before specified date	
	(b)	Any other mode	
	E2	Presumptive Income under section 44AD	
	(a)	6% of E1(a)	
	(b)	8% of E1(b)	
	(c)	Total (a + b)	0

	<p><i>Note : If Income is less than the above percentage of Gross Receipts, it is mandatory to have a tax audit under 44AB & regular ITR 3/5 has to be filled <u>not</u> this form.</i></p>	
	COMPUTATION OF PRESUMPTIVE INCOME UNDER 44ADA (PROFESSION)	
	E3	Gross Receipts
	E4	Presumptive Income under section 44ADA (50% of E3)
	<p><i>NOTE : If Income is less than 50% of Gross Receipts, it is mandatory to have a tax audit under 44AB & regular ITR 3/5 has to be filled not this form.</i></p>	
	COMPUTATION OF PRESUMPTIVE INCOME UNDER 44AE	
	E5	PRESUMPTIVE INCOME FROM GOODS CARRIAGE UNDER SECTION 44AE
		0
	<p><i>Note : If the profits are lower than prescribed under S.44AE or the number of vehicles owned at any time exceed 10 then the regular ITR 3/5 form has to be filled and not this form</i></p>	
	E6	Salary and interest paid to the partners
	<p><i>Note : This is to be filled up only by firms</i></p>	
	E7	Presumptive Income u/s 44AE (E5-E6)
		0
	E8	Income chargeable under Business & Profession (E2c+E4+E7)
		0
FINANCIAL PARTICULARS	FINANCIAL PARTICULARS OF THE BUSINESS	
	<p><i>Note : For E9 to E12 furnish the information as on 31st day of March, 2017</i></p>	
	E9	Amount of Total Sundry Debtors
	E10	Amount of Total Sundry Creditors
	E11	Amount of Total Stock-in-Trade
	E12	Amount of the cash Balance

- In **Schedule TDS 2 (Form 16A)** following new Column No. (5) has been **inserted**:

Details of Receipt as mentioned in Form 26AS
(5)

- As per Sl. No. 27 **exempt income** are to be reported in the following field:

27	Exempt income for reporting purposes only (If Agricultural income more than Rs 5000, use ITR 3/5)	
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- As per Sl. No. 28, following **details of bank accounts** held in India during the previous year (excluding dormant accounts) are required to be furnished:

28	Details of all Bank Accounts held in India at any time during the previous year (excluding dormant accounts)				
	Bank Account in which refund, if any, shall be credited				
	Sl.No	IFS Code of the Bank	Name of the Bank	Account Number (the number should be 9 digits or more as per CBS system of the bank)	Cash deposited during 09.11.2016 to 30.12.2016 (if aggregate cash deposits during the period ≥ Rs.2 lakh)
	1				
	Other Bank account details				
	Sl.No	IFS Code of the Bank	Name of the Bank	Account Number (the number should be 9 digits or more as per CBS system of the bank)	Cash deposited during 09.11.2016 to 30.12.2016 (if aggregate cash deposits during the period ≥ Rs.2 lakh)
	2				
	3				

the firm/ AOP on cost basis (5)

Form No. ITR 3
Clause (d) of Rule 12(1)

- **Clause (d)** of Rule 12(1) has been amended to the effect that *w.e.f.* 1.4.2017, *i.e.* from AY 2017-18 in the case of a person being –
 - an individual **or**
 - a Hindu undivided family
 - other than*** the individual **or** Hindu undivided family referred to in –
 - clause (a) **{Form No. ITR 1}or**
 - clause (b) *{Omitted w.e.f 1.4.2017}* **or**
 - clause (c) **{Form No. ITR 2}or**
 - clause (ca) **{Form No. ITR 4}and**
- deriving income from a ***proprietary*** business **or** profession, **Form No. ITR 3** shall be applicable.
- The new **Form ITR 3** has following new features:
 - As per Row 23 details of **Aadhaar No. {12 digits}** / Aadhaar Enrolment ID *{28 digits}*, are required, but is ***not*** mandatory till 30.6.2017.

	Aadhaar Number/Aadhaar Enrolment Id (if eligible for Aadhaar)		
--	--	--	--

- However, The Finance Act, 2017 has inserted new **Section 139AA** in Chapter XIV (Procedure for assessment) *w.e.f.* 1.7.2017, according to which as per the provisions of its **sub-section (1)(ii)** every **person who is *eligible* to obtain** Aadhaar number shall be obliged to quote Aadhaar Number **as from 1.7.2017** in the return of income. Its **proviso** further provides that where the person does not possess the Aadhaar Number, the Enrolment ID of the Aadhaar application form issued to him at the time of enrolment shall be quoted in the return of income furnished by him.
- Details of **audit information** has been modified as follows”

Are you liable for audit under section 44AB?	(Select)
If liable for audit u/s 44AB, whether the accounts have been audited by an accountant? If yes, furnish the following information below	

a	Date of furnishing of the audit report.		(DD/MM/YYYY)
b	Name of the auditor signing the tax audit report		
c	Membership no. of the auditor		
d	Name of the auditor (proprietorship/ firm)		
e	Proprietorship/firm registration number		
f	Permanent Account Number (PAN) of the proprietorship/ firm		
g	Date of audit report.		(DD/MM/YYYY)

- In the above details serial No. “e” is new **insertion**, vide which registration No. of the auditor’s Proprietorship or firm, as the case may be, is required.
- In **Schedule AO-OI** (Other information) following row has again been **inserted**:

3	Effect on the profit because of deviation, if any, as per Income Computation Disclosure Standards notified under section 145(2) [column 11(iii) of Schedule ICDS]	3	0
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- **Schedule ICDS** is provides as follows, from where the total figure shall be automatically populated in Sl. No. 3 above.

Schedule ICDS		Effect of Income Computation Disclosure Standards on profit
Sl. No.	ICDS	Amount
(i)	(ii)	(iii)
I	Accounting Policies	
II	Valuation of Inventories	
III	Construction Contracts	
IV	Revenue Recognition	
V	Tangible Fixed Assets	
VI	Changes in Foreign Exchange Rates	
VII	Government Grants	
VIII	Securities	
IX	Borrowing Costs	
X	Provisions, Contingent Liabilities and Contingent Assets	
XI	Total Net effect (I+II+III+IV+V+VI+VII+VIII+IX+X)	0

- As per Sl. No. 13, following **details of bank accounts** held in India during the previous year (excluding dormant accounts) are required to be furnished:

13	Details of all Bank Accounts held in India at any time during the previous year (excluding dormant accounts)				
	Bank Account in which refund, if any, shall be credited				
	Sl.No	IFS Code of the Bank	Name of the Bank	Account Number (the number should be 9 digits or more as per CBS system of the bank)	Cash deposited during 09.11.2016 to 30.12.2016 (if aggregate cash deposits during the period ≥ Rs.2 lakh)
	1				
	Other Bank account details				
	Sl.No	IFS Code of the Bank	Name of the Bank	Account Number (the number should be 9 digits or more as per CBS system of the bank)	Cash deposited during 09.11.2016 to 30.12.2016 (if aggregate cash deposits during the period ≥ Rs.2 lakh)
	2				
	3				
	4				
	Add Row(s)				
	(Do Not Delete Blank Rows)				

- In **Schedule BP** (Computation of income from business or profession), details of Serial No. 4 relating to presumptive taxation has been **substituted** by the following details:

4	Profit or loss included in 1, which is referred to in Section . 44AD/44ADA/44AE/44B/ 44BB/ 44BBA/ 44BBB/ 44D/ 44DA Chapter-XII-G/ First Schedule of Income Tax Act	4	0
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- Accordingly in **Schedule BP** details of Serial No. 35 relating to presumptive taxation has been **substituted** by the following details:
-

35	Profits and gains of business or profession deemed to be under -			
	i	Section 44AD	i	
	ii	Section 44ADA	ii	
	iii	Section 44AE	iii	

	iv	Section 44B	iv	
	v	Section 44BB	v	
	vi	Section 44BBA	vi	
	vii	Section 44BBB	vii	
	viii	Section 44D	viii	
	ix	Section 44DA	ix	
	x	First Schedule of Income-tax Act	x	
	xi	Total (35i to 35x)		

- For declaring “Income from other sources” **Schedule OS** has been **substituted** as follows

Schedule OS		Income from other sources	
1		Income	
a	Dividends, Gross	1a	
b	Interest, Gross	1b	
c	Rental income from machinery, plants, buildings, etc., Gross	1c	
d	Others, Gross (Fill up the Nature and the Income Below). <i>Note: For nature other than the available Section Codes in Sl no 4 dropdown and Sl no1, Pl enter description in Sl no 3 below.</i> <i>Note: Do not enter amount without selecting Section Code/Filling Description. 1st coumn is mandatory.</i>		
		Nature (i)	Income (2)
	1	5BB-Winnings from lotteries, crossword puzzles etc.	
	2(a)	Cash credits u/s 68	
	2(b)	Unexplained investments u/s 69	
	2(c)	Unexplained money etc. u/s 69A	
	2(d)	Undisclosed investments etc. u/s 69B	
	2(e)	Unexplained expenditure etc. u/s 69C	
	2(f)	Amount borrowed or repaid on hundi u/s 69D	
		Total (a + b + c + d + e + f)	
	3		
	4	(Select)	
	5	(Select)	
	6	(Select)	
	7	(Select)	
1d	Total		

Add Row(s)

(Do not delete blank rows)

e	Total (1a + 1b + 1c + 1d)
F	Income included in '1e' chargeable to tax at special rate (to be taken to schedule SI)

	i	Income by way of winnings from lotteries, crossword puzzles, races, games, gambling, betting etc (u/s 115BB)	1fi	
	ii	Dividend Income from domestic company that exceeds Rs.10 Lakh (u/s 115BBDA)	1fii	
	iii	Deemed Income chargeable to tax u/s 115BBE	1fiii	
	iv	Income from patent chargeable u/s 115BBF	1fiv	
	v	Any other income chargeable to tax at the rate specified under chapter XII/XII-A	1fv	
	Vii	Income included in '1e' chargeable to tax at special rate (1fi +1fii + 1fiii+fiv+fvi)	1fvii	
	g	Gross amount chargeable to tax at normal applicable rates (1e-1fvii)	1g	
	h	Deductions under section 57 (other than those relating to income under 1fi, 1fii,, 1fiii, 1fiv, 1fv & 1fvi)		
	i	Expenses / Deductions	hi	
	ii	Depreciation	hii	
	iii	Total	hiii	
I		Income from other sources (other than from owning race horses and amount chargeable to tax at special rate) (1g – hiii) <i>(If negative take the figure to 4i of schedule CYLA)</i>	1i	0
2		Income from other sources (other than from owning race horses) (1fiv + 1i) (enter 1i as nil, if negative)	2	0
3		Income from the activity of owning and maintaining race horses		
	a	Receipts	3a	
	b	Deductions under section 57 in relation to (3)	3b	
	c	Balance (3a – 3b) <i>(if negative take the figure to 7xi of Schedule CFL)</i>	3c	
4		Income under the head "Income from other sources" (2 + 3c) <i>(take 3c as nil if negative)</i>	4	
NOTE		Please include the income of the specified persons referred to in Schedule SPI while computing the income under this head		

- **Schedule EI** (Exempted Income) has been **substituted** as follows, in which details in serial No. 2 has been **substituted**, because exemption for dividend u/s 10(34) can be claimed only up to Rs. 10 Lakh in view of **section 115BBDA** and **proviso** to **section 10(34)**:

Schedule EI		Details of Exempt Income (Income not to be included in Total Income)			
EXEMPT INCOME	1	Interest income	1		
	2	Dividend income from domestic company (amount not exceeding Rs. 10 lakh)	2		
	3	Long-term capital gains from transactions on which Securities Transaction Tax is paid	3		
	4	i	Gross Agricultural receipts (other than income to be excluded under rule 7A, 7B or 8 of I.T. Rules)	i	
		ii	Expenditure incurred on agriculture	ii	
		iii	Unabsorbed agricultural loss of previous eight assessment years	iii	

	iv	Net Agricultural income for the year (i – ii – iii) (enter nil if loss)		4	
5	Others, (including exempt income of minor child)			5	
6	Total (1+2+3+4+5)			6	

○ **Schedule AL** has been substituted by a new Schedule, in which following additional information has been sought:

- Description of all immovable properties with complete address where located.
- Amount of Bank Balance (including all deposits)
- Cash in hand
- Interest held in assets of firm or AOP as partner or member –

- Name of the firm or AOP

Name of the firm(s)/ AOP(s) (2)

- Address of the firm or AOP
- PAN of the firm or AOP

PAN of the firm/ AOP (4)

- Assessee’s investment in the firm or AOP on cost basis

Assessee’s investment in

the firm/ AOP on cost basis (5)

Clause (e) of Rule 12(1)

- **Clause (e)** of Rule 12(1) has ***not*** been amended in any respect. Therefore, in the case of a person ***not being*** an individual **or** a Hindu undivided family **or** a company **or** a person to which clause (g) applies, be in **Form No. ITR 5** and be verified in the manner indicated therein.
- DG (Systems) has yet not hosted online **Form No. ITR 5**.

Clause (f) of Rule 12(1)

- **Clause (f)** of Rule 12(1) has ***not*** been amended in any respect. Therefore, in the case of a company not being a company to which clause (g) applies, be in **Form No. ITR 6** and be verified in the manner indicated therein.
- DG (Systems) has yet not hosted online **Form No. ITR 6**.

Clause (g) of Rule 12(1)

- **Clause (g)** of Rule 12(1) has ***not*** been amended in any respect. Therefore, in the case of a person ***including*** a company whether or not registered under section 25 of the Companies Act, 1956 (1 of 1956), required to file a return under sub-section (4A) **or** sub-section (4B) or sub-section (4C) **or** sub-section (4D) **or** sub-section (4E) **or** sub-section(4F) of section 139, be in **Form No. ITR7** and be verified in the manner indicated therein;
- DG (Systems) has yet not hosted online **Form No. ITR 7**.

ITR Forms to be annexureless

- **Section 139C** of the Act provides that the Board (CBDT) may make rules providing for a class or class of persons who **may *not* be required** to furnish –
 - documents,
 - statements,
 - receipts,
 - certificates,
 - reports of audit **or**
 - any other document,

which are otherwise under any other provision of this Act, **except** section 139D, required to be furnished, along with the return but on demand to be produced before the Assessing Officer.

- Accordingly, **rule 12(2)** provides all the ITRs required to be furnished from AY 2017-18 in the following forms, **shall not** be accompanied with any of the documents:
 - Form SAHAJ (ITR-1)
 - Form ITR No. 2
 - Form ITR No. 3
 - Form SUGAM (ITR-4)
 - Form ITR No. 4
 - Form ITR No. 6
 - Form ITR No. 7
- Documents **not** required to be attached with the ITRs are:
 - a statement showing the computation of the tax payable on the basis of the return, **or**
 - proof of the tax, if any, claimed to have been deducted **or**
 - proof of the tax, if any, claimed to have been collected at source **or**
 - the advance tax, if any, claimed to have been paid **or**
 - tax on self assessment, if any, claimed to have been paid **or**
 - any document **or**
 - copy of any account **or**
 - any form **or**
 - report of auditrequired to be attached with the return of income under any of the provisions of the Act:

Reports of Audit are required to be furnished electronically

- **Proviso to Rule 12(2)** provides that where an assessee is required to furnish a report of audit specified under sub clause (iv), (v), (vi) or (via) of clause (23C) of section 10, section 10A, section 10AA, clause (b) of subsection (1) of section 12A, section 44AB, section 44DA, section 50B, section 80IA, section 80IB, section 80IC, section 80ID, section 80JJAA, section 80LA, section 92E, section 115JB or section 115VW or to give a notice under clause (a) of subsection (2) of section 11 of the Act, he shall furnish the same **electronically**.
- In the above rule **reports of audit** provided under following sections are to be furnished **electronically**:
 - Section 10(23C)(iv)
 - Section 10(23C)(v)
 - Section 10(23C)(vi)
 - Section 10A(23C)(via)
 - Section 10A
 - Section 10AA)
 - Section 12(1(b))

- Section 44AB)
- Section 44DA)
- Section 50B)
- Section 80IA
- Section 80IB
- Section 80IC
- Section 80ID
- Section 80JJAA
- Section 80LA
- Section 92E
- Section 115JB
- Section 115VW

- Besides above, a notice u/s 11(2)(a) is also required to be furnished **electronically**.

Manner of furnishing a return of income

- Rule 12(3) prescribes the **manner** of furnishing the returns of income for AY 2017-18.
- Rule 12(3) prescribes the **manner** in the **Table** provided in the sub-rule (3).
- The amended Rules have **substituted** all the entries of **serial No. 1** of the **Table**.

In the case of Individual or HUF

- As per the amended **serial No.1**, in the case of any person, being an **Individual or HUF**

- if the accounts are required to be **audited u/s 44AB**, the return is to be furnished mandatorily in **electronic mode under digital signatures**;

Individual of the age of 80 years or more

- where the total income of assessable under the Act during the previous year of a person, being an **Individual of the age of 80 years or more** at any time during the previous year, the return of income of **such individual may** be furnished in either of the following modes:
 - electronically under digital signatures; **or**
 - transmitting the data electronically in the return under electronic verification code; **or**
 - transmitting the data in the return electronically and thereafter submitting the verification of the return in Form ITR-V; **or**
 - Paper Form

Income of Individual or HUF does not > Rs. 5 Lakh and no refund claimed

- where the total income of an **Individual or HUF does not** exceed Rs. 5 Lakh **and no** refund is claimed in the return of income, the return of income of such **Individual or HUF may** be furnished in either of the following modes:
 - electronically under digital signatures; **or**

- transmitting the data electronically in the return under electronic verification code; **or**
- transmitting the data in the return electronically and thereafter submitting the verification of the return in Form ITR-V; **or**
- Paper Form

Income of Individual or HUF uses SAHAJ or SUGAM Forms

- where **Individual or HUF** furnishes his return of income in **SAHAJ (ITR-1) or SUGAM (ITR-4)**, such return **may** be furnished in either of the following modes:
 - electronically under digital signatures; **or**
 - transmitting the data electronically in the return under electronic verification code; **or**
 - transmitting the data in the return electronically and thereafter submitting the verification of the return in Form ITR-V; **or**
 - Paper Form

Individual below the age of 80 years

- In the case of an **Individual of below the age of 80 years** during whole of the previous year, **having** total income of Rs. 5 lakh or less **and not** claiming refund in the return of income **may** furnish in either of the following modes:
 - electronically under digital signatures; **or**
 - transmitting the data electronically in the return under electronic verification code; **or**
 - transmitting the data in the return electronically and thereafter submitting the verification of the return in Form ITR-V; **or**
 - Paper Form
- In the case of an **Individual of below the age of 80 years** during whole of the previous year, **having** total income of Rs. 5 lakh or less **or but** claiming refund in the return of income **shall** furnish in either of the following modes:
 - electronically under digital signatures; **or**
 - transmitting the data electronically in the return under electronic verification code; **or**
 - transmitting the data in the return electronically and thereafter submitting the verification of the return in Form ITR-V.
- In the case of an **Individual of below the age of 80 years** during whole of the previous year, **having** total income of Rs. 5 lakh or more **or but not** claiming refund in the return of income **shall** furnish in either of the following modes:
 - electronically under digital signatures; **or**
 - transmitting the data electronically in the return under electronic verification code; **or**

- transmitting the data in the return electronically and thereafter submitting the verification of the return in Form ITR-V.

In the case of HUF

- In the case of HUF, **having** total income of Rs. 5 lakh or less **or but** claiming refund in the return of income **shall** furnish in either of the following modes:
 - electronically under digital signatures; **or**
 - transmitting the data electronically in the return under electronic verification code; **or**
 - transmitting the data in the return electronically and thereafter submitting the verification of the return in Form ITR-V.
- In the case of HUF, **having** total income of Rs. 5 lakh or more **or but not** claiming refund in the return of income **shall** furnish in either of the following modes:
 - electronically under digital signatures; **or**
 - transmitting the data electronically in the return under electronic verification code; **or**
 - transmitting the data in the return electronically and thereafter submitting the verification of the return in Form ITR-V.

In the case of Companies

- All companies are required to furnish return of income in **Form ITR 6** electronically under digital signatures.

In the case of Firms (including LLP)

- All firms (including LLP) required to furnish return in of income **Form ITR 5** in the following manner:
 - where their accounts are required to be **audited u/s 44AB**, electronically under digital signatures.
 - In any other case, in either of the following manners:
 - electronically under digital signatures; **or**
 - transmitting the data electronically in the return under electronic verification code; **or**
 - transmitting the data in the return electronically and thereafter submitting the verification of the return in Form ITR-V.

All persons required to furnish ITR in Form N. 7

- In the case of a political party, electronically under digital signatures.

- In any other case, in either of the following manners:
 - electronically under digital signatures; **or**
 - transmitting the data electronically in the return under electronic verification code; **or**
 - transmitting the data in the return electronically and thereafter submitting the verification of the return in Form ITR-V.

Other significant changes in ITRs

- In ITR-3, ITR-5, and ITR-6, under the caption **Audit Information**, ICAI Registration No. of Auditors Proprietorship / Firm is required to be mentioned.
- In **VERIFICATION** part of ITR-2, ITR-3, ITR-5, ITR-6 and ITR-7 notified by CBDT following new **declaration** has been **inserted**:

“I further declare that the critical assumptions specified in the agreement have been satisfied and all the terms and conditions of the agreement have been complied with. (Applicable, in a case where return is furnished under section 92CD)”.

but the same is not part of the online forms prescribed by DG (Systems).
- As per **section 92CD**, notwithstanding anything to the contrary contained in section 139, where **any person has entered into an agreement and** prior to the date of entering into the agreement, any return of income **has been** furnished under the provisions of section 139 for any assessment year relevant to a previous year to which such agreement applies, such person **shall furnish**, within a period of **three months** from the end of the month in which the said agreement was entered into, **a modified return** in accordance with and limited to the agreement.
- As per section **92CD(6)(i)** **“agreement”** means an agreement referred to in section 92CC(1).
- As per section **92CC(1)** the Board, with the approval of the Central Government, may enter into an **advance pricing agreement** with any person, determining the **arm's length price or** specifying the manner in which **arm's length price** is to be determined, in relation to an **international transaction** to be entered into by that person.

Disclaimer

This document has been prepared for academic use only, to understand the scope and implications of the provisions of the amendment Rules and the relevant provisions of the Act relating to the above dealt subject and to share the same with the fellow professionals and all concerned. Though every effort has been made to avoid errors or omissions in this document yet any error or omission may creep in. Therefore, it is notified that I shall not be responsible for any damage or loss to any one, of any kind, in any manner there from. I shall also not be liable or responsible for any loss or damage to any one in any matter due to difference of opinion or interpretation in respect of the text. On the contrary it is suggested that to avoid any doubt the user should cross check the correct law and the contents with the published / notified / Gazetted materials including the referred amendment Rules and the relevant Acts.

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