



Income Tax Department
Government of India

Central Board of Direct Taxes, e-Filing Project

ITR 2 – Validation Rules for AY 2018-19

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1 Purpose

The Income Tax Department has provided free return preparation software in downloads page which are fully compliant with data quality requirements. However, there are commercially available software or websites that offer return preparation facilities as well. In order to improve the data quality received through in ITRs prepared through such commercially available software, various types of validation rules are being deployed in the e-Filing portal so that the data which is being uploaded can be validated to a large extent. Taxpayers are advised to review the same to ensure that the software that is used is compliant with these requirements to avoid rejection of return due to poor data quality or mistakes in the return. Software providers are strictly advised to adhere to these rules to avoid inconvenience to the taxpayers who may use their software.

2 Validation Rules

The validation process at e-Filing/CPC end is to be carried out in ITR 2 for each defect as categorized below:

Table 1: List of Category of Defect

Category of defect	Action to be Taken
A	Return will not be allowed to be uploaded. Error message will be displayed.
B	Return data will be allowed to be uploaded but the taxpayer uploading the return will be informed of a possible defect present in the return u/s 139(9). Appropriate notices/ communications will be issued from CPC.
C	Third party utility providers will be alerted about the inconsistent data quality and warned about future barring of their utility.
D	Return data will be allowed to be uploaded but the taxpayer uploading the return will be informed of a possibility of some of the deduction or claim not to be allowed or entertained unless the return is accompanied by the respective claim forms or particulars.

2.1 Category A:

Table 2: Category A Rules

Sl. No.	Scenarios
1	30% of Annual value is allowed as deduction u/s 24(a) of Income Tax Act, 1961
2	The Total value of all heads of income should be equal to sum of individual heads of income
3	Income chargeable under the head salaries should be consistent with sum of salary, allowances not exempt, value of perquisites, profits in lieu of salary less Deduction u/s 16
4	In case of co-owned house property assessee's share and co-owner(s) share should be equal to 100 %.
5	The Total value of Dividend, Interest, Rental income from the machinery, plant, and buildings etc., Others Gross (excluding income from owning race horses) is not equal to the sum of total income from other sources.
6	In Schedule OS, Income chargeable to tax at special rate (to be taken to schedule SI) should be equal to the sum of income under section 115BB +115BBDA +115BBE+115BBF+115BBG+chapter XII/XII-A+Income chargeable at special rate under DTAA.
7	Sum of deduction claimed u/s 80C, 80CCC & 80CCD (1) is more than 1,50,000.
8	Maximum amount that can be claimed as deduction u/s 80GG is 25% of Total

	Income.
9	In case property is co-owned, annual value of the property owned is not equal to own percentage share *annual value.
10	In Schedule Part BTI- Deduction under Chapter VI-A is not consistent with the total of all deductions in Schedule VIA'
11	Assessee cannot claim interest on borrowed capital if assessee's share of co-owned property is zero
12	Deduction u/s 80CCD (1B) is not allowed to HUF.
13	In Schedule VIA deduction u/s 80CCD (2) cannot be more than 10% of Income chargeable under the head "Salaries".
14	Deduction u/s 80CCD (2) is not allowed to HUF.
15	Deduction u/s 80CCG is not allowed to Non-residents & HUF
16	Deduction u/s 80CCG is claimed by the assessee whose Gross Total Income is more than 12 Lakhs.
17	Maximum amount that can be claimed for category "Dependent with disability" u/s 80DD is 75000
18	Maximum amount that can be claimed for category "Self or Dependent" u/s 80DDB is 40000
19	Maximum amount that can be claimed for category "Senior Citizen - Self or Dependent" u/s 80DDB is 60000
20	Deduction u/s 80E is claimed by HUF.
21	Deduction u/s 80EE is claimed by HUF.
22	Deduction u/s 80QQB is not applicable to Non-resident individuals & HUF.
23	Deduction u/s 80RRB is not applicable to Non-resident Individuals & HUF.
24	Deduction u/s 80TTA is claimed by the assessee who doesn't have interest income under the head income from other sources.
25	Maximum amount that can be claimed for category "Self with disability" u/s 80U is 75000
26	Maximum amount that can be claimed for u/s 80CCD(1) for employees is 10% of Salary (Or) Maximum amount that can be claimed for u/s 80CCD(1) for other than salaried employees is 20% of Gross Total Income
27	Deduction u/s 80CCD (1) is not applicable to HUF.
28	Gross rent received/ receivable/ lettable value is zero or null and assessee is claiming municipal tax
29	Deduction claimed under section 16 cannot be more than 5000 in case assessee is not a government or a PSU Employee.
30	Total of STCG is not equal to the individual breakup in Schedule CG
31	Total of LTCG is of equal to the individual breakup in Schedule CG
32	Assessee should enter valid Mobile Number

2.2 Category D:

Table 3: Category D Rules

Sl. No.	Scenarios
1	Claimed Relief u/s 90/91 without furnishing of Form 67

3 Change in validation Rules

The following sub-section details the alteration of Validation rules of all defect category

3.1 Change as on May 21, 2018

The following table represents the changes made in Validation rule on May 21, 2018.

Table 4: Rule Changes made on May 21, 2018

Sl. No.	Scenarios	Change
1	In Schedule VI-A, sum of all deductions should be equal to the total deduction, restricted to maximum of GTI	Modification

3.2 Change as on June 14, 2018

The following table represents the changes made in Validation rule on June 14, 2018.

Table 5: Rule Changes made on June 14, 2018

Sl. No.	Scenarios	Change
1	In Schedule VI-A, sum of all deductions should be equal to the total deduction, restricted to maximum of GTI	Removed

3.3 Change as on July 07, 2018

The following table represents the changes made in Validation rule on July 07, 2018.

Table 6: Rule Changes made on July 7, 2018

Sl. No.	Scenarios	Change
1	Deduction claimed under section 16 cannot be more than 5000/- in case assessee is not a government or a PSU Employee.	Modification
2	Assessee should enter valid Mobile Number	New Rule