

COMMON ITR ISSUES AND FAQ'S FOR FILING RETURN FOR AY 2024-25

Q.1: Taxpayer is unable to choose ITR 1/ 4 from drop down for AY 2024-25 as the option is greyed off” while filing return?

Ans: In case taxpayer has special rate of Income and TDS is deducted for such income (For Ex: 115BB), then ITR 1 and ITR 4 are not applicable for such taxpayer. So, the respective dropdowns are greyed off. In this case, taxpayer is required to file ITR Form 2 or 3 as applicable.

Q.2: Schedule VIA for claiming deductions is not enabled while filing the ITR for AY 2024-25?

Ans: From AY 2024-25, new tax regime has become the default tax regime and VIA deductions cannot be claimed, except deduction u/s 80CCD(2)/80CCH/80JJAA as per the provision of Section 115BAC of the Income Tax Act, 1961. In case taxpayer wants to claim any deductions (as applicable), then taxpayer need to choose for old tax regime by selecting “Yes” option in ITR 1 / ITR 2 (or) “Yes, within due date” option in ITR 3 / ITR 4 / ITR 5 in the field provided for “opting out option” under Schedule ‘Personal Information’ or ‘Part-A General’ in the respective ITR.

Q.3: While filing the ITR, taxpayer is getting bank account validation error. So, how to resolve the issue?

Ans: Taxpayer has to check that ‘whether a valid bank account detail’ is added under ‘My Bank Account’ tab in ‘My profile’ section in the income tax portal before filing the ITR. Taxpayer should update the profile correctly before starting the new filing of return. Taxpayer can file ITR using offline utility in case of facing any issues while validation Bank account. However, pre-validated bank account is required for issue of refund.

Q.4: In case taxpayer has earned special income like winning from lottery or horse races, then whether taxpayer is eligible to file ITR 1 and ITR 4?

Ans: In the cases where TDS has been deducted on special income like winning from lottery or horse races etc, then filing of ITR-1 and 4 is not allowed. So, it is recommended to taxpayer to check Form 26AS and AIS before filing the ITR.

Q.5: If Form 10IEA is filed for AY 2024-25 then is it compulsory for taxpayer to opt for old tax regime?

Ans: Yes, once Form 10IEA is filed for AY 2024-25 then it cannot be reverted in same AY and Taxpayer need to mandatorily opt for the old tax regime for AY 2024-25. Taxpayer can change the option in the next assessment year based on the income details and ITR applicability for such Assessment Year.

Q.6: In which case filing of Form 10IEA for AY 2024-25 is compulsory to opt for old tax regime?

Ans: In the cases where taxpayer wants to file ITR under **old tax regime** for AY 2024-25 with **Business and profession income** i.e., either in ITR-3 or ITR-4, then filing of FORM 10IEA is mandatory.

Q.7: Taxpayer is unable to claim Interest on borrowed capital of Self occupied property as it is greyed off?

Ans: From AY 2024-25, ‘New Tax Regime’ has become the ‘Default tax regime’ and claiming of “Interest on borrowed capital for Self-occupied property” is not allowed as per the provision of Section 115BAC of the Act, 1961. In case Taxpayer wants to claim, then taxpayer must choose ‘Old Tax Regime’ by selecting “Yes” in ITR 1 / ITR 2 or “Yes, within due date” option in ITR 3 / ITR 4 / ITR 5 in the field provided for “opting out option” in the ITR Form.

Q.8: While filing ITR for AY 2024-25, “Taxpayer unable to claim all other deductions other than 80CCD (2)?”

Ans: From AY 2024-25, new tax regime has become the default tax regime where claiming of chapter VIA deductions are not allowed except section 80CCD (2) as per the provision of section 115BAC of the Income Tax Act. In case Taxpayer wants to claim any other VIA deductions, then taxpayer must choose ‘Old Tax Regime’ by selecting “Yes” in ITR 1 / ITR 2 or “Yes, within due date” option in ITR 3 / ITR 4 in the field provided for “opting out option” in the ITR Form.

Q.9: Taxpayer is getting error as “Name of taxpayer in ITR does not match with the Name as per the PAN data base?

Ans: First Name, Middle Name and Last Name in ITR should be same as per the name registered under My profile section after login on the portal. Taxpayer should update the profile and then download the latest prefill Json for filing return in offline mode or start new filing in Online mode to resolve these issues.

Q.10: For AY 24-25, Taxpayer filed Form 10IEA by mistake and now wish to revoke / withdraw the same. Can taxpayer withdraw or revoke?

Ans: Once Form 10IEA is filed for AY 2024-25, then **it cannot be revoked / withdraw** in same AY, Taxpayer must mandatorily opt for the old tax regime for AY 2024-25. But option to ‘Withdraw’ will be available in subsequent year and it can be changed only once in a lifetime for Business and profession case i.e. (in case of ITR-3 or ITR-4).

Q.11: Taxpayer unable to claim 10(13A) house rent allowance while filing return for AY 2024-25?

Ans: From AY 2024-25, new tax regime has become the default tax regime where claiming of HRA u/s 10(13A) is not allowed as per the provision of section 115BAC of the Income Tax Act. In case Taxpayer wants to claim HRA, taxpayer must choose ‘Old Tax Regime’ by selecting “Yes” in ITR 1 / ITR 2 or “Yes, within due date” option in ITR 3 / ITR 4 in the field provided for “opting out option” in the ITR Form.

Q.12. Is there any Form required to file for claiming the deduction u/s. 80DD and 80U?

Ans: In case taxpayer is claiming any deduction u/s 80DD and 80U in the return of income, then it is recommended for taxpayer to obtain a certificate from the relevant medical authority for such disabilities in support of deduction claimed under section 80DD/80U and to file Form 10IA as applicable as per Rule 11A and details of form 10-IA (acknowledgement no. and date) may be furnished in Sch 80DD/80U of the return.

Q.13. Does Taxpayer require to mandatorily verify the return?

Ans: Yes, verification of ITR after submission of ITR is mandatory. Taxpayer to ensure the return should be verified within applicable due time of 30 days post successful submission of return either through EVC mode or DSC. Taxpayer can also download the ITR-V receipt copy available under View Filed return after login on the portal and send to CPC through speed post within 30 days of filing return for verification of ITR to avoid any further issues. Please note that it is recommended to complete the verification through Online mode only to avoid any postal related issue.

Q.14: Taxpayer is not able to choose Yes/No” for “Whether you were director in a company at time during the previous year” while filing return in ITR 2 / ITR 3?

Ans: This question is applicable only for “Individual”. Please check the Status of the Assessee. If Status is selected as ‘Individual’, then option “Whether you are a ‘Director’ of a company at any time during the previous year” will gets enabled and then enter the details and proceed to file the return.

Q.15: Taxpayer is getting error as “Gross receipts/ Turnover is provided in schedule BP but financial particulars such as sundry creditors/Inventories, sundry debtors, cash in hand is not filled” in ITR 4?

Ans: It is mandatory to fill fields such as ‘Sundry Creditors, Inventories, Sundry Debtors, Cash in Hand’ under “Financial particulars” in schedule BP in ITR 4. If not filled, it will throw error.

Q.16: Taxpayer filed Form 10-IEA and submitting ITR with correct Form 10-IEA details, but still error is appearing to please enter valid Form 10IEA details?

Ans: Taxpayer to check and validate the Form 10IEA details under “view filed Forms” after submission of Form 10IEA and then retry filing ITR after entering correct form filed details. Also, Taxpayer to make sure not to submit Form 10-IEA multiple times on the portal.

Q.17: Taxpayer corrected the validation errors which he encountered during ITR submission. But even after correction when he clicks on “Proceed” errors are still showing?

Ans: It is recommended to try resubmitting ITR in fresh session to avoid such issues after correcting errors.

Q.18: Taxpayer has entered the amount of deduction u/s 80CCD (2) under Schedule VIA in the return, but eligible amount of deduction is computing as 0.

Ans: Taxpayer to check if Salary income is provided after selecting the ‘Basic Salary’ drop down under Schedule Salary for computing the eligible amount of deduction claimed u/s 80CCD (2) of the Income Tax Act, 1961.

Q.19: Is it mandatory to verify the return through DSC option only for 44AB audit return cases?

Ans: There is an amendment in Rule 12 of Income Tax Rules, 1962 from 1st April 2024, where in case return is being filed by Individual or HUF then taxpayers can verify the **return** through EVC mode or DSC mode even for 44AB audit applicable cases.

Q.20: What is difference in new tax regime provision as per section 115BAD, 115BAE and 115BAC of Income Tax Act, 1961, applicable for filing ITR-5 return for AY 2024-25?

Ans: Section 115BAE is the new section introduced from AY 2024-25 for new co-operative Society resident in India, incorporated on or after 1st April 2023, engaged in business of manufacturing. Such taxpayers are required to pay tax @15% on manufacturing business income and @ 22% on remaining income. Form 10IFA is required to submit to avail this option.

Section 115BAD is applicable for all other resident co-operative societies registered on or after 1st April 2021, and eligible to opt and pay applicable tax rate @22% on their Total Income. Form 10IF is required to submit to avail this option.

Please note once this new tax regime provision is exercised u/s 115BAD or 115BAE, then same provision will be applicable for all subsequent AY's, and it cannot be withdrawn later for any Assessment year.

Section 115BAC is applicable to all AOP's (other than Co-operative society) or BOI or AJP, who are filing return of Income in ITR-5 from AY 2024-25 where taxpayer can compute the tax as per

the revised tax slab applicable for new tax regime and can pay the tax accordingly. Form 10IEA is required to submit within due date to avail this in case of business income.

Q.21: Is there any requirement to file any form for claiming new tax regime as per provision of section 115BAD or 115BAE?

Ans: Taxpayers need to file Form 10IF for claiming new tax regime as per section 115BAD and Form 10IFA for claiming new tax regime as per section 115BAE.

Q.22: Is taxpayer required to file Form 10IF or 10IFA every year for claiming the new Tax Regime in ITR-5 return for Section 115BAD or Section 115BAE?

Ans: No. Taxpayer is not expected to file the form 10IF or 10IFA every year. Taxpayer is required to file the Form 10IF or 10IFA only once within due date as per section 139(1) in the year in which the taxpayer wants to opt for the new tax regime for the first time.