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2021

1st edition

INCOME TAX READY RECKONER

A complete ready reckoner covering Income Tax heads &
other important topics in Chart/tabular format

BY CA HARSHIL SHETH





PREFACE

Hello, This is CA HARSHIL SHETH from Ahmedabad, Practicing in the field of Income tax & GST mainly . This e-BOOK is an attempt to summarize Important topics of INCOME TAX ACT and present it as a quick ready reckoner .

First & foremost , dedicating this book to my Father who has been the first Guru in life and In the field of Taxation . and also dedicating to My lifelines i.e mummy , wife and Vedaan

Journey of making this book was interesting one . So every year, I read Income tax (atleast 5 heads) , And these E-book is result of Notes which I have been preparing as a quick summary throughout the last 10 years. In the second phase of Work-From-Home in this April 2021 , I decided to finally put this idea as a Virtual E-book . So I started making this based on ideas I got while reading 5 heads from April to July 2021. But now, I feel It is the proper time to publish it as an E-book.

This E-book mostly covers 25 topics of Income Tax . Recently, In the last 15 days from 8th October to 22th October, I posted this on Twitter one day one topic and got amazing feedback . Thanks to all twitter folks who have been constantly motivating with instant reactions .

So now it's time to bring to you the final version of E-book. And this is like dream coming true for me. All summary/notes/charts are Original ideas And It has been properly explained without cutting corners. Hope this is helpful to all Professionals & Students

Let me tell you, I am no expert on Income Tax. If Any mistake, Please let me know to correct it . Also Tell me Any suggestion to improve, It will be great help to Make 2nd edition.

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INCOME TAX READY RECKONER FOR 21-22

BY

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TOPICS COVERED in CHART / SUMMARY / TABULAR / LIST FORMAT

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1. RESIDENTIAL STATUS

The taxability of an individual in India depends upon his residential status in India for any particular financial year. It must not be confused with an individual's citizenship in India. An individual may be a citizen of India but may end up being a non-resident for a particular year. Similarly, a foreign citizen may end up being a resident of India for income tax purposes for a particular year. Income tax act classifies taxable persons as: ROR , RNOR , NR

- a. A resident and Ordinarily Resident (ROR) - Global Income
- b. A resident but not ordinarily resident (RNOR) - Income received / accrued or deemed to be received or accrued in India . Also Income from Business controlled from India or profession set up in India
- c. A non-resident (NR) - Income received / accrued or deemed to be received or accrued in India

RESIDENT or NON-RESIDENT

any one condition followed then **RESIDENT**

- 1 stay in PY >182 days
 - 2 stay During 4 PY preceding relevant PY > 365 DAYS and stay During relevant PY > 60 DAYS
- OR

If none of the conditions are followed then **NON RESIDENT**

Exception for outbound citizen-

individual who is a citizen of India Leaving India for employment or Leaving India as a crew member of Indian Ship

then he will be considered **RESIDENT** if his stay During relevant PY > 182 DAYS

Condition 2 will not be applicable

Exception for inbound citizen-

- 1 individual who is a citizen of India or Person of Indian Origin Who being outside India , Comes to visit to India in PY AND If such person having income other than income from foreign sources < 15 Lakhs

then he will be considered **RESIDENT** if his stay During relevant PY > 182 DAYS

Condition 2 will not be applicable

- 2 individual who is a citizen of India or Person of Indian Origin Who being outside India , Comes to visit to India in PY AND If such person having income other than income from foreign sources > 15 Lakhs

Then

if both conditions followed then **RESIDENT**

- 1 stay in PY >120 days but less than 182 days
 - 2 stay During 4 PY preceding relevant PY > 365 DAYS
- and

RESIDENT and Ordinarily resident

- 1 "RESIDENT" atleast in 2 PY out of 10 PY preceding the relevant PY

AND

- 2 stay During 7 years preceding the relevant PY > 730 DAYS

RESIDENT but not Ordinarily resident

- 1 If any or both of the condition are not followed as stated above or

- 2 Person Deemed to be Resident as per new section 6(1A) meaning thereby

Person is Citizen of India and having income other than income from foreign sources > 15 Lakhs

and who is not a resident of any country in the world by reason of his domicile or residence or any other criteria of similar nature

This condition is notwithstanding anything written over above

2. DEPRECIATION RATES

Popular depreciation rates

Particulars	Rate
BUILDINGS	10%
FURNITURE & FIXTURES	10%
PLANT & MACHINERY	15%
BUSES, TAXIS & LORRIES	30%
COMPUTER & SOFTWARE	40%
INTANGIBLE ASSETS	25%

Half rate of depreciation if added after 1-october in PY

Additional depreciation

new machinery or plant acquired and installed by an assessee who is engaged in the business of manufacture or production of any article or thing – additional depreciation under Income Tax Act of 20% of actual cost shall be allowed. 10% if after 1-oct

3. COST INFLATION INDEX

following table should be used for the Cost Inflation Index:

Sl. No.	Financial Year	Cost Inflation Index
1	2001-02	100
2	2002-03	105
3	2003-04	109
4	2004-05	113
5	2005-06	117
6	2006-07	122
7	2007-08	129
8	2008-09	137
9	2009-10	148
10	2010-11	167
11	2011-12	184
12	2012-13	200
13	2013-14	220
14	2014-15	240
15	2015-16	254
16	2016-17	264
17	2017-18	272
18	2018-19	280
19	2019-20	289
20	2020-21	301
21	2021-22	317

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4. TAX AUDIT APPLICABILITY FOR AY 21-22 & ONWARDS

BUSINESS ASSESSEE (INDI / HUF / FIRM)

TURNOVER		condition of NET PROFIT %		condition of cash payment & cash receipts	AUDIT u/s
Remark- This is my interpretation of 44AB and 44AD .					
A UPTO 1 CRORE		< 8% OR 6%		Irrespective of Cash payments & receipts	YES 44AD (e)
UPTO 1 CRORE		> 8% OR 6%		Irrespective of Cash payments & receipts	NO
Note - if person is not declaring profit in accordance with 44AD(1) then he will be barred to claim benefit from 44AD(1) for THE SAID AY AND FOR Next 5 AY & COMPULSORY Audit u/s 44AD(e) when provision of 44AD(4) is applicable . So for Next 5 AY , You don't have to check above conditions , You have to do Tax audit u/s 44AB(e)					
B 1 - 2 CRORE		< 8% OR 6%		Irrespective of Cash payments & receipts	YES 44AB(a)
1 - 2 CRORE		> 8% OR 6%		Irrespective of Cash payments & receipts	NO
Note - if person is not declaring profit in accordance with 44AD(1) then he will be barred to claim benefit from 44AD(1) for THE SAID AY AND FOR Next 5 AY & COMPULSORY Audit u/s 44AD(e) when provision of 44AD(4) is applicable . So for Next 5 AY , You don't have to check above conditions , You have to do Tax audit u/s 44AB(e)					
C 2- 10 CRORE		Irrespective of %		IF CASH PAYMENTS & CASH RECEIPTS MORE THAN 5%	YES 44AB(a)
2- 10 CRORE		Irrespective of %		IF CASH PAYMENTS & CASH RECEIPTS Less THAN 5%	NO*
		*However due to GST audit , You might compulsory required to do Tax audit. For more than 5 crore turnover.			
		So for All such clients , who are registered under GST , They are always under Tax audit if more than 5 crore			
D More than 10 CRORE		Irrespective of %		Irrespective of Cash payments & receipts	YES 44AB (a)

FOR PROFESSIONALS

RECEIPTS		NET PROFIT %		AUDIT u/s
A > 50 LACS		Irrespective of %		YES 44AB(b)
B < 50 LACS		< 50%		YES 44AB(d)
		> 50%		NO

DUE DATE if TAX AUDIT APPLICABLE (normally)

TO UPLOAD TAX AUDIT REPORT		30TH SEPT
TO FILE INCOME TAX RETURN		31ST OCT
Also all Partners of Audit/ Non-audit firms will be 31ST OCT		

5. TAX AUDIT = IMPORTANT SECTIONS

40(a)(ia) 30% disallow if non-TDS

Section 40(a)(ia) of the Act, in case of payments made to resident, the deductor is required to deduct TDS for payments non-deduction or non-payment of TDS on payments made to residents as specified in section 40(a)(ia) of the Act, the disallowance shall be restricted to 30% of the amount of expenditure on which TDS is not deducted.

TDS is compulsorily required to deduct from SALARY , INTEREST , DIVIDEND , PAYMENT TO CONTRACTORS, COMMISSION , BROKERAGE, PROFESSIONAL FEES , TECHNICAL FEES ,

40(b) Remuneration & Interest

Remuneration

Over & above maximum allowed remuneration calculated based on below formula will be disallowed

(a) on the first Rs.3,00,000 of the book-profit or in case of a loss Rs.1,50,000 or at the rate of 90 per cent. of the book-profit, whichever is more;

(b) on the balance of the book-profit at the rate of 60 per cent

Interest

over & above 12% is disallowed

40A(2) Expenditure Incurred on Relatives

payment must be remitted to relative persons. The Assessing Officer finds the expenditure to be unreasonable and excessive with respect to the fair market value of the goods, services or facilities paid for, the benefits derived by or accruing to the assessee from the payment made or the legitimate business needs of the taxpayer's business or profession

40A(3) Expenditure Incurred in cash to disallow if > 10000

Section 40A(3) of Income Tax Act 1961 provides for disallowance of expenses in respect of which a payment or aggregate of payments made to a person in a day, otherwise than by an account payee cheque drawn on bank or account payee bank draft or use of electronic clearing system through a bank account, exceeds Rs 10000 . (Rs. 35000 in case of Transporter)

40A(3A) Expenditure Incurred in cash to disallow if > 10000

Section 40A(3A) provides that in case an allowance is made in the assessment for any year on the basis of incurred liability, but in the subsequent year or years, assessee makes a payment exceeding Rs 10000 in a day, otherwise than by an account payee cheque or account payee bank draft or use of electronic clearing system through a bank account, in respect of such liability, then the payment so made shall be deemed to be the profit of the year in which such payment is made.

43B

Section 43B states TDS , GST like statutory duties , ESI , PF or Any benefit to employees , Interest on Scheduled bank that can be claimed as deduction from the business income only in the year of actual payment irrespective of the year of accrual of its liability.

Payment must be done before due date of filing return

SELECTION OF TAX AUDIT CLAUSE

Clause 44AB[a]- Total sales / turnover / gross receipts in business exceeding specified limits - 1 crore / 10 crore

Clause 44AB[b] – Gross receipts in profession exceeding specified limits 50 lacs

Clause 44AB[c] – i- Profit and gains are lower than deemed profit u/s 44AE

Clause 44AB[c] – ii- Profit and gains are lower than deemed profit u/s 44BB

Clause 44AB[c] – iii- Profit and gains are lower than deemed profit u/s 44BBB

Clause 44AB[d] – Profit and gains are lower than deemed profit u/s 44ADA i.e less than 50%

Clause 44AB[e] – When provisions of sec 44AD[4] are applicable. i.e less than 8%/6% or 5 year continuity broken

Clause 44AB[3] – Third proviso to sec 44 AB: Audited any other law

Clause 44AB[a] – Proviso where aggregate cash receipts and payments exceeds specified limits

6. CASH transactions limits

Restrictions on Cash Transactions in Income Tax

	Particulars	Section no.	limits	Disadvantages if Limit Crossed
1	Donations received by Political parties	Sec 13A(d)	RS. 2000	Exemption shall not be allowed if Limit crossed
	Contribution exceeding Rs. 2000 should be received by an account payee cheque drawn on a bank or an account payee bank draft or use of electronic clearing system through a bank account or through electoral bond			
2	Payments in cash	Sec 35AD	RS. 10,000	No deduction allowed if Limit crossed
	As per provisions of section 35AD, the deduction is available towards any capital expenditure, wholly and exclusively, incurred for carrying on a specified business. , the deduction is also not available when payment/ aggregate of payment exceeds RS. 10,000 to a person in a single day and such payment is done via cash or bearer cheque or crossed cheque.			
3	Deduction of Mediclaim	Sec 80D	RS. 0	No deduction allowed if paid in Cash
	Section 80D allows deduction in respect of health insurance premium paid for self, spouse, children or dependent parents. The payment however has to be made by any mode other than cash. Exception is provided in case of any sum paid on account of preventive health check-up.			
4	Contribution to political party	Sec 80GGB, 80GGC	RS. 0	No deduction allowed if paid in cash
	Deduction in respect of contributions given by companies to political parties is under 80GGB Deduction in respect of contributions given by any person to political parties is under 80GGC Where No deduction allowed if paid in Cash			
5	Payment for any Expenditure	Sec 40A(3) / 40A(3A)	RS. 10,000	Disallowance of Expenditure
	<ul style="list-style-type: none"> • If a person incurs any expenditure for his business or profession, in respect of which payment or aggregate of payments made to a person in a day in cash exceeds Rs.10,000/- no deduction is allowed in respect of such expenditure. 40A(3) • If an allowance has been made in respect of any liability incurred by a person for any expenditure, and later during any subsequent year the person makes payment in respect thereof, in cash, the payment so made is deemed to be Profits and Gains of business or profession and is chargeable to income tax as income of the subsequent year, if the payment or aggregate of payments made to a person in a day exceeds Rs.10,000/- . 40A(3A) • Exceptions to the above are provided in Rule 6DD of the Income tax Rules,1962. • In case payment is being made for plying , hiring or leasing goods carriages , then the aforesaid limit is Rs.35000/-. 			
6	Payment for capital expenses in Cash	Sec 43(1)	RS. 10,000	Shall be Ignored for calculation of Actual cost of Asset
	In case a person incurs any expenditure for acquisition of any asset in respect which a payment or aggregate of payments made to a person in a day in cash exceeds Rs.10,000/-, such expenditure is not included for the purposes of determination of actual cost of such asset. This means that no depreciation benefit will be available on such capital expenditure incurred in cash.			

7	Contribution to Charitable Institutions	Sec 80G	RS. 2,000	No deduction allowed
	Section 80G allows deduction in respect of donations to certain funds, charitable institutions etc. No deduction is allowed u/s 80G in respect of donation of any sum exceeding Rs.2000/- unless such sum is paid by any mode other than cash.			
8	Contributions paid in cash	Sec 80GGA	RS. 10,000	No deduction allowed
	Section 80GGA allows deduction in respect of certain donations for scientific research or rural development. No deduction is however allowed in respect of any sum exceeding Rs.10,000/- [Rs.2,000/- wef 01.06.2020] unless such sum is paid by any mode other than cash.			
9	Accepting / Repaying certain loans, deposits and specified sum	Sec 269SS, T	RS. 20,000	100% Penalty As per S.271D
10	Cash received for transactions	Sec 269ST	RS. 2,00,000	100% Penalty As per S.271D
	<ul style="list-style-type: none"> No person is allowed to receive in cash an amount of Rs.2,00,000/- or more – <ol style="list-style-type: none"> In aggregate from a person in a day or In respect of a single transaction or In respect of transactions relating to one event or occasion from a person This provision does not apply to- <ol style="list-style-type: none"> Any receipt by government or any banking company, post office savings bank or cooperative bank Transactions of the nature referred to in section 269SS Notified persons or class of persons or receipts. Consequences of violation [refer section 271DA]: Penalty of an amount equal to the amount of such receipt will be levied. 			
11	Presumptive profit	Sec 44AD	Presumptive profit will be deemed at 6% instead of 8%, if the payment is received through a Banking Channel	
12	194N	Cash withdrawal from Banks/Post office	1 Crore	TDS @2% if ITR filed for 3 Preceding years
			20 Lakh	TDS @2% if ITR not filed for 3 Preceding years
			1 Crore	TDS @5% if ITR not filed for 3 Preceding years
13	44AB(a)	<ul style="list-style-type: none"> Threshold limit for Tax Audit has been increased from 5 Crores to 10 Crores provided that:- <ol style="list-style-type: none"> Aggregate of all cash receipts during the year does not exceed 5% of total receipts & Aggregate of all cash payments during the year does not exceed 5% of total payment. The above provision is slated to be applicable WEF assessment year 2022-23. 		
		The payment or receipt, as the case may be, by a cheque drawn on a bank or by a bank draft, which is not account payee, shall be deemed to be in cash		

7. INCOME FROM CAPITAL GAIN

WHAT IS CAPITAL ASSET ?

- 1 Land and / or Building
- 2 Shares & Securities also Securities held by FII
- 3 Goodwill / Trademark / Brand name of business / Profession
- 4 Personal Effects like JADPAS
- 5 ULIP not exempt u/s 10(10D)
- 6 All Properties of any kind held assessee whether or not connected to his Business / profession

JADPAS means

J- JEWELLERY
A- ARCHAEOLOGICAL COLLECTION
D- DRAWINGS
P- PAINTINGS
S- SCULPTURES
A- ANY WORK OF ART

except

GOLD BONDS

RURAL AGRICULTURE LAND

STOCK in TRADE

Other Personal Effects (other than JADPAS)

Normally Personal effects are like personal movable assets which are not Capital Assets. So (personal CAR , Personal FURNITURE , other wearables , Utensils are not CAPITAL ASSETS . So not liable for Capital gain .

But In case of Business , All Assets will be Capital asset , So Car in Business balance sheet will be capital asset

CAPITAL GAIN IN CASE OF LONG TERM CAPITAL ASSET

PERIOD OF HOLDING

TYPE OF ASSET	Period of Holding
1 Depreciable asset in business including CAR	Always SHORT TERM. This can never be Long Term
2 Listed Shares / Equity MF	12 Months or more
3 Unlisted Shares	24 Months or more
4 Non Equity MF (Debt Funds)	36 Months or more
5 Land and or building	24 Months or more
6 Any other Capital Asset Like JADPAS	36 Months or more

RATES OF LTCG = Sec. 112

Any LT Listed Equity shares /
Units U/S 112A (RESI + NR)

10% tax rate OVER & ABOVE
Rs. 1 lac

other Important matters -

BASIC EXEMPTION LIMIT - YES

DEDUCTION - NO

REBATE - NO

Any LT asset other than these
two (RESI.)

20% with Indexation

• other Important matters -

• BASIC EXEMPTION LIMIT -
YES

• DEDUCTION - NO

• REBATE - YES

Any LT asset other than these
two (NON RESI.)

(i) In case the long term capital
asset includes unlisted securities
or shares of a private company
then LTCG is charged at. - 10%

(ii) Otherwise LTCG is charged at
20%

other Important matters -

BASIC EXEMPTION LIMIT - YES

DEDUCTION - NO

REBATE - YES

HOW TO CALCULATE CAPITAL GAIN

METHOD TO CALCULATE FOR LTCG	METHOD TO CALCULATE FOR STCG
FULL VALUE OF CONSIDERATION LESS INDEX COST OF ACQUISITION read below INDEX COST OF IMPROVEMENT LESS: 54/54EC/54F/54B etc	FULL VALUE OF CONSIDERATION LESS COST OF ACQUISITION COST OF IMPROVEMENT
LTCG	STCG
INDEX COST means CII X $\frac{\text{COST OF ACQUISITION}}{\text{CII of year in which ASSET ACQUIRED OR CII of FY 2001-02 ..W e is lower}}$	

CAPITAL GAIN IN CASE OF SHORT TERM CAPITAL ASSET

PERIOD OF HOLDING

NORMALLY PERIOD OF HOLDING = LESS THAN 3 YEARS

RATES OF STCG

EXCEPT STCG u/s 111A , STCG is TAXED AT SLAB RATES in case of Individual/ HUF.

Domestic companies /LLP/ Firms will have to pay tax on STCG on rate applicable to them

COST OF ACQUISITION in case WHERE ASSET is OLDER than 1/4/2001

Option to take market value as on 01/04/2001

But

In case of LAND & BUILDING, Stamp duty value as 01/04/2001 is to be taken

SPECIAL PROVISION SECTION 50C

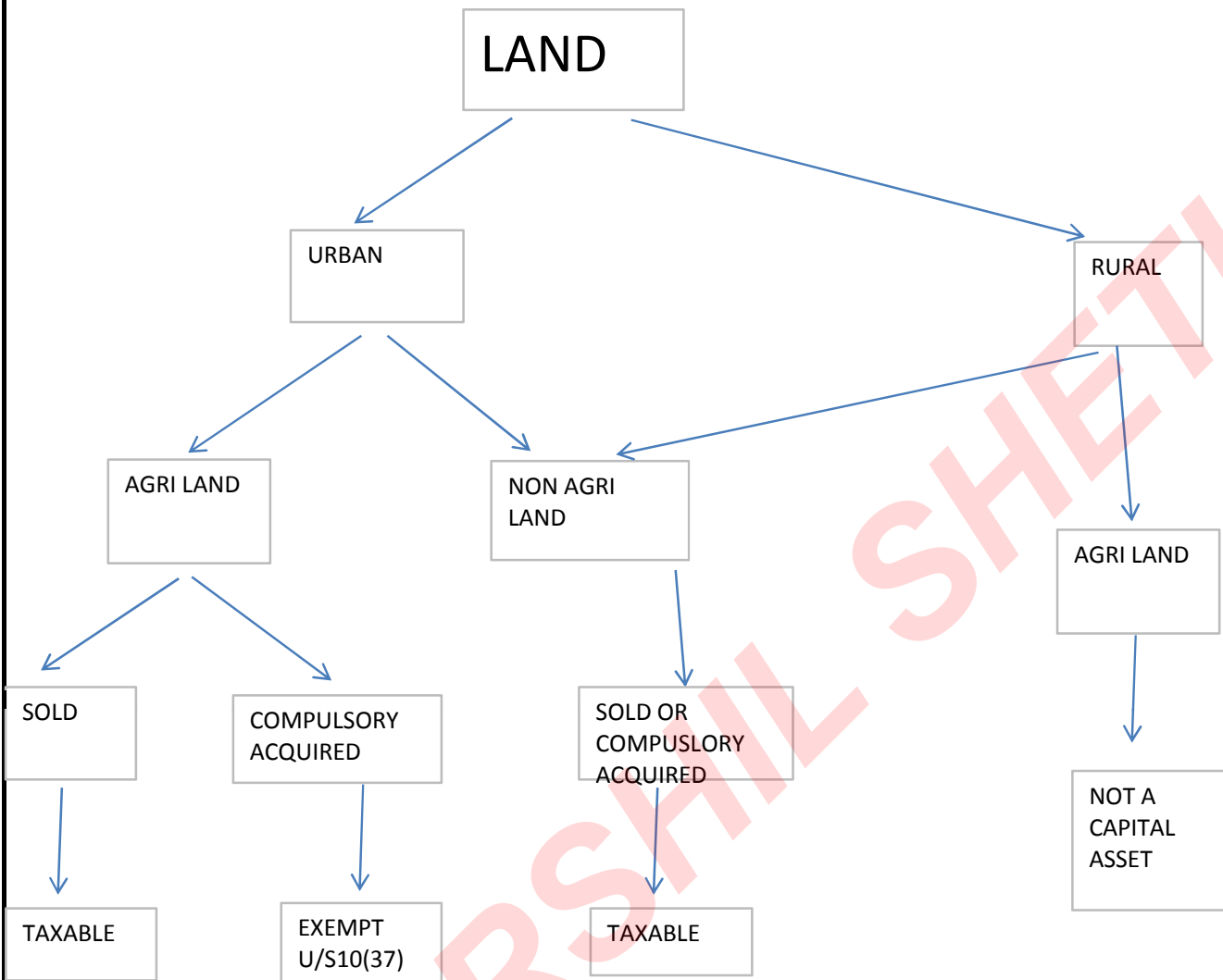
section 50C provides that where the consideration received or accruing as a result of the transfer by an assessee of a capital asset, being land or building or both, is less than the value of adopted or assessed or assessable by any authority of State Govt. for the purpose of payment of Stamp duty in respect of such transfer, the value of adopted or assessed or assessable shall be deemed to be full value of the consideration received or accruing as a result of such transfer. Therefore, if the value adopted or assessed or assessable for stamp duty purposes is more than the consideration returned by the assessee then the value adopted or assessed or assessable for stamp duty purposes will be deemed as full value of consideration.

SO POINTS TO CONSIDER

1. If sales consideration is less than SDV, than SDV will be full value of Consideration (FVOC).
2. However if SDV does not more than 110% of consideration than SC will be FVOC

CAPITAL GAIN IN CASE OF LAND / BUILDING OR BOTH

PERIOD OF HOLDING LT - MORE THAN 2 YEAR ST- LESS THAN 2 YEAR



SUMMARY OF ABOVE CHART

1 RURAL AGRI LAND	NOT A CAPITAL ASSET
2 URBAN AGRI LAND (in case of sold)	CAPITAL ASSET
3 URBAN AGRI LAND (in case e of COMPULSORY ACQUIRED)	EXEMPT U/S 10(37)
4 NON AGRICULTRE LAND (NA) WHETHER SOLD OR COMPULSORY ACQUIRED	ALWAYS CAPITAL ASSET . LIABLE FOR CG

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CAPITAL GAIN IN CASE OF LISTED SHARES

PERIOD OF HOLDING	LT - MORE THAN 1 YEAR	ST- LESS THAN 1 YEAR
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SECTION 112A LTCG ON LISTED EQUITY SHARES / UNITS OF EQUITY ORIENTED FUNDS

RATE AMOUNT EXCEEDING RS. 1 LAC WILL BE TAXED AT 10%

CALCULATION -

SALE PRICE	
LESS	
COST OF ACQUISITION	NOTE- 1

NOTE-1

IF LISTED EQUITY SHARES / UNITS OF EQUITY ORIENTED FUNDS ACQUIRED BEFORE 1-2-2018

THEN COST OF ACQUISITION IS TO BE FOUND BY FOLLOWING STEPS

STEP -1 FIND LOWER OF FOLLOWING TWO

1 FMV AS ON 31-1-2018 OR 2. ACTUAL SALE PRICE

STEP -2 FIND OUT HIGHER OF FOLLOWING TWO

1. STEP -1 FIGURE OR 2. ACTUAL COST OF ACQUISITION

IF LISTED EQUITY SHARES / UNITS OF EQUITY ORIENTED FUNDS ACQUIRED AFTER 1-2-2018

THEN COST OF ACQUISITION IS TO BE

ACTUAL COST OF ACQUISITION

OTHER IMP POINTS

1 BENEFIT OF BASIC EXEMPTION LIMIT

FROM 112A LTCG, BASIC EXEMPTION LIMIT BENEFIT IS AVAILABLE

2 DEDUCTION

HOWEVER, DEDUCTION NOT AVAILABLE

3 REBATE

ALSO, REBATE 87A (RS. 12500) NOT ALLOWED FROM TAX PAYABLE ON LTCG 112A

SECTION 111A STCG ON LISTED EQUITY SHARES / UNITS OF EQUITY ORIENTED FUNDS

RATE 15%

(THIS STCG NOT TO BE INCLUDED IN OTHER SHORT TERM CAPITAL GAIN WHICH IS ADDED IN TOTAL INCOME TO BE TAXED AT SLAB RATES)

CALCULATION -

SALE PRICE	
LESS	
ACTUAL COST OF ACQUISITION	

OTHER IMP POINTS

1 BENEFIT OF BASIC EXEMPTION LIMIT

FROM 111A STCG, BASIC EXEMPTION LIMIT BENEFIT IS AVAILABLE

2 DEDUCTION

HOWEVER, DEDUCTION NOT AVAILABLE

3 REBATE

REBATE 87A (RS. 12500) IS ALLOWED FROM TAX PAYABLE ON STCG 111A

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8. CAPITAL GAIN TAX EXEMPTIONS

	WHO CAN CLAIM EXEMPTION	SOLD	ASSETS TO BE ACQUIRED FOR EXEMPTION	TIME LIMIT FOR ACQUIRING NEW ASSETS	EXEMPTION AMOUNT	LOCK IN
SEC. 54	INDI / HUF	SOLD LT RESIDENTIAL HOUSE	one RESI. HOUSE PROPERTY (two RESI. HOUSE can be purchased but that option is for once in life time only when LTCG is below 2 cr)	<u>PURCHASE</u> 1 YEAR BACK OR 2 YEAR FORWARD <u>CONSTRUCTION</u> 3 YEAR FORWARD	INVESTMENT IN THE NEW RESI. HOUSE	3 YRS
SEC. 54B	INDI / HUF	SOLD NON-RURAL AGRICULTURE LAND (USED BY ASSESSEE HIMSELF OR BY HIS PARENTS FOR AGRICULTURE PURPOSES DURING LAST 2 YEARS)	ANOTHER AGRICULTURE LAND (URBAN OR RURAL)	2 YEARS FORWARD	INVESTMENT IN THE AGRICULTURE LAND	3 YEARS
SEC. 54EC	ANY PERSON	SOLD LT LAND AND/OR BUILDING (RESIDENTIAL OR COMMERCIAL)	BONDS (MAX RS. 50 LAC)	6 MONTHS FORWARD	INVESTMENT IN BONDS	5 YEARS
SEC. 54F	INDI / HUF	SOLD LT LAND OR ANY LONG TERM CAPITAL ASSET (OTHER THAN RESIDENTIAL HOUSE PROPERTY)	RESI. HOUSE PROPERTY (At the time of claiming this exemption Assessee must have only one Resi. House)	<u>PURCHASE</u> 1 YEAR BACK OR 2 YEAR FORWARD <u>CONSTRUCTION</u> 3 YEAR FORWARD	LTCG X $\frac{\text{INVESTMENT IN THE NEW ASSET}}{\text{NET SALE CONSIDERATION}}$	3 YEARS
ABOUT 54F	This is the only section where you have to invest whole amount of SALE RECEIPTS OF ASSET SOLD into New Resi. House to get whole Exemption from LTCG					
10(37)	INDI / HUF	COMPULSORY ACQUIRED LT URBAN AGRICULTURE LAND	<u>IN CASE IT IS COMPULSORY ACQUIRED BY CG / SG , then WHOLE AMOUNT IS EXEMPT</u>			

KINDLY NOTE THAT RURAL AGRICULTURAL LAND IS FULLY EXEMPTED FROM TAX as It is not covered under capital asset definition under income tax act. Agricultural land in the 54B above is other than Rural Agricultural Land.

CAPITAL GAIN TAX EXEMPTIONS QUICK GUIDE

	ASSET SOLD	OPTION TO AVAIL
1	LT RESI. HOUSE	54EC / 54
2	LT LAND	54EC / 54F
3	LT COMMERCIAL PROPERTY	54EC / 54F
4	LT URBAN AGRI LAND	54EC / 54F / 54B
5	ANY OTHER LT CAPITAL ASSET	54F

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9. INCOME FROM OTHER SOURCES

There are many incomes which are taxable under the head income from other sources. However **section 56(2) enlists certain specific incomes which shall always be chargeable to income tax under the head income from other sources these are:**

1. Dividends
2. Winning from lotteries. Crossword puzzles, races including horse races, card games and other games of any short, or from gambling or betting of any form or nature whatsoever , and
3. Income by way of interest on securities provided the income is not chargeable to income tax under the head profit and gain of business or profession.
4. Income from machinery, plant or furniture belonging to the assessee and let on hire, provided the income is not chargeable to income tax under the head profits and gains of business profession.
5. Where the assessee lets on hire, the machinery, plant or furniture belonging to him and also buildings, and letting of buildings, is inseparable from the letting of the said machinery, plant or furniture, the income from such letting, If it is not chargeable to income tax under the head profit and gains of business or profession.
6. Any sum of money the aggregate value of which exceeds RS. 50,000 is received without consideration or property (whether movable or immovable) is received without consideration of property is received for an inadequate consideration by any person on or after 1.4.2017, if the amount of such gift or inadequate exceeds RS.50,000 [section 56(2)(x).
7. Income by way of interest received on compensation or on enhanced compensation to be taxed in the year in which such interest is received.
8. Forfeiture of advance received for transfer of a capital assets to be taxed under the head income from other sources [section 56(2)(ix)].
9. Any compensation received or receivable, in connection with the terminating or the modification of the terms and conditions of any contract relating to its employment shall be taxable under section 56 of the act.[section 56(2)(xi)].

Other incomes which are normally included under the head 'income from other sources'

Following are some of the other incomes which are normally chargeable to tax under this head because these are not covered under any of the four specified heads:

1. Income from sub-letting of a house property by a tenant.
2. Casual income.
3. Insurance commission.
4. Family pension (payments received by the legal heirs of a deceased employees).
5. Director's sitting fee for attending board meetings.
6. Interest on bank deposits with companies.
7. Interest on bank.
8. Income from undisclosed sources. (From 68 TO 69D)
9. Remuneration received by members of parliament.
10. Examinership fees received by a teacher from an institution other than his employer.
11. Rent from vacant piece of plot of land. (not in HP)
12. Agriculture income from agriculture land situated outside India.
13. Interest received on delayed refund of income tax.
14. Income from royalty, if it is not income from business or profession.
15. Director's commission for standing as a guarantor to bankers.
16. Director's commission for underwriting shares of a new company.
17. Gratuity received by a director who, under the relevant contract, is not an employee's servant of the company is assessable as income from other sources.
18. Income from racing establishment.

10.TAXABILITY OF GIFTS - 56(2)(x)

Gift received (other than exempted circumstances mentioned after this table)

Nature of receipts	When taxable	What is taxable
1. Any sum of money whether in cash or by cheque/draft/pay order or any other mode	If received without consideration	If the aggregate value of such sum of money exceeds Rs 50000, then the entire amount
2. Any immovable property received without consideration	If received without consideration	If the stamp value of such property exceeds Rs. 50000, the stamp duty value of such property
3. Any immoveable property received for a consideration less than stamp duty value of property	If received for a consideration which is less than the stamp duty value and .	Stamp value of such property as exceeds such consideration
	if the difference amount of such excess is more than the higher of the following amounts, namely:-	
	(i) the amount of Rs. 50000 and	
	(ii) the amount equal to 10%of the consideration	
4. Any property other than immovable property received without consideration	If received without consideration	If the aggregate fair market value of such property exceeds Rs. 50000 the whole of the aggregate fair market value of such property
5. Any Property other than immoveable property, received for a consideration less than fair market value	If received for a consideration which is less than the aggregate fair market value of the property by an amount exceeding Rs. 50000	Aggregate fair market value of such property as exceeds such consideration

Some Exempt gifts

If any gifts are received in following situations or from below mentioned people then those gifts will be fully exempt under Income Tax.

Any sum of money or any property received:

- 1 from any relative; or
- 2 on the occasion of the marriage of the individual; or
- 3 under a will or by way of inheritance; or
- 4 in contemplation of death of the payer or donor or

Note: In the above-mentioned points the term Relatives means

- Spouse of Individual
- Brother & Sister of Individual
- Brother & Sister of Spouse of Individual
- Brother & Sister of either of the parents of Individual
- Any Lineal ascendants or descendants of the individual
- Any Lineal ascendants or descendants of the spouse of the individual.

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11. TAX ON UNEXPLAINED INCOME

Section	Section deals with
68	Cash Credits
69	Unexplained investments
69A	Unexplained money, etc.
69B	Amount of investments, etc., not fully disclosed in books of account
69C	Unexplained expenditure, etc.
69D	Amount borrowed or repaid on hundi

TAXATION ON UNEXPLAINED INCOME U/S 115BBE

60%	TAX RATE
PLUS 15%	25% SURCHARGE 25% OF 60%
75%	
PLUS 3%	4% EC+SHEC
78%	
PLUS 6%	PENALTY 271AAC (10% OF TAX RATE)
84%	

12. INCOME FROM HOUSE PROPERTY

TYPE-1

Any property used for own Business / profession is not taxed in HP

TYPE-2

TYPE-3

TWO SELF OCCUPIED RESI. HOUSE which are SO		OTHER RESIDENTIAL PROPERTIES /COMMERCIAL PROPERTIES (other than type-1 or type-2) which are LO/ DLO	
GROSS ANNUAL VALUE	NIL	GROSS ANNUAL VALUE	Rs. Xxxx
less: MUNICIPAL TAX	NIL	less: MUNICIPAL TAX if paid by self	Rs. Xxxx
	NIL		Rs. Xxxx
less : 30% std deduction	NIL	less : 30% std deduction	Rs. Xxxx
less: Interest paid max. RS. 2 LAC (In total for 2 SO properties) section 24	Rs. Xxxx	less: Interest paid No Ceiling on Rs. 2 lac section 24	Rs. Xxxx
Income Taxable under HP	Rs. Xxxx	Income Taxable under HP	Rs. Xxxx

SO = SELF OCCUPIED

LO = LET OUT , DLO = DEEMED LET OUT

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13. SET/OFF OF LOSS IN SAME YEAR

return of Income must be filed on time

set off loss inter-head in same year

IFOS LOSS ↓ can be set off against All	HP LOSS ↓ can be set off against All (max. 2 lac) Remaining C/f	BUSI. LOSS ↓ can be set off against All except Salary	Speculative LOSS ↓ Only Speculative Profit	LT capital LOSS ↓ Only LTCG	ST capital LOSS ↓ LTCG OR STCG	<p>However , Return if Filed late than also HP loss & Unabsorbed depreciation is allowed to carried forward & set off next AY</p>
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SET/OFF OF LOSS IN NEXT YEAR

return of Income must be filed on time

set off loss inter-head in next year if not possible to set off in same year

C/F of IFOS LOSS ↓ can be set off against All ↓ FOR NEXT 8 AY	C/F of HP LOSS ↓ can be set off against Only HP income (max. 2 lac) Remaining C/f ↓ FOR NEXT 8 AY	C/F of BUSI. LOSS ↓ can be set off against BUSINESS INCOME ↓ FOR NEXT 8 AY	C/F of Speculative LOSS ↓ Only Speculative Profit ↓ FOR NEXT 4 AY	C/F of LT capital LOSS ↓ Only LTCG ↓ FOR NEXT 8 AY	C/F of ST capital LOSS ↓ LTCG OR STCG ↓ FOR NEXT 8 AY	<p>However , Return if Filed late than also HP loss & Unabsorbed depreciation is allowed to carried forward & set off next AY</p>
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14. DEDUCTIONS

This chart of Deductions will help you to plan your Income & Investments and help you to minimize your Tax before March . This one Page summary will cover maximum issues related to coming return filling season.

POPULAR DEDUCTIONS UNDER INCOME TAX AVAILABLE TO ALL INDIVIDUALS

PLAN MAXIMUM DEDUCTIONS / INVESTMENTS BEFORE MARCH 2019 TO MINIMIZE YOUR TAXABLE INCOME & ALSO TAX

24	24 => Home loan interest	₹ 2,00,000
80C	80C => LIC / PPF / KVP / EPF / SSI / NSC / HOME LOAN PRINCIPAL / SCHOOL FEES/ ELSS/STAMP DUTY	₹ 1,50,000
80CCD(1B)	80CCD(1B) => NPS	₹ 50,000
80DD	80DD => Exp of disabled dependent	75000/125000
80U	80U => own Physical Disability	75000/125000
80TTA	80TTA => Interest on Savings Account. Only available to Persons other than Senior citizen / Very senior citizen	₹ 10,000
80TTB	80TTB => Interest on Savings Account. and Interest on deposits with Post Offices, Banks, Co-operative bank. Only available to senior citizen & Very senior Citizen	₹ 50,000
80G	80G => Donation (Only if paid by cheque/ Bank Mode) 100 per cent of qualifying donations to National Defence Fund, Prime Minister's National Relief Fund, Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES FUND) Prime Minister's Armenia Earthquake Relief Fund, Africa (Public Contributions - India) Fund, National Children's Fund (from 1-4-2014), Government or approved association for promoting family planning, universities and approved educational institutions of national eminence, National Foundation for Communal Harmony, Chief Minister's Earthquake Relief Fund (Maharashtra), Zila Saksharta Samitis, National or State Blood Transfusion Council, Fund set up by State Government to provide medical relief to the poor, Army Central Welfare Fund, Indian Naval Benevolent Fund and Air Force Central Welfare Fund, Andhra Pradesh Chief Minister's Cyclone Relief Fund, National Illness Assistance Fund, Chief Minister's Relief Fund or the Lt. Governor's Relief Fund in respect of any State or Union Territory, National Sports Fund, National Cultural Fund, Fund for Technology Development and Application, Indian Olympic Association, etc.20, fund set up by State Government of Gujarat exclusively for providing relief to victims of earthquake in Gujarat, National Trust for Welfare of Persons with Autism, Cerebral palsy, Mental retardation and Multiple Disabilities, and sums paid between 26-1-2001 and 30-9-2001 to any eligible trust, institution or fund for providing relief to Gujarat earthquake victims21, the Swachh Bharat Kosh and the Clean Ganga Fund (from assessment year 2015-16) and National Fund for Control of Drug Abuse (from assessment year 2016-17) [subject to certain conditions and	50% of Donation or 10% Total income ..W.E.IS LOWER
80GG	80GG => deduction for the rent paid (Available to all Individuals except to those who gets HRA from Employment). Eligibility will be least amount of the following :- 1) Rent paid minus 10 percent the adjusted total income. 2) Rs 5,000 per month 3) 25 percent of the adjusted total income	as per formula
80E	interest on loan taken by him from any financial institution or any approved charitable institution for the purpose of pursuing his higher education or for the purpose of higher education of his relative. The deduction specified in sub-section (1) shall be allowed in computing the total income in respect of the initial assessment year and seven assessment years immediately succeeding the initial assessment year or	Whole Interest Amount
80GGC	Donations made by any individual to political parties if paid by bank mode	Whole Donation Amount
80D	80D => Mediclaim For self, spouse and dependent children (Only if paid by cheque/ Bank Mode) Up to ₹ 25,000 [₹ 50,000 if specified person is a senior citizen or very senior citizen	25000/50000
80D	80D => Mediclaim For Parents (Only if paid by cheque/ Bank Mode) Upto Rs. 25,000 shall be allowed [Rs. 50,000 if parent is a Senior citizen / Very Senior Citizen	25000/50000
Note for 80D	Within overall limit, deduction shall also be allowed up to ₹ 50,000 towards medical expenditure incurred on the health of specified person provided such person is a very senior citizen and no amount has been paid to effect or to keep in force an insurance on the health of such person.	

	80EE	80EEA	80EEB
certain other less popular Deductions	INTEREST FOR HOME LOAN	INTEREST FOR HOME LOAN	INTEREST FOR EV
	1 SD vaule 50 lacs	1 SD vaule 45 lacs	max 1.5 lac amoumnt allowed as Deduction for interest payable on loan taken for an electric vehicle
	2. Loan sanction in FY 16-17	2. Loan sanction in FY 19-20 OR 20-21	assessment year beginning on the 1st day of April, 2020 and subsequent assessment years.
	3. HE SHOULD NOT OWN ANY HOUSE BEFORE	3. HE SHOULD NOT OWN ANY HOUSE BEFORE	
	4 LOAN < 35 LACS	4 . Must not claim Deduction in 80EE	the loan must be sanctioned by during the period beginning on the 1st day of April, 2019 and ending on the 31st day of March, 2023
	5 MAX 50000 OVER SECTION 24 i.e 200000	5. MAX 150000 OVER SECTION 24 i.e 200000	

ALLOWANCES AND DEDUCTIONS ONLY ALLOWED TO SALARIED INDIVIDUALS

HRA EXEMPTION	A salaried individual having a rented accommodation can get the benefit of HRA (House Rent Allowance). However, if you aren't living in any rented accommodation and still continue to receive HRA, it will be taxable. HRA exemption available to Lower of following three a.Total HRA received from your employer b. Rent paid less 10 percent of (Basic salary +DA) c. 40 percent of salary (Basic+DA) for non-metros and 50 percent of salary (Basic+DA) for metros
STANDARD DEDUCTION	Rs. 50,000 Standard deduction for Assessee who has Salary/ Pension Income

Author's Note-

Now Almost all heads have Some kinds of Relief Apart from 1.5 lac from 80C & 25k in 80D Normally

1. Salary income then 50000 exempt
2. Long Term shares then 100000 exempt (However It will be part of Total income for calculating 87A rebate)
3. House property has 30% deduction also 200000 interest allowed
4. Interest income gets 10000/50000 Deductions..

Returns are showing us way of Financial planning that We should have Income from all heads

For min. Tax and Max. Gain

15. TAX SLAB & TAX RATES

A good news – under House property , Now 2 residential house can be claimed from AY 20-21 as self - occupied (No notional Rent)

A bad news - under IFOS , now from this FY , dividend income will be Taxable . Dividend received on Shares/ Units is now taxable

BIG CHANGE - now one can adopt new tax rate of slabs forgiving all below exemptions & deductions

INCOME TAX SLABS FOR FY 2020-21 (old scheme)

This chart of Deductions & Slab rates will help you to plan your Income & Investments and help you to minimize your Tax before March 2021. This one Page summary will cover maximum issues related to coming return filling season.

CATEGORY	<60	<80	>80
BASIC EXEMPTION LIMIT	₹ 2,50,000	₹ 3,00,000	₹ 5,00,000

General Public (Below 60 Years of Age)		Senior Citizens (60 to 80 Years of Age)		Very Senior Citizens (More than 80 Years of Age)	
Income Tax Slab	Tax	Income Tax Slab	Tax	Income Tax Slab	Tax
Up to Rs. 2.5 Lakhs	Nil	Up to Rs. 3 Lakhs	Nil	Up to Rs. 5 Lakhs	Nil
Rs. 2.5 – 5 Lakhs	5%	Rs. 3 – 5 Lakhs	5%	Rs. 5 – 10 Lakhs	20%
Rs. 5 – 10 Lakhs	20%	Rs. 5 – 10 Lakhs	20%	Above Rs. 10 Lakhs	30%
Above Rs. 10 Lakhs	30%	Above Rs. 10 Lakhs	30%		

Education + Health Cess of 4%

Tax Rebate : Tax rebate maximum upto Rs. 12500 for Total income upto Rs. 5,00,000

Rebate u/s 87-A Resident Individual whose Total Income is not more than ₹ 5,00,000 is also eligible for a Rebate of 100% of income tax or ₹ 12,500, whichever is less. This Rebate is available in both tax regime

CONSIDERING REBATE , LETS RECALCULATE THE MAXIMUM TOTAL INCOME AT WHICH , THERE IS NO TAX

CATEGORY	<60	<80	>80
BASIC EXEMPTION LIMIT	₹ 2,50,000	₹ 3,00,000	₹ 5,00,000
RECALCULATING THE MAXIMUM TOTAL INCOME AT WHICH , THERE IS NO TAX			
TOTAL INCOME AFTER DEDUCTIONS	₹ 5,00,000	₹ 5,00,000	₹ 5,00,000
TAX ON TOTAL INCOME	₹ 12,500	₹ 10,000	₹ 0
LESS: REBATE 87A	-₹ 12,500	-₹ 10,000	₹ 0
ACTUAL TAX LIABILITY	₹ 0	₹ 0	₹ 0
SO, EFFECTIVE TAX EXEMPTION LIMIT AT WHICH , THERE IS NO TAX	₹ 5,00,000	₹ 5,00,000	₹ 5,00,000

INCOME TAX NEW SLABS FOR FY 2020-21 ITR (NEW scheme without deductions & exemptions)

New Regime Income Tax Slab Rates for FY 2020-21		
(Applicable for All Individuals & HUF)		
Rs 2.5 lakhs- Rs 3.00 Lakhs	5% (tax rebate u/s 87a is available)	
Rs. 3.00 lakhs – Rs 5.00 Lakhs		
Rs. 5.00 lakhs- Rs 7.5 Lakhs		10%
Rs 7.5 lakhs – Rs 10.00 Lakhs		15%
Rs 10.00 lakhs – Rs. 12.50 Lakhs		20%
Rs. 12.5 lakhs- Rs. 15.00 Lakhs		25%
> Rs. 15 Lakhs		30%

Exemptions & deductions to forgo if under New option	Any restriction on Choosing the New vs. Old regime ?
B/f carried forward losses , Unabsorbed depreciation , And deductions like Std. deduction of Rs. 50000 from salary , PT deduction from salary , LTA , HRA , Minor's Income Rs. 1500 deduction , deduction under 80C to 80U , Deduction for Family pension , NPS deduction of extra Rs. 50000, Deduction of Rs. 200000 for Housing loan Interest (if Self-occupied property) , For business assessee - 10AA , Additional depreciation , 32AD , 33AB , 33ABA , 33AB , 35(1)(ii), 35(1)(iia) , , 35(1)(iii) , 35(2AA), 35AD , 35CCC (Also read below note)	If person having Business / Profession income & If opted to new regime , then he can Convert to old regime. But he can do so only once in Lifetime unless he doesn't have Income from Busi./ Profession.
	If person not having Business / Profession income & If opted to new regime , then he can change the option in every AY he/she wish to
Note- Under new regime , One can still claim Interest u/s 24(b) for Let out / Deemed Let out property.	

Old TO New regime - Procedure

1. For ITR 1 & 2 - Income from CG, SALARY, IFOS HP only

Form 10-IE (option for Opting New regime 115BAC) Whether required to file ?

No need to be filed for ITR 1 & ITR 2 separately ..if wish to adopt then Do it with ITR only..otherwise nothing to do

2. For ITR 3&4 - having Business Income or Partnership Remuneration/ Interest

Form 10-IE (option for Opting New regime 115BAC) Whether required to file ?

Mandatory to be filed in ITR 3 & ITR 4 for Those want to shift to New before due date .. otherwisew nothing to do

SURCHARGE AND MARGINAL RELIEF FOR INDIVIDUALS

What is Surcharge?

Surcharge is an additional charge levied for persons earning income above the specified limits, it is charged on the amount of

10% - Taxable income above ₹50 lakh – Up to ₹1 crore

15% - Taxable income above ₹1 crore - Up to ₹2 crore

25% - Taxable income above ₹2 crore - Up to ₹5 crore

37% - Taxable income above ₹5 crore

Maximum surcharge on income by way of dividend or income under the provisions of 111A, 112A and 115AD is 15%.

What is Marginal Relief?

Marginal Relief is a relief from surcharge, provided in cases where the surcharge payable exceeds the additional income that makes the person liable for surcharge. The amount payable as surcharge shall not exceed the amount of income earned exceeding 50 lakh, 1 crore, 2 crore or 5 crores respectively.

TAX RATES FOR FIRMS

For Partnership Firm / LLP - Tax rate is 30%

Surcharge is levied on the amount of income tax at following rates if Total Income exceeds specified limits:

12% if Taxable Income Exceeds ₹ 1 Crore

Marginal relief is available from the Surcharge in the following manner:

16. TAX CALCULATION WHERE MAX INCOME BUT NO TAX

as per Old scheme

	Normal	Normal	Normal	Normal
Salary Income ?	Having salary	Not Having Salary	Not Having Salary	Not Having Salary
Home loan Income ?	Having Home loan	Having Home loan	Not Having Home loan	Not Having Home loan
Interest Income ?	Having Interest Income	Having Interest Income	Having Interest Income	Not Having Interest Income
GROSS INCOME	9,35,000	8,85,000	6,85,000	6,75,000
LESS				
STANDARD DEDUCTION	50,000			
24 Housing loan Interest	2,00,000	2,00,000		
80C	1,50,000	1,50,000	1,50,000	1,50,000
80TTA	10,000	10,000	10,000	
80TTB				
80D	25,000	25,000	25,000	25,000
TOTAL INCOME	5,00,000	5,00,000	5,00,000	5,00,000
TAX ON ABOVE INCOME	12,500	12,500	12,500	12,500
REBATE AS PER 87A	-12,500	-12,500	-12,500	-12,500
ACTUAL TAX LIABILITY	-	-	-	-

	senior citizen > 60	senior citizen > 60	senior citizen > 60	senior citizen > 60
Salary Income ?	Having salary	Not Having Salary	Not Having Salary	Not Having Salary
Home loan Income ?	Having Home loan	Having Home loan	Not Having Home loan	Not Having Home loan
Interest Income ?	Having Interest Income	Having Interest Income	Having Interest Income	Not Having Interest Income
GROSS INCOME	10,00,000	9,50,000	7,50,000	7,00,000
LESS				
STANDARD DEDUCTION	50,000			
24 Housing loan Interest	2,00,000	2,00,000		
80C	1,50,000	1,50,000	1,50,000	1,50,000
80TTA				
80TTB	50,000	50,000	50,000	
80D	50,000	50,000	50,000	50,000
TOTAL INCOME	5,00,000	5,00,000	5,00,000	5,00,000
TAX ON ABOVE INCOME	10,000	10,000	10,000	10,000
REBATE AS PER 87A	-10,000	-10,000	-10,000	-10,000
ACTUAL TAX LIABILITY	-	-	-	-

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17. COMPARISON-1 = OLD VS NEW TAX REGIME when deductions are Rs. 175000

When Not having home Loan

Assume Deductions

80C = 150000 LIC , PPF etc

80D = 25000 MEDICLAIM

Sec .24 = 0 Housing Loan Interest

Assuming person HAVING AGE < 60 and resident and he is not having salary income So no standard deduction and also no other deductions in any other sections. Like Higher Housing loan Interest in 80EE , NPS , 80G, etc

INCOME	DEDUCTIONS	TOTAL INCOME	TAX AS PER OLD regime	TAX AS PER NEW regime	BENEFIT IN OLD	BENEFIT IN NEW
6,00,000	1,75,000	4,25,000	-	23,400	23,400	
7,00,000	1,75,000	5,25,000	18,200	33,800	15,600	
8,00,000	1,75,000	6,25,000	39,000	46,800	7,800	
9,00,000	1,75,000	7,25,000	59,800	62,400	2,600	
10,00,000	1,75,000	8,25,000	80,600	78,000		2,600
11,00,000	1,75,000	9,25,000	1,01,400	98,800		2,600
12,00,000	1,75,000	10,25,000	1,24,800	1,19,600		5,200
13,00,000	1,75,000	11,25,000	1,56,000	1,43,000		13,000
14,00,000	1,75,000	12,25,000	1,87,200	1,69,000		18,200
15,00,000	1,75,000	13,25,000	2,18,400	1,95,000		23,400
16,00,000	1,75,000	14,25,000	2,49,600	2,26,200		23,400
17,00,000	1,75,000	15,25,000	2,80,800	2,57,400		23,400
18,00,000	1,75,000	16,25,000	3,12,000	2,88,600		23,400
19,00,000	1,75,000	17,25,000	3,43,200	3,19,800		23,400
20,00,000	1,75,000	18,25,000	3,74,400	3,51,000		23,400

CONCLUSION - NEW SCHEME WILL REMAIN BENEFICIAL FOR THOSE NOT HAVING HOUSING LOAN FOR TOTAL INCOME ABOVE 10 LAC

COMPARISON - 2 = OLD VS NEW TAX REGIME when deductions are Rs. 375000

When having home Loan Interest

Assume Deductions

80C = 150000 LIC , housing loan repayment , PPF etc

80D = 25000 MEDICLAIM

Sec. 24= 200000 Housing Loan Interest

Assuming person HAVING AGE < 60 and resident and he is not having salary income So no standard deduction and also no other deductions in any other sections. Like Higher Housing loan Interest in 80EE , NPS , 80G etc

INCOME	DEDUCTIONS	TOTAL INCOME	TAX AS PER OLD	TAX AS PER NEW	BENEFIT IN OLD	BENEFIT IN NEW
6,00,000	3,75,000	2,25,000	-	23,400	23,400	
7,00,000	3,75,000	3,25,000	-	33,800	33,800	
8,00,000	3,75,000	4,25,000	-	46,800	46,800	
9,00,000	3,75,000	5,25,000	18,200	62,400	44,200	
10,00,000	3,75,000	6,25,000	39,000	78,000	39,000	
11,00,000	3,75,000	7,25,000	59,800	98,800	39,000	
12,00,000	3,75,000	8,25,000	80,600	1,19,600	39,000	
13,00,000	3,75,000	9,25,000	1,01,400	1,43,000	41,600	
14,00,000	3,75,000	10,25,000	1,24,800	1,69,000	44,200	
15,00,000	3,75,000	11,25,000	1,56,000	1,95,000	39,000	
16,00,000	3,75,000	12,25,000	1,87,200	2,26,200	39,000	
17,00,000	3,75,000	13,25,000	2,18,400	2,57,400	39,000	
18,00,000	3,75,000	14,25,000	2,49,600	2,88,600	39,000	
19,00,000	3,75,000	15,25,000	2,80,800	3,19,800	39,000	
20,00,000	3,75,000	16,25,000	3,12,000	3,51,000	39,000	

CONCLUSION - OLD SCHEME WILL REMAIN BENEFICIAL ALWAYS FOR HOME LOAN PAYERS

18. TAX RATES FOR DOMESTIC COMPANIES

TAX RATES	NORMALLY	26% FOR T/O BELOW 400 CRORE 31.2 % FOR T/O ABOVE 400 CRORE
MAT RATES	115JB	17.16%

OPTIONS AVAILABLE FOR DOMESTIC COMPANIES	SECTION 115BAA	SECTION 115BAB
TAX RATE	25.17%	17.16% Busi. Income from manufacturing 25.17% Busi. Income from Other than above
Applicability	Any domestic company	domestic company set up after 1-10-19 engage in manufacturing must commence production before 31-3-23
MAT	MAT not applicable	MAT not applicable
ADDITIONAL DEPRECIATION	NOT ALLOWED	NOT ALLOWED
DEDUCTIONS/ EXEMPTIONS	NOT ALLOWED for 10AA,32AD,33AB,33ABA,35AD C/F LOSS for above sections not allowed	NOT ALLOWED for 10AA,32AD,33AB,33ABA,35AD C/F LOSS for above sections not allowed

Surcharge & Marginal Relief for	FOR DOMESTIC COMPANIES
Surcharge is an additional charge levied for persons earning income above the specified limits, it is charged on the amount of income tax calculated as per applicable rates	
7% - Taxable income above ₹ 1 crore– Up to ₹ 10 crore	
12% - Taxable income above ₹ 10 crore	
10% - If Company opting for taxability u/s 115BAA or Section 115BAB	
Marginal Relief is a relief from surcharge, provided in cases where the surcharge payable exceeds the additional income that makes the person liable for surcharge. The amount payable as surcharge shall not exceed the amount of income earned exceeding ₹ 1 crore and ₹ 10 crore respectively	

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19. ITR APPLICABILITY

ITR-1 (SAHAJ) – Applicable for Individual

This return is applicable for a Resident (other than Not Ordinarily Resident) Individual having Total Income from any of the following sources up to ₹ 50 lakh

Salary / Pension	One House Property	Other sources (Interest, Family Pension, Dividend etc.)	Agricultural Income up to ₹ 5,000
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ITR-4 (SUGAM) – Applicable for Individual, HUF and Firm (other than LLP)

This return is applicable for an Individual or Hindu Undivided Family (HUF), who is Resident other than Not Ordinarily Resident or a Firm (other than LLP) which is a Resident having Total Income up to ₹ 50 lakh and having income from Business and Profession which is computed on a presumptive basis and income from any of the following sources:

Income from Business / Profession computed on presumptive basis u/s 44AD / 44ADA / 44AE

Salary / Pension	One House Property	Other sources (Interest, Family Pension, Dividend etc.)	Agricultural Income up to ₹ 5,000
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Note: ITR-1&4 cannot be used by a person who:

- (a) is a Director in a company
- (b) has held any unlisted equity shares at any time during the previous year
- (c) has any asset (including financial interest in any entity) located outside India
- (d) has signing authority in any account located outside India
- (e) has income from any source outside India
- (f) is a person in whose case tax has been deducted u/s 194N
- (g) is a person in whose case payment or deduction of tax has been deferred on ESOP

ITR-2 - Applicable for Individual and HUF

This return is applicable for Individual and Hindu Undivided Family (HUF)

Not having Income under the head Profits or Gains of Business or Profession	Who is not eligible for filing ITR-1
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ITR-3- Applicable for Individual and HUF	
This return is applicable for Individual and Hindu Undivided Family (HUF)	
Having Income under the head Profits or Gains of Business or	Who is not eligible for filing ITR-1, 2 or 4

ITR-5			
This form can be used by a Person being a:	4. Artificial Juridical Person (AJP) referred to in clause (vii) of Section 2(31)	8. Cooperative Society	12. Estate of an Insolvent
1. Firm	5. Body of Individuals (BOI)	9. Society	13. Business Trust referred to in Section 139(4E)
2. Limited Liability Partnership (LLP)	6. Local Authority referred to in clause (vi) of Section 2(31)	10. Trust other than Trusts eligible to file Form ITR-7	14. Investments Fund referred to in Section 139(4F)
3. Association of Persons (AOP)	7. Representative Assessee referred to in Section 160(1)(iii) or (iv)	11. Estate of Deceased Person	

ITR-6		
Applicable for Companies other than those claiming exemption u/s 11.		
Indian Company	Body corporate incorporated by or under the laws of country outside India	Any institution, association or body, whether incorporated or not and whether Indian or Non-Indian which is declared by general or special order of the Board, to be Company, etc.

ITR-7			
Applicable for Persons including Companies who are required to furnish return u/s 139(4A) or Section 139(4B) or Section 139(4C) or Section 139(4D)			
139(4A) – Income derived from Property held under Trust wholly / in part for charitable or religious purposes	139(4B) – Chief Executive Officer of every Political Party	139(4C) – Various entities like Research Association, News Agency, etc. mentioned in Section 10	139(4D) – University, College or other

20. INCOME TAX DUE DATES

COMPLIANCE	FOR period	DUE DATE	extended DUE DATE for FY 20-21
ITR/TAR	ITR	31-July	31 December 2021
	TAR	30-September	15 January 2022
	TAR OF ITR	31-October	15 February 2022
	belated ITR / Revised ITR	31-December	31 March 2022
TDS /TCS PAYMENT	CHALLAN	7TH EVERY MNTH	
TDS	MARCH	30TH APRIL	
TCS	MARCH	7TH APRIL	
TCS return 27EQ	Q1	15-July	
	Q2	15-October	
	Q3	15-January	
	Q4	15-May	
TDS return 24Q/26Q	Q1	31-July	
	Q2	31-October	
	Q3	31-January	
	Q4	31-May	
ADVANCE TAX	Q1	15-June	
	Q2	15-September	
	Q3	15-December	
	Q4	15-March	
15G/15H	For the FY ended on 31-3	30-April	
SFT	For the FY ended on 31-3	31-May	

Tax to pay

upto 15%
upto 45%
upto 75%
100%

FILE LOSS RETURN OR C/F LOSS RETURN BEFORE DUE DATE

	LATE FEES if filed late i.e. after above date
ITR less than Total Income 2.5 lac-	No late Fees
ITR less than Total Income 5 lac -	1000
ITR more than Total Income 5 lac-	5000

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21. TDS TCS SECTIONS & RATES APPLICABLE FOR FY 20-21 AND 21-22

TDS / TCS applicable even if tax audit is not applicable

Old Provision

Any person making specified payments mentioned under the Income Tax Act are required to deduct TDS at the time of making such specified payment. But no TDS has to be deducted if the person making the payment is an individual or HUF whose books are not required to be audited as per section 44AB._

New Provision

As per the amendment made by the Finance act 2020, every person is required to deduct TDS if during the previous year the turnover or gross receipts is more than Rs.1 crore in case of assessee carrying business or Rs.50 Lakhs in case of assessee carrying profession.

This is applicable from FY 2020-21 and AY 2021-22

TDS RATES APPLICABLE FOR FY 20-21 AND FY 21-22

SECTION	SECTION NAME	APPLICABLE TO	LIMIT	FY 21-22
194	Dividend	All Companies	5000	10%
194A	Interest on Deposits/ Loans (Other than Bank)	ALL Co./LLP/FIRM and INDI/HUF TO > 1 CR	5000	10%
194C	Payment to contractor/sub-contractor:	ALL Co./LLP/FIRM and INDI/HUF TO > 1 CR	Single Transaction: 30,000 & Aggregate of Transactions: 1,00,000	
	a) HUF/ Individuals			1%
	b) Others			2%
for Eg	Job work / Repairing / Labour contract / Advertisement / Ocean Freight Shipping charges / Shipping charges / Any Contract			
194C	Payment to Transporter	ALL Co./LLP/FIRM and INDI/HUF TO > 1 CR	Single Transaction: 30,000 & Aggregate of Transactions: 1,00,000 only if Transporter having 10 or more trucks	
	a) HUF/ Individuals			1%
	b) Others			2%
194H	Commission or brokerage	ALL Co./LLP/FIRM and INDI/HUF TO > 1 CR	15000	5%
194-I	Rent:	ALL Co./LLP/FIRM and INDI/HUF TO > 1 CR		
	194-I(a) Plant & Machinery		240000	2%
	194-I(b) Land or building or furniture or fitting		240000	10%
194-IA	Payment on transfer of certain immovable property other than agricultural land	If Value is higher than 50 lacs	50 Lakhs	1%
194J	Fees for professional or technical services:	ALL Co./LLP/FIRM and INDI/HUF TO > 1 CR		
	i) sum paid or payable towards fees for technical services		30,000	2.00%
	ii) sum paid or payable towards Professional Fees		30,000	10.00%
194Q	purchase of goods (Applicable from 1-7-2021	All Assessee having TO > 10 cr and if the purchase of goods by him from the seller is of the value or aggregate of such value exceeding Rs. 50 Lakhs in the previous year.		0.1%

194A	Interest on Bank Deposit/Post Office Deposit/Banking Co-Society Deposit to senior Citizen	Banks / Post-office	50000	10%
	Interest on Bank Deposit/Post Office Deposit/Banking Co-Society Deposit to Other than Senior Citizen		40000	10%
192	Salary	ALL	If Taxable Income more than 2.5 lacs	Normal Slab Rate with option of new vs. old

TCS RATES APPLICABLE FOR FY 20-21 AND FY 21-22

SECTION	SECTION NAME	APPLICABLE TO	LIMIT	FY 21-22
206C(1H)	Sale of Goods	All Assessee having TO > 10 cr and if the Sale of goods by him to any buyer is of the value or aggregate of such value exceeding Rs. 50 Lakhs in the previous year.		0.1%
206C(1)	Sale of Any Scrap	ALL Co./LLP/FIRM and INDI/HUF TO > 1 CR	no limit.. All scrap sale	1%
206C(1F)	Motor Vehicle (any mode of payment)	Seller, who receives any amount as consideration for sale of a motor vehicle of the value exceeding Rs. 10 lacs		1%

TDS returns		TCS returns	
TDS RETURN filing DUE DATE 24Q / 26Q		TCS RETURN FILLING DUE DATES 27EQ	
Q1	31-Jul	Q1	15-Jul
Q2	31-Oct	Q2	15-Oct
Q3	31-Jan	Q3	15-Jan
Q4	31-May	Q4	15-May
DUE DATE OF PAYMENTS		DUE DATE OF PAYMENTS	
APRIL TO FEB	7TH OF NEXT MONTH	APRIL TO FEB	7TH OF NEXT MONTH
MARCH	30TH APRIL	MARCH	7TH APRIL

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IMPORTANT THINGS TO KNOW FOR TDS / TCS WHEN HIGHER RATE IS APPLICABLE

206AA

Non PAN case / Non Adhar case And even Non PAN- ADHAR link case
Will be liable for TDS at **rate specified** or **20%**
W e is HIGHER
Except in 194O & 194Q where It will be 5% in above case
(Note - Non linked will be as good as non having PAN)

206AB

NON filing of ITR for 2 Years &
both yr, TDS Amt was higher than 50000
Then TDS rate would be
TWICE RATE or 5 %.
Whichever is higher

206CC(1)

Non PAN case / Non Adhar case And even Non PAN- ADHAR link case
Will be liable for HIGHER rate of TCS at **twice rate or 5%**
W e is HIGHER
(Note - Non linked will be as good as non having PAN)

206CCA

NON filing of ITR for 2 Years &
both yr, TCS Amt was higher than 50000
Then TCS rate would be
Twice rate or 5 %.
Whichever is higher

interplay of 194Q VS 206C(1H) on sale/Purchase of Goods

TDS ON PURCHASE VS TCS ON SALES of GOODS - CA HARSHIL SHETH

Interplay of 194Q VS 206C(1H) on sale/Purchase of Goods.
Apart from those cases when 194Q & 206C(1H) are not applicable

BY CA HARSHIL SHETH

PURCHASE SIDE (when You are having 10 CRORE above TO in previous FY)

then in current FY

Purchases > 50 Lacs from any party

Purchases < 50 Lacs from any party

If for any reason , (or say mistakenly) SELLER charge TCS before you could deduct TDS?

NO

YES

after clarification as per circular as on 30-6-2021 (13/2021)

YOU have to DEDUCT TDS @0.1% u/s 194Q On purchase Amount after 50 lac crossed

NO TDS to be deducted by you

DISCLAIMER - 194Q will always Prevail over 206C(1H) AND Non-deduction will lead to 30% disallowance , So It is always better to deduct TDS

SALES SIDE (when You are having 10 crore above Turnover in Previous FY)

then in current FY

Sales >50 LACS to any party

sales < 50 LACS to any party

If for any reason (or say mistakenly) You charge TCS before Buyer could deduct TDS then in such rare case , to remove difficulty Buyer is not required to deduct TDS otherwise You have to check Buyer's status

after clarification as per circular as on 30-6-2021 (13/2021)

NO TDS BY HIM
NO TCS BY YOU

IF BUYER is HAVING TURNOVER MORE THAN 10 CR in Previous FY

IF BUYER is HAVING TURNOVER LESS THAN 10 CR in Previous FY

He will deduct TDS on Purchase Amount at 0.1% u/s 194Q

HE will not DEDUCT TDS 194Q , So you have to collect TCS u/s 206C(1H) at 0.1% after 50 lac Sales crossed

SO YOU DON'T have to COLLECT TCS

DISCLAIMER - 194Q will always Prevail over

AUTHOR'SS COMMENTS

194Q - Applicable only if your Turnover of PY crossed 10 crore -

ONLY CONDITION TO CHECK EVERY MONTH END FOR DECIDE

CONDITION = whether Purchases from the Creditor crossed 50 lac

IF YES , Please deduct 0.1% and pay challan before 7th of next month . Also show in FORM 26Q . File it before 31st

IF NO , don't do anything

at year end, check once again this in march end

206C(1H) Applicable only if your Turnover of PY crossed 10 crore -

ONLY 2 CONDITIONS TO CHECK EVERY MONTH END FOR DECIDE

CONDITION 1 = whether collection from the debtor crossed 50 lac

CONDITION 2 = and that debtor has not deducted TDS u/s 194Q

IF BOTH CONDITIONS FOLLOWED , Please collect 0.1% and pay challan before 7th of next month . Also show in FORM 27EQ and file before 15th

IF NO , don't do anything

at year end, check once again this in march end

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22. TRACES

TDS return normally filled through NSDL manually or We can upload ZIP file of FVU on E-FILLING PORTAL . TRACES has provided the functionality of '**Online Correction**' where deductor can perform correction of TDS/TCS statements online. Deductor is required to Login to TRACES, Go to 'Default' Menu, Click on '**Request For Correction**'.

Following are the various facilities available through Online Correction:

- 1 – Rectifying Challan mismatch cases
- 2 – Addition of new Challan to the Statement.
- 3 – Pay 220/interest/levy.
- 4 – Add or Delete Salary Detail.
- 5 – Rectifying Statement Challan Information.
- 6 – PAN Correction.
- 7 – Correction in Personal Information.
- 8 – Add/Modify deductee detail
- 9 – Movement of deductee rows.

Type of Error or Defaults	Correction Type	DSC Required
If challan is unmatched	Challan correction	No
Add new challan	Add challan to statement	No
To clear interest and late fee demand payment	Pay 220, interest, levy, late filling	No
To move deductee row	Request for overbooked challan (move deductee row from challan)	No
To update PAN	PAN correction	Yes
To add/modify deductee row	Add/Modify deductee details	Yes
To update personal details	Personal information	Yes
To modify salary details	Add or delete salary details	Yes

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23. ASSESSMENT PROCEDURE - IMP SECTIONS

Three major assessments given below:

Assessment under section 143(1), i.e., Summary assessment without calling the assessee.

Assessment under section 143(3), i.e., Scrutiny assessment.

Assessment under section 147, i.e., Income escaping assessment

section 143(1)

Assessment under section 143(1) is like preliminary checking of the return of income. FOR following adjustments (if any), namely:-

- (i) any arithmetical error in the return; or
- (ii) an incorrect claim or
- (iii) disallowance of loss claimed, if return of the previous year for which set-off of loss is claimed was furnished beyond the due date specified under section 139(1); or
- (iv) disallowance of expenditure indicated in the audit report but not taken into account in computing the total income in the return;
- (v) disallowance of deduction claimed u/s 10AA, 80IA to 80-IE, if the return is furnished beyond the due date specified under section 139(1); or
- (vi) addition of income appearing in Form 26AS or Form 16A or Form 16

Time-limit

Assessment under section 143(1) can be made within a period of 9 months from the end of the financial year in which the return of income is filed.

section 143(3)

The objective of scrutiny assessment is to confirm that the taxpayer has not understated the income or has not computed excessive loss or has not underpaid the tax in any manner.

To confirm the above, the Assessing Officer carries out a detailed scrutiny of the return of income and will satisfy himself regarding various claims, deductions, etc., made by the taxpayer in the return of income

Notice under section 143(2) should be served within a period of 3 months from the end of the financial year in which the return is filed

Time-limit

Time to complete Scrutiny Assessment - 9 months

faceless assessment 144B

FROM 1-4-2021, Section 144B provides that the assessment of total income or loss of the assessee under Section 143(3) or Section 144 shall be made in a faceless manner in respect of the specified territorial areas or persons or class of persons or income or class of income or cases or class of cases. Authorities to conduct the faceless assessment For the purpose of faceless assessment, the following centres and units have been set-up by the Board by specifying their respective jurisdiction:

Assessment under section 147

The [Finance Act, 2021](#) has substituted the existing sections 147, 148, 149 and 151 and also inserted a new section 148A making a complete change in the assessment proceedings related to Income escaping assessment and search-related cases

Time limit for issuance of notice under section 148 of the Income-tax Act:

Particulars Time Limiting general - No notice shall be issued if 3 years have elapsed from the end of the relevant assessment year.

Where the Assessing Officer has evidence in his possession which reveals that the income escaping assessment, represented in the form of asset, amounts to or is likely to amount to Rs. 50 lakhs or more. Notice can be issued beyond a period of 3 years but not beyond the period of 10 years from the end of

Notice under section 148 of the Income-tax Act cannot be issued at any time in a case for the relevant assessment year beginning on or before 1st day of April 2021, if such notice could not have been issued at that time on account of being beyond the time limit of 6 years, i.e., time-limit prescribed under the existing provisions of Section 149(b), as it stood immediately before the new amendment.

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24. 12 MARCH-APRIL-MAY TASKS - HERE IS LIST OF TASKS WHICH YOU SHOULD TAKE CARE

1. **Completing your Accounting till 31st MARCH** - Give all File of purchase + sale + Expenses , Bank statement of current accounts and Saving accounts to your Accountant till March 2020...SO THAT your March GST return will be ready and your Accounting data will be ready for FY 20-21...
2. **March Adjustments** - . Make provision for Expenses for March . E.g Salary, Rent, Audit fees, Accounting Fees, Telephone Bill, Electricity bills, Statutory Liabilities like GST , ESI , PF etc .etc . Also Depreciation calculation
3. **TDS deduction on Expenses and payment of TDS** - on Interest on unsecured loan, Rent exp, Commission exp, Job work exp, Repairing work exp, Advertising exp, Labour exp, etc Expenses. Deductions of the tax on all the expenses for the period April to March to be done . **S o please deduct in March month & pay in APRIL .**
4. **Booking of Income & 26AS** - Any income on Investments like Interest on FD , Interest on Deposits given, SB interest etc .. All these income need to be books till 31st March . Also check 26AS for TDS deducted on your any income .
5. **Investments/deductions** - Reminder to pay your LIC, MEDICLAIM,, NPS , DONATIONS , PPF AND other OBLIGATIONS TO CLAIM DEDUCTIONS in March as soon as possible so as to claim maximum deduction in ITR
6. **Debit or Credit Notes** - In case of any transactions like sale returns or purchase returns or price revision , the required necessary Debit note or Credit notes may be raised in March for coming to correct balance of outstanding of any debtors / creditors.
7. **kasar / Balance matching with Drs/ Crs** - . Making Debtors/creditors Ledger balance matched with counter party. Please confirm ledger balance with debtors & creditors
8. **15G - 15H** -In April, for all those Interest expenses which are above limit but TDS not to be deducted Because of ITR below exemption limit Form 15 G/ H – The taxpayers who have income from interest only and it is less than the prescribed limit, then they can file manually or online in Form 15 G/ H.
9. **TDS RETURN DETAILS** - In April Make payment of march TDS .FOR Q4 , TDS RETURN to be filled before 31st May, and TCS return before 15th May.
- 10 **TCS ON SALE OF GOODS** - Since , It is new provision, Check whether you have collected TCS from parties which crossed 50 lac collection
11. **SFT** - Filling SFT if applicable before 31st May.
12. **TDS ON PURCHASE OF GOODS** - Since , It is new provision, , Check anyone crossed 50 lac for 194Q

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25. PENALTY

Section	Nature of default	Penalty leviable
221(1)	Default in making payment of tax u/s 156	Such amount as Assessing Officer may impose but not exceeding amount of tax in arrears
234F	Default in furnishing return of income within time prescribed in section 139(1)	Rs. 5,000 if return is furnished after due date specified under section 139(1). However if the total income of the person does not exceed Rs. 5 lakhs then Rs. 1,000 shall be the late filing fees
270A(1)	Under-reporting and misreporting of income	A sum equal to 50% of the amount of tax payable on under-reported income. However, if under-reported income is in consequence of any misreporting thereof by any person, the penalty shall be equal to 200% of the amount of tax payable on under-reported income
271(1)(b)	Failure to comply with a notice under section 115WD(2)/115WE(2)/142(1) or section 143(2) or failure to comply with a direction under section 142(2A)	Fixed at Rs. 10,000 for each failure
271AAB(1A)	Where search has been initiated on or after 15-12-2016 and undisclosed income found	(a) 30% of undisclosed income of the specified previous year if assessee admits the undisclosed income; substantiates the manner in which it was derived; and on or before the specified date pays the tax, together with interest thereon and furnishes the (b) 60% of undisclosed income of the specified previous year in any other case.
271AAC	Income determined by Assessing Officer includes any income referred to in section 68, section 69, section 69A, section 69B, section 69C or section 69D for any previous year.	10% of tax payable under section 115BBE.
271AAD	Penalty, if during any proceedings under the Act, it is found that in the books of accounts maintained by assessee, there is: a) A false entry; or b) Any entry relevant for computation of total income of such person has been omitted to evade tax liability.	100% of such false entries or omitted entry.

271B	Failure to get accounts audited or furnish a report of audit as required under section 44AB	One-half per cent of total sales, turnover or gross receipts, etc., or Rs. 1,50,000, which-ever is less
271C	Failure to deduct tax at source, wholly or partly, under sections 192 to 196D (Chapter XVII-B) or failure to pay wholly or partly tax u/s 115-O(2) or second proviso to section 194B	Amount equal to tax not deducted or paid
271CA	Failure to collect tax at source as required under Chapter XVII-BB	Amount equal to tax not collected
271K	Penalty of default in submission of statement/certificate prescribed under section 35/Section 80G	Rs. 10,000 to Rs. 1 lakh
271J	Furnished incorrect information in any report or certificate by an accountant or a merchant banker or a registered valuer	Rs. 10,000 for each incorrect report or certificate
271D	Taking or accepting any loan or deposit or specified sum in contravention of the provisions of Section 269SS.	Amount equal to loan or deposit or specified sum so taken or accepted
271DA	Receiving an amount of Rs. 2 lakh or more from a person in a day [section 269ST]	Amount equal to such receipt
271DB	Failure to provide facility for accepting payment through prescribed electronic modes of payment as referred to in section 269SU	Rs. 5,000 rupees for every day of default
271E	Repayment of any loan or deposit or specified advance otherwise than in accordance with provision of Section 269T.	Amount equal to loan or deposit or specified advance so repaid