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## **NEWSLETTER**

### **June 2020- Vol.I**

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## Contents

- 1. Key changes notified in the Income Tax Returns (ITR) for the F.Y.2019-20**
- 2. New Form 26AS made by CBDT from 1 June 2020**



## **Key changes notified in the Income Tax Returns (ITR) for the F.Y.2019-20**

1. House ownership: Individual taxpayers who are joint owners of house property cannot file ITR 1 or ITR4.
2. Passport: One needs to disclose the Passport number if held by the taxpayer. This is to be furnished both in ITR 1-Sahaj and ITR 4-Sugam. Hopefully, it will be made mandatory in other ITR Forms as and when they are notified.
3. Cash deposit: For those filing ITR 4-Sugam, it has been made compulsory to declare the amount deposited as cash in a bank account, if such amount exceeds Rs 1 crore during the FY.
4. Foreign travel: If you have spent more than Rs 2 lakh on travelling abroad during the FY, you need to disclose the actual amount spent.
5. Electricity consumption: If your electricity bills have been more than Rs 1 lakh in aggregate during the FY, you need to disclose the actual amount.

### 6. Investment details:

The new forms require a separate table to disclose tax saving investment made during 1st April 2020 to 30th June 2020 for availing them in FY 2019-20. Deductions under Chapter-VI of Income Tax Act which includes Section 80C (LIC, PPF, etc), 80D (Mediclin) and 80G (donations) will now be allowed for spending till 30th June

### 7. Dividend Income

Taxpayers having taxable income as dividend from domestic companies, are not eligible to file ITR-1 form

### 8. TDS u/s 194-IB/194-I

Furnishing of PAN/Aadhaar No. of tenant is mandatory, if tax is deducted under section 194-IB. and Furnishing of TAN of tenant is mandatory, if tax is deducted under section 194-I. Under Section 194I a person (other than Individuals and Hindu Undivided Family) who is paying rent is liable for Tax deduction at



source. The tax can be deducted at source when the total amount of rent to be received or paid in a particular financial year is more than Rs. 2,40,000.

As per Section 194-IB of the Income Tax Act, 1961, the tenant is required to deduct TDS, if the following conditions are satisfied –

- The tenant is either an Individual or HUF whose aggregate turnover / total sales / gross receipts from the business or profession doesn't exceed the monetary limit specified under section 44AB clause (a) or (b).

In other words, the tenant, being an individual or HUF, is not liable to get its accounts audited.

- The tenant is paying to a 'resident' any income by way of rent. Payment to non-resident is not covered under **section 194-IB**.
- The payment of rent exceeds INR 50,000 per month or part of a month during the previous year.

If you have rented out a property, then you will have to provide name and Aadhaar or PAN details of your tenant, if available.

The Due dates for Filing of all ITRs for 2019-20 is extended from 31 July 2020 to November 30, 2020 due to the lockdown and providing enough time for taxpayers to compile data.



## **Additional Information which will form part of New Form 26AS made by CBDT from 1 June 2020**

The Finance Act 2020 has introduced new section 285BB of Income Tax Act, to implement revised Form 26AS.

### **What Section 285BB of Income Tax Act Says?**

The prescribed income-tax authority or the person authorised by such authority shall upload in the registered account of the assessee an annual information statement in such form and manner, within such time and along with such information, which is in the possession of an income-tax authority, as may be prescribed.

Usually Form 26AS Contains only TDS / TCS details, revised Form 26AS shall have information relating to Taxpayers specified financial transaction like Information of property and share transactions, payment of taxes, demand/ refund and pending / completed proceedings, Details of Donation given to any 80G Registered Trust or Institution,

### **What all New Information shall be Captured in Form 26AS from 1 June 2020?**

Section 285BB read with **section 295** of the Income-tax Act, 1961, the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely: — **Annual Information Statement Rule 114-I.**

The Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems) or any person authorised by him shall, under section 285BB of the Income-tax Act, 1961, upload in the registered account of the assessee an annual information statement in Form No. 26AS containing the information specified **within three months** from the end of the month in which the information is received by him

<b>Sr No</b>	<b>Nature of information in Form 26AS</b>
1	TDS or TCS
2	Specified financial transaction like dealing in Shares and Mutual Funds
3	Payment of Advance Tax, Self-Assessment taxes paid



4	Demand and refund pending for past years
5	Pending proceedings in CIT& ITAT. HC and SC
6	Completed proceedings and related Order
7	Information received under an agreement referred to in section 90 or section 90A of the Income-tax Act,1961 – Income Tax Paid in Other Country (other than India)
8	Relief Taken by Assessee under Double Taxation Avoidance Agreement (DTTA) with other Country

**Appendix II, Form 26AS shall be substituted by the following Form, namely**

The Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems) shall specify the procedures, formats and standards for the purposes of uploading of annual information statement referred to in sub-rule (1).

<b>Form 26AS</b>	<b>Annual Information Statement</b>	Financial Year: XXXX-XX
	[See rule 114-I]	Assessment Year: XXXX-XX

**Part B**

Permanent Account Number:	Address:
Name:	
Date of Birth/Incorporation:	
Mobile No.:	
Email Address:	
Address:	



## Part B

Sl. No	Nature of information
1	Information relating to tax deducted or collected at source
2	Information relating to specified financial transaction
3	Information relating to payment of taxes
4	Information relating to demand and refund
5	Information relating to pending proceedings
6	Information relating to completed proceedings
7	Any other information in relation to sub-rule (2) of rule 114-I

### Disclaimer

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*The document is meant for private circulation only.*





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