

Amendment under the chapter "Return of Income"

→ Amendment - 1

Company / Firm = Mandatory filing of return.

Individual / HUF / AOP / BOI / AJP

Old Law

New Law

If total income before deduction 80C to 80U. More than exemption limit (i.e. GTI)

If total income without giving the effect of;

Deduction u/s 80C to 80U

ROI Mandatory

• Section 54, 54B, 54D, 54EC, 54F, 54GA, 54GB

More than exemption limit

ROI Mandatory

Example

Long term capital Gain = 800000

Exemption u/s 54 = 600000

Taxable LTCG = 200000

Old Law

New Law

ROI filing
not mandatory

Mandatory
ROI filing

•> Amendment - 2

Mandatory filing in following cases (New Added)

Applicability = All assessee other than

- Company [Mandatory in]
- Firm [all cases]

•> Cases where filing is mandatory now :-

- Deposit an amount or aggregate of the amount MORE THAN 1 CRORE

In one or more current account maintained with a bank or co-operative bank.

'or'

- Has incurred 'EXPENDITURE' of an amount or aggregate of amount MORE THAN 2 LAKHS for himself or any other person for travelling to a foreign country

'or'

- Has incurred of an amount or aggregate of the amount MORE THAN 1 LAKH towards consumption of electricity.

'or'

- Fulfill such other conditions as may be prescribed.

MANDATORY FILING IF COVERED UNDER ANY OF

THE ABOVE CASE

→ Amendment - 3

Furnishing of Aadhar in place of PAN-139A

A person who is required to furnish his PAN may quote his Aadhar number in place of PAN w.e.f 11/9/2019 if :-

1. He has not been allotted a PAN but possess the Aadhar card or
2. He has been allotted a PAN and has intimated his Aadhar no. to prescribed authority in accordance with the requirements contained u/s 139AA.

Sec - 80 EEA Dedn in respect of Int on housing loan

Eligible Assessee = Individual (other than Co-Partner 80EE)

Deduction = Max 1,50,000

Conditions = 1) loan from Bank/FI for Acq. of HP

2) SDV \leq 45 lakh

3) loan Sanctioned b/w 1/4/19 to 31/3/29

4) Assessee does not own any R.H.P on the date of Sanction

5) ISt 24(b) then 80EEA

Sec-80EEB Deduction in respect of Int on Elect. Vehicle loan

Eligible assessee = Individual

Deduction = Max ₹ 1,50,000

Conditions = 1) loan from Bank/FI

2) loan Sanctioned b/w 1/4/19 to 31/3/23

3) IF deduction allowed u/s 80EEB

then can't claim any other Sec.

Remarks

CHAPTER - 18

ADVANCE RULING

The advance ruling scheme has following advantages

- It ensures clarity and certainty of tax liability under Income tax in advance
- Avoidance of litigation
- Speedy decision
- Inexpensive process
- Transparency

Meaning of Advance Ruling

AR means determination by the authority of a question of law or question of fact, specified in the application regarding the liability to pay tax or computation of total income.

Applicant

Stick figure icon: **34-C** Transaction proposed to be undertaken with 'R'.

'NR'

Stick figure icon: **34-D** Transaction proposed to be undertaken with 'NR'.

'R'

Stick figure icon: **34-E** Transaction proposed to be undertaken with 'R'.

Notified 'R'

Stick figure icon: **34-EA** For computation of T.I or tax.

PSU

Stick figure icon: Transaction covered under GIAR.

AAR → HO → Delhi

- Chairman → Judge of Supreme Court
- Vice Chairman → Judge of High Court
- IRS Officer
- TLS Officer

Remarks GIAR

- After accept the application passed order **within 6 months.**
- Copy of order [Send to assessee and send to CIT]
- Decision binding on: A.O, CIT, Assessee

•> Fees of Application

- Transaction upto 100 Cr = 2 Lakh
- Transaction >100 Cr - 300 Cr = 5 Lakh
- Transaction >300 Cr = 10 Lakh
- PSU's = 10,000

→ Assessee can withdraw application within **30 days** from the date of application [Fees is not refundable]

→ AAR can reject the application in following cases:

- **Case is pending**

→ PSU = H.C, S.C

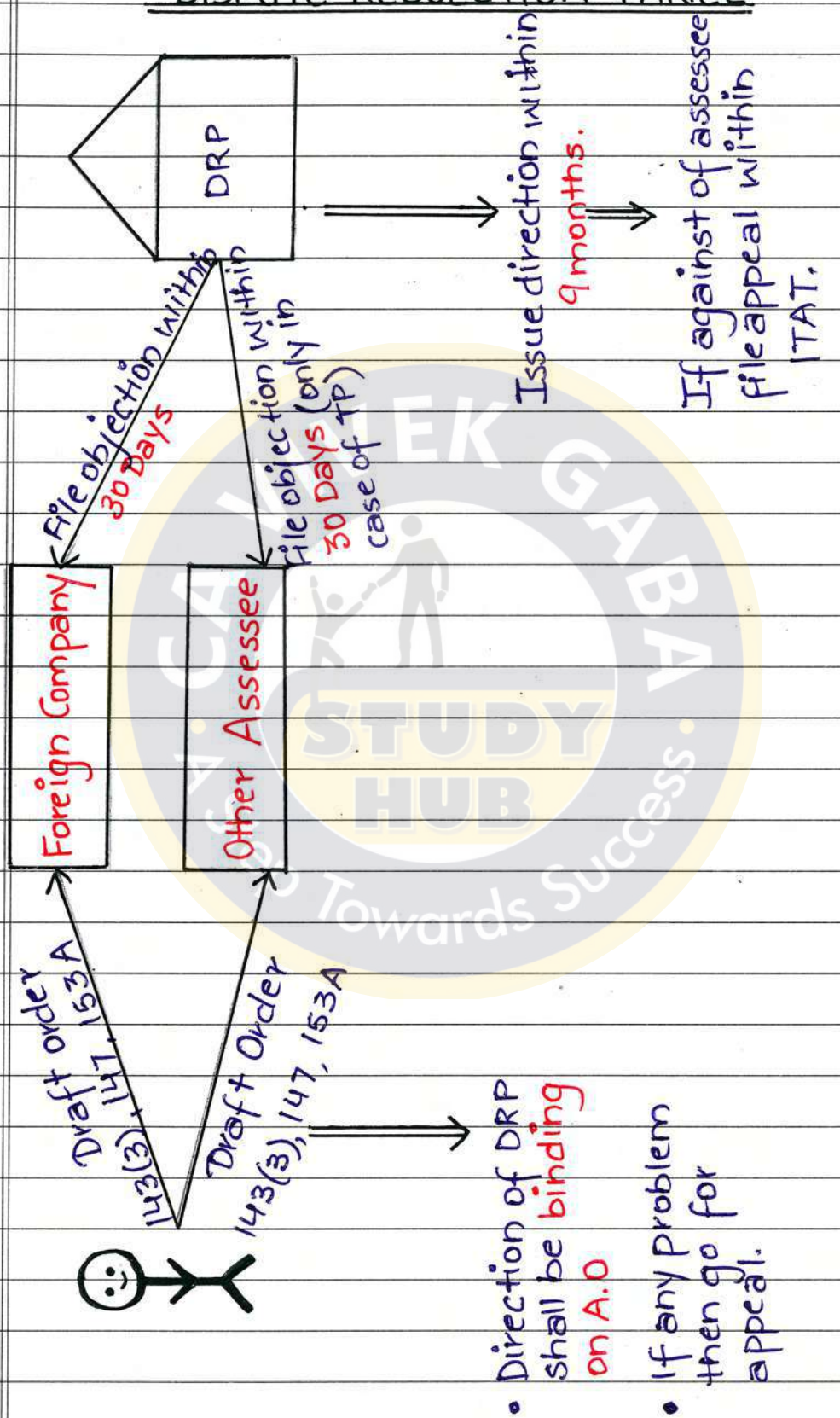
→ Other = All authority

- Case involving determination of **FMV.**

Transaction designed prima facie for **avoidance of tax** except PSU.

CHAPTER - 19

DISPUTE RESOLUTION PANEL

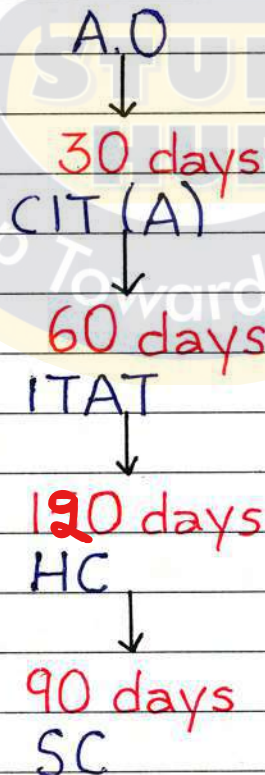


- Direction of DRP shall be **binding** on A.O
- If any problem then go for appeal.

Remarks

CHAPTER - 20APPEAL➤ Meaning of Appeal

In general parlance, 'appeal' means a request and in legal parlance, it means 'apply to a higher court for a reversal of the decision of a lower court'. A tax payer aggrieved by various actions of Assessing officer (say higher tax demand) can appeal before Commissioner or

➤ Appellate Hierarchy

NOTES: There is no right of appeal against following order:

Order levying interest u/s 234A/B/C

Revisional order u/s 264

Order of settlement commission (ITSC)

Order of authority of advance ruling (AAR)

Order of ITAT on a question of fact.

➤ Appeal to CIT(A)

Can be filed only by **Assessee** (First appeal) within 30 days from the date of receipt of a copy of order. However delay can be condoned by CIT(A)

It can be filed in prescribed form i.e. **Form No. 35** along with the **statement of facts, Grounds of appeal, copy of order of A.O, filing fees**. This entire set called as **Memorandum of appeal**, which shall be in **duplicate**

The CIT(A) shall give the judgement (pass order) within **1 year** from the end of the year in which appeal is filed, if possible (**Advisory time limit**)

Following orders that can be appealed against CIT(A)

Order passed by A.O

Intimation

Rectification order

Any other order of A.O

Remarks

➤ Appeal to ITAT [Sec. 252 to 255]

A case of ITAT level appeal shall be heard by "Bench" (Panel of Judges) Normally heard by **2 members bench** (Division bench), one judicial member and other accountant member.

However, if total income of assessee is **up to ₹50 Lacs** then appeal can be heard by single member, Decision of ITAT level shall be taken according to the opinion of the majority.

However, if the members differ on any point, and the members are equally divided on that point, then such point shall be referred to the president of ITAT who shall then refer the case to be heard by another member and then decision shall be taken according to the **opinion of the majority**.

Appeal to ITAT has to be filed **within 60 days** from the date of receipt of a copy of order sought to be appealed against.

It shall be filed in prescribed form **i.e. form No. 36** along with the statement of facts, ground of appeal, copy for order, filing fees everything in **Triplicate**.

ITAT shall give **Judgement within 4 years from the end of the year** in which appeal was received by it, if possible.

- Following order can be appealed against ITAT
- Order of CIT (A)
 - Order of A.O passed on the basis of direction of DRP u/s 144C
 - Revision order u/s 263
 - Order of A.O passed with approval of CIT/PCIT u/s 144BA
 - Any other order of CIT/CCIT/DIT/DGIT

- Section 263: Revision of orders prejudicial to the interest of revenue.

Under this section, CIT/PCIT can call for and examine the "Records" of any proceeding in which order has been passed by an A.O, which is:

- Erroneous
- Prejudicial to the interest of revenue.

then CIT can pass any revisional order under this section, as he deems fit.

CIT can enhance, modify or cancel the assessment and direct for fresh assessment.

An opportunity of being heard must be given to assessee before any such revisional order.

The time limit to pass any such order by CIT is 2 years from the end of the financial year in which original order of A.O was passed.