

SES'S L.S.RAHEJA COLLEGE OF ARTS AND COMMERCE

Course: SYBAF

Unit: 3

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RETURN OF INCOME: SECTION 139**➤ MANDATORY FILING OF RETURN**

- Individual/HUF/AOP/BOI/Artificial juridical person: If gross total income exceeds basic exemption limit.
- A company or a firm irrespective of whether you have income or loss during the financial year.
- Assesse want to claim an income tax refund.
- Assesse want to carry forward a loss under a head of income.
- Return filing is mandatory if you are a Resident individual and have an asset or financial interest in an entity located outside of India.

➤ DUE DATE OF FILING OF RETURN

The due date for filing income tax returns is the date by which the returns can be filed without any late fee or penalty. The due date varies on the basis of taxpayers. For instance, salaried individuals are usually required to file their income tax returns by 31st of July of the assessment year.

Table of the due dates for AY 2019-20 for different categories of taxpayers:

Status of taxpayer	Due Date for Return filing
All individuals/assessee whose accounts are not required to be audited (individuals, HUFs, Association of Persons, Body of Individuals etc.)	July 31 of the relevant assessment year
<ul style="list-style-type: none"> • Following persons whose accounts are required to be audited • A company • An individual or other entities whose accounts are required to be audited (like proprietorship, firm etc.) • A working partner of a firm 	September 30 of the relevant assessment year
An assessee who is required to furnish report under section 92E (Assessee who have undertaken international transaction)	November 30 of the relevant assessment year

➤ FILING RETURN OF INCOME

SECTION 139(1) DUE DATE OF ORIGINAL RETURN

A return which is filed within the due date or deadline is called an original return. It is advisable to file your returns on time to avoid any penalty or interest.

SECTION 139(3) RETURN OF LOSS

If assessee is incurring a loss and expect the loss to be offset in the future years, then he needs to file an Income Tax Return. So if intend to adjust the profits of the future years against the loss occurred in this year and reduce his tax burden in the next year, it is mandatory to file an ITR, or else won't be allowed to offset the loss and profit.

- If the loss occurs under 'Capital Gains' or 'Profits and Gains of Business and Profession', then assessee must file a return if the loss is to be carried forward to the next year and be offset against future income.
- If the loss occurs under 'House Property', then an ITR need not be filed, and the loss can be carried forward even if the return is filed after the due date.
- The loss of income in the current year cannot be carried forward if an ITR reporting the loss has not been filed within the due date. But the loss of earlier years can be carried forward if returns have been filed for those losses on time and has been assessed by the taxman.

SECTION-139(4) BELATED RETURN

Any person who has not furnished a return within the time allowed to him under section 139(1), or within the time allowed under notice issued under section 142(1), may furnish the return for any previous year at any time —

- i. before the end of the relevant assessment year; or
- ii. before the completion of the assessment,

whichever is earlier.

SECTION 139(5) - REVISED RETURN

If the original or initial income tax return that was filed by the assessee or entity as per Section 139(1) or 139(4) contains a particular or specific 'omission' or 'wrong or invalid statement' within it.

- An assessee or entity has the right to file a revised income tax return within a period of one year following the expiration of the assessment year of relevance or prior to the completion or conclusion of assessment, whichever is earlier.
- A belated or late income tax return cannot be revised. However, any loss return that was filed within the prescribed due date as mentioned in Section 139(1) can be eligible for revision.

DEDUCTION OF TAX AT SOURCE

SECTION	NATURE OF PAYMENT	THRESHOLD LIMIT	WHO DEDUCTS TDS	RATE FOR INDIVIDUAL AND HUF	OTHER THAN INDIVIDUAL AND HUF	IF PAN IS NOT SUBMITTED
192	Payment of salaries	Maximum amount not liable to tax (Slab rate)	Employer	Slab rate	NA	30%
194A	Payment of Interest by bank/others	More than 5000 in a year by others More than 10000 in year by Bank(50000 for Senior citizen)	Any person (includes only Individual or HUF subject to Tax audit)	10%	10%	20%
194C	Payment to Contractors by any person.	30,000.00 (Single bill) or 1 Lakh aggregate bills during the year.	Any person (includes only Individual or HUF subject to Tax audit)	1%	2%	20%
194H	Payment of commission or Brokerage	Exceeding 5000 p.a.	Any person (includes only Individual or HUF subject to Tax audit)	5%	5%	20%
194I	Payment of rent on land, building, furniture and fittings. (on plant, machinery or equipments.)	1,80,000	Any person (includes only Individual or HUF subject to Tax audit)	10% (2%)	10% (2%)	20%
194J	Payment of Professional or Technical services	30,000	Any person (includes only Individual or HUF subject to Tax audit)	10%	10%	20%