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आयकर केन्द्र

CENTRALIZED PROCESSING CENTER
INCOME TAX DEPARTMENT

HANDBOOK
FOR TAX CONSULTANTS/TAXPAYERS

NOVEMBER **2020**

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DISCLAIMER

The answers to the frequently asked questions given in this handbook are based on an analysis of the query submitted to us on various occasions citing specific cases and hence the answers may kindly be treated as indicative, as the responses could be varied based on specific facts. The contents of this handbook are for information and broad guidance and do not have any independent legal sanctity. Any use of the contents of this handbook may be carried out having due regard to the provisions of extant and relevant Acts, Rules, judicial Pronouncements, and Administrative/ Technical instructions / Circulars/ Advisories/ Notifications of competent authorities wherever applicable. The hyperlinks to websites that have been included as per the status as on date of the publication and that are provided for the sake of convenience only. CPC is not responsible for the contents or reliability of the hyperlinked websites and does not necessarily endorse the views expressed in the third party websites and also does not guarantee the availability of the linked pages all the time. Though every effort has been made to provide accurate and updated information, it is likely that some details may require to be updated or corrected on a continual basis. This is a publication for general usage of taxpayers and taxpayers' representatives at large for reference purpose and hence the publisher is not responsible in any manner for any damages caused due to references made herein and the Department is not responsible. You are required to adhere to the Acts, Rules, Circulars and notifications issued from time to time. No part of this handbook can be used as reference in any court of law or other statutory purposes as the handbook is an indicative reference material only for high level introduction to services provided by the Centralized Processing Center, Bangalore. No part of the content may be re-used for any publication without prior permission of the Director of Income Tax (CPC), Bangalore in writing. Suggestions to improve the handbook are welcome and it is requested that errors, if any, may kindly be brought to notice.



MESSAGE

I am happy to see that Centralized Processing Center, Bangalore has prepared a handbook in order to provide guidance to taxpayers and taxpayers' representatives regarding e-filing of returns, processing of returns, issue of refunds, validation of bank accounts, filing of rectification applications and various other connected topics. The answers to the Frequency Asked Questions given in the handbook will definitely serve as a ready reckoner on all matters connected to the functioning of CPC. I congratulate the CPC Bangalore team for preparing this handbook which will be of great help to all. It gives me immense pleasure to release this handbook.

Ms. Anu J Singh, IRS

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FOREWORD

Central Processing Center (CPC), Bangalore processes 98% of all the electronic returns filed in India. Apart from focusing on the taxpayer services like e-filing of returns and other Firms, verifying the returns filed, processing and accounting of income tax returns, communication of intimations to taxpayers, issue of refunds and grievance redressal, CPC also does the accounting of assessment orders passed by Assessing Officers. CPC which was established 10 years ago, has reached a new milestone in 2020 by upgrading to a platform that provides near real time processing of returns and quicker issue of refunds.

This handbook, briefly describes services offered by CPC and provides guidance to taxpayers and taxpayers' representatives on all aspects of return filing, processing, rectifications, demand management, bank validations, and issue of refunds in a simplified manner. CPC had conducted a series of webinars in 2020 in association with Regional Chapters of ICAI across the country. Thousands of persons actively participated in those webinars and raised questions to the panel of Officers from CPC. This handbook is a compilation of all the information that can guide the taxpayers and representatives. All Frequently Asked Questions have been classified under various domains and answered by a panel of experts from CPC in this handbook. I am sure, the contents in the handbook can help in clarifying most of the queries of taxpayers and their representatives.

I would like to emphasize the following for making your tax filing experience smoother and quicker. First: Fill all columns in your Income Tax Return Forms correctly, after carefully reading all instructions and attach the relevant details that are required. Second: Please give the correct e-mail id and cell phone number of the taxpayer as primary contact details in the return. Third: Respond promptly to any communication from CPC which is received in the mail or mobile number. Fourth: Please contact the CPC Help Desk (details given in this handbook) for any queries you have in respect of your income tax return. Your suggestions are always welcome!

With best wishes,

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CHAPTER 1

OVERVIEW OF CENTRALIZED PROCESSING CENTER

- 1.1. Central Board of Direct Taxes (CBDT) has approved a Scheme for processing of returns of income 'Centralised Processing of Returns Scheme, 2011', in exercise of the powers conferred by sub-section (1A) of section 143 of the Income Tax Act, 1961 (43 of 1961) which governs the processing of Returns at CPC, Bengaluru.
- 1.2. CPC commenced the development of the software and processes for processing of Income Tax Returns (ITR) in February 2009. It processed the first return on 26/10/2009.
- 1.3. The software and the processes were verified and tested by Standardisation Testing and Quality Certification (STQC), Department of Information Technology, Government of India at the time of deployment of the services to the taxpayers. A quarterly audit is conducted by STQC to verify the adherence of the Service Level Agreements of the Project.
- 1.4. CPC has processed more than 38 crore returns since inception in 2009 and 76 lakh of returns during the FY 2020-21 as on 30/9/2020. The accuracy of processing of ITR has steadily improved over the years and from AY2017-18 onwards all the adjustments u/s.143(1) are made after issuance of notice to taxpayer and giving an opportunity of hearing using the e-proceedings module on the website of the Department.
- 1.5. Over 10.79 Crore refunds totaling to Rs.6 lakh Crores (inclusive of interest) have been issued directly to taxpayers through a central refund banker without any manual intervention (till September 2020). Online tracking of the status of refunds processing from the Department website is enabled for the benefit of taxpayers. Several improvements have been made by the Department to ensure secure transmission of the refund to the taxpayers over the years by evaluating the risks involved. From 1st March 2019, all the refunds are issued only by Electronic Clearing Service (ECS) mode using the validations of bank account

numbers in coordination with National Payments Corporation of India. Option to Pre-validate Bank account number has been enabled for taxpayers. Taxpayer can select and Pre-validate any active bank account number for which the ECS remittance of refund is required.

- 1.6. CPC has achieved a peak processing capacity of 12 lakh returns per day during the Financial Year 2019-20. Average processing capacity is 3 lakh returns per day. The average processing time for AY 2019-20 has reduced to 35 days. Efforts are on, to reduce the timelines further as much as possible. The timelines are also dependent on the correctness of the inputs provided by the taxpayers in the ITRs.
- 1.7. CPC has minimized the use of paper, by switching over to electronic mode of service of communications from the Department. Communication to taxpayer by print mode for notice, order or other communication is sent only when the same is essential for any purpose, thus reducing carbon footprint (saving Trees) substantially. Over 121.93 Cr digitally signed PDF based communications have been sent by email. Over 111.56 Cr SMS alerts were sent to taxpayer at important stages of the processing of ITR. Over 5.53 Cr Intimations were sent by Speed post since inception of CPC in 2009.
- 1.8. 70 Customer Service Executives attend to over 4,000 calls daily in 3 languages; over 81 lakh calls have been attended so far. In addition to Toll Free services, from the month of Dec'14, Online Grievance Portal has been enabled in the e-filing website of the Department to register the grievance pertaining to CPC. Resolution to e-nivaran grievances were provided for 5.16 lakh grievances against 5.16 lakh received during FY 2020-21 (till 30th September 2020).
- 1.9. Online Rectification requests received from taxpayers are processed within statutory time limits. Over 63.28 lakh requests have been processed out of 60.27 Lakh requests filed (till Sept 2020). The rectification request from taxpayers have reduced substantially over the years starting with 4.65% (out of processed cases) rectifications requests in FY 2011-12 to 0.48% (out of processed cases) rectification requests in FY 2019-20, indicating the accuracy of the processing of ITRs.
- 1.10. CPC has stored over 27.38 Cr physical documents through a Record Management Service and has been awarded ISO 15489 certification, the first entity in Asia to achieve this. The physical documents can be accessed by the Department either as soft copy on the system or as hard copy.
- 1.11. CPC processes related to Quality Management System has been certified by ISO 9001-2015. Information Security Management System has been certified by ISO 27001-2013. The Record Management System has been certified by ISO 15489-2016 and IT Services Management System at CPC is compliant to ISO 20000-1.

1.12. Taxpayer Services Facilitation

1.12.1. Dedicated Website: 24/7 Anytime/Anywhere Services to taxpayers

Taxpayers and their representatives are encouraged to verify the status of the ITR and other matters associated with the processing of the ITR on the Department's website on <https://www.incometaxindiaefiling.gov.in> which is available on the internet and can be logged in at any time on 24/7 mode without any dependency. The services of CPC can be availed by logging into account

which enables the taxpayers to give responses, verify the status of ITR, tax credit mismatch reports, raise grievances under e-Nivaran and other services. They can use the Help Menu to know about the Frequently Asked Questions about all the processes related to taxpayer services of Income Tax Department related to ITR processing.

1.12.2. e-filing:

The Chartered Accountants and professionals and taxpayers can call 18001030025 for queries pertaining to e-filing of Income Tax Return or Forms, Pre-validation of bank account number, e-proceedings, compliance related matters and other value added services provided through e-filing Portal.

Other numbers for e-filing are +91-80-46122000 or +91-80-26500026. In emergency circumstances email can be sent to efilingwebmanager@incometax.gov.in. Considering the number of users using the facility, the time for response can vary. However, response is given within a reasonable time which would be within 10 working days.

1.12.3. CPC Bengaluru:

Taxpayers and their representatives can call toll Free phone number 18004252229 (BSNL Toll Free Number - India) or 18001034455 (Airtel Toll Free Number - India) for queries regarding ITR validation, ITR processing, defective returns, online Rectification, Refund issuance, legal heir, Intimation and other Income Tax Return Processing. Other numbers for CPC are 080-22546500 (Toll Number - India & abroad). In emergency circumstances email can be sent to cpcitr.grievance@incometax.gov.in. Considering the number of users using the facility, the time for response can vary. However, response would be given within a reasonable time.

CPC makes outbound calls using system based number 080-49397200 in certain circumstances to alert taxpayer/Chartered Accountants/Professionals and seek their attention related to taxpayer services. Further details related to Customer Service at CPC can be seen in Chapter 2.

1.12.4. Aayakar Sampark Kendra:

General Queries related to Income Tax are taken up by Aayakar Sampark Kendra (ASK) on toll Free number 1800 180 1961 (or) 1961.

1.12.5. TRACES, Ghaziabad (For TDS related queries):

For queries related to Form 16, Tax Credit (Form 26AS) and other queries related to TDS statement, Form 15CA processing Chartered Accountants Professionals or taxpayers may contact TDS Reconciliation Analysis and Correction Enabling System (TRACES) on toll Free number 1800 103 0344 (or) +91-120-4814600. The Chartered Accountant, Professionals and taxpayers can send their queries to contactus@tdscpc.gov.in.

1.12.6. TIN-NSDL (For PAN/TAN queries):

Telephone calls for queries related to PAN & TAN application for Issuance/Update through NSDL can be made to +91-20-27218080 and email can be sent to tininfo@nsdl.co.in.

CHAPTER 2

CUSTOMER SERVICE

- 2.1. Centralized Processing Center of Income Tax Department (CPC), has enabled customer service to address queries of the Tax payers and representatives of taxpayers by inbound tele-calling services, where executives are enabled to provide response to queries of the taxpayers. The Queries are basically on ITR status, Processing, Rectification, Refund, legal heir matters and intimation with respect to Income Tax returns that are processed at CPC.

Communication Channels enabled by CPC are as under:



- 2.1.2. In customer service we have different categories of service to address Taxpayers query,

a. Inbound Call receipt service

b. Outbound Calling service

- Demand follow up Calls
- Grievance related Calls

c. ITBA Help desk for Assessing Officers for both inbound & outbound calls.

2.1.3. IVRS: Interactive Voice Response System

Tax payer is required to dial CPC call centre on 18004252229/18001034455 (BSNL Toll Free Number - India) 18001034455 (Airtel Toll Free Number - India)

or 080-22546500 (Toll Number – India & abroad) for to reach customer service desk of CPC.

2.1.4. Calls are first picked up by the Interactive Voice Response System (IVRS).

The caller is required to enter certain details in the IVRS, such as numeric part of PAN and DOB/DOI, if it is a Unique combination then taxpayer is required to validate through Assessment Year and if it is not a unique combination, then the taxpayer is required to validate through Registered Mobile number or Registered postal pin code (as registered in e-filing website). IVRS provides the statuses in relation to ITRV, Processing, Refund and Refund re-issue, Rectification and Intimation status to the caller.

2.1.5. Caller needs to select option 9 to speak to an executive. Calls are distributed to the executives based on the language chosen by the taxpayer in the IVRS. The call lands at the executive based on the language proficiency.

2.2. Inbound Calls from taxpayers to CPC:

2.2.1. The calls from taxpayers to the Call Center are received from across the country. These queries are basically on ITR-V status, Processing, Rectification, Refund, refund reissue, defective returns, response to notices/campaigns issued by CPC and intimation status of Income Tax returns that are processed at CPC. The Customer Service team also ensures that clear and timely service is provided with the help of tools & applications developed for the specific purpose by CPC.

2.2.2. Information provided by the executives on the call is recorded, the Quality Audits is performed on a daily basis on the calls recorded by the respective Team Leads. Customer service also has Customers satisfaction survey through which customer experience is analyzed and necessary changes implemented periodically.

2.2.3. The queries are handled in 3 different languages - English, Hindi and Kannada.

The most common queries are indicated in the table below:

CALL CATEGORY	DESCRIPTION
ITR-V/EVC	Any query pertaining to ITRV receipt status or e-verification.
Refund Re-Issue	Any query/requests pertaining to refund re-issue.
Refund	Any query pertaining to first time refund status.
Demand	Any query pertaining to the Demand raised by CPC.
Intimation	Any query pertaining to the communications (u/s.143 &154) sent by CPC.
Others	Any General queries.
Online Rectification	Any query related to e-filed rectification.
Manual Rectification	Any query related to Manual rectification filed at CPC.
Transferred to AST	Any query pertaining to the Returns which were transferred to AST for processing.
Campaign	Any query pertaining to the campaigns sent from CPC.
Intimation Re-Send	Any enquiry pertaining to the intimation resend requests placed from CS or from website.
Campaign Re-Send	Any enquiry pertaining to the campaign resend requests placed from CS or from website.
Processing	Any enquiry pertaining to the processing of the return.
Prima Facie Adjustments(PFA)	Any enquiry pertaining to the prima facie (PFA) adjustments in the return.
Pre-Validation	Any enquiry pertaining to the pre-validation of the bank account.

2.3 Auto dialer:

Customer service also has a facility of triggering auto dialer calls to taxpayers to remind about outstanding demands and non-verification of ITR.

2.4. Outbound calls from CPC to Taxpayers:

Customer service also has outbound call facility. The outbound calls are made by executives to taxpayers or tax consultants where taxpayers have raised the grievances, relating to the ITR status and refund reissue. These calls are also made for response to outstanding demands, defective returns and returns awaiting taxpayer response to prima facie adjustment proposals. Customer Service outbound team calls the Taxpayer and takes the follow-ups. The team also gives the updates based on the current status of the return. The Outbound calls are made from 080-4939 7200, using a system interface for dialing and all calls made through the system are recorded and audited (on sample basis) by the Department.

2.5. Demand follow up

Customer Service also has Demand follow up calls facility wherein outbound calls are made to taxpayers or tax consultants where demand has been raised, and taxpayer is eligible to pay the demand. We also make calls to AO regarding the arrear demand which is still pending for the approval or confirmation as disagreement reasons provided by taxpayers.

2.6. ITBA Help desk:

Customer Service also has ITBA Help desk facility to address queries of the AO. These queries are basically on the Refund issues, Demand, TDS, Transfer of Rectification rights and Manual order status of income Tax return that are processed at CPC. Customer service also ensures that clear and timely service is provided with the help of tools & applications developed for the specific purpose.

2.7. Frequently Asked Questions/Answers on Customer Service Helpdesks

2.7.1. What is the number to contact the CPC call centre and e-filing call Centre?

Ans: CPC toll Free number is 18004252229/18001034455 and 080 22546500 (Toll Number- India & Abroad).

e-Filing toll Free number is 1800 103 0025

2.7.2. What are the working hours during which CPC call center can be contacted?

Ans: The working hours for CPC call centre is from 8:00 A.M to 8:00 P.M (Monday to Friday) while the IVRS is available 24/7.

The working hours for the e-Filing call centre is from 8:00 A.M to 8:00 P.M (Monday to Saturday).

2.7.3. What is the first option available on the IVRS?

Ans: The first option available is to select the language preference.

2.7.4. The service is available in how many languages.

Ans: Service is available in these three languages - English, Hindi and Kannada.

2.7.5. What are the options the taxpayer has to select in order to speak in any of the available languages?

Ans: The tax payer can select any one of the below option to speak in the particular language

- English - option 1
- Hindi – option 2
- Kannada – option 3

2.7.6. Which is the option available after language selection in the IVR?

Ans: The next option is to know the preprocessing and post processing status of the ITR.

2.7.7. What are the various status update that we can get for an ITR?

Ans: The tax payer can know the status of the below selection

- ITR Processing status - option 1
- Refund status - option 2
- Refund re-issue status - option 3
- Rectification status - option 4
- Intimation status – option 5
- Talk to an executive - option 9

2.7.8. What is the basic information required to know the processing status in the IVRS?

Ans: The PAN followed by DOB/DOI (DD-MM-YYYY) & Registered Mobile number or Postal PIN code as registered in e-filing is the basic requirement.

2.7.9. What is basic information required to know the refund status in IVR?

Ans: The PAN followed by DOB/DOI (DD-MM-YYYY) & Registered Mobile number or Postal PIN code as registered in e-filing is the basic requirement.

2.7.10. What is the basic information required to know the rectification status in IVR?

Ans: The PAN followed by DOB/DOI (DD-MM-YYYY) & Registered Mobile number or Postal PIN code as registered in e-filing is the basic requirement.

2.7.11. What is the basic information required to speak to an executive in IVRS?

Ans: The PAN followed by DOB/DOI (DD-MM-YYYY) & Registered Mobile number or Postal PIN code as registered in e-filing is the basic requirement.

2.7.12. Is there any option to go back to the previous menu or to speak to an executive after listening to the processing/refund/rectification status?

Ans: Yes, taxpayer can select option 1 to go back to previous menu or 9 to speak to an executive.

2.7.13. Is there any option to check Multiple PANs and multiple AYs query without disconnecting the call in IVRS?

Ans: Yes, If taxpayer wants to check different PAN's query, select option 3; and to check different AY's query, select option 2 towards the end of the call.

2.7.14. How is the ticket created for a call if the solution is given and query is resolved?

Ans: The executive would create a L1 ticket on every call received and select status as resolved, if resolution is provided and no escalation is required. The tickets are raised separately for each different PAN. In case of a subsequent call from the same PAN, earlier tickets can be tracked through the TMS (Ticket Management System).

2.7.15. If the solution is not provided at first point of contact, then what is the procedure to create a ticket?

Ans: The executive would then create a ticket and assign to L2 group. L2 executives would investigate the case and update the solution. The L1 executive would inform the taxpayer to wait for the e-mail as once the issue gets resolved, CPC will send an appropriate communication (G15) by e-mail to the taxpayer's registered e-mail ID.

2.7.16. Is there any other group to which ticket can be assigned apart from L1 and L2?

Ans: Yes. The L2 executive can assign the ticket to the L3 group. These tickets are looked into by Tax Experts and if they are not able to provide a solution then it is referred to Income Tax Department Officials. The L1 executive would inform the taxpayer to call back after 5 working days.

2.7.17. What are the reasons for the tax payer to be unable to connect to the call center?

Ans: There might be technical issue because of which the tax payer may not be able to connect. There is also a chance that all the 90 channels are occupied because of which the 91st caller might not be able to connect, in which case caller will get a busy tone, and therefore the caller has to try again.

2.7.18. What are the different categories on which an executive can give information?

Ans: The executive can provide information on the below categories:

CALL CATEGORY DESCRIPTION

- ITR-V/EVC - Any query pertaining to ITR-V receipt status/EVC status
- Refund/Refund Re-Issue- Any query/requests pertaining to refund/re-issue.
- Demand/Rectification- Any query pertaining to outstanding demand and rectification status
- RO-adjustment- Any query pertaining to RO-adjustment.
- WTR Return-Any query pertaining to Wealth Tax Return.

For procedure related queries on the e-filing website, the CPC Call Centre will ask the taxpayer to contact e filing helpdesk and will thereafter internally transfer the call to the e-filing team. Other issues dealt by the call center are as under:

- Refund: Any query pertaining to first time refund status.
- ITR-P: Any query pertaining to Returns filed manually and processed at CPC.
- Demand: Any query pertaining to the Demand raised by CPC.
- Intimation: Any query pertaining to the communications (u/s.143 & 154) sent by CPC.
- Others: Any General queries.
- Online Rectification: Any query related to e-filed rectification.
- Manual Rectification: Any query related to Manual rectification filed at CPC.
- Transferred to ITBA: Any query pertaining to the Returns which were transferred to ITBA for processing and also the cases where rectification rights have been transferred to ITBA.
- Campaign: Any query pertaining to the campaigns sent from CPC.
- Intimation Re-Send: Any enquiry pertaining to the intimation / campaign resend requests placed from Customer Service or from website.

2.7.19. What is the escalation procedure followed?

Ans: If the taxpayer is unhappy with the solution given at the L1 executive level, or if the taxpayer wants to speak to the next level, then the call will be escalated to Escalation help desk team or floor supervisor. If the taxpayer wants to escalate it still further, then the call is handled by Team Leader and that is the final level of escalation.

2.7.20. I have submitted my ITR-V well within 120 days; however, I still receive SMS & emails from CPC asking me to submit my ITR-V. Should I ignore this email or is there anything I need to do?

Ans: Please do not ignore such reminders. It only means that your ITR-V is either rejected or not received by CPC yet.

You can check the status of your ITR-V submitted by logging on to your e-filing account.

Alternatively, you can also call CPC Customer Service Toll Free number 18004252229/18001034455 to check the status on IVRS.

If you find that your ITR-V is not received by CPC yet, please try EVC or submit the physical copy of ITR-V once again.

2.7.21. After the processing of my return is completed in CPC, how will I be notified?

Ans: After the processing of ITR is completed in CPC, taxpayers are intimated with the communications / letters (orders) in the form of:

- a. Email,
- b. SMS (notification only) &
- c. Print (for emails which fail / bounce and orders which result in demand)

2.7.22 I have not provided a valid email address and / or mobile number while filing my return, how will I rectify this?

Ans: CPC sends orders and various other communications to the email ID & mobile number provided in the ITR. If this happens to be invalid / incorrect or the email ID or mobile number doesn't exist, then the email and/or SMS would fail. However, if the email ID and/or mobile number provided by the taxpayer is valid, but doesn't belong to the taxpayer, then all emails & SMS would still go out to the same email ID & mobile number given in the ITR. In order to update the mobile no. or email ID, taxpayer will have to login to their e-filing account and make the necessary corrections, and then place a resend intimation request to get the orders to the updated email ID.

Alternatively, taxpayers can call CPC Customer Service Toll Free no. 18004252229/18001034455 and request for a resend request.

2.7.23. What are the ways by which an ITR-V can be sent?

Ans: An ITR-V can be sent by ordinary post or speed post or it can be dropped in the drop box available in CPC.

2.7.24. What does the taxpayer need to do when ITR-V has been rejected?

Ans: The taxpayer needs to generate another print of the ITR-V, sign the same in original and send it to CPC within 120 days from the date of E-Filing. Alternatively, the taxpayer can also do the e-verification which is much faster.

2.7.25. What AO needs to do if Processing is completed at CPC but details are not visible at AST/ITBA system?

Ans: AO needs to raise a ticket in ITBA Helpdesk system. ITBA team will examine the issue and resolve it. If any action is pending with CPC, ITBA ticket is shared with CPC for resolution. CPC will share the resolution only with ITBA Helpdesk team and not to the AO. ITBA team will analyze the response of CPC and will communicate the same to AO.

CHAPTER 3

GRIEVANCE HANDLING PROCESS

Centralized Processing Center of Income Tax Department (CPC), has a Grievance handling team to address queries of the taxpayers and Chartered Accountants raised on e-Nivaran and other modes. The queries are basically on ITR-V status, Processing, Rectification, Refund, legal heir, outstanding demand and intimation status of Income Tax returns that are processed at CPC.

In Grievance service we have different categories of service to address taxpayers query which are as under:

- a. e-Nivaran grievance
- b. CPGRAMS
- c. ITBA
- d. Online Reputation Management (ORM)
- e. e-Mails to CPC.

3.1. e-Nivaran Grievance

e-Nivaran facility was introduced by the Income Tax Department for taxpayers to raise their enquiries and complaints with respect to their Income Tax Return via e-filing Portal. All grievances raised by the taxpayers are routed to the respective teams by e-filing and ITBA teams for further action. At CPC, all the grievances shared with CPC are taken note of and assigned to the executives based on the grievance category and sub-category for proper resolution. Once the executive resolves the grievance, an internal quality check is performed and the result then moves for verification by Team Lead/ Supervisor and approval. Team Lead/ Supervisor will review the response and take further action by either approving or rejecting the grievance.

- All approved cases will later move to ITD Officer queue for approval. Once ITD Officer approves the response, an email gets triggered to the taxpayer with the resolution and also the resolution is duly updated in the e-filing portal under the section 'My account'.

- All Team Lead/Supervisor and ITD Officer rejected cases are sent back to the executive to re-analyze the cases and resolution is sought

3.2. CPGRAMS

Income Tax Department provides multiple channels through which taxpayers can get in touch with the department. Under the public grievance mechanism, any citizen of India can raise their problems, grievances or pleas to the Central Government and State Government-Ministries and Departments. At CPC, we have a dedicated team which closely monitors all the CPGRAMS grievances and ensures timely and accurate disposal of such grievances.

All resolutions provided by the CPGRAMS team are reviewed by designated ITD Officer before disposing the grievances in the Public Grievances portal.

3.3. ITBA

ITBA was introduced by the Income Tax Department for all basic applications and work of the Officers. It has functionality for the AO to raise their enquiries and complaints with respect to processes of CPC by lodging tickets. All the ITBA tickets raised by the AO are routed to the respective teams. At CPC, we have built a special portal through which all the ITBA tickets are taken note of, accounted and assigned to the executives for the resolution. Once the executive resolves the tickets, an internal quality check is performed and the result moves for Team Lead/Supervisor to approve. Team Lead/Supervisor then reviews the response and takes further action by either approving or rejecting the ticket.

3.4. Online Reputation Management

Online Reputation Management (ORM) was specifically introduced by the Income Tax Department to redress the grievances raised by the taxpayers in social media. All the ORM cases are directly monitored by the CBDDT Income Tax Department. The complaints raised by the taxpayers are routed to the respective team. At CPC, we have built an ORM team where they assign the cases to the executives for proper resolution. The cases identified for first follow-up calls are taken care by the customer service team. Once the executive resolves the cases, an internal quality check is performed and the result moves for Team Lead/Supervisor to approve. Team Lead/Supervisor reviews the response and takes further action either by approving or rejecting the ticket.

3.5. CPC-ITR grievance mail ID

An email ID is used by CPC ITR for the purpose of handling any specific queries from the taxpayers or their representatives.

3.6. Frequently Asked Questions/Answers on Grievance Handling

3.6.1 Answers to the commonly raised e-Nivaran queries on Verification of ITR by EVC/ITR V.

Sl.No	Questions	Answers
1	How can an e-filed return be verified/validated?	“The e-return can be verified/ validated through 1. Digital signature or 2. Sending the signed ITR-V to CPC through Ordinary post or speed post or 3. EVC (Electronic verification code) .”
2	Need clarification on verification/ validation of e-filed return through EVC?	Do refer to the FAQ available at the e-filing portal under Help tab -> e-verification. In case of any further clarification, please contact e-filing administrator, Contact details : Phone number :180042500025
3	How can I get a copy of the ITR-V?	Go to “My Account”-> “My e-filed Return/Forms” – Select Acknowledgement No. for the assessment year for which ITR-V is required- Download and take a print
4	Where to send the ITR-V?	“Centralized Processing Center (CPC), Income Tax Department Bangalore, Karnataka -560500.”
5	What is the time frame for submitting the signed hard copy of ITR V to CPC?	Please send the signed hard copy of ITR-V to CPC within 120 days of filing of return.
6	On what grounds ITR-V will be rejected at CPC?	It may be rejected due to poor quality, signature missing or Xerox copy of the ITR-V. In such cases, the taxpayer should resend the signed hard copy of the valid ITR-V to CPC within 120 days of filing of the return
7	On receiving ITR-V Rejection communication from CPC, what needs to be done?	You need to resend the signed hard copy of valid ITR-V to CPC within 120 days of filing of return after correcting the error.
8	I have got “ITR-V not received” communication from CPC, what should I do?	Please send the signed hard copy of ITR-V to CPC within 120 days of filing of the e-return
9	On submitting the ITR-V, when will we receive the acknowledgement from CPC?	If you have sent the ITR-V through ordinary post to CPC then wait for 10 days for acknowledgement from CPC or If you have sent the ITR-V through Speed post to CPC then wait for 7 days for acknowledgement from CPC
10	Can I submit the ITR-V to CPC after 120 days?	Yes, you can submit the ITR-V. Please read below answer for further clarity.
11	Kindly let me know the implication of submitting the ITR-V after 120 days of filing e-return?	“If you do not submit the ITR-V to CPC within the due date, the e-filed return will be treated as not filed. Without a valid ITR-V your return cannot be taken up for processing and refund, if any, cannot be issued. Even if the due date for submission of ITR-V has lapsed, in certain circumstances the Department can condone the delay in submission. Therefore, ITR-V should be submitted in all cases.
12	I have filed my return with digital signature/ EVC but not received acknowledgement from CPC?	No acknowledgement will be sent from CPC for digital signature/ EVC. However, the ITR-V status can be checked by logging on to www.incometaxindiaefiling.gov.in with your user ID and password and go to ‘My Account’-> My e-filed Return/Forms

3.6.2. Answers to the commonly raised e-Nivaran queries under Processing of ITR

Sl.No	Questions	Answers
A. Defective Return related Questions		
1	What is a defective return at CPC?	If the return contains certain defects due to which CPC is unable to process the return, then the same is termed as “Defective”.
2	I have received a notice from CPC declaring my return as defective u/s 139(9), how do I file a Corrected return or respond to the notice?	You may login to e-filing portal and to go to e-File tab->Response to notice u/s 139(9).
3	Time provided to file the corrected return is over, can I still file a corrected return?	The corrected return cannot be uploaded after the time limit provided in the notice u/s.139(9). The only recourse for the taxpayer is to file another ITR (if time is available for the same).
4	Do I need to furnish only corrected information or should I file entire return with corrected details?	No, you cannot provide only the corrected information. You need to file corrected ITR with corrected details only. The taxpayer can login to e-filing website www.incometaxindiaefiling.gov.in with your user ID and password -> Go to =‘e-file tab’ -> ‘Response to notice u/s 139(9)’ and upload the corrected ITR.
5	What is the process to send/ resend defective return notice to my new email ID?	Please change the email ID details by logging on to www.incometaxindiaefiling.gov.in with your user ID and password and go to “Profile e settings -> My Profile -> select contact details tab. After changing the email ID, CPC will resend the notice to taxpayers updated email ID.
6	How to change the details in PAN database?	Please contact any PAN facilitation center or contact NSDL customer care for any correction in PAN database
B, Transfer to A.O - Related Queries		
1	My Return shows transfer to Jurisdictional Assessing Officer for processing. How to know my Jurisdictional A.O details?	Log on to www.Incometaxindiaefiling.gov.in -> Quick links -> Know your AO.
2	I have received communication informing “Your return transferred to A.O” from CPC, what should I do?	The essence of this communication is that your return would be processed by your Jurisdictional AO and reason of transfer to AO is also mentioned in the communication. Please communicate via email with the AO for further assistance.
3	My query pertains to AY prior to 2008, what should I do?	Kindly communicate via email with your Assessing Officer for any query prior to AY 2008. To know your jurisdictional Assessing officer, please log on to www.incometaxindiaefiling.gov.in -> Quick links -> Know your AO.
C. Tax mismatch Related Questions		
1	How to view Form 26 AS?	Please visit www.incometaxindiaefiling.gov.in with your user ID and password and Go to ‘My Account’ -> View Form 26AS (Tax credit)
2	How to get a copy of Form 26AS to check the tax credits?	Go to “My Account” -> “view my form - form 26AS” - Download
3	If the Tax credits are not appearing in Form 26 AS, what should I do?	Please contact deductor for TDS/ TCS credit and Bank for tax payments

Sl.No	Questions	Answers
4	I have entered different tax credit amount in ITR return as compared to Form 26AS, how can I rectify the same?	Please file a revised return it's not time barred, or else file an online rectification after receiving the intimation order and correcting the tax credit data.
5	I have entered wrong BSR code in ITR return as compared to Form. How can I rectify the same?	Please file a revised return if it's not time barred, or else file an online rectification after receiving the intimation order and making necessary corrections.
6	I have entered wrong challan number in ITR return as compared to Form. How can I rectify the same?	Please file a revised return if it's not time barred, or else file an online rectification after receiving the intimation order and making necessary corrections.
7	I have entered wrong challan date in ITR return as compared to Form. How can I rectify the same?	Please file a revised return if it's not time barred, or else file an online rectification after receiving the intimation order and making necessary corrections.
8	I have not entered the details in the Schedule IT in the ITR return, how can I rectify the same?	Please file a revised return if it's not time barred, or else file an online rectification after receiving the intimation order and making necessary corrections.
9	I have entered different AT/SAT amount claimed in Schedule IT and in Schedule Part B TTI. Hence, credit not given. How can I rectify the same?	Please file a revised return if it's not time barred, or else file an online rectification after receiving the intimation order and making necessary corrections.
10	I have entered wrong TAN in schedule TDS, how can I rectify the same?	Please file a revised return if it's not time barred, or else file an online rectification after receiving the intimation order and making necessary corrections.

D. Section 245 Notice - Related Queries

1	What is 245 Notice, what does it mean and what should I do?	This notice indicates that the return after processing has resulted in a refund and that CPC proposes to adjust this refund against outstanding demand(s) as indicated in the notice. Taxpayer is requested to respond to the notice by agreeing / disagreeing to the demand.
2	I do not agree to the proposed adjustment of refund against demand as per notice u/s 245 from CPC, what should I do?	Please communicate via email with your Jurisdictional AO for rectifying the demand(s). Also, the reason for disagreement can be submitted through the e-filing website under "e-file tab" -> "Response to outstanding demand"
3	I agree to the proposed adjustment of refund against demand as per notice u/s 245 from CPC, where should I submit my consent for adjustment?	The response can be submitted in the e-filing website under "e-file tab" -> "Response to outstanding demand"

E. Return Status/ Grievance Status

1	How to check my e-return status?	Please Go to "My Account"->"View e-filed returns/forms" and select the relevant "Acknowledgement number" for which you need to know the status.
2	What is the status of my revised return?	Please Go to "My Account" ->" View e-filed returns/forms" and select the relevant "Acknowledgement number" for which you need to know the status.
3	How to check the status of my grievance raised?	Please Go to "e-Nivaran" ->"Grievance Status" and select the appropriate request ID for which you need to know the status.

3.6.3. Answers to the commonly raised e-Nivaran queries on Refund issuance

Sl.No	Questions	Solutions
1	How do I know about my refund status?	Please Go 'My Account' → 'View e-Filed Returns/Forms ' → 'e-Filed Returns/Forms' and check the status by clicking the link provided for Acknowledgement number.
2	As per the intimation order, the processing has resulted in a refund but the Net refund payable is Nil/ Reduced, why?	This is due to refund getting adjusted against the outstanding demand, the details of which are available in the order. If you need a copy of the Order u/s 143/ 154, please request via resend request through e-filing portal prior to AY 2016 ('My Account -> 'Request for intimation u/s 143 (1)/ 154) else contact- CPC - Customer service (18004252229). You can download a copy of the intimation order of AY 2017 onwards by logging on to www.incometaxindiaefiling.gov.in. Then Go to My Account > View e-filed returns/forms> click on acknowledgment number link to download the intimation order.
3	As per the intimation order, the processing has resulted in refund which has already been adjusted or paid towards the outstanding demand, which is not the correct demand as per my records. How to get the adjusted refund?	If the demand pertains to demand raised by the AO, please communicate accordingly via email with the Jurisdictional Assessing Officer. After due verification by the AO, AO will issue the adjusted refund amount for the Assessment year for which the demand is rectified.
4	In the intimation order there is a refund issued by CPC but I have not received the refund?	Refund will be sent by Refund Banker, SBI, Mumbai, the status of which can be checked at www.tin-nsdl.in. For further details, please call the SBI call center No.18004259760.
5	I have received a refund failure communication from CPC, what needs to be done?	Please send a refund reissue request curing the failure reason under "My Account"-> "Service Request" -> "Refund reissue request".

3.6.4. Answers to the commonly raised e-Nivaran queries on Rectification u/s. 154 of the Act.

Sl.No	Questions	Solutions
1	I want to file a rectification, how to apply for rectification?	Go to " e-File" -> "Rectification "
2	Please let me know the detailed procedure to file a rectification?	Go to "Help tab" -> "Question related to revised return and rectification"
3	How do I know my rectification status?	Go to "My Account" -> "View e-Filed Return/Forms"

3.6.5. Answers to the commonly raised e-Nivaran queries on Communications issued to taxpayers

Sl.No	Questions	Solutions
1	How do I know about my refund status?	Please Go 'My Account' → 'View e-Filed Returns/Forms' → 'e-Filed Returns/Forms' and check the status by clicking the link provided for Acknowledgement number.
2	As per the intimation order, the processing has resulted in a refund but the Net refund payable is Nil/Reduced, why?	This is due to refund getting adjusted against the outstanding demand, the details of which are available in the order. If you need a copy of the Order u/s 143/154, please request via resend request through e-filing portal prior to AY 2016 ('My Account -> 'Request for intimation u/s 143 (1)/ 154) else contact- CPC - Customer service (18004252229). You can download a copy of the intimation order of AY 2017 onwards by logging on to www.incometaxindiaefiling.gov.in . Then Go to My Account > View e-filed returns/forms> click on acknowledgment number link to download the intimation order.
3	As per the intimation order, the processing has resulted in refund which has already been adjusted or paid towards the outstanding demand, which is not the correct demand as per my records. How to get the adjusted refund?	If the demand pertains to demand raised by the AO, please communicate accordingly via email with the Jurisdictional Assessing Officer. After due verification by the AO, AO will issue the adjusted refund amount for the Assessment year for which the demand is rectified.
4	In the intimation order there is a refund issued by CPC but I have not received the refund?	Refund will be sent by Refund Banker, SBI, Mumbai, the status of which can be checked at www.tin-nsdl.in . For further details, please call the SBI call center No.18004259760.
5	I have received a refund failure communication from CPC, what needs to be done?	Please send a refund reissue request curing the failure reason under "My Account"-> "Service Request" -> "Refund reissue request".

3.6.6. Answers to the commonly raised e-Nivaran queries on Demand and its resolution

Sl.No	Questions	Solutions
1	How to confirm the demand through e-filing Portal?	The response can be submitted in the e-filing website under "e-file tab" -> "Response to outstanding tax demand". There are three options 1)Demand is correct 2)Demand is partially correct 3)Disagree with demand. Select ' Demand is correct' and click on submit button.
2	How to disagree with the demand through e-filing Portal?	The response can be submitted in the e-filing website under "e-file tab" -> "Response to outstanding tax demand". There are three options 1)Demand is correct 2)Demand is partially correct 3)Disagree with demand. Select 'Disagree with demand' and provide the required details.

Sl.No	Questions	Solutions
3	How to partially confirm the demand?	<p>The response can be submitted in the e-filing website under "e-file tab" -> "Response to outstanding tax demand". There are three options</p> <p>1) Demand is correct</p> <p>2) Demand is partially correct</p> <p>3) Disagree with demand.</p> <p>Select 'Demand is partially correct' and provide the required details.</p>
4	I have wrongly confirmed the demand in e-filing portal instead of disagreeing. How do I correct it ?	<p>If the demand confirmed pertains to the demand raised by Assessing officer: Please communicate via email with your Jurisdictional Assessing officer to make necessary change to the demand position. To know the details of your Jurisdictional Assessing Officer, please visit www.incometaxefiling.gov.in-> Quick links -> Know your AO.</p> <p>If the demand confirmed pertains to the demand raised by CPC :</p> <p>Please file an online rectification request with CPC. For filing the rectification request, please visit www.incometaxindiaefiling.gov.in ->Go to "e-file" -> "Rectification".</p>
5	How to rectify the demand raised by CPC?	<p>To rectify the demand raised by CPC, please file an online rectification request with CPC. For filing the rectification request, please visit www.incometaxindiaefiling.gov.in -> Go to "e-file" -> "Rectification".</p>
6	I have paid the demand through minor head 400 (Tax on regular assessment), but still the demand is open, please clarify?	<p>Kindly check whether the demand payment details are appearing in Form 26AS. If the payment details are not available in form 26AS, please contact the bank where you have made the payment.</p> <p>If the demand payments are appearing in Form 26AS but still demand is shown open with CPC, please file a grievance with CPC through e-filing website, path to file the grievance is as follows:</p> <p>Go to e-Nivaran tab -> Submit Grievance -> CPC -> select the appropriate AY and category as Demand. You can check form 26AS, by visiting www.incometaxindiaefiling.gov.in and click on "View Form 26AS (tax credit)".</p>
7	At CPC, my refund has been adjusted against the outstanding demand. Please clarify?	<p>Refund determined at CPC will be adjusted against the outstanding demand(s) payable, if any. Before adjustment, Notice u/s 245 will be issued to the assessee informing about the open demand(s) and to take appropriate action in case of objection. 30 days time will be given to the assessee for responding to this notice. If no action is taken by the assessee, refund will be adjusted against the outstanding demand(s).</p> <p>If you disagree with the adjustment of refund against the demand(s) raised by Assessing officer, you need to communicate via email with your Assessing officer for clarifications/ changes. To know the details of your Jurisdictional Assessing Officer, please visit www.incometaxefiling.gov.in-> Quick links -> Know your AO.</p> <p>If you disagree with the adjustment of refund against the demand(s) raised by CPC, you can apply for online rectification with CPC. For filing the rectification request, please log on to www.incometaxindiaefiling.gov.in ->Go to "e-File" -> "Rectification".</p>

Sl.No	Questions	Solutions
8	Refund got adjusted against the outstanding demand but interest on demand is shown as pending, please clarify?	Interest u/s 220(2) is liable to be computed till the date of payment/refund adjustment. Therefore, interest u/s 220(2) can be ascertained only after payments/ refund adjustment. Interest pending needs to be paid by the assessee.
		If you disagree with the interest demand uploaded by Assessing officer, you need to communicate via email with your Assessing officer for clarifications/ changes. To know the details of your Jurisdictional Assessing Officer, please visit www.incometaxefiling.gov.in - > Go to -> Quick links -> Know your AO.
		If you disagree with the interest demand uploaded by CPC, you can apply for online rectification with CPC. For filing the rectification request, please log on to www.incometaxindiaefiling.gov.in ->Go to " e-File" -> "Rectification".
9	Demand has been adjusted against the refund. But I have already paid the demand. How to get the refund?	Kindly check whether the demand payment details are appearing in Form 26AS. If the payment details are not available in form 26AS, contact the bank where you have made the payment.
		You can check form 26AS, by visiting www.incometaxindiaefiling.gov.in and click on "View Form 26AS (tax credit)"
		If you disagree with the adjustment of refund against the Demand raised by the Assessing officer, you need to communicate via email with your Assessing officer for clarifications/ changes. To know the details of your Jurisdictional Assessing Officer, please visit www.incometaxefiling.gov.in - > Go to -> Quick links -> Know your AO.
10	How to rectify challan detail?	If you disagree with the adjustment of refund against the Demand raised by CPC, you can apply for online rectification with CPC. For filing the rectification request, please log on to www.incometaxindiaefiling.gov.in ->Go to "e-File" -> "Rectification"
		You need to communicate via email with the Assessing officer for any challan details correction. To know the details of your Jurisdictional Assessing Officer, visit www.incometaxefiling.gov.in - > Go to -> Quick links -> Know your AO.
11	My query is related to outstanding demand pertaining to AY prior to AY 2008?	Assessing officer can change the PAN details/ AY/ Minor code and Major code only.
		Kindly communicate via email with your Assessing officer for any query prior to AY 2008. To know your jurisdictional Assessing officer, please log on to www.incometaxindiaefiling.gov.in and go to -> Quick links -> Know your AO.

3.6.7. General queries:

In addition to the above commonly raised e-Nivaran queries, some of the taxpayers pose the following questions:

Sl.No	Questions	Solutions
1	How to know the Status of condonation request made in e-filing with respect to delayed verification of ITR by EVC or delayed submission of physical ITR-V to CPC?	The condonation of delay in submission of ITR-V or EVC is taken up at CPC in batches at defined interval. Post condonation by appropriate authority, the ITR is taken for processing and the taxpayer would be informed about the condonation only after the processing of the ITR is completed for which the condonation of EVC or ITR-V is done.
2	In spite of responding to the defective return in e-proceedings, the status of processing does not change for a long time till invalidation?	The response to defective return is examined by appropriate authorities and if the response is to be rejected, the same is intimated to the taxpayer by a communication without delay. Considering that the time for filing of revised return would be over by the time defects are identified, the ITR is kept open for the taxpayer to file a corrected ITR till the time for processing u/s.143(1) is available in order to provide an efficacious remedy to taxpayer.
3	How to file revised return?	Please refer to Para 3.6.2.(e).2 above.
4	How to change the income/gross receipts details in ITR after filing one ITR?	The changes to income/gross receipts are to be carried out by filing of revised ITR.
5	What is remedy if return is filed in wrong form type or for a wrong AY?	Taxpayer can refer to Rule 12 of the Income Tax Rules 1962 to know the appropriate Form Type to be chosen for filing of ITR. If the ITR Form Type selected is incorrect, then the taxpayer can file revised return using the appropriate form type. If the ITR is filed for a wrong Assessment Year, then the taxpayer needs to communicate via email with the AO/PRO and take recourse using other provisions of the Act like section 264 of the Act.
	How to update the contact details for the PAN in e-filing profile?	The taxpayer can update the contact details in the e-filing website after logging into the profile (My Account). There are help documents available in the website for reference and same is available in Para 4.4. in Chapter 4.
6	How to update the contact details for the PAN in e-filing profile?	The taxpayer can update the contact details in the e-filing website after logging into the profile (My Account). There are help documents available in the website for reference and same is available in Para 4.4. in Chapter 4.
7	How to upload XML file on e-filing?	Taxpayer can take the help of documents provided in this regard on the e-filing website itself.
8	Questions related to ESOP shares and how to offer for taxation?	The taxpayers are requested to refer to the Income Tax Act and Rules related to the taxation of Employee's Stock Options Scheme available in the Income Tax India website.
9	What is recourse if some Unknown person (other than taxpayer) has filed a return?	The taxpayer can lodge a complaint with e-filing Web Manager on the e-filing website (email id: efilingswebmanager@incometax.gov.in). Taxpayer can also revise the ITR. The password and other information for e-filing needs to be very secure to avoid such instances.

Sl.No	Questions	Solutions
10	I am receiving communication which does not belongs to me from CPC?	The communications from CPC are sent to the email ID provided in the ITR or the profile of the taxpayer. There are instances where a taxpayer has provided incorrect email ID leading to this problem. The taxpayer can change the email ID, if the same is used for multiple taxpayers as a consultant or otherwise.
11	I am receiving reminders to file the return even if I have already filed the return?	The reminder needs to be verified to ascertain the purpose for which the same is sent, in many cases, the reminder is sent for confirmation of transaction on the e-filing website and same needs to be adhered to, even if the ITR is already filed. These reminders are for due compliance related verification by the Department. Also, if more than one ITR is filed and all of them are not verified, reminders is sent out for such un-verified ITR.
12	Allocation of same PAN for two persons, what is the recourse?	In cases where same PAN is allocated to different persons, the matter needs to be taken up with NSDL, by contacting +91-20-27218080 or by sending an email can be sent to tininfo@nsdl.co.in.

CHAPTER 4

E-VERIFICATION OF RETURNS AND ITR-V HANDLING PROCESS

This process involves verifying an action electronically using Electronic Verification Code (EVC) or Aadhaar OTP or Digital Signature Certificate. Verification is mandatory to accept the items for further processing. 81% of taxpayer use EVC (in FY2020-21) and EVC will replace submission of paper ITR-V, going forward. ITRs are also signed by using DSC in all ITRs where Audit u/s. 44AB is mandatory and also taxpayers who have DSC can use the same to e-verify the ITR. In case, the taxpayer for any reason is not able to e-verify the ITR, there is option to file a physical ITR acknowledgment known as ITR-V, which needs to be printed on A4 size paper, duly signed by appropriate person and sent to CPC by post.

4.1. Electronic Verification Code:

The e-Verification can be used for the following items in e-Filing portal.

- Income Tax Returns and Other Forms
- e-Proceeding
- Refund Re-Issue

4.1.2. The listed items can be verified using Electronic Verification Code or Aadhaar OTP or DSC. Electronic verification code can be generated using the following options.

- Login to e-filing through Net Banking
- Pre-validated Bank Account
- Pre-validated Demat Account Details
- EVC through Bank ATM
- Aadhaar OTP

4.2.1. Login to e-filing through Net Banking

Option of Login to e-filing portal is also available through net banking platform of various banks in India. Taxpayer having accounts with those banks (with their PAN attached with the bank account and the PAN is registered in e-filing portal) can login to e-filing portal through their Net banking (Please verify the link to e-filing option in net banking platform with the respective banks). After login to e-filing portal through net banking, Taxpayer can submit any of the listed items and it will be automatically e-verified, (EVC will be generated and attached to the item automatically). Currently this option is available (Sep2020) for specific banks:

Allahabad Bank	IndusInd Bank Ltd
Andhra Bank	Jammu & Kashmir Bank
Axis Bank Ltd	Karnataka Bank
Bank of Baroda	Kotak Mahindra Bank
Bank of India	Oriental Bank of Commerce
Bank of Maharashtra	Punjab National Bank
Canara Bank	Punjab and Sind Bank
Central Bank of India	South Indian Bank
City Union Bank Ltd	State Bank of India
Corporation Bank	Syndicate Bank
DCB Bank Limited	The Federal Bank Limited
Dena Bank	The Karur Vysya Bank Ltd
Equitas Small Finance Bank Ltd	UCO Bank
HDFC Bank	Union Bank of India
ICICI Bank	United Bank of India
IDBI Bank	Vijaya Bank
Indian Bank	Yes Bank Ltd
Indian Overseas Bank	

4.2.2. Pre-validate Bank Account

4.2.2.1. Taxpayer can generate an EVC using Pre-validated bank account details and the EVC can be used for e-Verification. Taxpayer must have linked their bank account with e-filing account. Option to link the same is available under Profile Settings ⇒ Pre-validate Bank Account after login to e-filing portal. Currently this option is available for specific banks (Sep 2020) mentioned below.

Allahabad Bank	Jana Small Finance Bank Limited	State Bank of India
Andhra Bank	HDFC Bank	Syndicate Bank
Arihant Bank	ICICI Bank	The Cosmos Co Operative Bank Limited
Bank of Baroda	IDBI Bank	The Kurmanchal Nagar Sahkari Bank Limited
Canara Bank	Indian Bank	UCO Bank
Central Bank of India	Indian Overseas Bank	Union Bank of India
City Union Bank	Karur Vysya Bank	United Bank of India
Federal Bank	Kotak Mahindra Bank	Union Bank of India
HDFC Bank	Oriental Bank of Commerce	United Bank of India
ICICI Bank	Punjab National Bank	Vijaya Bank
IDBI Bank	Saraswat Bank	Yes Bank Ltd
IDFC First Bank Limited	South Indian Bank	

- Only validated bank account in e-filing should be used by the respective Taxpayer in the Income Tax Return (under bank account details for refund claim) and Refund Re-Issue service request in e-filing portal.
- Bank account details provided by Taxpayer already in the Income Tax Return filed in the recent assessment years and validated by centralized processing center will also be associated with the respective PAN holder account in e-filing
- In case Taxpayer logs in to e-filing through net banking login, then bank account details provided by bank will be added under Pre-validated bank account details in e-filing account upon confirmation by the user if the account details are not present in Pre-validated bank account list)
- Taxpayer can add/remove bank accounts and can have multiple validated bank accounts. In case the validation fails with the bank while adding, then such account will be removed from e-filing after 7 days. The list of Removed or Validation failed bank accounts can be viewed by clicking the link 'View Failed/removed bank accounts'.
- EVC can be enabled for the validated bank account by Validating the mobile number (Mandatory) and email ID (optional) with the bank. Taxpayer can use the 'Enable EVC' button for the same by selecting any one of the validated bank account from the list. EVC can be enabled for only one bank account at any point of time. In case user is trying to enable EVC for another validated account, then EVC option will be removed from the existing account.

Note:'Enable EVC' button is Applicable only to the Individual taxpayers. Other categories of taxpayers cannot use their Pre-validate bank account for generating EVC to e-Verify their Income Tax Returns and Forms.

- EVC Generation will be enabled only for the bank accounts with status "Validated and EVC Enabled".

4.2.2.2. Below are the Steps to Pre-validate a bank account:

Step 1	Logon to the 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Select Profile Settings ⇒ Pre-validate your Bank Account
Step 3	Pre-validate form will be displayed in case no account exists. (Click on Add in case of new account or Select one of the existing Validated bank account in case validated accounts are available)
Step 4	Provide 'Bank Account Number', 'Account Type', 'IFSC', 'Mobile Number', 'e-mail id' and Click on 'Pre-validate'. (email ID is optional if provided it will be validated with the bank)
Step 5	Status of the request will be sent to the e-mail id registered with the e-filing account.

4.2.3. Pre-validate Demat Account Details

Taxpayer can generate an EVC using Pre-validated DEMAT account details and the EVC can be used for e-Verification. Taxpayer must have linked their DEMAT account with e-filing account. Option to link the same is available under Profile Settings ⇒ Pre-validate DEMAT Account after login to e-filing portal. National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd (CDSL) provided the option to Pre-validate the Demat account.

4.2.4. EVC through Bank ATM

4.2.4.1. Taxpayer can generate an EVC through ATM and the EVC can be used to verify the listed items. “PIN FOR INCOME TAX FILING” option can be used in the ATM to generate the EVC. Taxpayer must have linked their PAN with the respective bank account and the PAN should be registered with e-filing for the same. Upon using the option, Taxpayer will get the EVC on the registered mobile number (Primary mobile number registered with specific Bank mentioned below).

Axis Bank Ltd	IDBI Bank
Canara Bank	Kotak Mahindra Bank
Central Bank of India	State Bank of India
ICICI Bank	

4.2.4.2. EVC generated using this option is valid for 72 Hours Taxpayer can also generate EVC using Netbanking Login or Pre-validate Bank Account or Pre-validate DEMAT account under My Account ⇒ Generate EVC option after login to e-filing portal and it is valid for 72 Hours from the time of generation of the code.

4.2.5. Aadhaar OTP

To generate an EVC through Aadhaar is done in two stages.

4.2.5.1. Firstly, the taxpayer has to link PAN with Aadhaar through the e-filing portal. The taxpayer’s PAN credentials such as Name, Date of Birth and Gender will be matched with the Aadhaar credentials. On matching, the PAN will be linked to Aadhaar.

4.2.5.2. Secondly, taxpayer has to opt for Aadhaar EVC. A One Time Password (OTP) will be generated by the Aadhaar authorities and sent to the Aadhaar registered mobile of the taxpayer. Using this OTP, the taxpayer would be able to verify the uploaded return.

4.2.5.3. Perform the following steps to generate EVC through Aadhaar OTP:

Step 1	Logon to ‘e-filing’ Portal www.incometaxindiaefiling.gov.in
Step 2	Go to the ‘My Account’ menu located at upper-left side of the page ⇒ Click ‘e-Verify Return’
Step 3	Click ‘e-Verify’ link ⇒ Select option ‘I would like to generate Aadhaar OTP to e-Verify my return’
Step 4	Enter the 6 digits OTP received on the mobile Number

4.2.6. ITRs signed used Digital Signature Certificate (DSC)

4.2.6.1. Digital Signature Certificate (DSC) is the electronic format of physical or paper certificate like a driving License, passport and so on. Certificates serve as proof of identity of an individual or organisation for a certain purpose on online / computer. DSC can be presented electronically to prove taxpayer’s identity, to access information or services on the internet or to sign certain documents manually.

4.2.6.2. Perform the following steps to register the DSC to generate a signature file in e-filing:

Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Go to the 'Profile Setting' menu located at the upper-right side of the page ⇒ Click 'Register Digital Signature Certificate' ⇒ Click 'Click here to download the DSC Utility'
Step 3	Extract the downloaded DSC Utility ⇒ Open the Executable Jar File (DSC Utility) ⇒ Read the instructions carefully.
Step 4	In the DSC Management Utility, go to 'Register/Reset Password using DSC' tab ⇒ Enter 'Enter e-Filing User ID*', 'Enter PAN of the DSC*' ⇒ Select the type of 'Digital Signature Certificate' (DSC)
Step 5	<p>DSC using .pfx file:</p> <ul style="list-style-type: none">• Select the Type of DSC .pfx file• Browse and attach the Keystore file (.pfx File)• Enter the password for your private key• Click 'Generate Signature file' <p>DSC using USB token:</p> <ul style="list-style-type: none">• Select the Type of DSC (.pfx file or USB token) USB Token• Select USB Token Certificate ⇒ Click 'Generate Signature File'.

4.3.1. ITR-V Handling Process at CPC

- 4.3.1.1. In case, taxpayer is not opting for EVC mode of verification of the ITR, the ITR-V issued to the taxpayer by e-filing system after successful upload of an ITR is required to be sent to CPC, Bangalore-560500 for validation. In FY2020-21, 81% of taxpayers opted for EVC of the ITR, thereby reducing carbon footprint and helping the environment and speedy processing of the same.
- 4.3.1.2. CPC has a dedicated Post Office with Postal Index Number (PIN) 560500 in Electronic City, Bangalore. The ITR-Vs sent by taxpayers to CPC are received by the Post office at this location. The post bags containing the ITR-Vs are delivered by Post Office in two modes, one mode for ordinary post and another mode for Speed Post. The ITR-V submitted with a speed post tracking number on the envelope is taken for acknowledgement process of receipt of speed post. For receipt through speed post, tracking number of the same is captured and reconciled with Post Office at CPC.
- 4.3.1.3. The envelopes are opened and ITR-V is taken for manual verification. In the manual verification process, the ITR-V is checked for presence of signature as a manuscript, readability of document, clarity of barcode and print quality of the ITR-V. The ITR-V which pass the manual verification is taken for scanning.
- 4.3.1.4. The scanned copy of the ITR-V is checked for quality of image and if found acceptable, the date of receipt of ITR-V is printed on the ITR-V along with serial number and image is uploaded to Primary Data Center of ITD. A communication is sent to taxpayer indicating the acceptance of ITR-V (if ITR V received within 12 days). If the ITR-V is received after 120 days, the taxpayer has to file for condonation of delay in submitting ITR-V to CPC on the e-filing portal.
- 4.3.1.5. To facilitate taxpayers using courier services, a Drop Box is provided at the premises of CPC, where the Couriers can drop ITR-V containing envelopes and taxpayers also can walk in to drop the ITR V. The drop

box articles are handed over by designated ITD official to receipt team supervisor and receipts are noted at high level in a register maintained by security personnel at reception. These ITR-V also follow the same process as mentioned above.

4.3.1.6. CPC sends reminders to taxpayers who have not validated the ITR, either by EVC or by submission of ITR-V at frequency of 15 days, 45 days, 75 day and 105 days by SMS. An email reminder is sent to taxpayer at frequency of 30 days, 60 days, 90 days and 110 days from the date of upload of ITR.

4.4. Condonation of delay in filing ITR-V/EVC

4.4.1. You can provide the reason for delay in submission of ITR-V or e-Verification. In addition, you will be given an option to e-verify the return after 120 days by giving reasons for delay.

Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Go to the 'My Account' menu located at upper-left side of the page ⇒ Click 'Service Request' ⇒ Select the 'Request Type' as 'New Request' and Select the 'Request Category' as 'Condonation Request' ⇒ Click 'Submit'
Step 3	Choose the suitable option located under 'Response' column ⇒ Click Submit
Step 4	To View the status of submitted form
Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Go to the 'My Account' menu located at upper-left side of the page ⇒ Click 'Service Request' ⇒ Select the 'Request Type' as 'View Request' and Select the 'Request Category' as 'Condonation Request'
Step 3	Click 'Submit'

4.5. FAQs of EVC and Receipt & Validation of ITRV Process

4.5.1. What is electronic verification process for ITR uploaded on e-filing?

Ans. Taxpayer can validate the ITR by using electronic verification code. The process of verifying an item uploaded on the e-filing website electronically using Electronic Verification Code (EVC) or Aadhaar OTP or Digital Signature Certificate. Verification is mandatory to accept the items for further processing. The e-Verification is required can be used for the following items in e-filing portal:

- Income Tax Returns and Other Forms
- e-Proceeding
- Refund Re-Issue

Electronic verification code can be generated using the following options:

- Login to e-filing through Net Banking
- Pre-validated Bank Account
- Pre-validated Demat Account Details
- EVC through Bank ATM

Alternatively, Digital Signature Certificate can also be used to verify the ITR.

To generate an EVC through Aadhaar is done in two stages.

- Firstly, the taxpayer has to link PAN with Aadhaar through the e-filing portal.

The taxpayer's PAN credentials such as Name, Date of Birth and Gender will be matched with the Aadhaar credentials. On matching, the PAN will be linked to Aadhaar.

- Secondly, taxpayer has to opt for Aadhaar EVC. A One Time Password (OTP) will be generated by the Aadhaar authorities and sent to the Aadhaar registered mobile of the taxpayer. Using this OTP, the taxpayer would be able to verify the uploaded return.

Digital Signature Certificate (DSC):

- DSC is the electronic format of physical or paper certificate like a driving License, passport and so on. Certificates serve as proof of identity of an individual or organization for a certain purpose on online / computer. DSC can be presented electronically to prove taxpayer's identity, to access information or services on the internet or to sign certain documents manually.

4.5.2. What are the points to be noted by the Taxpayer while sending an ITRV to CPC?

Ans. ITR-V is required to be submitted to CPC, by the Taxpayer who upload e-return without digital signature and E-verification. The Taxpayer needs to generate a printed copy of the ITRV, sign the ITRV and make sure the document is of good and readable quality in A4 size paper before sending to CPC. The original signed copy has to be sent in the address CPC, Bangalore 560500. Except the signature, no other details to be written on the printed ITRV.

- The ITRV's should not be stapled or folded.
- Acknowledgement for DSC and EVC need not be sent to CPC.

4.5.3. What is the time frame for sending the ITRV?

Ans. The ITRV should reach to CPC within 120 days from the date of e-filing.

4.5.4. What are the consequences of not filing ITR-V within 120 days?

Ans. The returns which have not been verified with-in the 120 days' time allowed are deemed to be never filed as per the rules. However, as a taxpayer friendly measure, the ITR-V submitted after 120 days will be taken up for condonation of delay based on the request of taxpayer or voluntarily, only if there is sufficient time available for processing of ITR. The interest on refund will be allowed after reduction of the delay in filing the ITR V i.e. no interest will be paid from 1st April of the AY till the date of submission of the ITR V and its acceptance as valid ITR V.

4.5.5. When will the Taxpayer be informed on the receipt of ITRV?

Ans. Once the ITRV is received and validated in CPC, the Taxpayer would be informed on the receipt of the same by ways of e-mail and SMS. Status is also available in the e-filing "My Account" section.

4.5.6. When the ITR-V has been submitted well within 120 days and however, the Taxpayer still receives SMS & emails from ITD-CPC asking to submit the ITR-V, should these mails be ignored or is there anything the Taxpayer needs to do?

Ans. Please do not ignore such reminders. It only means that the ITR-V is either rejected or not received by CPC yet. Hence the Taxpayer will have to submit the copy of ITR-V once again. In this scenario, the e-filing status shows "not received"/"not verified".

4.5.7. The Taxpayer has been receiving multiple emails & SMS pertaining to non-receipt of ITR-V. Why does the Taxpayer receive multiple reminders?

Ans. On regular intervals, CPC sends reminders in the form of email & SMS to those Taxpayers who have uploaded the return, but have not verified the return either through EVC or through a valid physical copy to CPC within 120 days of e-filing. CPC sends up to 5 reminders to the Taxpayers to submit the valid physical copy of ITR-V.

Reminder to taxpayer	Period after which reminder is sent	Reminder Mode
First	30 days after e-filing	email
Second	45 days after e-filing	SMS alert
Third	60 days after e-filing	email
Fourth	90 days after e-filing	email
Final	110 days after e-filing	email

If Taxpayer sends a valid ITR-V physical copy to CPC and the same is accepted, CPC will cease sending any further reminders.

4.5.8. Are any other documents required to be sent along with an ITRV?

Ans. The Taxpayer needs to send only the signed ITRV to CPC. There is no need to send any annexures or documents along with the ITRV.

4.5.9. What are the ways by which an ITRV can be sent?

Ans. An ITRV can be sent by ordinary post or speed post or it can be dropped in the drop box available in CPC.

4.5.10. What are the reasons for rejection of an ITRV?

Ans. The reasons for rejection of an ITRV are below:

- Poor Quality (Image or Print not visible & poor paper quality)
- No Signature or Signature missing
- Invalid ITD watermark
- Photocopy of ITR-V (Printing of the screen shot or scan copy)
- No signature in Original or Invalid signature (Not signed in provided space for signature)

4.5.11. Would the Taxpayer be informed if the ITRV has been rejected?

Ans. Yes, the Taxpayer would be informed by e-mail and SMS when the ITRV is rejected. The status of rejection would also be updated in the e-filing “My Account” section.

4.5.12. What does the Taxpayer need to do when his ITRV has been rejected?

Ans. The Taxpayer needs to generate another print of the ITRV, sign the same in original and send it back to CPC within 120 days from the date of e-filing or can also do the e-verification.

4.5.13. Which e-mail ID and mobile no. would be notified for information of ITRV status?

Ans. The Taxpayer would be notified by the e-mail id and mobile number provided during the time of e-filing the returns or in the profile, whichever is the latest.

Do	Don'ts
Please use Ink Jet /Laser printer to print the ITR-V Form.	Use of Dot Matrix printer should be avoided.
The ITR-V Form should be printed only in black ink.	Do not use any other ink option to print ITR-V.
Ensure that print out is clear	Not a light print/faded copy.
The only permissible watermark is that of "Income tax Department" which is printed automatically on each ITR V.	Please do not print any water marks on ITR-V
The document that is mailed to CPC should be signed in Original.	Photocopy/Xerox of signatures will not be accepted.
Bar Code area and numbers below barcode should be clearly visible.	The signatures or any handwritten text should not be written on Bar code.
Only A4 size white paper should be used.	Any other size of paper will not be accepted. Perforated paper or any other size paper should be avoided.
Back page of ITR V should be blank	Avoid typing anything on the reverse side of the paper.
Keep Acknowledgement number clear	Do not use stapler on ITR-V Acknowledgement.
In case, you are submitting Original and Revised Income Tax Returns, Use two separate papers for printing ITR-Vs separately.	Do not print Original and Revised ITR back to back.
The ITR-V form is required to be sent to Post Bag No.1, Electronic City Post Office, Bengaluru, Karnataka-560500, by Ordinary or Speed Post.	Please do not submit any annexures, covering letter, pre stamped envelopes, along with ITR-V.
ITR V sent by Speed Post can be tracked on India Post	
Taxpayer should choose one of the options i.e. either Digital signature or EVC or paper ITR V.	
Taxpayer has to go through the FAQ's related to EVC on e-filing website, before proceeding for EVC	

ITR-Vs that do not conform to the above specifications may get rejected and processing of ITR gets delayed.

CHAPTER 5

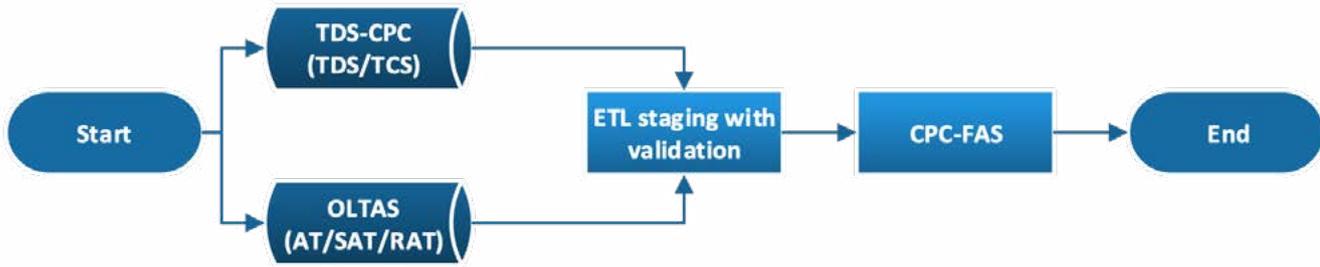
INWARDING OF INFORMATION FROM TRACES

- 5.1. There are different payments made in any Financial year with respect to the income earned for the respective year by the taxpayers as per the timelines stipulated in the Act. These are
- TDS (Tax Deducted at Source)
 - TCS (Tax Collected at Source)
 - Advance Tax
 - Self-Assessment Tax
 - Regular Assessment Tax etc.

The tax payments such as Advance tax, Self-assessment tax or tax on regular assessment are directly shared with CPC by OLTAS. Taxpayers are required to ensure that correct Major Head and minor heads are entered while making the payment.

- 5.2. The tax payments on account of TDS/TCS is remitted to OLTAS, however the information about this is shared by TRACES only after the relevant TDS form is filed and the details of PAN, amount paid, TDS deducted, section under which it is deducted, etc., is processed. TRACES shares the information with CPC directly from 1/4/2018. Prior to this date, the information was shared via RCCs and NCC by ITD TDS system.
- 5.3. The above payments are made using different mode of payments through various agencies and same is verified, collated and sent to CPC-FAS through interface from TDS-CPC / OLTAS for the purpose of computation of final tax as enumerated and claimed in the return of income (ITR).

5.4. Flow Chart for Receipts / Challan in-warding to CPC FAS from TRACES and OLTAS.



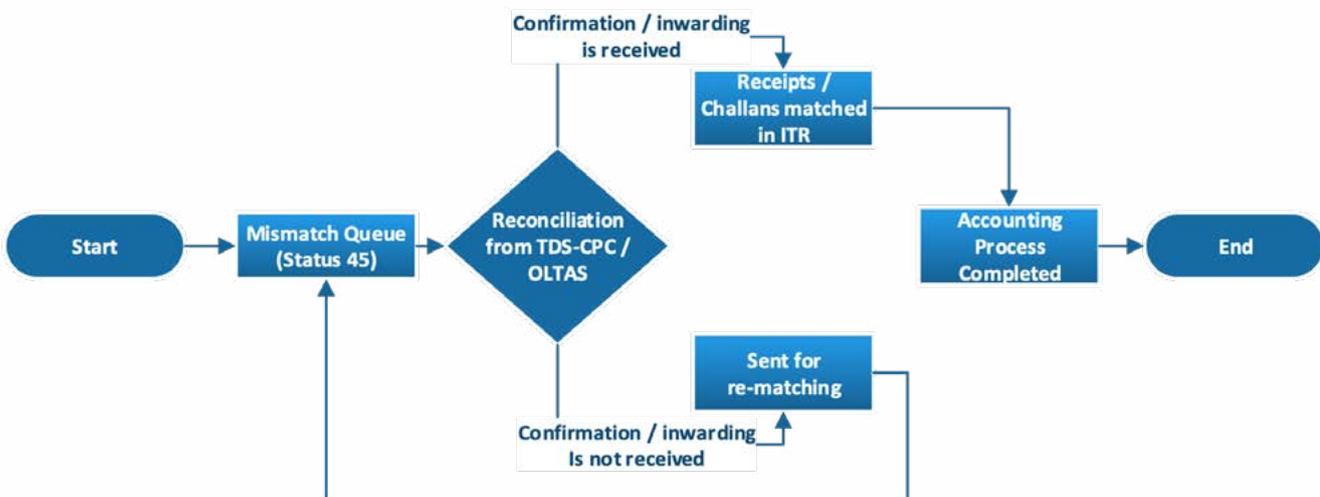
5.5. During processing of ITR, if there is a mismatch between Tax payments claimed in ITR and credits available in CPC-FAS, record will be held in tax credit mismatch queue. All these mismatch cases are moved to separate place holder queue for reconciliation with respective systems i.e. TDS-CPC/OLTAS.

5.6.1. Below checks will be done for reconciliation / confirmation: -

- Whether inwarding is pending from TRACES.
- Whether receipts / challans files are errored out while in warding from TRACES / OLTAS to ETL
- staging.
- Whether receipts / challans files are inwards to FAS Staging.
- Whether receipts / challans files are errored out while posting to FAS Staging.

5.6.2. Mismatch details will be shared to TRACES in regular intervals for confirmation on credit in warding and re-matching of mismatch records will happen every 3 days which is defined in the system until confirmation is received from TRACES/OLTAS. Once confirmation / feed is received, record will go for re-matching post in warding of pending receipts / challans and record will get processed.

5.7. Flow Chart of the Reconciliation Process:



5.8. Step by Step Process explanation:

Step 1: Inwarding of OLTAS challans

- Tax payments in the form of Advance tax (AT) (minor head-100), Self-Assessment tax (SAT) (minor head-300) and tax on regular assessment (400 payment) (minor head -400) are shared by OLTAS and are inwarded in a consolidated file format for a single date on daily basis. In FY 2019-20, majority payments of AY 2020-21 are received, along with payments for SAT and 400 payment towards outstanding demands.

Step 2: Advance tax and Self-Assessment tax

- AT and SAT payments are posted to CPC FAS and awaiting claim by taxpayer in ITR.

Step 3: Application of payment under minor code 400

- 400 payments are inwarded and applied against outstanding demands on daily basis as and when shared by OLTAS. There are business rules to determine whether to apply the 400 payment received at CPC FAS. Some important rules are:
 - 400 challan is applied against demand if the demand and section 220 interest on the same is equal to or less than challan (plus or minus Rs. 100/-). If more than the demand + Interest, the challan is kept unapplied.
 - 400 challan raised by CPC during RO adjustment by CPC, is applied directly against the demand.
 - E-pay based payment of 400 is applied towards the DIN without applicability of above rule (a).
 - Payment towards appeal fee is also applied to demand, as the minor code for the same is not passed on by OLTAS and Banks to CPC FAS. etc.

Step 4: Minor code 200/400 under TDS Challan

- OLTAS payments of Minor 200 and 400 towards TDS/TCS are not considered at CPCFAS for application. These codes are inwarded.

Step 5: Inwarding of TDS/TCS receipts

- TDS/TCS receipts are received from TRACES as a daily file. All the receipts in the file are inwarded to FAS and credited against the relevant PAN.

Step 6: Inwarding and handling of corrections to OLTAS challan

- Corrections to OLTAS received on daily basis in a file format is also considered on a daily basis and changes are effected based on the status of challan that is undergoing change. Some of the key checks are:
 - If challan is in unapplied state, correction is immediately effected.
 - If challan is in applied state, as there is impact of the overall processed result for that AY, an alert is triggered in system to take up suo moto rectification, with other consequential changes/ rectifications, etc.

Step 7: Inwarding and handling of corrections to TDS/TCS challan

- Corrections to TDS/TCS receipts with respect to AY, amount paid, TDS amount, PAN change are taken based on the correction entry received from TRACES. The changes are effected immediately if such receipt is in unmatched status and if it is matched or applied status, then a suo moto rectification trigger is alerted.

Step 8: Matching of claim in ITR with tax payments during processing of ITR

- During the matching of the claims in ITR at the time of processing of ITR, the claim against a TAN is taken at aggregate level and applied against multiple line items in CPC FAS till the claim in ITR is satisfied,
- any excess credit available in TAN is not considered and kept unmatched for claim in future years.
- If there is shortfall in the amount available in CPC FAS to match the claim in ITR, details of PAN, TAN, Claimed Amount, Matched Amount, AY is shared with TRACES for confirmation of TDS shared with CPC FAS. If additional TDS is available at TRACES and not in CPC FAS, such TDS is shared with CPC and ITR will be kept pending for inwarding and giving credit to such TDS and TDS is completely allowed after inwarding the same. CPC ITR waits for reasonable time for inwarding the fresh credit.
- In case TRACES confirms that there is no additional TDS to match the claim in ITR, then the ITR is processed giving credit to available TDS in CPC FAS.

Step 9: Tax Credit Mismatch Report for taxpayer

- In cases where there is OLTAS and/or TDS/TCS mismatch, a TAN/Challan wise details are shared with taxpayer, along with the intimation with a view to explain reason for disallowance of claim for tax payments and also included the steps for rectification of the same.

Step 10: Handling of TDS/TCS/OLTAS receipts received in CPC FAS after completion of processing of ITR.

- In cases where TDS/TCS or OLTAS challan is received after completion of processing of ITR either u/s.143 or 154, suo moto rectification taken up if the claim in ITR is correct.

Step 11: Amount paid information as per TRACES with respect to TDS/TCS used in CPC.

- The amount paid information shared by TRACES is used for application of Adjustments u/s. 143(1)(a)(f) for AY 2017-18, and for application of Rule 37BA from AY2018-19 onwards wherein TDS is restricted to receipts offered in the ITR (if TDS claimed is not commensurate with receipts offered to tax in the ITR).
- A notice u/s. 139(9) or 143 is issued before such adjustments are made to the ITR.
- Any change to amount paid is also considered for suo moto rectification.

5.9. The Form 26AS can be viewed on the TRACES system:

5.9.1. The following details have been provided in 26AS statement:

- Advance tax, Self-Assessment Tax and Regular Assessment Tax paid by self
- Tax paid through Tax Deducted at Source (TDS) or TCS on behalf of users own presence
- Refund issued by the Department to self
- Information received from various agencies on high value transaction carried by self.

5.9.2. This statement is presented yearly, which reflects the transaction of the concerned year.

5.9.3. Perform the following steps to view or download the form:

Step 1	Logon to the 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Go to the 'My Account' menu located at upper-left side of the page ⇒ Click 'View Form 26 AS (Tax Credit)', User is redirected to TDS-CPC Portal
Step 3	View the disclaimer ⇒ Click 'Confirm' ⇒ Agree the acceptance of usage ⇒ Click 'Proceed'
Step 4	Click 'View Tax Credit (Form 26AS)'
Step 5	Select the 'Assessment Year' and 'View type' (HTML, Text or PDF)
Step 6	Click 'View / Download'

5.10. Tax Credit Mismatch Report

5.10.1. Users can view the details of non-matched amount of TDS claimed in the Income Tax Return. Also, as per online Tax statement (Form 26AS) TDS detail has been reflected.

5.10.2. Perform the following steps to view the statement.

Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Go to the 'My Account' menu located at upper-left side of the page ⇒ Click 'Tax Credit Mismatch'
Step 3	Select 'Assessment Year*' from the drop down list ⇒ Click 'Submit'.

5.10.3. The Taxpayers need to verify the Tax Credit mismatch report before filing the ITR or rectification.

5.11. FAQs on Inwarding of tax payment challans at CPC FAS

5.11.1. What is time difference between receipt date for OLTAS challan and inwarding at CPC FAS?

Ans. OLTAS shares a daily file containing information of challans paid with CPC, the time difference is usually 3 days from date of payment.

5.11.2. Is the Form 26AS available to CPC ITR?

Ans. No, CPC ITR uses the information shared by TRACES system with respect to TDS/TCS and other information like amount paid, section under which TDS/TCS is made.

5.11.3. What is the frequency of sharing of corrections by TRACES system?

Ans. Details of corrections to a receipt is shared on daily basis. Daily files contain the correction entries to the receipts as well as fresh entries.

5.11.4. Is there any suspense entry created if there is invalid PAN mentioned in challan?

Ans. Yes, As the challan is inwards to FAS at PAN level, if the PAN is incorrect, the challan is inwards. Any correction entry to PAN will be inwards as and when the same is received from OLTAS. In such cases, suo moto rectification alert is also triggered.

5.11.5. What is the frequency of initiating suo moto rectification at CPC with respect of correction of OLTAS or TDS/TCS receipts?

Ans. System trigger is automated and alerts from the system are checked on all working days by the CPC Team and suo moto rectification is initiated. In cases where ITR processing is yet to complete, such correction is done by re-processing the ITR/rectification.

5.11.6. What information is provided in the tax mismatch report shared with taxpayer?

Ans. Detailed process steps for rectification is provided in the report. In cases of TDS/TCS mismatch:

- TAN wise claim made, mismatch amount is provided,
- whether TAN is valid or invalid (due to data entry errors by taxpayer),

In case of OLTAS mismatch:

- Details of challan as claimed in ITR is provided to highlight that such challan is not available at CPC FAS, taxpayer is prompted to check the AY, date of payment, amount claimed in ITR.

5.11.7. Whether AO can seek transfer of rectification rights in tax credit mismatch cases to give effect to Circular No. 8/2015?

Ans. AO can seek transfer of rectification rights, if the taxpayer approached the AO with TDS certificates and indemnity bond. Such requests are handled automatically by the system in scheduled manner. If any rectification is in progress, the transfer is done after completion of the same. Taxpayer is intimated about the transfer of rectification rights to AO and is prevented from filing rectification at CPC as long as rectification rights are with AO.

5.11.8. Whether CPC can revert the rectification rights available with AO, for the purpose of any suo moto rectification?

Ans. Yes, CPC can revert back the rectification rights which are with AO, by raising a request which is required to be approved by the AO in the ITBA portal. Only after approval, the rectification rights are reverted back to CPC.

5.11.9. Is there a difference between the TDS mismatch report available in e-filing website for taxpayer and CPC FAS?

Ans. Yes, there can be a difference due to changes to challan information from OLTAS and TRACES from time to time. Credit to claim in ITR is allowed by CPC FAS based on information available therein without any regard to Form

26AS or information in e-filing website. Though such occurrences are minimal, still there can be differences and in such cases CPC FAS entries are final.

5.11.10. Is the mismatch report available to AO?

Ans. Intimation for all tax credit mismatch contains this report as a separate annexure and same can be referred by the AO in Processed Data Transfer that is shared via ITBA.

5.11.11. Whether the intimation u/s 143(1) is shared with the AO?

Ans: AO can access the intimation from AY 2018-19 onwards. For other AYs, it will be generated and shared by email.

5.11.12. Does CPC effect any PAN/TAN/AY corrections on the challans?

Ans: No. Only AO is enabled to correct challans in ITBA system.

5.11.13. While making Tax payments, taxpayer has wrongly mentioned AY/ minor head/major head/ different PAN in Challan?

Ans. Taxpayer is requested to communicate via email with the jurisdictional assessing officer regarding correction of challan w.r.t these details. Post correction, taxpayer is requested to file an online rectification and claim this corrected challan, so that credit for the same can be allowed by CPC.

CHAPTER 6

INWARDING OF INFORMATION FROM E-FILING

Electronic returns and statutory Forms are filed by taxpayers on e-filing website. These forms and e-returns are transmitted to CPC by e-filing. The detailed information of the ITR will be shared separately by e-filing in the form of tables, wherein the data structure is agreed between CPC and e-filing, as there will be changes to ITR form types for every assessment year, and sometimes within the year also. The data structure for the statutory and non-statutory form is also received at CPC based on the changes in the forms, if any.

The website provides facility to view all the help material published on the portal under the link: <https://www.incometaxindiaefiling.gov.in/main/brocheureAndVideos> as on 15/10/2020.

6.1. The following e-filing Brochures are provided in the website for the benefit of users.

e-filing Brochures			
S.No.	Title	eBook	Brochures
1	e-Verification of ITR	View (4.94MB) Last Updated on: 27/03/2019	Download (1.91MB) Last Updated on: 05/12/2018
2	Reset e-Filing Password	View (4.76MB) Last Updated on: 27/03/2019	Download (2.05MB) Last Updated on: 05/12/2018
3	e-Proceedings	View (2.34MB) Last Updated on: 27/03/2019	Download (2.08MB) Last Updated on: 05/12/2018
4	Rectification of Order/ Intimation	View (1.78MB) Last Updated on: 27/03/2019	Download (1.12MB) Last Updated on: 20/12/2018
5	File Revised Return	View (1.81MB) Last Updated on: 27/03/2019	Download (1.17MB) Last Updated on: 14/03/2019
6	e-Filing Vault	View (1.59MB) Last Updated on: 27/03/2019	Download (985KB) Last Updated on: 29/01/2019
7	View Tax Credit Statement (Form 26AS)	View (1.49MB) Last Updated on: 27/03/2019	Download (652KB) Last Updated on: 05/03/2019
8	Response to Outstanding Demand	View (1.84MB) Last Updated on: 27/03/2019	Download (1.2MB) Last Updated on: 05/03/2019

6.2. The list of ITR forms available in the e-filing portal as on 15/10/2020 are as under:

Income Tax Returns				
S.No.	ITR	Description	Online	Offline
1	ITR 1	For Individuals having Income from Salaries, one house property, other sources (Interest etc.) and having total income upto Rs.50 lakh	Yes	Yes
2	ITR 2	For Individuals and HUFs not carrying out business or profession under any proprietorship	No	Yes
3	ITR 3	For individuals and HUFs having income from a proprietary business or profession	No	Yes
4	ITR 4	For presumptive income from Business & Profession	Yes	Yes
5	ITR 5	For persons other than,- (i) individual, (ii) HUF, (iii) company and (iv) person filing Form ITR-7	No	Yes
6	ITR 6	For Companies other than companies claiming exemption under section 11	No	Yes
7	ITR 7	For persons including companies required to furnish return under sections 139 (4A) or 139 (4B) or 139 (4C) or 139 (4D) or 139 (4E) or 139 (4F)	No	Yes

6.3. List of Statutory and Other Forms provided in the e-filing portal as on 15/10/2020 are provided in Annexure 1 to this handbook.

6.4. Forms related to Equalization Levy.

Equalization Levy					
S.No.	Form	Description	Applicability	Online	Offline
1	Form 1	Statement of Specified Services - Equalisation levy Rules, 2016	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	YES	YES
2	Form 3	Appeal to the Commissioner of Income-tax (Appeals) - Equalisation levy Rules, 2016	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	YES	NO

6.5. Forms related to Income Declaration Scheme, 2016.

IDS - Income Declaration Scheme, 2016					
S.No.	Form	Description	Applicability	Online	Offline
1	Form 1_IDS*	Form of Declaration under section 183 of the Finance Act, 2016, in respect of the Income Declaration Scheme, 2016	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	YES	YES
2	Form 2_IDS	Acknowledgement Of Declaration Under Section 183 Of The Finance Act, 2016 In Respect Of The Income Declaration Scheme, 2016	Commissioner of Income Tax Department	YES	NO
3	Form 3_IDS	Intimation Of Payment Under Sub-Section (1) Of Section 187 Of The Finance Act, 2016 In Respect Of The Income Declaration Scheme, 2016	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	YES	NO
4	Form 4_IDS	Certificate Of Declaration Under Section 183 Of The Finance Act, 2016 In Respect Of The Income Declaration Scheme, 2016	Commissioner of Income Tax Department	YES	NO

6.6. Forms related to Pradhan Mantri Garib Kalyan Yojana.

PMGKY - Pradhan Mantri Garib Kalyan Yojana					
S.No.	Form	Description	Applicability	Online	Offline
1	Form 1 - PMGKY*	Form of Declaration under section 199C of the Finance Act, 2016, In Respect Of the Taxation and Investment Regime for Pradhan Mantri Garib Kalyan Yojana Rules, 2016	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	YES	NO
2	Form 2 - PMGKY	Certificate of Declaration under section 199C of the Finance Act, 2016, In Respect of the Taxation and Investment Regime for Pradhan Mantri Garib Kalyan Yojana Rules, 2016	Commissioner of Income Tax Department	YES	NO
3	Form V - (PMGK)	Form for reporting under Pradhan Mantri Garib Kalyan Deposit Scheme, 2016	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA, Tax Deductor & Collector	NO	YES

6.7. Forms related to Black Money.

PMGKY - Pradhan Mantri Garib Kalyan Yojana					
S.No.	Form	Description	Applicability	Online	Offline
1	Form 6*	Form of declaration of undisclosed asset located outside India under section 59 of the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	NO	YES

* The due date is expired

6.8. Forms related to The Direct Tax Vivad Se Vishwas, 2020

PMGKY - Pradhan Mantri Garib Kalyan Yojana					
S.No.	Form	Description	Applicability	Online	Offline
1	Form 1 - DTVSV	Form for filing declaration	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	YES	NO
2	Form 2 - DTVSV	UNDERTAKING UNDER SUB-SECTION (5) OF SECTION 4 OF THE DIRECT TAX VIVAD SE VISHWAS ACT, 2020 (3 of 2020) THE DIRECT TAX VIVAD SE VISHWAS RULES, 2020	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	YES	NO
3	Form 3 - DTVSV	FORM FOR CERTIFICATE UNDER SUB-SECTION (1) OF SECTION 5 OF THE DIRECT TAX VIVAD SE VISHWAS ACT, 2020 (3 of 2020) THE DIRECT TAX VIVAD SE VISHWAS RULES, 2020	Commissioner of Income Tax Department	YES	NO

S.No.	Form	Description	Applicability	Online	Offline
4	Form 4 _ DTVSV	INTIMATION OF PAYMENT UNDER SUB-SECTION (2) OF SECTION 5 OF THE DIRECT TAX VIVAD SE VISHWAS ACT, 2020 (3 of 2020) THE DIRECT TAX VIVAD SE VISHWAS RULES, 2020	Individual, HUF, Company, AOP/ BOI/Trust/Firm/ AJP/LA	YES	NO
5	Form 5 _ DTVSV	ORDER FOR FULL AND FINAL SETTLEMENT OF TAX ARREAR UNDER SECTION 5 (2) READ WITH SECTION 6 OF THE DIRECT TAX VIVAD SE VISHWAS ACT, 2020 (3 of 2020) THE DIRECT TAX VIVAD SE VISHWAS RULES, 2020	Commissioner of Income Tax Department	YES	NO

6.9. The e-return information is shared in two phases:

- Metadata: This data is the information shared in ITR-V, and is sent by e-filing on daily basis for ITRs received. This information is used to validate ITR-V when physical paper ITR-V is received. 60% of taxpayers use EVC mode and 40% send ITR-V in paper form.
- TB Data: This data is the completed information of data provided by taxpayer in the ITR, and is used for computation and accounting of the ITR.

6.10. Apart from e-returns, e-filing also shares the following information to CPC:

- Rectification applications filed by taxpayers.
- Responses to Defective returns from taxpayers, provided by them in e-proceedings module.
- Responses to Notice u/s. 143(1)(a) (Prima Facie Adjustment), provided by the taxpayer in e-proceedings module.
- Responses to Outstanding demand, either in response to Intimation u/s. 245 or voluntarily.
- e-Nivaran grievances filed on the e-filing website.
- Refund reissue requests.
- Forms filed by taxpayers that are used for processing of ITR.

6.11. The below website link provides the help documents and FAQs with respect to taxpayer services provided by the Department using CPC. There is facility to view the help documents in Hindi using the following link:

http://www.incometaxindiaefiling.gov.in/help/index_hindi.html

6.12. Help documents can be accessed in English using the following link:

<http://www.incometaxindiaefiling.gov.in/help/?lang=eng>

6.13. Step by Step Process explanation:

6.13.1. ITRs Related Process Steps:

Step 1: Inwarding of metadata of ITR uploaded and frequency

- e-filing shares the key information about the filing of ITR in the e-filing which are essential for validation of ITR-V. The information in the metadata is same data provided in the ITR-V.
- Information of Metadata is inwards to CPC daily.
- EVC information for ITR/revised ITR that is validated is inwards by CPC on daily basis.
- Digital Signature Code verified ITR information is also inwards on daily basis.

Step 2: Detailed information of ITR and frequency

- The detailed information of the ITR is also inwards simultaneously from e-filing in the table format.
- Appropriate checks are made by CPC when a new form type is introduced to check if all the fields are mapped properly and data transmission is full and error Free.
- Information of TB Tables is shared on daily basis and for each form type the transmission is separate and in parallel.

Step 3: Revised ITR and frequency

- If a revised ITR is filed, such ITR is also inwards to CPC from e-filing on daily basis.
- Date of filing of original return is considered for treatment of revised ITR. If the revised return is required to be considered, then:
- If the original ITR is not yet taken for processing, the corresponding original ITR is marked as closed.
- If the original ITR is taken for processing and is in progress, such ITR is removed from the processing queue and revised ITR is taken for processing and consideration is given to date of filing of original ITR.
- If the original ITR is already processed and intimation is issued, then the revised ITR is taken for processing by reversing the tax credit information used in computation for the original ITR.
- If the refund that is arising out of processing of original ITR is in progress, revised ITR is considered for processing only after such refund is either paid or unpaid.

Step 4: Defective Return and corrected return

- If the ITR is found to be defective by CPC during processing of the same, taxpayer is allowed to file a corrected ITR. Such corrected ITR are inwards daily at CPC.
- The corrected ITR will replace the defective ITR which is in the queue and takes the date of filing of original ITR.
- The corrected ITR goes through all the processes that are applied for ITR.
- In case a revised ITR is filed on top of corrected ITR, the corrected ITR

is closed and revised ITR is taken for processing.

- If the corrected ITR is also found to be defective, same is communicated to taxpayer u/s. 139(9).
- Taxpayers may choose to respond to notice u/s.139(9) by providing text response in e-proceeding module, instead of filing corrected return. In such cases, CPC evaluates the response and appropriate action is taken either accepting the response and processing the ITR or rejecting the response and intimating the taxpayer about such rejection and further opportunity is given to file corrected/revised ITR, as may be applicable.

6.13.2. On successful filing of the ITR, the same will be processed with the details provided. If there are any discrepancies or mistakes in the ITR, then the return will be treated as Defective. The taxpayer will then be issued a Defective Return notice u/s 139(9).

Note: The taxpayer must revise the return addressing the defects within the time line as mentioned in the notice u/s 139(9).

6.13.3. Perform the following steps to submit response to notice issued u/s 139(9):

Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Go to the 'e-File' menu located at upper-left side of the page ⇒ Click 'e-File in response to Notice u/s 139(9)'
Step 3	Details such as ITR, A.Y, e-filing Acknowledgement No., CPC Reference Number, Notice Date, Status and Response are displayed. Click the 'Submit' hyperlink in the Response column.
Step 4	All the identified defects from the filed ITR is displayed to the taxpayers. Choose YES/NO from the 'Do you agree with defect?' column.
	<ul style="list-style-type: none"> • On Choosing YES, Upload the correct XML and Click the Submit button. • On Choosing NO, Enter your remarks under column 'Assessee Remarks' and Click the Submit button.
Note	For AY 2019-20, Please download the latest ITR utility for AY 2019-20 and generate the XML by choosing 'Filed in response to notice u/s' as '139(9)' in the ITR utility.
Step 5	To view the submitted response, click 'View' hyperlink under Response column to know the details of response submitted.

6.13.4. Statutory and Non-Statutory Forms other than ITRs

Step 1: Inwarding of statutory and non-statutory forms

- CPC inwards the Forms that are used in the course of processing of ITR, as per the provisions of the Act.
- Inwarding is done on daily basis.
- Any changes to forms and information in the form by revision of forms is also inwarded from e-filing.
- The process has undergone changes over the years and each AY is considered based on the provisions of the Act for such AY. Some forms are date oriented and there can be other conditions.
- E-filing shares the forms only after the same is validated by the taxpayer in certain cases like Audit reports, etc.

6.14. Tax Professional Services

6.14.1. Tax professional (Chartered Accountant) can file audit report / other forms for assessee. Assessee must opt for Tax professional services for the same by using 'My Account ⇒ My CA/ERI' option post login to e-Filing portal. All the filing by tax professional must be with the valid DSC. Option to file the forms is available in e-Filing portal under e-File menu post-login. The following are the list of Forms that can be filed by Chartered Accountant (CA) and must be verified (View and approve / reject) by assessee. 6.13. Step by Step Process explanation:

Form Name	Description
Form 3AC	Audit report under section 33AB(2) - Amount deposited by Tea or coffee or rubber development Account
Form 3AD	Audit Report under section 33ABA(2) - Amount deposited by assessee engaged in prospecting, extraction or production of petroleum or natural gas
Form 3AE	Audit report under section 35D(4)/35E(6) of the Income-tax Act, 1961 - Amortisation of Preliminary Expenses 35D(4) / Deduction for expenditure on prospecting for certain minerals
Form 3CA-3CD	Audit report under section 44AB of the Income-tax Act,1961 in a case where the accounts of the business or profession of a person have been audited under any other law
Form 3CB-3CD	Audit report under section 44AB of the Income-tax Act,1961, in the case of a person referred to in clause (b) of sub-rule (1) of rule 6G
Form 3CE	Audit Report under sub-section (2) of section 44DA of the Income-tax Act, 1961 - Royalty income in case of Non-Resident
Form 3CEA	Report of an accountant to be furnished by an assessee under sub-section (3) of section 50B of the Income-tax Act, 1961 relating to computation of capital gains in case of slump sale - Capital Gain in case of Slump Sale
Form 3CEB	Report from an accountant to be furnished under section 92E relating to international transaction(s)
Form 3CEJ	Report from an accountant to be furnished for purposes of section 9A relating to arm's length price in respect of the remuneration paid by an eligible investment fund to the fund manager
Form 3CLA	Report from an accountant to be furnished under sub-section (2AB) of section 35 of the Act relating to in-house scientific research and development facility
Form 6B	Audit report under section 142(2A) of the Income-tax Act, 1961
Form 10B	Audit report under section 12A(b) of the Income-tax Act, 1961, in the case of charitable or religious trusts or institutions
Form 10BB	Audit report under section 10(23C) of the Income-tax Act, 1961, in the case of any fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of section 10(23C).
Form 10CCB	Audit report under sections 80-I(7)/80-IA(7)/80-IB - Any undertaking claiming deduction u/s 80-I(7)/80-IA(7)/80-IB
Form 10CCBBA	Audit report under section 80-IB(14) - Any undertaking claiming deduction u/s 80-IB(14)
Form 10CCBC	Audit report under section 80-IA(11B) - Any undertaking claiming deduction u/s 80-IA(11B)
Form 10CCBD	Audit report under section 80-IB(11C) - Any undertaking claiming deduction u/s 80-IA(11C)
Form 10CCC	Certificate under sub-rule (3) of rule 18BBE of the Income-tax Rules, 1962 - For entities doing highway project in which housing is integral part 80-IA(6)

Form 10CCF	Report under section 80LA(3) of the Income-tax Act, 1961 - For off shore banking units and international financial service center
Form 10DA	Report under section 80JJAA of the Income-tax Act, 1961 - Deduction claimed by company for New Workmen engaged
Form 15CB	Certificate of an accountant as per rule 37BB
Form 29B	Report under Section 115JB of the Income-tax Act, 1961 for computing the book profits of the company
Form 29C	Report under section 115JC of the Income-tax Act, 1961 for computing Adjusted Total Income and Alternate Minimum Tax of the person other than a company
Form 49C	Annual Statement under section 285 of the Income-tax Act,1961
Form 56F	Report under section 10A of the Income-tax Act, 1961 - Every person claiming deduction u/s 10A (STP / EHTP / FTZ / SEZ)
Form 66	Audit Report under clause (ii) of section 115VW of the Income-tax Act, 1961 - Audit Report of Tonnage Tax company i.e., Shipping companies

Once filed by CA, the form is available under assessee worklist (Worklist ⇒ FYA option post login to e-Filing portal by assessee). Assessee can verify the correctness of the form and approve/reject the form. CA can also check the status (Approved/Rejected/Pending Approval) of the form under 'My Request List' 6.14.2. Form 62, Form 63, Form 63A, Form 64, Form 64A, Form 64E and Form 64D shall be filed by assessee and will come to CA's worklist for verification (approve/reject). CA can act on these forms under the 'Worklist' option.

6.15. Filing of Audit Reports and Forms

6.15.1. There are two methods for filing the various reports and forms, Offline and online method. Forms can be filed offline using the option 'Upload Form' under 'e-File' menu. Whereas, other forms such as Form 3AC, Form 3AD and so on can be filed online using the option 'Prepare and Submit Online Form (Other than ITR)' under 'e-File' menu.

6.15.2. Upon submission of audit reports and form by CA is over, it will go to Assessee worklist for approval or rejection. If CA wants to review the pending forms for approval, the same can be reviewed from 'My request List' menu, where the lists of forms that are pending for approval from the assessee are listed. There are some Statutory Forms such as Form 62, Form 63, Form 63A, Form 64, Form 64A, Form 64E, Form 64D that needs to be initiated by Assessee and reviewed by CA. On finding the forms in place, CA will verify the forms.

6.16. Online Rectification

Step 1: Inwarding of rectifications filed by taxpayers

- All rectification filed by taxpayers are inwarded to CPC on daily basis.
- In case rectification is filed under code 18 (Tax Credit Mismatch correction only), the relevant information is inwarded and ITR is processed by amending the claims information with the new information provided by taxpayer in rectification.
- In case rectification is filed under code 19 (Only reprocess the return), the ITR is re-processed based on the existing information in ITR and claims in FAS.
- In case rectification is filed under code 20 (Return data Correction (XML)), the information is shared by e-filing at table level. Rectified ITR uploaded by the taxpayer is considered for processing.
- Rectification applications for changing the 'Status' or 'Sub Status' or 'Exemption status' or '234C' of taxpayer are considered by inwarding the relevant information provided by the taxpayer.

6.16.2. The return filed by the taxpayer will be processed by Income Tax Department (ITD) and intimation will be sent to the assessee under section 143(1) based on details disclosed by the taxpayer and rules deployed at the processing center by ITD. In case if the taxpayer wants to seek rectification of a mistake in an order or intimation which is apparent from the record, then the taxpayer can seek 'Rectification under Section 154'

6.16.3. Perform the following steps to file the Rectification request.

Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Go to the 'e-File' menu located at upper-left side of the page ⇒ Click 'Rectification'
Step 3	Choose the options of 'Order/Intimation to be rectified' and 'Assessment Year' from the drop down list. Click 'Continue'
Step 4	Select any one of the following options of 'Request Type' from drop down list.
	· Tax credit mismatch correction only - On selecting this option, following check boxes will be displayed.
	• TDS on Salary Details
	• TDS on Other than Salary Details
	• TDS on transfer of Immovable property/Rent
	• TCS Details
	• IT Details
	You may select the check box for which data needs to be corrected.
	You can add a maximum of 10 entries for each of the selections. No upload of an Income Tax Return is required.
	Note: This option is available only for ITR 1 for AY 2019-20. For remaining ITRs for AY 2019-20 this option is not available, so the assessee should use Return Data Correction (XML) option for rectifying tax credit mismatch.
	Return data Correction (XML) - Select the following Reason for Rectification by clicking the button made available. (maximum of 4 reasons)
	Schedules being changed
	• Donation and Capital gain details (if applicable)
	• Upload XML, and
• Digital Signature Certificate (DSC) (if available and applicable)	
Note:	
• When the user is uploading XML, the Gross Total Income and Deductions amount should be the same as in the processed return.	
• For AY 2018-19 the assessee should select 'Filing Type' as 'Rectification' in the ITR utility and upload the XML	
• Only reprocess the return - On selecting this option, user needs to just submit the rectification request.	
Note: User can verify the Form 26AS details under My Account ⇒ View Form 26AS and Tax Credit Mismatch under My Account ⇒ Tax Credit Mismatch	
• Correcting Status (Only for ITR-5 & 7) (Till AY 2018-19) - On selecting this option, the user should select the status applicable from the displayed drop down, answer the additional questions asked and upload the necessary attachments to submit the request.	

	<ul style="list-style-type: none"> • Correcting Exemption Section Details (only for ITR-7) (Till AY 2018-19) - On Selecting this option, the user must fill in all the applicable fields and upload the necessary attachments to submit the request.
	<ul style="list-style-type: none"> • Additional information for 234C - On Selecting this option, the user must fill in all the applicable fields to submit the request.
Step 5	Click Submit to complete the rectification request. A Success message will be displayed and a mail confirming the submission of rectification request will be sent to the user's registered mail id.
Step 6	To View the submitted Rectification Request, Click here to know more
Note	<ul style="list-style-type: none"> • Taxpayer can withdraw rectification within end of the day of request, To withdraw rectification request, Click hyperlink 'Click here to withdraw' • Submission of Rectification allowed for both paper filed and e-Filed Returns and for rectification rights transferred to AO.

6.16.4. Manage your Profile facility for taxpayers

Taxpayer can edit the details such as Address and Contact details. For updating the contact details, OTP authentication is required. However, user can view the PAN details, Aadhaar details and jurisdiction.

6.16.5. Edit Profile Information

Perform the following steps to edit the information associated with your account:

Step 1	<p>Logon to the 'e-filing' Portal www.incometaxindiaefiling.gov.in</p> <ul style="list-style-type: none"> • Taxpayer can withdraw rectification within end of the day of request, To withdraw rectification request, Click hyperlink 'Click here to withdraw'
Step 2	Go to the 'Profile Setting' menu located at the upper-right side of the page ⇒ Click 'My Profile' ⇒ Click 'Edit' button located at right side of the page ⇒ Enter the details ⇒ Click 'Save' ⇒ Verify the edited details and Click 'Continue'
Step 3	<p>After updating Contact details,</p> <ul style="list-style-type: none"> • A 'Mobile OTP' will be sent to the registered mobile number (Primary Contact) • A 'Email OTP' will be sent to the registered email ID (Primary Contact)
Step 4	Enter 'Mobile OTP' and 'Email OTP' ⇒ Click 'Confirm'

6.16.6. Change the Password

Perform the following steps to change the password in e-filing:

Step 1	<p>Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in</p> <ul style="list-style-type: none"> • Taxpayer can withdraw rectification within end of the day of request, To withdraw rectification request, Click hyperlink 'Click here to withdraw'
Step 2	<p>Go to the 'Profile Setting' menu located at the upper-right side of the page ⇒ Click 'Change Password'</p> <p>After updating Contact details,</p>
Step 3	Enter 'Current Password' (Existing password) ⇒ Enter 'New Password' ⇒ Confirm the 'New Password' ⇒ Click 'Submit'

6.16.7. Registration of DSC

During upload of a return, user can sign the return digitally or online by using their Digital Signature Certificate (DSC).

If you do not have your DSC file to register at e-filing portal, firstly, obtain the DSC file.

6.16.7.1. Perform the following steps to register the DSC to generate a signature file in e-filing:

Step 1	Logon to the 'e-filing' Portal www.incometaxindiaefiling.gov.in • Taxpayer can withdraw rectification within end of the day of request, To withdraw rectification request, Click hyperlink 'Click here to withdraw'
Step 2	Go to the 'Profile Setting' menu located at the upper-right side of the page ⇒ Click 'Register Digital Signature Certificate' ⇒ 'Click here to download the DSC Utility'
Step 3	After updating Contact details, Extract the downloaded DSC Utility ⇒ Open the Executable Jar File (DSC Utility) ⇒ Read the instructions carefully.
Step 4	• A 'Email OTP' will be sent to the registered email ID (Primary Contact) In the DSC Management Utility, go to 'Register/Reset Password using DSC' tab ⇒ Enter 'Enter e-filing User ID*', 'Enter PAN of the DSC*' ⇒ Select the type of 'Digital Signature Certificate' (DSC)
Step 5	DSC using .pfx file:1. Select the Type of DSC .pfx file2. Browse and attach the Keystore file (.pfx File)3. Enter the password for your private key4. Click 'Generate Signature file' DSC using USB token:1. Select the Type of DSC (.pfx file or USB token) USB Token2. Select USB Token Certificate ⇒ Click 'Generate Signature File' ⇒ Browse and attach the signature file using the browse option ⇒ Click 'Submit'
Step 6	Browse and attach the signature file using the browse option ⇒ Click 'Submit'

6.17.8. Change Secret Question(s) and Answer(s)

Perform the following steps to change the Secret Question(s) or Answer(s):

Step 1	Logon to the 'e-filing' Portal www.incometaxindiaefiling.gov.in • Taxpayer can withdraw rectification within end of the day of request, To withdraw rectification request, Click hyperlink 'Click here to withdraw'
Step 2	Go to the 'Profile Setting' menu located at the upper-right side of the page ⇒ Click 'Change Secret Question(s) / Answer(s)' After updating Contact details,
Step 3	Select 'Primary Secret Question' ⇒ Enter 'Primary Secret answer' ⇒ Select 'Secondary Secret Question' ⇒ Enter 'Secondary Secret Answer'
Step 4	Click 'Submit'

6.17.9. e-proceedings

Step 1: Inwarding of responses provided by taxpayers in e-proceedings module of e-filing

- The details of notice u/s.143(1), categorized based on each case is shared with e-filing for elicitation of response in a pre-determined manner. It is shared by CPC and hosted under e-proceedings module for taxpayers to respond.
- The responses from taxpayers to notice u/s.143(1) is provided in e-proceedings module in e-filing and it is inwarded by CPC on a daily basis.

6.17.9.1. e-Proceedings is an electronic platform for conducting proceedings in an end-to-end manner. It was introduced by the Income tax department to bring about transparency and efficiency in the income tax related proceedings. All the notices/intimations/letters from the department are made available under e-Proceedings where the assessee would be able to view and submit the response along with the attachments by uploading the same on the e-filing portal.

6.17.9.2. The Assessee who receives the notices/intimations/letters from the Department can respond to the e-Proceedings on their own in the e-filing portal by following few simple steps.

Or

The Assessee can assign an authorized representative in the e-filing portal to respond to the notices/intimations on their behalf.

6.17.9.3. steps to view and respond to an e-proceeding by self

Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Post login, click on the 'e-Proceeding' menu and click 'e-Proceedings' link.
Step 3	Details of Proceedings related to Self, such as PAN, Assessment year, Proceeding Name, Proceeding Status, Proceeding Limitation Date, Proceeding Closure Date and Action.
Step 4	Click on the 'Proceeding Name' hyperlink of the appropriate proceeding to view notice details.
Step 5	Additional details such as Notice/Communication reference ID, Notice u/s, Description, Issued On, Document Id, Served On, Response Due date and Response are displayed.
Step 6	To view the details of the notice, click on the 'Notice/Communication reference ID' link and to submit your response against that particular notice, click on the 'Submit' link under the 'Response' column.
Step 7	Upon clicking on submit, a new page is opened where the Proceeding Name, Document Reference Id and Notice Section are pre-filled. Select the 'Response Type' from the dropdown (Partial Response/Full Response). Enter the 'Response/Remarks' in text box not exceeding 4000 characters. Select the 'Attachment Description' from the dropdown and attach the supporting scanned documents in PDF/Excel/CSV format, Read and tick on the declaration and click 'Continue' to proceed further.

Note:	<ul style="list-style-type: none"> • Maximum of 10 attachments can be submitted in a single response submission and any number of submissions can be made in response to a single notice/intimation/order. Maximum size for each attachment should not exceed 10 MB. • If number of document exceeds ten in number, kindly prefer multiple submission in response to the notice by choosing the response type as "Partial Response". In case of multiple partial response is made, while submitting the last of the partial response, the response type be chosen as "Full response" so as to indicate that you have nothing further more to submit in response to the notice. • The File name of the attachment should not contain any special characters other than - (hyphen) or _ (underscore). • In case, the notice is related to Sec 142(1) [Calling of return]/148/153A/153C, upon click of submit, the assessee shall be re-directed to 'e-File->Income Tax Return' page, where he/she can upload the Income Tax Return.
Step 8	The Submission can be e-Verified using Electronic Verification Code (EVC) / Aadhaar OTP / Digital Signature Certificate (DSC) if applicable.
Step 9	A success message will be displayed confirming the submission of response.

6.17.10. steps to sign an authorized representative for responding to an e-proceeding.

Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Post login, click on the 'e-Proceeding' menu and click 'e-Proceedings' link.
Step 3	A new page will appear showing the details of the notices (if available) such as PAN, Assessment year, Proceeding Name, Proceeding Status, Proceeding Limitation Date, Proceeding Closure Date and Action.
Step 4	Click on 'Add/View Authorized Representative [AR]' hyperlink available under the Action column.
Step 5	Select the 'Authorized Representative Type' from the dropdown. An Authorized representative can be a Chartered Accountant Related Person Employee Officer of a Scheduled Bank Any Legal Practitioner Person who has passed Recognized Accountancy Examination Person with prescribed Education qualification Income-tax Practitioner or others qualified practitioner as per section 288
Step 6	If the representative is a Chartered Accountant, then enter the 'Membership Number' and for other representative types enter the 'PAN'. All the other fields such as Name, Mobile and e-mail will be auto populated (masked). Click the 'Add Authorized Representative' button. A dialogue box with registered mobile number and email ID will be displayed to the user. Click 'Confirm' button to receive the OTP in the registered mobile number and email ID.
Step 7	<ul style="list-style-type: none"> • A six digit OTP will be sent to your registered mobile number and registered email ID. • Enter the six digit OTP --> Click 'Validate' to complete the request submission.
Step 8	A Success message will be displayed confirming the request submission.
Note:	After submitting, an alert message will be sent to the Authorized Representative's e-mail ID and mobile number intimating that a request has been raised.

6.17.11. steps for the authorized representative to accept or reject the request.

Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Go to 'Worklist' tab --> Click 'For Your Action' hyperlink.
Step 3	Click 'e-Proceeding Worklist'.
Step 4	Click on the 'Accept/Reject' hyperlink available under the Action column.
Step 5	To Accept the request:Click on 'Accept' and Attach the PDF copy of notarized Power of Attorney (POA) received from the assessee, Read and click on the declaration on accepting the request and click on Accept button. e-Verifying the acceptance through EVC or DSC is mandatory.
Step 6	To Reject the request:Click on the 'Reject' and Enter the 'Remarks'.
Note	The Authorized Representative should either accept or reject the request within 7 days from the date of raising the request.

6.17.12. steps for the authorized representative to view and respond to an e-proceeding

Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Post login, click on the 'e-Proceeding' menu and click 'e-Proceedings' link.
Step 3	Details of Proceedings related to Other PAN/TAN such as PAN/TAN, Name of the Assessee, Assessment Year/Financial Year, Proceeding Name, Proceeding Status, Proceeding limitation date and Authorized Representative status are displayed to the user.
Step 4	Click on the 'Proceeding Name' hyperlink of the appropriate proceeding to view notice details.
Step 5	Additional details such as Notice/Communication reference ID, Notice u/s, Description, Issued On, Document Id, Served On, Response Due date and Response are displayed.
Step 6	To view the details of the notice, click on the 'Notice/Communication reference ID' link and to submit your response against that particular notice, click on the 'Submit' link under the 'Response' column.
Step 7	Upon clicking on submit, a new page is opened where the Proceeding Name, Document Reference Id and Notice Section are pre-filled. Select the 'Response Type' from the dropdown (Partial Response/Full Response). Enter the 'Response/Remarks' in text box not exceeding 4000 characters. Select the 'Attachment Description' from the dropdown and attach the supporting scanned documents in PDF/Excel/CSV format, Read and tick on the declaration and click 'Continue' to proceed further.
Note:	<ul style="list-style-type: none"> • Maximum of 10 attachments can be submitted in a single response submission and any number of submissions can be made in response to a single notice/intimation/order. Maximum size for each attachment should not exceed 10 MB. • If number of document exceeds ten in number, kindly prefer multiple submission in response to the notice by choosing the response type as "Partial Response". In case of multiple partial response is made, while submitting the last of the partial response, the response type be chosen as "Full response" so as to indicate that you have nothing further more to submit in response to the notice. • The File name of the attachment should not contain any special characters other than - (hyphen) or _ (underscore). • In case, the notice is related to Sec 142(1) [Calling of return]/148/153A/153C, upon click of submit, the assessee shall be re-directed to 'e-File->Income Tax Return' page, where he/she can upload the Income Tax Return.

Step 8	The Submission can be e-Verified using Electronic Verification Code (EVC) / Aadhaar OTP / Digital Signature Certificate (DSC) if applicable.
Step 9	A success message will be displayed confirming the submission of response.

6.17.13. Steps to view the response submitted by self and authorized representative to an e-proceeding.

Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Post login, click on the 'e-Proceeding' menu and click 'e-Proceedings' link.
Step 3	Details of Proceedings related to self and details of proceedings related to other PAN/TAN will be displayed separately.
Step 4	Click on the 'Proceeding Name' hyperlink of the appropriate proceeding to view notice details.
Step 5	Click on the 'View' link under the 'Response' column to view the details of the response submitted.

6.17.14. Arrear Demand Responses

Step 1: Response from taxpayer to outstanding demand displayed on e-filing portal

- The response from taxpayers to outstanding demand on the e-filing portal is inwards by CPC on daily basis and information is updated in the CPC FAS accordingly.
- This response is used for making any Refund Order adjustment at CPC either for CPC processed ITRs u/s. 143(1) or 154 or ITBA initiated cases u/s. 143(1), 143(3), 144, 154 (giving effect), etc., and manual orders uploaded by the AO.
- In all cases where taxpayer disagrees to a demand, such response is updated in the AO Portal and in cases where intimation u/s.245 is issued to taxpayer and such disagreed response is in response to such notice, a communication is sent to jurisdictional AO to confirm the demand.
- As refund is held up for process u/s. 245, AO is required to respond to such disagreement within 30 days from the date of communication by email. If no response is received from AO, the refund is released with adjustment of the demand for such AY.
- A reminder is also issued by CPC to AO, seeking a response to cases awaiting completion of section 245 process.
- A call is also made to AO seeking response to refund cases awaiting completion of section 245 process in cases where substantial refund or demand is involved and all such calls are recorded.

6.17.14.1. The taxpayer can submit the response online to the outstanding demand by either choosing to Agree or Disagree with the demand.

6.17.14.2. Perform the following steps for Responding to the Outstanding Demand.

Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Go to the 'e-File' menu located at upper-left side of the page ⇒ Click 'Response to Outstanding Demand'
Step 3	Click the hyperlink Submit located under Response column (To respond for the Outstanding Demand)
Step 4	Choose any one of the listed responses <ul style="list-style-type: none"> • Demand is correct • Demand is partially correct • Disagree with the Demand • Demand is not correct but agree for adjustment <ul style="list-style-type: none"> • On choosing 'Demand is correct', click on 'Submit' button to 'Confirm' and complete the response submission process.
	Note: <ul style="list-style-type: none"> • If you confirm 'Demand is correct' then you cannot disagree with the demand again. • If any refund is due, the refund will be adjusted against the outstanding demand. • The taxpayer can pay the demand by clicking the link under 'Pay Tax' option.
	<ul style="list-style-type: none"> • On choosing 'Demand is partially correct', Enter the 'Amount which is correct' and the 'Amount which is incorrect' will be auto filled. Select the appropriate reason(s) from the list and fill all the applicable fields, upload the necessary supporting documents and 'Submit' the response.
	<ul style="list-style-type: none"> • On choosing 'Disagree with demand', Select the appropriate reason(s) from the list and fill all the applicable fields, upload the necessary supporting documents and 'Submit' the response.
	<ul style="list-style-type: none"> • On choosing 'Demand is not correct but agree for adjustment', Select the appropriate reason(s) from the list and fill all the applicable fields, upload the necessary supporting documents and 'Submit' the response.
	Click Here for the list of reasons and the additional details required on selecting each reasons.
Step 5	A success message along with Transaction ID is displayed on successful submission of the response.
Note	<ul style="list-style-type: none"> • To View the submitted response go to 'e-File' ⇒ 'Response to Outstanding Demand' and click on the 'View' link under the 'Response' column and in the new page click on the 'Transaction Id' hyperlink.
	<ul style="list-style-type: none"> • For the demand which is shown to be uploaded by AO, then the rectification right is with Assessing Officer and for the demand against which there is no 'Submit' response available is already confirmed by the Assessing Officer. Kindly contact your jurisdictional Assessing Officer for clarification.

6.17.15. ITDREIN

6.17.15.1. Income Tax Department Reporting Entity Identification Number (ITDREIN) is the Unique ID issued by ITD, which will be communicated by ITD after the registration of the reporting entity with ITD. The ITDREIN is a 16-character identification number in the format XXXXXXXXXXXX.YZNNN where

ITDREIN component	Description
XXXXXXXXXX	PAN or TAN of the reporting entity
Y	Code of Form Code
Z	Code of Reporting Entity Category for the Form Code
NNN	Code of sequence number.

6.17.15.2. The following table provides the services available for ITDREIN Users.

Sl. No.	Services
1	Upload and View Form 15CC
2	Upload and View Form V

6.17.16. Generate ITDREIN to upload Form 15CC and Form V

Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Go to the 'My Account' located at upper-left side of the page ⇒ Click 'Manage ITDREIN'
Step 3	Click 'Generate New ITDREIN' ⇒ Select the 'Form Type*' and 'Reporting Entity Category*' from the drop down list ⇒ Click 'Generate ITDREIN'
Step 4	After successful generation of ITDREIN, user receives a confirmation e-mail on their registered Email ID. In addition, SMS will be sent to their registered Mobile number.
Note:	With effect from April 9, 2018, registration and statement upload facilities for Form 61, Form 61A and Form 61B have been moved to the reporting portal under Project Insight. Kindly go to 'My Account' ⇒ 'Reporting Portal'

6.17.17. REQUESTS TO RESEND ORDERS/INTIMATIONS

After the Income Tax Return is processed by CPC, taxpayer receives an Intimation at their registered email ID. If the taxpayers request to resend the Intimation, perform the following steps.

Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Go to the 'My Account' menu located at upper-left side of the page ⇒ Click 'Service Request' ⇒ Select the 'Request Type' as 'New Request' and Select the 'Request Category' as 'Intimation u/s 143(1)154/16(1)/35' ⇒ Click 'Submit'
Step 3	Enter the following details:
	• Return Type
	• Assessment Year
	• Category (Intimation u/s 143(1))

Step 4	Click 'Submit'
Step 5	To View the status of submitted form.
Note:	From AY 2017-18 onwards, the Intimation PDFs can be downloaded from My Account --> View e-Filed Returns/Forms.

6.17.18. Request for Refund Reissue

Refund shall be issued to the Pre-validated bank account only. In case of refund failure, taxpayer can raise the service request in e-filing portal upon receiving communication from CPC.

6.17.18.1. Perform the following steps to raise Refund Re-issue Request:

Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Click on 'My Account' menu and click 'Service Request' link.
Step 3	Select the 'Request Type' as 'New Request' and Select the 'Request Category' as 'Refund Reissue'. Click 'Submit'.
Step 4	Details such as PAN, Return Type, Assessment Year (A.Y), Acknowledgement No, Communication Reference Number, Reason for Refund Failure and Response are displayed.
Step 5	Click 'Submit' hyperlink located under 'Response' column. All the Pre-validated bank accounts with status validated/validated and EVC enabled will be displayed.
Step 6	Select the bank account to which the tax refund is to be credited and click 'Continue'. Details such as Bank Account Number, IFSC, Bank Name and Account Type are displayed for the taxpayer to cross verify the same. Note : If the taxpayer does not have any Pre-validated bank accounts, then the taxpayer is directed to Pre-validate bank account Screen. In this screen the tax payer should enter all relevant details of the bank account where he intends receive refund and click on 'Pre-validate' button to proceed with the request submission. After this Account is Pre-validated by the concerned bank, the bank account will be automatically considered for refund re-issue. This account will now be displayed under Pre-validated bank accounts in the e-filing portal. In case the Pre-validation of account fails, then the same will be communicated to the taxpayer by CPC. The taxpayer is required to resubmit the request for refund re-issue/Pre-validation of bank account.
Step 7	Click 'OK' in popup if the details are correct and the options for e-Verification appears in the dialogue box. Choose the appropriate mode of e-Verification, Generate and enter Electronic Verification Code (EVC)/Aadhaar OTP as applicable to proceed with the request submission.
Note	If Digital Signature Certificate (DSC) is registered in the profile, generate the signature file by downloading the 'DSC Management Utility' and upload the same to proceed with the submission.
Step 8	A success message will be displayed confirming the Refund Re-issue request submission.
Step 9	To View the status of submitted Refund Re-issue, Click here to know more

6.17.19. Certificate of Appreciation

From AY 2016-17, ITD has started issuing certificate of appreciation for eligible taxpayers who have cleared their entire liability, have no outstanding tax liabilities and had filed their returns electronically in the prescribed time.

6.17.19.1. Perform the following steps to view the certificate of appreciation

Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in	
	PAN or TAN of the reporting entity	
Step 2	Go to the 'My Account' menu located at upper-left side of the page -> Click 'Certificate of Appreciation'	
Step 3	If taxpayer wants to request to resend the certificate of appreciation, perform the following steps.	
	Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
	Step 2	Go to the 'My Account' menu located at upper-left side of the page ⇒ Click 'Service Request' ⇒ Select the 'Request Type' as 'New Request' and Select the 'Request Category' as 'Certificate of Appreciation' ⇒ Click 'Submit'
	Step 3	Select Assessment Year from the dropdown list ⇒ Click Submit

6.17.20. Service Request- Change ITR Form Particulars

After upload of the ITR, if any change occurs in taxpayers Bank Account, Address, Mobile number and e-mail id, then taxpayer can update these changes through 'Change ITR Form Particulars'. Any update can be made only prior to processing of the return.

6.17.20.1. Perform the following steps to change the particulars in the submitted ITR Form:

Step 1	Logon to the 'e-filing' Portal www.incometaxindiaefiling.gov.in	
Step 2	Go to the 'My Account' menu located at upper-left side of the page ⇒ Click 'Service Request' ⇒ Select the 'Request Type' as 'New Request' and Select the 'Request Category' as 'Change ITR Form Particulars' ⇒ Click 'Submit'	
Step 3	Enter 'Acknowledgement number' of ITR and provide the necessary details ⇒ Click 'Submit'	
Step 4	To View the status of submitted form, Click here to know more	
	Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
	Step 2	Go to the 'My Account' menu located at upper-left side of the page ⇒ Click 'Service Request' ⇒ Select the 'Request Type' as 'View Request' and Select the 'Request Category' as 'Change ITR Form Particulars'
	Step 3	Click 'Submit'
	Step 4	Click the 'Transaction ID'

6.17.21. Permanent Account Number (PAN) is a ten-digit alphanumeric number, issued in the form of a laminated card, by the Income Tax Department, to any "person" who applies for it or to whom the department allots the number without an application.

6.17.22. Aadhaar is a 12-digit unique identity number that can be obtained by residents of India, based on their biometric and demographic data. It is issued by the Unique Identification Authority of India (UIDAI).

6.17.22.1. Linking Aadhaar with PAN is Mandatory for filing the Income Tax Returns. On Linking the Aadhaar with PAN, the Taxpayers can also generate Aadhaar OTP to e-Verify their Income Tax Returns and Forms. e-filing portal facilitates the taxpayers to link their Aadhaar with PAN by following the below steps.

6.17.23. e-Proceeding - Plan for Paperless Proceeding

6.17.23.1. e-Proceedings is an electronic platform for conducting proceedings in an end-to-end manner. It is introduced by the Income tax department, to bring about transparency and efficiency in the income tax related proceedings. All the notices/intimations/letters from the department are made available under e-Proceedings where the assessee would be able to view and submit the response along with attachments by uploading the same on e-Filing portal.

6.17.23.2. Who can respond to an e-Proceeding?

The Assessee who received the notices/intimations/letters from the department can respond to the e-Proceeding on their own in the e-Filing portal by following few simple steps.

Or

The Assessee can assign an authorized representative in the e-Filing portal to respond to the notices/intimations on their behalf.

6.17.23.3. Steps to view and respond to an e-Proceeding by self.

Step 1	Logon to 'e-Filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Post login, click on the 'e-Proceeding' menu and click 'e-Proceedings' link.
Step 3	Details of Proceedings related to Self, such as PAN, Assessment year, Proceeding Name, Proceeding Status, Proceeding Limitation Date, Proceeding Closure Date and Action.
Step 4	Click on the 'Proceeding Name' hyperlink of the appropriate proceeding to view notice details.
Step 5	Additional details such as Notice/Communication reference ID, Notice u/s, Description, Issued On, Document Id, Served On, Response Due date and Response are displayed.
Step 6	To view the details of the notice, click on the 'Notice/Communication reference ID' link and to submit your response against that particular notice, click on the 'Submit' link under the 'Response' column.
Step 7	Upon clicking on submit, a new page is opened where the Proceeding Name, Document Reference Id and Notice Section are pre-filled. Select the 'Response Type' from the dropdown (Partial Response/Full Response). Enter the 'Response/Remarks' in text box not exceeding 4000 characters. Select the 'Attachment Description' from the dropdown and attach the supporting scanned documents in PDF/Excel/CSV format, Read and tick on the declaration and click 'Continue' to proceed further.

Note:	<ul style="list-style-type: none"> • Maximum of 10 attachments can be submitted in a single response submission and any number of submissions can be made in response to a single notice/intimation/order. Maximum size for each attachment should not exceed 10 MB. • If number of document exceeds ten in number, kindly prefer multiple submission in response to the notice by choosing the response type as "Partial Response". In case of multiple partial response is made, while submitting the last of the partial response, the response type be chosen as "Full response" so as to indicate that you have nothing further more to submit in response to the notice. • The File name of the attachment should not contain any special characters other than - (hyphen) or _ (underscore).
	<ul style="list-style-type: none"> • In case, the notice is related to Sec 142(1) [Calling of return]/148/153A/153C, upon click of submit, the assessee shall be re-directed to 'e-File->Income Tax Return' page, where he/she can upload the Income Tax Return.
Step 8	The Submission can be e-Verified using Electronic Verification Code (EVC) / Aadhaar OTP / Digital Signature Certificate (DSC) if applicable.
Step 9	A success message will be displayed confirming the submission of response.

6.17.23.4. Steps to Assign an Authorized Representative for responding to an e-Proceeding.

Step 1	Logon to 'e-Filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Post login, click on the 'e-Proceeding' menu and click 'e-Proceedings' link.
Step 3	A new page will appear showing the details of the notices (if available) such as PAN, Assessment year, Proceeding Name, Proceeding Status, Proceeding Limitation Date, Proceeding Closure Date and Action.
Step 4	Click on 'Add/View Authorized Representative [AR]' hyperlink available under the Action column.
Step 5	Select the 'Authorized Representative Type' from the dropdown. An Authorized representative can be a
	• Chartered Accountant
	• Related Person
	• Employee
	• Officer of a Scheduled Bank
	• Any Legal Practitioner
	• Person who has passed Recognized Accountancy Examination • Person with prescribed Education qualification • Income-tax Practitioner or others qualified practitioner as per section 288
Step 6	If the representative is a Chartered Accountant, then enter the 'Membership Number' and for other representative types enter the 'PAN'. All the other fields such as Name, Mobile and e-mail will be auto populated (masked). Click the 'Add Authorized Representative' button. A dialogue box with registered mobile number and email ID will be displayed to the user. Click 'Confirm' button to receive the OTP in the registered mobile number and email ID.
Step 7	<ul style="list-style-type: none"> • A six digit OTP will be sent to your registered mobile number and registered email ID. • Enter the six digit OTP --> Click 'Validate' to complete the request submission.

Step 8	A Success message will be displayed confirming the request submission.
Note:	After submitting, an alert message will be sent to the Authorized Representative's e-mail ID and mobile number intimating that a request has been raised.

6.17.23.5. Steps for the Authorized Representative to Accept or Reject the request.

Step 1	Logon to 'e-Filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Go to 'Worklist' tab --> Click 'For Your Action' hyperlink.
Step 3	Click 'e-Proceeding Worklist'.
Step 4	Click on the 'Accept/Reject' hyperlink available under the Action column.
	To Accept the request:
Step 5	Click on 'Accept' and Attach the PDF copy of notarized Power of Attorney (POA) received from the assessee, Read and click on the declaration on accepting the request and click on Accept button. e-Verifying the acceptance through EVC or DSC is mandatory.
Step 6	To Reject the request:
	Click on the 'Reject' and Enter the 'Remarks'.
Note	The Authorized Representative should either accept or reject the request within 7 days from the date of raising the request.

6.17.23.6. Steps for the Authorized Representative to view and respond to an e-Proceeding

Step 1	Logon to 'e-Filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Post login, click on the 'e-Proceeding' menu and click 'e-Proceedings' link.
Step 3	Details of Proceedings related to Other PAN/TAN such as PAN/TAN, Name of the Assessee, Assessment Year/Financial Year, Proceeding Name, Proceeding Status, Proceeding limitation date and Authorized Representative status are displayed to the user.
Step 4	Click on the 'Proceeding Name' hyperlink of the appropriate proceeding to view notice details.
Step 5	Additional details such as Notice/Communication reference ID, Notice u/s, Description, Issued On, Document Id, Served On, Response Due date and Response are displayed.
Step 6	To view the details of the notice, click on the 'Notice/Communication reference ID' link and to submit your response against that particular notice, click on the 'Submit' link under the 'Response' column.

Step 7	Upon clicking on submit, a new page is opened where the Proceeding Name, Document Reference Id and Notice Section are pre-filled. Select the 'Response Type' from the dropdown (Partial Response/Full Response). Enter the 'Response/Remarks' in text box not exceeding 4000 characters. Select the 'Attachment Description' from the dropdown and attach the supporting scanned documents in PDF/Excel/CSV format, Read and tick on the declaration and click 'Continue' to proceed further.
Note:	• Maximum of 10 attachments can be submitted in a single response submission and any number of submissions can be made in response to a single notice/intimation/order. Maximum size for each attachment should not exceed 10 MB.
	• If number of document exceeds ten in number, kindly prefer multiple submission in response to the notice by choosing the response type as "Partial Response". In case of multiple partial response is made, while submitting the last of the partial response, the response type be chosen as "Full response" so as to indicate that you have nothing further more to submit in response to the notice.
	• The File name of the attachment should not contain any special characters other than - (hyphen) or _ (underscore).
	• In case, the notice is related to Sec 142(1) [Calling of return]/148/153A/153C, upon click of submit, the assessee shall be re-directed to 'e-File->Income Tax Return' page, where he/she can upload the Income Tax Return.
Step 8	The Submission can be e-Verified using Electronic Verification Code (EVC) / Aadhaar OTP / Digital Signature Certificate (DSC) if applicable.
Step 9	A success message will be displayed confirming the submission of response.

6.17.23.7. Steps to view the response submitted by self and Authorized Representative to an e-Proceeding.

Step 1	Logon to 'e-Filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Post login, click on the 'e-Proceeding' menu and click 'e-Proceedings' link.
Step 3	Details of Proceedings related to self and details of proceedings related to other PAN/TAN will be displayed separately.
Step 4	Click on the 'Proceeding Name' hyperlink of the appropriate proceeding to view notice details.
Step 5	Click on the 'View' link under the 'Response' column to view the details of the response submitted.

6.17.23.8. Best Practices for Scanning the Supporting Documents .

Scan Settings

- Set the Scan Clarity to at least 300 DPI.
- Choose the format of saving the document as PDF and name the document appropriately.
- Scan the document in Black and White only.
- Please ensure that the document is not password protected.

Scanning Source Documents

- Scan only the original document
- Ensure that the document size is A4 or letter size only.
- If there are multiple pages, kindly scan all the pages into a single file and ensure that the final size of the PDF does not exceed more than 10 MB.

To avoid poor quality

- Please ensure the original Document that is being scanned is clear and not faded.
- If the documents are handwritten, please ensure that it is clear and legible
- Please ensure documents are Free from ink bleeding or smudging.

6.18. FAQs of Inwarding of Information from e-filing

6.18.1. What types forms will be in warded from e-filing to CPC?

Ans: E- returns and statutory forms will be in warded from e-filing to CPC on daily basis.

6.18.2. Is any other form(s) inwarded from e-filing to CPC?

Ans: Apart from e-returns and statutory forms, e-filing forwards the following forms to CPC:

- a) Rectification applications filed by taxpayers.
- b) Responses to Defective returns from taxpayers, provided by them in e-proceedings module.
- c) Responses to Notice u/s. 143(1)(a) (Prima Facie Adjustment), provided by them in e-proceedings module.
- d) Responses to Outstanding demand, either in response to Intimation u/s.245 or voluntarily.
- e) e-Nivaran grievances filed on the e-filing website.
- f) Refund reissue requests.
- g) Forms filed by taxpayers that are used to processing of ITR.
- h) Changes to profile like mobile no., email ID, etc.

6.18.3. What is the in-warding procedure for Original and revised return from e-filing to CPC?

Ans: If a revised ITR is filed, such ITR is also in warded to CPC from e-filing on daily basis.

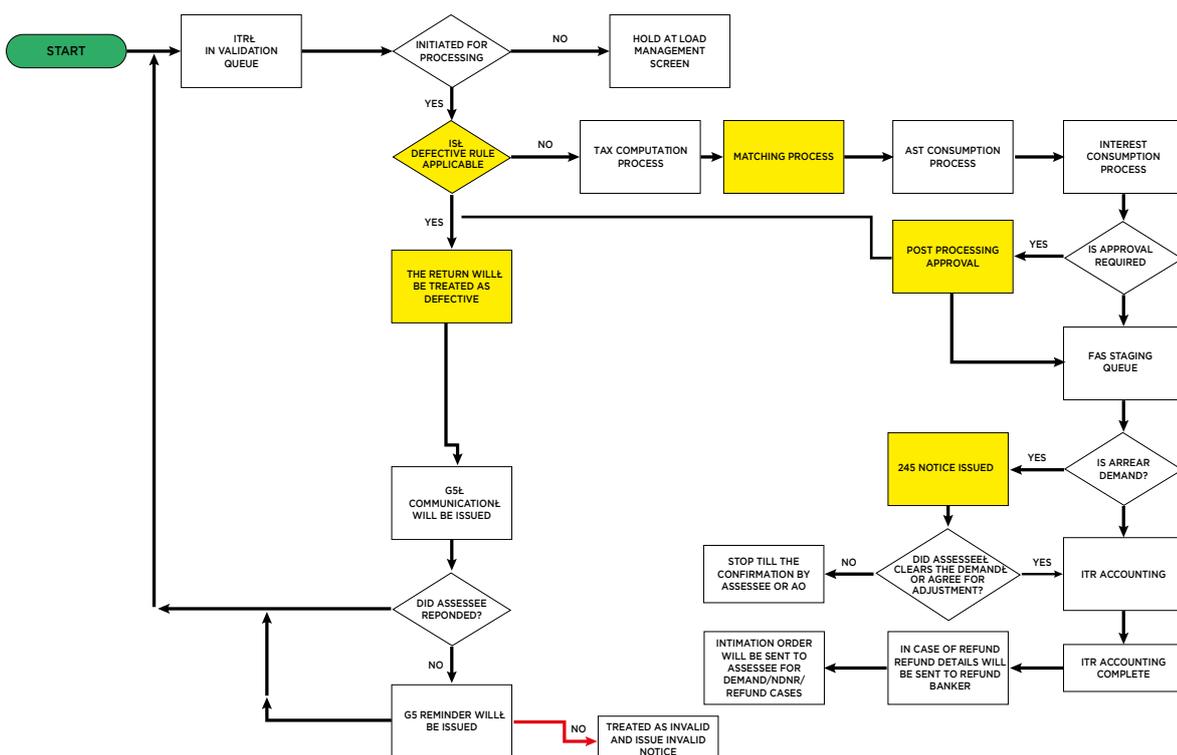
- a) If the original ITR is not yet taken for processing, the corresponding original ITR is marked as closed, however the date of filing is considered for treatment of revised ITR.
- b) If the original ITR is taken for processing and is in progress, such ITR is removed from the processing queue and revised ITR is taken for processing and consideration is given to date of filing of original ITR.
- c) If the original ITR is already processed and intimation is issued, then the revised ITR is taken for processing by reversing the tax credit information used in computation for the original ITR.
- d) If the refund that is arising out of processing of original ITR is in progress, revised ITR is considered for processing only after such refund is either paid or unpaid.

CHAPTER 7

PROCESSING OF RETURNS

7.1. Returns e-filed by the tax payers through e-filing website will be stored in the e-filing database. All returns which are successfully e-verified will be directly taken up for processing at CPC. If the taxpayers opt to send the ITR-V for verification of ITR, the verification is complete only after such ITR-V is received and validated at CPC. The validated returns are loaded to CPC database once TB table details are inwards from e-filing database. Post validation of ITR, if such ITR is required to be transferred to AO due to CASS or any other reason, the ITR is transferred to AO for initiation in ITBA. A communication is sent to taxpayer in such cases informing about the transfer of ITR to Jurisdictional AO. ITRs remaining with CPC after checking for transfer to AO are taken for processing at CPC. There is change to system and in next version of handbook, the process adopted in IEC 2.0 will be provided.

7.2. Flow chart of the Processing of ITR at CPC for CPC Processed ITRs:



7.3. The Processing of ITR involves the following processes (as automated run) that are listed below (explanation of each process is provided after the list):

1	Ready for processing (after verification of ITR)
2	Initiation for processing
3	Defective return check and process
4	Aggregate tax liability calculation by application of Income Tax Act/Rules
5	Tax credit matching process
6	AST consumption marking for OLTAS challans
7	Prima Facie Adjustment u/s.143(1) (AY2017-18 onwards)
8	Matching failed cases reconciliation with TRACES
9	Demand/Refund approval process (statutory requirement)
10	Refund Cases check for demands outstanding yet to be inwards to CPC
11	Tax on Regular Assessment -Minor Code 400 challan - consumption
12	Processing completed-ready for accounting
13	Accounting process completed
14	Fraudulent TAN/PAN process
15	Corrected Return u/s.139(9) Process
16	Transfer of ITR to AO
17	Unprocessed and closed ITRs (in case of multiple ITR for an AY)
18	Abandon in progress, Completed for reprocessing of ITR
19	Abort and close of ITR for loading of revised ITR or reprocessing of ITR

7.4. Step by Step Process explanation:

Step 1: Loading of ITRs for processing:

1. ITRs that are ready for processing are loaded upon authorization using a load management screen.
2. There is facility to hold the ITRs at particular stage of processing, that is required during the initial testing of ITRs. This facility is used to manage the quality control checks and other risk related checks. Similar feature is provided in IEC 2.0.

Step 2: Initiation for processing

1. ITRs after loading undergo validation checks on the information in the ITR, in automated manner using business rules.
2. Data input error cases do not continue further processing, these cases are examined and fixed by the further movement. Ex. Data input error: No. of characters in a field exceeding a given no., special character in the data in the field along with number or alphabets due to incorrect utility used by taxpayer.

Step 3: Defective return check and process

1. All ITRs successful at the validation check point are taken for check on defects in the ITR within the scope of Section 139(9). Business rules are framed in this regard at Form Type level and Assessment Year wise and all ITRs are checked at this stage. ITRs passing this stage are taken for next level of processing. ITRs with defects are halted from moving to next stage at this stage for curing of defect by taxpayers.
2. Notice is issued u/s.139(9) to taxpayer by an email, informing the defect noticed in the ITR along with a probable resolution for curing the defect. The taxpayer can choose to either file a corrected ITR or give a written response on the defect on the e-filing portal.
 - I. If corrected ITR is filed, it will be again taken for processing as fresh ITR after terminating the processing of the defective ITR. Corrected ITR will replace the defective ITR.
 - II. If a written response is provided, the response is examined by the ITD Officers and based on direction of Officers, the response of the taxpayer is either rejected or accepted. If the response is accepted ITR will be moved for further processing. If response is rejected, the taxpayer is intimated about the rejection with reason for rejection and further time is provided for correcting the defect.
 - III. 15 days' time is given for curing defect as per section 139(9) of the Act, by an email and written communication. If no response or corrected ITR is received within the said time a reminder is issued to taxpayer to cure the defect giving another 15 days' time by an email. If still there is no response, a second reminder is issued giving another 15 days' time by an email (Note. Only if there is sufficient time to process the ITR, if time is insufficient the reminders are restricted and timeline is changed appropriately).
 - IV. If no response is received from taxpayer, the ITR is invalidated and a communication to this effect is sent to taxpayer by an email as well as printed communication by speed post.

Step 4: Aggregate tax liability calculation process

1. All ITRs passing through defective rules check as mentioned above, are taken for tax computation process where the income is recomputed by application of the business rules, losses claimed, MAT Credit, deductions claims are verified based on the recomputed income. The Total Income is determined by the system and tax computation on total income is completed.
2. This is controlled by automated jobs and do not require manual intervention.

Step 5: Tax credit matching process

1. The claim of tax credit by way of TDS, TCS and OLTAS payments made in the ITR are verified with information received from the OLTAS and TRACES systems that are available in CPC FAS.
2. The ITRs where the claim in ITR for OLTAS challans matches fully with the information from OLTAS system are moved for further processing.

3. The ITRs where the claim in ITR for TDS/TCS credit matches fully with the information from TRACES system as available in CPC FAS are moved for further processing.
4. If there is any mismatch of tax credit, the ITR is moved to an exception queue for verification with respective systems.
5. This is controlled by automated jobs and do not require manual intervention.

Step 6: AST/ITBA consumption marking for OLTAS challans

1. The Challan consumed by CPC for processing of ITR that are matched are marked in a common table between ITBA/AST and CPC as 'consumed' by marking a flag in this regard. This is to block using of challan for any other processing in ITBA/AST in case any paper return is also filed.
2. This is controlled by automated jobs and do not require manual intervention.

Step 7: Prima Facie Adjustment u/s.143(1) (AY2017-18 onwards) (Adjustments u/s. 143(1)(a)(i) to (vi) for AY17-18 & 143(1)(a)(i) to (v) for AY 18-19, 19-20)

1. After determination of tax liability and interest, the following comparisons with the information in ITR vis a vis information in Form 3CD/CE, etc., Form 26AS, are made for AY2017-18:
 - i. Arithmetical errors if any noticed in schedule within the ITR.
 - ii. Inconsistent information within the ITR (from one schedule to another schedule).
 - iii. Information in Schedule CFL where date of filing of ITR for brought forward loss is claimed is verified with actual date of filing with information in CPC or ITBA (wherever ITR is filed for that period)
 - iv. Information of claim for deductions as per Part C of Chapter VIA are compared between respective schedule and summary of deductions.
 - v. Information provided in Form 3CD/CE, etc., to verify if expenditure disallowed as per Audit is also disallowed in ITR, if not, adjustment will be proposed taking higher of two values.
 - vi. Information of gross receipts/income in Form 26AS is compared with income/gross receipts offered in ITR for taxation.
2. For AY 2018-19 onwards, the provisions of section 143(1)(a)(i) to (v) will apply.
3. If any variance is noticed, a notice u/s. 143(1) is issued to taxpayer giving details of variance and also publishing the same in e-proceedings module of e-filing, giving an option to taxpayer to revise the ITR or provide response.
 - I. If revised ITR is filed, same is taken for processing as if a fresh ITR.
 - II. If response is provided, same is examined and either accepted or rejected.

- a) If accepted, ITR is processed without proposed adjustment.
 - b) If rejected, a notice of rejection is sent to taxpayer to file revised ITR giving an additional time frame of 30 days’.
4. If no response or revised ITR is received with given time ITR is processed by making proposed additions.

Step 8: Matching failed cases reconciliation with TRACES and OLTAS

1. During the matching process if there is a mismatch between Tax payments claimed in Income Tax Return and credits available in the CPC FAS (as explained in Step 5), records are held in exception queue. The mismatch would be as follows:
 - a) The Tax credit claimed in ITR is greater than the collections available in CPC FAS Accounting system
2. Below internal checks are done for reconciliation / confirmation of the mismatch: -
 - a) Whether inwarding is pending from CPC-TDS.
 - b) Whether any receipts / challans files are errored out while inwarding from CPC TDS / OLTAS to ETL staging.
 - c) Whether receipts / challans files are inwarded to CPC FAS Staging.
 - d) Whether receipts / challans files are errored out while posting to CPC FAS Staging.
3. If the claim of TDS/TCS is against an invalid TAN, ITR is taken for further processing.
4. Mismatch details at a PAN level is shared to CPC-TDS on daily basis for confirmation about the availability of additional credit for the PAN/ TAN AY in TRACES. If credits are available, same is re-pushed and re-matching of mismatch records is initiated every 3 days. Once confirmation and additional receipts feed is received, record will go for re-matching post inwarding of pending receipts / challans and full credit is allowed and ITR is further processed.
5. In case, such additional credits are not available in TRACES, the ITR is processed with mismatch. After completion of processing, details of mismatch are shared as an annexure along with intimation, to help taxpayer know the exact reason for mismatch and use the information for rectification.
6. In case of OLTAS challan mismatch, internal check is done to verify if there are any errors in inwarding. If there are errors, same is cleared and matching is completed. If no error in inwarding is found, ITR is processed with mismatch. A mismatch report giving details of mismatch is provided as an annexure to the intimation.

Step 9: Demand/Refund approval process

1. Post processing of ITR and completion of aforesaid steps, all ITR are checked post processing check, to examine the business rule application and for moving the cases for refund/demand approval as per the

instructions in this regard. Cases which meet the criteria for approval are moved to exception queue for the purpose of approval by competent authority.

2. All cases in this exception are verified, categorised and examined to verify the claim in ITR leading to refund over a threshold and approval for the same.
3. This process is used to expedite approval of processed ITR by ITD as it is done bulk and sample basis.
4. Based on the variance data analysis, respective Form-type wise approvals are provided by the ITD officer for completion of processing of ITR if no issues in business rule application is found.
5. If during the examination of processed output, any issue with computation is found, such records are excluded from the approval process and a change to business rule to correct the computation is initiated. The excluded ITRs will be kept in abeyance till the deployment of modified business rule. Post deployment of modified business rule, ITR is reprocessed with such rule and if processed output is meeting the requirements, the ITR will be approved for completion.
6. This process helps in taking action on the records having inconsistency in the computation or in the compliance of the Income Tax Act in consultation with ITD Officers.
7. Post ITD Officers' approval, a CSV file is created and Officer will upload the same in the system. In some cases, the cases are taken in print and signature is obtained from Officer and kept for record purpose with ITD.
8. Once ITD Systems team receives hard copy and soft copy(MOM) of FTA file containing approved list of ITR, they will move the records from status 46 for accounting.
9. The following is chart showing the action that is taken by ITD Officers at CPC with respect cases in the approval queue.

Step 10: Refund Cases check for demands outstanding yet to be inwarded to CPC

1. If the ITR results in refund after computation, a check is made to find out if all demands (if any) for the PAN are inwarded at CPC FAS and are available for adjustment after the Section 245 process. At this stage, if any demand is pending inwarding, ITR is kept on hold to inward the demand into CPC FAS and such ITR is released as soon as demand is inwarded.
2. This is controlled by automated jobs and do not require manual intervention.

Step 11: Tax on Regular Assessment –Minor Code 400 challan - consumption

1. If there is tax payment under minor code 400, that is consumed for processing at CPC, and taxpayer subsequently claims a refund out of such payment under minor code 400, the record is taken for approval by ITD officer. This process is usually applicable for revised ITRs and rectifications.

2. Based on case to case basis, ITD officer will either allow the refund to issue from such payment or reject the consideration of such payment for refund computation. Post approval the ITR is taken for further processing.

Step 12: Processing completed-ready for accounting

1. ITR processing by way of computation completed will be ready for accounting. Before accounting the ITR, quality checks are performed to ensure that processing is complete and accurate. Also risk related checks are handled at this stage, wherein all refund cases above a threshold await a risk confirmation from Project Insight. Only refunds approved by Project Insight above this threshold are released for accounting and completion.
2. All ITRs are loaded to processing to stop at this stage for quality check and risk mitigation. And cases passing the quality and risk aspects are taken for accounting and completion.
3. List of ITRs that can be accounted are released using a user interface on a daily basis and even multiple times in a day.

Step 13: Accounting Process Completed

1. ITRs released after computation for accounting are accounted in CPC FAS. The tax, interest and income are accounted in respective heads, the tax credits are consumed towards tax liability which may result as NDNR, Demand or refund. Different processes are involved after accounting of ITR is completed and same is explained below:
2. Refund Cases: Once accounting is completed for refund cases, refund outward is run by sharing refund advice to refund banker through OLTAS after verification of bank account no. with NPCI, or using the prevalidation done at the e-filing end.
 - a) From 1/3/2019 all refunds are required to be issued only by ECS mode of transfer to taxpayer.
 - b) Refund will be sent to refund banker and post this intimation u/s.143(1) is sent to taxpayer.
 - c) TDS on refund interest if any in case on NRI is deducted at this stage and remitted to ITD via refund banker. TDS certificate is issued to taxpayer after filing of quarterly returns in TRACES by email.
 - d) Interest u/s. 244A is calculated at this stage taking into consideration delay attributable to taxpayers (if any).
 - e) Intimation u/s. 245 is issued wherever there are demands and refund is kept on hold. However, if refund is less than Rs.5,000/- or outstanding demand is less than Rs.5000/- this process is skipped to minimise taxpayer grievances as per the risk management policy defined by the Board. The taxpayer is required to confirm the demand or disagree with demand on e-filing portal.
 - If taxpayer agrees to the outstanding, as and when any refund is available, RO adjustment is completed at the time of accounting itself and adjustment information is provided in the Intimation u/s.143(1) or 154 as the case may be.

- If taxpayer disagrees with the demand, a communication is sent to AO by email by CPC, seeking AO's intervention. AO can examine the reason for disagreement and either agree with taxpayer by passing appropriate order to rectify the demand or disagree with reason provided by the taxpayer.
 - Wherever AO disagrees with the reason provided taxpayer and demand is confirmed as correct and collectible, same is considered by CPC and refund is adjusted.
 - Frequent reminders are issued to AO within 30 days from date of disagreement to impress up AO to verify the demand.
 - If the taxpayer doesn't respond within 30 days of receipt of intimation u/s 245, it is deemed that the taxpayer has no objection for adjustment of refund against the outstanding demands.
3. NDNR cases: Once accounting is completed as NDNR, intimation u/s. 143(1) is sent to taxpayer by email.
 4. Demand Cases:-If processing results in demand, demand is shared in the AO portal and added to Demand repository for follow-up and application of tax paid on regular assessment as and when paid.
 - a) Intimation is sent in printed mode for demand cases by speed post.
 - b) E-pay tab is provided in pre-filled challan issued along with intimation to help taxpayer pay the demand by electronic mode.
 5. Post to the accounting process completed, the data which has been processed in CPC needs to be shared with AST/ITBA, through data base tables framed. And the process is said to be "PDT" (Processed Data Transfer).

Step 14: Transfer of ITR to ITBA/AST

1. ITRs in certain scenarios are transferred to AST/ITBA for processing. Currently cases where Relief u/s.90/91 is claimed and cases selected for CASS are transferred to ITBA.
2. A communication along with AO details is sent to taxpayer intimating the taxpayer about transfer of ITR to AO.

Step 15: Unprocessed and closed ITR

1. In case multiple ITRs are filed by a PAN for an AY, then latest ITR (depending upon time limit for filing of ITR) is taken for processing by terminating processing of earlier ITR as unprocessed and closed.
2. No communication is sent to taxpayer as taxpayer has revised the ITR voluntarily.

Step 16: Invalidation of ITR due to taxpayer not curing the defects notified u/s.139(9)

1. As explained in Step 3 in detail, if there is no response to notice/reminders of Section 139(9) process, the ITR is invalidated.
2. Communication will be sent to taxpayer, intimating that the given ITR is invalidated by email as well as written communication.

Step 17: Abort and close of ITR for loading of revised ITR or reprocessing of ITR.

1. In certain circumstances the ITR is processing is aborted and closed to facilitate proper application of business rules. This is done to give effect to new/modified business rule, patch updation shared by e-filing etc.,

7.5. FAQs on Processing of ITR

7.5.1. Queries related to ITR Filing at e-filing stage.

7.5.1.1. Deduction(s) u/c VI-A is not allowing?

Ans. Deduction u/c VI-A may not be allowed maybe because there is no Income being offered in the Return. Please fill the details of all Income and then proceed to fill deduction(s) u/c VI-A. The same shall be allowed up to the maximum eligible amount(s).

7.5.1.2. Unable to fill the details in Schedule FA or Schedule FA is greyed out in ITR?

Ans. Select the appropriate option from the dropdown in sheet Part B-TI-TTI at serial number 19, select as "Yes" to proceed further. (Check the applicability).

7.5.1.3. Unable to claim benefits U/S 80 TTA/TTB not enabled in Chapter VI A?

Ans. The deduction u/s 80 TTA and 80 TTB will be applicable as per the DOB/ Residential status entered in the Personal Information sheet. This deduction shall be allowed only if the income has been offered in "Interest from Savings Bank" or/and "Interest from Deposits (Bank/Post Office/Co-Operative Society) in Schedule OS in Return.

For more information refer to instructions for limits on Amount of Deductions as per 'Income Tax Act'.

7.5.1.4. Taxpayer is Unable to claim benefits U/S 80 CCD (2)?

Ans. To claim the benefits u/s 80 CCD (2), kindly select the appropriate option in the utility under 'PART (A) General Information/Personal Info tab > Select 'Nature of employment' in ITR1 & ITR4 and in Schedule Salary in ITR2 & ITR3 to proceed further. The deduction under this section shall be limited to 10% of "Net salary - Value of perquisites as per Section 17(2)"

7.5.1.5. Unable to upload XML file generated by using Excel software, error is reflecting as 'Invalid XML Please generate XML again using the latest utility'?

Ans. Invalid XML error may arise due to the following reasons,

1. The taxpayer might have altered or edited the XML file generated from the ITR utility before uploading the same to the Portal.
2. The taxpayer might have generated the XML file from the older version of ITR utility.
3. In the case Excel utility, the PC used for generating the XML in which the .Net 3.5 frame work might have not installed or not enabled.

To install the .Net 3.5 Framework please visit the link provided (<https://www.microsoft.com/en-in/download/details.aspx?id=21>)

To enable .Net Framework Go to Control Panel ⇒ Programs ⇒ Programs and Features ⇒ Turn Windows features on or off ⇒ Select the .NET Framework 3.5 (includes .NET 2.0 and 3.0) check box, select OK and Restart the System and the generate the XML afresh.

The XML file uploaded to the portal must be generated from the latest version of ITR utility available in the e-filing Portal.

7.5.1.6. Unable to claim the whole donation amount claimed in 'Donation in cash' in 80G section?

Ans. Deduction u/s 80G shall auto-populate from Schedule 80G provided in the utilities To claim the same user needs to fill Schedule 80G. Moreover the limit for Donations in Cash is Rs.2000/- (Two thousand Rupees only), so if the amount in Donation in Cash exceeds Rs.2,000 the same is not eligible for deduction. If you have paid donations in other modes kindly enter the details in appropriate cells for claiming eligible amount of donation in returns of income for A.Y 2019-20.

7.5.1.7. Invalid Aadhaar OTP while entering to e-verify the income tax return?

Ans. You are requested to retry after sometime by generating the fresh Aadhaar OTP and proceed further. Or Kindly contact the UIDAI Helpdesk at 1947 for Aadhaar OTP related issues. Alternatively, you may e-Verify the income tax return through options given below: Login to e-filing through Net Banking/EVC through pre-Validating Bank Account/EVC through pre-Validating Demat Account/EVC through Bank ATM.

For more information, kindly go through the HELP option provided in e-filing website www.incometaxindiaefiling.gov.in. Help > Taxpayer > e-Verification > e-Verification options.

7.5.1.8. Unable to open the EXCEL utility and buttons are not working?

Ans. Download the required form from e-filing www.incometaxindiaefiling.gov.in Main Screen > Downloads > Offline Utilities > Click on Income Tax return Forms > Download the required form > extract the downloaded ITR in a folder > open the excel utility > enable protected view and macros button found on the top ribbon bar. Note: Follow the given steps to enable the macros:

For MS-Office 2003 Go to Tools > Macros > Security > Select Low or Medium, save the excel-utility and re-open it.

For MS-Office 2007 Go to Excel Options > Trust Centre > Trust Centre Settings > Macro Settings > Enable all macros and Go to Excel Options > Trust Centre > Trust Centre Settings > Active X Settings > enable all controls without restriction and without prompting Save the excel-utility and re-open it.

For MS-Office 2010 and 2013 When you open the Excel Utility, the yellow Message Bar appears with a shield icon and the Enable Content button. Click on the Enable Content to enable the macros.

7.5.1.9. Unable to Link Aadhaar with PAN due to profile mismatch and unable to file the income tax return?

Ans. The mentioning of the valid 12 digit Aadhaar number/ 28 digit Enrolment ID [for those who are yet to get Aadhaar but enrolled] in the ITR form is made mandatory for filing of returns. ❖ If you have obtained AADHAAR then kindly

enter the 12digit AADHAAR number in the ITR. ❖ If you have not obtained AADHAAR then kindly enter the 28 digit Enrolment ID in the ITR.

7.5.1.10. I have made the tax payments successfully and still the pending tax is showing in Tax Paid Verification sheet?

Ans. You are requested to enter the e-Pay tax payment details (BSR Code, Challan Details etc) manually while filing the income tax return in 'Tax Details' sheet under 'Sch IT - Details of Advance tax and self-assessment tax payments' and proceed further.

7.5.1.11. Unable to Generate XML ITR through Java software error states "Please enter the Date of Filing"?

Ans. Date of Filing need to be entered in CFL Schedule of ITR for successful generation of XML

7.5.1.12. In schedule TR filed Taxpayer Identification Number is not matching with taxpayer identification Number entered in schedule FSI?

Ans. Kindly download latest ITR software and proceed further

7.5.1.13. In Schedule S in Field 3 drop down value of: Sec 10(13A) - Allowance to meet expenditure incurred on house rent" is more than (50% of drop down value of "Basic Salary and Dearness Allowance) or House Rent Allowance" in the Sl. No 1a of all employees of Sch. S or in Sch. S in Field 3 dropdown value of "Sec 10(10AA) Earned leave encashment" is more than dropdown value of "Leave Encashment" in the Sl. No. 1a of all employers of Sch.

Ans. Deduction for House Rent Allowance u/s 10(13A) at Point-3 can be claimed only if the same is offered as Salary Income in "Salary as per Section 17(1)" in "House Rent Allowance". Similarly any Salary exemption claimed u/s 10 should be offered in schedule salary (Salary as per 17(1), Salary as per 17(2) and salary as per 17(3), whichever applicable).

7.5.1.14. Getting error "Amount should be numeric, no negative, no decimal, up to 14 digits" in Schedule Tool 112A/115AD(1)(iii) proviso?

Ans. The amount needs to be entered manually up to two decimal Values.

7.5.1.15. Please fill the amount field at point B or and Point D, if not applicable, enter zeros in Schedule AL?

Ans. If Yes is selected in Point A of AL Schedule than the all the details in Point A needs to be mentioned. Point B, C, D has to be filled accordingly. If No is selected in Point A of AL Schedule than also value has to be mentioned in Point B, C, D.

7.5.1.16. Unable to Select 115H?

Ans. Question related to selection of 115H would be enabled only if the Residential status is selected as "Resident" and Status selected as "Individual".

7.5.2. FAQs on Processing of ITR at CPC

7.5.2.1. What is the manner in which revised return is considered at CPC?

Ans. If both ITRs are before the due date for filing, Revised return is taken based on the latest acknowledgement number of ITR (since it's the latest return) and will be processed. Please take note of the due dates as applicable.

7.5.2.2. Which return will be processed if revised return and Rectification are filed on the same date?

Ans. Revised return will be processed if the time for processing the same is available. Rectification application will be accordingly rejected.

7.5.2.3. When ITR is transferred to AST/ITBA for initiation from ITBA for processing, what is the time required for transfer?

Ans. The transfer of ITR from CPC is done by entering details in a table, that is read by ITBA. As soon as ITBA reads the data, CPC gets an acknowledgement. ITBA will then enable the ITR for processing in ITBA. The entire process should be completed in 2 working days.

7.5.2.4. If the taxpayer is issued notice u/s. 139(9), is any information shared with AO?

Ans. No, only taxpayer is shared with the information. The taxpayer is required to respond to notice by way of corrected ITR, in such cases, the corrected ITR is used for processing. The corrected ITR cannot be transferred to ITBA if there is no requirement to transfer the ITR to ITBA. Only the original/revised defective ITR is transferred to AO.

7.5.2.5. What needs to be done if Processing completed at CPC but details are not visible at AST/ITBA system?

Ans. AO needs to raise the issue to ITBA and communicate the same to CPC.

7.5.2.6. Under what circumstances return will not be processed at CPC?

Ans. CPC is authorized to process all ITRs filed u/s. 139(1) and 139(4) of the Act under section 143(1). If the ITR is to be processed u/s. 143(3) or 144, then AO has to initiate processing from ITBA.

The ITR filed in response notice u/s 142(1), 153A, 153C, 148 of the Act are also required to be initiated by the AO in ITBA for processing at CPC.

7.5.2.7. In TDS restricted due to application of Rule 37BA cases, if prior year TDS is claimed in current FY (income is not offered in this year), what is the remedy?

Ans. In case any return captured as defective rule code as per rule 37BA, CPC will provide an opportunity to the taxpayer to file the corrected return. If taxpayer files corrected return without correcting the defect and again it is captured under same reason, CPC will process the return by restriction of TDS Credit. For the application of rule 37BA in cases where income is offered in prior year but TDS is claimed in another subsequent year, the taxpayer may approach the JAO via email, who can examine the claim of taxpayer and consider the same in rectification. Rectification rights will be transferred to AO based on JAO's request on the ITBA system.

7.5.2.8. Why is the claim for TDS in Schedule TDS 2 for other PAN disallowed?

Ans. In the ITR form, taxpayer has the option to claim the TDS credit as 'Name of others' in schedule TDS 2, by mentioning the PAN of such another person in which TDS credit is deducted as per the Form 26AS of such taxpayer. If the details are filled correctly the claim for TDS is allowed. However, if the schedule is filled incorrectly, then the TDS credit in respect of "others" is specifically disallowed. Taxpayer can seek rectification in such cases with proper details. Taxpayer has the option to claim the TDS credit of earlier years, as 'prior year TDS' in schedule TDS, by mentioning the year in which TDS is deducted in the deducted year column.

7.5.2.9. What are the reasons for disallowance u/s 36(1)(va) of the Act while processing of the ITR?

Ans. The due date for payment of PF/ESI is adopted as per the details of due-date, mentioned in the audit report. The due-dates for these payments are derived from the audit report only.

Further, CBDT Circular No.22/2015 dated 17-12-2015 has clarified the issue with regard to employer's contribution.

7.5.2.10. Whether PFA adjustment proposed is carried out or not, how to know what adjustments are carried out?

Ans. The adjustments proposed in the notice u/s. 143(1)(a) of the Act will be made to the ITR, if the response (if any) provided is not accepted or if no revised ITR is filed within the time provided in the notice. All the details of the adjustments made to the ITR are provided along with the Intimation as an annexure.

7.5.2.11. Whether response to notice u/s.143(1)(a) is considered by CPC and how is it disposed?

Ans. If taxpayer has provided response via e-proceedings module of e-filing through any text response, such response will be considered based on the record of the taxpayer and appropriate action will be taken by the CPC. If the response is rejected, the rejection is intimated to the taxpayer by way of communication and a further period of 30 days is given to taxpayer to file revised return.

7.5.2.12. Why there is disallowance of relief u/s.90 while processing of the ITR at CPC or ITBA? (with Form 67 or without Form 67)

Ans. Form 67 should be filed along with the return and the claim for relief amount in the ITR needs to be filled correctly. These returns where the claim for relief u/s.90 are claimed, are transferred to the AO for verification and AO has been empowered to allow the claim for foreign tax claim in the ITR in ITBA based on the records available with the AO as per annexures to Form 67 or other records. CPC processes the ITR initiated by the AO with appropriate amount of relief to be considered for processing u/s.143(1) and same is considered by CPC. In cases where AO has allowed the relief claimed in the ITR, same is allowed subject to correct claim in Form 67 and the extent claimed in the form.

7.5.2.13. What is rationale on the basis of which interest u/s. 234 is computed at CPC?

Ans. The processing of ITR at CPC considers the tax credits as available in the Form 26AS and date of payment mentioned therein, for purpose of computation of interest under the provisions of section 234 of the Act along with the information provided in the schedules of the ITR with strict adherence to the Act.

7.5.2.14: What are the reasons for computation of interest/fee u/s.234F?

Ans. Taxpayer who files the ITR after the due date for filing of the ITR u/s.139(1) of the Act is required to pay the fee u/s.234F of the Act. At times when the due date for filing of the ITR is extended on the last day or at very short notice for making changes to processing software, the fee gets levied due to automated rules framed for processing considering the due date before the extension. The cases where the levy of fees u/s.234F is incorrect, the returns are identified and considered for suo motu rectification by CPC. For AY2019-20, there are many extension of due date across India as well as for particular State within the country.

7.5.2.15: Why is claim for relief u/s. 89 not allowed as per the claim in the ITR?

Ans. The relief u/s. 89 of the Act is required to be allowed in comparison with the information in Form 10E at the time of processing of the ITR u/s. 143(1) of the Act. Sometimes taxpayer fails to file Form 10E along with the ITR, hence the claim is disallowed. However, if the Form 10E is filed post processing of the ITR (where claim for relief u/s. 89 is disallowed), such ITR is taken for suo motu rectification by CPC.

7.5.2.16: Why is claim for prior year TDS not allowed in ITR?

Ans. Taxpayer has to claim the TDS credit as 'prior year TDS' in schedule TDS 2, by mentioning the year in which TDS is deducted in the deducted year column as applicable to its case based on the credit available in Form 26AS and records of the taxpayer. The claim for prior year TDS is disallowed at the time of processing of ITR for the following reasons:

- a. The TDS credit for TAN-PAN AY for which TDS is claimed in another is already considered for processing and allowed for another AY.
- b. The TDS credit for TAN-PAN-AY for which TDS is claimed is processed in the legacy system of the Department, hence such credit needs to be allowed by the AO on ITBA system.
- c. The TDS credit claimed is not commensurate with the income/gross receipts offered in the ITR and same is restricted as per rule 37BA r/w. Section 199 of the Act.
- d. The claim in schedules of the ITR are incorrect or the TDS is not available in the Form 26AS for such year mentioned in the ITR.

7.5.2.17: Why are the rights for processing of return still with CPC and not transferred to AO? What are the circumstances under which the rights for processing are transferred to AO?

Ans. The rights for processing of the ITR will remain with CPC as matter of rule. In cases where the ITR is required for further processing under u/s. 154, any other provisions of the Act like 143(3), etc., the rights are transferred to jurisdictional AO by CPC. AO has been provided option to call for rectification rights from CPC in any case by making request in the ITBA system and such requests are completed by CPC in 2 working days. In cases where a specific campaign or circular are issued by CBDT empowering the AO or field formations with specific powers, the rectification rights for such impacted cases are transferred to the AO by CPC in a bulk manner.

7.5.2.18: What are the reasons for disallowance of deduction under chapter VIA while processing of ITR?

Ans. Chapter VIA deductions claimed in the ITR are allowed subject to conditions imposed by the said provisions for deductions and from out of the nature of income that is eligible for such deductions. The deductions may be disallowed due to below reason:

- a. Return is not filed within due date for deductions where Section 80AC is applicable.
- b. Incomplete information is provided in the ITR and respective schedules are not filled.

- c. The head of income offered for taxation does not permit deductions under chapter VIA or restricts to a certain amount which is not in accordance with the claim in the ITR.
- d. The claim is made in summary part of the ITR, without filing the detailed schedule (this is due to incorrect utility used by the taxpayer).

7.5.2.19: What are the reasons for disallowance of Section 80G?

Ans. The claim for deduction u/s 80G of the Act requires relevant information in schedule 80G in the ITR as well as other conditions like limiting to adjusted total income post re-computation of the schedules while processing u/s.143(1) of the Act.

7.5.2.20: What are the reasons for disallowance of Section 80TTA?

Ans. Deduction u/s 80TTA (upto Rs.10,000/-) will be allowed only if there is income offered under the head of income 'other sources' in the ITR, and the income is required to be offered in the ITR as received from interest from savings bank account. The claim for interest offered under other sources like interest from fixed deposit, etc. will not be entertained while considering claim for deduction u/s.80TTA.

7.5.2.21: What are the reasons for disallowance of section 80QQB?

Ans. Taxpayer is required to meet the conditions set out under the provisions of section 80QQB, the deduction will be allowed from out of royalty income offered in the ITR for a taxpayer resident in India. Many taxpayers who claim to be non-residents in ITR claim this deduction and same is disallowed, also the claims are made against income from business/profession.

7.5.2.22: What are the reasons for disallowance of deduction section 80GG when HRA is also claimed in ITR?

Ans. In cases where Taxpayer claims deduction u/s 80GG as well as HRA, while processing of the return, any one of the claims will be allowed.

Allowance u/s. 10—basis for the limits in the sections thereunder.

7.5.2.23: Why are claims for brought forward loss adjustment (BFLA) disallowed?

Ans. Claims for Brought Forward Loss Adjustments by taxpayer in the return of income are disallowed due to incorrect filling of information schedule CFL (carry forward loss) of the ITR and claims for ITRs not filed within due date are disallowed.

7.5.2.24: Self-assessment tax(SAT) is paid, why CPC has not allowed the credit for SAT?

Ans. Taxpayer claiming SAT payment is required to fill the details of payment like BSR code, challan number, date of payment of SAT, amount paid in Schedule IT of the ITR.

7.5.2.25: Why demand is shown after payment of regular tax on assessment made under minor code 400?

Ans. If taxpayer has made payment of demand under minor code 400, then the same will be considered against the open demand for the AY and demand will be reduced to the extent of payment. After closure of the demand, interest (where applicable) u/s. 220(2) of the Act is computed and same is required to be paid by the taxpayer for AY.

7.5.2.26: Why are deductions claimed in ITR u/s 80P disallowed?

Ans. To allow the deduction u/s 80P return should be filed within due date and the 80P schedule should be filled correctly and relevant income should be available in the return of income after the adjustment of losses.

7.5.2.27: Taxpayer has responded to defective ITR by providing text response in e-proceedings but ITR is not processed within reasonable time?

Ans. If the response provided by taxpayer in case of defective return is not acceptable, the response is rejected and a communication is sent to the taxpayer. Post which the return will be invalidated after giving sufficient time for taxpayer to file a corrected ITR, as the time limit for filing revised return may not be available. The taxpayer is provided time to file a corrected return till the end of time available for processing of ITR for the AY.

7.5.2.28: Why are losses under head House property disallowed?

Ans. If the taxpayer has claimed loss under the head house property in the ITR but the relevant information (like annual lettable value, flag for let out or self-occupied, etc.) is not provided in schedule HP, the loss will be disallowed.

7.5.2.29: Why is income from Capital gains taxed twice?

Ans. The information provided in the ITR is inconsistent leading to double taxation in certain cases. The section under which income is offered in the schedule of capital gains and section selected in Schedules special income may not be same. Based on the information in the ITR, income is treated as different and both are taxed at the rates selected in the ITR by the taxpayer.

7.5.2.30: Why the addition is made on account of mismatch in turnover as per ITR & as per 26AS in cases where the explanation has been provided that the difference is due to “the deduction of TDS on gross amount including GST and the turnover declared as ITR is excluding of the same”. Why explanation/reconciliation not considered and additions are made?

Ans. While processing of ITR u/s. 143(1), if the gross receipts offered in ITR is not commensurate with TDS claim in ITR, TDS credit is restricted as per rule 37BA r.w.s. 199 of the Act. The taxpayer is required to provide the information in the ITR wherein provision is provided to reflect this difference and make necessary adjustment.

7.5.2.31: While processing the return exempt income has been disallowed. In the ITR-6, schedule BP has been correctly filled and exempt income is reduced in row 5. However, the amount has been disallowed and Demand has been raised due to this?

Ans. In Schedule BP, Income credited to P&L account, which is exempt, is to be reduced and this amount has to be mentioned in the respective schedule (Sch. EI). If there is any inconsistency, the lesser amount, mentioned in Sch. EI, will be taken as the amount to be reduced, in Sch. BP, thus enhancing the business income. Taxpayer is requested to fill the schedule EI correctly with the same amount, as reduced in schedule BP, in order to avoid this disallowance.

7.5.2.32: Why is the claim for deduction u/s.54 of the Act not allowed?

Ans. The taxpayer is required to fill the relevant information in schedule CG under the relevant and applicable placeholder in Schedule CG, often the information is provided in inconsistent manner leading to disallowance. The instruction for filling ITR needs to be adhered to.

7.5.2.33: Why is the income under DTAA taxed incorrectly at CPC? Income earned abroad by a resident in India, being dividends and bank interest was shown in appropriate schedule “computation of income for Non-Residents “ in addition to OS schedule on which pro rata tax was not calculated by ITR2 for A.Y 2019-20 by virtue of DTAA (income was \$ 850) and U.S tax on that was not filled up ; Intimation U/S 143(1) added further sum of same \$850 Indian equivalent and sought taxes therefore-rectification u/s 154 was filed by showing the corresponding U.S Taxes payable at Rs.8953 out of \$ 40000 demanded by IRS on global income which was rejected by CPC as fresh claims- 2 appeals have been preferred by virtue of CPC demand.

Ans. The processing of claim for DTAA has a bearing of the selection of TRC flag in the ITR, often it is noticed that claim is disallowed due to incorrect selection of the flags (Y) and (N). As verified for the given PAN, schedule OS is filled incorrectly by taxpayer (DTAA Income - TRC Flag is N). Hence the income is considered as Normal income and charged at normal rate of tax. Taxpayer is requested to correct the same and file for online rectification.

7.5.2.34: Why is Surcharge computed more?

Ans. Surcharge is computed at the rates applicable for the respective AY, and it is often noticed that taxpayers compute the surcharge at 10% but slab rate is 15%, in such cases, the slab rate as applicable for the AY is applied considering the income and other information in the ITR.

7.5.2.35: Why is there difference in Marginal Relief computation at CPC?

Ans. The marginal relief is computed based on the information in the ITR. The variance could be due to change in method of computation of the same. CPC computation is as per the provisions of the Act.

7.5.2.36: Is filling the relevant schedules will all the information as per ISIN mandatory?

Ans. Vide PRESS RELEASE Dated: 26-09-2020, it is clarified by CBDT that there is no requirement of scrip wise reporting for day trading and short-term sale or purchase of listed shares. The scrip wise details in the return of income for AY 2020-21 is required to be filled up only for the reporting of the long-term capital gains for those shares/units which are eligible for the benefit of grandfathering. The scrip wise details are not required in income tax return forms for AY 2020-21 for computation of capital gains/business income from shares/units which are not eligible for grandfathering. Thus, the main intent behind requiring scrip wise detail is to facilitate the taxpayer in correctly computing the long-term capital gains on these shares/units. Requirement to provide scrip wise information in the income tax return is not unique to India. Internationally also, the taxpayer is required to provide scrip wise information for reporting capital gains. For example, in USA, a taxpayer having capital gains from transfer of shares is required to fill scrip wise details in Schedule-D of Form 1040 - income tax return form in USA.

7.5.2.38: Why tax is computed at Maximum marginal rate, when we are eligible to tax at slab rate?

Ans. In order to compute tax at slab rate in case of AOP/BOI, details of members of AOP/BOI in sch -Partners Info should be filled with Percentage of share against each partner and the sum of percentage of share of all members should be 100%. Since the Partners info schedule is incorrectly filled, the Income was taxed at flat 30% as Maximum marginal rate.

7.5.2.39: In the earlier years AOP/BOI was correctly charged to tax on slabs basis. However, last year (AY 2019-20), tax was charged at 30% flat?

Ans. In case of AOP/BOI, tax is computed at slab rates only if the details of the members of AOP/BOI, in Sch., Partners Info, is correctly filled with the Percentage of share of each member. Further the sum of percentage of share of all members should aggregate to 100%. If the Partners Info schedule is not filled, as above, the Income is taxed at flat 30% rate. To correct the above, taxpayer has to file online rectification after filling the relevant details in Schedule Partners Information 2. In case of Companies, if the Taxpayer chooses 'Turnover /gross receipts in the previous year exceeds 250 crores' Flag as 'Y', then the rate tax applied is @30%.

7.5.2.40: Why is income u/s. 44AE in ITR 4 considered incorrectly?

Ans. The information in the ITR u/s. Schedule 44AE is considered for the calculation of total income based on the data entered thereunder. Often the tonnage and number of vehicles information is provided incorrectly leading to computation of higher income. The instructions for filling ITR 4 needs to adhered to by the taxpayers.

7.5.2.41: In which field the profit or loss should be disclosed in ITR in case of Individuals who have profit/losses from trading in Future/Options during the year?

Ans. Taxpayer can fill the income details in Part P&L in "any other income" column by specifying the nature of income.

7.5.2.42: The assessee, Central University substantially funded by Central Govt., claimed exemption u/s 10(23C)(iiiab) but exemption not allowed during AY 2017-18 and AY 2018-19 while processing by CPC. Now, rectification filed with AO, DCIT Exemptions Chandigarh. Exemption granted in assessment u/s 143(3) during AY 2016-17?

Ans. As Verified for the given PAN, for AY 2017-18 & AY 2018-19, taxpayer has not provided information as to government grants in Schedule VC of the ITR. Hence exemption u/s 10(23C)(iiiab) is not allowed u/s. 143(1) of the Act. Rectification with the information in schedule VC of the ITR along with relevant information may be provided to the AO.

7.5.2.43: In the case of TRUST which are not registered u/s sec, 12AA. gross receipts are taxed without allowing deductions of expenses in ITR 7, why?

Ans. As per Rule 12A where Return has to be filed u/s 139(4A), (4B), (4C) or (4D) only those assesseees have to file return in ITR 7. The Schedules to be filled by each category of person and conditions to be satisfied for claim of exemption. The help document for filing ITR 7 has been sent by email to all persons who filed ITR 7 for AYs 2017-18, 2018-19 and 2019-20.

Taxpayers are requested to file their rectification request to the Assessing Officers.

7.5.2.44: The Assessee is an educational institute and mainly funded by central govt. The income is exempt u/s 10(23C)(iiiab). It is also registered u/s 12AA of income tax Act. We have correctly filled Table 3E-3, More than 70% was Government Grant but Notice u/s 143(1)(a) states that government grant is less than 50%. Further the notice states that Table Part B T-1 has not selected, the exemption of 10(23C)(iiiab) whereas this drop down of this option is not given in this Table. Actually this table is not applicable on such income. The Institute is eligible for both exemption u/s 11 and 10(23C)(iiiab) thus claimed in the Income Tax return. What is the resolution?

Ans. As verified for the given PAN, for AY 2019-20, the taxpayer has claimed same amount of exemption claimed u/s 11 and as well as u/s.10(23C)(iiiab). Exemption u/s 11 has been allowed based on the information in the ITR. The exemption u/s 10(23C)(iiiab) has not been allowed as section under which the claim is made has not been selected in the ITR. The instructions for filing ITR 7 has not been followed by the taxpayer. For AY 2019-20, the instructions to fill ITR 7 are provided and taxpayers are requested to adhere to the same.

7.5.2.45: Why is Cost of acquisition of new asset not allowed, in ITR-7?

Ans. As per details furnished in the return, assessee is registered under section 12A/12AA. In Sch.EC taxpayer has claimed exemption under section 11(1A). This exemption is allowable to the extent of net consideration, on transfer of capital asset. However, net consideration has not been disclosed in Sl. No.8 of Schedule AI. Hence, exemption is not allowed.

7.5.2.46: Why Corpus Donation is being treated as taxable income, in ITR-7?

Ans. Taxpayer is disclosing this corpus donation in Sl. No.(biv) of Schedule Other Sources but is not including the same in Part B-TI. Due to this inconsistent information in the ITR, tax is computed on the income as mentioned in Schedule OS, at the rates applicable to the Status mentioned in the Schedule Part A General of the return.

7.5.2.47: What are the mandatory conditions to allow exemption under section 11 or 10(23C)(iv to via) i.e., in Sl. no 4 of Part BTI in ITR 7?

Ans. The mandatory requirements are as under:

- a) Registration or approval is required u/s 12A/12AA or 10(23C)(iv to via) and Details to be furnished in Schedule Part A General Personal Info.
- b) Audit report in Form 10B for 12A/12AA and 10BB for 10(23C)(iv to via) has to be furnished.
- c) Offer the contribution and income in schedule VC and AI.
- d) Amount applied for charitable purpose is required to be filled in schedule ER, EC.
- e) For claiming exemption through deemed application, it is required to fill details in schedule part BTI and to furnish Form 9A for 12A/12AA.

f) For claiming exemption under section 11(2) in schedule part BTI following conditions to be satisfied for 12A/12AA:

(a) Return should file before due date (As per section 13(9)).

(b) Statement in Form-10 has to be furnished.

(c) Details of amounts accumulated/ set apart should furnish in Schedule I for 10(23C)(iv to via).

7.5.2.48: What are the changes to ITR 7 specific to AY 2018-19?

Ans. The changes specific to Form Type ITR 7 for AY 2018-19 are discussed in the form of question and answers below.

7.5.2.48.1: What are points to be borne in mind while filing ITR 7 and making claim for Exemption claimed u/s 10(23C)(iiiab)/10(23C)(iiiac)?

Exemption claimed u/s 10(23C)(iiiab)/(iiiac) (sr.no.9a/9b) will not be allowed if assessee does not provide Grants received from Government in Schedule VC and that grant should be more than 50% of total receipts.

If assessee is claiming any exemption in sr.no. 9a or 9b of Part BTI then has to furnish the Section under which exemption claimed in Schedule Part A General Personal Info.

7.5.2.49: What are points to be borne in mind while filing ITR 7 and making claim for Exemption u/s 10(23C)(iiiad)/10(23C)(iii ae)?

Ans. Exemption claimed u/s 10(23C)(iiiad)/(iii ae) (sr.no.9c/9d) is not allowed if assessee not provide total receipts or total receipts is more than 1Cr in Schedule Part A General Personal Info.

If assessee is claiming any exemption in sr.no. 9c or 9d of Part BTI then has to furnish the Section under which exemption claimed in Schedule Part A General Personal Info.

7.5.2.50: What are points to be borne in mind while filing ITR 7 and making claim for Exemption under other clause of section 10 other than 10(23C)(iiiab)/10(23C) (iiiac)/10(23C)(iiiad)/10(23C)(iii ae)?

Ans. If assessee is claiming any exemption in sr.no.8,9e to 9j and 10 of Part BTI then has to furnish the Section under which exemption claimed in Schedule Part A General Personal Info and need to fill Schedule IE1.

If any income mentioned in sr.no 3 of Part BTI then assessee is not eligible to claim exemption u/s 10 (sr.no.8,9e to 9j and 10) of Part BTI.

7.5.2.51: What are the changes to ITR 7 specific to AY 2019-20?

Ans. The changes specific to Form Type ITR 7 for AY 2019-20 are discussed in the form of question and answers below.

7.5.2.52: What are points to be borne in mind while filing ITR 7 and making claim for Exemption u/s 10(23C)(iiiab)/10(23C)(iii ac)?

Ans. Exemption claimed u/s 10(23C)(iiiab)/(iii ac) (sr.no.9a/9b) will not be allowed if assessee does not provide Grants received from Government

in Schedule VC/IE3 and that grant should be more than 50% of total receipts mentioned in IE3.

If assessee is claiming any exemption in sr.no. 9a or 9b of Part BTI then has to furnish the Section under which exemption claimed in Schedule Part A General Personal Info.

7.5.2.53: What are points to be borne in mind while filing ITR 7 and making claim for Exemption u/s 10(23C)(iiiad)/10(23C)(iii ae)?

Ans. Exemption claimed u/s 10(23C)(iiiad)/(iii ae) (sr.no.9c/9d) is not allowed if assessee not provide total receipts or total receipts is more than 1Cr in Schedule IE4. If assessee is claiming any exemption in sr.no. 9c or 9d of Part BTI then has to furnish the Section under which exemption claimed in Schedule Part A General Personal Info.

7.5.2.54: What are points to be borne in mind while filing ITR 7 and making claim for Exemption u/s 10(23A)/10(24)?

Ans. If assessee is claiming any exemption in sr.no.8c and 9h of Part BTI then has to furnish the Section under which exemption claimed in Schedule Part A General Personal Info and need to fill Schedule IE2.

7.5.2.55: What are points to be borne in mind while filing ITR 7 and making claim for Exemption under other clause of section 10 other than 10(23C) (iiiab) /10(23C) (iii ac) /10(23C)(iii ad)/10(23C)(iii ae)/10(23A)/10(24)?

Ans. If assessee is claiming any exemption in sr.no.8,9e to 9j and 10 of Part BTI then has to furnish the Section under which exemption claimed in Schedule Part A General Personal Info and need to fill Schedule IE1. If any income mentioned in sr.no 3 of Part BTI then assessee is not eligible to claim exemption u/s 10 (sr.no.8,9 and 10) of Part BTI.

7.5.2.56: What are the additional parameters that ITR 7 filers need to know for AY 2018-19 and AY2019-20?

Ans. A. If any income mentioned in sr.no 5 of Part BTI then assessee is not eligible to claim any exemption against this income. However entire income is taxable without giving any benefit.

B. As per section 11(7)- Where a trust or an institution has been granted registration under section 12A/AA and registration is in force for the previous year exemption under any clause section 10 will not be allowed except exemption u/s 10(23C).

7.5.2.57: The assessee is an educational institute and Gross receipt are less than 100 lakhs thus the income is exempt under section 10(23C)(iii ad). It is not registered under section 12AA of income tax Act. The ITR 7 was filed and expenses related to the activities were claimed but the same is disallowed in the computation by CPC. There might be a mistake in placing the information in ITR. The Form is too complicated to enter the Table for income u/s 10(23C)(iii ad). In assessment year 2018-19. Now demand is outstanding due to wrong placing of expenses. In our opinion Net income is deducting expenses related to main object. Please suggest the method to apply for rectification of demand?

Ans. As verified for the given PAN, for AY 2018-19 Taxpayer has offered income Rs.30 lakhs in part-B-TI but the exemption under section 10(23C)(iiiad) is claimed of Rs. 19 lakhs. Hence, the balance amount Rs. 11 lakhs is taken for tax computation and demand is raised. Since, this is AY 2018-19 return taxpayer can't file revised return u/s 139(5). Requesting tax payer to contact AO for rectification, with request to the AO to seek rectification rights from CPC and carry out rectification in ITBA system.

7.5.2.58: If the response or corrected ITR is not filed within the time limits provided by notice u/s.139(9) or its reminders, will be ITR be invalidated if the defect is due to Rule 37BA?

Ans. If the defect u/s. 139(9) related to Rule 37BA is not responded to in e-proceedings or by way of corrected or Revised ITR, then the existing ITR which contains the defect associated with Rule 37BA will be processed further without invalidation of the ITR by restricting the TDS credit claims in the ITR to the extent of gross receipts offered in the ITR.

7.5.2.59: Assessee is eligible for exemption u/s 10(23C)(via), but the exemption is not allowed in the CPC Assessment order for AY 18-19. We have filed Rectification return but still the exemption is not allowed. However, exemption is allowed for AY 19-20.

Ans. As verified for given PAN, tax payer has not filed the Form 10BB for AY 2018-19 along with return. As per Proviso 10 Section-10(23C) of Income tax Act read with Rule 16CC and 1st Proviso to Rule 12(2) of the Income Tax Rules, the audit report Form 10BB has to be E-filed along with filing the return of income. Hence exemption u/s-10(23C)(iv/v/vi/via) is not allowable.

7.5.2.60: Can I file form type ITR 4 for an AY when there is no business income for that year?

Ans. Form type ITR 4 is strictly meant for offering business or professional income, it should not be used if there is no business or professional income for a given AY.

7.5.2.61: Can I file ITR offering income u/s.44BB of the Act without filling the Part A- Balance sheet and Profit & Loss account? What are precautions to be taken while offering income u/s. 44BB of the Act?

Ans. The ITR where income u/s.44BB of the Act is offered can be filed without entering the details of Balance sheet in Part A section of the Part A- BS and Profit & Loss account schedule, they need to provide the information in Part B of that sections of the ITR mandatorily. If the part B of BS and P&L account is not filled, the ITR will be treated defective and invalidated if no response by way of the said information is provided in the corrected ITR.

While offering income under section 44BB of the Act, the taxpayer is required to ensure that the income offered is more than or equal to 10% of the gross receipts as per the ITR.

In case, the taxpayer needs to offer income u/s.44BB below the stipulated 10% of gross receipts, then an audit report u/s. 44AB of the Act is required to be furnished along with information in Part A of Balance Sheet and Profit & Loss account.

7.5.2.62: Can I offer business income in ITR 3 and 5 without providing the details in Part A Balance Sheet and Profit & Loss account in cases where section 44AA is applicable?

Ans. It is mandatory for the taxpayers who are required to maintain books of account u/s. 44AA of the Act to provide the information in Part A Balance Sheet and Profit and Loss account. In case the details are not provided, the ITR would be treated defective.

7.5.2.63: Whether taxpayer can file ITR 3 or 5, where the income is covered by Section 44AD or 44ADA of the Act, without filing Part A or B of the Balance Sheet or Profit & Loss account?

Ans. If the income offered in the said ITRs are presumptive in nature and covered by Section 44AD or 44ADA of the Act, then it is mandatory to provide information in either Part A or Part B of schedules Part A Balance Sheet and Profit & Loss account either in account case section or in 'no accounts case' section the scheduled without fail.

7.5.2.64: In case of one of my clients, Disclosure of club subscription expenses at point no. 21a of TAR is just a disclosure but CPC issuing 143(1)(a) proposing to disallow the same, in spite of objection to this filed, they are again and again issuing the notice of adjustment. Since TAR require whatever be the expenditure to be disclosed, it does not mean that it is to be disallowed. The expenditure is wholly & exclusively for the purpose of business.

In case CPC still feels, the language of the form at clause 21 requires amendment.

Ans. If the club expenses are incurred for the purpose of business, then such expenses will be allowed as business expenditure.

7.5.2.65: For a Charitable Trust, Form 10B not filed in time, due to which expenses were not allowed. Circulars issued by department and further time allowed. Even after filing 10B, rectification not allowed.

Ans. Condonation of Form 10B has given by Board. Please refer to the below Circulars. The Circular no.10/2019 dated 22-05-2019 and Circular No.2/2020 dated 03-01-2020.

"The Commissioners of Income-tax shall, while entertaining such belated applications in filing Form No. 10B, satisfy themselves that the assessee was prevented by reasonable cause from filing such application within the stipulated time".

Tax payer is requested to contact the concerned AO and request for condonation and file for rectification.

7.5.2.66: Non-availability of intimation u/s 143(1) - In many cases intimation u/s 143(1) is not available in e-filing Portal, what is the way to get it?

Ans. For re-issue of the intimation Tax payer can : Login to e-filing portal > Go to My Account Menu > Request for Intimation u/s 143(1)/154.

7.5.2.67: The nature of business should be appropriately mentioned in given list for example the assessee is running Kirana store, there is no such head in stipulated list, so business wise nature should be added in ?

Ans. List of Nature of business codes provided as drop down and relevant code number also allocated based on the nature of business.

“Others” also provided in the dropdown list to enter any other business details not provided in the dropdown.

7.5.2.68: At times losses are not set off in intimation say business loss is not set off against capital gains in intimation u/s. 143(1) what should be done?

Ans. Where for any assessment year, the net result of the computation under the head “Profits and gains of business or profession” is a loss to the assessee, not being a loss sustained in a speculation business, and such loss cannot be or is not wholly set off against income under any head of income in accordance with the provisions of section 71. Hence if it is non speculation loss same can be set off against capital gain.

7.5.2.69: Speculation business profits are considered separately in Special Business: Income from Firm, speculation, without books, 44AE. And not in Business and profession head. However, more often intimation us. 143(1)(a) and intimation us.143(1) are received stating inconsistency with the total profit in the income tax return since speculation profit considered separately is not taken into consideration in the said intimation. The return is filed by duly deducting the speculation profit as income considered in other head and showing it as special profits.

Ans. Both speculative and non-speculative profits under profit and gains from business/profession will be part of the total taxable income (salary + rental + business + other sources). Tax payable would be the amount calculated on the aggregate taxable income based on the applicable income tax slab rate.

7.5.2.70: While processing the ITR exempt tonnage income has been disallowed. In the ITR 6, schedule BP has been correctly filled with exempt income reduced in row 5. However, the amount has been disallowed due to non-reporting in EI sheet of Form ITR 6. Demand has been raised due to this.

Ans. In Sch BP, Income credited to P&L account which is Exempt in Sl. No. A5d. The sum of total income shown in Schedule Exempt income are inconsistent.

Tax payer is requested to fill the schedule EI correctly as against schedule BP in order to get the credit.

CHAPTER 8



REFUND ISSUANCE

Overview:

CPC processes the ITR filed by taxpayers and upon processing, the refund is determined from out of the tax paid in excess of the tax liability determined u/s.143(1) or 154. Refund is determined only when the assessee pays the tax more than what he is liable to pay. The processing of the returns is completely automated and if a particular assessee is eligible to receive refunds, such cases will flow into 'Ready for refund banker' queue in the Financial Accounting System (FAS). FAS system would then run the Refund Outward program & these files are uploaded to the Regional Computer Centre (RCC). These Refunds are later merged to National Computer Centre (NCC) at Delhi where all the Refunds generated across the country are pooled. After the consolidation the files are transferred to State Bank of India, who is the authorized Bank for issuing the ECS Refunds to taxpayer.

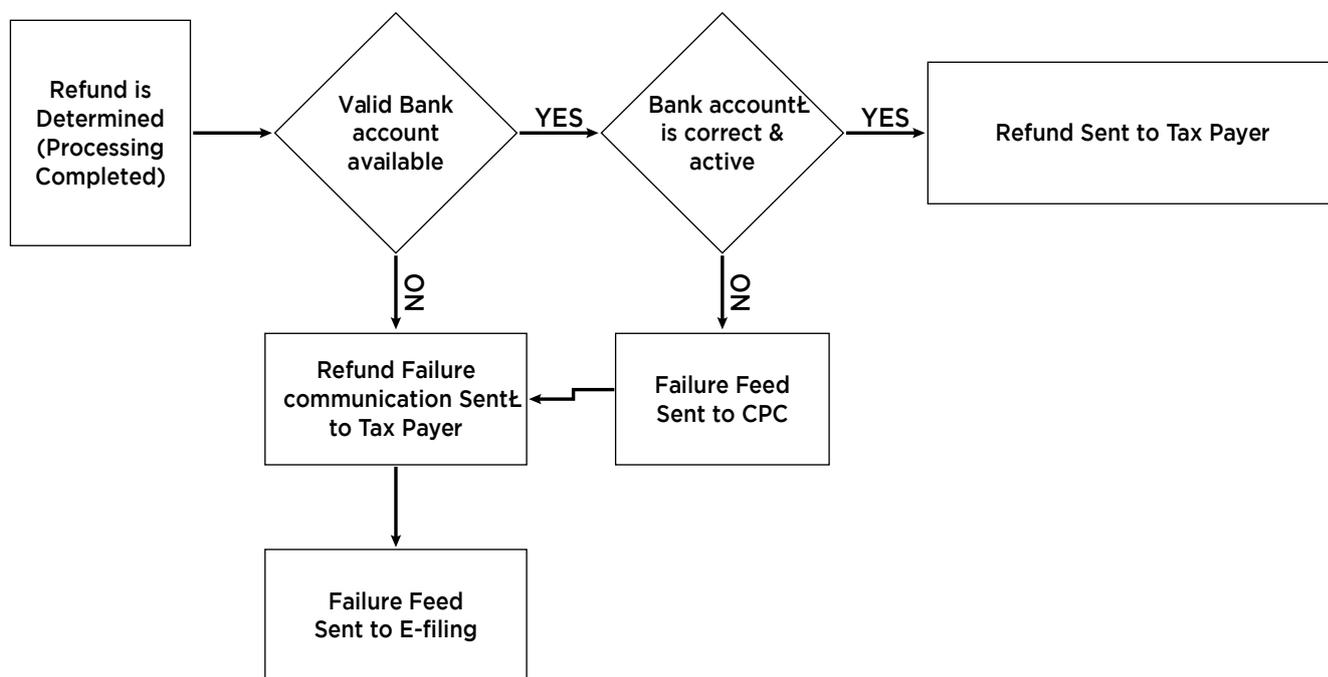
- 8.1.2. Refunds will get processed only if all mandatory fields are filled correctly at the time of ITR filing or updated through online by the assessee any time before return processing is completed, like Account Number & IFSC. If any of the fields are left blank or is updated incorrectly, the refunds do not get processed.
- 8.1.3. The transmission of refund to the taxpayer is performed using the validation services of various agencies like Public Financial Management System (PFMS), National Payments Corporation of India (NPCI), etc., over the years and currently NPCI caters to this process. The first time issuance of refund is described in Para 1 of this Chapter.
- 8.1.4. National Payments Corporation of India: The bank account details are shared with National Payments Corporation of India for confirmation of the linkage of Bank account with PAN. This is required for error Free transmission of refund to the taxpayer. The name of the taxpayer as per the Bank and name of taxpayer in the PAN are matched, any mismatch is categorized and there are different actions for these mismatch cases and same is discussed separately in Para 2 of this Chapter.
- 8.1.5. Pre-validate Bank Account: The taxpayer is also empowered to Pre-validate a bank account that is linked to the PAN using the e-filing portal and steps

for preValidating a bank account are discussed in Para 3 of this Chapter.

- 8.1.6. Notice u/s.245: The refund determined is considered for issuance only after checking if any outstanding demand(s) exist for the PAN. In case there is outstanding demand for the PAN, a notice u/s.245 is issued to the taxpayer with a proposal to adjust the refund against the outstanding demand in a chronological order of Assessment Years of the demand if there are more than one assessment year where demand exists. The process as to notice under section 245 is discussed in Para: 4 of this Chapter.
- 8.1.7. Legal Heir: In cases where refund needs to be issued to the legal heir, the process is discussed in Para 5 of this Chapter.
- 8.1.8. Representative: Refund to representative assessee is discussed in Para 6 of this Chapter.
- 8.1.9. Foreign Nationals/entities: Refund transmission in cases for foreign nationals or foreign legal entitled, the process is discussed in Para 7 of this Chapter.
- 8.1.10. Refund failure and refund reissue: Refund Reissue is taken up if the transmitted refund fails to credit to the taxpayer for any reason based on the request from taxpayer and in certain cases by suo moto issuance by CPC based on the Pre-validation of the account on the e-filing. This process is discussed in Para 8 of this Chapter.

8.2. Refund issuance to taxpayer upon processing of ITR

8.2.1. Refund Outward to Refund Banker Process diagram



8.2.2. 100% ECS from 01/March/2019:

From 1st March 2019 onwards, CPC is issuing the refunds only in ECS mode to validated bank accounts. The bank accounts validation is being done either through e-filing portal or NPCI.

For smooth transmission of refunds, the taxpayer should ensure:

- a) Linking of PAN to bank account

- b) The name as per PAN and Bank account should be same
- c) The type of bank account should be Savings/Current/Over Draft /Cash Credit/NRO
- d) Avoid providing joint accounts, co-operative bank accounts, Virtual bank account.
- e) The bank account should be in India
- f) The bank account should not be De-activated / non-operating accounts in the e-filing portal.

For speedy transmission of Refund, CPC is applying fallback logic i.e., if bank account provided in the return is invalid, CPC will issue refund to any other valid bank account present in the taxpayer data base.

8.2.3. FAQs on Refund and Change of Bank details after filing of ITR

8.2.3.1. If I have paid excess tax, how and when will it be refunded to me?

Ans. To claim refund of the excess paid tax, the assessee has to file Income Tax Return, irrespective of the fact whether the income is taxable or not. The amount of refund will be remitted to the assessee's validated bank account after the processing of the return.

8.2.3.2. My address/bank details mentioned on the Income Tax Return has changed and I have to receive a Refund. How can I change the address/bank details?

Ans. You can change the Address/Bank details if the Income Tax Return is yet to be processed. To update the details of Income Tax Return, LOGIN and Go to 'My Account' --> Service Request ' --> 'Change ITR Form Particulars' --> Provided the Acknowledgement number --> Change the necessary details --> Click Submit

8.2.3.3. How to change of Bank account after filing the ITR?

Ans. After upload of the ITR, if any change occurs in taxpayers Bank Account, address, Mobile number and e-mail ID, then taxpayer can update these changes through 'Change ITR Form Particulars'. Any update can be made only prior to processing of the return. 8.2.3.4. The steps to change the particulars in the submitted ITR Form:

- Step 1 Logon to the 'e-filing' Portal www.incometaxindiaefiling.gov.in
- Go to the 'My Account' menu located at upper-left side of the page ⇒
- Step 2 Click 'Service Request' ⇒ Select the 'Request Type' as 'New Request' and Select the 'Request Category' as 'Change ITR Form Particulars' ⇒ Click 'Submit'
- Step 3 Enter 'Acknowledgement number' of ITR and provide the necessary details ⇒ Click 'Submit'
- Step 4 To View the status of submitted form, click here to know more

8.3. National Payments Corporation of India

8.3.1. Bank accounts provided in the returns will be taken up for account validation through NPCI. NPCI will share the validation status through Refund banker

(SBI). Based on the feed received from SBI, the status of the bank account will be updated in the master file. Once the refund record reaches the status code 06 (Accounting process completed) it will be picked for the Refund outward. The refund will be issued to valid bank account through ECS mode.

8.3.2. If the validation process confirms that the bank accounts provided by the taxpayer is invalid, the refund will fail at CPC and refund failure intimation will be triggered to taxpayer. Then the taxpayer has to file refund reissue request online through e-filing portal with new bank account/ by correcting the error as mentioned in the failure communication. Taxpayer needs to Pre-validate the bank account in the e-filing portal before initiating refund re-issue request if new bank account is provided in the request. On the basis of refund reissue request, CPC will reissue the refund to the latest validated bank account.

8.3.3. The validations of the NPCI and response from NPCI with respect to given bank account for PAN is as under:

1) If NPCI response is "Valid" and also PAN is linked AND name matching % is more than 80% ('MO', MOa, MOb, MI) then issue ECS refund without any threshold (Category A).

2) If NPCI response is "Valid" and also PAN is linked and irrespective of any name matching flag, then issue ECS refunds up to 50L. Else Fail & send communication to taxpayer if the refunds >50L. (Category B).

3) If NPCI validation remarks is "PAN is Missing" (PAN not shared by the NPCI) AND name matching % is >85% ('MO', 'MOa', MI) then issue ECS refunds up to 50L subject to more than 3 PAN's check. Else Fail & send communication to tax payer (Category B).

4) If PAN-A/C is not validated (No response from NPCI) OR PAN is not seeded ('PAN is Missing' is remarks), then refund up to 25K is issued through ECS only. If the bank account is not associated with the more than 3 PAN (Category C).

5) "Bank account associated with more than 3 PANs" check should be applicable only where there is no response from NPCI or PFMS. (i.e. bank account belongs to taxpayer but PAN is not seeded)

6) If there is no response from NPCI/PFMS and refund is Less than 25K , then CPC will release refund for the same account number. If refund is more than 25K, Refund will fail with 157 reason code, need to send communication to taxpayer for changing the bank account details or Pre-validate the account details in e-filing portal. So that CPC can send the refund through ECS mode

8.4. Pre-validate Bank Account

8.4.1. Taxpayer needs to Pre-validate the bank account in the e-filing portal as general process to ensure risk and error Free transmission of the refund from CPC to the bank account. In all cases where there is Pre-validated bank account available, the transmission of refund is successful. In cases where pre-validated bank account is not there or the given bank account though pre-validated is not receiving the refund from refund banker, there can be various reasons mentioned in the Para 8 of this document. Before initiating refund

re-issue request if new bank account is provided in the request, it needs to be Pre-validated. On the basis of refund reissue request, CPC will reissue the refund to the latest validated bank account.

8.4.2. The taxpayer is enabled to undertake the below activities as far as Pre-validation is concerned on the e-filing website.

- Only validated bank account in e-filing should be used by the respective Taxpayer in the Income Tax Return (under bank account details for refund claim) and Refund Re-Issue service request in e-filing portal.
- Bank account details provided by Taxpayer already in the Income Tax Return filed in the recent assessment years and validated by Centralized Processing Center will also be associated with the respective PAN holder account in e-filing.
- In case taxpayer logs in to e-filing through net banking login then bank account details provided by bank will be added under Pre-validated bank account details in e-filing account upon confirmation by the user if the account details were not present in Pre-validated bank account list.
- Taxpayer can add/remove bank accounts and can have multiple validated bank accounts. In case the validation fails with the bank while adding then such account will be removed from e-filing after 7 days. The list of Removed or Validation failed bank accounts can be viewed by clicking the link 'View Failed/removed bank accounts'.
- EVC can be enabled for the validated bank account by Validating the mobile number (Mandatory) and email ID (optional) with the bank. Taxpayer can use the 'Enable EVC' button for the same by selecting any one of the validated bank account from the list. EVC can be enabled for only one bank account at any point of time. In case user trying to enable EVC for another validated account then, EVC option will be removed from the existing account.

Note: 'Enable EVC' button is Applicable only to the Individual taxpayers. Other categories of taxpayers cannot use their Pre-validated bank account for generating EVC to e-Verify their Income Tax Returns and Forms.

- EVC Generation will be enabled only for the bank accounts with status "Validated and EVC Enabled".

8.4.3. Currently Pre-validate online option is available for specific banks listed below:

01. Allahabad Bank
02. Andhra Bank
03. Arihant Bank
04. Bank of Baroda
05. Canara Bank
06. Central Bank of India
07. City Union Bank

08. Federal Bank
09. HDFC Bank
10. ICICI Bank
11. IDBI Bank
12. IDFC First Bank Limited
13. Jana Small Finance Bank Limited
14. Karur Vysya Bank
15. Kotak Mahindra Bank
16. Oriental Bank of Commerce
17. Punjab National Bank
18. Saraswat Bank
19. South Indian Bank
20. State Bank of India
21. Syndicate Bank
22. The Kurmanchal Nagar Sahkari Bank Ltd
23. UCO Bank
24. Union Bank of India
25. United Bank of India

8.4.4. Steps to Pre-validate a bank account details on the e-filing website:

Step 1	Logon to the 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Select Profile Settings ⇒ Pre-validate your Bank Account
Step 3	Pre-validate form will be displayed in case no account exists. (Click on Add in case of new account or Select one of the existing Validated bank account in case validated accounts are available)
Step 4	Provide 'Bank Account Number', 'Account Type', 'IFSC', 'Mobile Number', 'e-mail id' and Click on 'Pre-validate'. (email ID is optional if provided it will be validated with the bank)
Step 5	Status of the request will be sent to the e-mail id registered with the e-filing account.

8.4.5. FAQs on Pre-validated Accounts

8.4.5.1. In case if the taxpayer surname is short but ITR is having full name which is matching with PAN database and bank is having the name as on PAN card, what is the Pre-validation procedure?

EX: PAN name on card & Bank account name: Krishna C

PAN as per data base & ITR Name: Krishna Chaitanya

Ans. Refunds will be issued to the Pre-validated a/c which has been validated

through e-filing portal irrespective of any name match & the name matching validation process is applicable only for the NPCI validated a/c by comparing the PAN name & bank account name. Matching rule refers to Name as per PAN database and name as per Bank account.

8.4.5.2. Is the Pre-validation being one-time procedure or should it be done every year?

Ans. Pre-validation procedure is PAN level, so it is one-time validation unless and until taxpayer modifies the account in e-filing. (Ex: if account is closed then taxpayer should delete & update with new account number)

8.4.5.3. While filing the return for AY 19-20 if taxpayer provides the Pre-validated account number, will the refund be paid through ECS?

Ans. Yes, If the taxpayer provides the Pre-validated a/c in the return irrespective of any assessment years, refund will be issued through ECS mode. (i.e. from Feb-19 onwards all paper refunds have been stopped from CPC)

8.4.5.4. If the status shows as “Validated and EVC enabled” taxpayer is saying it is Pre-validated? Is it true? Or how taxpayer will get to know the Pre-validation is accepted?

Ans. If the bank account is integrated with Income tax department, the validation happens immediately; else, it may take few days to update the validation status.

8.4.5.5. How much time will it take for Pre-validation status to change from Submitted to Validated?

Ans. Pre-validation is an option enabled for the tax payer in e-filing portal.

If the taxpayer provides the bank a/c details which is integrated with income tax department, then the validation process will happen immediately & status will be changed to ‘validated’.

In case if the taxpayer has provided the a/c details from the banks where e-filing is not integrated, then e-filing team sends the data to CPC for NPCI validation and in the interim process the status will be showing as ‘Submitted’. Once NPCI shares the validation details to CPC, the same will be shared to e-filing and then the status will be changed to ‘Validated’ or ‘Invalidated’.

8.5. Notice under section 245 of Income Tax Act, 1961

8.5.1. All the request will flow to the ETL queue through the automated program to validate the current status of the refund & accept the request if the refunds are in failed status. Later accepted request will flow to FAS queue through the automated program if there are any outstanding demands for any of the AYs, such cases will be marked as ‘Check for reissue’ status queue for 245 compliances. In this stage, 245 notice will be sent to the taxpayer for adjusting the open demands towards this refund amount. The same process will be followed as per Original/Revised & Rectification refunds for 245 compliance.

8.5.2. FAQs on 245 Notice

8.5.2.1. Why am I receiving Notice u/s 245?

Ans. Your return has been processed at CPC and the same has resulted in refund. The refund so determined is liable to be adjusted against the outstanding demand(s). Notice u/s 245 informs you of such demands against which your refund would be adjusted within 30 days from the date of the notice u/s 245.

8.5.2.2. What is Section 245 of Income Tax Act, 1961?

Ans. Under the provisions of the Income Tax Act, 1961(Act), if any refund is due to the taxpayer then before issuing such refund the Assessing Officer (AO) is required to check for outstanding demands. If there is outstanding demand, an intimation will be issued u/s.245 of the Act giving an opportunity to the taxpayer to act upon the outstanding demand by either agreeing or disagreeing for adjustment against the refund available.

8.5.2.3. How do I view my outstanding tax demand?

Ans. You can view outstanding demand by logging on to <https://www.incometaxindiaefiling.gov.in> with your user ID and password. Go to 'e-file' tab-> Response to outstanding tax demand. Alternatively, you can also check the demand after login select "My pending actions" in "Dash Board" or click for "For Your action" in Worklist tab on the menu bar.

8.5.2.4. How do I respond to outstanding demand/ what is the action points needed to be taken up from my end for the outstanding demand? What should I do next after receiving the Notice u/s 245?

Ans: Response can be made by logging into <https://www.incometaxindiaefiling.gov.in> with your user id and password. Go to 'e-file' tab-> Response to outstanding demand.

i. In case the demand shown is correct: -

a) Against the Outstanding Demand- click on 'Submit response' and then select->'Agree with Demand'.

On receipt of the confirmation, demand will be adjusted against the refund and the balance of refund, if any, will be issued.

ii. In case the demand shown is partially correct

a) Against the Outstanding Demand- click on 'Submit response' and then select->'Demand is partially correct'.

Enter the amount of Demand that is partially correct b) For the incorrect demand, please follow the steps mentioned in step 3 below.

iii. In case the demand shown is incorrect

a) Against the Outstanding Demand- click on 'Submit response' and then select->'Demand is incorrect'

b) Give detailed reasons and attach relevant documents to show why the demand is incorrect in your view. This will be reviewed by the Department.

8.5.2.5. How to know the detailed procedure to file online response?

Ans: To know the detailed procedure for filing online outstanding demand

response -> Please log on to <https://www.incometaxindiaefiling.gov.in>->Go to 'Help Tab' -> 'Response to Outstanding tax Demand'

8.5.2.6. How to know my Jurisdictional Assessing Officer details?

Ans: To know your Jurisdictional Assessing Officer details -> Please log on to <https://www.incometaxindiaefiling.gov.in> and click on "Know Your Jurisdictional AO" under "SERVICES" menu.

8.5.2.7. What are the Consequences for not responding to this communication?

Ans: If no action is taken by you within 30 days of receipt of the notice u/s 245, the outstanding demand as on that date will be considered for adjustment against your refund.

8.5.2.8. For which Assessment year (AY), intimation u/s.245 will be issued by the Income Tax Department (Department)?

Ans.: Intimation will be issued to the AY for which refund is determined.

8.5.2.9. What are the contents of intimation u/s.245?

Ans: Intimation contains the details of AYs, outstanding demand amount, Section under which the demand was raised, Source of demand, Demand identification number, Details of the Jurisdiction with whom the rectification rights are available for such AY.

8.5.2.10. What is the time limit for the taxpayer to respond to the intimation u/s.245?

Ans: Taxpayer is required to respond to the intimation u/s.245 within 30 days of issuance of the intimation u/s.245.

8.5.2.11. How can the taxpayer respond to the outstanding demand details online in response to intimation u/s. 245?

Step 1: Taxpayer can login to the e-filing portal by www.incometaxindiaefiling.gov.in

Step 2: View the outstanding demands that are shown in the dashboard

Step 3: In e-file menu, click on response to Outstanding demand

Step 4: Click on hyperlink 'Submit' located under 'Response' column

Step 5: Choose any one of the listed responses.

- Demand is correct
- Demand is partially correct
- Disagree with the Demand
- Demand is not correct but agree for adjustment

A. On choosing 'Demand is correct', click on 'Submit' button to 'Confirm' and complete the response submission process.

Note: If you confirm 'Demand is correct' then you cannot disagree with the demand again.

If any refund is due, the refund will be adjusted against the outstanding demand.

The taxpayer can pay the demand by clicking the link under 'Pay Tax' option.

B. On choosing 'Demand is partially correct', Enter the 'Amount which is correct' and the 'Amount which is incorrect' will be auto filled. Select the appropriate reason(s) from the list and fill all the applicable fields, upload

the necessary supporting documents and 'Submit' the response.

- C. On choosing 'Disagree with demand', Select the appropriate reason(s) from the list and fill all the applicable fields, upload the necessary supporting documents and 'Submit' the response.
- D. On choosing 'Demand is not correct but agree for adjustment', Select the appropriate reason(s) from the list and fill all the applicable fields, upload the necessary supportin

List of Reasons and the additional details required on selecting each reasons are as under:

Reasons	Additional Details Required
Demand paid and Challan has CIN	BSR Code
	Date of payment
	Serial Number
	Amount
	Remarks
Demand paid and Challan has no CIN	Date of payment
	Amount
	Remarks
	Upload copy of Challan
Demand already reduced by rectification / Revision / Appellate Order	Date of Order
	Demand after rectification / revision / Appeal
	Details of AO
	Upload Rectification / revision / Giving appeal effect order passed by AO
Demand already reduced by Appellate Order but appeal effect to be given	Date of Order
	Order passed by
	Reference Number of Order
Appeal has been filed - Stay petition filed	Date of filing of appeal
	Appeal Pending with Stay petition filed with
Appeal has been filed - Stay granted	Date of filing of appeal
	Appeal Pending with
	Stay granted by
	Upload copy of Stay
Appeal has been filed - Instalment granted	Date of filing of appeal
	Appeal Pending with
	Instalment granted by
	Upload copy of instalment order
Rectification / Revised Return filed at CPC	Filing Type
	e-Filed Acknowledgement Number.
	Remarks
	Upload Challan Copy
	Upload TDS Certificate
	Upload Letter requesting for rectification
Rectification filed with AO	Upload Indemnity Bond
	Date of application
Others	Remarks
	Others

Step 6: A success message along with Transaction ID is displayed on successful submission of the response.

8.5.2.12. How can the taxpayer view the response submitted by him?

Ans: Step 1: Taxpayer can login to www.incometaxindiaefiling.gov.in

Step 2: Go to 'Response to Outstanding Demand' and click on view link under the 'Response' tab.

Step 3: Click on 'transaction ID' hyperlink

Note: For the demand which is shown to be uploaded by AO, then the rectification right is with Assessing Officer and for the demand against which there is no 'Submit' response available is already confirmed by the Assessing Officer. Kindly communicate via email with your jurisdictional Assessing Officer for clarification.

8.5.2.13. What are the consequences, if the taxpayer does not respond to the intimation issued u/s.245?

Ans: The Department is required to adjust the outstanding demand against the refund, if no response is received within 30 days from the taxpayer after issuance of intimation u/s.245.

8.5.2.14. Can the taxpayer respond to the outstanding demand without issuance of intimation u/s.245?

Ans: Yes. Taxpayer can respond to the outstanding demand in the e-filing portal anytime, even without an issuance of intimation u/s.245 from the Department. Such responses will be considered by the Department at the time of issuance of intimation or adjustment of outstanding demand.

8.5.2.15. If the taxpayer acts voluntarily without any intimation u/s.245, is the response considered?

Ans: Yes. The response of the taxpayer will be considered by the Department at the time of issuance of refund.

8.5.2.16. If the taxpayer chooses 'Demand is collectible', then what is the action taken by the Department?

Ans: By considering the option chosen by taxpayer, the Department shall adjust the refund available against the outstanding demand and if any refund is available after such adjustment, the same is issued to the taxpayer. Post adjustment, a communication (Communication for adjustment of refund against demand) is sent to the taxpayer by E mail mode to the latest email ID, giving the details of the outstanding demands adjusted against the refund.

8.5.2.17. If the taxpayer chooses 'Demand is partially correct' or 'Disagree' options, then what is the action taken by the Department?

Ans: If the taxpayer chooses 'Demand is partially correct' or 'Disagree' option, then Department is required to send a communication to the AO, to examine

the response by referring to the records and confirm if the response of the taxpayer is required to be considered or not.

8.5.2.18. What is the time limit for the AO to respond to the communication giving the details of disagreement of taxpayer?

Ans.: AO is required to respond to the communication sent within 30 days of issuance of such communication by providing the response on the system provided for this purpose.

8.5.2.19. How the adjustment shall happen for those demands where taxpayer acted with 'Demand is partially correct' or 'Disagree' options?

Ans: AO is required to confirm whether to accept the reason for disagreement of the taxpayer with respect to the outstanding demand.

(a) If AO confirms that reason for disagreement by the taxpayer is valid by responding on the system, then the Department is required to release the refund to the taxpayer without making any adjustment.

(b) If AO confirms that reason for disagreement by the taxpayer is not correct and the 'Demand is collectible', then the Department is required to adjust the outstanding demand against the refund and release the net refund, if any.

8.6. FAQs on Demand

8.6.1. Whom should I approach to rectify the demand amount?

The return has been processed at CPC:

File online Rectification to CPC by logging into <https://www.incometaxindiaefiling.gov.in> with your user ID and password. Select "Rectification request" under My Account tab and enter the necessary details.

The return has been processed by Assessing Officer:

Kindly file a rectification application u/s 154 with the Jurisdictional Assessing Officer.

8.6.2. How to know my Jurisdictional Assessing Officer details?

To know your Jurisdictional Assessing Officer details -> Please log on to <https://www.incometaxindiaefiling.gov.in> and click on "Know Your Jurisdictional AO" under "SERVICES" menu.

8.6.3. Where can I view the details of tax payment and TDS deducted?

The tax payment and TDS data available with the Department can be seen in the Form 26AS statement. To check the 26AS statement please login to your e-filing account at <https://www.incometaxindiaefiling.gov.in> and go to "My Account -> View form 26AS (Tax Credit)"

8.6.4. How can I make payment for the outstanding demand?

Tax payments can be made through a bank authorized to collect Income Tax payments, after filling in the necessary particulars in the Challan provided for this purpose or Online tax payments can be made through the website www.incometaxindia.gov.in under 'e- Pay Taxes.

Please make the payment quoting minor head "400" only, as wrong minor head may delay the process of settlement of the outstanding demands.

Challan Status: You can ascertain the status of your payment Challan through the website <https://tin.tin.nsdl.com/oltas/index.html>. These payment will also be reflected in Form 26 AS statement. Please refer question No 3 for further details on Form 26AS.

8.6.5. I have made an error while making the payment through challan, how can it be corrected?

In case you detect any mistake in the Challan after payment of the amounts you may approach the concerned bank branch within 7 days of payment for necessary correction in the challan. If the changes are to be made after 7 days of payment, kindly communicate via email with the Assessing officer for the correction.

8.6.6. Consequences for non-payment of tax demand?

Nonpayment of tax demand attracts penalty and prosecution as per the provisions of the Income Tax Act, 1961 along with proceedings for recovery listed in Chapter XVII-D of the Income Tax Act, 1961.

You are also liable to pay simple interest at the rate of one per cent for every month or part of a month for the period of default in accordance with section 220(2) of Income Tax Act, 1961.

8.6.7. How can I request for a copy of the order passed by CPC?

In case you require the intimation order to be resent to you, please log on to <https://www.incometaxindiaefiling.gov.in> with your User ID and Password.

Go to My Account tab

Request for intimation u/s 143(1)/ 154.

The request can also be placed through CPC call center (Ph. No: 18004252229).

8.6.8. 'Protective Assessment' results in only a 'paper demand' which is not enforceable - so long as the assessment remains protective. However, CPC makes adjustment of refund even in cases where additions has been made on protective basis.

Ans.: Adjustment of refund against open demand will be duly made by sending 245 notice to taxpayer and AO. If the demand is on protective basis, then appropriate comment needs to be provided by the taxpayer as soon as the demand is created by using the e-filing portal, so that the same is shared with AO and AO can confirm the same.

CHAPTER 9

REFUNDS TO LEGAL HEIR

As legal requirement, a Legal heir is the individual appointed by law to succeed to the estate of an ancestor who died. It is commonly used today in reference to any individual who succeeds to property, either by will or law.

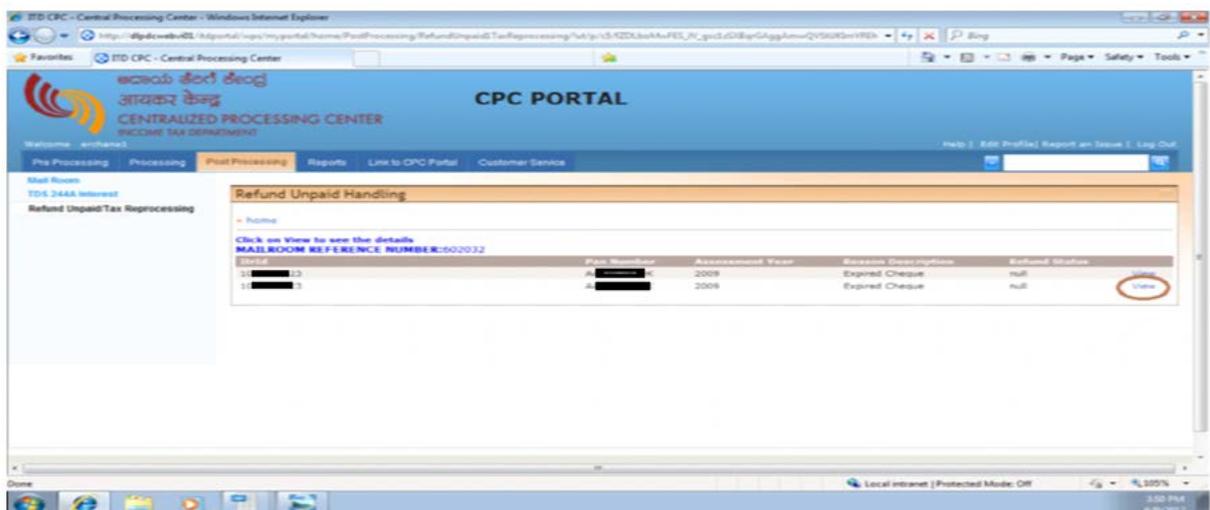
9.2. When the taxpayer expires then the refund will be issued to the Legal heir. These Legal heirs are required to register themselves on the e-filing portal for purpose of filing any ITR or documents if needed. In order to claim any failed refund, they are required to send the documents to CPC as per the proforma issued by CPC in this regard. Once the documents are received at CPC, they are forwarded to the AO, who will process the paper in the ITBA system and share the Bank Account of the legal heir to whom refund of the deceased person is required to be transmitted. Once the bank account details are received at CPC via the interface with ITBA, CPC system transmits the refund of deceased person to the bank account of the legal heir as confirmed by the AO in ITBA system.

9.3. The procedure to key the Legal heir's data is as follows:

Step1: Enter the PAN of the assessee in the PAN number field and click on submit.

Step 2: When clicked on submit the above image is seen, and then now click on edit which will link you to another page as below.

Step 3: Now click on View, which will again link you to the page where in you will have to update the Legal Heir Communication Details.



Step 4: Now enter the complete data given by the Legal Heir by looking into the image (Letter sent by Legal Heir), and click on to the tab below “Authorize capture of Legal Heir Details “which saves the data automatically.

9.4. Communication to Legal Heir and JAO: The Intimation which is sent to Legal heir is called as L1 communication. The Intimation which is sent to the Assessing officer is L3 communication. These communications indicate the activity to be performed by the taxpayer and AO with regard to confirmation of the Legal Heir bank account details.

9.5. The data entered by Refund team will be moved to AST table and the AO’s (Assessing Officer) will verify the details, update the Nominee’s Account Details and Re-initiate the Valid cases.

9.6. These Valid Cases will be sent back to FAS team in CPC which is also termed as reverse AO Approved Legal Heir feed, which is then validated and sent to the Refund Banker. The Banker (SBI) will Release the Refund to the concerned Legal Heir person.

9.7. FAQs on Legal Heir related matters

9.7.1. Can a LEGAL HEIR e-File the Income Tax Return of the deceased assessee?

Ans.: Yes. A Legal Heir can file Income Tax Return and view e-Filed Returns/Forms of the deceased person.

9.7.2. How can I register myself as a LEGAL HEIR for a deceased person?

Ans.: Please refer under General Help --> Register as Representative section for complete details

9.7.3. Once registered as a Legal Heir, can I e-File for the deceased person for compulsory DSC cases?

Ans.: Yes. Digital Signature Certificate (DSC) of Legal Heir can be used for the deceased person.

9.7.4. I am assigned as a Legal Heir for a deceased person. While uploading the Income Tax Return of the deceased, I am getting an error “PAN mentioned on Personal Information/Verification section is invalid”. What do I do?

Ans.: Please ensure that the PAN entered in the Verification section of the Income Tax Return is yours (Legal heir) PAN and not of the deceased person.

9.7.5. For legal heir cases can taxpayer Pre-validate the legal heir account and file the refund reissue or needs to send the documents to CPC manually?

Ans.: Yes, when refund fails, for re-issue of refund in the name of legal heir, he needs to send the documents to CPC manually to initiating the legal heir proceedings. Pre-Validating the bank account is necessary issue the refund.

9.7.6. If there is no registered WILL left by the assessee, obtaining succession certificate takes time. By the time succession certificate is obtained ITR becomes time barred. The process should be easy. The legal representative can be any of the following i) Any relative as defined in section 2 (41) should be allowed to file ITR?

Ans.: Taxpayer is at liberty to choose any of the relative as Legal heir. Legal heir registration process on e-filing caters to this query and gives enough room for the taxpayer to register as legal heir and complete list of documents

is already published in e-filing portal under Help tab->Register as Legal Heir under Representative section. All the documents mentioned are mandatory to process the return further.

9.7.7. In case of clubbing of income of deceased husband by his wife. The income of the husband is clubbed in wife hand -ITR, but TDS of husband was reflecting in HUSBAND 26AS. Due to NON REFLECTION OF credit of husband TDS in wife pan (26AS). Demand is created. How to resolve this issue?

Ans.: In the ITR form, taxpayer has the option to claim the TDS credit as 'Name of others' in schedule TDS 2, by mentioning others PAN in which TDS credit is deducted. The taxpayer in above case, can select 'others', quote the PAN of husband and claim the TDS available against that PAN as per Form 26AS of the PAN, same will be allowed while processing of the ITR.

CHAPTER 10

REFUNDS TO REPRESENTATIVES

- 10.1. Section's 140, 159, 160, 168, 176, 178 etc. of the Income Tax Act, 1961 envisages many situations where a person would not be able to attend to their Income Tax related affairs on their own. In such cases, their guardian or any other competent person can act on their behalf with specific authorization.
- 10.2. Under the circumstances mentioned below, a user can register as representative of another person for carrying out their activities in e-filing portal.

Prerequisite

- 10.3. The following table represents the categories available for applicable user type:

Categories of Assesses	Who shall Register as 'Representative'
Mentally incapacitated	Guardian / Manager who is managing the affairs of such person
Deceased (Legal heir)	Legal heir of the deceased person
Minor	Guardian / Manager who is managing the affairs of such person
Lunatic or Idiot	Guardian / Manager who is managing the affairs of such person
As Court of Wards etc.	Administrator General / Official Trustee / Receiver / Manager who manages the property
Trust in Writing	Trustee
Oral Trust	Trustee
Representative agent of a Non-resident	1. Person employed by or on behalf of the non-resident 2. Person who has any business connection with the non-resident 3. Person from or through whom the non-resident is in receipt of any income, whether directly or indirectly 4. Person who is the trustee of the non-resident

10.4. Perform the following steps to register yourself on behalf of another person:

Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Go to the 'My Account' menu located at upper-left side of the page ⇒ Click 'Register as Representative'
Step 3	Select the 'Request Type' as 'New Request' and Select the applicable 'Category to Register' --> Click 'Proceed'
Step 4	Enter the necessary details in the appropriate fields and attach the necessary supporting documents based on category.
Step 5	Click 'Submit' A Success Message will be displayed confirming the submission of Register as Representative Request
Note:	Request will be sent to the e-filing Admin for approval. The e-filing Admin will check the authenticity of the request details and may Approve/Reject the request and Upon Approval/Rejection, an e-mail and SMS will be sent to the user who raised the request.

10.5. The following table represents the types of documents and information one has to submit and furnish while registering to act as a representative:

Category	Documents Required to be submitted while making request	Details required to be provided in the portal
Mentally Incapacitated	<ul style="list-style-type: none"> Copy of the PAN card of Mentally Incapacitated 	<ul style="list-style-type: none"> PAN of the Mentally Incapacitated
	<ul style="list-style-type: none"> Copy of the PAN card of the person who is representing on behalf of the incapacitated 	<ul style="list-style-type: none"> Date of Birth of the Mentally Incapacitated
	<ul style="list-style-type: none"> Medical Certificate issued by Authorized Medical Authority certifying the mental incapacitation of the represented. 	<ul style="list-style-type: none"> Surname of the Mentally Incapacitated Middle Name of the Mentally Incapacitated
	[Click here for details]	<ul style="list-style-type: none"> First Name of the Mentally Incapacitated
Deceased (Legal Heir)	<ul style="list-style-type: none"> Copy of the PAN card of Deceased 	<ul style="list-style-type: none"> PAN of the Deceased
	<ul style="list-style-type: none"> Copy of the PAN card of the legal heir 	<ul style="list-style-type: none"> Date of Death
	<ul style="list-style-type: none"> Copy of Death Certificate 	<ul style="list-style-type: none"> Surname of the deceased
	<ul style="list-style-type: none"> Copy of Legal Heir Proof as per the norms mentioned in e-filing portal 	<ul style="list-style-type: none"> Middle Name of the deceased
	<ul style="list-style-type: none"> Copy of the order passed in the name of the deceased (Mandatory only if the reason for registration is 'Filing of an appeal against an order passed in the name of deceased'). 	<ul style="list-style-type: none"> First Name of the deceased
	<ul style="list-style-type: none"> Copy of the order /notice (Mandatory only if the reason for registration is 'Filing of return of income/form of period in which deceased was alive through condonation request' (or) 'A notice/order received from Income Tax Department in the name of the applicant for compliance on behalf of a deceased') 	<ul style="list-style-type: none"> Bank account details of Legal heir

	The following documents are accepted as Legal Heir proof (Any one from below):	Note: The user should select the 'Reason for Registration' if the date of death entered is for a period for which return filing timelines have lapsed u/s 139.
	<ul style="list-style-type: none"> Legal Heir Certificate issued by Court of Law /Local Revenue Authority. 	
	<ul style="list-style-type: none"> Surviving family member certificate issued by the Local Revenue Authority. 	
	<ul style="list-style-type: none"> Family Pension certificate issued by Central/State Government. 	
	<ul style="list-style-type: none"> Registered will. 	
	<ul style="list-style-type: none"> Letter issued by the banking or Financial Institution in their letter head, with official seal and signature mentioning the particulars of nominee or joint account holder to the account of the deceased at the time demise. 	
	Note: All the mandatory documents should be uploaded only in PDF format.	
Minor	<ul style="list-style-type: none"> Copy of the PAN card of Minor 	<ul style="list-style-type: none"> PAN of the Minor
	<ul style="list-style-type: none"> Copy of the PAN card of the parent/ guardian 	<ul style="list-style-type: none"> Date of Birth of the Minor
	<ul style="list-style-type: none"> Proof of income as arises or accrues to the minor child on account of manual work done by child or activity involving application of skill, talent or specialized knowledge and experience of the minor 	<ul style="list-style-type: none"> Surname of the Minor
	<ul style="list-style-type: none"> Proof of guardianship (Any one from below): 	<ul style="list-style-type: none"> Middle Name of the Minor
	<ul style="list-style-type: none"> o Birth Certificate OR 	<ul style="list-style-type: none"> First Name of the Minor
	<ul style="list-style-type: none"> o Passport of Minor OR 	<ul style="list-style-type: none"> Nature of Minor's Income
	<ul style="list-style-type: none"> o Court Order OR 	<ul style="list-style-type: none"> PAN of
	<ul style="list-style-type: none"> o Any other valid government issued id 	<ul style="list-style-type: none"> o Father (OR)
	<ul style="list-style-type: none"> Note: All the mandatory documents should be uploaded only in PDF format. 	<ul style="list-style-type: none"> o Mother (OR)
	<ul style="list-style-type: none"> o Guardian 	
Lunatic or Idiot	<ul style="list-style-type: none"> Copy of the PAN card of Lunatic or Idiot 	<ul style="list-style-type: none"> PAN of the Lunatic or Idiot
	<ul style="list-style-type: none"> Copy of the PAN card of the person who is representing on behalf of the incapacitated 	<ul style="list-style-type: none"> Date of Birth of the Lunatic or Idiot
	<ul style="list-style-type: none"> Certificate issued by Authorized Medical Authority. [Click here for details] 	<ul style="list-style-type: none"> Surname of the Lunatic or Idiot
		<ul style="list-style-type: none"> Middle Name of the Lunatic or Idiot
		<ul style="list-style-type: none"> First Name of the Lunatic or Idiot

As Court of Wards etc.	<ul style="list-style-type: none"> • Copy of the PAN card of the Person for whom Court of wards etc. is appointed 	<ul style="list-style-type: none"> • PAN of the Person for whom Court of wards etc. is appointed
	<ul style="list-style-type: none"> • Copy of PAN card of the Court of wards/ Receiver/Manager/Administrator General/Official Trustee 	<ul style="list-style-type: none"> • Surname of the Person for whom Court of wards etc. is appointed
	<ul style="list-style-type: none"> • Copy of Court Order appointing Court of wards/ Receiver/ Manager/ Administrator General/ Official Trustee 	<ul style="list-style-type: none"> • Middle Name of the Person for whom Court of wards etc. is appointed
		<ul style="list-style-type: none"> • First Name of the Person for whom Court of wards etc. is appointed
		<ul style="list-style-type: none"> • Date of Birth of the Person for whom Court of wards etc. is appointed
Trust in Writing	<ul style="list-style-type: none"> • Copy of the PAN card of the Beneficiary of Trust in writing 	<ul style="list-style-type: none"> • PAN of the Trust in writing
		<ul style="list-style-type: none"> • Date of Incorporation of the Trust in writing
		<ul style="list-style-type: none"> • PAN of the Trustee
	<ul style="list-style-type: none"> • Copy of the PAN card of trustee 	<ul style="list-style-type: none"> • Surname of the Trustee
		<ul style="list-style-type: none"> • Middle Name of the Trustee
		<ul style="list-style-type: none"> • First Name of the Trustee
	<ul style="list-style-type: none"> • Copy of Registered Trust Deed 	<ul style="list-style-type: none"> • Date of Birth of the Trustee
		<ul style="list-style-type: none"> • PAN of the Beneficiary
		<ul style="list-style-type: none"> • Surname of the Beneficiary
	<ul style="list-style-type: none"> • Copy of PAN card of the Trust in Writing 	<ul style="list-style-type: none"> • Middle Name of the Beneficiary
		<ul style="list-style-type: none"> • First Name of the Beneficiary
		<ul style="list-style-type: none"> • Date of Birth of the Beneficiary
Oral Trust	<ul style="list-style-type: none"> • Copy of PAN card of the Beneficiary of oral trust. 	<ul style="list-style-type: none"> • PAN of the Oral Trust
		<ul style="list-style-type: none"> • Date of Incorporation of the Oral Trust
		<ul style="list-style-type: none"> • PAN of the Trustee
	<ul style="list-style-type: none"> • Copy of PAN card of the trustee 	<ul style="list-style-type: none"> • Date of Birth of the Trustee
		<ul style="list-style-type: none"> • Surname of the Trustee
		<ul style="list-style-type: none"> • Middle Name of the Trustee
	<ul style="list-style-type: none"> • Copy of PAN card of the Oral Trust 	<ul style="list-style-type: none"> • First Name of the Trustee
		<ul style="list-style-type: none"> • PAN of the Beneficiary
		<ul style="list-style-type: none"> • Surname of the Beneficiary
	<ul style="list-style-type: none"> • Self-attested copy of Declaration made by the Trustee. 	<ul style="list-style-type: none"> • Middle Name of the Beneficiary
		<ul style="list-style-type: none"> • First Name of the Beneficiary
		<ul style="list-style-type: none"> • Date of Birth of the Beneficiary
Representative agent of a Non- resident	<ul style="list-style-type: none"> • Copy of the PAN card of Non-resident person/entity 	<ul style="list-style-type: none"> • PAN allotted with respect of Tax Protected contract with Non-resident person/entity
	<ul style="list-style-type: none"> • Copy of the PAN card of the resident representative agent 	
	<ul style="list-style-type: none"> • Documentary proof of Tax protected contract wherein Resident is being held responsible for tax payment and well as return filing compliance requirement of the Non-resident 	<ul style="list-style-type: none"> • Name as in PAN

10.6. The following mentioned table gives portal access rights that each type of user will get when they are representing another person or being represented by another person:

Status of the assessee	Circumstance	Who can sign the ITR/Form	Types of access to be given to represented signatory	Types of access to be given to Taxpayer
Individual	Mentally Incapacitated	Guardian or Other competent person	Full Access except 'Profile Settings', 'Authorize another person to act on behalf of self Or Register to act on behalf of another person', 'Register as Representative' functionalities up to the date of revocation by e-filing admin. Thereafter, only view and download option of all forms/ returns uploaded in the capacity of Person Competent to Verify	No access. However, on becoming sane, the user can seek for revocation of Guardian to ITD admin by providing the necessary medical records. On revocation, the user can register, if not registered earlier. If already registered, then the e-filing account shall be activated by ITD admin.
Individual	Deceased	Legal Heir	Full Access except 'Profile Settings', 'Authorize another person to act on behalf of self Or Register to act on behalf of another person', 'Register as Representative' functionalities for the period of authorization. Thereafter, only view and download option of all forms/ returns uploaded in the capacity of Person Competent to Verify	Account Deactivated.
Individual	Minor	Guardian or Other competent person	Full Access except 'Profile Settings', 'Authorize another person to act on behalf of self Or Register to act on behalf of another person', 'Register as Representative' functionalities up to the date of minor becoming a major. Thereafter, only view and download option of all forms/ returns uploaded in the capacity of Person Competent to Verify.	No Access, as not competent to Register. On the day of becoming Major, the user will be allowed to register. Once minor becomes a major, he/she shall be permitted to upload returns or revise returns of years when he/she was a minor.

Individual	Lunatic or Idiot	Guardian or Other competent person	Full Access except 'Profile Settings', 'Authorize another person to act on behalf of self Or Register to act on behalf of another person', 'Register as Representative' functionalities up to the date of revocation by e-filing admin. Thereafter, only view and download option of all forms/returns uploaded in the capacity of Person Competent to Verify	No access. However, on becoming sane, the user can seek for revocation of Guardian to ITD admin by providing the necessary medical records through email or any other modes. <hr/> On revocation, the user can register, if not registered earlier. If already registered, then the e-filing account shall be activated by ITD admin.
Individual	Persons for whom Court of wards etc. is appointed	Court of Ward/ Receiver/ Manager/ Administrator General/ Official Trustee	Full Access except 'Profile Settings', 'Authorize another person to act on behalf of self Or Register to act on behalf of another person', 'Register as Representative' functionalities up to the date of revocation by e-filing admin. Thereafter, only view and download option of all forms/returns uploaded in the capacity of Person Competent to Verify	Only View of all returns/forms uploaded when a Representative assessee is present.
Individual	Trust in Writing	Trustee	Full Access except 'Profile Settings', 'Authorize another person to act on behalf of self Or Register to act on behalf of another person', 'Register as Representative' functionalities up to the date of revocation by e-filing admin. Thereafter, only view and download option of all forms/returns uploaded in the capacity of Person Competent to Verify	Only View of all returns/forms uploaded when a Representative Assessee is present.
Individual	Oral Trust	Trustee	Full Access except 'Profile Settings', 'Authorize another person to act on behalf of self Or Register to act on behalf of another person', 'Register as Representative' functionalities up to the date of revocation by e-filing admin. Thereafter, only view and download option of all forms/returns uploaded in the capacity of Person Competent to Verify	Only View of all returns/forms uploaded when a Representative Assessee is present.

CHAPTER 11

REFUNDS TO FOREIGN NATIONALS AND ENTITIES

11.1. FAQs: Non-residents and Foreign entities

11.1.1. Whether the refund can be credited to foreign Bank Account?

Ans.: Currently, Refunds can be credited only to a bank account located in India.

11.1.2. I am a Non- Resident User. I do not have a Mobile Number in India. How do I register in e-filing?

Ans.: A non-resident user can provide a foreign mobile number along with email ID while registration. But, all the relevant verification PINs/OTPs communications will be shared to only email ID.

11.1.3. The Principal Contact of my Company/Firm is a Foreigner/Non-resident and does not have a PAN and hence, not able to register in the new e-filing Application. What should be done?

Ans.: While registering with the e-filing portal, click on the checkbox 'I am a Non-Resident Director without a PAN' and proceed with the registration process without entering the PAN of the Principal Contact.

11.1.4. The Principal Contact of my Company/Firm does not have a PAN. The Digital Signature Certificate (DSC) of the Principal Contact is with a default PAN. When I try to upload/register the DSC, PAN mismatch error comes up. What to do?

Ans.: Digital Signature Certificate with default PAN will not be accepted by the e-filing application. In this case, the Digital Signature Certificate without PAN encryption should be used.

11.1.5. The Principal Contact of my Company/Firm is a Foreigner/Non-resident, how should the XML of the ITR be generated, because of verification in the return requires for a PAN to be filled up?

Ans.: If the Principal contact of the Company/Firm is registered as 'Non Resident

Director without PAN' then you should use default PAN 'FFFFF9999F' in the verification section of the ITR to generate and upload the XML seamlessly. It is again clarified, that the default PAN can be used only for the verification field and DSC with default PAN will not be accepted.

11.1.6. For Individual NRI cases what is the procedure to Pre-validate explain with the process flow or they have to send the response sheet to CPC?

Ans: There is no separate process for NRI tax payer. Hence tax payer a/c needs to be validated by e-filing (Pre-validated) or by NPCI for issuing of refunds.

11.1.7. For Foreign company's cases what is the procedure to Pre-validate explain with the process flow or they have to send the response sheet to CPC?

Ans: For any Foreign company, they should have Indian bank a/c & the same should be Pre-validated by e-filing or by NPCI for issuing of refunds.

CHAPTER 12

REFUND FAILURE AND REFUND REISSUE TO TAXPAYER

12.1. There are Two Types of Refund Failures handling processes at CPC:

The failure of refunds can be classified into two categories.

- Failure in FAS (CPC). This process caters to cases where refund transmission itself is not possible.
- Failure at Refund Banker (SBI Bank). This process caters to cases where refund transmission succeeded but refund was not credited by Banker to the destination bank account due to reasons provided by such destination bank to the refund banker.

12.2. The Refund Failed in FAS (CPC)

There are pre-checks done at FAS which help in capturing those ITRs which do not meet the criteria for processing of refunds. The below is the list of failure due to Bank Account validations.

For this below failure status will be “Error in refund banker” with this below reason code & communication will triggered with respective description mentioned below along with failed bank account number & IFSC code.

a) 153: “Invalid IFSC Code”: Refund is failed due to tax payer has provided Invalid IFSC code.

b) 154: “PAN name is not matching with account name’

This below name matching will be applied to between PAN name & Bank name.

New Name Matching Logic		
Matching ID	Name Match Percent	Remarks
MO	100%	100% matching
MI	>85%	Match by Initials
MOa	>85%	Match >85%
MOb	>80%	Match >80%
MX	Unmatched	failed
M1	Unmatched	failed

c) 155: 'PAN not linked to the Account': The sub reasons provided by the NPCI for the Bank accounts provided by the tax payer.

S No	Sub Reason	Error Description
1	Account frozen or blocked so refund cannot be credited	The Bank Account is frozen, refund cannot be credited for this account.
2	Account closed	The Bank Account is in closed status
3	Account in zero balance and no transaction has happened	The Bank Account is in Zero Balance and no transaction has happened. Hence refund cannot be credited
4	Account under litigation so refund cannot be credited	The Bank Account is under litigation, hence refund cannot be credited
5	Invalid account status	The Bank Account status is invalid hence refund cannot be credited to this account
6	Invalid account type or refund cannot be credited to this account type	The Type of Bank Account provided in the return is not eligible for crediting the refund
7	Invalid IFSC code	IFSC Code mentioned for the Bank Account is Invalid
8	PAN is mismatch	The PAN linked to the Bank Account is different or not matching
9	PAN is missing	PAN is not linked to the Bank Account
10	PAN is missing in the NPCI response feed	PAN is not linked to the Bank Account
11	PFMS/NPCI invalid case	Invalid Bank Account
12	No such account	No Such Account

d)156: 'Bank account needs validation through ECS Mandate form'.

e) 157: 'Bank account not validated'

12.3. Refund Failure at Refund Banker:

The actions that would be taken in the CPC system for unpaid refunds are updated by the Refund Banker. The codes updated by refund banker through the feed updated in NSDL are described below. The stated action is triggered only when the status is "UNPAID" and the "reason code" as mentioned below.

Code	Reason Description
12	Incorrect A/C No.
20	Account has been closed
21	Account Description incorrect
22	Others
23	Stop Payment

- 12.4. Communications are sent to taxpayers by email.
- 12.5. Resolution: In all the above scenarios assessee will be intimated about the failure of refund and procedure of the same is explained below:
A Refund failure communication will be sent by the system. The Assessee has to file the online refund reissue request in e-filing by pre-Validating the bank account details.
- 12.6. Process steps to be undertaken by the taxpayer for refund reissue in the e-filing portal.
- A. Refund shall be issued to the Pre-validated bank account only.
- B. In case of refund failure, taxpayer can raise the service request in e-filing portal upon receiving communication from CPC.
- 12.7. The steps to raise Refund Re-Issue Request:

Step 1	Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Click on 'My Account' menu and click 'Service Request' link.
Step 3	Select the 'Request Type' as 'New Request' and Select the 'Request Category' as 'Refund Reissue'. Click 'Submit'.
Step 4	Details such as PAN, Return Type, Assessment Year (A.Y), Acknowledgement No, Communication Reference Number, Reason for Refund Failure and Response are displayed.
Step 5	Click 'Submit' hyperlink located under 'Response' column. All the Pre-validated bank accounts with status validated/validated and EVC enabled will be displayed.
Step 6	Select the bank account to which the tax refund is to be credited and click 'Continue'. Details such as Bank Account Number, IFSC, Bank Name and Account Type are displayed for the taxpayer to cross verify the same.
	Note : If the taxpayer does not have any Pre-validated bank accounts, then the taxpayer is directed to Pre-validate bank account Screen. In this screen the tax payer should enter all relevant details of the bank account where he intends receive refund and click on 'Pre-validate' button to proceed with the request submission. After this Account is Pre-validated by the concerned bank, the bank account will be automatically considered for refund re-issue. This account will now be displayed under Pre-validated bank accounts in the e-filing portal.
	In case the Pre-validation of account fails, then the same will be communicated to the taxpayer by CPC. The taxpayer is required to resubmit the request for refund re-issue/Pre-validation of bank account.
Step 7	Click 'OK' in popup if the details are correct and the options for e-Verification appears in the dialogue box. Choose the appropriate mode of e-Verification, Generate and enter Electronic Verification Code (EVC)/Aadhaar OTP as applicable to proceed with the request submission.
Note	If Digital Signature Certificate (DSC) is registered in the profile, generate the signature file by downloading the 'DSC Management Utility' and upload the same to proceed with the submission.
Step 8	A success message will be displayed confirming the Refund Re-issue request submission.
Step 9	To View the status of submitted Refund Re-issue, Click here to know more

- 12.8. Steps to check the Refund status in CPC portal for reissue after receiving request from taxpayer:
If the reissue is for other than the above reasons, then the following steps are taken up:

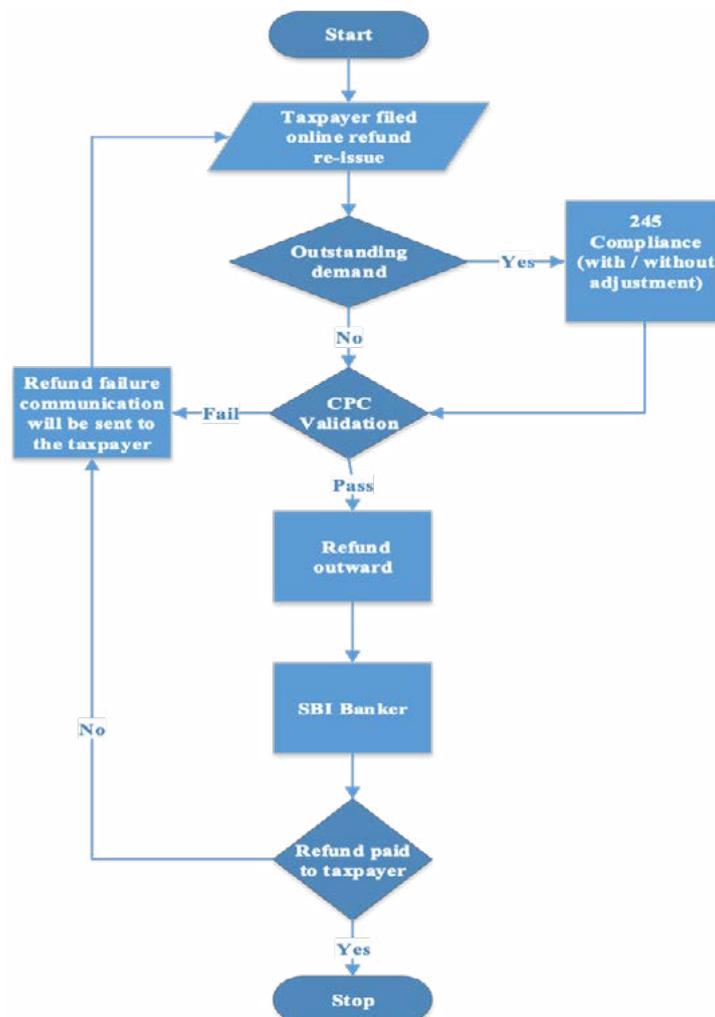
Log in the CPC portal under processing status tab enter the pan:

- If the Processing Status shows 'Refund Paid', 'Transferred to AST for Processing', 'No demand No Refund', 'Demand Sent', 'Full RO Adjustment', then such cases will be Rejected in the mailroom portal.
- If the Refund status shows, 'Refund cheque dispatched', 'Re-issue initiated', 'Re-issue approved', 'Refund/Re-issue initiated', then these cases would be put on Hold as the status may change in future to make necessary changes.
- If the data is not found in Processing Status and in the Assessee summary data as well then it is rejected with a comment 'ITR Not Processed in CPC'.
- If the Accounting process is not completed such as 'FAS Posting Completed', 'Refund Threshold Hold' then the rejection comment would be 'ITR Under Processing'

12.9. Refund Re-Issue Requests will not be accepted for this below following reasons: -

- Defective Return.
- Full RO Adjustment.
- ITR Not Processed Yet.
- NDNR.
- Refund Determined.
- Sent for Re-Issue Approval.
- Transferred to AST (Legal Heir).
- Demand Raised.
- ITR Not Processed in CPC.
- ITR under Processing.
- Refund Cancelled.
- Refund Paid.
- Stop Payment.
- Transferred to AST for Processing.

12.10. Refund Reissue Process Diagram



12.11. FAQs on Refund Reissue

12.11.1. I have e-Filed my Income Tax Return but not received my refund till now.

Ans.: If you have not received refund till date, it could be due to the following reasons:1. Your Income Tax Return has not been processed yet. Once the return is processed you may receive a Refund (if determined). To check the status LOGIN and go to 'My Account' --> 'View e-Filed Returns/Forms' --> 'e-Filed Returns/Forms'.2. Your Income Tax Return has been processed but no refund is determined.3. Your Income Tax Return has been processed, a refund has been determined, but the ECS credit failed. LOGIN and Go to 'My Account' → 'View e-Filed Returns/Forms' → 'e-Filed Returns/Forms' and check the status by clicking the link provided for Acknowledgement number.

4. If refund is processed, the status of refund can also be verified in NSDL web site by providing PAN, Assessment year and captcha code

12.11.2. I checked the status of my IT Return and it is displayed as 'Refund Returned' or 'Refund Failed'. How can I apply for it again?

Ans.: LOGIN and go to 'My Account' --> 'Service Request' --> 'New Request' --> 'Refund Re-issue request' --> select the validated account for refund --> Submit. The submission must be e-Verified using DSC or EVC.

12.11.3. If the taxpayers account number by default shows as validated, then is it necessary to do the pre-validation again?

Ans: No, once if the status is showing as Validated for the Pre-validated a/c. Then there is no need to do it again.

12.11.4. While doing the pre-validation can the taxpayer gives the same account number as per ITR Return or can he Pre-validate the different account number as well?

Ans: Yes, Taxpayer can Pre-validate different account number also. However, the preference is given to bank account mentioned in the ITR. The feature to interchange of bank account in not currently available in automated mode at CPC.

12.11.5. In case if the taxpayer has given the second or different bank account number to which account refund will be issued? Please explain with process flow?

Ans: Currently for issuing of refunds, we are referring the a/c number provided in return or in the 'Change form particulars' option through e-filing as first. If this is not validated account or invalid account, refund will be issued to the other bank account if the bank account is validated.

12.11.6. Taxpayer has done the Pre-validation but the status shows as submitted from one month, let us know what information to be provided?

Ans: Currently, if the bank accounts submitted by taxpayer is not integrated with Income tax department, it will be shared with NPCI for verification. Once we get the response from NPCI then the same will be shared to e-filing team & status will be changed to 'validated' or 'Invalidated' from 'submitted' based on the NPCI response. Few banks are sharing the response late and hence, the status shows submitted.

12.11.7. As per the 6th question above taxpayer has submitted the Pre-validation but it's not validated (status shows as Submitted) however CPC has sent the failure notice what action to be taken?

Ans: Taxpayer need to wait and file online refund reissue request or file re-issue request by providing new bank account. The new a/c will be validated from e-filing or through NPCI then only refund will be issued to the taxpayer.

12.11.8. Taxpayer bank account name is correct but while filing the return he has mentioned wrong name or “shuffled the name”, what is the procedure to claim the refund with Pre-validation?

Ans: Refund will be issued to the Pre-validation account irrespective of wrong name or shuffled name in the return. Taxpayer has to ensure that the PAN is seeded to the bank account.

12.11.9. CPC has asked for ECS Mandate Form for Partnership refund and link to download the ECS mandate is not working and also mentioned that mail is sent, but no attachment is sent with the mail. Because of this Partnership firm is facing issue.

Ans. : As verified, refund failure notice has been sent to taxpayer on 27th Aug 2020 ECS mandate form is included in the same communication. Taxpayer need to get certified from the branch and submit ECS mandate form through post to CPC.

CHAPTER 13

RECTIFICATION PROCESS AT CPC

A online facility is provided on the e-filing website : www.incometaxindiaefiling.gov. in for taxpayer to seek rectification of the intimation u/s.143(1) or Order u/s.154. There are two categories of rectification namely,

- a. Online rectification where taxpayer needs to file rectification.
- b. Suo moto rectification by CPC in cases where additional information is received.

13.1. Online rectification:

The return filed by the taxpayer will be processed by Income Tax Department (ITD) and intimation will be sent to the assessee under section 143(1) based on details disclosed by the taxpayer and rules deployed at CPC. In case if the taxpayer wants to seek rectification of a mistake in an order or intimation which is apparent from the record, then the taxpayer can seek rectification under section 154. The processing of rectification is a fully automated system. Processed rectification and providing of reason for rectification is carried out in batches based on the initial analysis of the order sought to be issued.

- 13.1.1. CPC accords highest priority to rectifications filed by the taxpayers in the processing system. The average time for processing of rectification in general is less than 30 days from the date of filing. In cases where there is delay, the same is due to non-closure of refund process in the earlier instance is not closed or any rule change is taken up at CPC, however all orders are passed within time u/s. 154.

13.2. Options to file

13.2.1. Tax Credit mismatch correction only

The facility provides for auto filling of information in the ITR if the rectification is with regard to tax credit mismatch during earlier processing, in such cases taxpayer can choose option 'Tax Credit mismatch correction only', this options provides a pre-filled, editable table for verifying the tax credit claims made in the ITR and correcting the information, such newly provided or corrected information will be used by the CPC along with information in ITR for processing the rectification. Taxpayer needs to be careful while

filing information and take note of the alerts given by the system and adhere to the same.

13.2.2. Return data Correction (XML)

The facility provides for filing of an xml which is corrected by the taxpayer at a schedule level. The taxpayer after making the changes needed in the XML, at the time of upload is required to indicate the nature of corrections made in the new XML by selecting the appropriate statements provided in the facility. This information is used at the time initiation or rejection of rectification.

13.2.3. Only reprocess the return

The facility provides for reprocessing of the ITR without any additional information, this is particularly used where taxpayer has got correction effected in Form 26AS or has filed Form 10E or changed any information in PAN card like gender, date of birth, etc.

13.2.4. Correcting Status & Sub Status

Considering the uniqueness of the ITR 5 and 7 (till AY 2018-19), there is a specific provision made for filing rectification by changing only the status and/or sub status of the assessee. The taxpayer needs to give additional information or reason for making the change in rectification and there is provision to file documents. The changed status will be amended in the ITR already available at CPC and rectification is carried out.

13.2.5. Correcting Exemption Section Details

Considering the uniqueness of ITR-7 (Till AY 2018-19), there is a specific provision made for filing rectification by changing section under which exemption is sought. The taxpayer needs to give additional information or reason for making the change in rectification and there is provision to file documents. The changed section will be amended in the ITR already available at CPC and rectification is carried out.

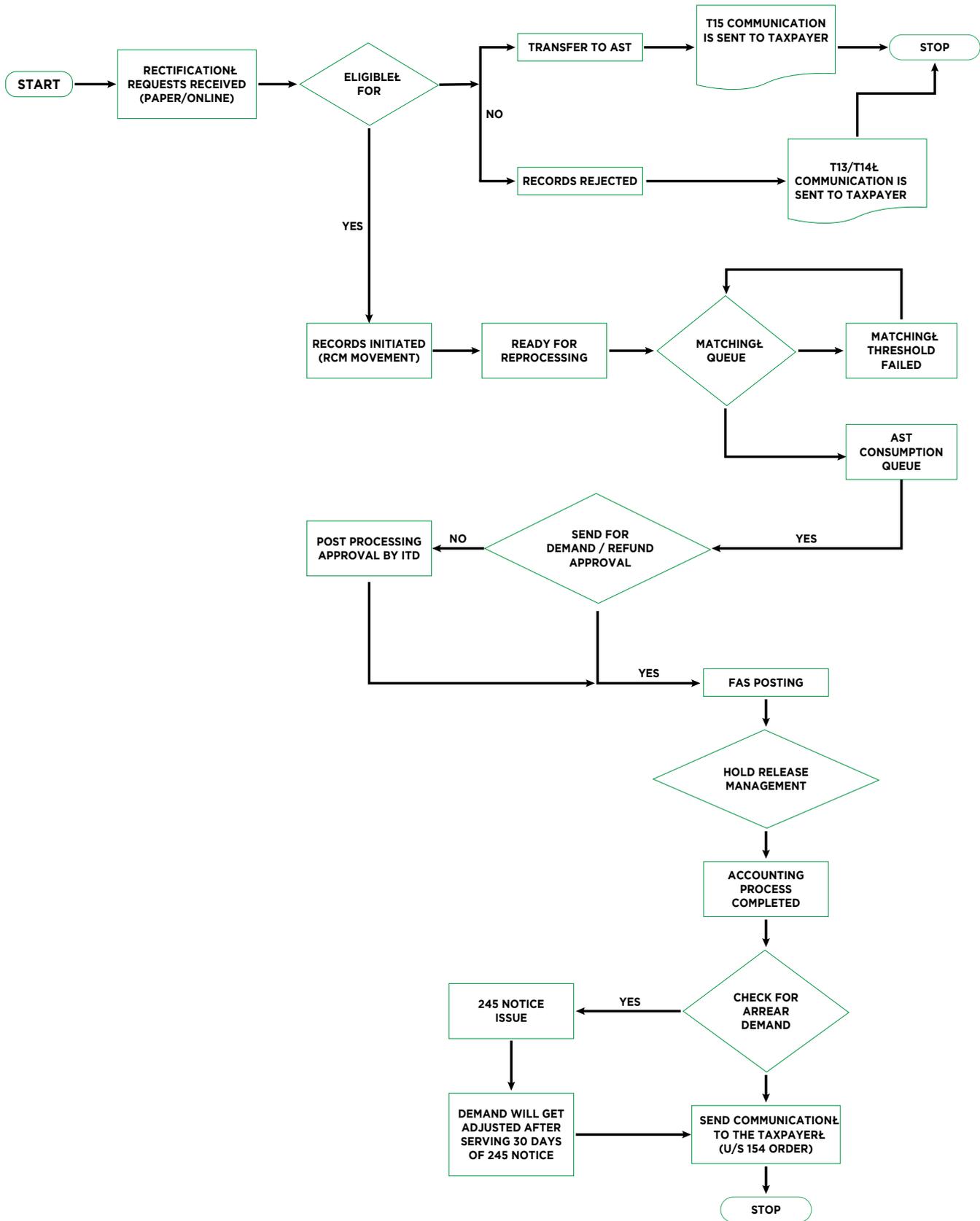
13.2.6. Additional information for 234C

In cases where the error sought to rectified is with regard to computation of interest u/s.234C only, then taxpayer is provided a facility to seek rectification of the same by providing additional information which can be considered in processing the rectification.

13.3. Online rectification gets priority over suo moto rectification:

- 13.3.1. If any rectification is to be carried by CPC and suo moto is required, if taxpayer also files a rectification, then online rectification will be taken up by holding the suo moto rectification in case they are not yet initiated.

13.3.2. Process flow diagram of rectification: (Pardon the small text)



13.3.3. Step by step process while filing:

The following steps are to be followed to file the Rectification request.

1. Logon to 'e-filing' Portal www.incometaxindiaefiling.gov.in
2. Go to the 'e-File' menu located at upper-left side of the page ⇒ Click 'Rectification'.
- 3 Choose the options of 'Order/Intimation to be rectified' and 'Assessment Year' from the drop down list. Click 'Continue'.
4. Select any one of the following options of 'Request Type' from drop down list.
 - A. Tax credit mismatch correction only - On selecting this option, following check boxes will be displayed.
 - o TDS on Salary Details
 - o TDS on Other than Salary Details
 - o TDS on transfer of Immovable property/Rent
 - o TCS Details
 - o IT Details

You may select the check box for which data needs to be corrected.

You can add a maximum of 10 entries for each of the selections. No upload of an Income Tax Return is required.

Note: This option is available only for ITR 1 for AY 2019-20. For remaining ITRs for AY 2019-20 this option is not available, so the assessee should use Return Data Correction (XML) option for rectifying tax credit mismatch.

B. Return data Correction (XML) - Select the following

- o Reason for Rectification by clicking the button made available. (maximum of 4 reasons)
- o Schedules being changed
- o Donation and Capital gain details (if applicable)
- o Upload XML, and
- o Digital Signature Certificate (DSC) (if available and applicable)

Note:

- When the user is uploading XML, the Gross Total Income and Deductions amount should be the same as in the processed return.
- For AY 2018-19 the assessee should select 'Filing Type' as 'Rectification' in the ITR utility and upload the XML

C. Only reprocess the return - On selecting this option, user needs to just submit the rectification request.

Note: User can verify the Form 26AS details under My Account ⇒ View Form 26AS and Tax Credit Mismatch under My Account ⇒ Tax Credit Mismatch

D. Correcting Status (Only for ITR-5 & 7) (Till AY 2018-19) - On selecting this

option, the user should select the status applicable from the displayed drop down, answer the additional questions asked and upload the necessary attachments to submit the request.

- E. Correcting Exemption Section Details (only for ITR-7) (Till AY 2018-19) – On Selecting this option, the user must fill in all the applicable fields and upload the necessary attachments to submit the request.
- F. Additional information for 234C - On Selecting this option, the user must fill in all the applicable fields to submit the request. In this type of rectification tax payer is allowed to provide additional information for pre computation of 234C. This is applicable for ITR-2, 2A, 3, 4, 4S, 5 & 6 for AY 2017-18 onwards for rectification returns. The below is the format in which information obtained:

Nature of Income or gain	Upto 15/6 (i)	16/6 or 15/9 (ii)	16/9 or 15/12 (iii)	16/12 or 15/3 (iv)	16/3 or 31/3 (v)
Income from PGBP accrue or arise, first time (Applicable for 2016-17 onwards)					
Income Special Income Mentioned in 2(24)(ix) Taxable u/s 115BB (Category wise - Can be crossed check through Schedule - SI)					
Income Referred in section 115BBDA (FOR THIS SUM OF ALL Quarters to be checked and it should exceed 10 lakhs or else nothing to be entered. (Applicable for 2017-18 onwards)					

5. Submit to complete the rectification request. A success message will be displayed and a mail confirming the submission of rectification request will be sent to the user's registered mail ID.
6. Withdrawal of Rectification: Taxpayer can withdraw rectification within end of the day of request.

13.4. Rejection of rectification

- 13.4.1. The system verifies the rectification filed by taxpayer and if there is no data change or if there is data change that is not within the meaning of 'error apparent from record', the rectification is rejected at the outset and a communication is sent to the taxpayers. If the rectification is rejected after re-processing of the ITR, then the rejection reason is mentioned in the order u/s. 154. The following are main reasons for rejection:

Rectification is in Progress: A rectification earlier filed or suo motto rectification has been initiated for the same PAN and AY is in progress.

Transfer to AST: If the assessee has received Rejection letter saying that, "Application for Rectification is rejected as the cases transferred to AST". That means the particular case is to be further taken up with the AO in ITBA and assessee needs to contact local AO for the same.

Refund in Progress: If there is any Refund in the particular case is either sent for payment or failed but such information is not available in system,

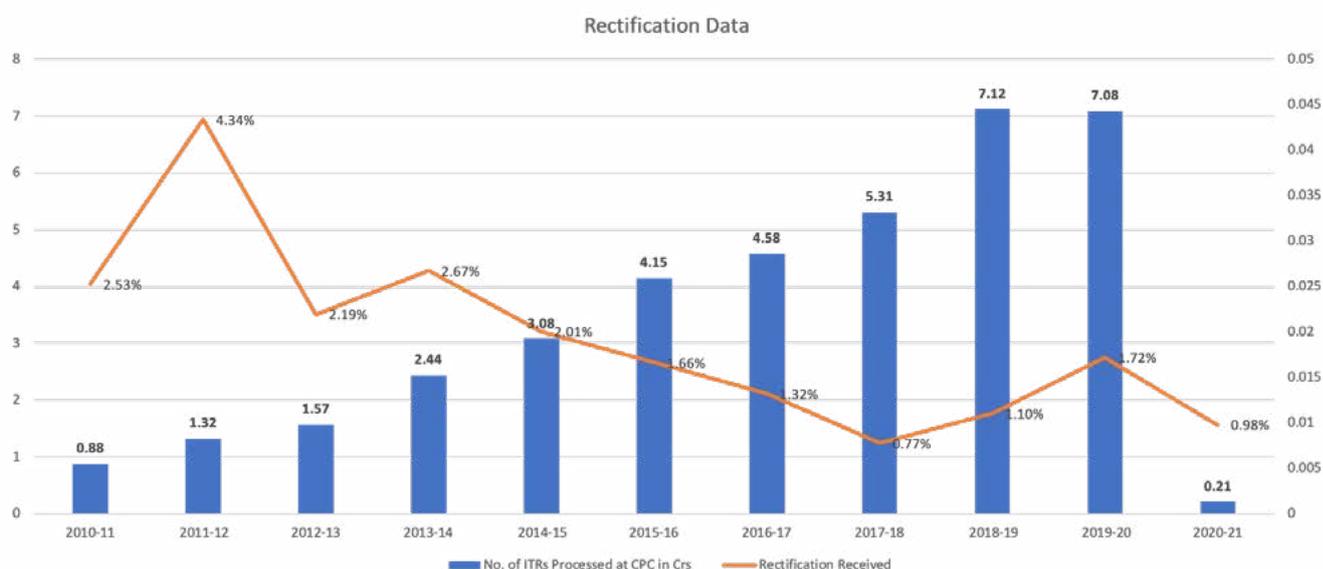
in such cases rectification cannot be carried out. Once the refund procedure is completed, assessee can file Re-Rectification.

Revised return in Progress: A revised return for the same PAN and AY is in progress, hence rectification cannot be taken up. Taxpayer can seek rectification on the revised return processed if required.

13.5. Transfer of rectification rights to AO

In some of the cases, where rectification at CPC is not feasible due to automated environment, the rights for rectification are transferred to the AO and an intimation about such transfer is provided to taxpayer by email. AO also is provided with an option to seek rectification rights from CPC and such requests are also automated. If there is delay in transfer, the same is due to non-completion of all the processes with respect to preceding order at CPC. Taxpayer can approach AO in both e-filing mode as well as paper mode.

13.5.1. Trend of rectification from taxpayers:



13.6. Sua Moto Rectification at CPC

After processing of the returns, if any shortcomings are noticed in the processed cases based on the internal information at CPC, fresh updates from other interfacing systems, any change in rule due to any clarification issued by the CBDT or feedback from the taxpayers via call center or e-Nivaran grievance, an exercise is carried to identify the impacted cases. Sua Moto Rectification is carried out in such cases. In cases where suo motto rectification is not favorable to the taxpayer, an opportunity is given to the taxpayer by a communication.

Sua Moto rectifications are classified upon identification as 'Favourable' or 'not Favourable to the Assessee'. In cases where the suo motto rectification is not favourable, a communication giving an opportunity for hearing is provided to taxpayer and a time limit is 15 days. The taxpayer is required to respond to notice only through a response sheet giving consent. Sua motto rectification is carried out in all identified cases and resultant order is issued to the taxpayer.

13.6.1. Class of Cases usually taken for Suo Motto Rectification:

Suo motto rectification is carried out in the following class of cases:

- a) Fresh Tax Credits: Suo-Moto under Re-Accounting will be initiated for allowing the fresh Tax credit received to CPC after the passing the previous order for which tax credit fully/partially allowed due to non-availability at that time.
- b) RO-400: Suo-Moto will be initiated for giving the refund out of RO-400 in certain class of cases.
- c) Section 89 Relief: Suo-Moto will be initiated for allowing section 89 relief which was not allowed earlier due to non-availability of Form 10E at the time of processing u/s.143(1).
- d) Change in Tax credit Position: Suo-Moto under Re-Accounting will be initiated for giving effect to the corrected Tax Credit position in Form 26AS, which required to change in Tax credit position in the CPC processed return which was allowed in the previous order.
- e) New Business rule change: Suo-Moto initiating for any new Business rule change & approved from CBDT and action is taken in ITD-CPC for giving the effect to the tax returns which is already processed in CPC post implementation of the new rule.
- f) Accounting issue: Any accounting issue faced during the processing for the returns post ITD approval E.g. reversal issue, matching issue & FAS issue etc.

13.7. Processing of suo moto rectification is done in two types:

13.7.1. Suo moto rectification by re-accounting only:

In this type of rectification, the ITR is taken for only re-matching of tax credits in the system without any processing of determination of the total income, the processing will lead to re-consideration of the tax credits which is sync with Form 26AS as available in financial accounting system at CPC, during the rectification.

13.7.2. The class of cases considered under this mode are:

- A. Fresh Tax Credit.
- B. Section 89 Relief due to availability of Form 10E.
- C. RO 400.
- D. To consider Tax Payment under minor code 300 (SAT)

13.7.3. Suo moto rectification with re-processing:

In this type of rectification, the ITR is taken for re processing including determination of total income by applying the rules to all the parts of the ITR using the latest rules. The resultant order is required to consider the changes rules and also consider the tax credits available at that point in time.

13.7.3.1. The class of cases considered under this mode are:

- Business Rule changes.
- Relaxation provided by Board like Form 10, etc.

The processing under suo moto rectification is similar to online rectification in all other aspects and undergoes the same steps and process flow as discussed above in the Online Rectification Process description.

13.7.4. Time taken for Suo Moto Rectification:

Suo moto rectification takes same time as online rectification and it is around 45 days on average in cases where reprocessing is taken up and it is less than 30 days for re-accounting type of cases.

13.8. Answers to commonly asked queries on rectification

13.8.1. Can Taxpayer file for Rectification application through Paper mode?

Ans. Paper Rectifications will be accepted in CPC only for Paper returns the A.Y. 2008-09 processed in CPC. For returns filed electronically and processed at CPC, the rectification application should be filed online only.

13.8.2. What are Pre-Requisites to file for Rectification request with CPC, Bangalore?

Ans. Pre - Requisites for Filing Rectification are as follows:

- Online Rectification will be considered provided Original Returns filed by the Tax Payer through Online.
- The Income Tax Return for the Assessment Year should have been processed in CPC, Bangalore.
- Intimation under Section 143(1) or an order Under Section 154 Passed by CPC, Bangalore for the E-filed Income Tax Returns should be available with Tax Payer.

13.8.3. What are the Steps involved in Filing Online Rectification?

Ans. Following are the Steps involved in Filing Online Rectification:

Step 1: LOGIN to e-filing Application and GO TO 'My Account', 'Rectification Request.'

Step 2: Select the Assessment Year from the drop down for which Online Rectification to be filed, enter Latest Communication Reference Number (As mentioned in CPC Order) and latest CPC Order Passed Date (As mentioned in CPC Order).

Step 3: Select the "Rectification Request Type":

- * Taxpayer correcting Data for Tax Credit Mismatch only: Once Tax Payer clicks, three check boxes TDS, TDS and IT will be displayed. Tax Payer can select the check box for which the data needs to be corrected. Based on the selection, TDS, TCS and IT fields are displayed.
- * Taxpayer is correcting the data in Rectification: Taxpayer needs to select the reason for Rectification, Schedules being Changed, Donations and details regarding Capital Gains if Upload XML.

- * No further Data Correction required, Reprocess the Case : Once Taxpayer, three Check Tax Credit Mismatch, Gender Mismatch, Tax / Interest Mismatch will be displayed. Select the Check box where Reprocessing is required.

Step 4: Click on “Submit” button.

Step 5: On successful completion, an acknowledgement number got generated and sent for Processing to CPC, Bangalore.

13.8.4. Which CPC Number should I update while filing Online Rectification Request?

Ans. You need to update the Communication Reference Number as per the Latest Order /Intimation received from CPC Under Section 143(1) or 154.

13.8.5. Which Order Passed Date should I update while filing Online Rectification Request?

Ans. You need to update the Order Passed Date as per the Latest Order / Intimation received from CPC Under Section 143(1) and 154.

13.8.6. I am getting errors as “Incorrect details. Please enter details as per Latest Order” while filing Online Rectification, what should I do?

Ans. This error occurs due to One of the following reasons:

- When you are entering below fields wrongly:
 - * CPC Communication Reference Number
 - * CPC Order Passed Date
- Ensure that you have updated the above fields correctly as per the CPC Order and also ensure that you have selected the Proper Assessment Year from the drop down.
- If a subsequent CPC Order exists, you have to file Rectification Request by using latest CPC Order Passed Date.

For Example: If you have received an Intimation from CPC on 14th September, 2011 and another on 11th January, 2012. You can file Rectification Request using the latest CPC Order Passed Date i.e. 11th January, 2012 for the relevant assessment year.

- If you have filed a Rectification Request for the relevant assessment year and the same has been rejected by CPC. Now if you are trying to file another rectification Request using the Old CPC Communication Reference Number, then this error message exists.

13.8.7. I want to file an Online Rectification under Section 154 for Tax Credit Mismatch ONLY, what should I do?

Ans. In this scenario, there is no need to upload XML. Select the User Type as “Tax Payer correcting data for Tax Credit Mismatch Only” from the drop down and then update proper details with respect to TDS, TCS and IT. Submit the Request. No XML upload / Submission is required.

13.8.8. I want to file Online Rectification Under Section 154 to correct my data, what should I do?

Ans. In this scenario, there is a need for a Taxpayer to upload XML. However, as per Provisions Under Section 154, Taxpayer can file Rectification for correction of mistakes which are apparent from the record.

13.8. 9. I want to file Online Rectification Under Section 154 for Reprocessing by Income Tax Return, what should I do?

Ans. In this Scenarios, No XML upload is required. Select the User Type as “No further Data Correction is required, Reprocess the Case” and then select the respective check box such as Tax Credit Mismatch, Gender Mismatch OR Tax / Interest Mismatch accordingly.

13.8. 10. How can I see the “Status of the Rectification Request”?

Ans. LOGIN and GO TO “My Account” and then GO TO “Rectification Status”.

13.8.11. My e-Filed Income Tax Return has been processed by CPC raising a demand OR less Refund, whom should I approach for Rectification?

Ans. In case your Income Tax Return for the relevant assessment year is Processed by CPC, then Taxpayer can file Rectification with CPC. In case if the Rectification Request has already been transferred to AST, then Tax Payer has to file Rectification Application on Paper.

In order to know whether rights are with CPC or AO, the Tax Payer should LOGIN and GO TO “My Account” and then GO TO “My Returns / Forms” and Check the Status.

13.8.12. If I have uploaded wrong Rectification Request, what is the Procedure for the Correction?

Ans. You can withdraw the Rectification Application within 7 days from the Date of Filing the Rectification Request. In order to withdraw the Rectification Application, LOGIN and GO TO “May Account” and then “Rectification Status”.

13.8. 13. In case if I have filed Income Tax Return with One ITR, can I rectify the same with different ITR Form?

Ans. No, for the purpose of rectification, form type cannot be changed. To change form type, Taxpayer has to exercise option of “revision of Return”.

13.8.14. The demand raised by CPC has been paid by me, Do I need to file Rectification Request in order to nullify the Demand?

Ans. No. There is no need for you to file Rectification Request, the demand will be automatically reduced.

13.8. 15. For the A.Y.2009 – 10 I have Demand and for the A.Y.2010 – 11 I have arrived at Refund and that Refund has got adjusted with the Demand of A.Y.2009 – 10. Demand raised for the A.Y.2009 – 10 has been already paid off, what should I do in order to get refund which is wrongly adjusted?

Ans. Apply for Rectification for the A.Y.2009 – 10.

13.8.16. How many times can I file Rectification?

Ans. Legally, a return can be rectified any number of times before the expiry of four years from Original Order Passed Date.

13.8.17. Deductions Under Chapter VIA has not been allowed while Processing the Income Tax Return by CPC?

Ans. Check whether relevant information is furnished by you in Schedule Chapter VIA as well as in Part BTI at the time of filing Income Tax Return. If Yes, select User type as “No further Data Correction is required, Reprocess the case”. If No, upload new XML OR amend the latest XML after verifying the Order Passed by CPC.

13.8.18. Deductions under Chapter VIA have not been allowed while processing the Income Tax Return by CPC as Normal Income not disclosed?

Ans. You have to file Revised Return in case if the Original Return is filed within the due date OR Time limit to file Revised Return is not exceeded. Rectification is the Process for correcting the mistakes which is apparent from the Records.

13.8.19. Credit for Tax Payments has not been allowed by CPC at the time of Processing the Income Tax Return, what should I do?

Ans. First step is to check whether the details mentioned by you in Schedule TDS, TCS OR IT is correct or not. If Yes, select user type as “No further Data Correction is required, Reprocess the case”. In No, upload new XML OR amend the latest XML after verifying the Order Passed by CPC.

In case if there is no issue with the Tax Credits in the earlier Income Tax Return, however the credit was not allowed in the latest Rectification Order Processed by CPC, then verify the Order passed by CPC and ensure the correctness of the data in the latest XML already processed by the CPC. If the data mentioned by you is correct, then select user type as “No further Data Correction is required, Reprocess the case”. If No, then select user type as “Tax Payer correcting the Data for Tax Credit Mismatch ONLY” and then, enter proper details with respect to Schedule TDS, TCS and IT.

In case if you have entered the Schedules as per the details available in 26AS and OLTAS, however the credit is not provided in the Order Processed by CPC due to Credits not available in CPC and if you have received any Communication from CPC regarding the Transfer of Rights to AST, then you have to Contact Local AO for the same instead of filing Rectification with CPC.

13.8.20. My Gender is not correctly considered in the Order Processed by CPC, what should I do?

Ans. First, verify the Gender in NSDL and in the Latest XML. If the Gender in NSDL is “MALE” then update the Gender as “FEMALE” in NSDL database before filing Online Rectification Request.

Then select User Type as “No further Data Correction is required, Reprocess the case”. If the Gender is “FEMALE” in NSDL Database whereas Gender updated by you is “MALE” in the latest XML, then select User Type “Tax Payer correcting the Data in Rectification” and then correct the Gender.

13.8.21. I have not updated the Status Under the head Personal Information in ITR 5/ incorrectly updated, what I should I do?

Ans. You have to select User Type “Tax Payer correcting the Data in Rectification” and then update the Status / correct the Status in XML and ensure there are no other issues in the latest XML already Processed by CPC.

13.8.22. I have not updated the Domestic Flag Under the head Personal Information in ITR 6/ incorrectly updated or not properly updated PE status, what I should I do?

Ans. You have to select User Type “Taxpayer correcting the Data in Rectification” and then update the Domestic Flag / correct the Domestic Flag in XML and ensure there are no other issues in the latest XML already Processed by CPC.

13.8.23. I have not updated the Residential Status / incorrectly updated, what I should I do?

Ans. You have to select User Type “Taxpayer correcting the Data in Rectification” and then update the Residential Status / correct the Residential Status in XML and ensure there are no other issues in the latest XML already Processed by CPC.

13.8.24. My Date of Birth has been wrongly considered in the Order Processed by CPC, what should I do?

Ans. First verify the Date of Birth in NSDL database as well as in the latest XML uploaded by you. In case if the Date of Birth entered by you is incorrect, then change the DOB in NSDL database before filing Online Rectification Request. Then, select User Type “No further Data Correction is required, Reprocess the Case” and then submit.

In case, if the DOB is correct in NSDL database whereas you have updated incorrect DOB in the latest XML uploaded by you, then select User Type “Tax Payer correcting the Data in Rectification” and change the DOB and submit.

13.8.25. Credit for Relief Under Section 89 has not been allowed in the Order Processed by CPC as I filed Form 10E later, what should I do?

Ans. Select User Type “No Further Data Correction is required, Reprocess the case” and then select “Tax / Interest Mismatch Flag” then submit the Request and ensure there are no other issues in the latest order which was Processed by CPC.

13.8.26. Rebate on Agricultural Income has been allowed as lesser as I have mentioned the Gender as “FEMALE” in the latest XML, however the Gender in NSDL database is “MALE”, what should I do?

Ans. You are required to Change the Gender as “FEMALE” in NSDL database before filing Online Rectification Request. Then, select User type as “No further Data Correction is required, Reprocess the Case” and then select “Status Mismatch” and submit.

13.8.27. Interest under Section 234A has been levied in the Order Processed by CPC, even though I have filed the Return within Due Date, what should I do?

Ans. First verify the Due Date and Date of Filing of the Return in the latest XML. If the Due Date /Date of Filing of the Return Original / Revised return is incorrect, then select “Tax Payer correcting the Data in Rectification” then correct Due Date / Date of Filing in the new XML and ensure there are no other issues in the Order Processed by CPC.

13.8.28. Interest under Section 234B has been levied in the Order Processed by CPC, even though I have paid 90% of the Prepaid Taxes, what should I do?

Ans. First verify Is there is any mismatch in the Tax Credits in the Order Processed by CPC and also ensure the correctness of data in Schedule TDS, TCS and IT. If Yes, verify the Credits in 26AS and OLTAS and then select User Type “No further Data Correction is required, Reprocess the case” and then select “Tax Credit Mismatch” and then Submit.

In case if the details entered by you is incorrect, then select User Type “Tax Payer correcting the Data in Tax Credit ONLY” then enter details as per 26A / OLTAS and then submit.

13.8.29. Interest Under Section 234C has been levied in the Order Processed by CPC, even though I have paid Advance Tax, what should I do?

Ans. Verify whether the Prepaid Taxes are paid within Due Date. If Yes, select user Type “No Further Data Correction is required, Reprocess the case” and then Submit. If the computation is for AY2017-18 onwards and due to income from dividends, a separate schedule is provided in rectification to provided date of payments where information can be provided to arrive at correct 234C interest.

13.8.30. I have to Change my Heads of Income, Can I Rectification with the Changes?

Ans. Change of Income is not accepted in rectification; hence you have to file a Revised Return Provided Original Return is filed within the Due Date OR Time limit to file Revised Return is not exceeded. Rectification is the Process for correcting the mistakes which is apparent from the Records.

13.8.31. I have not claimed Current Year Losses in the Income Tax Return, can I file Rectification by claiming Current Year Losses?

Ans. Fresh / additional claim of loss cannot be accepted in Rectification; hence you have to file a Revised Return Provided Original Return is filed within the Due Date OR Time limit to file Revised Return is not exceeded.

13.8.32. I have not claimed Deductions under Chapter VIA in the Income Tax Return, Can I file Rectification by claiming Deductions under Chapter VIA?

Ans. Fresh/additional claim of Deductions Under Chapter VIA cannot be accepted in Rectification, hence you have to file a Revised Return Provided Original Return is filed within the Due Date OR Time limit to file Revised Return is not exceeded.

13.8.33. I have not claimed Brought Forward Year Losses in the Income Tax Return, Can I file Rectification by claiming Brought Forward Year Losses?

Ans. Fresh / additional claim of Brought Forward losses cannot be accepted in Rectification; hence you have to file a Revised Return Provided Original Return is filed within the Due Date OR Time limit to file Revised Return is not exceeded.

13.8. 34. I have not claimed Relief Under Section 89 in the Income Tax Return, Can I file Rectification by claiming Relief Under Section 89?

Ans. Fresh/additional claim of Relief Under Section 89 cannot be accepted in Rectification; hence you have to file a Revised Return Provided Original Return is filed within the Due Date OR Time limit to file Revised Return is not exceeded.

13.8.35. Which return will be processed if revised return and Rectification are filed on the same date?

Ans. Revised return will be processed if the time processing the same is available. Rectification application will be rejected.

13.8.36. What information is provided in the tax mismatch report shared with taxpayer?

Ans. Details of claims made in ITR which did not match during the matching process is provide in the report to help taxpayer to know which of credits were not considered by CPC.

13.8.37. Whether AO can seek transfer of rectification rights in tax credit mismatch cases to give effect to Circular No. 8/2015?

Ans. AO can seek transfer of rectification rights, if the taxpayer approached the AO with TDS certificates and indemnity bond. Such requests are handled automatically by the system in scheduled manner. If any rectification is in progress, the transfer is done after completion of the same. Taxpayer is intimated about the transfer of rectification rights to AO and is prevented from filing rectification at CPC as along as rectification rights are with AO.

13.8.38. Whether CPC can revert the rectification rights available with AO, for the purpose any suo moto rectification?

Ans. Yes, CPC can revert back the rectification rights are with AO, by raising a request which is required to approved by the AO in the ITBA portal. Only after approval the rectification rights are reverted back to CPC.

13.8.39. Whether I can change only the status or sub status for ITR 5 or 7 for AY2018-19?

Ans. Yes, there is a separate facility for providing additional information/ documents for changing the status/sub status in ITR 5 or 7.

13.8.40. Whether I can change only the section under which exemption is claimed in the ITR 7?

Ans. Yes, there is a separate facility provided for changing the section under which exemption is claimed in the ITR and there is a provision to submit additional documents while making such changes to substantiate such change for ITR 7 only.

13.8.41. Can I submit rectification application or other correspondence with CPC in paper form?

Ans: No.

13.8.42. I am getting error while filing rectification u/s 154, "Rectification application already submitted for this Assessment Year." Can I file another Rectification request?

Ans: No. You can file another Rectification when previous one is processed by CPC. You will get an Order u/s 154 once the Rectification is processed. To view the status of your e-Filed Rectification, LOGIN and go to 'My Account' ⇒ Rectification status'.

13.8.43. I want to file a Rectification for correcting data for Tax Credit mismatch ONLY. Do I need to upload a fresh return XML (generated from the Excel Return preparing software utility)?

Ans: For ITR-1(From AY 2018-19) uploading of XML is not required, the user can select the request type as 'Tax credit mismatch correction only' and then provide TCS, TDS or IT details a fresh including those in which there was no mistake and submit the request. For other ITRs, assessee should use Return Data Correction (XML) option and upload the applicable XML for rectifying tax credit mismatch.

13.8.44. I want to file Rectification to correct data. Do I need to upload an XML (generated from the Excel Return preparing software utility)?

Ans: Yes. However, according to the provision u/s 154 in Income Tax Act, an assessee can only file Rectification of a data which is apparent from the record.

13.8.45. I want to file a Rectification request for reprocessing my Income Tax Return. Do I need to upload a fresh return XML?

Ans: No. Select the Request type as 'Only reprocess the return' and Submit the request. NO XML upload/submission is required.

13.8.46. I am audited under Section 44AB. Is it mandatory for me to file Rectification using Digital Signature Certificate?

Ans: Yes.

13.8.47. I am the authorized signatory of a company. Is it mandatory for me to file Rectification for my company using Digital Signature Certificate?

Ans: Yes.

13.8.48. How can I see the rectification status?

Ans: LOGIN and GO TO 'My Account' ⇒ 'View e-Filed Returns/Forms' ⇒ 'Rectification Status'

13.8.49. My e-Filed Income Tax Return has been processed by CPC raising a demand or with less refund. Whom do I need to approach for Rectification?

Ans: In case your Income Tax Return for the relevant Assessment Year is processed, online Rectification request may be made on e-filing portal. To know the status of processed Income Tax Return, the taxpayer should LOGIN and go to 'My Account' → 'View e-Filed Returns/Forms' → 'Income Tax Return' and check the status by clicking the link provided for Acknowledgement number.

13.8.50. If assessee has uploaded wrong rectification request, what is the process of correction of rectification.

Ans: Assessee can withdraw rectification by midnight of the day of submitting the request, if assessee has uploaded wrong rectification request. LOGIN and go to My Account '→' View e-Filed Returns /Forms'→ Rectification status

13.8.51. Can an Income Tax Return e-Filed with one ITR Form say ITR-2 be rectified in any other ITR form?

Ans: No.

13.8.52. I have filed the Original Income Tax Return in paper mode. Can I file the revised return electronically as e-Filed Income Tax Return?

Ans: No.

13.8.53. I have e-Filed the Original Income Tax Return. Can I file the revised return in paper-form?

Ans: No.

13.8.54. How many times I can file the revised return?

Ans: ITR can be revised any number of times within relevant assessment year OR before the completion of the assessment by the Department; whichever event takes place earlier.

13.8.55. Rectification has been processed by the CPC and demand has been removed. Afterwards again CPC has done suo-moto rectification and has again raised the demand without giving any intimation to us. How this is possible that once a rectification has been done but again it has been suo-moto reverted by CPC and original demand has been raised, why?

Ans: Rectification by Suo Moto are based on the information from TRACES, in cases where changes are effected by the deductors to the credit position, such change is conducted in CPC system of ITD, hence credit though allowed original, same is withdrawn based on TRACES. A notice u/s.154(3) of the Act is issued by email to the taxpayer in such cases giving taxpayer an opportunity of hearing.

13.8.56. The assessee declared income of spouse in his income and claimed TDS on sale of property but credit of TDS of spouse was not allowed. Rectification was filed but demand still outstanding. Schedule TDS was complete and PAN of spouse was disclosed. Why?

Ans. As verified for the given PAN, for AY 2019 tax payer has filled schedule TDS3 incorrectly (PAN of other person entered his PAN instead of the entering in PAN of the buyer/tenant. Requesting tax payer to fill the details in TDS3 correctly and file for online rectification. It is crucial to fill the ITR with proper details while claiming credit for TDS in TDS 3. Instructions to the ITR are be read before filling the information to avoid disallowance of TDS.

Presentations on the Processes at CPC

1. Presentations on e-filing Unit of CPC.

e-filing *AnyTimeAnyWhere*

UDIN-Salient features

E-filing and ICAI portal integration is almost complete

UDIN will be validated on real time

15 calendar days grace period is provided to update.

Three attempts in a day and max five such attempts

Consequence

Form uploaded treated as null and void even if accepted by the taxpayers if UDIN is not linked
Once linked and accepted by te taxpayers, the form cannot be resubmitted with same UDIN

e-filing *AnyTimeAnyWhere*

UDIN-Expectations

Ensure Audit report and Certification are error Free

Ensure taxpayer accepts the uploaded report

Date of acceptance is deemed date of form submission

Deemed void if not accepted within reasonable time period

Revision under exceptional circumstance and date of certification will be the date of revision

As per ICAI guidelines, earlier UDIN is to be cancelled and to generate afresh
On cancellation of UDIN, the earlier submission is treated as null and void

Bank Account Validation & EVC

Validation of Account through two processes

Direct integration with Banks (online validation on real time)

NPCI (Offline)

Basic requirements:

PAN linked to the Account

Account Name match with PAN Name

Account to be in active status

To enable EVC

Mobile number and email ID linked with Account to match with profile info



Verification of return

Current status:

Nearly 25% through ITR-V mode

Expectation:

100% e-verification of return data

Preferably in ?? near real-time process

To discourage ITR-V verification process

Educate taxpayers to link their mobile number to Aadhaar

Encourage Aadhaar based and other e-verification modes

CBDT circular 13 of 2020

Past years return date e-verification window re-enabled YES

For AY-2015-16 to AY-2019-20

Open up to 30th September, 2020 ?? (Later extended till 30th November 2020)



e- Proceeding

Salient features & Expectations

Access taxpayers proceeding only as Authorized Representative

Upcoming features

Submission window limited to notice submission date

Seek Adjournment functionality

DIN based Appeal form submission

Appeal proceeding through e-proceeding module



Return filing

Basic requirement

Updating the taxpayer Profile data in e-filing account

Prefer ITD utilities

In-built validations with near zero error return filing experience

Use latest released utility

Prefer pre-fill XML option

Complete PART-A General before started furnishing Income and other details



2. Presentation on CPC



ಅರಿಯ ತೆಲನೆ ಕೇಂದ್ರ
ಆಯಕರ ಕೇಂದ್ರ
CENTRALIZED PROCESSING CENTER
INCOME TAX DEPARTMENT

Processing of returns filed at CPC-ITR

CPC processes all the ITRs filed by the taxpayers, except ITRs where Foreign Tax Credits (FTC) are claimed. Such ITRs are transferred to the jurisdictional AO (JAO) for verification of FTC and subsequently processed at CPC.

This process, inter alia, comprises of the following activities:



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graph LR; CPC((CPC)) --- A[Checking the return for defects u/s 139(9) (including data inconsistencies)]; CPC --- B[Adjustments u/s 143 (1)(a)]; CPC --- C[Tax matching and processing];
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ಅರಿಯ ತೆಲನೆ ಕೇಂದ್ರ
ಆಯಕರ ಕೇಂದ್ರ
CENTRALIZED PROCESSING CENTER
INCOME TAX DEPARTMENT

Notice under section 245 of IT act

245 NOTICE

- The refund arising out of processing is liable to be adjusted against the outstanding demands, if any and notice u/s 245 intimates of such outstanding demands against which refund will be adjusted with.
- Response to notice u/s 245 needs to be provided by tax payer in E-filing portal within 30 days from date of issuance of notice.
- If no action is taken by tax payer within 30 days from receipt of notice u/s 245, then outstanding demand as on the date will be considered for adjustment against the refund.

DEFECTIVE RULES

Defective Returns Statistics for AY 2019-20

0.59% of total Returns are defective: (99.41% are defect Free)

- Out of the 6.71 crore ITRs filed for AY 2019-20 as on 31/3/2020, defects within the scope of section 139 (9) were noticed in 3.3 Lakh ITRs

0.43% of the total taxpayers complied

- 2.84 lakh taxpayers responded to the notices either by response in e-proceedings on website or by revising the ITR. (72% people responded)

0.16% did not respond and the returns were invalidated:

- Out of the 6.71 crore ITRs filed for AY 2019-20 as on 31/3/2020, defects within the scope of section 139 (9) were noticed in 3.3 Lakh ITRs



Defective Returns

Automated Process:

- Based on the ITR forms of respective AYs, defective checks are made using the software.
- Based on the requirements of the Act/ Rule/ Scheme and instructions for processing of the ITRs u/s. 143 (1), these defects are checked.
- All the checks are applied in automated manner.

Notice & Reminders:

A notice u/s 139(9) is issued to the taxpayer through email, taking latest email ID from the ITR or profile (if profile email ID is changed after filing) and also by speed post

Second Reminder is issued after the expiry of 15 days time provided in the first reminder. The reminder allows a further time of 15 days to comply.



If there is no response, first Reminder is issued after the expiry of 15 days as provided in the notice u/s, 139 (9). The reminder allows additional 15 days to comply.

Response to 139(9) & Removal of defect



Corrected Return u/s. 139(9)

- A correction of the return in the form of 139(9) takes effect on the original return filed.

Responses by text

- If the taxpayer does not agree with the defect he/she can give a reason for disagreement (Max 500 Characters) on e-proceedings module of e-filing.
- CPC analysis taxpayer's response to 139(9) and takes further action either to process the ITR or reject the response by sending a notice before invalidating the ITR.

No Responses

- If the taxpayer does not respond to the notice/reminders than the Return is Invalidated after the time specified in such notice/reminders. Communication of Invalidation is sent by email and speed post.



Upload level check - samples

ITR 1

Rebate u/s 87A is claimed by Resident Individual having Total income of more than Rs.5,00,000	Income Details Part B Gross Total Income	In schedule Part B Gross Total value in the field Sr. No. 7 is greater than 5,00,000 and Value in the field Sr. No. 9 of schedule Income details is greater than zero	Assessee with total income exceeding Rs.5,00,000 cannot claim Rebate u/s 87A of Income tax act 1961	Reverify Income details and if total income exceeds 5,00,000 remove the amount mentioned in relief u/s 87A	Do not allow taxpayers to upload the return
The assessee has claimed relief u/s 89 without furnishing of Form 10E	Income Details Part B Gross Total Income	In schedule Income details, relief u/s 89(1) to be provided only if Form 10E is filed by assessee		Please ensure you have furnished form 10E order to claim relief u/s 89	Allow tax payer to upload the return



Defect returns - Reason and Resolution Defect Rules (Samples)

RULE DESCRIPTION	PROBABLE RESOLUTION
As per rule 12 (1)(ca), a perso deriving income under the head "profis or gains from business/profession" and such income computed in accordance with special provisions of section 44AD or 44AE or 44ADA, is required to furnished return in ITR-4. The Return of Income is filed using ITR 4, however, income from business or profession under section 44AD or 44AE or 44ADA is not disclosed. (ITR-4 cannot be used by persons not having presumptive business Income)	ITR 4 is not applicable to yout case since income from business or profession uner section 44AD or 44AE or 44ADA is not disclosed. If you do not have any income from business or profession under section 44AD, 44AE or 44ADA, ten kindly file corrected Return using ITR 2 (for individuals and H.U.F) or ITR 5 (In casse of Firm) (Use correct ITR)
Tax Payer has claimed gross receipt or income under the head "Profits and gains of Business or Profession" more than 1 crore, however, he has not filled Balance Sheet and Profit and Loss Account and has not got the books of accout audited. (Books of account not audited, though such liability is forthcoming from the data in the return)	The complete details of Profit and loss account and Balance Sheet are to be entered in Part A and taxpayaer has to e-file the audit report, specified under section 44AB. (Furnish Audit report)



PRIMA FACIE ADJUSTMENTS



Adjustment u/s. 143 (1)(a) Statistics for AY 2019-20

STATISTICS FOR AY 2019-20

- Out of these 6.71 crore ITRs filed, inconsistencies within the scope of section 143(1)(a) were notices in 12.64 Lakh returns and notices issued proposing adjustment to returned income.
- **This works out to 2.01% of the total returns filed for the AY 2019-20**

What is adjustment u/s 143(1)(a)

(o) the total income or loss shall be computed after making the following adjustment, namely:-

- Any arithmetical error in the return;
- An income claim, if such incorrect claim is apparent from any information in the return;
- 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 sub-section (1) of section 139;
- Disallowance of expenditure indicated in the audit report but not taken into account in computing the total income in the return;
- Disallowance of deduction claimed under sections 10AA, 80-IA, 80-IAB, 80-IB, 80-IC, 80-ID or section 80-IE, if the return is furnished beyond the due date specified under sub-section (1) of section 139: or
- Addition of income appearing in Form 26AS or Form 16A or Form 16 which has not been included in computing the total income in the return (Only for AY 2017-18)

Process for Adjustment u/s 143(1)(a)

Automated Process:

- Based on the ITR forms and statutory forms prescribed for each AY the checks for adjustments u/s 143(1)(1) are made using the software.
- The adjustments are proposed based on the requirement of the Act, Rules, Scheme and Instructions for processing of ITR u/s 143(1)(a)(i) to (v) for AY 2019 at CPC.
- All the checks are automated and manual sample checks are done before triggering notices.
- For the purpose of Validating the information in the ITR under the provisions of Section 143(1)(a) (i) to (v) for AY 2019-20, the reference is made to different statutory forms/information in ITR in an automated manner.

Notice:

Notice u/s 143(1)(a) is issued to the taxpayer through email, taking the latest email ID from the ITR or profile (if profile email ID is changed after filing) and also by speed post.

Response to 143(1)(a)

Options to respond to Notice in 3-Proceedings

Taxpayer is provided with 3 options to respond:

- Agree to adjustment and file revised ITR by incorporating the adjustment.
- Partially agree to the adjustment and file revised ITR by incorporating the adjustment.
- Disagree to the adjustment by providing an appropriate response.

No Response:

- If the taxpayer does not respond to the notice, then the Return is processed with the proposed adjustments.

Analyses of Response

- If the taxpayer does not agree for the proposed adjustment, CPC analyses the taxpayer's response and takes further action by processing the ITR without adjustment or with adjustment as the case may be.

Revised Returns:

- Taxpayers are expected to file revised ITR u/s 139(5) in case they accept the adjustment.

Adjustment u/s. 143 (1)(a) Sample

Schedule	Error Description
Schedule Other Sources	In Schedule OS, the sum of Sl.No. to 1d if NOT EQUAL TO Sl.No. 1e $\{(1a+1B+1c+1d)<>1e\}$
	In Schedule OS, Lottery income offered in Sl.No. d1 is inconsistent with S;No. f(i)
	In Schedule OS, Income under the head "Income from other sources" at column 4 is inconsistent with the sum of Income from other sources (other than from owning race horse) and Income from the activity of owning and maintaining race horses. $\{4<>[(1fvii+1i)+(3c)]\}$
Schedule House Property	Sl.No. g (standard deduction u/s 24) should be restricted to 30% of Sl.No. f (Annual value of the property owned $\{own\}$ percentage share x e)
	In Schedule HP, though the co-owned flag is YES, the total percentage of co-owners has not been fully furnished or not equal to 100%
Form Type 1: Income & Deductions	Total of chapter VI-A deductions is not consistent with the breakup of individual deductions.
	Total of Gross Total Income is not consistent with the breakup of Incomes.

Adjustment u/s. 143 (1)(a)(ii) Sample

Schedule	Error Descripton
Partner Information	In Partner Information Schedule, Value entered by Assessee in Remuneration paid/payable is consistent with Sr.No. 38 of Part A - Profit and Loss
MAT	In Schedule MAT there is an inconsistency in the computation of Book profit from the amounts mentioned in Part A P & L account.
	In Schedule VI A, the maximum limit allowable under section 80C, 80CCC AND 80CCD(1) is Rs. 1,50,000/-
Chapter VIA	In Schedule VI A, the maximum limit allowable under section 80GG is Rs.60,000/- or 25% of the total income
	In Schedule VIA,
	a) SI.No. 1e.80CCD(2) individual assessee has claimed more than 10% of salary or
	b) Assessee, not an individual has claimed deduction u/s 80CCD(2) which is not allowable

Adjustment u/s 143(1)(a)(iv) Sample

Deductions Disallowed	Particulars	Schedule OI	Form 3CD
Sec 36	Any amount of interest paid in respect of borrowed capital [36(1)(iii)]	Sr.No.6(d)	Sr.No. 21(i)
Sec 37	Total amount of disallowance	Sr.No.7k	Sr.No. 21(a) Amount column
40	Amount disallowable under section 40 (a) (i), on account of non-compliance with the provisions of Chapter XVII-B	Sr.No.8a	Sr.No. 21(b)(i)A(II) & B(II) - Amount of payment
	Amount disallowable under section 40(a) (ia) on account of non-compliance with the provisions of Chapter XVII-B	Sr.No.8b	Sr.No. 21(b)(i)A(II) & B(II) - Amount of payment
	Amount paid by way of royalty, license fee, service fee etc., as per section 40(a)(iib)	Sr.No.8g	Sr.No. 21(b)(vi)



Adjustment u/s. 143(1)(a)(v) Sample

Schedule	Deduction	Condition
Part BTI	10AA	Assessee claiming deduction u/s 10AA but return is filed after due date i.e. 30th Sep or due date as per extension
Schedule VIA	80IA	Assessee claiming deduction u/s 80IA but return is filed after due date i.e. 30th Sep or due date as per extension
Schedule VIA	80IB	Assessee claiming deduction u/s 80IB but return is filed after due date i.e. 30th Sep or due date as per extension
Schedule VIA	80IAB	Assessee claiming deduction u/s 80IAB but return is filed after due date i.e. 30th Sep or due date as per extension
Schedule VIA	80IC/80IE	Assessee claiming deduction u/s 80IC/IE but return is filed after due date i.e. 30th Sep or due date as per extension
Schedule VIA	80ID	Assessee claiming deduction u/s 80ID but return is filed after due date i.e. 30th Sep or due date as per extension



Response Pattern and Action:

Response	Number	Action	Not Responded	Action
Agreed	1.35 lakh	Adjustment as per revised RI or as per proposal	9.33 lakh	Adjustment as per proposal
Not Agreed	1.34 lakh	Action as per analysis at CPC		
Partially Agreed	0.24 lakh	Action as per analysis at CPC		
Total	2.93 lakh (24%)		9.33 lakh (76%)	

Rectifications sought against adjustment

- No. of rectifications filled: 5,097
- No. impact on Total Income: 1,781
- Request rejected due to changes in returned Income: 3,316

Adjustment u/s. 143 (1)(a)(ii) Sample

Sl.No.	Errors	Category of error
1	Assessee is claiming deduction u/s 80D more than the specified limit	Incorrect claim
2	In Schedule BP, Sl.No.14. Amounts debited to the profit and loss account, to the extent disallowable under section 36 (6s of Part A - OI) is not consistent with amount shown in Sl.No.6.s. Total amount disallowable under section 36 (total of 6a to 6r) of Part - OI.	Arithmetic within the ITR
3	Any sum received from employees as contribution to any provident fund or superannuation fund or any fund set up under ESI Act or any other fund for the welfare of employees to the extent not credited to the employees account on or before the due date [36(1)(va)]	Difference with Audit report
4	Inconsistency in amount debited to profit and loss account of the previous year but disallowable under section 43B	Difference with Audit report
5	Inconsistency in Total amount of disallowance under sec 37	Difference with Audit report

Common issues/ errors.. contd:

Sl.No.	Errors	Category of error
6	The amount entered in Schedule SI are inconsistent with the corresponding amounts entered in Sch CG/Sch OS.	Arithmetic within the ITR
7	In Schedule Part BTI, Losses of current year are to be carried forward, is claimed but the original return is filled after due date or Brought forward losses are not adjusted against the current years Income.	Return not filled in time
8	There is inconsistency in the LTCG amounts/Totals entered in schedule CG or Taxpayer is claiming deductions u/s 54 which are more than amounts allowable as per the respective sections.	Arithmetic within the ITR
9	In Schedule BP, Sl.No. 15 - Section 37 amount of expenditure disallowed is not consistent with amount shown in schedule OI	Arithmetic within the ITR
10	In Part A Gen - 1 under "Details of registration or approval under Income Tax Act" the trust or institution has not furnished the details of registration u/s 12A/12AA or approval u/s 10(23C)(iv) or 10(23C)(v) or 10(23C)(vi) or 10(23C)(via), hence the exemption claimed in Sl.No. 4I to 4viii in Schedule Part B-TI is not allowed. PS: Filling of Form 10B is mandatory for assessee registered u/s 12A/12AA. Filling of Form 10BB is mandatory for assessee approved u/s 10(23C)(iv) or 10(23C)(v) Or 10(23C)(vi) or 10(23C)(via).	Audit report not filed within the allowed time



Filing Partners Information

PART-A P & L AND AS PER PART-A GEN PARTNERS INFORMATION

- The taxpayer needs to properly fill the partners information with partners' details and their percentage of share and remuneration paid/payable, so as to allow the expenditure.
- In some instances it is notice that taxpayers have filled incomplete percentage share of partners in Part-A Gen Partners' information.
- Also in some instance there is inconsistency observed in remuneration amount as per schedule Part-A P & L and as per Part-A Gen Partners information.
- The taxpayers are requested to fill schedule Partners information by providing complete (100%) details of share of partners, along with partners PAN and remuneration paid/payable amount, so as to allow expense of salary/remuneration paid to partners.



Brought forward loss not being allowed

SCHEDULE CFL

- The taxpayer is required to file the return of income within the due date to carry forward the loss.
- In order to carry forward the loss, taxpayer is required to fill schedule CFL (Carry Forward Loss).
- Brought forward loss adjustment will be allowed, only if respective previous year loss was entered in schedule CFL to be carried forward.



Income Computation and Disclosure Standard (ICDS) adjustments

SCHEDULE ICDS

- In some of the cases it was noticed that the Taxpayer has claimed ICDS (Income Computation and Disclosure Standard) adjustments in schedule BP but same is not reflected in schedule ICDS.
- Taxpayer is required to add or reduce the amount in schedule BP as per ICDS standards and then details of adjustments needs be captured in schedule ICDS as well.
- If not, then decrease in profit or increase in loss as a result of application of ICDS standard may not reflect correctly in end result.



TDS Credit Variance

SCHEDULE TDS

- TDS mismatch on account difference with TRACES system is just 0.3% and major reasons for variance are as below.
- Taxpayer has claimed TDS credit in schedule but incorrect TAN/Deducted year is quoted in the respective schedule.
- Taxpayer has filled TDS credit in respective schedule but claiming the credit of same amount in Advance Tax/ Self Assessment Tax instead of TDS column.
- Taxpayer are requested to fill Schedule TDS1/TDS2/TDS3/TCS with correct TAN. PAN (either TDS deducted in own hands or TDS deducted in other PAN and deducted year) and enter correct TDS/ TCS amount.
- In case, any TDS/TCS credit is being carrying forward to next year, it should be clearly indicated as being carried forward in respective TDS/TCS Schedule.
- In case, taxpayer has claimed TDS deducted in respect of other person PAN, details of such other person PAN has to be shown in respective TDS schedule.

Capital Gain Schedule

SCHEDULE CG

- In some instance, taxpayer is claiming cost of acquisition without offering full value of consideration in schedule CG (Capital Gain). In such scenario, loss will be disallowed.
- Taxpayer is offering capital gains income in schedule CG but showing different capital gain income in schedule CYLA (Current Year Loss Adjustment). In such scenario, higher of the two incomes will be considered for capital gain computation.
- In case, any loss is contemplated for set off against the capital gains of current year, then details of such set off loss should be filled in Schedule CYLA (Current Year Loss Adjustment) under the appropriate column. Otherwise, tax will be calculated on the total CG income without factoring in loss.

Special Income

SCHEDULE CG AND SCHEDULE SI

- Taxpayer required to fill Schedule CG, Schedule SI (Special Income) and offer the same income in schedule Part BTI and calculate the tax accordingly.
- It is to be ensured that details entered in Schedule SI correspond to Schedule CG entered details.
- In some instance, Taxpayer is offering long term capital gain with provision in schedule CG (10% applicable tax rate) but while selecting percentage in schedule SI, it is wrongly selected as “20%” instead of “10%”.
- In certain other instance, Taxpayer is offering long term capital gain without provision in schedule CG (20% applicable tax rate) but while selecting percentage in schedule SI, it is wrongly selected as “10%” instead of “20%”.
- Also, in some instance, Taxpayer is offering special income of short term capital gain in schedule CG (15% applicable tax rate) but while selecting percentage in schedule SI, it is wrongly selected as “10%, 20%, others” instead of “15%”.

Schedule Business & Profession - Reduced Income

SCHEDULE BP

- In some cases, it was seen that taxpayer is reducing income from House Property/Capital Gain/ Other Source/Exempt Income in schedule BP but same is either not offered or offered less in respective schedule.
- Also, in some cases taxpayer has not credited the income in schedule Part-A P&L but reducing the same in schedule BP. The same will be disallowed since it is not offered in P&L account.
- In order to reduce the HP/CG/OS/EI Income (House Property, Capital Gain, Other Source/Exempt Income) in schedule BP, taxpayer should ensure that same income is shown in schedule Part A P&L under the head of "Other Income". Also, reduced income in schedule BP has to be shown in respective income schedule.

300 Challan needs to be claimed - Schedule IT

SCHEDULE TDS

- In some of the instances, the Tax payers have paid the self assessment tax using the E-pay option in E-filing portal.
- However, the challan has not been claimed by tax payer in Schedule-IT.
- It is necessary that tax payer claims the 300 challan details in Schedule-IT so as to avail the credit of self assessment tax paid.



Post Processing

245 NOTICE

241A WITH HELD

RECTIFICATION AND
REVISION OF RETURN



Response to outstanding demand

THREE POSSIBLE OPTIONS

- In the E-filing portal, the tax payer needs to click on E-File Tab → Response to outstanding demand.
- In case demand shown is correct, tax payer needs to click on 'submit response' and then 'agree with adjustment'. In this scenario refund will be adjusted against demand.
- In case demand shown is partially correct, tax payer needs to click on 'submit response' and then 'demand is partially correct' and enter the amount of demand that is partially correct.
- In case demand shown is incorrect, tax payer needs to click on 'submit response' and then 'demand is incorrect'. Detailed reasons may also be entered as to why the demand is incorrect as per tax payer.

Scenario where demand is incorrect or only partially correct

TAKING UP NON AGREEABLE DEMAND FOR REDUCTION EVEN BEFORE 245 NOTICE

- In respect of above 2 scenarios, CPC-ITR will trigger a 245 notice to jurisdictional Assessing Officer (AO). The response as per Jurisdictional AO will be final and CPC-ITR is bound to follow the option exercised by AO.
- In this regard, it is requested that tax payer may kindly check for outstanding demands if any in E-filing portal and if any demand is found to be not agreeable to tax payer, then either online rectification with CPC-ITR or rectification with Jurisdictional AO may be taken up with. This exercise can be done even before any 245 notice is issued by CPC-ITR to tax payer.
- This will go a long way in clearing the non-agreeable demand as per tax payer and also better facilitate refund issuance to tax payer by CPC-ITR.

Section 241A

REFUND WITHHELD IN SCRUTINY CASES

- Section 241A mandates that, in cases where notice u/s sub-section (2) of section 143 has been issued in case of a taxpayer, then Assessing Officer (AO) with the approval of competent authority can ,,,,,,,,,, withhold refund arising out of summary processing (143(1) processing), till date of completion of scrutiny proceeding.
- In such cases selected for scrutiny and the option to withhold refund as per section 241A has been exercised by field officer (AO), CPC-ITR is bound to withhold the refund till the pending scrutiny proceeding is completed.



Rectification u/s 154

ONLINE RECTIFICATION

- Online rectification request can be filed with CPC-ITR.
- The tax payer needs to click 'E-file menu' and then 'rectification request'.
- The tax payer needs to further select 'order/Intimation to be rectified' and 'Assessment Year' from the dropdown list and click on 'Continue'



Rectification Request Types

MAJOR TYPES

Tax payer can select one of the following 'Rectification Request Type' from the drop down menu:

- Tax credit mismatch correction only (Available only for ITR-1)
- Return Data Correction
- Only reprocess the return

Tax Credit Mismatch Correction

ONLY FOR ITR-1

- Here, Tax payer can correct data for tax credit mismatch under these request types.
- On selecting this option, following check boxes will be displayed.
 - TDS on Salary Details
 - TDS on other than Salary Details
 - TDS on transfer of Immovable Property/Rent
 - TCS Details
 - IT Details
- Tax payer may select the check box for which data needs to be corrected.
- No upload of an Income tax return is required.

Return Data Correction

XML UPLOAD

- Tax payer can correct return data under this rectification type through xml upload.
- On selecting the request type as return data correction, tax payer can select a maximum of 4 reasons out of the list of reasons which will be displayed.
- The schedules which are being changed/rectified can be specified and xml can be uploaded with appropriate Digital Signature Certificate (If available and applicable).
- When the user is uploading XML, the Gross Total Income and Deductions amount should be the same as in the processed return.



No Data Coorection Require

ONLINE RECTIFICATION

- Under this request type, there is no data correction. By selecting this option, user is just placing a rectification request to reprocess the return.
- Before submitting the request, tax payer may kindly verify the Form 26 AS details under My Account → View 26AS and tax credit mismatch under → My Account Tax credit mismatch.
- After submission, success message will be displayed and a mail confirming the submission of rectification request will be sent to the tax payer's registered mail ID.



Rectification and Revision of Return

MISTAKE APPARENT FROM RECORD

- Tax payers may kindly consider filling rectification application in respect of any mistake apparent from record. The indicative list includes:
 - Rectifying clerical mistakes
 - Correcting arithmetical errors
 - mismatch in tax payment
 - Inclusion of income chargeable to tax under a different head of income.

Option for filing Revised Return

REVISED RETURN U/S 139(5)

- In cases, where there is a change in Gross Total Income, new deductions being claimed, new exemptions being claimed, then tax payers may consider exercising the option of filing revised return u/s 139(5) of Income Tax act rather than making 154 application.
- Tax payer can file a revised return at any time before end of relevant assessment year or before completion of assessment whichever is earlier.
- With effect from Assessment Year 2017-18, Income tax act has been amended to facilitate revision of even belatedly filled return.

Transfer of Rectification Rights by CPC

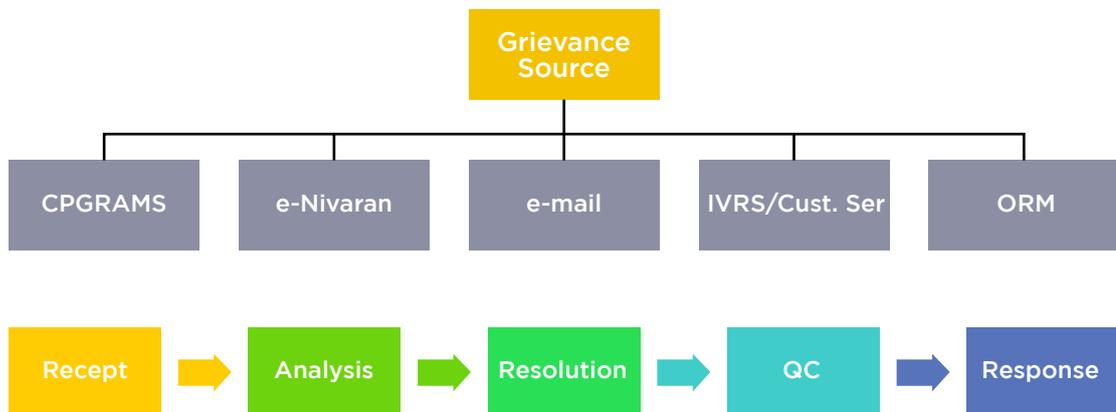
ON REQUEST MADE

- The rectification rights are transferred by CPC-ITR to Assessing Officer (AO) based on the request made by AO.
- On request made by AO, the rectification rights are transferred to AO within 2-3 days.
- The rectification rights transfer is an automated process and is system driven.
- AO's have internal mechanism to escalate the issue to CPC-ITR, if transfer of rectification rights as not happened within stipulated time and same is resolved immediately.
- We shall discuss about some of the repeated issues which have been subject matter of rectification in ensuing slides.

CPC-ITR BANGALORE

Grievance Redressal Overview

Grievance Redressal Overview

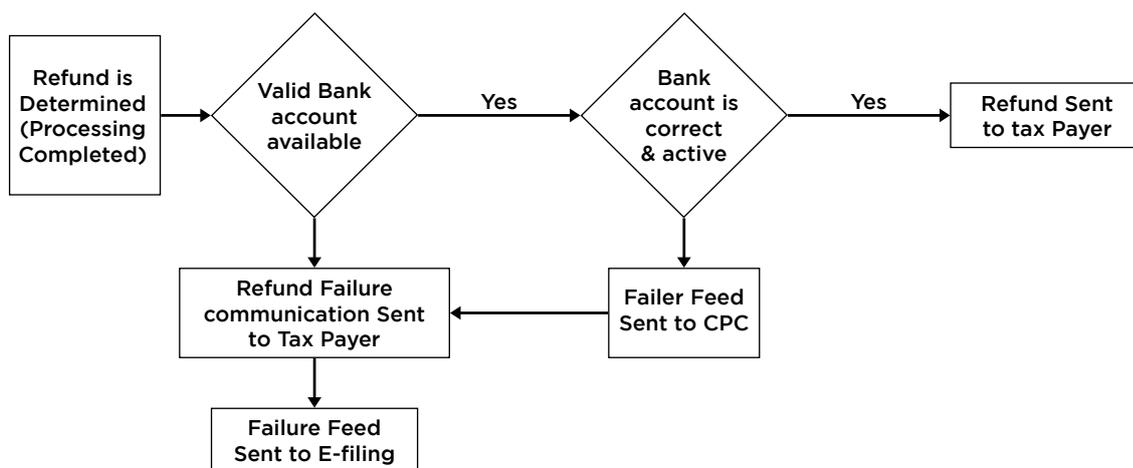


INCOME TAX DEPARTMENT

Centralized Processing Centre Bangalore

SLIDES RELATING TO ISSUE OF REFUNDS AND DEMAND MANGAMENT

A. Refund Outward - Process flow



B. Tips for Seamless Refund Flow

- From 1st Mar 2019 onwards, CPC is issuing the refunds only through ECS mode to validated bank accounts. The bank account validation is being done either through e-filing portal or NPCI
- For smooth transmission of refunds, the taxpayer should ensure:
 - a) Linking of PAN to bank account
 - b) The name as per PAN and Bank account should be same
 - c) The type of bank account should be Savings/Current/Over Draft/Cash Credit/NRO
 - d) Avoid providing joint accounts, co-operative bank accounts. Virtual Bank account
 - e) The bank account should be in India
 - f) De-activate non operating accounts in the e-filing portal
- For speedy transmission of Refund, CPC is applying fallback logic i.e. if bank account provided in the return is invalid, CPC will issue refund to any other valid bank account available in the taxpayer data base, (data is taken from ITRs filed in earlier years)

C. Issues on refund Re-issue

- Refunds are issued totaxpayer based on the bank details provided in the ITR or validated bank account available in taxpayer's data base.
- Refund may fail due to insufficient/incorrect bank account details. Once the refund is failed, a communication is shared with taxpayer indicating th reasons for failure to enable taxpayer to seek refund reissue on e-filing portal.
- Refund failure communication will be sent to taxpayer to file a refund re-issue request by providing valid bank account in e-filing website.
- For failed refunds, taxpayer need to apply re-issue request only through e-filing website except for Legal heir cases.
- If taxpayer furnishes new bank account, post validation from the concerned agency, the refund will be re-initiated through automated system.

D. Process involved in intimation u/s. 245

- Once refund is determined, intimation u/s. 245 will be issued for outstanding demand. Taxpayer is required to confirm the demand position on e-filing portal within 30 days from the date of 245 intimation. In case no response is received, the demand will be adjusted against refund.
- If taxpayer disagrees for adjustment, A.O. will review the demand and he may agree or disagree for adjustment. If taxpayer or A.O. agrees for adjustment of demand, refund will be adjusted against the demand and net refund if any will be credited to assessee's bank account.
- If taxpayer has already agreed to the demands, 245 Intimation will not be triggered.

E. Documents to be submitted for Registration of Legal heir on E-filing portal

- Registration of Legal Heir: For filing Income - tax return as Legal Heir, one has to get registered on e-filing portal through the functionality provided in e-filing portal.
- Legal Heir: Taxpayer need to register as Legal heir by uploading following documents on e-filing portal:
 - PAN of the Deceased
 - Bank account details of Legal heir
 - PAN of the Legal heir
 - Death Certificate
 - Proof of document related to legal heir
- The following documents are accepted as Legal Heir proof (Any one from below):
 - Legal Heir Certificate issued by Court of Law/Local Revenue Authority
 - Surviving family member certificate issued by the Local Revenue Authority
 - Family Pension certificate issued by Central/State Government
 - Registered will
 - Letter issued by the banking or Financial Institution in their letter head, with official seal and signature mentioning the particulars of nominee or joint account holder to the account of the deceased at the time demise.

F. Refund re-issue in Legal Heir Cases

- The process followed for re-issue of refund to Legal heir, where return is filed by taxpayer but the tax payer is deceased before issue of refund is provided below:

When refund fails, a communication will be sent to the address as provided in the return. Legal Heir need to submit the Legal heir PAN & Death Certificate of the Tax Payer to CPC to initiate verification process.

Once the request is received, a communication will be sent to the Legal Heir for further proceeding with jurisdictional AO & a communication will be sent to jurisdictional AO for Legal Heir compliance. Legal Heir is required to submit relevant document and bank account details to JAO.

If taxpayer contacts JAO directly, JAO will initiate legal heir request and CPC will issue refund to Legal heir.

G. Refunds to Special Categories

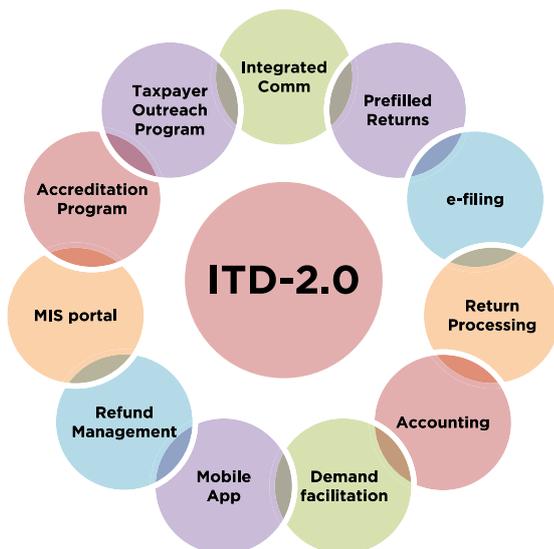
- Amalgamation of Companies: Currently, the functionality for transfer of credits and issuance of refund is not available in CPC. Only JAO need to verify and issue the refunds.
- Refund to NRI: As per the functionality, refund is being issued only to the Bank account held by NRI in India or account held by NRI in a foreign bank having branch in India.
- Representative Assessee: Currently there is no functionality for issue of refund in CPC. Taxpayer needs to contact JAO where refund has to be initiated in the name of representative Assessee.
- Refund adjustment on account of demands relating to other Departments: The functionality is under development, currently concerned A.O.s are co-ordinating with those department for adjustment of demands through refund adjustments.

Presentation on upcoming new processes of Income Tax Department



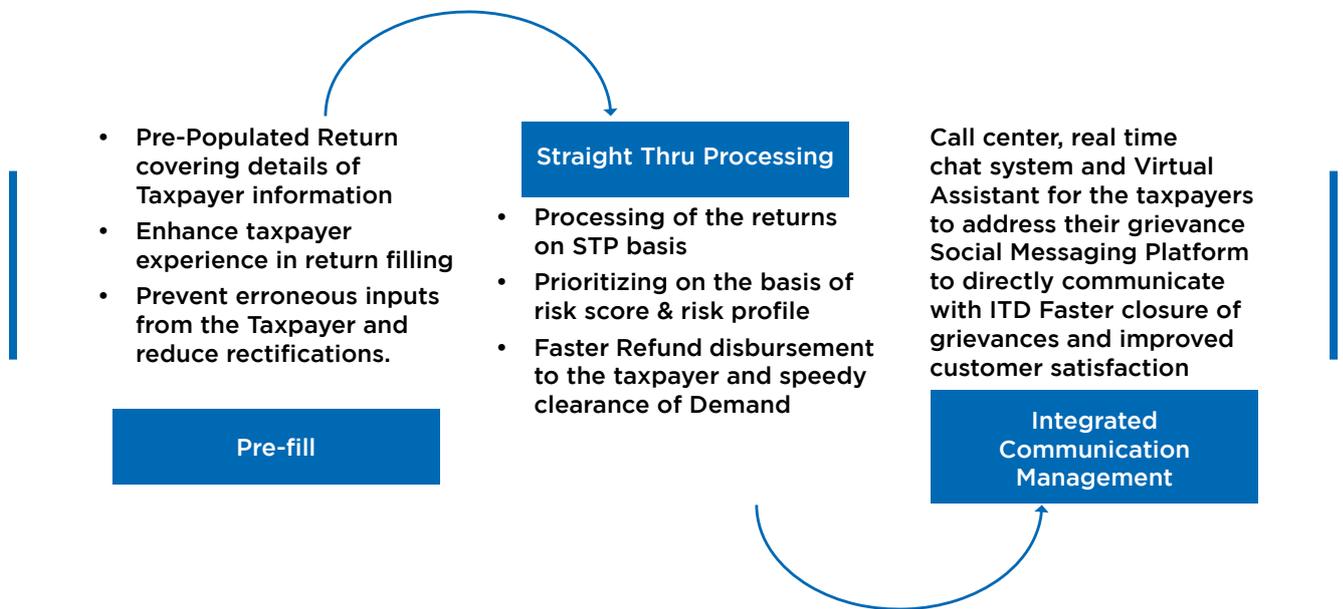
Integrated E-filing and CPC-ITR Processing 2.0

Integrated system for E-filing and ITR processing

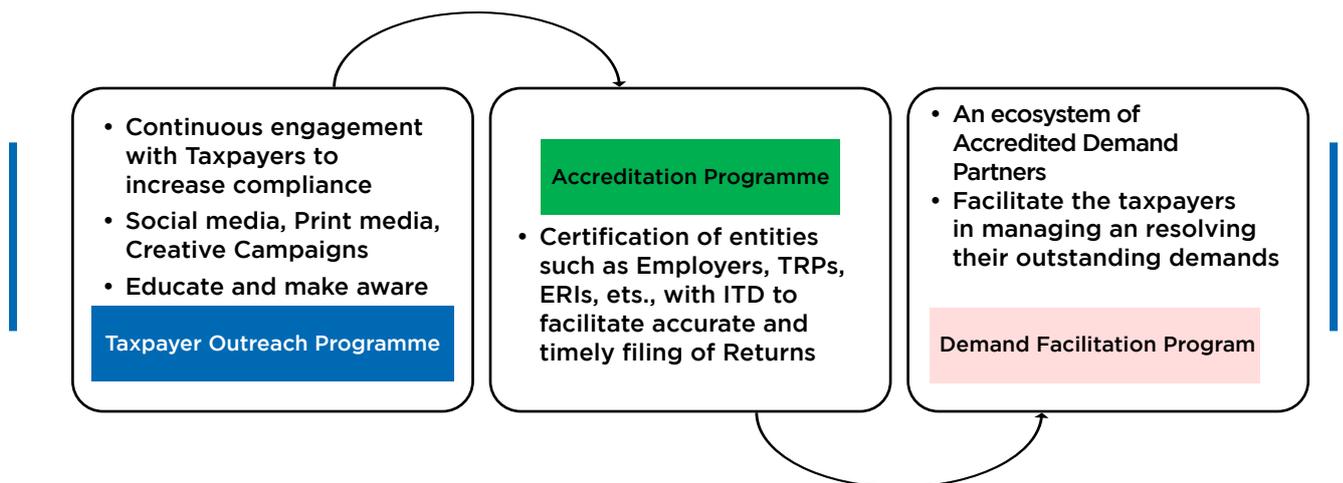


- Enhanced UX in Web Portal & Mobile App
- Accurate and already prefilled ITR forms
- Faster processing to meet Taxpayer expectations, through Straight Through Processing
- Improved responsiveness through Integrated Communication Management platform
- Collaborative approach
 - Accreditation Program
 - Demand facilitation
 - Taxpayer outreach
- Data Mining / Data Exchange across Depts and instant access to MIS / performance / operational dashboards (SLA)

Critical Enhancement Planned in the Integrated System



New Initiative to Facilitate Tax Compliance



Proposed Design: File ITR-1



Proposed Solution:

Simple and organized navigation

Easy progress check

Pre-filled data

Content broken down strategically

Quick tips to help

Social Media Taxpayer Outreach Program

Reminder To File ITR



Refunds issued in Lockdown



Anti-Phishing Campaign



Annexure 1 : List of Income Tax Forms provided in the e-filing website.

Income Tax Forms (Forms Instructions) (654KB)					
S.No.	Form	Description	Applicability	Online	Offline
1	Form 3AC	Audit report under section 33AB(2)	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	YES	NO
2	Form 3AD	Audit Report under section 33ABA(2)	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	YES	NO
3	Form 3AE	Audit report under section 35D(4)/35E(6) of the Income-tax Act, 1961	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	YES	NO
4	Form 3CA-3CD	Audit report under section 44AB of the Income-tax Act,1961 in a case where the accounts of the business or profession of a person have been audited under any other law	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	NO	YES
5	Form 3CB-3CD	Audit report under section 44AB of the Income-tax Act,1961, in the case of a person referred to in clause (b) of sub-rule (1) of rule 6G	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	NO	YES
6	Form 3CE	Audit Report under sub-section (2) of section 44DA of the Income-tax Act, 1961	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	YES	NO
7	Form 3CEA	Report of an accountant to be furnished by an assessee under sub-section (3) of section 50B of the Income-tax Act, 1961 relating to computation of capital gains in case of slump sale	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	YES	NO
8	Form 3CEAA	Report to be furnished under sub-section (4) of section 92D of the Income-tax Act, 1961	Company, AOP/BOI/Trust/Firm/AJP/LA	NO	YES
9	Form 3CEAB	Intimation by a designated constituent entity, resident in India, of an international group, for the purposes of sub-section (4) of section 92D of the Income-tax Act, 1961	Company, AOP/BOI/Trust/Firm/AJP/LA	YES	NO
10	Form 3CEAC	Intimation by a constituent entity, resident in India, of an international group, the parent entity of which is not resident in India, for the purposes of sub-section (1) of section 286 of the Income-tax Act, 1961	Company, AOP/BOI/Trust/Firm/AJP/LA	YES	NO
11	Form 3CEAD	Report by a parent entity or an alternate reporting entity or any other constituent entity, resident in India, for the purposes of sub-section (2) or sub-section (4) of section 286 of the Income-tax Act, 1961	Company, AOP/BOI/Trust/Firm/AJP/LA	NO	YES
12	Form 3CEAE	Intimation on behalf of the international group for the purposes of the proviso to sub-section (4) of section 286 of the Income-tax Act, 1961	Company, AOP/BOI/Trust/Firm/AJP/LA	YES	NO
13	Form 3CEB	Report from an accountant to be furnished under section 92E relating to international transaction(s) and specified domestic transaction(s)	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	NO	YES
14	Form 3CEJ (Ceased to be effective from AY 2019-20)	Report from an accountant to be furnished for purposes of section 9A relating to arm's length price in respect of the remuneration paid by an eligible investment fund to the fund manager	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	YES	No
15	Form 3CEK	Annual Statement under section 9A of the Income-tax Act, 1961	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA	YES	NO

S.No.	Form	Description	Applicability	Online	Offline
16	Form 3CF-I	Application Form for approval under clause (ii) or clause (iii) of sub-section (1) of section 35 of the Income-tax Act, 1961 in the case of a research association	Company,AOP/BOI/Trust/ Firm/AJP/LA	YES	NO
17	Form 3CF-II	Application Form for approval under clause (ii) or clause (iii) of sub-section (1) of section 35 of the Income-tax Act, 1961 in the case of a University, College or other Institution	Company,AOP/BOI/Trust/ Firm/AJP/LA	YES	NO
18	Form 3CF-III	Application Form for approval under clause (iia) of sub section (1) of section 35 of Income Tax Act, 1961 in the case of company	Company,AOP/BOI/Trust	YES	NO
19	Form 3CFA	Form for Opting for taxation of income by way of royalty in respect of Patent	Individual, HUF, Company,AOP/BOI/Trust/ Firm/AJP/LA	YES	NO
20	Form 3CL	Report to be submitted by the prescribed authority to the Income-tax Authority specified under section 35(2AB) of the Income-tax Act, 1961	External Agency	YES	NO
21	Form 3CLA	Report from an accountant to be furnished under sub-section (2AB) of section 35 of the Act relating to in-house scientific research and development facility	Company	YES	NO
22	Form 6B	Audit report under section 142(2A) of the Income-tax Act, 1961	Individual, HUF, Company,AOP/BOI/Trust/ Firm/AJP/LA	NO	YES
23	Form 8	Declaration under section 158A(1) of the Income-tax Act, 1961 to be made by an assessee claiming that identical question of law is pending before the High Court or the Supreme Court	Individual, HUF, Company,AOP/BOI/Trust/ Firm/AJP/LA	YES	NO
24	Form 9	Application for grant of approval or continuance thereof to a fund under section 10(23AAA) of the Income-tax Act, 1961	Company,AOP/BOI/Trust/ Firm/AJP/LA	YES	NO
25	Form 9A	Application for exercise of option under clause (2) of the Explanation to sub-section (1) of section 11 of the Income-tax Act, 1961.	Company,AOP/BOI/Trust/ Firm/AJP/LA	YES	NO
26	Form 10	Statement to be furnished to the Assessing Officer/Prescribed Authority under sub-section (2) of section 11 of the Income-tax Act, 1961	Company,AOP/BOI/Trust/ Firm/AJP/LA	YES	NO
27	Form 10A	Application for registration of charitable or religious trust or institution under clause (aa) of sub-section (1) of section 12A of the Income-tax Act, 1961	Company,AOP/BOI/Trust/ Firm/AJP/LA	YES	NO
28	Form 10B	Audit report under section 12A(b) of the Income-tax Act, 1961, in the case of charitable or religious trusts or institutions	Company,AOP/BOI/Trust/ Firm/AJP/LA	NO	YES
29	Form 10BA	Declaration to be filed by the assessee claiming deduction under section 80GG	Individual	YES	NO
30	Form 10BB	Audit report under section 10(23C) of the Income-tax Act, 1961, in the case of any fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of section 10(23C).	Company,AOP/BOI/Trust/ Firm/AJP/LA	NO	YES

S.No.	Form	Description	Applicability	Online	Offline
31	Form 10CCB	Audit report under sections 80-I(7)/80-IA(7)/80-IB/80-IC	Individual, HUF, Company,AOP/BOI/Trust/Firm/AJP/LA	YES	NO
32	Form 10CCBBA	Audit report under section 80-ID(3) (iv)	Individual, HUF, Company,AOP/BOI/Trust/Firm/AJP/LA	YES	NO
33	Form 10CCBC	Audit report under section 80-IB(11B)	Individual, HUF, Company,AOP/BOI/Trust/Firm/AJP/LA	YES	NO
34	Form 10CCBD	Report of accountant under section 80-IB(11C)	Individual, HUF, Company,AOP/BOI/Trust/Firm/AJP/LA	YES	NO
35	Form 10CCC	Certificate under sub-rule (3) of rule 18BBE of the Income-tax Rules, 1962	Individual, HUF, Company,AOP/BOI/Trust/Firm/AJP/LA	YES	NO
36	Form 10CCD	Certificate under sub-section (3) of section 80QQB for Authors of certain books in receipt of Royalty income, etc.	Individual	YES	NO
37	Form 10CCE	Certificate under sub-section (2) of section 80RRB for Patentees in receipt of royalty income, etc.	Individual	YES	NO
38	Form 10CCF	Report under section 80LA(3) of the Income-tax Act, 1961	Company,AOP/BOI/Trust/Firm/AJP/LA	YES	NO
39	Form 10DA	Report under section 80JJAA of the Income-tax Act, 1961	Individual, HUF, Company,AOP/BOI/Trust/Firm/AJP/LA	YES	NO
40	Form 10E	Form for furnishing particulars of income u/s 192(2A) for the year ending 31st March, 20.... for claiming relief u/s 89(1) by a Government servant/an employee in a company, co-operative society, local authority, university, institution, association/ body	Individual	YES	NO
41	Form 10G	Application for grant of approval to fund or institution under clause (vi) of sub-section (5) of section 80G of the Income-tax Act, 1961	Company,AOP/BOI/Trust/Firm/AJP/LA	YES	NO
42	Form 10H	Certificate of foreign inward remittance	Individual	YES	NO
43	Form 10-IB	Application for exercise of option under sub-section (4) of section 115BA of the Income - tax Act,1961	Company/Firm	YES	NO
44	Form 10-IC	Application for exercise of option under sub-section (5) of section 115BAA of the Income - tax Act, 1961	Company	YES	NO
45	Form 10-ID	Application for exercise of option under sub-section (7) of section 115BAB of the Income-tax Act, 1961	Company	YES	NO
46	Form 15CA	Information to be furnished for payments to a non-resident not being a company, or to a foreign company	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA, Tax Deductor & Collector	YES	YES
47	Form 15CB	Certificate of an accountant	Individual, HUF, Company,AOP/BOI/Trust/Firm/AJP/LA	NO	YES
48	Form 15CC	Quarterly statement to be furnished by an authorised dealer in respect of remittances made for the quarter of of (Financial Year)	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA,Tax Deductor & Collector	NO	YES
49	Form 15G (Consolidated)	Statement of Declaration under section 197A (1) and section 197A (1A) by an individual or a person (not being a company or firm) claiming certain incomes without deduction of tax.	Tax Deductor & Collector	NO	YES

S.No.	Form	Description	Applicability	Online	Offline
50	Form 15H (Consolidated)	Statement of Declaration under section 197A(1C) by an individual who is of the age of sixty years or more claiming certain incomes without deduction of tax.	Tax Deductor & Collector	NO	YES
51	Form 24Q	Quarterly statement of deduction of tax under sub-section (3) of section 200 of the Income-tax Act, 1961 in respect of salary for the quarter ended...(June/September/December/March) ...(Financial year)	Tax Deductor & Collector	NO	YES
52	Form 26A	Furnishing Accountant certificate under the first proviso to sub-section(1) of section 201 of the Income Tax Act, 1961	Tax Deductor & Collector	YES	NO
53	Form 26Q	Quarterly statement of deduction of tax under sub-section (3) of section 200 of the Income-tax Act, 1961 in respect of payments other than salary for the quarter ended... (June/September/December/March) ...(Financial year)	Tax Deductor & Collector	NO	YES
54	Form 27BA	Furnishing Accountant certificate under the first proviso to sub-section(6A) of section 206C of the Income Tax Act, 1961	Tax Deductor & Collector	YES	NO
55	Form 27EQ	Quarterly statement of collection of tax at Source under section 206C of Income-tax Act, 1961 for the quarter ended... June/September/December/March ...(Financial year)	Tax Deductor & Collector	NO	YES
56	Form 27Q	Quarterly statement of deduction of tax under sub-section (3) of section 200 of Income-tax Act, 1961 in respect of payments other than Salary made to non-residents for the quarter ended.... June/September/December/March ...(Financial year)	Tax Deductor & Collector	NO	YES
57	Form 29B	Report under Section 115JB of the Income-tax Act, 1961 for computing the book profits of the company	Company	YES	YES
58	Form 29C	Report under section 115JC of the Income-tax Act, 1961 for computing Adjusted Total Income and Alternate Minimum Tax of the person other than a company	Individual, HUF,AOP/BOI/Trust/Firm/AJP/LA	YES	YES
59	Form 35	Appeal to the Commissioner of Income-tax (Appeals)	Individual, HUF, Company, AOP/BOI/Trust/Firm/AJP/LA,Tax Deductor & Collector	YES	NO
60	Form 40C	Application for recognition of a recognised provident funds	Individual, HUF, Company,AOP/BOI/Trust/Firm/AJP/LA	YES	NO
61	Form 41	Form for maintaining accounts of subscribers to a recognised provident fund	Individual, HUF, Company,AOP/BOI/Trust/Firm/AJP/LA	YES	NO
62	Form 49C	Annual Statement under section 285 of the Income-tax Act,1961	Individual, HUF, Company,AOP/BOI/Trust/Firm/AJP/LA	YES	NO
63	Form 49D	Information and documents to be furnished by an Indian concern under section 285A	Company,AOP/BOI/Trust/Firm/AJP/LA	YES	NO
64	Form 52A	Statement to be furnished to the Assessing Officer under section 285B of the Income-tax Act, 1961, in respect of production of a cinematograph film	Individual, HUF, Company,AOP/BOI/Trust/Firm/AJP/LA	YES	NO
65	Form 56	Application for grant of the exemption under sub-clauses (iv), (v), (vi) and (via) of clause (23C) of section 10 of the Income-tax Act, 1961	Company,AOP/BOI/Trust/Firm/AJP/LA	YES	NO

S.No.	Form	Description	Applicability	Online	Offline
66	Form 56F	Report under section 10A of the Income-tax Act, 1961	Individual, HUF, Company,AOP/BOI/Trust/ Firm/AJP/LA	YES	NO
67	Form 56FF	Particulars to be furnished under clause (b) of sub-section (1B) of section 10A of the Income-tax Act, 1961	Individual, HUF, Company,AOP/BOI/Trust/ Firm/AJP/LA	YES	NO
68	Form 62	Certificate from the principal officer of the amalgamated company and duly verified by an accountant regarding achievement of the prescribed level of production and continuance of such level of production in subsequent years.	Company	YES	NO
69	Form 63	Statement to be furnished to the Assessing Officer designated under rule 12B of the Income-tax Rules, 1962, in respect of income distributed by the Unit Trust of India	Company	YES	NO
70	Form 63A	Statement to be furnished to the Assessing Officer designated under rule 12B of the Income-tax Rules, 1962, in respect of income distributed by a Mutual Fund	Company	YES	NO
71	Form 64	Statement of income paid or credited by Venture Capital Company or Venture Capital Fund to be furnished under section 115U of the Income-tax Act, 1961.	Company,AOP/BOI/Trust/ Firm/AJP/LA	YES	YES
72	Form 64A	Statement of income distributed by a Business Trust to be furnished under section 115UA of the Income-tax Act, 1961.	Company,AOP/BOI/Trust/ Firm/AJP/LA	NO	YES
73	Form 64D	Statement of income paid or credited by investment fund to be furnished under section 115UB of the Income-tax Act, 1961.	Company,AOP/BOI/Trust/ Firm/AJP/LA	NO	YES
74	Form 64E	Statement of income paid or credited by a securitisation trust to be furnished under section 115TCA of the Incometax Act, 1961	Company,AOP/BOI/Trust/ Firm/AJP/LA	NO	YES
75	Form 65	Application for exercising/renewing option for the tonnage tax scheme under sub-section (1) of section 115VP or sub-section (1) of section 115VR of the Income-tax Act, 1961	Company	YES	NO
76	Form 66	Audit Report under clause (ii) of section 115VW of the Income-tax Act, 1961	Company	YES	NO
77	Form 67	Statement of income from a country or specified territory outside India and Foreign Tax Credit	Individual, HUF, Company,AOP/BOI/Trust/ Firm/AJP/LA	YES	NO
78	RGESS	Annual Report to be submitted by the depository to the Income Tax Department	External Agency	NO	YES

Glossary

Abbreviation	Expansion
AIR	Annual Information Return
AJP	Artificial Jurisdiction Person
AO	Assessment Officer
AOP	Association of Persons
AST	Legacy System used by AO till FY2015-16
ATM	Automated Teller Machine
AY	Assessment Year
BOI	Body of Individual
BSR	Basic Statistical Report
CA	Chartered Accountant
CBDT	Central Board of Direct Taxes
CCA	Controller of Certifying Authorities
CDSL	Central Depository Services (India) Ltd
CIN	Corporate Identity Number
CPC	Centralized Processing Centre
DIN	Document Identification Number
De IN	Demand Identification Number
DOB	Date of Birth
DSC	Digital signature certificates
DTAA	Double Taxation Avoidance Agreement
ECS	Electronic Clearing Service
ERI	e-Return Intermediary
EVC	Electronic Verification Code
FY	Financial Year
HP	House Property
HTTP	Hypertext Transfer Protocol
HTTPS	Secure Hypertext Transfer Protocol
HUF	Hindu Undivided Family
ITBA	Income Tax Business Applications Systems

Abbreviation	Expansion
ITDREIN	Income Tax Department Reporting Entity Identification Number
ITR	Income Tax Return
ITR-V	Income Tax Return Verification
IVRS	Interactive Voice Response System
LLP	Limited Liability Partnership
Legal Heir	Legal Representative of a deceased person
NCLT	National Company Law Tribunal
NMS	Non-filers Monitoring System
NPCI	National Payments Corporation of India
NRI	Non-Resident Indian
NSDL	National Security Depository Limited
OTP	One Time Password
OS	Other Sources (Heads of Income)
PAN	Permanent Account Number
Part A or B	Part A or B of the ITR
PFMS	Public Financial Management System
POA	Power of Attorney
Pre Validation	Pre validation of bank account on e-filing System
SFT	Statement of Financial Transaction
Suo Motu	An action taken by Department on its own
TAN	Tax Deduction and Collection Account Number
TCS	Tax Collected at Source
TDS	Tax Deducted at Source
TRACES	TDS Reconciliation, Analysis and Correction Enabling System
UIDAI	Unique Identification Authority of India
USB	Universal Serial Bus
XML	Extensible Markup Language

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