

Instructions for filling out FORM ITR-4

These instructions are guidelines for filling the particulars in this Return Form. In case of any doubt, please refer to relevant provisions of the Income-tax Act, 1961 and the Income-tax Rules, 1962.

1. Assessment Year for which this Return Form is applicable

This Return Form is applicable for assessment year 2014-15 only, i.e., it relates to income earned in Financial Year 2013-14.

2. Who can use this Return Form?

This Return Form is to be used by an individual or a Hindu Undivided Family who is carrying out a proprietary business or profession.

3. Annexure-less Return Form

No document (including TDS certificate) should be attached to this Return Form. All such documents enclosed with this Return Form will be detached and returned to the person filing the return.

4. Manner of filing this Return Form

This Return Form can be filed with the Income Tax Department in any of the following ways, -

- (i) by furnishing the return in a paper form;
- (ii) by furnishing the return electronically under digital signature;
- (iii) by transmitting the data in the return electronically and thereafter submitting the verification of the return in Return Form ITR-V;
- (iv) by furnishing a Bar-coded return.

A resident assessee having any assets (including financial interest in any entity) located outside India or signing authority in any account located outside India, shall fill out schedule FA and furnish the return in the manner provided at either 4(ii) or 4(iii).

From the assessment year 2013-14 onwards all the assesseees having total income more than 5 lakh rupees are required to furnish the return in the manner provided at 4(ii) or 4(iii). Also in case of an assessee claiming relief under section 90, 90A or 91 to whom Schedule FSI and Schedule TR apply, he has to furnish the return in the manner provided at either 4(ii) or 4(iii).

From assessment year 2013-14 onwards in case an assessee who is required to furnish a report of audit under sections 10(23C)(iv), 10(23C)(v), 10(23C)(vi), 10(23C)(via), 10A, 10AA, 12A(1)(b), 44AB, 44DA, 50B, 80-IA, 80-IB, 80-IC, 80-ID, 80JJAA, 80LA, 92E, 115JB or 115VW he shall file the report electronically on or before the date of filing the return of income. Further, the assessee who is liable to file the above reports electronically shall file the return of income in the manner provided at either 4(ii) or 4(iii).

Where the Return Form is furnished in the manner mentioned at 4(iii), the assessee should print out two copies of Form ITR-V. One copy of ITR-V, duly signed by the assessee, has to be sent by ordinary post to Post Bag No. 1, Electronic City Office, Bangalore-560100 (Karnataka). The other copy may be retained by the assessee for his record.

5. Filling out the acknowledgement

Only one copy of this Return Form is required to be filed. Where the Return Form is furnished in the manner provided at 4(i), the acknowledgement slip attached with this Return Form should be duly filled.

6. Columns under Filing status

(i) Under the heading 'Filing Status' in the Return Form the relevant box needs to be checked regarding section under which the return is being filed on the basis of following.

Sl.No.	How the return is filed
i.	Before the due date as provided under section 139
ii.	After the due date under section 139(1) but before the expiry of one year from the end of relevant assessment year as per section 139(4)
iii.	Revised Return under section 139(5)
iv.	Modified return under section 92CD to give effect to advance pricing agreement entered with the Board
v.	In response to notice under section 139 (9) for removal of defects
vi.	In response to notice under section 142(1)
vii.	In response to notice under section 148
viii.	In response to notice under section 153A/ 153C

(ii) If the assessee is governed by Portuguese Civil Code under section 5A of the Income-tax Act, schedule 5A is required to be filled out. Schedules relating to different heads of income should be filled out. However, while filling part B-TI (computation of total income) you should apportion the income (other than income from salary) and enter only your share of income under different heads. The balance share of income should be entered in the return of income of the spouse under respective heads.

(iii) Under the head Audit Information, if the assessee is liable for Audit u/s 44AB and the accounts have been audited by an accountant, the details of such audit report along with the date of furnishing it to the department (if filed before the return) has to be filled. Further, if the assessee is liable to furnish other audit report, the section under which such audit is required and the date of furnishing it to the department (if audit has been carried out under that section) has to be filled. It is mandatory to furnish audit reports (if the audit has been carried out) under the following sections electronically on or before the date of filing the return of income.

Section under which Audit report is mandatorily to be filed electronically (if the audit has been carried out) on or before the due date of furnishing the return of income			
Sl.	Section	Sl.	Section
1.	10(23C)(iv), 10(23C)(v), 10(23C)(vi), 10(23C)(via)	9.	80-IB
2.	10A	10.	80-IC
3.	10AA	11.	80-ID
4.	12A(1)(b)	12.	80JJAA
5.	44AB	13.	80LA
6.	44DA	14.	92E
7.	50B	15.	115JB
8.	80-IA	16.	115VW

7. Instructions for filling this Return Form

(i) The codes for nature of business to be filled in 'Part-A- Nature of business' are as under-

Sector	Sub-Sector	Code
(1) Manufacturing Industry	Agro-based industries	0101
	Automobile and Auto parts	0102
	Cement	0103
	Diamond cutting	0104
	Drugs and Pharmaceuticals	0105
	Electronics including Computer Hardware	0106
	Engineering goods	0107
	Fertilizers, Chemicals, Paints	0108
	Flour & Rice Mills	0109
	Food Processing units	0110
	Marble & Granite	0111
	Paper	0112
	Petroleum and Petrochemicals	0113
	Power and energy	0114
	Printing & Publishing	0115
	Rubber	0116
	Steel	0117
	Sugar	0118
	Tea, Coffee	0119
	Textiles, handloom, Power looms	0120
	Tobacco	0121
	Tyre	0122
	Vanaspati & Edible Oils	0123
	Others	0124
(2) Trading	Chain Stores	0201
	Retailers	0202
	Wholesalers	0203
	Others	0204
(3) Commission Agents	General Commission Agents	0301
(4) Builders	Builders	0401
	Estate Agents	0402

	Property Developers	0403
	Others	0404
(5) Contractors	Civil Contractors	0501
	Excise Contractors	0502
	Forest Contractors	0503
	Mining Contractors	0504
	Others	0505
(6) Professionals	Chartered Accountants, Companies Secretaries, etc.	0601
	Fashion designers	0602
	Legal professionals	0603
	Medical professionals	0604
	Nursing Homes	0605
	Specialty hospitals	0606
	Others	0607
	Advertisement agencies	0701
	Beauty Parlours	0702
	Consultancy services	0703
	Courier Agencies	0704
	Computer training/educational and coaching institutes	0705
	Forex Dealers	0706
	Hospitality services	0707
	Hotels	0708
	I.T. enabled services, BPO service providers	0709
	Security agencies	0710
	Software development agencies	0711
	Transporters	0712
	Travel agents, tour operators	0713
	Others	0714
	Banking Companies	0801
	Chit Funds	0802
	Financial Institutions	0803
	Financial service providers	0804
	Leasing Companies	0805
	Money Lenders	0806
	Non-Banking Finance Companies	0807
	Share Brokers, Sub-brokers, etc.	0808
	Others	0809
	Cable T.V. productions	0901
	Film distribution	0902
	Film laboratories	0903
	Motion Picture Producers	0904
	Television Channels	0905
	Others	0906
(10) Other Sector [other than (1) to (9) above]		1001

(ii) In Schedule SI, the sections which prescribed for special rates of tax for the income to be mentioned therein are as under:-

Sl. No.	Nature of income	Section	Rate of tax
1.	Tax on accumulated balance of recognised provident fund	111	To be computed in accordance with rule 9(1) of Part A of fourth Schedule
2.	Short term capital gains on equity share or equity oriented fund chargeable to STT	111A	15
3.	Long term capital gains (with indexing)	112	20
4.	Long term capital gains (without indexing)	112proviso	10
5.	Long term capital gains on transfer of unlisted securities in the case of non-residents	112(1)(c)(iii)	10

6.	Dividends in the case of non-residents	115A(1)(a)(i)	20
7.	Interest received in the case of non-residents	115A(1)(a)(ii)	20
8.	Interest received by non-resident from infrastructure debt fund	115A(1)(a)(iia)	5
9.	Income received by non-resident as referred in section 194LC	115A(1)(a)(iiaa)	5
10.	Income received by non-resident as referred in section 194LD	115A(1)(a)(iiab)	5
11.	Income from units purchased in foreign currency in the case of non-residents	115A(1)(a)(iii)	20
12.	Income from royalty where agreement entered between 31.3.1961 to 31.3.1976 and income from fees for technical services where agreement entered between 29.2.1964 and 31.3.1976, and agreement is approved by the Central Government.	Paragraph EII of Part I of first schedule of Finance Act	50
13.	Income from royalty in case of non-resident in pursuance of an agreement made after 31-03-1976	115A(1)(b)(A)	25
14.	Income from fees for technical services in case of non-resident in pursuance of an agreement made after 31-03-1976	115A(1)(b)(B)	25
15.	Income received in respect of units purchased in foreign currency by an off-shore fund	115AB(1)(a)	10
16.	Income by way of long-term capital gains arising from the transfer of units purchased in foreign currency by a off-shore fund	115AB(1)(b)	10
17.	Income from bonds or GDR purchased in foreign currency or long term capital gains arising from their transfer in case of a non-resident	115AC(1)	10
18.	Income from GDR purchased in foreign currency or long term capital gains arising from their transfer in case of a resident employee of an Indian company, engaged in knowledge based industry or service	115ACA(1)	10
19.	Income received by an FII in respect of securities (other than units referred to in section 115AB)	115AD(1)(i)	20
20.	Income received by an FII in respect of bonds or government securities referred to in section 194LD	115AD(1)(i) proviso	5
21.	Short term capital gains (other than on equity share or equity oriented mutual fund referred to in section 111A) by an FII	115AD(ii)	30
22.	Short term capital gains on equity share or equity oriented mutual fund referred to in section 111A by an FII	115AD(ii) proviso	15
23.	Long term capital gains by an FII	115AD(iii)	10
24.	Profits and gains of life insurance business	115B	12.5
25.	Winnings from lotteries, crosswords puzzles, races including horse races, card games and other games of any sort or gambling or betting of any form or nature whatsoever	115BB	30
26.	Tax on non-resident sportsmen or sports associations or entertainer	115BBA	20
27.	Anonymous donations	115BBC	30
28.	Tax on dividend received by an Indian company from specified foreign company	115BBD	15
29.	Tax on income under section 68, 69, 69A, 69B, 69C or 69D	115BBE	30
30.	Investment income of a non-resident Indian	115E(a)	20
31.	Long term capital gains of a non-resident Indian on any asset other than a specified asset	115E(a)	20
32.	Long term capital gains of a non-resident Indian on any specified asset	115E(b)	10
33.	Double Taxation Avoidance Agreement (DTAA)		

(iii) In the filing status please tick the box against the relevant section under which the return is filed.

8. BRIEF SCHEME OF THE LAW- Before filling out the form, you are advised to read the following-

(1) Computation of total income

- (a) "Previous year" is the financial year (1st April to the following 31st March) during which the income in question has been earned. "Assessment Year" is the financial year immediately following the previous year.
- (b) Total income is to be computed as follows, in the following order:
 - (i) Classify all items of income under the following heads of income-

- (A) Salaries; (B) "Income from house property"; (C) "Profit and gains from business or profession"; (D) "Capital gains"; and (E) "Income from other sources". [There may be no income under one or more of the heads at (A), (B), (D) and (E)].
- (ii) Compute taxable income of the current year (i.e., the previous year) under each head of income separately in the Schedules which have been structured so as to help you in making these computations as per provisions of the Income-tax Act. These statutory provisions decide what is to be included in your income, what you can claim as an expenditure or allowance and how much, and also what you cannot claim as an expenditure/allowance.
- (iii) Set off current year's headwise loss(es) against current year's headwise income(s) as per procedures prescribed by the law. A separate Schedule is provided for such set-off.
- (iv) Set off, as per procedures prescribed by the law, loss(es) and/or allowance(s) of earlier assessment year(s) brought forward. Also, compute loss(es) and/or allowance(s) that could be set off in future and is (are) to be carried forward as per procedures prescribed by the law. Separate Schedules are provided for this.
- (v) Aggregate the headwise end-results as available after (iv) above; this will give you "gross total income".
- (vi) From gross total income, subtract, as per procedures prescribed by the law, "deductions" mentioned in Chapter VIA of the Income-tax Act. The result will be the total income. Besides, calculate agricultural income for rate purposes.

(2) Computation of income-tax, surcharge, education cess including secondary and higher education cess and interest in respect of income chargeable to tax

- (a) Compute income-tax payable on the total income. Special rates of tax are applicable to some specified items. Include agricultural income, as prescribed, for rate purposes, in the tax computation procedure.
- (b) If total income exceeds Rs. 1 crore, calculate surcharge on income-tax payable at the rate of 10%.
- (c) Add Education cess including secondary and higher education cess as prescribed on the tax payable and surcharge thereon.
- (d) Claim relief(s) as prescribed by the law, on account of arrears or advances of salary received during the year or of double taxation and calculate balance tax payable.
- (e) Add interest payable as prescribed by the law to reach total tax and interest payable.
- (f) Deduct the amount of prepaid taxes, if any, like "tax deducted at source", "advance-tax" and "self-assessment-tax". The result will be the tax payable (or refundable).

(3) Obligation to file return

- (a) Every individual and HUF has to furnish the return of his income if his total income before allowing deductions under section 10A or section 10B or section 10BA or Chapter VI-A (i.e., if his gross total income referred to in item 10 of Part B-TI as increased by item 6 of Schedule 10A, item f of Schedule 10A and item f of Schedule 10A of this Form) exceeds the maximum amount which is not chargeable to income tax [Rs. 2,00,000/- in case of individuals below the age of 60 years and HUF, and Rs. 2,50,000/- in case of individuals who are of the age of 60 years or more but less than eighty years at any time during the financial year 2012-13, and Rs. 5,00,000/- in the case of individuals who are of the age of 80 years or more at any time during the financial year 2012-13].
- (b) The losses, if any, (item-18 of Part B-TI of this Form) shall not be allowed to be carried forward unless the return has been filed on or before the due date.
- (c) The deduction under sections 10A, 10B, 80-IA, 80-IAB, 80-IB and 80-IC shall not be allowed unless the return has been filed on or before the due date.

9. SCHEME OF THE FORM

The Scheme of this form follows the scheme of the law as outlined above in its basic form. The Form has been divided into two parts. It also has thirty-six schedules. The details of these parts and the schedules are as under:-

- (i) Part-A has five sub-divisions as under-
 - a. Part A-GEN mainly seeks general information requiring identificatory and other data;
 - b. Part A-BS seeks the balance sheet as on **31st March, 2014**;
 - c. Part A-P&L seeks information regarding the Profit and loss account for the financial year 2013-14;
 - d. Part A-OI seeks other information. It is optional in a case not liable for audit under section 44AB
 - e. Part A-QD seeks information regarding quantitative details of the principal item of goods traded. It is optional in a case not liable for audit under section 44AB.
- (ii) The second part, i.e., Part-B is regarding an outline of the total income and tax computation in respect of income chargeable to tax..
- (iii) After Part B, there is –
 - (a) A space for giving details of the transmission of the data of the form if the form has been furnished in accordance with the manner mentioned at instruction No. 5(iii).
 - (b) A space for a statutory verification.
 - (c) A space for filling the details if the return has been prepared by a Tax Return Preparer.
- (iv) There are 36 schedules details of which are as under-

- (a) Schedule-S: Computation of income under the head Salaries.
- (b) Schedule-HP: Computation of income under the head Income from House Property
- (c) Schedule-BP: Computation of income under the head “profit and gains from business or profession”
- (d) Schedule-DPM: Computation of depreciation on plant and machinery under the Income-tax Act
- (e) Schedule DOA: Computation of depreciation on other assets under the Income-tax Act
- (f) Schedule DEP: Summary of depreciation on all the assets under the Income-tax Act
- (g) Schedule DCG: Computation of deemed capital gains on sale of depreciable assets
- (h) Schedule ESR: Deduction under section 35 (expenditure on scientific research)
- (i) Schedule-CG: Computation of income under the head Capital gains.
- (j) Schedule-OS: Computation of income under the head Income from other sources.
- (k) Schedule-CYLA: Statement of income after set off of current year’s losses
- (l) Schedule-BFLA: Statement of income after set off of unabsorbed loss brought forward from earlier years.
- (m) Schedule- CFL: Statement of losses to be carried forward to future years.
- (n) Schedule- UD: Statement of unabsorbed depreciation.
- (o) Schedule- 10A: Computation of deduction under section 10A.
- (p) Schedule- 10AA: Computation of deduction under section 10AA.
- (q) Schedule- 80G: Details of donation entitled for deduction under section 80G.
- (r) Schedule- 80IA: Computation of deduction under section 80IA.
- (s) Schedule- 80IB: Computation of deduction under section 80IB.
- (t) Schedule- 80IC/ 80-IE: Computation of deduction under section 80IC/ 80-IE.
- (u) Schedule-VIA: Statement of deductions (from total income) under Chapter VIA.
- (v) Schedule AMT: Computation of Alternate Minimum Tax payable under section 115JC.
- (w) Schedule AMTC: Computation of tax credit under section 115JD.
- (x) Schedule SPI: Statement of income arising to spouse/ minor child/ son’s wife or any other person or association of persons to be included in the income of assessee in Schedules-HP, BP, CG and OS.
- (y) Schedule-SI: Statement of income which is chargeable to tax at special rates.
- (z) Schedule-IF: Information regarding partnership firms in which assessee is a partner.
- (aa) Schedule-EI: Statement of Income not included in total income (exempt incomes).
- (bb) Schedule-IT: Statement of payment of advance-tax and tax on self-assessment.
- (cc) Schedule-TDS1: Statement of tax deducted at source on salary.
- (dd) Schedule-TDS2: Statement of tax deducted at source on income other than salary.
- (ee) Schedule-TCS: Statement of tax collected at source.
- (ff) Schedule-FSI: Details of Income accruing or arising outside India.
- (gg) Schedule-TR: Statement of tax relief claimed under section 90 or section 90A or section 91.
- (hh) Schedule-FA: Statement of Foreign Assets.
- (ii) Schedule-5A: Statement of apportionment of income between spouses governed by Portuguese Civil Code.
- (jj) Schedule-AL: Statement of your Asset and Liability at the end of the year. It is mandatory if your total income exceeds Rs. 25 lakh.

10. GUIDANCE FOR FILLING OUT PARTS AND SCHEDULES

(1) General

- (i) All items must be filled in the manner indicated therein; otherwise the return maybe liable to be held defective or even invalid.
- (ii) If any schedule is not applicable score across as “---NA---”.
- (iii) If any item is inapplicable, write “NA” against that item.
- (iv) Write “Nil” to denote nil figures.
- (v) Except as provided in the form, for a negative figure/ figure of loss, write “-” before such figure.
- (vi) All figures should be rounded off to the nearest one rupee. However, the figures for total income/ loss and tax payable be finally rounded off to the nearest multiple of ten rupees.

(2) Sequence for filling out parts and schedules

- (i) Part A
- (ii) Schedules
- (iii) Part B
- (iv) Verification
- (v) Details relating to TRP and counter signature of TRP if return is prepared by him.

11. PART A-GEN

Most of the details to be filled out in Part-Gen of this form are self-explanatory. However, some of the details mentioned below are to be filled out as explained hereunder:-

- (a) Taxpayers are advised to mandatorily fill up the address columns carefully and provide correct information. Similarly status column needs to be filled mandatorily.

- (b) Tax payers are advised to furnish their correct mobile number and e-mail address so as to facilitate the Department in sending updates relating to demand, refund etc. In case a return is filed by an intermediary/professional, the email address of the intermediary as well as the assessee may be provided.
- (c) In case of an individual, for “employer category”, Government category will include Central Government/ State Governments employees. PSU category will include public sector companies of Central Government and State Government;
- (d) The code for sections under which the return is filed be filled as per code given in instruction No.6(i).
- (e) In case the return is being filed by you in a representative capacity, please ensure to quote your PAN in item “PAN of the representative assessee”. In case the PAN of the person being represented is not known or he has not got a PAN in India, the item for PAN in the first line of the return may be left blank. It may please be noted that in the first line of this form, the name of the person being represented be filled.

12. PART A-BS AND PART A-P&L

- (a) The Balance Sheet as on **31st March, 2014** and the profit and loss account for financial year 2013-14 in the formats provided in these parts have to be filled in respect of proprietary business or profession carried out by you during the financial year 2013-14 if you were required to maintain accounts of the business or profession during the year.
- (b) If the matters other than proprietary business are not being accounted for in the books of the proprietary business or profession, these need not to be included in the balance sheet and profit and loss account to be filled in this Part.
- (c) In case, accounts of the business or profession were required to be audited, the items of balance sheet and profit and loss account filled in the these parts should broadly match with the audited balance sheet and profit and loss account.
- (d) In case, you were not required to maintain accounts of the business or profession during the year, please fill out the details mentioned in these parts against portion ‘No account case’.

13. PART A- OI AND PART A-QD

- (a) If the accounts of the business or profession were not required to be audited under section 44AB, it is optional to fill these parts.
- (b) Where the accounts of the business or profession were required to be audited under section 44AB, the details to be filled in these parts which are also required to be reported in the report of audit by the auditors, should broadly match with the details as given in the report of audit.
- (c) Purchases are to be shown exclusive of taxes and the details of taxes paid on the purchases are to be indicated separately in the relevant rows. However, where it is not possible to segregate the details of the different taxes paid on the purchases, the same may be included and shown in the details of purchases.
- (d) In Part A-QD, the quantitative details may be furnished only in respect of principal items.

14. SCHEDULES

- (a) **Schedule-S**-In case there were more than one employer during the year, please give the details of the last employer. Further, in case, there were more than one employer simultaneously during the year, please furnish the details of the employer from whom you have got more salary. Fill the details of salary as given in TDS certificate(s) (Form 16) issued by the employer(s). However, if the income has not been computed correctly in Form No. 16, please make the correct computation and fill the same in this item. Further, in case there were more than one employer during the year, please furnish in this item the details in respect of total salaries from various employers.
- (b) **Schedule-HP**,-In case, a single house property is owned by the assessee which is self-occupied and interest paid on the loan taken for the house property is to be claimed as a deduction. This schedule needs to be filled up. The information relating to the percentage of share of the assessee in the co-owned property is mandatory. **In case of part ownership of property, the figure of annual value or rent receivable/received in row ‘a’ should be for whole of the property and only after computation of annual value in row ‘e’ the portion chargeable in own hands should be computed in row ‘f’ by multiplying such annual value with assessee’s percentage share in the property.** In case the property is co-owned then the assessee needs to furnish the name of the co-owner, PAN and percentage of share of the other co-owner (s) in the property. The results of the income/ loss derived from all the properties have to be filled in last row of this Schedule. Following points also need to be clarified,-
 - (i) Annual lettable value means the amount for which the house property may reasonably be expected to let from year to year, on a notional basis: Deduction for taxes paid to local authority shall be available only if the property is in the occupation of a tenant, and such taxes are borne by the assessee and not by the tenant and have actually been paid during the year.
 - (ii) In case of self-occupied property 1f shall be nil and interest payable on borrowed capital under 1h shall be limited to Rs. 1,50,000/-.

- (iii) Deduction is available for unrealized rent in the case of a let-out property. If such a deduction has been taken in an earlier assessment year, and such unrealized rent is actually received in the assessment year in question, the unrealized rent so received is to be shown in item 4a of this Schedule.
- (iv) Item 4b of this Schedule relates to enhancement of rent with retrospective effect. Here mention back years' extra rent received thereon, and claim deduction @ 30% of such arrear rent received.
- (c) **Schedule-BP,-**
- The computation in this schedule has to be started on the basis of profit before tax as shown in item 45 of Part-A- P&L.
 - Any item of addition or deduction not covered by the items mentioned in this schedule be filled in residual items 23 and 31 of this schedule.
 - In case accounts of business or profession are not maintained, the profit as entered into by you in item 50d of Part A-P&L.
 - In case, agricultural income to be excluded on the basis of rule 7A, 7B or 7C (in business of growing and manufacturing tea, coffee etc), it shall not be included in the item 5c of this schedule.
 - In A-36, net profit or loss from business or profession is to be computed, only in special cases, e.g. business of growing and manufacturing tea, coffee, etc., where rules 7A, 7B or 7C is applicable otherwise, the figure of profit/ loss as computed in A-35 may be entered.
 - Income earned by the assessee by way of salary, commission, bonus, interest, etc. from other firms as if in the capacity of a partner, which has not been included in the profit and loss account of the proprietary business needs to be disclosed in item No. A23 in Schedule BP.
 - Item D of this schedule computes the total of profit or loss from business or profession (other than speculative business and specified business), profit or loss from speculative business and profit or loss of specified business) (item A36 + item B40 + item C46).
 - Item E of this schedule computes the set off of any business loss (other than from speculative business and specified business) with the profits from speculative business and specified business, if any. Losses from speculative business or specified business are not allowable to be set off with normal business profits.
- (d) **Schedule-DPM, Schedule DOA, Schedule DEP and Schedule DCG,-**For sake of convenience, computation of depreciation allowable under the Income-tax Act [other than in case of an undertaking generating electricity which may at its option claim depreciation on straight line method under section 32(1)(i)], has been divided into two parts i.e. in schedules DPM (depreciation on plant and machinery)and DOA (depreciation on other assets). The summary of depreciation as per these schedules has to be shown in schedule DEP. Deemed short term capital gain, if any as computed in schedule DPM and DOA has to be entered into schedule DCG.
- (e) **Schedule ESR: Deduction under section 35 (expenditure on scientific research),-**In column (2) of this schedule, please furnish the details of deduction to which you are entitled under provisions of this section. In column (1), please enter the amounts of expenses of the nature covered by section 35 which are, if, debited to profit and loss account. Please note that no deduction for depreciation is available in respect of capital asset for which deduction under section 35(1)(iv) has been claimed. Deduction under section 35CCC and 35CCD is also to be filled in this schedule.
- (f) **Schedule-CG,-**
- Capital gains arising from sale/transfer of different types of capital assets have been segregated. If more than one capital asset within the same type has been transferred, make the combined computation for all such assets within the same type. Under short-term capital gains items 4 and 5 are not applicable for residents. Similarly, under long-term capital gains items 5, 6 and 7 are not applicable for residents
 - For computing long-term capital gain, cost of acquisition and cost of improvement may be indexed, if required, on the basis of following cost inflation index notified by the Central Government for this purpose.

Sl.No.	Financial Year	Cost Inflation Index	Sl.No.	Financial Year	Cost Inflation Index
1.	1981-82	100	18.	1998-99	351
2.	1982-83	109	19.	1999-00	389
3.	1983-84	116	20.	2000-01	406
4.	1984-85	125	21.	2001-02	426
5.	1985-86	133	22.	2002-03	447
6.	1986-87	140	23.	2003-04	463
7.	1987-88	150	24.	2004-05	480
8.	1988-89	161	25.	2005-06	497
9.	1989-90	172	26.	2006-07	519
10.	1990-91	182	27.	2007-08	551
11.	1991-92	199	28.	2008-09	582
12.	1992-93	223	29.	2009-10	632
13.	1993-94	244	30.	2010-11	711

14.	1994-95	259	31.	2011-12	785
15.	1995-96	281	32.	2012-13	852
16.	1996-97	305	33.	2013-14	939
17.	1997-98	331			

- (iii) Sections 54/54B/54D/54EC/54F/54G/54GA/54GB/115F mentioned in this schedule provides exemption on capital gains subject to fulfillment of certain conditions. Exemption under some of these sections is available only in respect of long-term capital gains. If any deduction is claimed details in item D to be provided. In case of claim of deduction u/s 54GB, PAN of the eligible company is to be provided.
- (iv) Item C of this Schedule computes the total of short-term capital gain and long-term capital gain . Please note that if balance in item B10 in respect of long-term capital gain is a loss, same shall not be set-off against short-term capital gain. In such situation, the figure of item B10 would be entered as 0 and then the figures of item A9 be added in item C.
- (v) Item E of this Schedule provides for set off of current year capital losses with current year capital gains. The schedule separates different category of capital gains (long-term and short-term) into different baskets according to rate at which the same is chargeable to tax. The applicable rate implies the rate of tax at which the normal income of the assessee is otherwise taxable. The figures in column 1 list out the categories of capital gains against which capital loss will be set off. Similarly figures in row 'i' provides for different categories of capital losses which will be set off against capital gains in column 1. The figures in row 'i' and column '1' will be derived from addition of different fields of schedule CG as indicated. For example if (A2e + A3a) represents a negative figure it will be filled in cell '2i' and if it is a positive figure it will be filled in cell '1ii'. The assessee may set off the capital loss of row 'i' with any category of capital gains in column '1' except that the long-term capital loss can only be adjusted with any long-term capital gains and the amount of such set off has to be entered into in the relevant rows of columns 2 to 6.

(g) **Schedule-OS,-**

- (i) Against item 1a and 1b, enter the details of gross income by way of dividend and interest which is not exempt.
- (ii) Against item 1c, indicate the gross income from machinery, plant or furniture let on hire and also such income from building where its letting is inseparable from the letting of the said machinery, plant or furniture, if it is not chargeable to income-tax under the head "Profits and gains of business or profession".
- (iii) Against item 1d, indicate any other income under the head other sources such as winning from lottery, crossword puzzles etc., income of the nature referred to in section 68, 69, 69A, 69B, 69C or 69D. The nature of such income is also required to be mentioned.
- (iv) Income from owning and maintaining race horses is to be computed separately as loss from owning and maintaining race horses cannot be adjusted against income from any other source, and can only be carried forward for set off against similar income in subsequent years.
- (v) Item 4 of this Schedule computes the total income chargeable under the head "Income from other sources". If balance in item 3c from owning and maintaining race horses is a loss, please enter 0 and enter the total of item 2.

(h) **Schedule-CYLA,-**

- (i) Mention only positive incomes of the current year in column 1, headwise, in the relevant rows.
- (ii) Mention total current year's loss(es), if any, from house property, business or profession and other sources (other than losses from race horses) in the first row against the heading loss to be adjusted under the respective head. These losses are to be set off against income under other heads in accordance with the provisions of section 71. The amount set off against the income of respective heads has to be entered into in columns 2, 3 and 4, in the relevant rows.
- (iii) Mention the end-result of the above inter-head set-off(s) in column 5, headwise, in relevant rows.
- (iv) Total of loss set off out of columns 2, 3 and 4 have to be entered into row x.
- (v) The losses remaining for set off have to be entered in row xi.

(i) **Schedule-BFLA,-**

- (i) Mention only positive incomes of the current year (after set-off of loss in Schedule-CYLA in column 1, headwise in relevant rows.
- (ii) The amount of brought forward losses which may be set off are to be entered in column 2 in respective rows. Brought forward short-term capital loss can be adjusted under any item of short-term or long-term capital gains. Brought forward long-term capital loss can be adjusted under any item of long-term capital gains.
- (iii) The end result of the set off will be entered in column 5 in respective heads. The total of column 5 shall be entered in row xiv which shall give the amount of gross total income.
- (iv) The total amount of brought forward losses set off during the year shall be entered in column 2 of row xiii.

- (j) **Schedule-CFL,-**
- (i) In this Schedule, the summary of losses carried from earlier years, set off during the year and to be carried forward for set off against income of future years is to be entered.
 - (ii) The losses under the head “house property”, ‘profit and gains of business or profession’ short term capital loss and long term capital loss, are allowed to be carried forward for 8 years. However, loss from owning and maintaining race horses can be carried forward only for 4 assessment years.
- (k) **Schedule-UD,-**In this Schedule, amount of brought forward unabsorbed depreciation and allowance under section 35(4) for each assessment year, amount of depreciation and allowance under section 35(4) set-off against the current year’s income and the balance unabsorbed depreciation and allowance under section 35(4) to be carried forward to the next assessment year needs to be mentioned.
- (l) **Schedule- 10A,-**
- (i) If there are more than one undertaking entitled for deduction under this section, please enter the details of deduction for each undertaking separately.
 - (ii) The amount of deduction under this section for an undertaking shall be as per item 17 of Form No.56F being the report of audit under section 10A.
- (m) **Schedule-10AA,-**If there are more than one undertaking entitled for deduction under this section, please enter the details of deduction for each undertaking separately.
- (n) **Schedule- 80G,-**
- (i) In this Schedule, the details of donation given by you which are entitled for deduction under section 80G have to be filled.
 - (ii) In part-A of this Schedule, the details of donations which are entitled for 100% deduction without a qualifying limit are to be filled in.
 - (iii) In Part-B of this Schedule, the details of donations which are entitled for 50% deduction without a qualifying limit are to be filled in.
 - (iv) In Part-C of this Schedule, the details of donations which are entitled for 100 % deduction subject to qualifying limit are to be filled in.
 - (v) In Part- D of this Schedule, the details of donations which are entitled for 50% deduction subject to qualifying limit are to be filled in.
- (o) **Schedule- 80IA, Schedule- 80IB, Schedule- 80IC and Schedule-80-IE -**
- (i) If there are more than one undertaking entitled for deduction under any of these sections, please enter the details of deduction in relevant schedule for each undertaking separately.
 - (ii) The amount of deduction for an undertaking shall be as per item 30 of Form No.10CCB being the report of audit under section 80-IA/ 80-IB/ 80-IC and 80-IE.
- (p) **Schedule-VIA,-**
- (i) The total of the deductions allowable is limited to the amount of gross total income. For details of deductions allowable, the provisions of the Chapter VI-A may kindly be referred to.
 - (ii) For deductions under sections 80-IA, 80-IB, 80-IC and 80-IE the amount as shown in Schedules 80-IA, 80-IB and 80-IC be filled. The amount of deduction to be claimed under section 80-ID may be shown in this Schedule itself.
 - (iii) Details of other deductions which are available are as under:-
 - I. section 80C (Some of the major items for deduction under this section are- amount paid or deposited towards life insurance, contribution to Provident Fund set up by the Government, recognised Provident Fund, contribution by the assessee to an approved superannuation fund, subscription to National Savings Certificates, tuition fees, payment/ repayment for purposes of purchase or construction of a residential house and many other investments)(for full list, please refer to section 80C of the Income-tax Act) (Please note that as provided in section 80CCE, aggregate amount of deduction under section 80C, 80CCC and 80CCD shall not exceed one lakh rupees).
 - II. Section 80CCC (Deduction in respect of contributions to certain pension funds).
 - III. Section 80CCD(1) (Deduction in respect of assessee’s contributions to pension scheme of Central Government). Section 80CCD(2) ((Deduction in respect of employer’s contributions to pension scheme of Central Government).
 - IV. Section 80CCG (Deduction in respect of investment made under an equity savings scheme)
 - V. Section 80D (Deduction in respect of Medical Insurance Premium and contributions to CGHS).
 - VI. Section 80DD (Deduction in respect of maintenance including medical treatment of dependent who is a person with disability)
 - VII. Section 80DDB (Deduction in respect of medical treatment, etc.)
 - VIII. Section 80E (Deduction in respect of interest on loan taken for higher education)
 - IX. Section 80EE (Deduction in respect of interest on loan taken for residential house property)
 - X. Section 80G (Deduction in respect of donations to certain funds, charitable institutions, etc.)
 - XI. Section 80GG (Deduction in respect of rents paid)

- XII. Section 80GGC (Deduction in respect of contributions given by any person to political parties)
- XIII. Section 80IA (Deduction in respect of profits and gains from industrial undertakings or enterprises engaged in infrastructure development, etc.)
- XIV. Section 80IAB (Deduction in respect of profits and gains by an undertaking or enterprise engaged in development on Special Economic Zone)
- XV. Section 80IB (Deduction in respect of profits and gains from certain industrial undertakings other than infrastructure development undertakings)
- XVI. Section 80IC/80IE (Special provisions in respect of certain undertakings or enterprises in certain special category States/ Special provisions in respect of certain undertakings in North-Eastern States)
- XVII. Section 80ID (Deduction in respect of profits and gains from business of hotels and convention centers in specified area)
- XVIII. Section 80JJA (Deduction in respect and gains from business of collecting and processing of bio-degradable waste)
- XIX. Section 80QQB (Deduction in respect of royalty income, etc., of authors of certain books other than text books)
- XX. Section 80RRB (Deduction in respect of royalty on patents)
- XXI. Section 80TTA (Deduction in respect of interest on deposit in savings account)
- XXII. Section 80U (Deduction in case of a person with disability)
- (q) **Schedule AMT**, -The assessee is required to fill the details of computation of Alternate Minimum Tax (AMT) payable under section 115JC (special provisions for payment of tax by certain persons other than a company). The tax liability under the section shall be 18.5 percent of the adjusted total income computed under the said section. The computation under this Schedule is to be based on Form No. 29C.
- (r) **Schedule AMTC**, -Credit for AMT paid in assessment year 2013-14 and subsequent assessment years, in excess of normal tax liability, is allowed to be set-off against the normal tax liability of current assessment year. However, the amount of credit is restricted to the extent of normal tax liability for the current assessment year exceeding the AMT liability for the current assessment year.
- (s) **Schedule-SPI**, -
- (i) Furnish the details of income of spouse, minor child, etc., if to be included in your income in accordance with provisions of Chapter V of the Income-tax Act.
 - (ii) The income entered into this Schedule has to be included in the respective head.
 - (iii) Section 10(32) provides exemption to extent of Rs. 1,500/- in respect of minor's income for the purpose of clubbing. Therefore, exclude Rs. 1,500/- from the income of the minor while clubbing the income of the minor in the respective head. However, if income of the minor is to be clubbed in various heads, total exclusion should not exceed Rs. 1,500/-.
- (t) **Schedule-SI**, -Mention the income included in total income which is chargeable to tax at special rates. Such income will be taken from the appropriate columns in schedule BFLA/CYLA or schedule OS as indicated. The relevant section and special rate of taxes are given in Instruction No. 7(ii).
- (u) **Schedule-IF**, -
- (i) This Schedule has to be filled for each firm in which you are partner.
 - (ii) In case you are partner in more than 5 firms, a separate sheet may be enclosed giving the details in same format.
 - (iii) In column 1 of the Schedule, furnish the name of the firm and in column 2 furnish the PAN No. of the firm in which the assessee is a partner. In column 3 and 4, the percentage share and amount of share in the profit of the firm as computed in accordance with the provisions of the Income-tax Act. Such share is exempt from tax in hands of the partner.
 - (iv) In column 5, please furnish the amount of capital balance (including the capital on which you are entitled for an interest) in the firm in which you are partner.
- (v) **Schedule-EI**, -Furnish the details of income like agriculture income, interest, dividend, etc. which is exempt from tax. Under column 4, Gross agricultural income, other than income under rule 7A (rubber), rule 7B (coffee), rule 8 (tea), is to be filled. Expenses and brought forward losses in the manner provided as per part IV of First Schedule of the relevant Finance Act may be claimed from Gross agricultural income. Losses under this head may be carried forward and set-off against agricultural income of subsequent assessment years as per above-referred Schedule.
- (w) **Schedule-IT**, -
- (i) In this schedule, fill out the details of payment of advance income-tax and income-tax on self-assessment.
 - (ii) The details of BSR Code of the bank branch (7 digits), date of deposit, challan serial no., and amount paid should be filled out from the acknowledgement counterfoil.
- (x) **Schedules-TDS1 and TDS2**, -
- (i) In these Schedules fill the details of tax deducted on the basis of TDS certificates(Form 16 or Form No.16A or Form 26QB) issued by the deductor(s).

- (ii) All the tax deductions at source made in the current financial year should be reported in the TDS schedules.
 - (iii) Details of each certificate are to be filled separately in the rows. In case rows provided in these Schedules are not sufficient, please attach a table in same format.
 - (iv) "Unique TDS Certificate Number". This is a six digit number which appears on the right hand top corner of those TDS certificates which have been generated by the deductor through the Tax Information Network (TIN) Central System.
 - (v) "Financial Year in which TDS is Deducted"- mention the financial year in this column.
 - (vi) It may please be noted that the TDS certificates are not to be annexed with the Return Form.
 - (vii) In schedule TDS2, where tax is deducted u/s 194-IA and details are filled as per Form 26QB, in column (2) in place of TAN of the Deductor mention PAN of the Buyer and in column (3) mention Name of Buyer being the Deductor.
- (y) **Schedule TCS,-**
- (i) In this Schedule, fill the details of tax collected at source on the basis of TCS certificates (Form No. 27D) issued by the Collector.
 - (ii) In case rows provided in these Schedules are not sufficient, please attach a table in same format.
 - (iii) It may please be noted that the TDS certificates are not to be annexed with the Return Form.
 - (iv) In order to enable the Income Tax Department to provide accurate, quicker and full credit for taxes collected at source, the taxpayer must ensure to quote PAN for every TCS transaction.
- (z) **Schedule FSI,-**
- (i) In this Schedule, fill the details of income, which is already included in total income, accruing or arising outside India.
 - (ii) For country code use the International Subscriber Dialing (ISD) code of the country.
 - (iii) The Tax Payer Identification Number (TIN) of the assessee in the country where tax has been paid is to be filled up. In case TIN has not been allotted in that country, then, passport number should be mentioned.
- (aa) **Schedule TR, -**
- (i) In column (c) mention the tax paid outside India on the income declared in Schedule FSI which will be the total tax paid under column (c) of schedule FSI in respect of each country.
 - (ii) In column (d) mention the tax relief available that will be the total tax relief available under column (e) of schedule FSI in respect of each country.
 - (iii) For country code use the ISD code of the country.
 - (iv) The Tax Payer Identification Number (TIN) of the assessee in the country where tax has been paid is to be filled up. In case TIN has not been allotted in that country, then, passport number should be mentioned.
 - (v) Relief claimed under section 90 or section 90A or section 91 is to be filled in the respective columns.
- (bb) **Schedule FA,-**
- (i) This schedule is to be filled up by a resident assessee. It need not be filled up by a 'not ordinarily resident' or a 'non-resident'. Mention the details of foreign bank accounts, financial interest in any entity, details of immovable property or other assets located outside India. This should also include details of any account located outside India in which the assessee has signing authority.
 - (ii) (A) The peak balance in the bank account during the year is to be filled up after converting the same into Indian currency.
(B) Financial interest would include, but would not be limited to, any of the following:-
 - (1) if the resident assessee is the owner of record or holder of legal title of any financial account, irrespective of whether he is the beneficiary or not.
 - (2) if the owner of record or holder of title is one of the following:-
 - (i) an agent, nominee, attorney or a person acting in some other capacity on behalf of the resident assessee with respect to the entity.
 - (ii) a corporation in which the resident owns, directly or indirectly, any share or voting power.
 - (iii) a partnership in which the resident assessee owns, directly or indirectly, an interest in partnership profits or an interest in partnership capital.
 - (iv) a trust of which the resident has beneficial or ownership interest.
 - (v) any other entity in which the resident owns, directly or indirectly, any voting power or equity interest or assets or interest in profits.
 - (3) the total investment in col(5) of part (B) has to be filled up as investment at cost held during the year after converting it into Indian currency.
 - (C) the total investment in col(5) of part (C) has to be filled up as investment at cost in immovable property held during the year after converting it into Indian currency.
 - (D) The total investment in col(5) of part (D) has to be filled up as peak investment (at cost) held during the year after converting it into Indian currency. In part D, investments in the nature of investment

and not in the nature of stock-in-trade or assets used for the purpose of business are required to be reported.

- (E) the details of peak balance/investment in the accounts in which you have signing authority and which has not been included in Part (A) to Part (D) mentioned above has to be filled up as peak investment/balance held during the year after converting it into Indian currency.
- (F) the details of trusts under the laws of a country outside India in which you are a trustee, beneficiary or settlor has to be filled up.
- (iii) For the purpose of this Schedule, the rate of exchange for the calculation of the value in rupees of such asset situated outside India shall be the telegraphic transfer buying rate of such currency as on the date of peak balance in the bank account or on the date of investment.

Explanation: For the purposes of this Schedule, "telegraphic transfer buying rate", in relation to a foreign currency, means the rate or rates of exchange adopted by the State Bank of India constituted under the State Bank of India Act, 1955 (23 of 1955), for buying such currency, having regard to the guidelines specified from time to time by the Reserve Bank of India for buying such currency, where such currency is made available to that bank through a telegraphic transfer.

(cc) **Schedule 5A,-** This Schedule is to be filled in case of assessee governed by Portuguese Civil Code. The share of income of the spouse, as mentioned in point no. 6 above, should be filled in this schedule and the same should form part of the return of income of the spouse.

(dd) **Schedule AL,-**

- (i) This Schedule is to be filled giving details of any property held by the assessee and the corresponding liabilities, other than those included in the balance sheet filled in Part A – BS of the return.
- (ii) The assets to be reported will not include personal effects, i.e. to say, movable property (including wearing apparel and furniture) held for personal use by the assessee or any member of his family dependent on him, however, personal effects excludes items mentioned in column a, b, c and d of column 2 under column A of the Schedule.
- (iii) For the purpose of sub-tem b of item 2 under column A, jewellery includes.-
- (a) Ornaments made of gold, silver, platinum or any other precious metal or any alloy containing one or more of such precious metals, whether or not containing any precious or semi-precious stone, and whether or not worked or sewn into any wearing apparel;
- (b) Precious or semi-precious stones, whether or not set in any furniture, utensil or other article or worked or sewn into any wearing apparel.
- (iv) The amount in respect of assets to be reported will be the cost price of such asset to the assessee. In case the asset became the property of the assessee under a gift, will or any mode specified in section 49(1) the cost of such asset to be reported will be the cost for which the previous owner of the asset acquired, it as increased by the cost of any improvement of the asset incurred by the previous owner or the assessee, as the case may be. Previous owner shall have the meaning as provided in Explanation to section 49(1). In the case of insurance policy in respect of the policy holder, the aggregate of premium paid shall be the cost for the purpose of reporting.

15. PART B-TI-COMPUTATION OF TOTAL INCOME

- (i) In this part the summary of income computed under various heads and as set off in Schedule CFLA and Schedule BFLA is to be entered.
- (ii) Every entry which have to be filled on basis of Schedules have been cross referenced and hence doesn't need any further clarification.

16. PART B-TTI-COMPUTATION OF TAX LIABILITY ON TOTAL INCOME

- (a) in item 1a, fill the tax liability to be computed at the applicable rate on the amount of aggregate income (col. 16 of B-TI). The tax liability has to be computed at the rates given as under:-

- (i) In case of every individual (other than resident individual who is of the age of 60 years or more at any time during the financial year 2013-14) –

Income (In Rs.)	Tax Liability (In Rs.)
Upto Rs. 2,00,000	Nil
Between Rs. 2,00,001 - Rs. 5,00,000	10% of income in excess of Rs. 2,00,000
Between Rs. 5,00,001 – Rs. 10,00,000	Rs. 30,000 + 20% of income in excess of Rs. 5,00,000
Above Rs.10,00,000	Rs. 1,30,000 + 30% of income in excess of Rs. 10,00,000

- (ii) In case of resident individual who is of the age of 60 years or more but less than 80 years at any time during the financial year 2013-14-

Income (In Rs.)	Tax Liability (In Rs.)
Upto Rs. 2,50,000	Nil
Between Rs. 2,50,001 – Rs. 5,00,000	10% of income in excess of Rs. 2,50,000

Between Rs. 5,00,001 – Rs. 10,00,000	Rs. 25,000 + 20% of income in excess of Rs. 5,00,000
Above Rs.10,00,000	Rs. 1,25,000 + 30% of income in excess of Rs. 10,00,000

(iii) In case of resident individual who is of the age of 80 years or more at any time during the financial year 2013-14-

Income (In Rs.)	Tax Liability (In Rs.)
UptoRs. 5,00,000	Nil
Between Rs. 5,00,001 – Rs. 10,00,000	20% of income in excess of Rs. 5,00,000
Above Rs.10,00,000	Rs.1,00,000 + 30% of income in excess of Rs. 10,00,000

- (b) In item No. 2b fill out the total of tax computed at special rates as per schedule SI.
- (c) In item No. 2c the amount of rebate is the amount of tax computed on the aggregate of net agricultural income and the maximum amount not chargeable to tax (i.e. 2 lakh, 2.5 lakh or 5 lakh, as the case may be, as mentioned in para (a) above. This is applicable only if normal income (Total income less income chargeable to tax at special rate) is more than the maximum amount not chargeable to tax.
- (d) In item No. 2h, calculate the education cess including secondary and higher education cess at the rate of three per cent of item No. 1d.
- (e) In item No. 6a, claim the relief if any allowable under section 89 in respect of arrears or advances of salary received during the year.
- (f) In item No. 6b, claim relief in respect of tax paid (on income which is included in the return) in any foreign country with which DTAA exists between India and that foreign country.
- (g) In item No. 6c, claim relief in respect of tax paid (on income which is included in the return) in any foreign country with which there is no DTAA between India and that foreign country.
- (h) In item 10b, please furnish the details in accordance with Form 16 issued by the employer(s) in respect of salary income and Form 16A issued by any other person in respect of other income as entered in schedules TDS-1, TDS-2.
- (i) In item 13 enter full bank account number without any special character like '-', '/', bracket etc. The number should be of minimum 9 digits as per Core Banking Solution (CBS) system of the Bank.. This is mandatory even if you do not claim any refund.
- (j) In item 15- Please quote the IFSC code of the bank.

17. VERIFICATION

- (a) In case the return is to be furnished in a paper format or electronically under digital signature or in a bar coded return format, please fill up the required information in the Verification. Strike out whatever is not applicable. Please ensure that the verification has been signed before furnishing the return. Write the designation of the person signing the return.
- (b) In case the return is to be furnished electronically in the manner mentioned in instruction no. 5(iii), please fill verification form (Form ITR-V)
- (c) Please note that any person making a false statement in the return or the accompanying schedules shall be liable to be prosecuted under section 277 of the Income-tax Act, 1961 and on conviction be punishable under that section with rigorous imprisonment and with fine.

18. DETAILS REGARDING TAX RETURN PREPARER (TRP)

- (a) This return can be prepared by a Tax Return Preparer (TRP) also in accordance with the Tax Return Preparer Scheme, 2006 dated 28th November, 2006.
- (b) If the return has been prepared by him, the relevant details have to be filled by him below verification and the return has to be countersigned by him in the space provided in the said item.
- (c) The Tax Return Preparer is entitled to a maximum fee of Rs. 250/- from the taxpayer. TRP is also entitled to a reimbursement from the Government for following three years as under:-
 - (i) 3 per cent of the tax paid on the income declared in the return for the first eligible assessment year (first eligible assessment year means the assessment year if no return has been furnished for at least three assessment years preceding to that assessment year);
 - (ii) 2 per cent of the tax paid on the income declared in the return for the second eligible assessment year (second eligible assessment year means the assessment year immediately following the first eligible assessment year);
 - (iii) 1 per cent of the tax paid on the income declared in the return for the third eligible assessment year (third eligible assessment year means the assessment year immediately following the second eligible assessment year);
- (d) For these three eligible assessment years, the TRP will be eligible for the fee from the taxpayer to the extent of the amount by which Rs. 250/- exceeds the amount of reimbursement receivable by him from the Government.