



F.No. 414/76/2005-IT(Inv. I)
Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes

Dated : 24th August, 2005

Subject: Furnishing of Annual Information return under section 285BA of the Income tax Act, 1961

Section 285BA of the Income-tax Act, 1961 requires certain specified persons (filers) to file an Annual Information Return (AIR) in respect of specified financial transactions registered or recorded by him during a financial year. The nature of the transactions and the threshold value above which information has to be submitted in the AIR are prescribed in the Table in Rule 114E of IT Rules, 1962, a copy of which is enclosed as **Annexure A**. Rule 114E has been amended vide notification no.182/2005 dated 11.7.2005. The form in which the return is to be filed is Form no.61A, notified vide notification no.185/2005, a copy of which is enclosed as per **Annexure B**. The C.B.D.T. has authorized M/s National Securities Depositories Ltd. (NSDL), Trade World, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400 013 as the agency authorized to receive AIRs on behalf of the Commissioner of Income-tax (Central Information Branch). The filers can furnish the AIR with the facilitation centres of NSDL located in different parts of the country. The addresses of these facilitation centres are available on the website www.incometaxindia.gov.in and www.tin.nsd.com.

2. The filer is required to quote his 'Folio number' in para 3 of Part A of form 61A and para 4 of Part B of the form 61A for filing of AIR. This folio number will be the unique identity of the filer for all purposes of AIR. It has been decided that the folio number will be, in the case of government filers, the TAN of the filer, and in the case of non-government filers the TAN of the principal office of the person filing the AIR. Persons filing AIR should quote TAN as above in both Part A and Part B of form no.61A in the relevant column of AIR. It is further clarified that persons filing annual information return should furnish only one return even if they may have more than one branch.

3. Item no. 1 of the Table in Rule 114E specifies that transactions involving aggregate cash deposits of ten lakh rupees or more in a savings account of a person are to be reported by the filer. It is clarified that only the aggregate of all the cash deposits in the savings account of a person is required to be reported as one transaction and the date for the transaction is to be mentioned as the last date of the financial year, i.e 31.3.05 in respect of transactions for the financial year 2004-05.

4. Item no. 2 of the Table in Rule 114E specifies that transactions involving aggregate payments of two lakh rupees or more in respect of credit card of a person are to be reported by the filer. It is clarified that only the aggregate of all the payments by a person to the credit card company is required to be reported as one transaction and the date for the transaction is to be mentioned as the last date of the financial year, i.e 31.3.05 in respect of transactions for the financial year 2004-05.

5. Item nos (3), (4) & (5) of the Table in Rule 114E specify "Receipt from any person of any amount of rupees or more for acquiring.....". Situations may arise where the filer receives from a transacting party an amount higher than the threshold limit for allotment of units, bonds, debentures or shares but the actual allotment may have been made of an amount lower than the threshold value. It is hereby clarified that all such transactions where the receipt is more than the threshold limit specified are to be reported in the AIR. It is further clarified that the amount actually received from a transacting party, and not the amount relating to the allotment, is to be reported in the AIR.

6. Item no. 6 of the Table in rule 114E specifies that transactions of purchase or sale by any person of immovable property valued at thirty lakh rupees or more are to be reported by the filer. Situations may arise where the transaction is in respect of a property valued at more than rupees thirty lakhs involving joint parties and the value for one or more party is less than rupees thirty lakhs. It is clarified that all such transactions are to be reported in the AIR, giving requisite details in respect of all the joint parties, even though the value of the transaction in the hands of one or more of the joint parties is less than the threshold limit specified in item no. 6 of Table in Rule 114E.

7. Item no. 7 of the Table in Rule 114E specifies that transactions involving aggregate Receipt from any person of an amount or amounts aggregating to five lakh rupees or more in a year for bonds issued by the Reserve Bank of India are to be reported by the filer. It is clarified that only the aggregate of all the receipts from a person is required to be reported as one transaction and the date for the transaction is to be mentioned as the last date of the financial year, i.e 31.3.05 in respect of transactions for the financial year 2004-05.

8. As per sub-rule (2) of rule 114C, every person receiving any document relating to a transaction specified in rule 114B has to ensure, after verification, that the PAN has been duly and correctly quoted in the document. All persons furnishing AIR should, therefore, verify the PAN quoted by the transacting party before furnishing the annual information return under section 285BA.



Income Tax Department

Ministry of Finance, Government of India

9. With a view to ensuring that the annual information return conforms to the required specifications, the person(s) responsible for filing return shall ensure the following:-

- i) Form No. 61A -Part A is duly filled in and verified and enclosed in paper format with the form no. 61A -Part B in computer media
- ii) The data structure of the AIR conforms to the data structure prescribed by the Administrator- Annual Information Return authorized by the Board.
- iii) The computer media containing AIR is readable, clean, virus free and not corrupt
- iv) Permanent Account Number (PAN) of the person responsible for filing AIR (except in cases of Government departments) is mentioned in Form No. 61A (Part A and Part B).
- v) Tax Deduction Account Number (TAN) of the office of the Principal Officer of the person responsible for filing AIR is mentioned in Form No. 61A (Part A and Part B) as the folio number for non-government filers and of the filer in case of government filers. In case TAN is not allotted, the return should be accompanied by a copy of acknowledgement of application made for allotment of TAN or duly filled in form no. 49B with the requisite fees (only for government filers).
- vi) The Control Totals of total number of transactions and total value of all transactions mentioned at item no. 8 and 9 of Form No. 61A(Part A) tally with the corresponding total at item No. 7 and 8 of Form No. 61A(Part B).
- vii) The PAN, name, address, date of transaction, mode of transaction and amount of the transacting party or each of the joint parties in respect of every transaction are correctly and properly filled in at item no. 9 of Form 61A (Part B). Where PAN is not required to be obtained under the law, it shall be mentioned in the form as to whether the transacting party is a government department or consular office or Form 60 or Form 61, as the case may be, has been received.

In case the AIR on the computer readable media is found to be corrupted or does not fulfill the above guidelines, the filer is expected to make appropriate correction and resubmit the Return.

(Vikram Sahay)
Secretary to the CBDT

To,

1. The Chairman, Members and all other officers in CBDT of the rank of Under Secretary and above
2. All Chief Commissioners and Director Generals of income tax
3. 100 copies to DIT(RSP & PR) for printing in the quarterly tax bulletin and for circulation as per their usual mailing list
4. DIT(Recovery), DIT(Systems), DIT(DOMS), DIT(Vigilance) and DIT(IT)
5. The Comptroller and Auditor General of India (40 copies)

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