

## Instructions for filling out FORM ITR-2

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 2015-16 only, i.e., it relates to income earned in Financial Year 2014-15.

### 2. Who can use this Return Form?

This Return Form is to be used by an individual or a Hindu Undivided Family whose total income for the assessment year 2015-16 includes:-

- (a) **Income from Salary / Pension; or**
- (b) **Income from House Property; or**
- (c) **Income from Capital Gains; or**
- (d) **Income from Other Sources** (including Winning from Lottery and Income from Race Horses).

Further, in a case where the income of another person like spouse, minor child, etc. is to be clubbed with the income of the assessee, this Return Form can be used where such income falls in any of the above categories.

### 3. Who cannot use this Return Form?

This Return Form should not be used by an individual whose total income for the assessment year 2015-16 includes Income from Business or Profession.

### 4. 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.

### 5. 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 under electronic verification code;
- (iv) by transmitting the data in the return electronically and thereafter submitting the verification of the return in Return Form ITR-V;

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 5(ii), 5(iii) or 5(iv).

From the assessment year 2015-16 onwards any assessee (other than an individual of the age of 80 years or more at any time during the previous year) having a refund claim in the return or having total income of more than five lakh rupees is required to furnish the return in the manner provided at 5(ii) or 5(iii) or 5(iv). 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 5(ii) or 5(iii) or 5(iv).

Where the Return Form is furnished in the manner mentioned at 5(iv), 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, Bengaluru-560100 (Karnataka). The other copy may be retained by the assessee for his record.

### 6. 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 mentioned at 5(i) the acknowledgement should be duly filled in ITR-V.

### 7. Columns under Filing Status

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	On or before the due date as provided under section 139(1)
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
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
viii	Under section 119(2)(b) on an application to be made separately before the income-tax authority <i>(The return shall be treated as valid only after the application/claim/relief under section 119(2)(b) has been admitted by the income-tax authority)</i>

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.

#### 8. Obligation to file return

Every individual whose total income before allowing deductions under Chapter VI-A of the Income-tax Act, exceeds the maximum amount which is not chargeable to income tax is obligated to furnish his return of income. The maximum amount not chargeable to income tax in case of different categories of individuals is as follows:-

Sl.No.	Category	Amount (in Rs.)
i.	In case of individuals below the age of 60 years	2,50,000
ii.	In case of individuals, resident in India, who are of the age of 60 years or more but less than eighty years at any time during the financial year 2014-15	3,00,000
iii.	In case of individuals, resident in India, who are of the age of 80 years or more at any time during the financial year 2014-15	5,00,000

#### 9. Sections applicable for Schedule SI

In Schedule SI, the sections 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 an 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	115AC(1)	10

	non-resident		
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)	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.	Long term capital gains by an FII	115AD(iii)	10
23.	Profits and gains of life insurance business	115B	12.5
24.	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
25.	Tax on non-resident sportsmen or sports associations or entertainer	115BBA	20
26.	Anonymous donations	115BBC	30
27.	Tax on dividend received by an Indian company from specified foreign company	115BBD	15
28.	Tax on income under section 68, 69, 69A, 69B, 69C or 69D	115BBE	30
29.	Investment income of a non-resident Indian	115E(a)	20
30.	Long term capital gains of a non-resident Indian on any asset other than a specified asset	115E(a)	20
31.	Long term capital gains of a non-resident Indian on any specified asset	115E(b)	10
32.	Double Taxation Avoidance Agreement (DTAA)		

**10. 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 (1<sup>st</sup> April to the following 31<sup>st</sup> 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) "Capital gains"; and (D) "Income from other sources". (There may be no income under one or more of these heads of income).
  - (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 head wise 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. The losses, if any, (item-16 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.
  - (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 such total income 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).

## 11. 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 several work tables (referred to as “schedules”). The parts and the schedules are described below:-

- (i) The first part, i.e., Part-A is spread over half of the first page of the return. It mainly seeks general information requiring identificatory and other data.
- (ii) The second part, i.e. Part-B on page 1 and page 2 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 space for a statutory verification which is mandatory in case the return is furnished in paper form.
- (iv) On page 3, there are details to be filled if the return has been prepared by a Tax Return Preparer.
- (v) On pages 3 to 10, there are 19 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-CG: Computation of income under the head Capital gains.
  - (d) Schedule-OS: Computation of income under the head Income from other sources.
  - (e) Schedule-CYLA: Statement of income after set off of current year’s losses
  - (f) Schedule-BFLA: Statement of income after set off of unabsorbed loss brought forward from earlier years.
  - (g) Schedule- CFL: Statement of losses to be carried forward to future years.
  - (h) Schedule-VIA: Statement of deductions (from total income) under Chapter VIA.
  - (i) Schedule 80G: Statement of donations entitled for deduction under section 80G.
  - (j) 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, CG and OS.
  - (k) Schedule-SI: Statement of income which is chargeable to tax at special rates
  - (l) Schedule-EI: Statement of Income not included in total income (exempt incomes)
  - (m) Schedule-IT: Statement of payment of advance-tax and tax on self-assessment.
  - (n) Schedule-TDS1: Statement of tax deducted at source on salary.
  - (o) Schedule-TDS2: Statement of tax deducted at source on income other than salary.
  - (p) Schedule-FSI: Statement of income accruing or arising outside India.
  - (q) Schedule –TR: Statement of tax relief claimed under section 90 or section 90A or section 91.
  - (r) Schedule-5A: Statement of apportionment of income between spouses governed by Portuguese Civil Code.
  - (s) Schedule- BA: Schedule of Bank Accounts held in India
  - (t) Schedule-FA: Statement of Foreign Assets and Income
  - (u) Schedule-FT: Statement of foreign travel and expenses incurred during the year

## 12. 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

You are advised to follow the following sequence while filling out the form;

- (i) Part A- General on page 1.
- (ii) Schedules
- (iii) Part B-TI and Part B-TTI
- (iv) Verification
- (v) Details relating to TRP and counter signature of TRP if return is prepared by him.

**13. PART-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) E-mail address and phone number are **optional**; However 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 **sections** under which the return is filed are given in instruction No.7.
- (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.

**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 was more than one employer during the year, please furnish in this item the details in respect of total salaries from various employers. In the case of salaried employees, perquisites have to be valued by the employee in accordance with the notification No. SO.3245(E) dated 18.12.2009, for the purposes of including the same in their salary income.
- (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 should be for whole of the property and only after computation of annual value of house property in row ‘e’ the portion chargeable in own hands should be computed in row ‘f’ by multiplying such 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. If there are two or more than two house properties, the details of remaining properties may be filled in a separate sheet in the format of this Schedule and attach this sheet with this return. The results of 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 ‘1e’ shall be nil and interest payable on borrowed capital under ‘1g’ shall be limited to Rs. 2,00,000/-.
  - (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 3a of this Schedule.
  - (iv) **Item 3b** 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-CG,-**
  - (i) 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 3 and 4 are not applicable for residents. Similarly, under long-term capital gains items 4, 5 and 6 are not applicable for residents.
  - (ii) 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	16.	1996-97	305
2.	1982-83	109	17.	1997-98	331
3.	1983-84	116	18.	1998-99	351

4.	1984-85	125	19.	1999-00	389
5.	1985-86	133	20.	2000-01	406
6.	1986-87	140	21.	2001-02	426
7.	1987-88	150	22.	2002-03	447
8.	1988-89	161	23.	2003-04	463
9.	1989-90	172	24.	2004-05	480
10.	1990-91	182	25.	2005-06	497
11.	1991-92	199	26.	2006-07	519
12.	1992-93	223	27.	2007-08	551
13.	1993-94	244	28.	2008-09	582
14.	1994-95	259	29.	2009-10	632
15.	1995-96	281	30.	2010-11	711
31.	2011-12	785	32.	2012-13	852
33.	2013-14	939	<b>34.</b>	<b>2014-15</b>	<b>1024</b>

- (iii) **Sections 54/ 54B/ 54D/ 54EC/ 54F/54GB/115F** mentioned in this schedule provide 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 B9 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 B9 would be entered as 0 and then the figures of item A7 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 columns 2 to 6 in the relevant rows.
- (d) **Schedule-OS,-**
- Against item 1a and 1b, enter the details of gross income by way of dividend and interest which is not exempt.
  - 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".
  - 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.
  - Against item 1f, indicate all such income which is included in 1e and chargeable to tax at special rate under chapter XII or XII-A. Such income cannot be adjusted against the losses under this head or under any other head.
  - 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.
  - Item 4 of this Schedule computes the total income chargeable under the head "Income from other sources". If balance in item 3c which shows income from owning and maintaining race horses is a loss, please enter 0 and enter the total of item 2.
- (e) **Schedule-CYLA,-**
- Mention only positive incomes of the current year in column 1, headwise, in the relevant rows.
  - Mention total current year's loss(es), if any, from house property and other sources (other than losses from race horses) in the first row against 'loss to be set off'. 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 and 3 in the relevant rows.
  - Mention the end-result of the above inter-head set-off(s) in column 4, head wise, in relevant rows.
  - Total of loss set off out of column 2 and column 3 have to be entered into row xi.
  - The losses remaining for set off have to be entered in row xii.

(f) **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 except under the head 'Salary' where no loss could be brought forward. 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 3 in respective heads. The total of column 3 shall be entered in row xi 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 x.

(g) **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", short term capital loss and long term capital loss, losses from other sources (other than losses from race horses) 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.

(h) **Schedule-VIA,-**

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. Details of deductions which are available to an individual/ HUF not carrying out any business or profession 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(1) shall not exceed one lakh and fifty thousand 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 80GGA (Deduction in respect of certain donations for scientific research or rural development)
- (xiii) Section 80GGC (Deduction in respect of contributions given by any person to political parties)
- (xiv) Section 80QQB (Deduction in respect of royalty income etc. of authors of books other than textbooks)
- (xv) Section 80RRB (Deduction in respect of royalty on patents)
- (xvi) Section 80TTA (Deduction in respect of interest on deposit in savings account)
- (xvii) Section 80U (Deduction in case of a person with disability)

(i) **Schedule-80G,-**

Mention the details of donations entitled for deduction under section 80G. Donations entitled for deductions have been divided in four categories, namely:

- (A) Donations entitled for 100% deduction without qualifying limit
- (B) Donations entitled for 50% deduction without qualifying limit
- (C) Donations entitled for 100 % deduction subject to qualifying limit
- (D) Donations entitled for 50% deduction subject to qualifying limit

(j) **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/-.
- (k) **Schedule-SI,-**  
Mention the income included in Schedule-CG and Schedule-OS 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.9
- (l) **Schedule-EL,-**
- (i) Furnish the details of income like agricultural income, interest, dividend, etc. which is exempt from tax.
  - (ii) Under column 4, Gross agricultural income is to be filled, other than income under rule 7A (rubber), rule 7B (coffee), rule 8 (tea). Expenses and brought forward losses in the manner provided in 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.
  - (iii) The details may be filled on cash basis unless there is any provision/ requirement to declare them on accrual basis.
- (m) **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.
- (n) **Schedules-TDS1 and TDS2,-**
- (i) In these Schedules fill the details of tax deducted on the basis of TDS certificates(Form 16, 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.
- (o) **Schedule FSI,-**
- (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 which will be the total tax relief available under column (e) of schedule FSI in respect of each country.
  - (iii) For country code use the International Subscriber Dialing (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.
- (p) **Schedule TR, -**
- (i) Mention the details of tax paid outside India on the income declared in Schedule FSI.
  - (ii) For country code use the 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.
  - (iv) Relief claimed under section 90 or section 90A or section 91 is to be filled in the respective columns.
- (q) **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. 7 above, should be filled in this schedule and the same should form part of the return of income of the spouse.
- (r) **Schedule BA,-** This schedule is mandatorily to be filled. The details of all bank accounts held in India (including in joint names) at any time during the previous year need to be reported. In case the account is closed during the year, in the column for account balance as on 31<sup>st</sup> March mention "closed".



(s) **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 also includes details of any account located outside India in which the assessee has signing authority, details of trusts created outside India in which you are settlor, beneficiary or trustee. Under all the heads mention income generated/derived from the asset. The amount of income taxable in your hands and offered in the return is to be filled out under respective columns. Item G includes any other income which has been derived from any source outside India and which has not been included in the items A to F and under the head business of profession in the return.
- (ii) This schedule is to be filled in all cases where the resident assessee is a beneficial owner, beneficiary or legal owner. For this purpose,-
- Beneficial owner in respect of an asset means an individual who has provided, directly or indirectly, consideration for the asset and where such asset is held for the immediate or future benefit, direct or indirect, of the individual providing the consideration or any other person.
  - Beneficiary in respect of an asset means an individual who derives an immediate or future benefit, directly or indirectly, in respect of the asset and where the consideration for such asset has been provided by any person other than such beneficiary.
- Where the assessee is both a legal owner and a beneficial owner, mention legal owner in the column of ownership.
- (iii) (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. Capital Assets include financial assets which are not included in part (B) but shall not include stock-in-trade and business assets which are included in the Balance Sheet.
- (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 has to be filled up.
- (iv) 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.

- (t) **Schedule FT**, - This schedule is required to be filled if the assessee has undertaken any foreign travel during the previous year. The countries visited and the number of times it was visited during the previous year is to be filled up. Further, mention the expenses incurred from own sources of income in such trip i.e. other than expenses incurred by the employer or any other person being a sponsor.

#### 15. PART B-TI- COMPUTATION OF TOTAL INCOME

- (a) In this part the summary of income computed under various heads and as set off in Schedule CYLA and Schedule BFLA is to be entered.
- (b) Every entry which have to be filled on basis of Schedules have been crossed 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. 15 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 2014-15)** –

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

- (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 2014-15-**

Income (In Rs.)	Tax Liability (In Rs.)
Upto Rs. 3,00,000	Nil
Between Rs. 3,00,001 – Rs. 5,00,000	10% of income in excess of Rs. 3,00,000
Between Rs. 5,00,001 – Rs. 10,00,000	Rs. 20,000 + 20% of income in excess of Rs. 5,00,000
Above Rs.10,00,000	Rs. 1,20,000 + 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 2014-15-**

Income (In Rs.)	Tax Liability (In Rs.)
Upto Rs. 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. 1b** fill out the total of tax computed at special rates as per schedule SI.
- (c) In **item No. 1c** 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. 2.5 lakh, 3 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. 5**, calculate the education cess including secondary and higher education cess at the rate of three per cent of item (3+4).
- (e) In **item No. 7a**, 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. 7b**, 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. 7c**, 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 11b**, please furnish the details in accordance with Form 16 issued by the employer(s) in respect of salary income, Form 16A issued by any other person in respect of interest income or Form 26QB issued by the buyer.
- (i) In **item 14** enter full bank account number without any special character like '-', '/', bracket etc. The number should be 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 IFS 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(iv), 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 28<sup>th</sup> November, 2006.
- (b) If the return has been prepared by him, the relevant details have to be filled by him in item No.16 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.