How to file returns in special cases?

If you have changed jobs, or are filing after a gap, there are certain things that you need to do differently

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ormally, it's easy to file your income tax return (ITR) if you have only one source of income—income from salary. But sometimes things can get complex even for individuals having just salary income. Here are some of the scenarios.

HAVING MULTIPLE FORM 168

If you are getting a raise or a better opportunity in another company, it's unlikely you will wait for the new financial year to make the move. When people change jobs during a single financial year, they end up with more than one Form 16.

"In case of a change in employment during a financial year, it is important for an employee to report his previous salary and tax deductions to the new employer. This shall envisage correct deduction of taxes by the new employer by considering previous employer salary as well," said Taranpreet Singh, partner, TASS Advisors, business advisors and chartered accountants.

However, if you have failed to do so, you have more work to do in terms of calculations, and you may even be liable to pay additional income tax. "If you haven't informed your new employer about your 80C deductions done by your previous employer, you may end up getting deduction twice. In such a situation you will have to reconcile the details while filing returns," said Shailesh Kumar, director-direct taxation, Nangia Advisors LLP.

While filing returns, club the taxable income from all employers and put it in the required column. "While filing return in this case, the person has to aggregate each and every component of salary earned from all the employers for the financial year (including value of exempt allowances, perquisites, HRA, travel allowance, etc.). The tax liability and TDS deducted by different employers also needs to be considered together in tax



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computation," said Kumar. The rest of the process remains the same.

CLUBBING INCOME

"Clubbing of income means income of another person is taxed in a person's hand in certain specified circumstances," said Kumar.

For instance, if a minor child earns any income, then it will be included in the hands of his parent or guardian whose income is higher. Further, in case of couples—husband and wife—if the wife earns an

income in the form of salary, commission, fee or any other way from a firm or business in which her husband has interest then income earned by the wife gets clubbed with the income of her husband, except when the wife is earning an income based on technical or professional qualification. In such cases, the wife's income is not required.

to be clubbed and the above rule is not applicable, said Kumar.

Also, if a person makes an investment in the name of his wife or minor child, any

If his wife or minor child, any income from such investment has to be clubbed with his income while filing returns. There is no separate ITR form to file returns, where the assessee has to club the income of any of the family member. The criteria of ITR forms applicable to an individual applies.

FILING AFTER A GAP

It is not mandatory to file a return in case you fulfil certain conditions. "The requirement for filing of ITR arises only if a person has taxable income during a particular year or ifhe/she has foreign assets or liabilities," said Amit Maheshwari, partner, Ashok Maheshwary & Associates LLP. Therefore, there is no need to worry while filing a tax return after a gap. But, "the

requirement for filing ITR for an year is independent of any other year. Hence, if the person was required to file the return for any of the prior years but didn't file it, she is still required to file the return for the current year which is due," added Maheshwar.

If you are filing tax returns after a gap, don't forget to consider changes in tax filing rules. Updating basic profile details in your income tax e-filing account is a must, especially if you are filing ITR after a gap. "One of the common mistakes people generally make while filing their return is not updating any change in their communication address as reported in the PAN registration or previous tax return viz-a-viz current return. Similarly, it is important to update the email ID and phone numbers so that timely communication from the tax authorities may reach them," said Singh.

In case you find the process complicated, consult a tax expert, a tax return preparer or a chartered accountant. Filing incorrect returns can cause trouble later.

A guide to filing your income tax returns

As we enter the last month of filing income tax returns for assessment year 2018-19, Mint Money handholds you through the process, from giving you a step-by-step guide on how to e-file your returns, cutting through the clutter of forms to tell you which one you can use, and highlighting the pitfalls of not filing on time. While the tax collection landscape has seen a number of changes in the last few years, and more number of people are seen filing returns, there is still a long way to go

File your income tax returns in 5 easy steps

acometaceturn is here. Those who haven't filed their returns already-should-doit now to avoid mistakes. The good news is that tay filing is not a tedious process anymore Gone are the days when you had to physi calls fill the income tax return (TTR) forms and grene up to salmit them at the income tax office and wait for updates. Since the last few years, it has been made mandatory for all assesses lex-halling very senior citizens! having income above \$5 lakh or refund to claim need to file their returns online. The hest part is it's new convenient to not only your returns, but also track your refunds and processing of returns online In the last few years, there has been a sig

nificant increase in the number of new return filers. For instance, about 90:40 new taciliers were added during PVIS compared to 85.51 likh new ITB filers added during FUT. It is expected that, many more new taxpasors will file their returns this year. ere is a step-by-step guide on how to

documents along with the income-tax noturn form, you will need them to fill it. Besides hasic documents like your Per moment Account Number (PAN) and And

haar number or enrolment ID, you need to have documents related to income, investments, aweis, bank accounts and so on like-capital gains, rental income, divided

handy too. Also, if you have any foreign income or assets, you need to have docu-ments of that to put in details. You must maintain a separate file of all ie-documents you have used to file your

CREATE VOUR E-FILING ACCOUNT Once you have all the documents, the next step is to login to your e-filing account on the income tax department's website (inconstaxiodia/filing.gov.int. Tologia, you needto-enteruser ED/your PAN, pasenord,

However, if you are a first-time filer, you

a login to your e-filling accoun "Illingofincom and. After that, choose the asses nt sear (AY) for which souscant to file th TR. The current AY is 2018-19, whereys turns for financial year (FY) 2017-19 he year in which you earn the income hile AY is the year in which to name u to conseard file your return. Nest, choose the applicable ITB fore

en flose who have been filing return to long-should consender that ITE form r AYID have undergone a few critic ents and not ordinarily residents. ITBso longer applicable for individua eHCF (Hindu Cindivided Family) who has ofits and gains from any business or pro sion and are required to file form ITH-3. d Shalesh Komor, director direct tox



a may need to revise your return. But if a person was required to file his law filing return under the presumptive tion whome, sourced ETE-4, which has turn in ITE-2 or ITE-3 but instead files it changed. "The sid ITE-4 sought only in ETR-1, then the person would not have r floancial particulars of the businessdisclosed requisite details of income and other detailed information and may suffer ance. The new ITE-4 seeks more finansensities for under-reporting of income. we such as the amoun sid Maheshwart, For instance, ITB-2 needs

more than 350 lakh or having If you are sending While ITH-I has to be filled be ITR-V physically. someone laving income less than \$50 lakh and not having make sure you end it through more than one house propert o, if someone files a return in of by a ITE-LiestendofTTE-2 which is ervice must have underroported her

income or not disclosed all the ities depend on the income that scaped assessment because of filing the cturn in the wrong/IB form. "The penals.

sides selecting the right ITE form, ensur utill in the correct details. "Audhuar nur



Form 26AS

documents conneed to have to file your income tax return.

statement issued under Section 200A.t-of-the-Income Tax tot, 890. It contains details of various taxes Your source of income can be your employer, bank, tenant and so on. It also contains details of any advance tus or self-assessment tas paid by you during the year. It also has details of tax collected at source (TCS) and tax refund you may have received from the tax department during the relevant financial year

Dere tapper is advised to cross check her Form 26AS to ascertain tax paid during the year matches with the tax deposited as per the tax department records. Any discrepancy therein could lead to issue notice by the tan authorities.

Form 2GAS can be downloaded by logging into you're-filing account on the department's e-filing website. net mindiseffing gre

After login, elick-on "Grew Form 26AS (Tax Credit)", either under My count or Quick Links tabs on the left hand side

Asheiri Kunar Sharma

dhair number, then she can't file return ctronically as the website doesn't allow per of ITE without mentioning Audhous elliwa, "This year ITR forms are seeking t of new information like break-up-of-sal-and house property income to be furhed in ITE-1 form instead of a single unt of income loss, as required to be

rate column for claiming capital gain exemption under Sections 54, 54B, 54EC, 54EE, 54F, 54GB and H5E. Further, to avail three-etemptions, a tarpayer is required to mention the date of transfer of original capital asset which was missing in the coeffer ITR forms," said Maheshwari.

UPLOAD, E-VERIFY RETURN

The last step is to re-check-all your details and upload the form. However, your job is not complete until you verify your return.

There is a window of 120 days from the date of uploading the return till which you can e-verify your return or wind a signed sy of ITB V to the tax-department's Central Processing Center, Bengalam. Byon are sending ITB-V physically, make sure you send it through ordinary or speedpost and not by any private courier service



Pitfalls of not filing tax

returns within due date

fyou fail to file the tax return date, 31 July, you may have ofacemultipleconsequence date is known as belated tax return and in such cases

of the benefits get seized. If you fail to file your tax return before due date, you ran still file a belated return till

you fail to file pytharms for AV19 HB 31 file a belated return However, you will have topay a late levat the time of Bling returns.

Penalty payment: A return flied III 3 December of the AY attracts a penalty of \$5,000 (\$1,000 if income is below \$5 hids, whereas a belated return filed between Usessey and 31 farch of the AY attracts a late fee of \$50,000. While earlier late fee was not mandatory after the introduction of Sec tion 27 W in Finance Act, 2017 you can't escape paying it.

Interest novement Variage

under Sections 2344, 2340 and 234C of the Income Tax Act, 1993 on due taxes each month until you file return

Setting off losses not allowed: You are not allowed to carry forward certain issues. Bo-twerol years for set-off. For instance, capitallisses can be carried forward for the next eight AVs and can be adjusted against gains during these sears, but only if the return is

No interest on refundisdaeta you and you file the return in time, you can earnister est on refund claim, that is, the excess tax paid on your perSection 244A. However, in case of helated neturns, you may lose the interest that

would be due on the refund No provision to revise returns. Uso, there is no win-dow to file a revised return. This is because filling a revised

It makes sense to file yo last estimate real-and elitebes.

original return has been filed within the due date return before the due date

ome and so on, keep those documents noturn in a particular year.

over as per the GST return.

old Navorn Wadhwa, deputy

If you choose the wrong

rue 'Choosing the correct in is of utmost importance

ere are seven forms, out of

ITB Sasks for all details that are

individual taspurers. Consequences of

lecting a wrong ETR form as per tax laws

se when 'moving from ITR-1 to ITR-3 int

e shown in ETR-1. If the disclosures are

made in a subsequent form, it will not make any impact, "sold Amit Maheshwari, part

ner. Asholi Maheshwary & Associates LLF.

post an

courier

shall be 50-200%," added Wadhwa.