

# How to file Income Tax Return for the FY: 2020-21 (AY: 2021-22)



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The logo for Nirha Desai &amp; Associates (NDA) features the letters 'NDA' in a large, dark blue, stylized font. The 'N' and 'D' are connected, and the 'A' has a unique shape. The logo is set against a light grey background.

**NIRHA DESAI & ASSOCIATES**

CHARTERED ACCOUNTANTS

# Topics Covered:

- ▶ Opt for New Tax Regime/Old Regime for the F.Y.20-21 (A.Y.21-22)
- ▶ Online/Offline Method
- ▶ Validation of Bank Account for refund
- ▶ Salary Exemptions
- ▶ Deductions applicable to Salaried persons under the Income Tax Act, 1961

# Option: Whether to go for new tax regime or stay with old tax regime????

- ▶ The budget 2020
- ▶ New section 115BAC applicable from F.Y.2020-21
- ▶ It is Option – not compulsory
- ▶ Applicable to only Individuals and HUF
- ▶ In this new regime, taxpayers has an **OPTION** to choose either :
- ▶ To pay income tax at lower rates as per New Tax regime on the condition that **they forgo certain permissible exemptions and deductions** available under income tax, Or To continue to pay taxes under the existing tax rates.
- ▶ The assessee can avail rebates and exemptions by staying in the old regime and paying tax at the existing higher rate.

# Which Exemptions & Deductions you have to forgo in New Tax Regime?

- ▶ Leave Travel Allowance (LTA)
- ▶ House Rent Allowance (HRA)
- ▶ Conveyance allowance, Daily expenses in the course of employment, Relocation allowance
- ▶ Helper allowance, Children education allowance, Other special allowances [Section 10(14)]
- ▶ Standard deduction on salary - Rs.50000/-
- ▶ Professional tax
- ▶ Interest on housing loan (Section 24) Deduction under Chapter VI-A deduction (80C,80D, 80E and so on)

# Slab Rates : New Tax Regime Vs Old Tax Regime

c. Difference of slab rates between New tax regime & Old Tax regime

Income Tax Slab	Existing Regime Slab Rates for FY 19-20 and FY 20-21			New Regime Slab Rates for FY 20-21
	Resident Individuals & HUF < 60 years of age & NRIs	Resident Individuals & HUF > 60 to < 80 years	Resident Individuals & HUF > 80 years	Applicable for All Individuals & HUF
Rs 0.0 – Rs 2.5 Lakhs	NIL	NIL	NIL	NIL
Rs 2.5 – Rs 3.00 Lakhs	5% (tax rebate u/s 87a is available)	NIL	NIL	5% (tax rebate u/s 87a is available)
Rs. 3.00- Rs 5.00 Lakhs		5% (tax rebate u/s 87a is available)	NIL	
Rs. 5.00 – Rs 7.5 Lakhs	20%	20%	20%	10%
Rs 7.5 – Rs 10.00 Lakhs	20%	20%	20%	15%
Rs 10.00 – Rs. 12.50 Lakhs	30%	30%	30%	20%
Rs. 12.5 – Rs. 15.00 Lakhs	30%	30%	30%	25%
> Rs. 15 Lakhs	30%	30%	30%	30%

# Online or Offline method

E-filing on [incometaxindia.gov.in](http://incometaxindia.gov.in)

For Offline filing, download **utilities of different ITRs** from [incometaxindia.gov.in](http://incometaxindia.gov.in) website → Fill it → Generate JSON file & Upload

The screenshot shows the 'Downloads' section of the e-Filing portal. The page header includes the e-Filing logo, 'Anywhere Anytime', and 'Income Tax Department, Government of India'. Navigation links for 'Home', 'Individual/HUF', 'Company', 'Non-Company', 'Tax Professionals & Others', 'Downloads', and 'Help' are visible. The 'Downloads' page has a breadcrumb 'Home > Downloads' and a search icon. On the left, there are two categories: 'Income Tax Returns' and 'DSC Management Utility'. The main content area is titled 'Downloads' and features an 'Assessment Year' dropdown set to '2021-22'. A 'Read General Instructions' link is present. The primary utility listed is 'Common Offline Utility (ITR 1 to ITR 4)', which is described as a utility for filing ITRs 1, 2, 3, and 4 for AY 2021-22. It notes that ITRs 1, 2, and 4 are enabled, while ITR 3 will be available shortly. The utility file size is 92.3MB and it was released on 15-Jun-2021. Below this, there are expandable sections for 'Common Offline Utility (ITR 5 to ITR 7)', 'ITR 1', 'ITR 2', and 'ITR 3'.

# Validation of Bank account for Refund

The screenshot shows the e-Filing dashboard for a user. The top navigation bar includes 'e-Filing Anywhere Anytime' and 'Income Tax Department, Government of India'. The main navigation menu has 'Dashboard', 'e-File', 'Authorised Partners', 'Services', 'Pending Actions', 'Grievances', and 'Help'. The left sidebar contains a profile card for 'NDA NIRHA DESAI & ASSOCIATES' with a '75% Completed' progress bar. Below this, there are links for 'Contact Details', 'Bank Account' (circled in red), and 'Secure Account'. The main content area shows a 'File your return for the year ended on 31-Mar-2021' button and a list of menu items: 'Tax Deposit', 'Recent Filed Returns', 'Pending Actions', 'Recent Forms Filed', and 'Grievances'.

The screenshot shows the 'My Bank Accounts' page. At the top right, there is a '+ Add Bank Account' button. Below it, there are three tabs: 'Added Bank Accounts ( 1 )', 'Failed Bank Accounts ( 1 )', and 'Removed Bank Accounts ( 0 )'. A table lists the added bank accounts. One account is shown with a context menu open over it, containing options: 'View Bank Details', 'Remove Bank Account', and 'Re-Validate'. Below the table, there is a 'Nominate for refund' toggle switch. At the bottom, there is a pagination bar showing 'Items per page: 09' and '1 - 1 of 1 items'. A footer section titled 'By adding your bank account' contains six numbered instructions.

**By adding your bank account**

1. Add a bank account to receive refund.
2. EVC can be enabled for Individual taxpayers and only for one validated bank account at any given point of time.
3. To Enable EVC, Mobile number and Email Id as in e-filing profile should match with the details linked with the bank account.
4. EVC can be used for following: verifying income tax returns and other forms, e-Proceedings, refund re-issue, reset password and secured login to e-filing account.
5. Bank Account can be removed only if status is Validated or Validated and EVC enabled
6. Validation failed accounts can be viewed under 'Failed bank accounts' tab.



# Salary Exemptions u/s 10

- ▶ Sec 10(10A)-Commutated value of pension received
- ▶ Sec 10(10AA)-Earned Leave Encashment on retirement
- ▶ Sec 10(10)-Death-cum-retirement gratuity received
- ▶ Sec 10(10C)-Amount received/receivable on voluntary retirement or termination of service
- ▶ Sec 10(13A)- Exemption in respect of House Rent Allowance
- ▶ Sec 10(14) (i)& (ii)- Exemption in respect of expenditure incurred on cost of travel on tour or transfer, maintenance of uniform, etc (Expenses wholly & necessarily in performance of the duties of an office)
- ▶ Sec 10(5) – Leave travel allowances



# Tax Deductions under chapter VIA

- ▶ These Deductions will not be available to a taxpayer opting for the New Tax Regime u/s 115 BAC, except for deduction u/s 80CCD (2) which will be applicable for New Tax Regime as well
- ▶ 80C
- ▶ 80CCD(1) – Employee's contribution towards NPS
- ▶ 80CCD(1B) – NPS – Additional Tax Saving of Rs.50,000/-
- ▶ The aggregate amount of deduction u/s 80C,80CCC & 80CCD(1) cannot exceed Rs.150000/-
- ▶ 80CCD(2) – Employer's contribution towards Pension scheme of Central Government
- ▶ 80D – Medical Premium paid for self/spouse or dependent – Rs.25000  
For Senior citizens or parents – Rs.25000 extra

Deduction towards Medical Expenditure incurred on a Senior Citizen, if no premium is paid on health insurance coverage, deduction limit Rs.50000/-

# Tax Deductions under chapter VIA

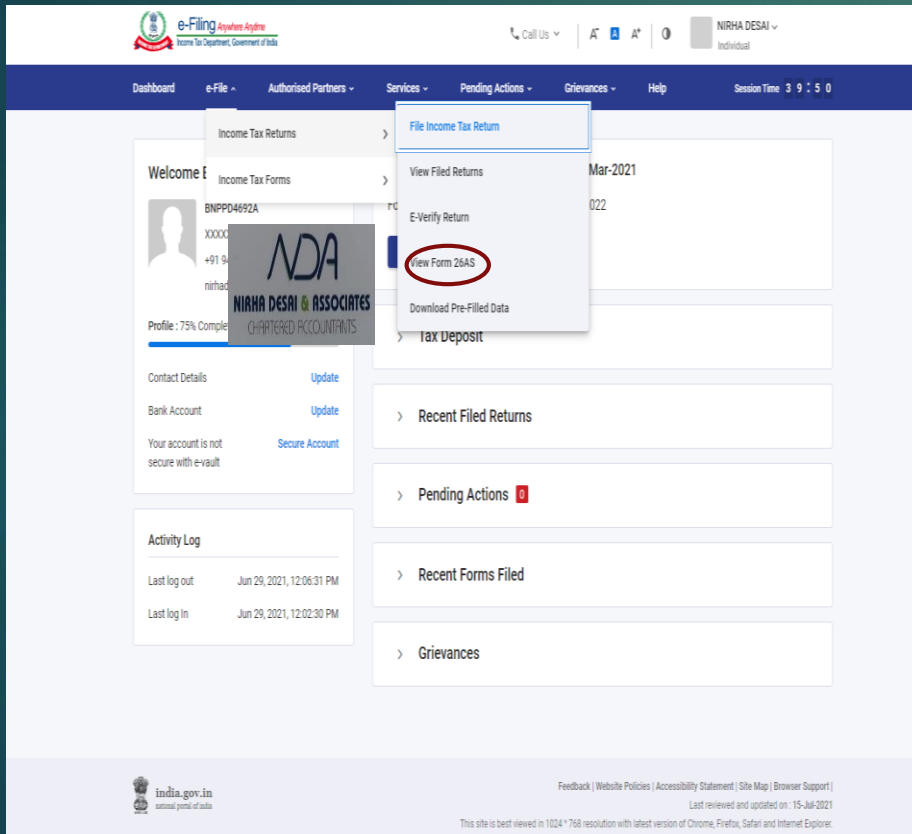
- ▶ 80E - Deduction towards interest payments made on loan for higher education of Self or relative
- ▶ 80EEA - Deduction towards interest payments made on loan taken for acquisition of residential house property for the first time where the loan is sanctioned between 1st April 2019 to 31st March 2022 & deduction should not have been claimed u/s 80EE – Interest payment on loan upto Rs.1,50,000/-
- ▶ 80EEB - Deduction towards interest payments made on loan for purchase of Electric Vehicle where the loan is sanctioned between 1st April 2019 to 31st March 2023
- ▶ 80G – Donations made for charitable purpose
- ▶ 80TTA - Deduction on interest received on saving bank accounts by Non-Senior Citizens – Rs.10,000/-
- ▶ 80TTB - Deduction on interest received on deposits by Resident Senior Citizens – Rs.,50,000/-

# 80C - Deduction towards payments made to, (Limited to Rs.1,50,000)

- ▶ Investment in Equity Linked Saving Scheme (ELSS)
- ▶ Contribution to Public Provident Fund (PPF)
- ▶ Contribution to Recognized Employee Provident Fund (EPF)
- ▶ Contribution to Approved Superannuation Fund
- ▶ Investment Tax Saving Fixed Deposit(5 Years)
- ▶ Investment in National Pension Scheme (NPS)
- ▶ Investment in National Savings Certificate (NSC)
- ▶ Investment in Unit Linked Insurance Plan (ULIP)
- ▶ Sukanya Samriddhi Yojana
- ▶ Senior Citizen Saving Scheme
- ▶ Life Insurance Premium
- ▶ Tuition Fees
- ▶ Repayment of Housing Loan

# How to file Income Tax Return Online?

## Remember - Firstly check 26AS and then E-file return



The screenshot shows the e-Filing portal dashboard for a user named NIRHA DESAI. The 'File Income Tax Return' menu option is highlighted, and the 'New Form 26AS' option is circled in red. The dashboard includes a welcome message, profile information, and various service links.

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e-Filing  
Income Tax Department, Government of India

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Welcome to e-Filing

Income Tax Returns  
File Income Tax Return  
View Filed Returns  
E-Verify Return  
New Form 26AS  
Download Pre-Filled Data

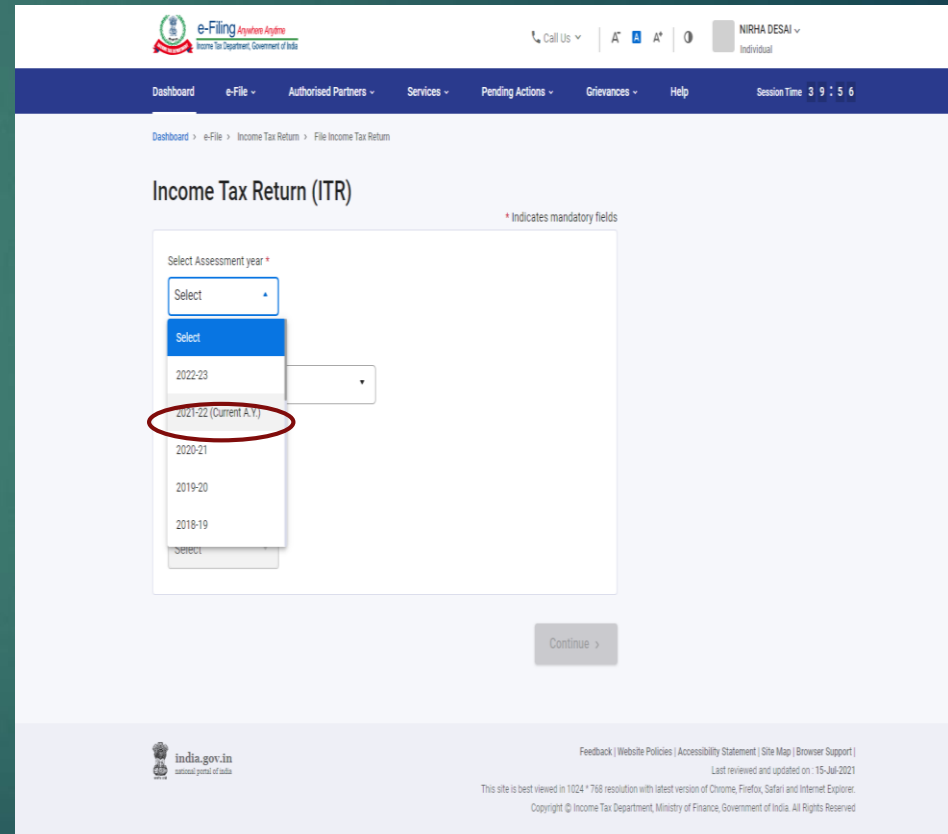
Income Tax Forms  
Mar-2021  
BNPPD4692A  
XXXXX  
+91 9  
nirha  
Profile: 75% Complete  
NDA  
NIRHA DESAI & ASSOCIATES  
CHARTERED ACCOUNTANTS

Contact Details Update  
Bank Account Update  
Your account is not secure with e-vault Secure Account

Activity Log  
Last log out Jun 29, 2021, 12:06:31 PM  
Last log in Jun 29, 2021, 12:02:30 PM

Tax Deposit  
Recent Filed Returns  
Pending Actions  
Recent Forms Filed  
Grievances

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Last reviewed and updated on: 15-Jul-2021  
This site is best viewed in 1024\*768 resolution with latest version of Chrome, Firefox, Safari and Internet Explorer.



The screenshot shows the 'Income Tax Return (ITR)' page. The 'Select Assessment year' dropdown menu is open, and the '2021-22 (Current A.Y.)' option is circled in red. The page includes a 'Continue' button and footer information.

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e-Filing  
Income Tax Department, Government of India

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Dashboard e-File Authorised Partners Services Pending Actions Grievances Help Session Time 3 9 : 5 6

Income Tax Return (ITR)

Select Assessment year \*  
Select  
Select  
2022-23  
2021-22 (Current A.Y.)  
2020-21  
2019-20  
2018-19  
Select

Continue >

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# Select correct ITR form to file

## 1. ITR-1 (SAHAJ) – Applicable for Individual

This return is applicable for a Resident (other than Not Ordinarily Resident) Individual having Total Income from any of the following sources up to ₹ 50 lakh

Salary / Pension	One House Property	Other sources (Interest, Family Pension, Dividend etc.)	Agricultural Income up to ₹ 5,000
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- Note:** ITR-1 cannot be used by a person who:
- (a) is a Director in a company
  - (b) has held any unlisted equity shares at any time during the previous year
  - (c) has any asset (including financial interest in any entity) located outside India
  - (d) has signing authority in any account located outside India
  - (e) has income from any source outside India
  - (f) is a person in whose case tax has been deducted u/s 194N
  - (g) is a person in whose case payment or deduction of tax has been deferred on ESOP

## 2. ITR-2 - Applicable for Individual and HUF

This return is applicable for Individual and Hindu Undivided Family (HUF)

Not having Income under the head Profits or Gains of Business or Profession	Who is not eligible for filing ITR-1
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The screenshot shows the e-Filing portal interface. At the top, there's a navigation bar with 'e-Filing System, Ayushman Aardra' and 'Income Tax Department, Government of India'. Below that, a menu bar includes 'Dashboard', 'e-File', 'Authorised Partners', 'Services', 'Pending Actions', 'Grievances', and 'Help'. The main content area is titled 'Income Tax Returns' and displays the message: 'You need to choose an ITR Form to proceed'. There are two options: 'Help me decide which ITR Form to file' with a 'Proceed >' button, and 'I know which ITR Form I need to file' with a dropdown menu. The dropdown menu is open, showing 'Select ITR Form' at the top, followed by 'ITR-1', 'ITR-2', and 'ITR-4'. A '< Back' button is also visible.

## 4. ITR-4 (SUGAM) – Applicable for Individual, HUF and Firm (other than LLP)


This return is applicable for an Individual or Hindu Undivided Family (HUF), who is Resident other than Not Ordinarily Resident or a Firm (other than LLP) which is a Resident having Total Income up to ₹ 50 lakh and having income from Business and Profession which is computed on a presumptive basis and income from any of the following sources:

Salary / Pension	One House Property	Other sources (Interest, Family Pension, Dividend etc.)	Agricultural Income up to ₹ 5,000	Income from Business / Profession computed on presumptive basis u/s 44AD / 44ADA / 44AE
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- Note:** ITR-4 cannot be used by a person who:
- (a) is a Director in a company
  - (b) has held any unlisted equity shares at any time during the previous year
  - (c) has any asset (including financial interest in any entity) located outside India
  - (d) has signing authority in any account located outside India
  - (e) has income from any source outside India
  - (f) is a person in whose case payment or deduction of tax has been deferred on ESOP

Please note that ITR-4 (Sugam) is not mandatory. It is a simplified return form to be used by an Assessee, at his option, if he is eligible to declare Profits and Gains from Business and Profession on presumptive basis u/s 44AD, 44ADA or 44AE.

# Select correct Reason for filling Income Tax Return

 e-Filing *Anywhere Anytime*  
Income Tax Department, Government of India

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Dashboard e-File Authorised Partners Services Pending Actions Grievances Help Session Time 3 9 : 5 8

Dashboard > Filing Returns for A.Y. 2021-22 > ITR-1

## Please answer the following questions to proceed further

Are you filing the income tax return for any of the following reasons?

- Taxable income is more than basic exemption limit
- Filing return of income due to fulfilling any one or more below mentioned conditions as per Seventh Proviso to section 139(1): ⓘ
  - Deposited amount or aggregate of amounts exceeding ₹ 1 crore in one or more current accounts during the previous year;
  - Incurred expenditure of an amount or aggregate of amount exceeding ₹ 2 lakhs for travel to a foreign country for yourself or for any other person;
  - Incurred expenditure of amount or aggregate of amount exceeding ₹ 1 lakh on consumption of electricity during the previous year
- Others

[< Back](#) [Continue >](#)

**THANK YOU**