

What's New

News Flash



May 2015

Simplified IT Return Forms announced and deadline for filing returns extended

The Ministry of Finance, Government of India, has announced, through a Press Release issued on 31 May 2015, some important changes in respect of return forms applicable for individuals and Hindu Undivided Families (HUFs) and the deadline for filing of return by such taxpayers.

Three Income-tax Return Forms, namely **Form No. ITR 1 (Sahaj)**, **Form No. ITR 2** and **Form No. ITR 4S (Sugam)** were notified on 15 April, 2015. These **forms will be amended to make them simpler** after taking into account various representations made to the Government after the forms were introduced.

A new return form, namely, **Form No. ITR 2A** is also proposed to be introduced - applicable for individuals and HUFs having income other than capital gains, income from business/ profession or foreign assets/ foreign income.

Software for the new/ amended forms are being readied. These forms would be available by the 3rd week of June, 2015 for e-filing.

Accordingly, the deadline for filing of return by individuals and HUFs for Financial Year (FY) 2014-15 **is proposed to be extended to 31 August 2015**.

We list below the important announcements made in the Press Release.

- Individuals having exempt income without any ceiling (other than agricultural income exceeding INR 5,000) can now file Form ITR 1. Similar simplification is also proposed in respect of Form ITR 4S. Earlier, individuals having exempt income of more than INR 5,000 were not allowed to use these forms.
- As a measure of relief to individuals/ HUFs who do not have income from capital gains, business or profession and also do not have foreign assets/ foreign income, a new simplified return form (Form ITR 2A) is proposed to be introduced.
- The new Forms ITR 2 and ITR2A will be of less than 3 pages. Other information will be captured in Schedules that are required to be filed only if applicable.
- Individuals who are not Indian citizens and are in India on a business, employment or student visa, would not mandatorily be required to report foreign assets acquired by them during the FYs in which they were non-resident of India, if no income is derived from such assets during the relevant FY.
- Details of foreign trips or expenditure thereon no longer needs to be furnished. Only passport number (if available) has to be furnished. Form ITR 2 as originally notified had required taxpayers to provide details of all foreign trips undertaken and expenditure thereon.
- Only IFS codes and account numbers of all bank accounts need to be furnished. Bank balances need not be provided in the returns. Details of accounts that have been non-operational for over three years also need not be furnished.

A copy of the Press release is available [here](#). The official notification amending the Income-tax Rules to give effect to the above announcements is expected to be issued separately. We shall write to you separately with a detailed analysis after the official notification is issued.

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