

## **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 2018-19 only, i.e., it relates to income earned in Financial Year 2017-18.

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

This Return Form is to be used by an individual or a Hindu Undivided Family (HUF) who is not eligible to file Sahaj (ITR-1) and who is not having any income under the head "Profits or gains of business or profession".

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

This Return Form should not be used by an individual whose total income for the assessment year 2018-19 includes Income under the head "Profits or Gains of Business or Profession".

### **4. 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 electronically under digital signature;
- (ii) by transmitting the data in the return electronically under electronic verification code;
- (iii) by transmitting the data in the return electronically and thereafter submitting the verification of the return in Return Form ITR-V;

Tax-payers are advised to match the taxes deducted/collected/paid by or on behalf of them with their Tax Credit Statement (Form 26AS). (Please refer to [www.incometaxindia.gov.in](http://www.incometaxindia.gov.in))

### **5. Filling out the acknowledgement**

Where the Return Form is furnished in the manner mentioned at 4(iii), the acknowledgement should be duly filled in ITR-V. 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 – 560500 (Karnataka). The other copy may be retained by the assessee for his record.

### **6. 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:-

<b>How the return is filed</b>	<b>Check Box No.</b>
Voluntarily on or before the due date under section 139(1)	1
Voluntarily after the due date under section 139(4)	2

Revised return under section 139(5)	3
Modified return under section 92CD	4
Under section 119(2)(b) on an application to be made separately before the Income-tax authority. (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)	5
In response to notice under section 139(9)	6
In response to notice under section 142(1)	7
In response to notice under section 148	8
In response to notice under section 153A/ 153C	9

In case of a revised /defective/modified return, please enter the receipt number of Original return and Date of filing of Original Return. This field is mandatory otherwise the revised return will not be accepted by Income-tax Department. If the return is being filed in response to notice by the Income-tax Department under section 139(9)/142(1)/148/153A/153C, please provide the date of such notice. If this is a modified return under section 92CD, please provide the date of advance pricing agreement.

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.

If the assessee was a non-resident Indian in earlier years and has become assessable as resident in India in respect of his total income of assessment year 2018-19, he may declare that he wants to claim the benefits available under section 115H in relation to the investment income derived from any foreign exchange asset. The relevant box may be checked in column (d) under the heading "Filing Status". Please refer to Chapter XII-A of the Act for definitions of various relevant terms.

## 7. Obligation to file return

Every individual or HUF 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	<b>2,50,000</b>
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 <b>2017-18</b> .	<b>3,00,000</b>
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 <b>2017-18</b> .	<b>5,00,000</b>

**8. 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 the heads at (A), (B), (C) and (D)].
  - (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 headwise 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.
  - (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) In item No.4, if income includes income of the nature referred to in section 115BBE, surcharge @25% of tax on such income is to be computed. If total income exceeds Rs. 50 lakh but does not exceed Rs. 1 crore, calculate surcharge on balance tax i.e. *(tax on total income minus tax on income chargeable u/s 115BBE)* at the rate of 10%. If total income exceeds Rs. 1 crore, calculate surcharge on balance tax i.e. *(tax on total income minus tax on income chargeable u/s 115BBE)* at the rate of 15%.
- (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 and fee payable as prescribed by the law to reach total tax, interest and fee payable.

- (f) Deduct the amount of prepaid taxes, if any, like “tax deducted at source”, “tax collected at source”, “advance-tax” and “self-assessment-tax”. The result will be the tax payable (or refundable).

## 9. **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 eighteen work tables (referred to as ‘**Schedules**’). The details of these parts and the Schedules are as under:-

- (i) The first part, i.e., Part-A mainly seeks general information requiring identity of taxpayer and status of filing.
- (ii) The second part, i.e. Part-B 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 statutory verification.
- (iv) On page 3, there are details to be filled if the return has been prepared by a Tax Return Preparer.
- (v) On page 3 and 4, details regarding tax payments on account of advance tax and self-assessment tax, tax deducted at source from salary, tax deducted at source on income other than salary and tax collected at source are to be filled.
- (vi) There are 18 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-VI-A: 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-PTI: Statement of income from Business Trust or Investment Fund as per section 115UA, 115UB.
  - (n) Schedule-FSI: Statement of income accruing or arising outside India.
  - (o) Schedule- TR: Statement of tax relief claimed under section 90 or section 90A or section 91.
  - (p) Schedule- FA: Statement of your Foreign Assets and Income
  - (q) Schedule-5A: Statement of apportionment of income between spouses governed by Portuguese Civil Code.
  - (r) Schedule-AL: Statement of your Asset and Liability at the end of the year. It is mandatory if your total income exceeds Rs.50 lakh.

**10. 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 item is inapplicable, write “NA” against that item.
- (iii) Write “Nil” to denote nil figures.
- (iv) Except as provided in the form, for a negative figure/ figure of loss, write “-” before such figure.
- (v) 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 in filling in the sheets;

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

**11. PART A-GEN**

Most of the details to be filled out in Part A-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) 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 being filed should be mentioned as per point No.6 above of this instruction.
- (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.
- (f) Fill your 12 digit Aadhaar Number. In case Aadhaar has not been allotted but applied for, please enter Aadhaar Enrolment Id. Filling of the said field is mandatory w.e.f. 01.07.2017.

**12. PART B-TI-COMPUTATION OF TOTAL INCOME**

- (i) In this part the summary of income computed under various heads and as set off in Schedule CFLA and Schedule BFLA is to be entered.
- (ii) Every entry which have to be filled on basis of Schedules have been crossed referenced and hence doesn't need any further clarification.

**13. 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 Part 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 2017-18) –**

Income (In Rs.)	Tax Liability (In Rs.)
Upto Rs. 2,50,000	Nil
Between Rs. 2,50,001 - Rs. 5,00,000	5% of income in excess of 2,50,000
Between Rs. 5,00,001 – Rs. 10,00,000	Rs. 12,500 + 20% of income in excess of Rs. 5,00,000
Above Rs.10,00,000	Rs. 1,12,500 + 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 2017-18-**

Income (In Rs.)	Tax Liability (In Rs.)
Upto Rs. 3,00,000	Nil
Between Rs.3,00,001– Rs. 5,00,000	5% of income in excess of 3,00,000
Between Rs. 5,00,001 – Rs. 10,00,000	10,000 + 20% of income in excess of 5,00,000
Above Rs.10,00,000	1,10,000 + 30% of income in excess of 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 2017-18-**

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 5,00,000
Above Rs.10,00,000	1,00,000 + 30% of income in excess of 10,00,000

- (i) In **item No. 1b** fill out the total of tax computed at special rates as per Schedule SI.
- (ii) 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.
- (iii) In item No.4, if income includes income of the nature referred to in section 115BBE, surcharge @25% of tax on such income is to be computed. If total income exceeds Rs. 50 lakh but does not exceed Rs. 1 crore, calculate surcharge on balance tax i.e. (tax on total income minus tax on income chargeable u/s 115BBE) at the rate of 10%. If total income exceeds Rs. 1 crore, calculate surcharge on balance tax i.e. (tax on total income minus tax on income chargeable u/s 115BBE) at the rate of 15%.
- (iv) In item No. 5, calculate the education cess including secondary and higher

- education cess at the rate of three per cent of item No. (3 + 4iii).
- (v) 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.\
  - (vi) Fee chargeable for default in furnishing return of income under section 234F. The fee structure is as follows:
    1. Late fees shall be ₹5000, in case return of income is filed after the specified due date but on or before 31/12/2018
    2. Late fee shall be ₹10000, in case return of income is filed after 31/12/2018Note: If the total income of the assessee is less than ₹5,00,000/- then fee u/s 234F shall not exceed ₹1000.
  - (vii) In item 11b, please furnish the details in accordance with Form 16 issued by the employer(s) in respect of salary income and Form 16A, 16B or 16C issued by any other person in respect of interest income, capital gains or rental income etc.
  - (viii) In item 14, please provide the details of all the savings and current accounts held by you at any time during the previous year. However, it is not mandatory to provide details of dormant accounts which are not operational for more than 3 years. Please indicate the account in which you would like to get your refund credited irrespective of whether you have refund or not. In case of non-residents, details of any one foreign Bank Account may be furnished for the purpose of credit of refund. The account number should be as per Core Banking Solution (CBS) system of the bank (or as per IBAN in case of foreign bank account).

#### **14. VERIFICATION**

- (a) (i) In case of individual, return of income can be verified by the individual himself, or by persons authorised on his behalf in cases referred to in sub-clauses (ii), (iii) and (iv) of clause (a) of section 140 of the Income-tax Act. In such cases however permanent account number of the authorised person is required to be mentioned in verification.
- (ii) In case of HUF, return of income can be verified by the karta, or by any other adult member of family in cases referred to in clause (b) of section 140 of the Income-tax Act. The permanent account number of the karta/ other adult member is required to be mentioned in verification.
- (b) In case the return is furnished electronically under digital signature, 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.
- (c) In case the return is to be furnished electronically under electronic verification code or in the manner mentioned in instruction no.4(iii), please fill verification form (Form ITR-V)
- (d) 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.

#### **15. 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.
- (b) If the return has been prepared by him, the relevant details have to be filled by him below verification and the return has to be countersigned by him in the space provided in the said item.

**16. TAX PAYMENTS**

- (A) (i) 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.
- (B)
- (i) Please furnish the details in accordance with Form 16 issued by the employer(s) in respect of salary income. Further, in order to enable the Income Tax Department to provide accurate, quicker and full credit for taxes deducted at source, the taxpayer must ensure to quote complete details of every TDS transaction.
- (ii) Details of each certificate are to be filled separately in the rows.
- (iii) All the tax deductions at source made in the current financial year should be reported in the TDS tables.
- (C)
- (i) Please furnish the details in accordance with Form 16A, Form 16B or Form 16C issued by the Deductor in respect of interest income, capital gains, rental income or any other sources of income.
- (ii) All the tax deductions at source made in the current financial year should be reported in the TDS Schedule.
- (iii) "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.
- (iv) "Year of tax deduction" means the financial year in which tax has been deducted. In this column fill up the four digits of relevant financial year. For example, if the deduction has been made by the deductor in the financial year 2017-18 fill up 2017 in the designated space.
- (v) In case there is any unclaimed TDS brought forward from earlier years, for which credit is being claimed and the corresponding income is chargeable in your hands in this year; please enter the financial year in which TDS was deducted and the amount of TDS brought forward in Col. 5 & 6 respectively.
- (vi) In Col. 7, enter the amount of TDS deducted in own hands, as reflected in the 26AS statement. If you are governed by Portuguese Civil Code and part of income is chargeable in your hands and part in the hands of your spouse, then enter only part of TDS corresponding to part income chargeable in your hands.
- (vii) In Col. 8, enter the amount of TDS deducted in the hands of spouse if section 5A is applicable, or in the hands of any other person as referred to in Rule 37BA (2), if the corresponding income is chargeable in your hands in this year. Ensure that the TDS amount is reflected in the 26AS statement of the spouse or the other person.
- (viii) In Col. 9, enter the amount of TDS credit available (*i.e. out of total TDS reported in Col. 6, 7 and 8*), which is being claimed in own hands for this year. Ensure that the corresponding income has also been offered in this year. For example, if any income is not chargeable to tax in this year then the corresponding TDS credit shall be allowable only in the year in which such income is chargeable to tax.



- (ix) In Col. 10, enter the amount of TDS credit available (*i.e. out of total TDS mentioned in Col. 6, 7 and 8*), which is being claimed in the hands of your spouse, if section 5A is applicable, or in the hands of any other person as referred to in Rule 37BA.
- (x) In Col. 11, enter the amount of unclaimed TDS credit of current year (*i.e. out of total TDS deducted in current year reported in Col. 7 & 8*) which is being carried forward.

**NOTE:** If TDS has been deducted in your hands, but whole or any part of the corresponding income is assessable in the hands of any other person, or vice versa, please ensure that the procedure laid down in Rule 37BA(2) of the Income-tax Rules, 1962 is followed for claiming credit of TDS in such cases.

(D)

- (i) In this table, fill the details of tax collected at source on the basis of TCS certificates (Form No. 27D) issued by the Collector.
- (ii) In order to enable the Income Tax Department to provide accurate, quicker and full credit for taxes collected at source, the taxpayer must ensure to quote TAN for every TCS transaction.

## 17. **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 were more than one employer during the year, please furnish in this item the details in respect of total salaries from various employers.

**(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 in row 'a' should be for whole of the property and only after computation of annual value in row 'e' the portion chargeable in own hands should be computed in row 'f' by multiplying such annual 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, fill out the details for each properties in this Schedule. 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 let-able 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 '1f' shall be nil and interest payable on borrowed capital under '1h' shall be limited to Rs. 2,00,000/-.
- (iii) In item 3a, arrears of rent received and the amount of unrealised rent realised subsequently are to be mentioned after deduction @30% of such arrears of rent and unrealised rent realised.

**(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
1.	2001-02	100
2.	2002-03	105
3.	2003-04	109
4.	2004-05	113
5.	2005-06	117
6.	2006-07	122
7.	2007-08	129
8.	2008-09	137
9.	2009-10	148
10.	2010-11	167
11.	2011-12	184
12.	2012-13	200
13.	2013-14	220
14.	2014-15	240
15.	2015-16	254
16.	2016-17	264
17.	<b>2017-18</b>	272

- (iii) **Sections 54/ 54B/ 54EC/ 54EE/ 54F/54GB/115F** mentioned in this Schedule provide deductions against capital gains subject to fulfillment of certain conditions. Deduction under some of these sections is available only in respect of long-term capital gains. If any deduction is claimed, details thereof is to be provided at item D. 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 B10 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 item B10 would be entered as 0 and then the figures of item A8 be added in item C.
- (iv) **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 the relevant rows of columns 2 to 6.

**(d) Schedule-OS,-**

- (i) Against item 1a and 1b, enter the details of gross income by way of dividend and interest which is not exempt.
- (ii) 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".
- (iii) 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, income of the nature referred to in section 56(2)(x). The nature of such income is also required to be mentioned. The gross value of such income is required to be reported.
- (iv) Against item 1f, income chargeable to tax at special rates (which is included in income from other sources mentioned at column 1e) is required to be reported. This should be cross referenced with incomes reflected in Schedule SI.
- (v) 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.
- (vi) Item 4 of this Schedule computes the total income chargeable under the head "Income from other sources".
- (vii) If balance in item 3e from owning and maintaining race horses is a loss, please enter 0 and enter the total of item 2.

**(e) Schedule-CYLA,-**

- (i) Mention only positive incomes of the current year in column 1, headwise, in the relevant rows.
- (ii) 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. Where "income from house property" is a loss and assessee has income under any other head of income, the assessee shall not be entitled to set off such loss, to the extent the amount of the loss exceeds two lakh rupees against income under the other head. The amount set off against the income of respective heads has to be entered into in columns 2 and 3, in the relevant rows.
- (iii) Mention the end-result of the above inter-head set-off(s) in column 4, headwise, in relevant rows.
- (iv) Total of loss set off out of columns 2 and 3 have to be entered in row xi.
- (v) 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-VI-A,-**

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 having any income under the head "profits or gains of 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 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(1B) (Deduction in respect of the deposit under a pension scheme notified by Central Government). Section 80CCD(2) (Deduction in respect of employer's contributions to pension scheme by 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 of specified disease, 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 by an individual for

residential house property subject to the conditions specified - limited to ₹50,000/- )

- (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 certain books other than text books). No such deduction shall be allowed to him unless he furnishes a return of his income for such assessment year on or before the due date specified under sub-section (1) of section 139.
- (xv) Section 80RRB (Deduction in respect of royalty on patents). No such deduction shall be allowed to him unless he furnishes a return of his income for such assessment year on or before the due date specified under sub-section (1) of section 139.
- (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.

Note: No deduction under section 80G shall be allowed for any cash donation exceeding Rs.2000.

**(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/Schedule CG as indicated.

**(l) Schedule-EI,-**

- (i) Furnish the details of income like agriculture income, interest, dividend, etc. which is exempt from tax. The details may be filled on cash basis unless there is any provision/ requirement to declare them on accrual basis.
- (ii) Under column 4, expenses and brought forward losses in the manner provided as per 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. Forward and set-off against agricultural income of subsequent assessment years as per above-referred Schedule.

**(m) Schedule PTI,-** Fill Income details from business trust or investment fund as per section 115UA, 115UB.

1. In column 2 of the table, fill the name of business trust or investment fund.
2. In column 3 of the table, fill the PAN of business trust or investment fund.
3. Against serial number (i), fill amount of income from House property in column number 6 and fill TDS on such amount, if any, in column number 7.
4. Against serial number (ii)(a), fill amount of income from short term capital gain in column number 6 and fill TDS on such amount, if any, in column number 7.
5. Against serial number (ii)(b), fill amount of income from Long term capital gain in column number 6 and fill TDS on such amount, if any, in column number 7.
6. Against serial number (iii), fill amount of income from other sources in column number 6 and fill TDS on such amount, if any, in column number 7.
7. Against serial number (iv)(a),(b),(c), fill income received from business trust or investment fund claimed to be exempt under section 10(23FBB), 10(23FD), etc. in column number 6.

**(n) Schedule FSI,-**

- (i) In this Schedule, fill the details of income, which is already included in total income, accruing or arising outside India.
- (ii) For country code use the International Subscriber Dialing (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.

**(o) Schedule TR, -**

- (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 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.
- (v) Relief claimed under section 90 or section 90A or section 91 is to be filled in the respective columns.

**(p) 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 should also include 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(7) 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(6) 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(6) 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, beneficiary or settlor 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.

**(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. 6 above, should be filled in this Schedule and the same should form part of the return of income of the spouse.

**(r) Schedule AL**, -

- (i) This Schedule is to be filled by individuals and HUFs giving details of properties held by the assessee and the corresponding liabilities. It is mandatory if your total income exceeds ₹50 lakh.
- (ii) The assets to be reported will include land, building (immovable assets); financial assets viz. bank deposits, shares and securities, insurance policies, loans and advances given, cash in hand and jewellery, bullion, vehicles, yachts, boats, aircraft etc. (movable assets).
- (iii) In the case of non-resident and resident but not ordinarily resident, the details of assets located in India are to be mentioned.
- (iv) For the purpose of Sl.No.(1)(i) under item B, jewellery includes.- (a) Ornaments made of gold, silver, platinum or any other precious metal or any alloy containing one or more of such precious metals, whether or not containing any precious or semi-precious stone, and whether or not worked or sewn into any wearing apparel; (b) Precious or semi-precious stones, whether or not set in any furniture, utensil or other article or worked or sewn into any wearing apparel.
- (v) The amount in respect of assets to be reported will be:-
  - (a) the cost price of such asset to the assessee; or
  - (b) where wealth-tax return was filed by the assessee and the asset was forming part of the wealth-tax return, the value of such asset as per the latest wealth-tax return in which it was disclosed as increased by the cost of improvement incurred after such date, if any.
- (vi) In case the asset became the property of the assessee under a gift, will or any mode specified in section 49(1) and not covered by (v) above:-
  - (a) the cost of such asset to be reported will be the cost for which the previous owner of the asset acquired it, as increased by the cost of any improvement of the asset incurred by the previous owner or the assessee, as the case may be; or
  - (b) in case where the cost at which the asset was acquired by the previous owner is not ascertainable and no wealth-tax return was filed in respect of such asset, the value may be estimated at the circle rate or bullion rate, as the case may be, on the date of acquisition by the assessee as increased by cost of improvement, if any, or 31<sup>st</sup> day of March, 2018:

Previous owner shall have the meaning as provided in Explanation to section 49(1) of the Act.