

Additional Disclosures/ Few Changes in ITR Forms for the Financial Year 2021-22

1. Disclosure of the taxable EPF interest:

Schedule OS" (Other Sources) to incorporate specific reporting of such interest income.

2. Schedule FA (i.e., Foreign Assets):

Replacement of "Accounting Period" with "Calendar Year ending as on 31st December 2021". As a result, the taxpayers shall be required to furnish the details of all foreign assets held between 01-01-2021 and 31-12-2021 in return to be filed for AY 2022-23.

3. Taxation of ESOP:

Schedule: Tax Deferred on ESOP" for reporting of tax deferred on ESOP whereby an employee can defer the payment or deduction of tax in respect of shares allotted under ESOP (Specified Securities) by an eligible start-up referred U/s 80-IAC.

4. Residential Status:

Ascertain the exact nature of the residential status of the taxpayers.

5. Nature of employment of Pensioner:

Category of pensioners being

(i) Pensioners – CG

(ii) Pensioners – SC (iii) Pensioners – PSU and (iv) Pensioners – Others.

6. Alternative tax regime U/s 115BAC:

Additional disclosures are required in ITR 3 and ITR 4

(a) Whether the assessee has opted for an alternative tax regime u/s 115BAC & filed Form 10-IE in AY 2021-22;

(b) For the AY 2022-23, the assessee has to choose from the following options:

- Opting in now

- Not opting
- Continue to opt
- Opt out

Assessee required to give the details of the year wherein the option was first exercised as well as the details of having filed the prescribed form (like Form No. 10IB, 10 IC etc). Similarly, if the taxpayer is continuing the option then the details of filing such a prescribed form in an earlier year is also required to be given.

7. Audit u/s 44AB:

Additional disclosures are required regarding Audit Information:

- (a) Whether total sales, turnover or gross receipt is between Rs. 1 Cr & Rs. 10 Cr? If not, is it below Rs. 1 Cr or exceeds Rs. 10 Cr?
- (b) The new ITR forms require aggregation of receipts and payment in cash and non-account payee cheque or DD while computing the limit of 5% as mentioned above.

8. Additional disclosure of Deemed Dividend:

Dividend income taxable u/s 2(22)(e) has to be reported separately.

9. Capping the surcharge on dividend income:

In case of Individual, HUF, AOP, BOI, or AJP the surcharge on tax on dividend income shall be levied at the rate of 10% if it exceeds Rs. 50 lakh but does not exceed Rs. 1 crore and at the rate of 15% when it exceeds Rs. 1 crore.

10. Separate Disclosure of Exempt Income:

The New ITR Form now requires disclosure of exempt income u/s 10(23FB), 10(23FBA), 10(23FC)/10(23FCA), etc

11. Disclosure on Significant Economic Presence:

The non-resident has to confirm if there is a Significant Economic Presence (SEP) in India or not. If there is a SEP in India, the details of the transactions & users are to be incorporated in the ITR Form.