

UPDATES UNDER ITR 1 (FOR AY 2020-21)

① As per clause (b) of section 139(1), any assessee other than a company or a firm are required to file ITR if their total income for the previous year exceeds the maximum amount non chargeable to tax. A new proviso i.e., 7th proviso to section 139(1) is introduced which states that even if total income does not exceed maximum amount chargeable to tax, but such person has in the previous year:-

→ deposited an amount or aggregate amount exceeding INR 1 crore or more in one or more current A/c maintained with a banking company or a co-operative bank

→ has incurred expenditure exceeding INR 2 lakh or more for himself or any other person for travel to a foreign country; or

→ has incurred an expenditure exceeding INR 1 lakh towards electricity consumption; or

→ fulfils such other condition as may be prescribed; then such person is required to file ITR. A new clause has been inserted under part A of ITR 1

② Deduction u/s 80CCG (i.e., deduction of investments made under equity saving scheme) which was earlier included in the form has now been excluded. Such deduction is non applicable w.e.f. Assessment year beginning from 1st April 2018.

③ 2 new deductions (i.e., Deduction u/s 80EEA (deduction in respect of interest on loan taken for certain HP) & deduction u/s 80EEB (deduction in respect of purchase of electric vehicle) have been introduced w.e.f. AY 2020-21. Two new clauses have been inserted under deductions section

④ A DI tab has been inserted wherein any investment made or any deposit made or payment made during FY 2019-20 which is eligible for deduction is to be mentioned. Here the assessee is also req to disclose the payment/deposit/investment made b/w 1st April & 30th June 2020 which is eligible for deduction.