

Direct tax refunds worth ₹1.06-lakh crore issued till Sept 15

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Nearly 31 lakh direct tax assessees have been issued refund this fiscal. “The Central Board of Direct Taxes issues refunds of over ₹1, 06,470 crore to more than 30.92 lakh taxpayers between April 1 and September 15,” a Finance Ministry statement said. This includes personal income tax refunds of ₹31,741 crore for over 29.17 lakh assesses. Corporate tax refunds account for ₹74,729 crore have been issued in over 1.74 lakh cases.

Income-tax refund arises when taxes paid are higher than the actual tax liability (including interest). It could be in the form of advance tax, self-assessment tax, tax deducted at source, foreign tax credit etc. There is no separate procedure to claim an income tax refund. One can claim tax refund by filing the return of income in the usual manner.

A taxpayer is supposed to ensure that the return is electronically verified through Aadhaar number OTP, EVC generated through bank account or physically verified by posting the signed ITR-V (acknowledgement) to Centralised Processing Centre (CPC) within 120 days of filing the return. Normally, a taxpayer has a time limit of 120 days, from the date of return filing, to verify his/her returns. The earlier one gets the verification done, the earlier the CPC will process one’s returns. Once the returns are processed by the CPC at the primary level for arithmetical errors etc, refund will be issued to the taxpayer.