

## Extension of time limits for income tax returns

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In view of the challenges faced by taxpayers in meeting the statutory and regulatory compliances due to the outbreak of COVID-19, the Government brought the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 ('the Ordinance') on 31st March, 2020 which, inter alia, extended various time limits. The Ordinance has since been replaced by the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act.

The Government issued a Notification on 24th June, 2020 under the Ordinance which, inter alia, extended the due date for all Income Tax Returns for the FY 2019-20 (AY 2020-21) to 30th November, 2020. Hence, the returns of income which were required to be filed by 31st July, 2020 and 31st October, 2020 were required to be filed by 30th November, 2020. Consequently, the date for furnishing various audit reports including tax audit report under the Income-tax Act, 1961 (the Act) was also extended to 31st October, 2020.

In order to provide more time to taxpayers for furnishing of Income Tax Returns, the due date was further extended vide notification No 88/2020/F. No. 370142/35/2020-TPL dated 29th October, 2020:

(A) The due date for furnishing of Income Tax Returns for the taxpayers (including their partners) who are required to get their accounts audited [for whom the due date (i.e. before the said extension) as per the Act was 31st October, 2020] was extended to 31st January, 2021.

(B) The due date for furnishing of Income Tax Returns for the taxpayers who are required to furnish report in respect of international/specified domestic transactions [for whom the due date (i.e. before the said extension) as per the Act was 30th November, 2020] was extended to 31st January, 2021.

(C) The due date for furnishing of Income Tax Returns for the other taxpayers [for whom the due date (i.e. before the said extension) as per the Act was 31st July, 2020] was extended to 31st December, 2020.

(D) Consequently, the date for furnishing of various audit reports under the Act including tax audit report and report in respect of international/specified domestic transaction was also extended to 31st December, 2020.

Considering the problems being faced by the taxpayers, it has been decided to provide further time to the taxpayers for furnishing of Income Tax Returns, tax audit reports and declaration under Vivad Se Vishwas Scheme. Further, in order to provide more time to taxpayers to comply under various ongoing proceedings, the dates of completion of proceedings under various Direct Taxes & Benami Acts have also been extended. These extensions are as under:

a. The due date for furnishing of Income Tax Returns for the Assessment Year 2020-21 for the taxpayers (including their partners) who are required to get their accounts audited and companies [for whom the due date, as per the provisions of section 139(1) of the Income-tax Act, 1961, was 31st October, 2020 and which was extended to 30th November, 2020 and then to 31st January, 2021] has been further extended to 15th February, 2021.

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b. The due date for furnishing of Income Tax Returns for the Assessment Year 2020-21 for the taxpayers who are required to furnish report in respect of international/specified domestic transactions [for whom the due date, as per the provisions of section 139(1) of the Income-tax Act, 1961, was 30th November, 2020 and which was extended to 31st January, 2021] has been further extended to 15th February, 2021.

c. The due date for furnishing of Income Tax Returns for the Assessment Year 2020-21 for the other taxpayers [for whom the due date, as per the provisions of section 139(1) of the Income-tax Act, 1961, was 31st July, 2020 and which was extended to 30th November, 2020 and then to 31st December, 2020] has been further extended to 10th January, 2021.

d. The date for furnishing of various audit reports under the Act including tax audit report and report in respect of international/specified domestic transaction for the Assessment Year 2020-21 has been further extended to 15th January, 2021.

e. The last date for making a declaration under Vivad Se Vishwas Scheme has been extended to 31st January, 2021 from 31st December, 2020.

f. The date for passing of orders under Vivad Se Vishwas Scheme, which are required to be passed by 30th January, 2021 has been extended to 31st January, 2021.

g. The date for passing of order or issuance of notice by the authorities under the Direct Taxes & Benami Acts which are required to be passed/ issued/ made by 30th March, 2021 has also been extended to 31st March, 2021.

Further, in order to provide relief for the third time to small and middle class taxpayers in the matter of payment of self-assessment tax, the due date for payment of self-assessment tax date is hereby again being extended. Accordingly, the due date for payment of self-assessment tax for taxpayers whose self-assessment tax liability is up to Rs. 1 lakh has been extended to 15th February, 2021 for the taxpayers mentioned in para 4(a) and para 4(b) and to 10th January, 2021 for the taxpayers mentioned in para 4(c).

The Government has also extended the due date of furnishing of annual return under section 44 of the Central Goods and Services Tax Act, 2017 for the financial year 2019-20 from 31st December, 2020 to 28th February, 2021.

The necessary notifications in this regard shall be issued in due course.