

ITRs AY 2023-24 - Decoded!

Feb 16, 2023



Tanupriya Patel

Senior Manager, Taxation, G.K.Choksi & Co.



Hari Thakkar

Junior Executive

The CBDT Vide its notification no 4/2023 dt. Feb 10, 2023 has notified ITR Forms for AY 2023-24 i.e. ITR-1 SAHAJ, ITR-2, ITR-3, ITR-4 SUGAM, ITR-5, ITR-6, ITR-V and ITR Acknowledgement. The new ITR forms do not tinker with the applicability of ITR forms to different tax payers. No new condition has been added to squeeze the applicability of simple ITR forms i.e. 1 and 4. There are many changes in the ITR forms which are consequential to the amendments made by the Finance Act 2022. We have done a thorough analysis of new ITR forms and highlighted all key changes and new requirements in current ITR forms vis-à-vis last year ITR's. These changes are as follows :

A. ITR-1

(i) In Part A- General Information, column no. A-16 (A-17 in earlier ITR-1) which is in relation to return "filed in response to notice u/s", a new section being 153C has been inserted in addition to sections 139(9), 142(1) and 148 already existing in earlier ITR-1. Similarly in column A-19 section 153C has been added along with other sections mentioned in the earlier ITR. (In ITR of A.Y. 2021-22 and earlier years option of 153A and 153C was there but both were removed in ITR of A.Y. 2022-23. Now in 2023-24 option of section 153C has been included again)

(ii) In Part A- General Information, column no. A-21, sub clause (i) which read as under has been removed from the new ITR :

(i)	Have you deposited amount or aggregate of amounts exceeding Rs. 1 Crore in one or more current account during the previous year? (Yes/No)	Amount (Rs) (If Yes)
-----	--	-----------------------------

Note : Similar clause in other ITRs has **not been removed** and the same still forms part of the new ITRs for A.Y. 2023-24.

B. ITR-2

(i) In Part A- General Information, column no. A-20, a new clause (h) has been added which reads as under :

(h)	Whether you are an FII / FPI? Yes/No If yes, please provide SEBI Regn. No
------------	--

The assessee is now required to provide SEBI registration number if it is an FII or FPI.

(ii) In consequence to insertion of new section 115BBH inserted by Finance Act 2022 which is in relation to tax on cryptocurrency and other VDA (Virtual Digital Assets), a new Schedule VDA has been inserted which is reproduced here under:

Schedule VDA						
Income from transfer of virtual digital assets						
Sl. No.	Date of Acquisition	Date of Transfer	Head under which income to be taxed (Capital Gain)	Cost of Acquisition (In case of gift; a. Enter the amount on which tax is paid u/s 56(2)(x) if any b. In any other case cost to previous owner)	Consideration Received	Income from transfer of Virtual Digital Assets (enter nil in case of loss) (Col. 6 – Col. 5)
(Col. 1)	(Col. 2)	(Col. 3)	(Col. 4)	(Col. 5)	(Col. 6)	(Col. 7)
Add Rows						
Total (Sum of all Positive Incomes of Capital Gain in Col. 7)						(Item No. C2 of Schedule CG)

The income on transfer of Virtual Digital Asset as computed in “column 7” mentioned in the above schedule shall be reflected in newly added column “C2” of “Schedule CG” (Capital Gain) and “Sr. no.16” of “Schedule SI” (Special Rate Income).

(iii) In Schedule S (Salary), in Sr. no 1, new column (f) has been inserted which reads as under :

f	Income taxable during the previous year on which relief u/s 89A was claimed in any earlier previous year.	f
----------	--	----------

Similar details are also to be mentioned in Schedule OS (Other Sources), in column no-4 of Sr. no 1 (e).

(iv) In clause “D” of Schedule 80G, wherein details of donations entitled for 50% deduction subject to qualifying limit is to be mentioned, the assessee is now required to provide the ARN (Donation Reference Number) which was not required to be provided earlier. It seem that such details have been incorporated in consonance with new requirement of filing form 10BD by donee on account of receiving donation.

(v) In Part B- TTI (Tax on Total Income), in point no. 20 [Tax Payments] at Sr. No. D which relates to Details of Tax Collected at Source (TCS), the entire schedule has been modified to bring the same in line with the schedule of Tax Deducted at Source (TDS). The new schedule is as under:

D Details of Tax Collected at Source (TCS) [As per Form No. 27D issued by the Collector(s)]										
Sl. No.	TCS credit relating to self /other person [spouse as per section 5A/ other person as per rule 37BA(2)]	Tax Deduction and Tax Collection Account Number of the Collector	PAN of other Person (if TCS credit related to other person)	Unclaimed TCS brought forward (b/f)		TCS of the current fin. Year		TCS credit being claimed this Year		TCS credit being carried forward
				Fin. Year in which collected	Amount b/f	Collected in own hands	Collected in the hands of spouse as per section 5A or any other person as per rule 37-1(1) (if applicable)	Claimed in own hands	Claimed in the hands of spouse as per section 5A or any other person as per rule 37-1(1) (if applicable)	
									TCS PAN	
NOTE ▶ Please enter total of column 7(i) in 15c of Part B- TTI										

C. ITR-3

(i) In Part A- General Information, point no A-19 clause (b), earlier the assessee was required to mention u if it has opted for new tax regime u/s 115BAC for the specified year. In the new ITR form, the assessee is also required to provide details if the new tax regime has either been opted or opted out in earlier years. The specific clauses in new ITR are reproduced herein below :

(b)	a. Have you ever opted for new tax regime u/s 115BAC in earlier years <input type="checkbox"/> Yes <input type="checkbox"/> No (If Yes is selected, please furnish the AY in which said option is exercised along with date of filing and Acknowledgement number of form 10-IE) b. Have you ever opted out of section 115BAC in earlier years? <input type="checkbox"/> Yes <input type="checkbox"/> No (If Yes is selected, please furnish the AY in which said option is opted out along with date of filing and Acknowledgement number of form 10-IE)c. Option for current assessment year <input type="checkbox"/> Opting in now <input type="checkbox"/> Not opting <input type="checkbox"/> Continue to opt <input type="checkbox"/> Opt out <input type="checkbox"/> Not eligible to opt in (Select "Opting in now" only if you are opting in first time)		
(bi)	For other than Not opting, Continue to opt & Not eligible to opt in, please furnish	Date of filing of form 10IE DD/MM/YYYY	Acknowledgement number:

The assessee's who are opting for the new tax regime for the first time during the year are required to fill such details in clause (bi) herein above.

(ii) In Part A-BS, a new Sr. No. 4 has been inserted wherein details of Advances are required to be mentioned.

4 Advances	
i	From persons specified in section 40A(2)(b) of the I. T. Act
ii	From others
iii	Total Advances (i + ii)

As per the above schedule, the assessee is required to mention the amount of advances received from related parties covered in section 40A(2)(b).

(iii) In Part A - Trading Account, new clause 12(a) and 12(b) has been inserted wherein **Turnover from Intraday Trading** as well as **Income from Intraday trading account** are to be mentioned. The amount mentioned in this schedule shall auto populate in sr. no 2a of Schedule BP which relates to income from speculative business.

(iv) Sr. No. 28 of Schedule BP of ITR for A.Y. 2022-23 which relates to details of deduction allowable u/s 32AD has been omitted since such deduction is no longer available.

(v) Clause (a) from Schedule 80IB wherein details of deduction in respect of industrial undertaking located in Jammu & Kashmir or Ladakh has been removed since such deduction is no longer available.

D. ITR-4

(i) Similar to ITR-3, the assessee is also required to provide details if the new tax regime u/s 115BAC has either been opted or opted out in earlier years.

E. ITR-5

(i) In Part A- Partners/Members/Trustee information, in clause A, the assessee is now required to mention the PAN of the partner or member who has been admitted or retired during the year. This change has been made to enable the department to assessee cases where appointment as well as retirement of partners has been made in the same year since in Clause E, PAN of the persons who are partners or members as on the last day of the year was already required to be mentioned.

F. ITR-6

(i) From Schedule HP, the option of Self occupied property has been removed since it is not applicable in case of companies.

(ii) Column 2(c)(xix) of Schedule OS of ITR for A.Y. 2022-23 which relates to dividend received by an Indian company from specified foreign company-115BBD has been removed since such provision is no longer applicable.

Common changes IN ITR

(i) Similar to ITR-1, In Part A- General Information, details of return filed in response to section 153C has been added.(in remaining ITR)

(ii) Similar to ITR-2, details of relief u/s 89A claimed in earlier years are required to be mentioned in schedule-S and Schedule-OS.(IN ITR 3)

(iii) Similar to ITR-2, new Schedule VDA has been inserted and necessary changes in Schedule CG as discussed herein above have been made. Additionally, Clause (g) to Sr. no. 3 has been added in part A of Schedule BP in order to exclude such income from the said head. (In ITR 3, 5 & 6)

(iv) Similar to ITR-2, in clause "D" of Schedule 80G, wherein details of donations entitled for 50% deduction subject to qualifying limit is to be mentioned, the assessee is now required to provide the ARN (Donation Reference Number) which was not required to be provided earlier. It seem that such details have been incorporated in consonance with new requirement of filing form 10BD by donee on account of receiving donation. (In ITR 3,5 & 6). ITR 1 & 4, it is mentioned that details to be filed in "drop down to be provided in utility" so these information may come in such drop down.

(v) Similar to ITR-2, the schedule of TCS has been modified to bring the same in line with the schedule of Tax Deducted at Source (TDS). (In ITR 3,5 & 6)

(vi) Similar to ITR-3, new clause 12(a) and 12(b) has been inserted wherein turnover as well as income from Intra day trading are to be mentioned. (In ITR 5 & 6)

(vii) Similar to ITR-3, Sr. No. 28 of Schedule BP of ITR for A.Y. 2022-23 which relates to details of deduction allowable u/s 32AD has been omitted since such deduction is no longer available. (In ITR 5 & 6)

Critical Points:

(i) The Department shall now be in possession of this additional detail to closely monitor the activities of such FII / FPI and to call for information directly from SEBI.

(ii) The Department will now have access to all the details of the transfer of cryptocurrency and other virtual digital assets (VDAs) readily available, which will be of assistance for carrying out any further enquires/proceedings.

(iii) In order to verify the genuineness of donations entitled for 50% deduction, the department shall now have the record of ARN (Donation Reference Number). Such details have been incorporated in consonance with new requirement of filing form 10BD by donee on account of receiving donation which shall be reflected in Form 10BE.

(iv) The specific clauses mentioning details of deductions which are no longer available or applicable have been removed.

(v) Thus, there are no significant changes in ITR 1 to 6 as compared to last year.