

**PANJAB UNIVERSITY CHANDIGARH
OFFICE OF THE FINANCE AND DEVELOPMENT OFFICER**

To

All the Chairpersons/
Coordinators of All Centres/
Heads of the Departments/Branches
Directors of Regional Centres/
Panjab University, Chandigarh.

No. 4956-5155/A

Dated 2/3/16

Subject: Guidelines for the tax payers

Sir/Madam,

Please find attached herewith the guidelines for the tax payers (frequently asked questions on filing of income tax returns) which may please be circulated among the teaching and non teaching staff of your department/office.

Thanking you,

Yours faithfully,

Pardeep
Assistant Registrar (Accounts)

Copy to:

1. Director, Computer Centre with a request to circulate the above through the official email.

FAQs on Filing of Income Tax Returns: A guide for the taxpayers

1. What is the compliance requirement for filing of income tax return?

Ans. The **compliance requirement** of filing the returns of income is that any person with Gross Total Income before deductions under Chapter VI-A exceeding Rs. 2,50,000/- is bound to file a return of income. For senior citizens the threshold exemption limit is Rs. 3,00,000/-.

2. How to file the return of income?

Ans. The return of income can be filed **manually or may be e-filed**. However, for persons with income exceeding Rs. 5 lakh e-filing is compulsory. Similarly, if any refund is claimed, e-filing is mandatory.

3. How to file manual returns?

Ans. **Manual returns** can be filed by individuals not having business income in Form No. ITR-1 or ITR-2 or ITR-2A. Similarly, other forms are prescribed for individuals having business income and for companies and firms and trusts. These returns can be filed at Income Tax offices. Most of the Income Tax offices have **Aaykar Seva Kendra or ASK centres** which receive the returns and issue computerized acknowledgements. The ASK centres have dedicated computer terminals where PAN verification/tax calculation can be done. ASK centres also have Tax Return Preparers or TRPs who are trained individuals who provide assistance in filing of returns at a very nominal cost. The Income tax department also at times organizes special return receipt camps when large number of returns are to be filed like near the due date of filing of the returns.

4. How to e-file the returns?

Ans. Returns can be **e-filed** by logging on to the departmental website www.incometaxindia.gov.in. The **benefits of e-filing** is that the return can be e-filed from anywhere and at anytime. People don't have to stand in long queues for filing of returns. The possibility of returns getting misplaced

in transit totally gets eliminated. It also ensures faster processing of the returns and faster disbursement of refunds. For processing of e-filed returns the department has created a world class facility in the form of **CPC** at Bengaluru. CPC has brought down the time taken for processing of returns from several months to a few days. From this year onwards, the department has also done away with the need to post the physical copy of the ITR-V to CPC as the returns can now be electronically verified.

5. What are the facilities being provided to the taxpayers?

Ans. The Income Tax department has over the years upgraded its office infrastructure. We are providing **ASK centres** in almost every income tax office where the taxpayers can not only file their returns but make use of the computer terminal there to check their refund status, file rectification applications, do their PAN verification and also submit any dak for which a computerized acknowledgement is issued which makes it easy to track. The **departmental website is offering a host of taxpayer services** besides **e-filing** like facility for knowing the refund status, for filing rectification applications, for knowing the tax credit available in Form 26AS, to know about any outstanding demand etc. The department has made **PAN allotment** very easy and people in remote locations also can get PAN very easily. On a pilot basis the department has also launched a scheme for **paper-less scrutiny** where the taxpayer whose case is being scrutinized by the department can choose to file the relevant information by email and does not have to visit the income tax office for this purpose. An **e-sahyog** facility has also been launched where any query about any mismatch in the return of income can be answered by the taxpayer electronically through the departmental website and he need not have any personal interface with the department.

6. What are the benefits of paying taxes?

Ans. By paying taxes people make an important contribution towards nation building. These taxes help the Government in incurring expenditure towards health, education defence etc. Besides this, paying the correct amount of taxes gives peace of mind. It also facilitates taking bank loans, expansion of business/profession, procurement of visas for foreign travel etc.

7. Is the apprehension amongst the people that if you file the income tax return, you would be subjected to harassment correct?

Ans. This is a false notion as department provides adequate safeguards to ensure that taxpayers are **not subjected to any kind of harassment** if they file their returns. It is a matter of record that every year almost 98-99% of the income tax returns are accepted by the department without any further verification. Every year the department only takes a very small number of returns for detailed scrutiny say about 1-2% only. Moreover, the selection of cases for scrutiny is not discretionary and is largely computer based and is done on the basis of clearly identified risk parameters. Thus the fear amongst the taxpayers about the hazards of filing of returns is without any basis. Only the people who do not file their returns or evade taxes need to fear from the department.

8. What about grievances regarding delayed refunds or refunds not being received at all?

Ans. Refunds are primarily delayed if there is a TDS mis-match in respect of the TDS credit claimed by the assessee and the TDS credit available to the assessee in Form 26AS. This reason for the mis-match is the either the deductor has not filed the TDS statement or has quoted the PAN of the assessee incorrectly. Thus it is important that before filing his or her return, the assessee must verify the TDS credit available to him in Form 26AS and if there is a mis-match, the assessee must approach the deductor to either file the TDS return or file a TDS correction statement. The Department at it end continuously conducts TDS awareness programmes to educate the TDS deductors to deduct the taxes correctly and file the TDS returns in time.

9. Still if there is a grievance relating to refund, whom should one approach?

Ans. The assessee can approach the Assessing Officer who is an officer of the rank of ITO or Asst./Dy. Commissioner of Income tax. If he is not satisfied with the response he can approach senior authorities like the

Joint/Addl. Commissioner or the Commissioner or the Chief Commissioner. There is also an online facility for filing grievance petitions which is monitored closely by senior authorities. There is also an Income Tax Ombudsman stationed at Chandigarh who is an independent authority for redressal of grievances.

10. What happens if a person does not file his return which was otherwise due to be filed?

Ans. Penal action can be taken against non-filers by way of levy of interest, penalty and prosecution. Moreover, with the improvement in technology and easier information flow the **department is already having very large volume of information pertaining to high value transactions** which are made available through the AIR/data collected by CIB/DIT(I&CI). Such information can easily be used to identify potential taxpayers and action be taken against them if they do not comply voluntarily. The department already is vigorously running a Non Filer Monitoring System (NMS) where such individuals who were other wise required to file their returns have not done so.