



PRESS RELEASE

Issued in the interest of lakhs of tax payers and tax professionals of the country

21st October, 2020

The Covid-19 pandemic has shaken the world and uprooted normalcy. We appreciate the proactive measures taken by our government to help the economy. However, we wish to highlight undue and unintended hardships that are currently faced by tax payers.

Timelines for filing of income-tax and GST returns and other audit forms

Current position: The due date for filing of the belated return for FY 2018-19 (AY 2019-20) has been extended thrice, the current extended due date is November 30, 2020.

However, after an initial extension of the due date for filing of the return of income for FY 2019-20 (AY 2020-21) no further relaxations have been announced. This has placed taxpayers to undue hardship.

The current deadlines for filing of the returns are follows:

Particulars	Due date
Income tax returns (ITRs) for all tax payers (including where audit under the Income-tax Act or any other Act is applicable) for FY 2019-20	30 th November, 2020
Tax audit report and transfer pricing report submission for FY 2019-20	31 st October, 2020
GST Annual Return (GSTR-9) and GST Audit (GSTR-9C) submission FY 2018-19	31 st October, 2020
GST Annual Return (GSTR-9) and GST Audit (GSTR-9C) submission FY 2019-20	31 st December, 2020

There are still many States in the country where lockdown has not been lifted. The number of containment zones are rapidly changing. Furthermore, there are restrictions on the number of staff members that can come to work. In many cities across India, the life line in terms of public transport is still not available. This has resulted into very low number of people working physically in offices in many organisations especially MSMEs and small corporates. Majority of the CA firms who carry out audits are small and medium sized firms having limited resources to work remotely and work from home. Further, audit is an activity that more often than not happens on the ground and in the premise of the audit clients. Lockdown and continuing fear of spread of virus has resulted in the audit process getting impacted considerably. People are more worried right now about survival than about tax compliances.

In any case, the ITR 6 form (the Income tax return form used by business entities) and the tax audit form – Form 3CD relevant for AY 2020-21 have been amended very recently. The utility which allow taxpayers to file the Form 3CD has not yet been made available by the Central Board of Direct Taxes (CBDT).

For corporate tax payers, the Ministry of Corporate Affairs has taken a practical and prudent step of extending the due date for holding the Annual General Meeting (AGM) from 30th September to 31st



December 2020. It is challenging to efficiently and effectively adhere to the tax audit filing due date of 31st October, 2020 and ITR filing due date of 30th November, 2020.

In the indirect tax spectrum, for filing of GSTR-9 (Annual Return) and GSTR-9C (Audit Report) for FY 2018-19, the due date was extended by a month very recently up to 31st October, 2020. However, the time provided is very short considering the parallel deadlines under Income Tax Act and Companies Act.

Besides, the routine deadline for GST filings for FY 2019-20 is 31st December 2020 by default, but within such short time, filings cannot be effectively done. Similarly, the clarification in respect of the treatment of certain items to be presented in the GST Annual Return was provided as late as on 9 October 2020. The GSTN Portal also presents significant difficulties in terms of filing speeds and downtime.

Work on uniform and consistent basis cannot be done due to overlapping deadlines, which under COVID prone environment, ought to have been extended suo motu by the Government.

In this connection, here is what some of our members have to say:

CA Suhas Paranjpe, President, BCAS

We at BCAS are concerned with genuine difficulties faced by MSME/SME businesses and small and medium tax practitioners in compliances due to non-availability of modes of conveyance, travel restrictions. Also, many are infected with Covid-19. We urge the authorities to be considerate and extend the various due dates immediately.

CA Rasesh Shah, President, CAAS

The Government is not treating tax payers equally and fairly by not extending due dates during Pandemic, when due dates for income-tax department for complying various provisions have already been extended till 31 March, 2021.

Anshul Agarwal, President, LCAS

“The magnitude of disruption caused in the lives and work schedules of the people of the country due to Covid-19 pandemic necessitates a liberal approach from the Government in asking the tax payers and professionals to make compliances under various laws. The least the Government can do is to extend due dates under various laws notably under Income Tax and GST laws till 31.03.2020 at one go instead of extending it for short periods every month.

CA Rajni Shah, Ahmedabad

“The Hon'ble PM has advised all Indians to take necessary precautions in this terrible Covid-19 time. There are last minute changes in Form 3CD and the utility has not yet been made available. The Finance Ministry should have suo motu extended the due dates considering the views of the PM and looking to the grave situation in the country.”

Kumar S. Jigajinni, President, KSCAA

“Covid-19 situation continues to cause havoc in the state of Karnataka disrupting operations of businesses and CA offices. The need of the hour is to take care of self & their near one's health and not be pressurised by statutory obligations of dues dates. Impending times prevalent is to humanity, merits absolute interference in extension of date of tax audit and return filing, an early indulgence in this is appreciated.”



Our request to the Hon'ble Prime Minister of India Shri Narendra Modi:

Considering all the above difficulties, we earnestly request you to kindly prevail upon the Hon'ble Finance Minister Smt Nirmala Sitharaman to extend the due date for:

- (1) filing of income-tax returns for all the taxpayers for A.Y. 2020-21 to 31st March, 2021;
- (2) filing of tax audit reports and transfer pricing reports for A.Y. 2020-21 to 28th February, 2021;
- (3) filing the GST Annual Return and GST Audits for FY 2018-19 to 31st December 2020;
- (4) filing the GST Annual Return and GST Audits for FY 2019-20 to 30th June 2021.

Consequently, the timeline for filing all the reports and certificates under the Act which fall due along with or in connection with the ITR and GST filing due dates may also be extended to 31st March, 2021.

Suhas Paranjpe
President,
Bombay Chartered Accountants' Society

Ketan Mistry
President,
**Chartered Accountants Association,
Ahmedabad**

Rasesh Shah
President,
Chartered Accountants Association, Surat

Kumar S. Jigajinni
President,
**Karnataka State Chartered Accountants
Association**

Anshul Agarwal
President,
Lucknow Chartered Accountants Society