LUCKNOW CHARTERED ACCOUNTANTS CLUB

Budget 2011-12

Direct Tax Changes *plus* Ready Reckoner

So that you don't drop a thing


ansal API
Building lifestyles since 1967
NEW LUCKNOW
SUSHANT GOLF CITY
A 3530 acre Hi-tech Township
SUSHANT GOLF CITY
HI-TECH TOWNSHIP, LUCKNOW
Actual entrance picture of Sushant Golf City
Welcome to Sushant Golf City, Lucknow, a Hi- tech Township sprawling across 3530 acres*. Located on Amar Shaheed Path & Lucknow-Sultanpur Highway, the township is extendable up to 6000 acres*. This ultra modern township has a world class – 18 hole international standard championship Golf Course surrounded by Residential and Commercial Developments. Making life on the green a reality, Luxury Villas, Designer Landscaping, Entertainment Zones, State-of-the art Infrastructure, Health Care Facilities and everything else in the township is specially designed to exceed your expectations.
Santushti Enclave
Type | Area (Sq.Mtr.) | Price (₹ in lacs)
1 BHK | 67.07 | 15.16
2 BHK | 87.70 | 20.06
3 BHK | 124.90 | 28.56
Celebrity Meadows
Type | Area (Sq.Mtr.) | Price (₹ in lacs)
2 BHK | 117.70 | 29.64
3 BHK | 183.02 | 45.21
4 BHK | 339.37 | 82.19
Palm Spring Villa
Type | Area (Sq.Mtr.) | Price (₹ in lacs)
4BHK | 445.74 | 152.04
Prices mentioned are subject to change
Prominent Attributes
● A Green city with ideal ecological balance and securitized enclave development with 24 X 7 security
● Abundant regulated potable water supply
● Joint Venture with U.E.M., internationally known infrastructure company for building world class roads & infrastructure
● Impressive green rotary at entrance and landscaping designed by world renowned KTGY- Inter Associates- Thailand
● Commercial/ Business Zones, Golf Villas & Golf View apartments designed by renowned architects of New Zealand-Woodhams/ Meikle/ Zhan.
Rich Amenities
● 18 hole International Standard Championship Golf Course and Golf Club designed by Dr. Martin Hawtree, U.K ● I.T./ Bio- Tech Parks ● Mahesh Bhupati Tennis Academy ● Ansal ISKCON Spiritual Centre ● Tourist Leisure Zone ● Super Speciality Hospital ● Amusement Park ● 5 Star & Budget Hotels ● G.D. Goenka School ● Royal Palms Country Club
•Inaugration of Golf Academy •Foundation of Royal Palms Golf & Country Club has been laid
•Possession of Houses & Plots offered to more than 1000 families •Families already residing in the township
Commercial Spaces Available
Fully Developed Big Plots for Bungalows are available
Area starts from 456 Sq. Mtrs., Price starts from ₹ 47.32 Lacs onwards
Sample Apartments and Villas Ready
Product Offerings
Plots ● Apartments ● Designer Homes ● Luxury Villas
● Malls & Multiplexes ● Schools ● Hospitals ● Clubs
●Independent Floors
Home loan available | Approved by the Regulatory Authorities | Approved by Environmental Ministry, Govt. of India
Palm Grove Villa
Type | Area (Sq.Mtr.) | Price (₹ in lacs)
4BHK | 349.77 | 116.56
*1 Acres = 4047 Sq mtr.
Paradise Diamond
Type | Area (Sq.Mtr.) | Price (₹ in lacs)
2 BHK | 89.19 | 18.24
2 BHK | 111.95 | 22.89
Felix Square
Type | Area (Sq.Mtr.) | Price (₹ in lacs)
Retail/office space | 46.08 | 15.37
Retail/office space | 288.59 | 108.68
All perspectives shown are an architect's view
Contact : 9450387063, 9473776868, 9838891349, 9839877721, Toll Free No.: 1800-266-5565
ANSAL PROPERTIES AND INFRASTRUCTURE LIMITED: Lucknow: 1st Floor, YMCA Campus, 13, Rana Pratap Marg, Lucknow - 226001. Tel.: 0522-4096200, Fax: 0522-2209510.
Delhi: 115, Ansal Bhawan, 16 Kasturba Gandhi Marg, New Delhi 110001. Tel.: 011-66302268/69/70. Fax: 66302873. E-mail: salesinfo@ansalapi.com; Website: www.ansalapi.com, SMS 'API' to 54545

CONTENTS


AMITY UNIVERSITY
LUCKNOW CAMPUS
PURSUE YOUR CAREER GOALS AT
INDIA'S #1
RANKED
UNIVERSITY
40 acre hi-tech campus with state-of-the-art facilities and globally benchmarked learning resources.
Distinguished faculty comprising of leading academicians and senior corporate professionals with rich industry experience.
Top ranked institutions in Management, Engineering, Law, Biotechnology, Hospitality, etc
Industry focussed, semester based Curriculum regularly updated by Industry Advisory Boards with focus on case studies, role plays etc.
Personality enhancement modules like personal grooming, effective communication, teamwork and leadership skills.
Amphitheatre style & air-conditioned classrooms to provide the most conducive atmosphere for dynamic and focused learning.
120 labs in various disciplines to facilitate practical learning and research
State-of-the-art auditoriums with a seating capacity of over 400 persons to act as a common ground for students, faculty, and corporate personalities for regular interfaces, conferences and other events.
Well-stocked libraries with over 1 lakh books, international journals and periodicals that support all aspects of studies & research.
Residential accommodation for 2000 students within the University campus with Air-conditioned Apartment Suites, attached Bathroom, Sitting Lounge, Cable TV and Wi-fi connection.
International standard sports complex with Shooting Range, Tennis Courts, Yoga & Aerobics centre etc.
A self-contained campus with facilities like Domino's, Café Coffee Day and multi-cuisine restaurants, Bank & ATM, 24 x 7 Medical Centre and Laundry service.
On-campus placements through Amity Corporate Resource Centre that grooms students and constantly interacts with the corporate world.
Vraj Khand - 5, Gomti Nagar, Lucknow - 226010 U.P. (INDIA)
Phone: 0522 - 2721931 - 32 2720971 - 74 fax: 0522-2721934
Toll Free: 1800 1800 999 Website: www.amity.edu

MESSAGE FROM THE TEAM

Dated: 28th Feb, 2011

Dear Friends,

We are happy to introduce the Budget Publication: 2011-12 of Lucknow Chartered Accountants Club (LCAC). This is the fourth successive publication of its kind by the Club. The previous Booklets plus Ready Reckoner have received a great response and appreciation from all of you. We feel highly motivated and thankful to all of you for this.

With GST and the Direct Tax Code, which is all set to bring all provisions, sections and clauses upside down, we as a tax professional have to be at our toes to serve the Government and the society at large.

Not everything is said in Budget Speech or finds its place in News prints. Most of the available Budget Publications are numerous and lengthy. All that can be relevant to us is scattered like dew drops across numerous Budget document. What we have always tried is to make sure that you get what is essentially required in our day to day practice, to solve your ready referencing needs and which is compact also. The encouragement and words of appreciation of yours have reaffirmed our belief that we have been able to achieve this objective.

If you have any query or would like a machine-readable copy of this booklet, either call us, or you may write to this office at:

Lucknow Chartered Accountants Club
15 Chandganj Garden
Lucknow-226024
Tel# 9415464475, 9839874068
email: lc_ac@yahoo.com

We also take this opportunity, to acknowledge contributions of all the LCAC Members in devoting their time and energy for making this publication a success.

Thank you all for your continued appreciation and support.

Team
Lucknow Chartered Accountants Club

ABOUT LUCKNOW CHARTERED ACCOUNTANTS CLUB

Lucknow Chartered Accountants Club has been embarked on January 2008 with the objective of promoting the development of knowledge, skills capabilities of the members and public in general and to promote literary, scientific, cultural and social and sporting improvement among members.

In this short period LCAC has aimed at augmenting its resources and strength, developing and establishing a good relations among members and organizing study meetings and get-togethers among its members.

The Budget Discussions that were held among members of the club have provided useful inputs for this Budget Booklet.

We are pleased to introduce to you the proud team of Office Bearers of LCAC as under:

Sl No	Name	Contact
01	CA Ashutosh Lohani	9415464475
02	CA Ravi Agarwal	9415542942
03	CA Saurabh Pratap Singh	9839874068
04	CA Ashutosh Kumar Gupta	9335123350
05	CA Mahaveer Agarwal	9415520995
06	CA Tushar Nagar	9839021599
07	CA Praveen Kumar Santoshi	9236187958
08	CA Rupak Agarwal	9839125100

FEEDBACK FORM

From: Name: Address: Occupation: Contact No.: Email:
Feedback:

Kindly send/ email your feed back to:

Lucknow Chartered Accountants Club
15 Chandganj Garden
Lucknow-226024
email: lc_ac@yahoo.com

We thank you for the feed back. Your valuable opinion is our inspiration.

FINANCE MINISTERS OF INDIA


Pranab Mukherjee (1982-1985, Feb 2009-May 2009, May 2009-Continuing)


Manmohan Singh (1991-1997, Dec 2008-Jan 2009)


P. Chidambaram (1996-1997, May 2004-Nov 2009)


Jaswant Singh (2003-2005)


Yashwant Sinha (1998-2003, 1991-1992 (I))


Madhu Dandavate (1990-1991)


S.B. Chavan (1989-1990)


N. D. Tiwari (1988-1989)


Rajiv Gandhi (1987-1988)


V. P. Singh (1985-1987)


Ramaswamy Venkataraman (1980-1982)

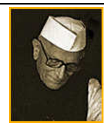

Choudhary Charan Singh (1979-1980)


H. M. Patel (1977-1979)


C. Subramaniam (1975-1977)


Yashwantrao Chavan (1971-1975)


Indira Gandhi (1970-1971)


Morarji Desai (1967-1970, 1959-1964)


Sachindra Chaudhuri (1965-1967)


T. T. Krishnamachari (1964-1965, 1957-1958)


Jawaharlal Nehru (1958-1959)


Chintamanrao Deshmukh (1951-1957)


John Mathai (1949-1951)


R. K. Shanmukham Chetty (1947-1949)

HIGHLIGHTS

SERVICE TAX

1. **No Change in service tax Threshold limit or applicable rate.**
   Service tax shall remain @ 10% and threshold shall also remain at Rs. 10 lakhs.

2. **New Services brought under Service Tax**

   (a) Services provided by air conditioned restaurants with licenses to serve liquor

   Service to any person, by a restaurant, by whatever name called, having the facility of air-conditioning in any part of the establishment, at any time during the financial year, which has license to serve alcoholic beverages, in relation to serving of food or beverage, including alcoholic beverages or both, in its premises.

   65[zzzzv]

   (b) Services provided by hotels, guest houses, etc. with respect to providing accommodation

   Service to any person by a hotel, inn, guest house, club or campsite, by whatever name called, for providing of accommodation for a continuous period of less than three months.

   Section 65[zzzzw]

   The above changes shall come into effect from a date to be notified after the enactment of Finance Bill, 2011

2. **Scope of following services expanded/ altered:**

   (a) *Service provided in relation to repair, etc., of motor vehicle:*

   Definition of service provider has been expanded from the existing “authorised service station” to “any person”

   Types of motor vehicles covered has been altered to exclude three wheeler scooter auto-rickshaw and motor vehicle meant for goods carriage.

USEFUL LINKS:

1. **Income Tax Web Portal**
   http://www.incometaxindia.gov.in/
2. **Income Tax e-filing Portal**
   http://www.incometaxindiaefiling.gov.in
3. **Know Your PAN**
   http://incometaxindiaefiling.gov.in/knowpan/knowpan.jsp
4. **View your Tax Credit**
   https://onlineservices.tin.nsdl.com/TIN/JSP/security/PanLogin.jsp
5. **TDS Challan Status Query**
   https://tin.tin.nsdl.com/oltas/servlet/QueryTaxpayer
6. **Check Your Income Tax Refund Status**
   https://tin.tin.nsdl.com/oltas/refundstatuslogin.html
7. **Service Tax Web Portal**
   http://www.servicetax.gov.in/
8. **Service Tax e-filing Portal**
   http://sermon.nic.in/sermon/sr1.html
7. **BSR Codes of Banks**
   http://www.tin-nsdl.com/OLTASListOfBSR.asp
8. **e-TDS Downloads**
   http://www.tin-nsdl.com/eTDSOverview.asp
9. **Status of PAN/TAN Application**
   For **NSDL:** https://tin.tin.nsdl.com/tan/StatusTrack.html
   For **UTI :** http://myutitsl.co.in/intra/web/pantrack.jsp
10. **PIN Code Search**
    http://www.indiapost.gov.in/pin/pinsearch.aspx
11. **Forex Exchange Rates/ Currency Convertor**
    http://www.rbi.org.in/scripts/ReferenceRateArchive.aspx
12. **Current updates on Finance/Taxation/Accounting**
    http://finance.groups.yahoo.com/group/Lucknowca_reinvented
13. **Comptroller & Auditor General of India (CAG)**
    http://cag.nic.in/
14. **Securities and Exchange Board of India**
    http://www.sebi.gov.in
15. **Reserve Bank of India**
    http://www.rbi.org.in/home.aspx
16. **Institutes of Chartered Accountants of India**
    http://www.icai.org
17. **Ministry of Companies Affairs**
    http://www.mca.gov.in/

EMI CHARTS MONTHLY REDUCING FOR A LOAN OF RS. 100000/-

Years	8%	9%	10%	11%	12%	13%	14%	15%	16%
1	8699	8746	8792	8839	8885	8932	8979	9026	9074
2	4523	4569	4615	4661	4708	4755	4802	4849	4897
3	3134	3180	3227	3274	3322	3370	3418	3467	3516
4	2442	2489	2537	2585	2634	2683	2733	2784	2835
5	2028	2076	2125	2175	2225	2276	2327	2379	2432
6	1754	1803	1853	1904	1956	2008	2061	2115	2170
7	1559	1609	1661	1713	1766	1820	1875	1930	1987
8	1414	1466	1518	1571	1626	1681	1738	1795	1853
9	1302	1355	1408	1463	1519	1576	1634	1693	1753
10	1214	1267	1322	1378	1435	1494	1553	1614	1676
11	1142	1197	1252	1310	1368	1428	1489	1551	1615
12	1083	1139	1196	1254	1314	1375	1438	1501	1566
13	1034	1090	1148	1208	1269	1332	1396	1461	1527
14	992	1049	1109	1170	1232	1296	1361	1428	1495
15	956	1015	1075	1137	1201	1266	1332	1400	1469

Year	8.25%	9.25%	10.25 %	11.25 %	12.25 %	13.25 %	14.25 %	15.25 %	16.25 %
1	8711	8757	8804	8850	8897	8944	8991	9038	9085
2	4535	4580	4627	4673	4720	4766	4814	4861	4909
3	3146	3192	3239	3286	3334	3382	3430	3479	3529
4	2454	2501	2549	2597	2646	2696	2746	2796	2847
5	2040	2088	2138	2187	2238	2289	2340	2393	2446
6	1766	1815	1866	1917	1969	2021	2074	2129	2183
7	1572	1622	1674	1726	1779	1833	1888	1944	2001
8	1427	1479	1531	1585	1640	1695	1752	1810	1868
9	1315	1368	1422	1477	1533	1590	1649	1708	1768
10	1227	1281	1336	1392	1450	1508	1568	1629	1691
11	1156	1210	1267	1324	1383	1443	1505	1567	1631
12	1097	1153	1210	1269	1329	1391	1453	1518	1583
13	1048	1105	1163	1223	1285	1348	1412	1477	1544
14	1006	1064	1124	1185	1248	1312	1378	1444	1512
15	971	1030	1090	1153	1217	1282	1349	1417	1487

Scope of service has been extended to include reconditioning, restoration or decoration or any other similar services.

Section 65(105)[zo]

(b) Life Insurance Service:

The scope has been expanded by removing the existing words "risk coverage in life insurance". As a result all kind of service including even portfolio management shall come within its purview.

Section 65(105)[zx]

(c) Service provided by clubs or associations:

The scope has been amended to now include services provided even to non-members of the club or association.

Section 65(105)[zzze]

(d) Legal/Consultancy Services:

The scope has been expanded to cover:

- Services provided by business entities to individuals in relation to in relation to advice, consultancy or assistance in any branch of law, in any manner;

  Section 65(105)[zzzm(i)]

- Service provided to a business entity by any person in relation to representational services before any court, tribunal or authority;

  Section 65(105)[zzzm(ii)]

- Services provided to business entities by arbitrators.

  Section 65(105)[zzzzm(iii)]

(e) Services by Hospitals, Nursing Homes etc.

The scope has been widened to include:

- Services provided by a hospital, maternity home, nursing home, dispensary, clinic, sanatorium or an institution etc. having facility of central airconditioning in whole or part in its premises and having more than 25 beds for inpatient treatment.
- Service provided by an entity which carries out diagnosis of diseases through pathological, bacteriological, genetic, radiological, chemical, biological investigations or other

diagnostic or investigative services with the aid of laboratory or other medical equipment.

- Service by a doctor, not being an employee of a clinical establishment, who provides services from such premises for diagnosis, treatment or care for illness, disease, injury, deformity, abnormality or pregnancy in any system of medicine.

Section 65(105)[zzzzo]

Establishments owned or controlled by the Government or Local Authority are out of the purview of this section.

(f) *Support Service of Business or Commerce:*

Support services of business or commerce means services provided in relation to business or commerce and includes evaluation of prospective customers, telemarketing, processing of purchase orders and fulfilment services, information and tracking of delivery schedules, managing distribution and logistics, customer relationship management services, accounting and processing of transactions, *operational assistance for marketing*, formulation of customer service and pricing policies, infrastructural support services and other transaction processing.

Section 65[104c]

The scope has been expanded to substitute the words "operational assistance for marketing" by "operational or administrative assistance in any manner"

(g) *Commercial Training or Coaching Services:*

Presently, commercial training or coaching means any training or coaching provided by a commercial training or coaching centre.

Section 65[26]

Also commercial training or coaching centre" has been defined to mean any institute or establishment providing commercial training or coaching for imparting skill or knowledge or lessons on any subject or field other than the sports, with or without issuance of a certificate and includes coaching or tutorial classes *but does not include preschool coaching and training centre or any institute or establishment which issues any certificate or diploma or*

Prevailing Interest Rates on Fixed Deposits of Banks

The best interest rates for deposits up to 2 Years & below 1 crores:

Bank	w.e.f.	Term	Rate
Allahabad Bank	18.02.2011	≥1 Year 2 Years <	8.75%
Bank of Baroda	02.02.2011	444 Days	9.10%*
Punjab National Bank	01.02.2011	555 Days	9.05%
Canara Bank	04.02.2011	555 Days	9.10%
Vijaya Bank	09.02.2011	365 Days	9.35%
Bank of India	04.02.2011	555 Days	9.25%
State Bank of India	14.02.2011	555 Days	9.25%
Indian Overseas Bank	14.02.2011	555 Days	9.25%
Syndicate Bank	21.02.2011	≥1Year : 2Years<	9.25%
Central Bank of India	09.02.2011	555 Days	9.15%
United Bank of India	18.02.2011	≥1Year : 2Years<	8.75%
Andhra Bank	05.02.2011	≥16 Months	9.25%
Corporation Bank	28.02.2011	≥2Year : 3Years≤	9.25%
Dena Bank	04.02.2011	≥366 days:2Y<	8.50%
IDBI Bank	25.02.2011	500 Days	9.25%
Indian Bank	18.02.2011	555 Days	9.50%
Oriental Bank of Commerce	09.02.2011	500 Days	9.25%
Punjab & Sind Bank	25.02.2011	500 Days	9.55%
State Bank of Bikaner & J	21.02.2011	≥2Year : 3Years<	9.75%
State Bank of Hyderabad	14.02.2011	≥2Year : 3Years<	9.25%
State Bank of Travancore	16.02.2011	500 Days	9.40%
State Bank of Mysore	14.02.2011	500 Days	9.35%
State Bank of Patiala	05.01.2011	555 Days	9.25%
UCO Bank	18.02.2011	≥1Year : 2Years≤	9.00%
Union Bank of India	03.02.2011	≥2Year : 3Years<	8.75%

Private Sector Banks:

Axis Bank	11.01.2011	≥15 M:18M<	9.00%
HDFC bank	04.01.2011	746 Days	9.00%
ICICI Bank	24.02.2011	590 Days	9.25%
Indusind Bank	08.01.2011	400 Days	9.50%
ING Vysya Bank	11.02.2011	500 Days	9.25%
Kotak Mahindra Bank	16.02.2011	700 Days	9.40%
The South Indian Bank	01.02.2011	≥1Year: 2Years≤	9.25%
Yes Bank	20.01.2011	480 Days	9.00%
The Federal Bank	18.02.2011	≥1Year: 2Years<	9.40%
City Union Bank	02.02.2011	444 Days	9.00%

*** Till 31.03.2011**

Note: The above rates are excluding rates for senior citizens (60 Years or more) which are generally higher by 0.25% to 0.50%

Branch	Distance (KM)	SH/NH	Route
Jaipur	558	NH91-NH11	Lucknow-Agra-Bharatpur-Mahwa-Patoli-Dubbi-Kanauta-Jaipur
Jamshedpur	821	NH56/NH2	Lucknow-Varanasi-Aurangabad-Ranchi-Jamshedpur
Jodhpur	891	NH8	Lucknow-Ajmer-Beawar-Jodhpur
Kanpur	83	NH25	Lucknow-Unnao-Kanpur
Kota	639	NH25/NH76	Lucknow-Kanpur-Jhansi-Shivpuri-Kelwara-Antah-Kota
Mathura	374	NH91	Lucknow-Kannauj-Mainpuri-Firozabad-Tundla-Agra-Mathura
Meerut	453	SH25/NH24	Lucknow-Hardoi-Bareilly-Rampur-Moradabad-Meerut
Moradabad	341	SH25/NH24	Lucknow-Hardoi-Bareilly-Rampur-Moradabad
Muzaffarnagar	500	SH25/NH24	Lucknow- Moradabad-Seohara-Bijnor-Muzzafarnagar
Noida	458	NH91	Lucknow-Aligarh-Bulandsahar-Sikandarabad-Noida
Patna	526	NH28	Lucknow-Faizabad-Tanda-Azamgarh-Ghazipur-Arrah-Patna
Ranchi	729	NH2	Lucknow-Varanasi-Aurangabad-Sherghati-Balumath-Khelari-Ranchi
Raipur	813	SH9	Lucknow-Allahabad-Rewa-Shahdol-Podki-Mungeli-Simga-Raipur
Saharanpur	562	SH25/NH24	Lucknow-Moradabad-Dhampur-Najibabad-Haridwar-Roorkee-Sharanpur
Udaipur	960	NH8	Lucknow-Ajmer-Beawar-Rajsamand-Nathdwara-Udaipur
Ujjain	758	NH25/NH3	Lucknow-Kanpur-Jhansi-Shivpuri-Guna-Biaora-Maksi-Ujjan
Varanasi	287	NH56	Lucknow-Jagdishpur-Sultanpur-Badlapur-Jaunpur-Phulpur-Varanasi

degree or any educational qualification recognised by law for the time being in force;

Section 65[27]

Now it is proposed to omit words in italics as above so as to include all courses that are not recognised by law.

The above changes shall come into effect from a date to be notified after the enactment of Finance Bill, 2011

3. Exemptions

As per Budget Notifications

4. Late fee for Delayed Returns

It is proposed to amend section 70 of the said Act with a view to enhance the maximum late fee ten times for non-filing of returns.

Existing Late Fee	Rs. 2000/-
Proposed Late Fee	Rs. 20000/-

5. Mitigation of penalty for Service tax not levied or paid or short levied or short paid or erroneously refunded

It is proposed to amend Section 73 to provide for mitigation of penalty.

6. Concessional rate of interest

A reduction of three percent has been proposed on delayed payment of service tax under section 75 and also on tax collected in excess under section 73B.

The relaxation shall be given to those service provider, whose value of taxable services provided in a financial year does not exceed sixty lakh rupees during any of the financial years covered by the notice or during the last preceding financial year, as the case may be.

7. Penalties

- Maximum penalty for failure to pay service tax reduced from hundred per cent. to fifty per cent. of tax payable.

Section 76

- Maximum penalty enhanced from five thousand rupees to ten thousand rupees, in the cases of certain specified offences for which penalty is not specifically provided in the Act.

Section 77

- Section 78 relating to penalty for suppressing, etc., of value of taxable services is substituted with a view to rationalise penalty in the case of serious offences, as equal to tax evaded.

  Where the true and complete details of the transactions are available in the specified records penalty shall be reduced to fifty per cent. of the service tax. Also if the demand is paid within 30 days, the penalty shall be 20%.

  Where true and complete details of the transactions are not available, penalty has been reduced from twice to an amount equal to tax.

- It is proposed to amend section 80 with view to omit penalty waiver for serious offences.

8. Power to search premises

It is proposed to give the power of authorization to search to joint commissioner also.

Superintendent of central excise has also been authorized to conduct search

Section 82

9. Charge on the property of the assessee

A new sections 88 has been proposed to provide for liability under Act to be first charge on the property of the assessee

10. Prosecution

A new section 89 seeks to provide for offences and penalties to enable prosecution of certain specified offences involving service tax evasion. The power to prosecute offenders rests with the Chief Commissioner of Central Excise and the prosecution would be done only with the previous sanction of the Chief Commissioner of Central Excise

11. Exemption to associations representing industry or commerce

It is proposed to exempt retrospectively the associations formed for representing the industry or commerce from payment of service tax in respect of membership fee collected by such club or associations

Distance of CIRC Branches from Lucknow (KM)

Branch	Distance (KM)	SH/NH	Route
Agra	325	NH91-SH40	Lucknow-Mohan-Bangarmau-Kannauj-Mainpuri-Firojabad-Agra
Ajmer	692	NH11	Lucknow-Agra-Bharatpur-Bamanpura-Jaipur-Kishangarh-Ajmer
Allahabad	205	NH24B-SH36	Lucknow-Mohanlalganj-Raebareli-Allahabad
Aligarh	333	NH91-SH40	Lucknow-Mohan-Bangarmau-Kannauj-Mainpuri-Etah-Aligarh
Alwar	490	NH2	Lucknow-Agra-Mathura-Deeg-Alwar
Bareilly	251	NH24	Lucknow-Sitapur-SHahjahanpur-Tilhar-Faridpur-Bareilly
Bhilai	871	NH12A	Lucknow-Raebareli-Fatepur-Katni-Jabalpur-Bichhia-Piparia-Bhilai
Bhilwara	809	NH91-NH11-NH8-NH79A	Lucknow-Jaipur-Shrinagar-Bandanwara-Surajpura-BHilwara
Bhopal	624	NH25-NH86-NH86A	Lucknow-Unnao-Bidhnu-Ghatampur-Kabrai-Mahoba-Banda-Sagar-Bhopal
Bikaner	858	NH91	Lucknow-Aligarh-Palwal-Rewari-Fatepur-Dungargarh-Bikaner
Bilaspur	728	SH9	Lucknow-Allahabad-Rewa-Shahdol-Podki-Kota-Bilaspur
Dehradun	550	SH25/NH24	Lucknow-Bareilly-Rampur-Moradabad-Dhampur-Njibabad-Hridwar-Dehradun
Dhanbad	799	NH56/NH2	Lucknow-Varanasi-Sasaram-Aurangabad-Barhi-Dhanbad
Ghaziabad	448	NH91	Lucknow-Aligarh-Bulandsahar-Sikandarabad-Ghaziabad
Gorakhpur	271	NH28	Lucknow-Barabanki-Faizabad-Basti-Gorakhpur
Gwalior	345	NH25	Lucknow-Kanpur-Orai-Konch-Seondha-Mau-Gwalior
Indore	787	NH25/NH3	Lucknow-kanpur-Jhansi-Guna-Sarangpur-Dewas-Indore
Jabalpur	515	NH7	Lucknow-Raebareli-Fatepur-Atarra-Maihar-Katni-Jabalpur

Area	PIN	Area	PIN
Rajendranagar	226004	Sujanpura	226005
Roberts Line	226002	Sunderbagh	226018
Saadatganj	226003	Thakurganj	226003
Sadrauna	226008	Tirwa	226005
Sanatan Dharam Vidya Peeth	226026	Topkhana Bazar	226002
Sant Market	226006	Triveni Nagar	226020
Sarai Mali Khan	226003	U I C Mill	226006
Sarfraj	226003	Ujariaon	226010
Sarojini Nagar	226008	Utrathia	226002
Sarvoday Nagar	226016	Victoriaganj	226003
Sitapur Road, Sec-C	226021	Vikas Nagar	226022
Secretariat	226001	Wazirganj	226018
Shivaji Marg	226018	Yahiaganj	226003
Singar Nagar	226005	Zarda	226003

during the period from 16th June, 2005 to 31st March, 2008. Refund will be made of all service tax collected in respect of the exempted period.

Section 96J

12. Exemption to a tour operator having a contract carriage permit

Retrospective effect has been given to the notification of the Government of India number G.S.R.492(E), dated the 7th July, 2009, from the 1st day of April, 2000, so as to allow the exemption to a tour operator having a contract carriage permit for inter-State or intra-State transportation of passengers, excluding tourism, conducted tour, charter or hire service, under the said notification.

6. Budget Notifications:

http://www.cbec.gov.in/ub1112/ub1112-idx.htm

Notification No 1/2011-Service Tax dated 01-03-2011	Works Contract (Composition Scheme for Payment of Service Tax) Amendment Rules, 2011 These rules shall come into force on the date of publication in the official gazette
Notification No 2/2011-Service Tax dated 01-03-2011	Service Tax (Determination of Value) Amendment Rules, 2011 These rules shall come into force on the 1st day of April, 2011
Notification No 3/2011-Service Tax dated 01-03-2011	Service Tax (Amendment) Rules, 2011 The rules shall come into force on the 1st day of April, 2011.
Notification No 4/2011-Service Tax dated 01-03-2011 This notification shall come into	The revision of the limits for the maximum amount/ rate at which service tax can be levied on air travel services.

force on the 1st day of April, 2011.	
Notification No 5/2011-Service Tax dated 01-03-2011	Services rendered to exhibitors participating in an exhibition outside India have been made exempted
Notification No 6/2011-Service Tax dated 01-03-2011	Exemption given to works contracts provided for construction of residential complexes under Jawaharlal Nehru National Urban Renewal Mission and Rajiv Awaas Yojana.
Notification No 7/2011-Service Tax dated 01-03-2011	Exemption accorded to services provided by an insurer carrying on General Insurance Business to any person for providing insurance under the Rashtriya Swasthya Bima Yojana
Notification No 8/2011-Service Tax dated 01-03-2011 This notification shall come into force on the 1st day of April, 2011	Exemption granted to service of goods transport provided to any resident person where goods are transported from outside India to a final destination which is also outside India
Notification No 9/2011-Service Tax dated 01-03-2011 This notification shall come into force on the 1st day of April, 2011	Exemption granted to transport of goods by aircraft to the extent of the value as is equal to the amount of air freight included in the value determined under section 14 of the Customs Act.
Notification No 10/2011-Service Tax dated 01-03-2011	Exemption granted to the service in relation to the execution of a works contract, excluding works contract in respect of roads, airports, railways, transport

Area	PIN	Area	PIN
Guramba	226026	Manas Nagar	226023
Hasnain Market	226003	Mansoor Nagar	226003
Husainabad	226003	Mati	226002
Iim Mubarakpur	226013	Maunda	226008
Ind.Area Sarojininagar	226008	Mawai Padiyana	226008
Indira Nagar	226016	Medical College	226003
Indiranagar Sec-14	226016	Military Hospital	226002
Indiranagar Sec-18	226016	Mill Road	226004
Indiranagar Sec-21	226016	Molviganj	226018
Industrial Area	226009	Nadan Mahal	226004
Int Gaon	226008	Nadwa	226007
Ismailganj	226010	Narain Nagar	226016
Ashok Marg	226001	Naubasta	226003
Kalyanpur	226022	Navinmandi	226024
Kharika	226002	Naya Gaon	226018
L D A Colony	226012	New Ganeshganj	226018
Lalbagh	226001	New Hyderabad	226007
Laulai	226010	Niel Lines	226002
Locomotive W Shop	226005	Nilmatha	226002
Lonikatra	226020	Niralanagar	226020
Lucknow G.P.O.	226001	Pandariba	226004
M N Colony	226006	Pawanpuri	226005
Madiyaon	226021	Piparsand	226005
Mahanagar	226006	R A College	226004
R B Colony	226018	SGPGI	226014
R G C Mill	226017	Shia Lines	226002
Maharishi Vidya Mandir	226020	Rahim Nagar Padiana	226005
Malesemau	226010	Raja Bazar	226003
R P Line	226007	Rajajipuram	226017
Manaknagar	226011	Rajauli	226026

PIN CODES FOR LUCKNOW:

Area	PIN	Area	PIN
32 Bat. PAC	226008	Canal Colony	226001
A N L Colony	226004	Chakganjaria	226002
A P Sabha	226001	Chandganj	226024
Adarsh Nagar	226005	Chandrawal	226002
Aishbagh	226004	Charbagh	226004
Alambagh	226005	Chaupatiyan	226003
Alamnagar	226017	Chowk	226003
Aliganj Extension	226024	CIMAP	226015
Aliganj	226024	D M Road	226020
Amausi Ad	226009	D S Bazar	226002
Amausi	226008	Daliganj	226020
Amberganj	226003	Darul Safa	226001
Aminabad Park	226018	Diguria	226020
Anandnagar	226005	Dilkusha	226002
Arjunganj	226002	Distt. Jail	226005
Arya Nagar	226004	Ganesh Ganj	226018
Barauna	226002	Gayrtinagar	226021
Barha	226005	Ghaila	226020
Basha	226026	Ghazipur	226016
Batha Sabauli	226021	Gokhley Marg	226001
Behta	226026	Golaganj	226018
Benti	226005	Gomtinagar	226010
Bhadrukh	226002	Gomtinagar Vistar	226010
Bhatgaon	226005	Gurdwara	226004
Bijnaur	226002	H C Bench	226001
Birhana	226004	HAL	226016
Blunt Square	226004	Harauni	226005
C B Lines	226002	Hasanpur Keoli	226002

	terminals, bridges, tunnels and dams when when provided wholly within an airportby and by airports authority or any person authorised by it, in an airport or a civil enclave.
Notification No 11/2011-Service Tax dated 01-03-2011	Exemption granted to works contracts in relation to the execution of a works contract, excluding works contract in respect of roads, airports, railways, transport terminals, bridges, tunnels and dams when provided wholly within the port or other port, for construction, repair, alteration and renovation of wharves, quays, docks, stages, jetties, piers and railways.
Notification No 12/2011-Service Tax dated 01-03-2011	Export of Services (Amendment) Rules, 2011 The Rules shall come into force on the 1st day of April, 2011.
Notification No 13/2011-Service Tax dated 01-03-2011	Taxation of Services (Provided from Outside India and Received in India) Amendment Rules, 2011. The Rules shall come into force on the 1st day of April, 2011.
Notification No 14/2011-Service Tax dated 01-03-2011 This notification shall come into force on the 1st day of April, 2011	Interest rate for delayed payment of service has been increased from 13 percent to 18 percent per annum.
Notification No 15/2011-Service	Interest on amount collected in

Tax dated 01-03-2011 This notification shall come into force on the 1st day of April, 2011	excess has been increased to 18% from existing 13%
Notification No 16/2011-Service Tax dated 01-03-2011	An abatement of 25 percent from the taxable value has been provided in respect of services rendered in relation to transport of i) Coastal goods; ii) Goods through national waterway; or iii) Goods through inland water
Notification No 17/2011-Service Tax dated 01-03-2011	Changes related to SEZ
Notification No 18/2011-Service Tax dated 01-03-2011 This notification shall come into force on the 1st day of April, 2011	Introduction of Point of Taxation Rules, 2011

uploaded. A response sheet will be displayed, which has to be filled and a cancelled cheque attached and sent to CPC Bangalore. Only upon receipt of this response sheet at CPC Bangalore will the Rectification Request be finally accepted and acknowledgement generated

Step 12:
The rectification request can be withdrawn within 7 days if uploaded by mistake or the request needed to be amended. Only one rectification request can be submitted at any time. Any rectification request after submission has to be processed at CPC before the next rectification request for the same PAN and AY can be submitted.

Step 13:
The rectification request will be processed at CPC and either the rectification order under Section 154 will be issued or the request would be rejected.

Step 6:
After the Return data is corrected then the xml can be generated. **This is the Rectification XML file.**

Step 7:
Log in to http://incometaxindiaefiling.gov.in and go to My Account-> Rectification-> Rectification upload

Step 8:
Fill in details from the intimation sheet which will be verified to ascertain that only the taxpayer in possession of the Intimation from CPC would be able to submit a rectification request.

Step 9:
Fill in details of Schedules where changes have been made and reasons for seeking rectification.

Fill in due date for filing return, if incorrect as per intimation sheet. Leave blank if not applicable.

Fill in details which are not available in the return form such as details of 80G donations (not available in ITR forms for 1, 2 and 3) and Quarter-wise details of Capital Gains (all four types- which is not available in ITRs 2, 3, 4, 5 and 6 for AY 2009-10) only if applicable. Leave blank if not applicable.

Please note if your address has been changed in the rectification XML file, you should check the address changed checkbox to ensure that the new address is updated else the old address as per e-return only will be used.

Step 10:
Now upload the Rectification XML file. Validations will be done to ascertain that only mistakes apparent from record are sought to be rectified

Step 11:
Upon successful upload, Rectification Request number and acknowledgement will be displayed. In case Bank Account Number is changed in rectification XML as compared to Bank Account number as per e-return then the rectification request is only PROVISIONALLY

HIGHLIGHTS

INCOME TAX & WEALTH TAX

1. Income Tax Slabs for individuals/HUF/AOP/BOI/AJP have been increased. The new slabs for AY 2012-13 are:

Other than Senior Citizens

Individual/HUF/AOP etc	Women	Rate
Up to 180000/-	Up to 190000/-	Nil
180001 to 5.00 lacs	190001 to 5.00 lacs	10%
500001 to 8.00 lacs	500001 to 8.00 lacs	20%
Above 8 lacs	Above 8 lacs	30%

Senior Citizens

Relaxation has been provided to Senior Citizens as under:

(a) Minimum age limit to qualify as Senior Citizens has been reduced to 60 Years from existing age limit of 65 Years at any time during the previous year.

(b) Senior Citizens have been put into two categories:
   (i) Senior Citizens – Who is of the age of 60 Years or but less than 80 Years.
   (ii) Senior Citizens – Who is of the age of 80 Years or more

(c) The proposed tax slabs for Senior Citizens are as under:

Senior Citizen ≥60Years:80Years<	Rate	Senior Citizen 80 Years or more	Rate
Up to 250000/-	Nil	Up to 500000/-	Nil
2.50 to 5.00 lacs	10%	500001 to 8.00 lacs	20%
5.00 to 8.00 lacs	20%	Above 8 lacs	30%
Above 8 lacs	30%		

Existing Tax slabs for AY 2011-12 are as under:

Individual/HUF	Women	Senior Citizen	Rate
Up to 160000/-	Up to 190000/-	Up to 240000/-	Nil
1.60 to 5.00 lacs	1.90 to 5.00 lacs	2.40 to 5.00 lacs	10%
5.00 to 8.00 lacs	5.00 to 8.00 lacs	5.00 to 8.00 lacs	20%
Above 8 lacs	Above 8 lacs	Above 8 lacs	30%

2. There is no changes for the rate structure for
   (a) Cooperative Society
   (b) Firm
   (c) Local Authority
   (d) Companies (both domestic or others)

   In all the above cases tax rates shall continue to be the same as for the assessment year 2011-12.

3. Surcharge:

   There is no change in surcharge except for companies as under:

Changes in Surcharge	Existing Rate	Proposed Rate
Domestic companies with income above 1 crore	7.50%	5.00%
Companies other than domestic company	2.50%	2.00%

   In all the other cases including MAT, Tax on Dividends and UTI Income surcharge shall be applicable @ 5%

4. Education and SHE Cess:

   There is no change in the both the cess and shall continue as for AY 2011-12 as under:

Cess Category	Existing Rate
Education Cess	2%
Secondary and Higher Education Cess	1%

		in Sch BP are correctly filled Total of Deemed Income (IF NON ZERO) under Sections 44AD , 44AE, 44AF, 44B, 44BB, 44BBA, 44BBB, 44D, 44DA, Chapter XII-G and First Sch

How to submit an Online Rectification request

Step 1:
Make sure you have received an intimation under section 143 (1) from CPC Bangalore for the E-returns filed by you for AY 2009-10 or later.

Step 2:
Carefully examine the intimation to see if the computation by CPC is correct even if different from what was expected by you. It may be that you may have computed tax liability or interest incorrectly.

Step 3:
Carefully review the Common Error guide and the table above to understand as the basic reason for the variation.

Step 4:
Since the Rectification Request is to be submitted by uploading the complete xml file similar to uploading the original return, it may be preferable to start with the saved e-return data that was prepared by the return preparation utility/software (Department provided excel software or other software), in case it is available with the taxpayer.

Step 5:
All errors in data entry should be completely corrected and schedules or fields left blank should be filled accurately as explained in the guide. **The complete return should be filled including TDS and Tax payment schedules and not only schedules that need change or the fields that need correction. This is because the entire return with corrected data would be re-processed under rectification.**

However, there should not be any revision in income figures or new claims since then the rectification request would be rejected or rectification would be delayed. **It may be clearly noted that this facility is only for correcting mistakes apparent from record.**

		taxpayers filing ITR 6 irrespective of whether the book profit calculations result in application of provisions of MAT. Taxpayer may not have calculated MAT.
8	Income from Business is not correctly computed	There are many reasons for variation in Income From Business: While entering Totals (for ex Total Duties and Taxes etc), breakup is not given. Value entered in Sl no 42 (Depreciation) (where Books of Accounts are maintained) should match the value in Sch BP: Sl no 11 (Depreciation debited to P&L Account) Profit Before Tax (and not Profit After Tax) should be entered in item 1of Sch BP. Depreciation allowable under IT Act u/s 32(1) (ii) must be as per Sch DEP. When Schedule Profit and Loss is filled with a claim for depreciation but depreciation amount is either not added back at item A11 in Schedule BP or details of depreciation in plant and machinery and other assets are not filled by the assessee in Schedule DPM, DOA and Schedule DEP, this may lead to disallowance of depreciation. Schedule DPM, DOA and DEP should NOT be left blank if Depreciation is being claimed. Entering total value of Depreciation in Sl A12 in Schedule BP WITHOUT entering DPM, DOA, DEP will lead to disallowance of Depreciation. Where block ceases to exist, enter correct value in Cap.Gains / Loss u/s 50. Under NO OTHER CIRCUMSTANCE should item 16 be filled. Negative value, if entered in Sl 16, implies that block ceased to exist and then no Depreciation will be allowed for that block. Where P&L account is filled and includes Deemed income u/s 44AD, 44AE 44AF etc, ensure that relevant figures in A4 and A33

Presently there is no levy of cess on tax deducted or collected at source in case of domestic company or payments made to a resident in India.

However the both the cess shall be applicable on tax deducted at source in the case of salary payments. Also they shall be levied in case of payments to a non resident or a company other than domestic company.

5. No changes in existing TDS Rates or TDS Slabs.

6. New Simplified ITR to be introduced.

7. Benefit of deduction for invenstment in infrastructure bond extended to AY 2012-13

8. Weighted Deduction for increased to 200% for scientific research.

9. Rate of MAT increased to 18.5% from existing 18%

10. New Chapter incorporating special provisions relating to certain limited liability partnerships.

11. Two more CPCs to become operational in Manesar and Pune by May 2011 and a fourth CPC in Kolkata in 2011-12.

12. Direct Tax Code to be finalized for enactment during 2011-12 after the report of the Standing Committee.

13. The provisions regarding Document Identification Number which was to take effect on or after the 1 st day of July, 2011 have been omitted.

---o---

MAJOR CHANGES BROUGHT ABOUT IN INCOME TAX

SALARY INCOME

Apart from changes in personal taxation slabs, the primary changes that directly affect salaried employees are as under:

1. **Exempt Allowances/Perquisites**

   Under the existing provisions contained in the Income-tax Act, any perquisites or allowances received by an employee is taxable under the head "salary" unless it is specifically exempted under the Act.

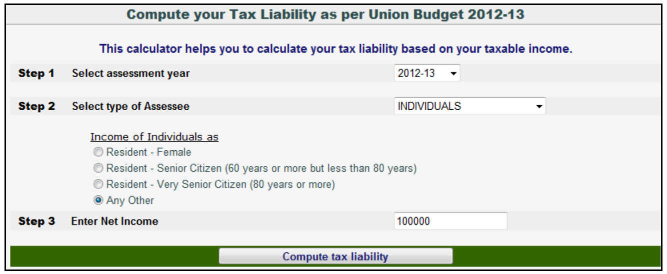
   A new section 10(45) has been inserted to provide exemption to any allowance or perquisite, as may be notified by the Central Government, paid to the Chairman or a retired Chairman or any other member or retired member of the Union Public Service Commission.

2. **Deductions under Chapter VIA**

   [Refer Section Deductions/Reliefs]

Note: One can calculate is/her tax liability under the proposed provisions by using the tax calculator at the following website:

http://law.incometaxindia.gov.in/DIT/Xtras/taxcalc.aspx



		has different limits and eligibility, it is not possible to allow deduction only from the total.
6	Deduction under Chapter 80G or 80IA etc is not allowed.	Details u/s 80G in Sch 80G (where the Schedule is available in the return- ITR 4, 5 and 6) along with correct totals may not have been entered, before claiming the total in Chapter VI-A. Similarly, other schedules such as 80IA/IB etc must also be filled in where relevant schedules are in the ITR , before claiming Deductions in Chapter VI-A. Mentioning only the final total values in Chapter VI A Schedule or the total Deduction is not sufficient.
7	Tax Rate applied by CPC is not as per rates for Female Taxpayers or Senior citizens or for firms or domestic company. MAT is applied	Taxpayer may have entered Gender as Male or entered date of birth incorrectly. Alternatively, taxpayer may have entered these details correctly but the details are different in PAN database, in which case the data in PAN database has to be corrected by taxpayer by giving proof and details. For assessee filing return ITR 5, Status (such as Cooperative Society, Firm, etc) in the General Information Portion may not have been selected correctly. Incorrect status selection can lead to taxation at higher rate or disallowance on specific deductions like 80P, etc. For taxpayers filing ITR 6, the correct selection while opting for item under General Information relating to 'If a Domestic Company' must be made. Domestic companies MUST NOT select "N" here – which implies that taxpayer is stating that company is a Foreign Company. When 'N' is selected the tax rate applicable to Foreign Companies will be applied, leading to higher taxation. Schedule MAT MUST be filled by all

		in Schedule CYLA. Therefore, even if loss is correctly shown in Sch HP, the adjustment of this loss is not automatic. It has to be entered in the first row against Salary Income as shown to indicate that this loss is adjusted against salary income.
3	Tax payment is not allowed	BSR code, Challan number and date of deposit may have been incorrect since any mismatch may lead to rejection of tax payment. Date of deposit of challan cannot be beyond or after date of filing of return. Taxpayer should NOT report tax payments made by Deductors as given in Form 16 or Form 16A as their own payment under Schedule IT. This is meant ONLY to enter tax payments DIRECTLY made by taxpayer himself.
4	TDS credit is not allowed	Taxpayer should ensure that the TAN number is valid and as per the Form 16A issued by Deductor. PAN number of Deductor should NOT be mentioned in place of TAN. In many cases Deductors may have given TDS certificate with certain TAN but submitted TDS return to Department under different TAN. This may happen where many group concerns operate in a flexible manner. This should be verified by cross-checking against the 26AS statement for the taxpayer which is available through NSDL or at the e-filing website. Any error by Deductor should be immediately pointed out and correction ensured
5	Chapter VI A deduction specially 80C deduction is not allowed	While filling in Deductions in Chapter VI – A, taxpayer must ensure to fill up the breakup showing all individual Section-wise deductions such as 80 C etc, and then mention the Total Deduction claimed. At the time of processing, it is not clear under what section is the deduction claimed if details are not given. Since each deduction

MAJOR CHANGES BROUGHT ABOUT IN INCOME TAX

LIMITED LIABILITY PARTNERSHIP

Clause 18 of the Finance Bill proposes to insert a new Chapter XII-BA consisting of new sections 115JC, 115JD, 115JE and 115JF containing special provisions relating to certain limited liability partnerships.

1. **Payment of tax by certain LLPs [Section 115JC]**

   It has been provided that where the regular income-tax payable for a previous year by any limited liability partnership is less than the alternate minimum tax payable for such previous year, the adjusted total income shall be deemed to be the total income of such limited liability partnership and it shall be liable to pay income-tax on such total income at the rate of eighteen and one-half per cent.

   Adjusted total income has been defined as the total income before giving effect to the newly inserted Chapter XII-BA as increased by the deductions claimed under any section included in Chapter VI A under the heading *"C.-Deductions in respect of certain incomes"* and deduction claimed under section 10AA.

2. **Tax Credit for Minimum Alternate Tax [Section 115JC]**

   Credit for tax paid by a LLP shall be the excess of the alternate minimum tax paid over the regular income-tax payable.

   This shall be allowed to be carried forward up to the tenth assessment year immediately succeeding the assessment year for which such tax credit becomes allowable and shall be allowed to be set off for an assessment year in which the regular income-tax exceeds the alternate minimum tax to the extent of the excess of the regular income-tax over the alternate minimum tax.

3. **Application of other provisions of the Act [Section 115JE]**
   It is provided that save as provided in the newly inserted

Chapter XII-BA, all other provisions of the Income-tax Act shall apply to a limited liability partnership.

4. **Interpretation [Section 115JF]**
The section seeks to define the expressions "accountant", "alternate minimum tax", "limited liability partnership" and "regular income-tax" for the purposes of newly inserted Chapter XII-BA.

RECTIFICATION OF E RETURNS

Department has introduced new facility for online submission of rectification request in cases where processing was completed by CPC Bangalore. Please review the guide for common errors to first rectify the return submitted and generate the rectification xml using excel utility (same utility is to be used). Taxpayer can log in My Account-> Rectification-> Rectification upload and follow instructions to upload the rectification xml file. The rectification request will be processed at CPC and if found acceptable, then a rectification order u/s154 will be issued. Please see manual for submission of rectification request. **Please note that this facility is only for E-returns processed at CPC.**

Probable reasons for CPC not allowing of certain expenses or different treatment given to certain items of ITR.

Sl	CPC Treatment of returned item	Probable reason and Resolution
1	Salary income shown at higher figure than entered	In Salary Schedule higher figure is reported under Gross salary which should be excluding Exempt income (such as transport allowance etc). Taxpayer may have mentioned Transport allowance in Exempt Income and may have deducted the same to arrive at a lower net figure in the final calculation. However, the Exempt income is to be mentioned only for reporting purposes and should not be used in any calculation.
2	Loss under House Property due to Interest paid on loans is not allowed	In the House property Schedule the Interest paid value is not entered. Instead only the loss figure is mentioned in the final total. The totals are re-calculated while processing the return from the basic values provided. If the break up values are not provided then the total will be calculated as zero. The other possibility is that even if the House Property Schedule was correctly filled, the taxpayer has not claimed the loss

NEW SERVICES ON THE EFILING WEBSITE

Income Tax Department has released three new services on the e-filing website. These are available from the 'Services' menu on the Menu Bar on top.

The services are available without requiring any login (and are also available under 'My Account' as well)

Those new services are:

1. ITR-V receipt status at CPC Bangalore.
2. Refund failure status out of refunds issued or to be issued at CPC Bangalore
3. Processing status of e-Returns from CPC Bangalore

In all, the following six Facilities are available now:

- Find your PAN
- Find your TAN
- Know Jurisdiction
- ITR-V Receipt Status
- CPC Refund Failure Status
- CPC Processing Status

MAJOR CHANGES BROUGHT ABOUT IN INCOME TAX

SPECIAL PROVISIONS - AVOIDANCE OF TAX

The Chapter X of the Income Tax Act deals with special provisions relating to Avoidance of Tax. The chapter deals with provisions relating to computation of income from International Tranzactions.

It has been provided that any income arising from an international transaction shall be computed having regard to the arm's length price.

1. Computation of arm's length price

Under the existing provisions contained in section 92C, arm length price is computed by one of the following methods which is the most appropriate, namely;

(a) Comparable uncontrollable price method,
(b) Resale price method
(c) Cost plus method
(d) Profit split method
(e) Tranzaction Net margin Method
(f) Any other prescribed method in Rule 10B

Where more than one price is determined by the most appropriate method as prescribed, then the arm's length price shall be taken to be arithmetical mean of such price.

Further, the second proviso to the said sub-section provides that if the variation between the arm's length price as determined and price at which the international transaction has actually been undertaken does not exceed five per cent. of the latter, the price at which the international transaction has actually been undertaken shall be deemed to be the arm's length price.
It is proposed to amend the second proviso to sub-section (2) of section 92C so as to provide that the allowable variation will be such percentage as may be notified by the Central Government in this behalf.

2. Reference to Transfer pricing Officer

Under the existing provisions contained in section 92CA, where an assessee has entered into an international transaction in any previous year, and the Assessing Officer considers it necessary, he may, with the previous approval of the Commissioner, refer the computation of the arm's length price in relation to the international transaction under section 92C, to the Transfer Pricing Officer.

Transfer Pricing Officer, for the purpose of determining the arm's length price in respect of international transactions referred to him by the Assessing Officer shall serve a notice on the assessee requiring him to produce evidence in support of computation of the arm's length price of such transactions.

It is proposed to insert a new sub-section (2A) so as to enable the Transfer Pricing Officer to take into account any other international transaction which comes to his notice subsequently during the course of the proceeding before him as if such transaction is an international transaction referred under sub-section (1) and the provisions of Chapter X of the Income-tax Act shall apply accordingly.

Currently the Transfer Pricing Officer has been vested with the powers regarding discovery, production of evidence etc. and power to call information as provided under sub-section (1) of section 131 and clause (6) of section 133.

Now it is proposed to enable the Transfer Pricing Officer to exercise the power of survey as conferred upon an income-tax authority under section 133A of the Act.

3. Transactions with persons located in a notified jurisdictional area.

In order to strengthen system of collection of information from foreign tax jurisdictions, some counter measures have been taken to discourage certain transactions.

A new section 94A has been proposed relating to special measures in respect of transactions with persons located in a notified jurisdictional area.

It is proposed the Central Government may notify any country or

DUE DATE CALENDAR

COMMON DATES

Date	Obligation	Frequency
5	Service Tax Payment	Every Month-for Companies
	Excise Duty Payment	Every Month
7	TDS/TCS Deposit	Every Month For Previous Month ended.
10	Excise Returns	Every Month
11	E.S.I. Return	Every Month
13	Annual P F Return	In April
15	T.D.S. Returns	Quarterly
	Advance Payment of IT/FBT	Quarterly/Monthly
	P.F. Deposit	Every Month
16	E.S.I. Deposit	Half Yearly
25	P. F. Return	Monthly
	Service Tax Return	Half Yearly
30	T.C.S. RETURN	Quarterly

SPECIFIC DATES

Date	Obligation
31st MAR	Service Tax payment for both Monthly /Quarterly Cases
31st MAY	T.D.S. Deposit if payment credited on 31st March
15th JUN	Advance Income Tax /FBT for Companies
31st JUL	IT /FBT Return Filing for non audit cases
30th SEP	Income Tax/ Wealth Tax /FBT Returns of Companies & Tax Audit cases
25th OCT	Service Tax Return - Half Yearly
31st OCT	Balance Sheet & PL Filing with ROC for Companies with financial year ending on 31st march
30th NOV	Annual Return Filing for Companies with financial year ending on 31st march

0602 - Fashion designers	0713 - Travel agents, tour operators
0603 - Legal professionals	0714 – Others
0604 - Medical professionals	**Financial Service Sector**
0605 - Nursing Homes	0801 - Banking Companies
0606 - Specialty hospitals	0802 - Chit Funds
0607 – Others	0803 - Financial Institutions
Service Sector	0804 - Financial service providers
0701 - Advertisement agencies	0805 - Leasing Companies
0702 - Beauty Parlours	0806 - Money Lenders
0703 - Consultancy services	0807 – NBFC
0704 - Courier Agencies	0808 - Share Brokers, Sub-brokers, etc.
0705 - Computer training/edu./coaching	0809 – Others
0706 - Forex Dealers	**Entertainment Industry**
0707 - Hospitality services	0901 - Cable T.V. productions
0708 - Hotels	0902 - Film distribution
0709 - IT. enabled services, BPO	0903 - Film laboratories
0710 - Security agencies	0904 - Motion Picture Producers
0711 - Software development agencies	0905 - Television Channels
0712 - Transporters	0906 – Others

territory outside India, having regard to the lack of effective exchange of information by it with India, as notified jurisdictional area.

It is further proposed to provide that if an assessee enters into a transaction with a person located in a notified jurisdictional area, then all the parties to the transaction shall be deemed to be associated enterprises and that transaction shall be deemed to be an international transaction.

It is also proposed that in respect of any payment made to a financial institution located in the notified jurisdictional area (NJA), deduction shall not be allowed unless the assessee furnishes an authorisation in the prescribed form authorising the Board or any other income-tax authority to seek relevant information from the said financial institution. Also no deduction in respect of any other expenditure or allowance including the depreciation arising from the such transaction shall be allowed unless the assessee maintains such other documents and furnishes the information as prescribed.

It is also proposed that if any sum is received from a person located in NJA, then, the onus is on the assessee to satisfactorily explain the source of such money in the hands of such person or in the hands of the beneficial owner, and in case of his failure to do so, the amount shall be deemed to be the income of the assessee.

It has also been provided that any payment made to a person in NJA shall be liable to the highest of the rates of tax deduction.

MAJOR CHANGES BROUGHT ABOUT IN INCOME TAX

DEDUCTIONS / RELIEFS

1. Deduction in respect of Long Term Infrastructure Bond

In the previous Finance Bill 2010 a deduction of Rs. 20000/- was introduced for subscription to long term infrastructure bond notified by the central Government.

Under the existing provisions of section 80CCF, the deduction was allowable only for AY 2011-12

The Finance Bill 2011 proposes to amend the section so as to extend this deduction to AY 2012-13 also.

The deduction is over and above deductions under 80C, 80CCC and 80CCD.

2. Deductions to Industrial undertakings or enterprises engaged in infrastructure development, etc.

Under the existing provisions contained in section 80IA a deduction is allowed to an undertaking which is engaged in generation, distribution or transmission related activities.

The cut off date for start of the specified activities for those undertakings have been extended from existing date of 31-03-2011 to 31-03-2012.

3. Deductions to Industrial undertakings other than Infrastructure Development Undertaking

Section 80-IB provides that the amount of deduction to an undertaking shall be hundred per cent. of the profits for a period of seven consecutive assessment years, including the initial assessment year, if such undertaking fulfils certain conditions stipulated therein.

CODES USED IN E-RETURNS

I	Individual
H	Hindu Undivided Family (HUF)
1	Firm
2	Local Authority
3	Cooperative Bank
4	Cooperative Society
5	Any other AOP or BOI
6	Public Company
7	Private Company
8	Others

Activity Code for Part A - Nature of Business

Manufacturing Industry	0123 - Vanaspati & Edible Oils
0101 - Agro-based industries	0124 – Others
0102 - Automobile and Auto parts	**Trading**
0103 - Cement	0201 - Chain stores
0104 - Diamond cutting	0202 - Retailers
0105 - Drugs and Pharmaceuticals	0203 - Wholesalers
0106 - Electronics, Computer Hardware	0204 - Others
0107 - Engineering goods	0301 - General Commission Agents
0108 - Fertilizers, Chemicals, Paints	**Builders**
0109 - Flour & Rice Mills	0401 - Builders
0110 - Food Processing Units	0402 - Estate agents
0111 - Marble & Granite	0403 - Property Developers
0112 – Paper	0404 – Others
0113 - Petroleum and Petrochemicals	**Contractors**
0114 - Power and energy	0501 - Civil Contractors
0115 - Printing & Publishing	0502 - Excise Contractors
0116 – Rubber	0503 - Forest Contractors
0117 - Steel	0504 - Mining Contractors
0118 - Sugar	0505 - Others
0119 - Tea, Coffee	**Professionals**
0120 - Textiles, Handloom, Powerlooms	0601 – C.A., Auditors, etc.

9. The signatures or any handwritten text should not be written on Bar code.
10. Bar code and numbers below barcode should be clearly visible.
11. Only A4 size white paper should be used.
12. Avoid typing anything at the back of the paper.
13. Perforated paper or any other size paper should be avoided.
14. Do not use stapler on ITR V acknowledgement.
15. In case you are submitting original and revised returns, do not print them back to back. Use two separate papers for printing ITR-Vs separately.
16. More than one ITR-V can be sent in the same envelope.
17. Please do not submit any annexures, covering letter, pre stamped envelopes etc. along with ITR-V.
18. The ITR-V form is required to be sent to Post Bag No.1, Electronic City Post Office, Bengaluru, Karnataka-560100, by ordinary post or speedpost.
19. ITR-Vs that do not conform to the above specifications may get rejected or acknowledgement of receipt may get delayed.

Sub-sections also requires that such undertaking has begun or begins commercial production of mineral oil on or after the 1 st day of April, 1997.

It is proposed to amend the said clause so as to insert a proviso therein which provides that the provisions of said clause (ii) shall not apply to blocks licensed under a contract awarded after the 31 st day of March, 2011 under the New Exploration Licencing Policy announced by the Government of India *vide* Resolution No. 019018/22/95-0NG.DO.VL, dated the 10'h February, 1999 or in pursuance of any law for the time being in force or by the Central or a State Government in any other manner.

MAJOR CHANGES BROUGHT ABOUT IN INCOME TAX

BUSINESS & PROFESSION

1. **Charitable Objects and Business Activities:**

   As per the existing provisions of section 2(15) "charitable purpose" has been defined to include relief of the poor, education, medical relief, preservation of environment (including watersheds, forests and wild life)and preservation of monuments or places or objects of artistic or historic interest, and the advancement of any other object of general public utility.

   However, The first proviso to the aforesaid clause (15) provides that the advancement of any other object of general public utility shall not be a charitable purpose if it involves the carrying on of any activity in the nature of trade, commerce or business, or any activity of rendering any service in relation to any trade, commerce or business, for a cess or fee or any other consideration, irrespective of the nature of use or application, or retention, of the income from such activity.

   In the previous Finance Bill 2010-11, it was stated that the absolute restriction was creating hardship to the organizations which receive sundry considerations from such activities and accordingly it had proposed that such activities shall continue to be a "charitable purpose" if the total receipts from any such activity do not exceed Rs.10 lakhs in the previous year.

   Now again it has been proposed to enhance the said limit of Rs. 10 lakhs to Rs. 25 lakhs.

2. **Expenditure on scientific research**

   As per the existing provisions contained in clause (a) of sub-section (2AA) of section 35 provide for a weighted deduction to the extent of one and three-fourth times (175%) of the sum paid to a National Laboratory or a University or an Indian Institute of Technology or a specified person for the purpose of an approved scientific research programme.

FILING OF ITR V WITH CPC BANGLORE

Form ITR-V is required to be furnished to the Income Tax Department , CPC, Post Bag No - 1, Electronic City Post Office, Bangalore - 560100, Karnataka **BY ORDINARY POST OR SPEED POST** within thirty days after the date of transmitting the data electronically .

ITR-V can now be sent by Speedpost.

ITR-V sent by them to CPC Bangalore will be scanned after stamping receipt number and date of receipt and the same shall be made available to taxpayers on request through email.

Note: Central Board of Direct Taxes vide its order dated 10^{th} Februray has extended the time limit for filing ITR-V form relating to income-tax returns for AY 2010-11 filed electronically (without digital signature) on or after 1st April 2010. These ITR – V Forms can now be filed up to 31^{st} July 2011.

The relaxation has been made to mitigate the hardship and grievances of the tax payers who have ben prevented by reasonable causes to file the ITR-V in time.

To assist taxpayers, a limited call center service with two agents has been established at ITD-CPC, Bengaluru. Taxpayer queries on status of ITR-V receipt at CPC, Bengaluru will be answered on 080-43456700 between 9:30 AM to 6 PM between Monday to Friday. The service will be available in English, Hindi and Kannada.

Dos and Dont's for printing and submitting of ITR-Vs to ITD-CPC

1. Please use Ink Jet /Laser printer to print the ITR-V Form.
2. Avoid printing on Dot Matrix printer.
3. The ITR-V Form should be printed only in black ink.
4. Do not use any other ink option to print ITR V.
5. Ensure that print out is clear and not light print/faded copy.
6. Please do not print any water marks on ITR-V. The only permissible watermark is that of **"Income tax Department"** which is printed automatically on each ITR-V.
7. The document that is mailed to CPC should be signed in original in BLUE INK.
8. Photocopy of signatures will not be accepted.

New Income Tax Returns

Sl	Assessee	Applicable Form
01	For Individuals having Income from Salary/ Pension/ family pension) & Interest	ITR-1
02	For Individuals and HUFs not having Income from Business or Profession	ITR -2
03	For Individuals/HUFs being partners in firms and not carrying out business or profession under any proprietorship]	ITR- 3
04	For individuals & HUFs having income from a proprietory business or profession	ITR - 4
05	For firms, AOPs and BOIs (Including Fringe Benefit Tax Return)	ITR – 5
06	[For Companies other than companies claiming exemption under section 11 (Including Fringe Benefit Tax Return)	ITR – 6
07	For persons including companies required to furnish return under section 139(4A) or section 139(4B) or section 139(4C) or section 139(4D) (Including Fringe Benefit Tax Return)	ITR – 7
08	Return for Fringe Benefits	ITR – 8
09	Indian Income Tax Return Verification Form [Where The Data Of The Return Of Income/Fringe Benefits In Form Itr-1, Itr-2, Itr-3, Itr-4, Itr-5, Itr-6 & Itr-8 Transmitted Electronically Without Digital Signature]	ITR - V

To promote innovation, It has been proposed to amend the said clause (a) so as to enhance the said weighted deduction to two times (200%) of the sum so paid.

3. Deduction in respect of expenditure on specified business:

As per the existing provisions of section 35AD, the assessee is allowed a deduction in respect of a capital expenditure incurred exclusively for any specified business.

The provision defines the specified business and also provide for the date of commencement of operations of the specified businesses.

In order to boost production in agriculture sector, It is proposed to add two new businesses as "specified business" along with their dates of commencement and also to omit the word "new" from the existing definition of "specified business" in respect of new hotel and new hospital.

The new specified businesses and prescribed dates of commencements are as under:

New Business	Date of Commencement
Developing and building a housing project under a scheme for affordable housing framed by the Central Government or a State Government, as the case may be, and notified by the Board.	On or after 01-04-20
Production of fertilizers in India (being investment in in plant or in newly installed capacity in an existing plant)	On or after 01-04-20

4. Deduction for Contribution towards Pension Scheme

The existing provisions contained in section 36 (1) provides for allowing certain deductions in computing the income under the head profits and gains of business or profession.

A new sub section 36(1)(iva) has been proposed to be inserted to provide that any sum paid by the assessee as an employer by way of contribution towards a pension scheme notified by the

Central Government as referred to in section 80CCD on account of an employee to the extent it does not exceed ten per cent of the salary of the employee in the previous year shall be allowed as a deduction while computing profits and gains of business or profession.

5. Minimum Alternate Tax (MAT)

As per existing provisions in case of a company, if the tax payable on the total income is less than eighteen percent of its book profit, such book profit shall be deemed to be the total income of the assessee and the tax payable for the relevant previous year shall be eighteen percent of such book profit.

Now it is proposed to enhance the rate of aforesaid 18% to 18.50%.

As per existing provisions section 115JB does not apply to the income accrued or arising on or after the 1 51day of April, 2005 from any business carried on, or services rendered, by an entrepreneur or a Developer, in a Unit or Special Economic Zone.

Now it has been provided that the above exclusion shall cease to apply w.e.f. assessment year 2012-13.

6. Tax Deduction at Source

A new section 194LB has been proposed relating to income by way of interest from an infrastructure debt fund.

It is provided that where any income by way of interest is payable to a non-resident, not being a company, or to a foreign company, by an infrastructure debt fund referred to in clause (47) of section 10, the person responsible for making the payment shall, at the time of credit of such income to the account of payee or at the time of payment thereof in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct income-tax thereon at the rate of five per cent.

INCOME TAX CHALLANS

Sl No	Purpose	Challan No.
01	Payment of INCOME-TAX both for companies and non company assessee	TNS 280
02	Deposit of TDS both by companies and non company deductee	ITNS 281
03	Securities transaction tax Wealth tax Gift tax Expenditure/other tax Estate duty Interest tax Hotel receipts tax	ITNS 282
04	Banking Cash Transaction Tax	ITNS 283
05	Fringe Benefits Tax	ITNS 283

STAMP ACT (as applicable in U.P)

Letter of Acknowledgement of Debt exceeding Rs. 1,000/-	10/-
Affidavit	10/-
Articles and Memorandum	1000/-
Deed of Partnership	700/-
Dissolution of Partnership Ddeed	100/-
General Agreement	100/-
Supplementary partnership Deed	100/-
Indemnity/Surety Bond	100/-
General Power of Attorney	100/-
Specific Power of Attorney	50/-
Undertaking	10/-
Bank Guarantee	00.50% subject to maximum of Rs. 10000/-

CODES FOR RESIDENCE AND STATUS

1. Residence

Residence in India	Code
Resident	01
Non-Resident	02
Resident but not ordinarily resident	03

2. Status

Status	Code	Status	Code
Individual	01	Association of persons (AOP)	07
HUF	02	Association of persons (Trust)	08
HUF Which has at least one member with total income of the previous year exceeding the maximum amount not chargeable to tax	03	Body of individuals (BOI)	09
unregistered firm	04	Artificial juridical person	10
Registered firm/firm (other than the one engaged in profession)	05	Co-operative Society	11
Registered firm/firm engaged in profession	06	Local authority	16

MAJOR CHANGES BROUGHT ABOUT IN INCOME TAX

POWERS OF INCOME TAX AUTHORITIES

1. Discovery and Production of Evidence

Under the existing provisions of section 131, certain income-tax authorities have been conferred the same power, as available to a Civil Court while trying a suit in respect of discovery and inspection, enforcing the attendance and examining on oath, compelling production of books of account and other documents and issuing commissions.

It is proposed provide that for the purpose of making an inquiry or investigation in respect of any person or class of persons in relation to a Double Taxation Avoidance Agreement referred to in section 90 or section 90A, it shall be competent for any income-tax authority not below the rank of Assistant Commissioner of Income-tax, as notified to exercise the powers conferred as above notwithstanding that no proceedings with respect to such person or class of persons are pending before it or any other income-tax authority.

It is further proposed to empower the aforesaid authority to impound and retain any books of account and other documents produced before it in any proceeding under the Act.

2. Power to call Information

Under the existing provisions contained in section 133, the income-tax authorities as referred have been empowered to call for information which is useful for or relevant to, any proceeding under the Act.

It is proposed that for the purposes of a Double Taxation Avoidance Agreement as referred to in section 90 or section 90A, an income-tax authority notified under sub-section (2) of section 131 may exercise all the powers conferred under section 133, notwithstanding that no proceedings are pending before it or any other income-tax authority.

MAJOR CHANGES BROUGHT ABOUT IN INCOME TAX

PROCEDURE FOR ASSESSMENT

1. Return of Income

Due date for filing of return of income

Under the existing provisions [Section 139] the due date for filing return of income, in the case of a company; or a person (other than a company) whose accounts are required to be audited under the Income-tax Act or under any other law for the time being in force; or a working partner of a firm whose accounts are required to be audited under the Income-tax Act or under any other law for the time being in force, is the 30th day of September of the assessment year.

As per Section 92E a person entering into international transactions is required to furnish a report from a Chartered Accountant in Form 3CEB

Now it has been provided that for filing a return of income in case of an assessee being a company, which is required to furnish a report referred to in the said section 92E, the due date shall be the 30th day of November of the assessment year.

Exemption from filing of return of income

It is proposed to empower the Central Government to exempt by notification in the Official Gazette any class or classes of persons from the requirement of furnishing a return of income having regard to such conditions as may be specified in that notification.

Filing of Returns by certain Institutions, Funds, Agency, Associations, unions etc.

Under the existing provisions contained in sub-section (4C) of section 139, certain institutions etc referred to therein are required to file return of income if their income (without giving effect to the provisions of section 10) exceeds the maximum amount which is not chargeable

	City	ITO/Commissioner	Telephone No.	CCIT
37	Khatauli	ITO, Mujjafarnagar	01396-275967	Meerut
38	Khatima	ITO, Haldwani	05943-253299	Dehradun
39	Kushi Nagar	ITO Gorakhpur	05564-246039	Allahabad
40	Lakhimpur Kheri	ITO, Bareilly	05872-252754	Bareilly
41	Lalitpur	ITO Agra	05176-274396	Kanpur
42	Lucknow	CCIT, Lucknow	0522-2275079	Lucknow
43	Mainpuri	ITO, Aligarh	05672-234208	Meerut
44	Mathura	Addl. CIT, Agra	0565-2424210	Kanpur
45	Mau	ITO, Gorakhpur	05472-220375	Allahabad
46	Meerut	CCIT, Meerut	0120-2950592	Meerut
47	Mirzapur	JCIT, Allahabad	05442-265652	Allahabad
48	Moradabad	CIT, Moradabad	0591-2413522	Bareilly
49	Mujjafarnagar	CIT, Mujjafarnagar	0131-2630865	Meerut
50	Najibabad	ACIT, Moradabad	01341-224513	Bareilly
51	Noida	Addl. CIT, Ghaziabad	0120-2538023	Meerut
52	Pilibhit	ITO Bareilly	05882-255211	Bareilly
53	Pratapgarh	ITO, Faizabad	05342-220637	Lucknow
54	Rae Bareilly	ITO, Faizabad	0535-2207067	Lucknow
55	Rampur	ITO, Moradabad	0595-2350152	Bareilly
56	Roorkee	ITO, Dehradun	01332-272414	Dehradun
57	Sambhal	ITO, Moradabad	05923-231069	Bareilly
58	Sahjahanpur	ITO, Bareilly	05842-222340	Bareilly
59	Shamli	ITO, Muzaffarnagar	01398-250374	Meerut
60	Saharanpur	Addl. CIT, Muzaffarnagar	0132-2726959	Meerut
61	Sitapur	Addl CIT, Bareilly	05862-243375	Bareilly
62	Sultanpur	Addl CIT, Faizabad	05362-221911	Lucknow
63	Unnao	ITO, Lucknow	0515-2828602	Lucknow
64	Varanasi	DCIT, Varanasi	0542-2508360	Allahabad

----o----

STATION DIRECTORY OF INCOME TAX OFFICES (U.P.)

	City	ITO/Commissioner	Telephone No.	CCIT
1	Agra	CIT Agra	0562-2851290	Kanpur
2	Aligarh	CIT Aligarh	0571-2401301	Kanpur
3	Allahabad	CCIT, Allahabad	0532-2601425	Allahabad
4	Auraiya	ITO Agra	05688-254984	Kanpur
5	Azamgarh	DCIT, Gorakhpur	05462-228243	Allahabad
6	Badaun	ITO, Moradabad	05823-224455	Bareilly
7	Bahraich	ITO, Faizabad	05252-232222	Lucknow
8	Ballia	ITO, Varanasi	05498-220405	Allahabad
9	Banda	ITO, Kanpur	05192-224787	Kanpur
10	Barabanki	ITO, Lucknow	05248-2822646	Lucknow
11	Baraut	ITO, Meerut	01234-252915	Meerut
12	Bareilly	CCIT, Bareilly	0581-2511390, 549	Bareilly
13	Basti	ITO, Faizabad	05542-245268	Lucknow
14	Bhadoi	ITO, Varanasi	05414-25276	Allahabad
15	Bijnor	Addl. CIT, Moradabad	01342-262043	Bareilly
16	Bulandshar	DCIT(HQ) Meerut	05732-280696	Meerut
17	Chandausi	ITO, Moradabad	05921-250132	Bareilly
18	Deoband	ITO, Mujjafarnagar	01336-221300	Meerut
19	Deoria	ITO, Gorakhpur	05568-222541	Allahabad
20	Etah	ITO, Aligarh	05742-233297	Meerut
21	Etawah	ITO, Agra	05688-254984	Kanpur
22	Faizabad	CIT, Faizabad	05278-228278	Lucknow
23	Farrukhabad	JCIT, Aligarh	05692-241399	Meerut
24	Fatehpur	ITO, Allahabad	05180-224522	Allahabad
25	Firozabad	Addl. CIT, Agra	05612-282099	Kanpur
26	Ghaziabad	CIT, Ghaziabad	0120-2714125 0120-2756453	Ghaziabad
27	Ghazipur	ITO, Varanasi	0548-220357	Allahabad
28	Gonda	Addl CIT, Faizabad	05262-221197	Lucknow
29	Gorakhpur	CIT, Gorakhpur	0551-2203551	Allahabad
30	Hapur	ITO Faizabad	0122-2318957	Meerut
31	Hardoi	ITO, Bareilly	05852-234834	Bareilly
32	Hathras	ITO, Aligarh	05722-231150	Meerut
33	Jaunpur	ITO, Faizabad	05452-260193	Lucknow
34	Jhansi	Addl. CIT, Agra	0517-2483366	Kanpur
35	Kannauj	ITO, Aligarh	05694-236912	Meerut
36	Kanpur	CCIT , Kanpur	0512-2304475	Kanpur

to income-tax.

Now the following two more categories have been added as under:

(i) Any body or authority or Board or Trust or Commission referred to in clause (46) of section 10, and
(ii) Infrastructure debt fund referred to in clause (47) of section 10.

2. Assessment

Section 143(1A) authorizes the CBDT to make a scheme for centralized processing of returns. We are fully aware that central processing centre has already been set up and is processing returns and refunds at Bangalore.

As per Budget speech, the Centralized Processing Centre (CPC) at Bengaluru has increased its daily processing capacity from 20,000 to 1.5 lakh returns in 2010-11. This project has won a Gold Award for e-Governance in 2011. Two more CPCs will become operational in Manesar and Pune by May 2011 and a fourth CPC will come up in Kolkata in 2011-12.

Under the existing provisions contained in sub-section (1 B) of the aforesaid section, the Central Government may, save as otherwise expressly provided, for the purpose of giving effect to the scheme made under sub-section (1 A) of that section, by notification in the Official Gazette, direct that any of the provisions of the Income-tax Act relating to processing of returns shall not apply or shall apply with such exceptions, modifications and adaptations as may be specified in that notification, so, however, that no direction shall be issued after the 31 st day of March, 2011

It is proposed to amend sub-section (1 B) of the aforesaid section to extend the said time limit to the 31st day of March, 2012.

3. Time Limit for Completion of assessment/reassessment

Under the existing provisions contained in *Explanation* 1 to section 153 certain periods are to be excluded while computing the period of limitation for completion of assessments and re-assessments..

It is proposed to add to the said *Explanation* 1 so as to provide that the period commencing from the date on which a reference for exchange of information is made by an authority competent under an agreement referred to in section 90 or section 90A and ending with the date on which the information so requested is received by the Commissioner or a period of six months, whichever is less, shall also be excluded.

4. Time Limit for completion of assessment in case of search or requisition.

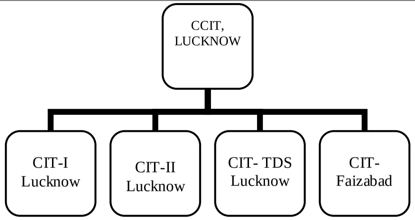
A similar change has been proposed as in Exp 1 to section 153 above for exclusion of time for exchange of information.

Range	Pin Code and Area	Company Cases	Salary/Pension	AO Jurisdiction	
IV	226002 Dilkusha 226004 Aishbagh 226014 SGPGI 226017 Rajajipuram 226020 Daliganj 226025 B.R Ambedkar Univ. 227120 Amethi 227125 Gosaiganj 227305 Mohanlalganj 227308 Nagram 227309 Nigohan	K L & M	State Govt.	DC	Above 5 lacs
				ITO 4(1)	Individuals : A to G Company : K
				ITO 4(2)	Individuals : H to N Company : La to Lm
				ITO 4(3)	Individuals : O to R Company : Ln to Lz
				ITO 4(4)	Individuals : S to Z Company : M
V	226018 Aminabad Park 226018 Ganeshganj 226018 Golaganj 226018 Maulviganj, Shivaji Marg 226018 Sunderbagh 226018 Wazirganj 226018 G.B. Marg Barabanki.	N O P Q & R	State Government Corporation/ Under taking & Local Bodies	DC	Above 5 lacs
				ITO 5(1)	Individuals : A to H Company : N & O
				ITO 5(2)	Individuals : I to P Company : P to Q
				ITO 5(3)	Individuals : Q to Z Company : R
				ITO Barabanki	5 lacs < All cases
VI	226003 Chowk 226005 Alambagh 226008 Sarojini Nagar Ind Area 226009 Amausi 226011 Manak Nagar 226012 LDA Colony 227101 Banthara	S T U V W X Y & Z	Autonomous bodies/ P.G.I./ KGMC/ L.U./ Schools, Colleges, University	DC	Above 5 lacs
				ITO 6(1)	Individuals : A to H Company : S
				ITO 6(2)	Individuals : I to N Company : T & U
				ITO 6(3)	Individuals : Q to R & U Company : V & X
				ITO 6(4) Barabanki	Individuals : S to T & V to Z Company : W Y & Z

Income Limit for Case assignment (w.e.f. 31-01-2011)

	Income Declared (Mofussil Areas)		Income Declared (Metro Cities)	
	ITOs	ACs/DCs	ITOs	DCs/ACs
Corporate Return	Up to Rs. 20 Lacs	Above Rs 20 Lacs	Up to Rs. 30 Lacs	Above Rs 30 Lacs
Non Corporate Return	Up to Rs. 15 Lacs	Above Rs. 15 Lacs	Up to Rs. 20 Lacs	Above Rs. 20 Lacs

JURISDICATION OF CCIT, LUCKNOW



Range	Pin Code and Area	Co. Cases	Salary/Pension	AO Jurisdiction	
I	226010 Gomti Nagar 226016 Indira Nagar 226019 Chinhat Indl Area 227105 Chinhat	A & B	Central Govt. and its Corporations or Undertakings or Institutions	DC	> 5 lacs
				ITO 1(1)	Individuals : A to G Company : Aa to Ak
				ITO 1(2)	Individuals : H to N Company : Al to Az
				ITO 1(3)	Individuals : O to R Company : Ba to Bk
				ITO 1(3)	Individuals : S to Z Company : Bl to Bz
II	226001 GPO 226006 Mahanagar 227107 Kakori 227111 Malihabad 227115 Mall 227116 Rahimabad	C D E & F	All Banks, Pvt. Banks, NABARAD, RBI	DC	> 5 lacs
				ITO 2(1)	Individuals : A to J Company : C
				ITO 2(2)	Individuals : K to R Company : D
				ITO 2(3)	Individuals : E to F
				ITO Unnao	5 lacs < All cases
III	226007 New Hyderabad 226013 IM Mubarakpur 226015 CIMAP 226021 Sitapur Road Sec-C 226022 Vikas Nagar 226023 Manas Nagar 226024 Aliganj 226026 Behta 227202 Bakshi ka Talab 227205 Itaunja 227207 FFTC Indurabagh	G H I & J	All Insurance Companies/ LIC/ GIC/ All Private Sector	DC	> 5 lacs
				ITO 3(1)	Individuals : A to G Company : G
				ITO 3(2)	Individuals : H to N Company : H
				ITO 3(3)	Individuals : O to R Company : I
				ITO 3(4)	Individuals : S to Z Company : J

MAJOR CHANGES BROUGHT ABOUT IN INCOME TAX

SETELLMENT OF CASES

1. **Application for settlement of cases**
   As of now no application can be made before the Settlement Commission under section 245C unless the proceedings under section 153A or under section 153C have been initiated against the applicant and the additional amount of income-tax payable on the income disclosed in the application exceeds fifty lakh rupees and in other cases if the additional amount of income-tax payable on the income disclosed in the application exceeds ten lakh rupees.

   It is proposed to provide that no application shall be made unless, in a case where the applicant is related to the person referred to in clause (i) who has filed an application and the proceedings for assessment or re-assessment for any of the assessment years referred to in clause (b) of sub-section (1) of section 153A or clause (b) of sub-section (1) of section 153B in case of the applicant, being a person referred to in section 153A or section 153C, have been initiated, the additional amount of income-tax payable on the income disclosed in the application exceeds ten lakh rupees.

   The expressions "applicant in relation to the specified person" and "substantial interest" has also been defined.

2. **Procedure on receipt of an application under section 245C.**
   As per existing provisions contained in sub-section (4) of the aforesaid section 245D Settlement Commission may pass such orders as it thinks fit after giving an opportunity the applicant and to the commissioner.

   It is proposed that Settlement Commission may, at any time within six months. from the date of the order, with a view to rectifying any mistake apparent from the record, amend any order passed by it under sub-section (4).

It has been further provides that any such amendment which has the effect of modifying the liability of the applicant, shall not be made under this sub-section unless the Settlement Commission has given notice to the applicant and the Commissioner of its intention to do so and has allowed the applicant and the Commissioner an opportunity of being heard.

5. w.e.f. 01-10-2009 No deduction u/s 194C are required on payments to a contractor during the course of business of plying, hiring or leasing goods carriageson furnishing of his PAN u/s 194C. Nil rate is applicable if the transporter quotes his PAN.

6. The Rate of TDS will be 20% in all cases, if PAN is not quoted by the deductee (including transporter) w.e.f. 01-04-2010

7. Deduction at lower or nil rate requires certificate u/s.197, which will take effect from the day it is issued. It cannot be used retrospectively.

8. If TDS certificate is lost, duplicate may be issued on a plain paper giving necessary details marking it as duplicate.

9. Even if the recipient of payment has shown it in his income-tax return and paid the taxes thereon, the deductor who has failed to deduct tax will be liable to pay interest and penalty.

10. Consequences of Default:
    - Interest @ 1.00% p.m. from the date on which tax was deductible to the date of deduction.
    - Interest @ 1.50% p.m. from the date on which tax is deducted to the date of its paid.
    - Penalty equal to the tax that was failed to be deducted or remitted.
    - In case of failure to remit the tax deducted, rigorous imprisonment ranging from 3 months to 7 years and fine can be levied.
    - Failure to issue TDS certificate timely, to submit form 15H/15G timely or to furnish statement of perquisites in time or Failure to file Quarterly Statements timely shall attract penalty for each failure of Rs.100/- per day. Maximum penalty for each failure can be up to the amount of TDS/TCS.

Section	Nature of Payment	Rate Non Company %	Rate Company %	Due Date for Deposit	Qtrly. Return
1	2	3	4	5	6
194J	Professional/ Technical charges/Royalty & Non-compete fees > Rs. 20,000 w.e.f. 01-07-2010 > Rs. 30,000	10	10	-do-	26Q
194LA	Compensation on acquisition of immovable property > Rs.1,00,000 w.e.f. 01.10.2004	10	10	-do-	26Q
194LB	Interest from an Infrastructure Bond w.e.f. 01.06.2011	5	5	-do-	26Q
195/196B/196C/196D / 196E	Payment to non-residents	Rates in force	Rates in force	-do-	27Q

NOTES :

1. Where income referred in Sections 193, 194A, 194C, 194D, 194G, 194H, 194I & 194J is credited to account of payee as on date up to which accounts are made, TDS has to be deposited in Government Account within 2 months from the end of the month in which the date falls.

2. With respect to payments under section 194C where the aggregate of the amounts paid/credited or likely to be paid/credited exceeds Rs. 75000 during the financial year, TDS has to be made. Also where any single sum credited/paid or likely to be credited/paid to Contactor or Sub-contractor exceeds Rs.30,000, TDS is to be made.

3. An Individual or a Hindu Undivided Family whose total sales, gross receipts or turnover from business or profession carried on by him exceeds the monetary limits under Clause (a) or (b) of Sec.44AB during the preceding financial year shall also be liable to deduct tax u/s.194A,194C, 194H, 194I & 194J.

4. No surcharge and education/higher education cess is to be added on tax deducted on non-salary payments made to resident tax payers.

SECTION-WISE MAJOR CHANGES:

INCOME TAX

Section	Subject	w.e.f.	Changes
2(15)	Charitable Purpose	01-04-2012 AY2012-13	The activities in the nature of trade, commerce or business, or any activity of rendering any service in relation to any trade, commerce or business etc shall now not be regarded as business activity if the aggregate value of the receipts from those activities is 25 Lakhs or less.
10(34)	Dividend Income	01-06-2011 AY2012-13	Explanation to clause 34 which was inserted by way of a modification *vide* section 27 of the Special Economic Zones Act, 2005 giving exemption to assessee being developer or entrepreneur has been omitted.
10(45)	Exempt Allowances and Perquisites	01-04-2008 AY2008-09	New section has been inserted to provide exemption to any allowance, perquisite, as notified by the Central Government

			paid to the Chairman or a retired Chairman or any other member or retired member of the Union Public Service Commission.
10(46)	Specified income arising to a body or authority or Board or Trust or Commission Exempt Income	01-06-2011 AY2012-13	This new section to provide for exemption to any specified income arising to a body or authority or Board or Trust or Commission which is constituted/established by or under a Central, State or Provincial Act or has been constituted by the Central/State Government with the object of regulating or administering an activity for the benefit of general public
10(47)	Income of Notified Infrastructure Debt Fund	01-06-2011 AY2012-13	A new clause (47) in section 10 has been inserted so as to enable the Central Government to notify any infrastructure debt fund which is set up in accordance with the guidelines as may be prescribed and the income of such notified fund will be exempt from income-tax.
35(2AA)	Expenditure on scientific research	01-04-2012 AY2012-13	Enhancement of the weighted deduction to two times the sum

Section	Nature of Payment	Rate Non Company%	Rate Company%	Due Date for Deposit	Qtrly. Return
1	2	3	4	5	6
194D	Insurance Commission > Rs. 5,000 w.e.f. 01-07-2010 > Rs. 20,000	10	20	-do-	26Q
194EE	Refund of NSS > Rs.2,500	20	-	On the day of deduction	26Q
194F	Repurchase of units by MF/UTI	20	-	1 week from last day of the month of deduction	26Q
194G	Commission on sale of lottery tickets > Rs.1,000	10	10	-do-	26Q
194H	Commission or Brokerage > Rs. 2,500 w.e.f. 01-07-2010 > Rs. 5,000	10	10	-do-	26Q
194I	Rent of Machinery, Plant or Equipment > Rs. 1,20,000 w.e.f. 01-07-2010 > Rs. 1,80,000	2%	2%	-do-	26Q
	Land, building (including factory building) or land appurtenant to a building (including factory building) or furniture or fittings	10%	10%		

TDS CHART AY 2011-12, AY 2012-13

Section	Nature of Payment	Rate Non Company%	Rate Company%	Due Date for Deposit	Qtrly. Return
1	2	3	4	5	6
192	Salaries	Average rate	-	1 week from last day of the month of deduction	24Q
193	Interest on Securities > Rs.10,000	10	10	-do-	26Q
194	Deemed dividend u/s.2(22)(e) Dividends other than listed companies	-	20	-do-	26Q
194A	Interest other than Interest on securities > Rs.10,000	10	10	-do-	26Q
194B	Lottery / Cross Word Puzzle > Rs. 5,000/- w.e.f. 01-07-2010 > Rs. 10000/-	30	30	-do-	26Q
194BB	Winnings from Horse Race > Rs. 2,500/- w.e.f. 01-07-2010 > Rs. 5,000/-	30	30	-do-	26Q
194C (1)	Contracts single > Rs. 20,000 aggregate > Rs. 30,000 w.e.f. 01-07-2010 single > Rs. 30,000 aggregate > Rs. 75,000	1	2	-do-	26Q
194C (2)	Sub-Contracts/ Advertisements	1	1	-do-	26Q

			paid.
35AD	Deduction in respect of expenditure on specified business.	01-04-2012 AY2012-13	Two new businesses have been specified: (a)Developing and building a housing project (b)Production of fertilizers in India. The word “new” omitted from the new hotel and new hospital.
36(1)(iva)	Other Deductions	01-04-2012 AY2012-13	New section to provide that any sum paid by an employer by way of contribution towards a pension scheme as per section 80CCD on account of an employee to the extent it does not exceed ten percent of the salary of the employee shall be allowed as a deduction.
80CCF	Deduction in respect of subscription to long-term infrastructure bonds.	01-04-2012 AY2012-13	Deduction extended to AY 2012-13
80IA	Deductions in respect of profits and gains from industrial undertakings or enterprises engaged in infrastructure	01-04-2012 AY2012-13	Cut of date extended from 31-03-2011 to 31-03-2012 for those undertakings engaged in generation or distribution in power sector.

	development, etc.		
80IB	Deductions to industrial undertakings other than infrastructure development undertakings.	01-04-2012 AY2012-13	For production of mineral oil, the cut off date of on or after 01-04-1997 for shall not apply to blocks licensed under a contract awarded after the 31 st day of March, 2011 under the New Exploration Licencing Policy announced by the Government of India *vide* Resolution No. 0-19018/22/95-0NG.DO.VL, dated the 10th February, 1999 or in pursuance of any law for the time being in force or by the Central or a State Government in any other manner
92C	Computation of arm's length price	01-04-2012 AY2012-13	The allowable variation will be such percentage as may be notified by the Central Government in this behalf.
92CA	Reference to Transfer pricing Officer	01-06-2011 AY2012-13	Power of Transfer pricing Officer enhanced.
94A	Transactions with persons located in a notified jurisdictional area.	01-06-2011 AY2012-13	Taxation of transactions of with parties in notified country or territory outside India.
115A	Tax on dividends, royalty and	01-06-2011 AY2012-13	Change in rates

DEPRECIATION RATES

The following are the prime depreciation rates under the Income Tax Act for the financial year 2010-11 & 2011-2012

Sl No.	Asset	Rate %
01	**Building:**	
	Residential	05
	Factory	10
02	General Plant & Machinery	15
03	Motor Car	15
04	Motor Buses/Lorries Used In Hire	30
05	Computers including Software	60
06	Furniture	10
07	Patents, Know-how, copyrights, licenses etc.	25

INCOME TAX RATES
(Other than individuals and HUF)

Effective Income tax rate for the financial year 2010-11 & 2011-12

Sl. No.	Person / Assessee	2010-11	2011-12	Surcharge	
				2010-11	2011-12`
1	Partnership firms	30%	30%	Nil	Nil
2	Domestic Company	30%	30%	7.5%	5 %
3	Foreign Company	30%	30%	2.5%	2%
4	Local Authority	30%	30%	Nil	Nil
5	**Co-operative society**				
	Income up to Rs 10,000/-	10%	10%	Nil	Nil
	Rs 10,000 to Rs 20,000/-	20%	20%	Nil	Nil
	Rs 20,000 and above	30%	30%	Nil	Nil

Note:

1. Surcharge will be livable on asessee mentioned above if income exceeds Rs 1.00 crore.

2. An education cess of 2% + Secondary & Higher Education Cess of 1% shall be charged over and above the tax and surcharge.

COST INFLATION INDEX (CII)

Chart showing Cost Inflation Index for Long Term Capital Gain purpose from Financial Year 1981-82

Sl.No	Financial Year	CII	Sl.No	Financial Year	CII
01	1981-82	100	16	1996-97	305
02	1982-83	109	17	1997-98	331
03	1983-84	116	18	1998-99	351
04	1984-85	125	19	1999-00	389
05	1985-86	133	20	2000-01	406
06	1986-87	140	21	2001-02	426
07	1987-88	150	22	2002-03	447
08	1988-89	161	23	2003-04	463
09	1989-90	172	24	2004-05	480
10	1990-91	182	25	2005-06	497
11	1991-92	199	26	2006-07	519
12	1992-93	223	27	2007-08	551
13	1993-94	244	28	2008-09	582
14	1994-95	259	29	2009-10	632
15	1995-96	281	30	2010-11	711

Example:

Date of Transfer /Sale = 15-02-2011
Sale Consideration = 2 lacs
Cost of acquisition = 1.00 lacs
Date of acquisition = 16-03-2004
Indexed Cost would be: 1.00 x (711/463) = 1.54 lacs

	technical service fees in case of foreign companies		
115BBO	Tax on certain dividends received from foreign companies.	01-04-2012 AY2012-13	In case of dividend distributed by subsidiary foreign company, the income-tax payable shall be the aggregate of the amount of income-tax calculated on the income by way of such dividends at the rate of fifteen per cent. and the amount of income-tax with which the assessee would have been chargeable had its total income been reduced by the amount of aforesaid income by way of dividends. Also no deduction shall be allowed in computing such income.
115JB	Minimum Alternate Tax	01-04-2012 AY2012-13	Rate increased to 18.50%. Exemption to business carried on, or services rendered, by an entrepreneur or a Developer, in a Unit or Special Economic Zone withdrawn.
115JC 115JD 115JE 115JF	Special provisions relating to certain limited liability partnerships.	01-04-2012 AY2012-13	Provisions related to payment of tax and tax credit to LLPS

115-O	Tax on distributed profits of domestic companies.	01-06-2011 AY2012-13	Provisions of sub section 6 shall cease to have effect from the 1 st day of June, 2011. Accordingly, tax on distributed profits shall be chargeable under this section on any amount declared, distributed or paid by way of dividends by the aforesaid undertaking or enterprise on or after the 1 st day of June, 2011.
115R(2)(i) 115R(2)(ia) 115R(2)(iii)	Tax on distributed income of unit holder	01-06-2011 AY2012-13	Additional Income tax payable by a money market mutual fund or a liquid fund shall be: 25% for individual/HUF 30% for others Additionali Income tax payable on any income distributed to any other person by a fund other than a money market mutual fund or a liquid fund shall be 30% as against existing 20%
131	Power regarding discovery, production of evidence, etc.	01-06-2011	Power extended to investigation or inquiry in relation to DTAA
133	Power to call for information	01-06-2011	Power extended to investigation or inquiry in relation to DTAA

NSC INTEREST TABLE

Accrued Interest per year on investment of Rs. 100/- (To take benefit of Income Tax Act under section 80C)							
Year	**Period of Investment**	**Till 31/12/98**	**1/1/99 to 14/1/00**	**15/1/00 to 28/2/01**	**1/3/01 to 28/2/02**	**1/3/02 to 28/2/03**	**After 1/3/03**
	Interest Rate %	12.00	11.50	11.00	09.50	09.00	08.00
1		12.40	11.83	11.30	09.72	09.20	08.16
2		13.90	13.23	12.58	10.67	10.05	08.83
3		15.60	14.80	14.00	11.71	10.97	09.55
4		17.50	16.54	15.58	12.85	11.98	10.33
5		19.70	18.51	17.35	14.10	13.10	11.17
6		22.40	20.69	19.31	15.47	14.29	12.08
7	Total Interest	101.50	95.60	90.12	74.52	69.59	60.12
Maturity Amount with Interest		201.50	195.60	190.12	174.52	169.59	160.10

Example:

1. Investment date = 26-02-2009
   Investment Amount = 5000/-

   The Amount of interest to be taken for deduction u/s 80C for the AY 2011-12 would be = 5000 x (8.83/100) = 441.50

2. Investment date = 16-03-2010
   Investment Amount = 10000/-

   The Amount of interest to be taken for deduction u/s 80C for the AY 2011-12 would be = 10000 x (8.16/100) = 816/-

MAINTENANCE OF ACCOUNTS

1. **In the instances of the following profession, maintenance of books of accounts is compulsory:**
   - Legal
   - Medical *(Form 3C has been prescribed as a Daily Case Register)*
   - Engineering
   - Architectural
   - Accountancy
   -Technical Consultancy
   -Interior Decoration
   - Profession of Information Technology
   - Company Secretary
   - Authorised representative, and
   - Film Artist

2. **Other than above, maintenance of books of accounts is compulsory if:**

   (a) If income exceeds 1.20 lacs or the turnover exceeds 10.00 lacs in any three year preceding the previous year , or
   (b) in the first year of the business, the turnover or income is expected to cross the above limit, or
   (c) Profit claimed in the following businesses is lower than the deeming provisions:
   - Profits and gains of business on presumptive basis u/s 44AD
   - Playing, Hiring or Leasing Goods Carriage u/s 44AE

139	Return of Income	01-04-2011 AY2011-12	In case of an assessee being a company entering into international transaction [referred to in section 92E] which is required to furnish a report from an accountant the due date for filing of return of income shall be the 30th day of November of the assessment year.
139(1C)	Return of Income	01-06-2011 AY2012-13	Central Government empowered to exempt any class or classes of persons from the requirement of furnishing a return of income.
139(4C)	Return of Income	01-06-2011 AY2012-13	Any body or authority or Board or Trust or Commission referred to in clause (46) of section 10 and infrastructure debt fund referred to in clause (47) of section 10, respectively, shall also furnish a return of income.
143(1B)	Asesement	01-04-2011	Power of Central Govt to give direction for facilitating centralized processing extended to 31-03-2012.
153	Time Limit for completion of assessments and	01-06-2011	Period for exchange of information with respect to DTAA is excluded

	re-assessments.		from limitation period
153B	Time Limit for completion of assessments and re-assessments in search or requisition cases	01-06-2011	Period for exchange of information with respect to DTAA is excluded from limitation period
194LB	TDS- interest from an infrastructure debt fund.	01-06-2011	5% tax on interest payable to a non-resident, not being a company, or to a foreign company, by an infrastructure debt fund.
245C	Application for settlement of cases	01-06-2011	No action to be initiated in certain cases the additional amount of income-tax payable on the income disclosed in the application exceeds ten lakh rupees.
245D	on receipt of an application	01-06-2011	Power of Settlement Commission to amend orders.
282B	Document Identification Number (DIN)DIN	01-04-2011	The provisions regarding DIN which was to take effect on or after the 1 st day of July, 2011 have been omitted.
285	Information by person responsible for paying interest	01-06-2011	Every person, being a non-resident having liaison office in India shall furnish prescribed statements to A.O.
296	Rules and certain notifications to be	01-06-2011	It is provided that every notification

	placed before Parliament.		issued under sub-section (1 C) of section 139 shall be laid before Parliament
Part A Sch-IV	Recognised Provident Fund	01-01-2011	Time limit for adherence to conditions of approval for a recognition provident fund has been extended to 31-03-2012

WEALTH TAX

Section	Subject	w.e.f.	Changes
220	Procedure on receipt of the application under section 22C.	01-06-2011	Power of Settlement Commission to amend orders.