

PRESS RELEASE

1. The Forms for Return of Income are assessment year specific. The Central Board of Direct Taxes have prepared following eight Return Forms for assessment year 2007-08 under a new series:-

- I.** ITR-1 - return of income for Individuals having salary and interest income and no other income.
- II.** ITR-2 - return of income for Individuals and HUFs having income from any source except from business or profession.
- III.** ITR-3 - return of income for Individuals and HUFs being partners in firms and not having proprietary business or profession.
- IV.** ITR-4 - return of income for Individuals and HUFs having proprietary business or profession.
- V.** ITR-5 - combined form for return of income and fringe benefits for Firms/AOP/BOI .
- VI.** ITR-6 - combined form for return of income and fringe benefits for Companies.
- VII.** ITR-7 - combined form for return of income and fringe benefits for Charitable / religious trusts, political parties and other non- profit organizations.
- VIII.** ITR-8 - stand alone form for return of fringe benefits for persons who are not liable to file return of income but are liable to file return of fringe benefits

2. All these Forms (except Form ITR-7) have been designed as annexure-less so as to make them amenable for electronic filing.

3. Last year, electronic filing was made compulsory for corporate tax-payers. E-filing of corporate returns has been a resounding success. Therefore, it is important to carry forward this successful initiative. In the Budget Speech – 2007, the Finance Minister had announced that electronic filing of returns would be made mandatory for more categories of taxpayers. Accordingly, for assessment year 2007-08, it would be mandatory for firms liable to tax audit under section 44AB to file their returns electronically. Corporate taxpayers and such firms may either file their return electronically under digital signature or may transmit the data of the return electronically and thereafter submit a one page verification Form which contains a summary of the return transmitted electronically.

4. All other categories of taxpayers (other than charitable trusts, institutions, etc.) will have the option to file the return in a paper form or electronically, as mentioned above, or in a bar-coded return form.

5. Last year, the Government had introduced a cash flow statement for Individuals and HUFs. However, in response to representations against the cash flow statement, the same has been withdrawn. Individual and HUF taxpayers would now be required to furnish only information with regard to transactions which are reported through Annual Information Returns (AIR).

6. The new forms will be available on the Income Tax Department's website <http://incometaxindiaefiling.gov.in> . Government proposes to take the views of the Institute of Chartered Accountants of India on these forms. In the meanwhile taxpayers are advised to familiarize themselves with the new forms. The formal notification will be made on 14.5.2007.

7. The Government would urge taxpayers to use the e-filing option, since it will help the Department to serve them better.