

Instructions for filling out FORM ITR-4

1. Legal status of instructions

These instructions though stated to be non-statutory, may be taken as guidelines for filling the particulars in this Form. In case of any doubt, please refer to relevant provisions of the Income-tax Act, 1961 and the Income-tax Rules, 1962.

2. Assessment Year for which this Form is applicable

This Form is applicable for assessment year **2009-2010** only.

3. Who can use this Form

This Form can be used by a person being an individual or a Hindu Undivided family who is carrying out a proprietary business or profession.

4. Annexure-less Form

No document (including TDS/ TCS certificate, report of audit) should be attached to this form. Official receiving the return has been instructed to detach all documents enclosed with this form and return the same to the assessee.

5. Manner of filing this Form

This Form can be submitted to the Income Tax Department in any of the following manners, -

- (i) by furnishing the return in a paper form;
- (ii) by furnishing the return electronically under digital signature;
- (iii) by transmitting the data in the return electronically and thereafter submitting the verification of the return in Form ITR-V;
- (iv) by furnishing a bar-coded paper return.

Where the form is furnished in the manner mentioned at 5(iii), you need to print out two copies of Form ITR-V. Both copies should be verified by the assessee and submitted to the Income-tax Department. The receiving official shall return one copy after affixing the stamp and seal.

6. Filling out the acknowledgement

Where the form is furnished in the manner mentioned at 5(i) or 5(iv), acknowledgement slip attached with this Form should be duly filled out.

7. Form not to be filled in duplicate

This form is not required to be filed in duplicate.

8. Intimation of processing under section 143(1)

The acknowledgement of the return is deemed to be the intimation of processing under section 143(1). No separate intimation will be sent to the taxpayer unless there is a demand or refund.

9. Codes for filling out this Form

Some of the details in this form have to be filled out on the basis of the relevant codes. These are as under:-

- (i) The code (to be filled in the section "Filing Status" on first page) for sections under which the return is filed are as under:-

Sl.No.	How the return is filed	Code
i.	Voluntarily before the due date (31.7.2009)	11
ii.	Voluntarily after the due date	12
iii.	In response to notice under section 142(1)	13
iv.	In response to notice under section 148	14
v.	In response to notice under section 153A/ 153C	15

- (ii) The codes for nature of business to be filled in 'Part-A- Nature of business' are as under-

Sector	Sub-Sector	Code
(1) Manufacturing Industry	Agro-based industries	0101
	Automobile and Auto parts	0102
	Cement	0103
	Diamond cutting	0104
	Drugs and Pharmaceuticals	0105
	Electronics including Computer Hardware	0106
	Engineering goods	0107
	Fertilizers, Chemicals, Paints	0108
	Flour & Rice Mills	0109
	Food Processing units	0110
	Marble & Granite	0111
	Paper	0112
	Petroleum and Petrochemicals	0113
	Power and energy	0114
	Printing & Publishing	0115
	Rubber	0116
	Steel	0117
Sugar	0118	
Tea, Coffee	0119	
Textiles, handloom, Power looms	0120	
Tobacco	0121	
Tyre	0122	

	Vanaspati & Edible Oils	0123
	Others	0124
(2) Trading	Chain Stores	0201
	Retailers	0202
	Wholesalers	0203
	Others	0204
(3) Commission Agents	General Commission Agents	0301
(4) Builders	Builders	0401
	Estate Agents	0402
	Property Developers	0403
	Others	0404
(5) Contractors	Civil Contractors	0501
	Excise Contractors	0502
	Forest Contractors	0503
	Mining Contractors	0504
	Others	0505
(6) Professionals	Chartered Accountants, Companies Secretaries, etc.	0601
	Fashion designers	0602
	Legal professionals	0603
	Medical professionals	0604
	Nursing Homes	0605
	Specialty hospitals	0606
	Others	0607
(7) Service Sector	Advertisement agencies	0701
	Beauty Parlours	0702
	Consultancy services	0703
	Courier Agencies	0704
	Computer training/educational and coaching institutes	0705
	Forex Dealers	0706
	Hospitality services	0707
	Hotels	0708
	I.T. enabled services, BPO service providers	0709
	Security agencies	0710
	Software development agencies	0711
	Transporters	0712
	Travel agents, tour operators	0713
	Others	0714
(8) Financial Service Sector	Banking Companies	0801
	Chit Funds	0802
	Financial Institutions	0803
	Financial service providers	0804
	Leasing Companies	0805
	Money Lenders	0806
	Non-Banking Finance Companies	0807
	Share Brokers, Sub-brokers, etc.	0808
	Others	0809
(9) Entertainment Industry	Cable T.V. productions	0901
	Film distribution	0902
	Film laboratories	0903
	Motion Picture Producers	0904
	Television Channels	0905
	Others	0906

(iii) In Schedule SI, the codes for the sections which prescribe special rates of tax for the income mentioned therein are as under:-

Sl. No.	Nature of income	Section	Rate of tax	Section code
1.	Tax on accumulated balance of recognised provident fund	111	To be computed in accordance with rule 9(1) of Part A of fourth Schedule	1
2.	Short term capital gains	111A	15	1A
3.	Long term capital gains (with indexing)	112	20	21
4.	Long term capital gains (without indexing)	112	20	22
5.	Dividends, interest and income from units	115A(1)(a)	20	5A1a

	purchase in foreign currency			
6.	Income from royalty or technical services where agreement entered between 31.3.1961 to 31.3.1976 in case of royalty and between 29.2.1964 and 31.3.1976, and agreement is approved by the Central Government.	Paragraph EII of Part I of first schedule of Finance Act	50	FA
7.	Income from royalty & technical services	115A(1)(b) if agreement is entered on or before 31.5.1997	30	5A1b1
8.	Income from royalty & technical services	115A(1)(b) if agreement is entered on or after 31.5.1997 but before 1.6.2005	20	5A1b2
9.	Income from royalty & technical services	115A(1)(b) if agreement is on or after 1.6.2005	10	5A1b3
10.	Income received in respect of units purchase in foreign currency by a off-shore fund	115AB(1)(a)	10	5AB1a
11.	Income by way of long-term capital gains arising from the transfer of units purchase in foreign currency by a off-shore fund	115AB(1)(b)	10	5AB1b
12.	Income from bonds or GDR purchases in foreign currency or capital gains arising from their transfer in case of a non-resident	115AC(1)	10	5AC
13.	Income from GDR purchased in foreign currency or capital gains arising from their transfer in case of a resident	115ACA(1)	10	5ACA
14.	Profits and gains of life insurance business	115B	12.5	5B
15.	Winnings from lotteries, crosswords puzzles, races including horse races, card games and other games of any sort or gambling or betting of any form or nature whatsoever	115BB	30	5BB
16.	Tax on non-residents sportsmen or sports associations	115BBA	10	5BBA
17.	Tax on income from units of an open – ended equity oriented fund of the Unit Trust of India or of Mutual Funds	115BBB	10	5BBB
18.	Anonymous donations	115BBC	30	5BBC
19.	Investment income	115E(a)	20	5Ea
20.	Income by way of long term capital gains	115E(b)	10	5Eb
21.	Double Taxation Agreement			DTAA

- (iii) In Schedule AIR, the details of following transactions, if any, entered by you during the financial year 2008-09 are to be entered. (If a transaction is not entered, please leave blank the relevant column in this item).

Sl.No.	Code	Nature of transaction
1.	001	Cash deposits aggregating to ten lakh rupees or more in a year in any savings account by you maintained in a banking company to which the Banking Regulation Act, 1949 (10 of 1949), applied (including any bank or banking institution referred to in section 51 of that Act)
2.	002	Payment made by you against bills raised in respect of a credit card aggregating to two lakh rupees or more in a year.
3.	003	Payment made by you of an amount of two lakh rupees or more for purchase of units of Mutual Fund.
4.	004	Payment made by you of an amount of five lakh rupees or more for acquiring bonds or debentures issued by a company or institution.
5.	005	Payment made by you of an amount of one lakh rupees or more for acquiring shares issued by a company.
6.	006	Purchase by you of any immovable property valued at thirty lakh rupees or more.
7.	007	Sale by you of any immovable property valued at thirty lakh rupees or more.
8.	008	Payment made by you of an amount of five lakh rupees or more in a year for investment in bonds issued by Reserve Bank of India.

10. BRIEF SCHEME OF THE LAW- Before filling out the form, you are advised to read the following-

(1) Computation of total income

- (a) "Previous year" is the financial year (1st April to the following 31st March) during which the income in question has been earned. "Assessment Year" is the financial year immediately following the previous year.
- (b) Total income is to be computed as follows, in the following order:

- (i) Classify all items of income under the following **heads of income-**
(A) Salaries; (B) "Income from house property"; (C) "Profit and gains from business or profession"; (D) "Capital gains"; and (E) "Income from other sources". [There may be no income under one or more of the heads at (A), (B), (D) and (E)].
- (ii) Compute taxable income of the current year (i.e., the previous year) under each head of income separately in the Schedules which have been structured so as to help you in making these computations as per provisions of the Income-tax Act. These statutory provisions decide what is to be included in your income, what you can claim as an expenditure or allowance and how much, and also what you cannot claim as an expenditure/allowance.
- (iii) Set off current year's headwise loss(es) against current year's headwise income(s) as per procedures prescribed by the law. A separate Schedule is provided for such set-off.
- (iv) Set off, as per procedures prescribed by the law, loss(es) and/or allowance(s) of earlier assessment year(s) brought forward. Also, compute loss(es) and/or allowance(s) that could be set off in future and is (are) to be carried forward as per procedures prescribed by the law. Separate Schedules are provided for this.
- (v) Aggregate the headwise end-results as available after (iv) above; this will give you "gross total income".
- (vi) From gross total income, subtract, as per procedures prescribed by the law, "deductions" mentioned in Chapter VIA of the Income-tax Act. The result will be the total income. Besides, calculate agricultural income for rate purposes.

(2) Computation of income-tax, surcharge, education cess including secondary and higher education cess and interest in respect of income chargeable to tax

- (a) Compute income-tax payable on the total income. Special rates of tax are applicable to some *specified* items. Include agricultural income, as prescribed, for rate purposes, in the tax computation procedure..
- (b) Add surcharge as prescribed by the law on the above tax payable.
- (c) Add Education cess including secondary and higher education cess as prescribed on the tax payable plus surcharge.
- (d) Claim relief(s) as prescribed by the law, on account of arrears or advances of salary received during the year or of double taxation and calculate balance tax and surcharge payable.
- (e) Add interest payable as prescribed by the law to reach total tax, surcharge and interest payable.
- (f) Deduct the amount of prepaid taxes, if any, like "tax deducted at source", "advance-tax" and "self-assessment-tax". The result will be the tax payable (or refundable).

(3) Obligation to file return

- (a) Every individual and HUF has to furnish the return of his income if his total income before allowing deductions under section 10A or section 10B or section 10BA or Chapter VI-A (i.e., if his gross total income referred to in item 10 of Part B-TI as increased by item 6 of Schedule 10A, item f of Schedule 10A and item f of Schedule 10A of this Form) exceeds the maximum amount which is not chargeable to income tax [Rs. 1,50,000/- in case of individuals below the age of 65 years (other than women) and HUF, Rs. 1,80,000/- in case of women below the age of 65 years, and Rs. 2,25,000/- in case of individuals who are of the age of 65 years or more at any time during the financial year 2008-09].
- (b) The losses, if any, (item-15 of Part B-TI of this Form) shall not be allowed to be carried forward unless the return has been filed on or before the due date.
- (c) The deduction under sections 10A, 10B, 80-IA, 80-IAB, 80-IB and 80-IC shall not be allowed unless the return has been filed on or before the due date.

11. SCHEME OF THE FORM

The Scheme of this form follows the scheme of the law as outlined above in its basic form. The Form has been divided into two parts. It also has thirty-two schedules. The details of these parts and the schedules are as under:-

- (i) Part-A has five sub-divisions as under-
 - a. Part A-GEN mainly seeks general information requiring identificatory and other data;
 - b. Part A-BS seeks the balance sheet as on 31st March,2009;
 - c. Part A-P&L seeks information regarding the Profit and loss account for the financial year 2008-09;
 - d. Part A-OI seeks other information. It is optional in a case not liable for audit under section 44AB
 - e. Part A-QD seeks information regarding quantitative details of the principal item of goods traded. It is optional in a case not liable for audit under section 44AB.
- (ii) The second part, i.e, Part-B is regarding an outline of the total income and tax computation in respect of income chargeable to tax..
- (iii) After Part B, there is –
 - (a) a space for giving details of the transmission of the data of the form if the form has been furnished in accordance with the manner mentioned at instruction No.5(iii).
 - (b) a space for a statutory verification.,
 - (c) A space for filling the details if the return has been prepared by a Tax Return Preparer.
- (iv) On pages 6 to 20, there are 32 schedules details of which are as under-
 - (a) Schedule-S: Computation of income under the head Salaries.
 - (b) Schedule-HP: Computation of income under the head Income from House Property
 - (c) Schedule-BP: Computation of income under the head "profit and gains from business or profession"
 - (d) Schedule-DPM: Computation of depreciation on plant and machinery under the Income-tax Act
 - (e) Schedule DOA: Computation of depreciation on other assets under the Income-tax Act
 - (f) Schedule DEP: Summary of depreciation on all the assets under the Income-tax Act

- (g) Schedule DCG: Computation of deemed capital gains on sale of depreciable assets
- (h) Schedule ESR: Deduction under section 35 (expenditure on scientific research)
- (i) Schedule-CG: Computation of income under the head Capital gains.
- (j) Schedule-OS: Computation of income under the head Income from other sources.
- (k) Schedule-CYLA: Statement of income after set off of current year's losses
- (l) Schedule-BFLA: Statement of income after set off of unabsorbed loss brought forward from earlier years.
- (m) Schedule- CFL: Statement of losses to be carried forward to future years.
- (n) Schedule- 10A: Computation of deduction under section 10A
- (o) Schedule- 10AA: Computation of deduction under section 10AA
- (p) Schedule- 10B: Computation of deduction under section 10B
- (q) Schedule- 10BA: Computation of deduction under section 10BA
- (r) Schedule- 80G: Details of donation entitled for deduction under section 80G
- (s) Schedule- 80IA: Computation of deduction under section 80IA
- (t) Schedule- 80IB: Computation of deduction under section 80IB
- (u) Schedule- 80IC/ 80-IE: Computation of deduction under section 80IC/ 80-IE.
- (v) Schedule-VIA: Statement of deductions (from total income) under Chapter VIA.
- (w) Schedule SPI: Statement of income arising to spouse/ minor child/ son's wife or any other person or association of persons to be included in the income of assessee in Schedules-HP, BP, CG and OS.
- (x) Schedule-SI: Statement of income which is chargeable to tax at special rates
- (y) Schedule-IF: Information regarding partnership firms in which assessee is a partner
- (z) Schedule-EI: Statement of Income not included in total income (exempt incomes)
- (aa) Schedule-AIR: Information regarding transactions which are reported through Annual Information Return under section 285BA.
- (bb) Schedule-IT: Statement of payment of advance-tax and tax on self-assessment.
- (cc) Schedule-TDS1: Statement of tax deducted at source on salary.
- (dd) Schedule-TDS2: Statement of tax deducted at source on income other than salary.
- (ee) Schedule-TCS: Statement of tax collected at source

12. GUIDANCE FOR FILLING OUT PARTS AND SCHEDULES

(1) General

- (i) All items must be filled in the manner indicated therein; otherwise the return maybe liable to be held defective or even invalid.
- (ii) If any schedule is not applicable score across as “---NA---”.
- (iii) If any item is inapplicable, write “NA” against that item.
- (iv) Write “Nil” to denote nil figures.
- (v) Except as provided in the form, for a negative figure/ figure of loss, write “-” before such figure.
- (vi) All figures should be rounded off to the nearest one rupee. However, the figures for total income/ loss and tax payable be finally rounded off to the nearest multiple of ten rupees.

(2) Sequence for filling out parts and schedules

- (i) Part A
- (ii) Schedules
- (iii) Part B
- (iv) Verification
- (v) Details relating to TRP and counter signature of TRP if return is prepared by him.

13. PART A-GEN

Most of the details to be filled out in Part-Gen of this form are self-explanatory. However, some of the details mentioned below are to be filled out as explained hereunder:-

- (a) e-mail address and phone number are optional;
- (b) In case of an individual, for “employer category”, Government category will include Central Government/ State Governments employees. PSU category will include public sector companies of Central Government and State Government;
- (c) The code for sections under which the return is filed be filled as per code given in instruction No.9(i).
- (d) In case the return is being filed by you in a representative capacity, please ensure to quote your PAN in item “PAN of the representative assessee”. In case the PAN of the person being represented is not known or he has not got a PAN in India, the item for PAN in the first line of the return may be left blank. It may please be noted that in the first line of this form, the name of the person being represented be filled.

14. PART A-BS AND PART A-P&L

- (a) The Balance Sheet as on 31st March, 2009 and the profit and loss account for financial year 2008-09 in the formats provided in these parts have to be filled in respect of proprietary business or profession carried out by you during the financial year 2008-09 if you were required to maintain accounts of the business or profession during the year.
- (b) If the matters other than proprietary business are not being accounted for in the books of the proprietary business or profession, these need not to be included in the balance sheet and profit and loss account to be filled in this Part.
- (c) In case, accounts of the business or profession were required to be audited, the items of balance sheet and profit and loss account filled in the these parts should broadly match with the audited balance sheet and profit and loss account.
- (d) In case, you were not required to maintain accounts of the business or profession during the year, please fill out the details mentioned in these parts against portion ‘No account case’.

15. PART A- OI AND PART A-QD

- (a) If the accounts of the business or profession were not required to be audited under section 44AB, it is optional to fill these parts.
- (b) Where the accounts of the business or profession were required to be audited under section 44AB, the details to be filled in these parts which are also required to be reported in the report of audit by the auditors, should broadly match with the details as given in the report of audit.
- (c) Purchases are to be shown exclusive of taxes and the details of taxes paid on the purchases are to be indicated separately in the relevant rows. However, where it is not possible to segregate the details of the different taxes paid on the purchases, the same may be included and shown in the details of purchases.
- (d) In Part A-QD, the quantitative details may be furnished only in respect of principal items.

16. SCHEDULES

(a) Schedule-S-

In case there were more than one employer during the year, please give the details of the last employer. Further, in case, there were more than one employer simultaneously during the year, please furnish the details of the employer you have got more salary. Fill the details of salary as given in TDS certificate(s) (Form 16) issued by the employer(s). However, if the income has not been computed correctly in Form No. 16, please make the correct computation and fill the same in this item. Further, in case there were more than one employer during the year, please furnish in this item the details in respect of total salaries from various employers.

(b) Schedule-HP,-

In case, a single house property is owned by the assessee which is self-occupied and interest paid on the loan taken for the house property is to be claimed as a deduction. This schedule needs to be filled up. If there are more than three house properties, the details of remaining properties be filled in a separate sheet in the format of this Schedule. and attach this sheet with this return. The results of the income/ loss derived from all the properties have to be filled in last row of this Schedule. Following points also need to be clarified,-

- (i) Annual lettable value means the amount for which the house property may reasonably be expected to let from year to year, on a notional basis: Deduction for taxes paid to local authority shall be available only if the property is in the occupation of a tenant, and such taxes are borne by the assessee and not by the tenant and have actually been paid during the year.
- (ii) Deduction is available for unrealized rent in the case of a let-out property. If such a deduction has been taken in an earlier assessment year, and such unrealized rent is actually received in the assessment year in question, the unrealized rent so received is to be shown in item 4a of this Schedule.
- (iii) Item 4b of this Schedule relates to enhancement of rent with retrospective effect. Here mention back years' extra rent received thereon, and claim deduction @ 30% of such arrear rent received.

(c) Schedule-BP,-

- (i) The computation in this schedule has to be started on the basis of profit before tax as shown in item 43 of Part-A- P&L.
- (ii) In case any item of addition or deduction not covered by the items mentioned in this schedule be filled in residual items 21 and 26 of this schedule.
- (iii) In case accounts of business or profession are not maintained, the profit as entered into by you in item 50d of Part A-P&L.
- (iv) In case, agricultural income to be excluded on the basis of rule 7A, 7B or 7C (in business of growing and manufacturing tea, coffee etc), it shall not be included in the item 5c of this schedule.
- (v) In A-37, net profit or loss from business or profession is to be computed, only in special cases, e.g. business of growing and manufacturing tea, coffee, etc., where rules 7A, 7B or 7C is applicable otherwise, the figure of profit/ loss as computed is A-36 may be entered.
- (vi) Income earned by the assessee by way of salary, commission, bonus, interest, etc. from other firms as if in the capacity of a partner, which has not been included in the profit and loss account of the proprietary business needs to be disclosed in item No. A23 in Schedule BP.
- (vii) Item C of this schedule computes the total of profit or loss from business or profession (other than speculative business and profit or loss from speculative business) (item A37 + item B41). Please note that if balance in item B41 in respect of speculative business is a loss, same shall not be set-off against profit from non-speculative business. In such situation, only the figures of item A37 be entered in item C.

(d) Schedule-DPM, Schedule DOA, Schedule DEP and Schedule DCG, -

For sake of convenience, computation of depreciation allowable under the Income-tax Act [other than in case of an undertaking generating electricity which may at its option claim depreciation on straight line method under section 32(1)(i)], has been divided into two parts i.e. in schedules DPM (depreciation on plant and machinery)and DOA (depreciation on other assets). The summary of depreciation as per these schedules has to be shown in schedule DEP. Deemed short term capital gain, if any as computed in schedule DPM and DOA has to be entered into schedule DCG.

(e) Schedule ESR: Deduction under section 35 (expenditure on scientific research), -

In column (2) of this schedule, please furnish the details of deduction to which you are entitled under provisions of this section. In column (1), please enter the amounts of expenses of the nature covered by section 35 which are, if, debited to profit and loss account. Please note that no deduction for depreciation is available in respect of capital asset for which deduction under section 35(1)(iv) has been claimed.

(f) Schedule-CG,-

- (i) If more than one short-term capital asset has been transferred, make the combined computation for all the assets. Similarly, make the combined computation for all the assets if more than one long-term capital asset has been transferred.
- (ii) For computing long-term capital gain, cost of acquisition and cost of improvement may be indexed, if required, on the basis of following cost inflation index notified by the Central Government for this purpose.

Sl.No.	Financial Year	Cost Inflation Index	Sl.No.	Financial Year	Cost Inflation Index
1.	1981-82	100	15.	1995-96	281
2.	1982-83	109	16.	1996-97	305
3.	1983-84	116	17.	1997-98	331
4.	1984-85	125	18.	1998-99	351
5.	1985-86	133	19.	1999-00	389
6.	1986-87	140	20.	2000-01	406
7.	1987-88	150	21.	2001-02	426
8.	1988-89	161	22.	2002-03	447
9.	1989-90	172	23.	2003-04	463
10.	1990-91	182	24.	2004-05	480
11.	1991-92	199	25.	2005-06	497
12.	1992-93	223	26.	2006-07	519
13.	1993-94	244	27.	2007-08	551
14.	1994-95	259	28.	2008-09	582

- (iii) Sections 54/54B/54D/54EC/ 54F/54G/54GA mentioned in this schedule provides exemption on capital gains subject to fulfillment of certain conditions. Exemption under some of these sections is available only in respect of long-term capital gains. Therefore, please ensure that you are claiming the benefit of any of these sections correctly in accordance with the provisions of law.
- (iv) Item C of this Schedule computes the total of short-term capital gain and long-term capital gain (item A6 + item B6). Please note that if balance in item B6 in respect of long-term capital gain is a loss, same shall not be set-off against short-term capital gain. In such situation, the figure of item B6 would be entered as 0 and then the figures of item A6 be added in item C.

(g) Schedule-OS,-

- (i) Against item 1a and 1b, enter the details of gross income by way of dividend and interest which is not exempt.
- (ii) Against item 1c, indicate the gross income from machinery, plant or furniture let on hire and also such income from building where its letting is inseparable from the letting of the said machinery, plant or furniture, if it is not chargeable to income-tax under the head "Profits and gains of business or profession".
- (iii) Income from owning and maintaining race horses is to be computed separately as loss from owning and maintaining race horses cannot be adjusted against income from any other source, and can only be carried forward for set off against similar income in subsequent years.
- (A) (iv) Winnings from lotteries, crossword puzzles, races, etc., are subject to special rates of tax; hence a separate item is provided and the income from these can not be adjusted against the losses arising under the head Income from other sources.
- (v) Item 5 of this Schedule computes the total income chargeable under the head "Income from other sources" (item 1g + item 2 + item 3 + item 4c). If balance in item 4c from owning and maintaining race horses is a loss, please enter 0 and enter the total of item 3 in item 5 only.

(h) Schedule-CYLA,-

- (i) Mention only positive incomes of the current year in column 1, headwise, in the relevant rows.
- (ii) Mention total current year's loss(es), if any, from house property, business or profession and other sources (other than losses from race horses) in the first row against the heading loss to be adjusted under the respective head. These losses are to be set off against income under other heads in accordance with the provisions of section 71. The amount set off against the income of respective heads has to be entered into in columns 2, 3 and 4, in the relevant rows.
- (iii) Mention the end-result of the above inter-head set-off(s) in column 5, headwise, in relevant rows.
- (iv) Total of loss set off out of columns 2, 3 and 4 have to be entered into row vii.
- (v) The losses remaining for set off have to be entered in row viii.

(i) Schedule-BFLA,-

- (i) Mention only positive incomes of the current year (after set-off of loss in Schedule-CYLA in column 1, headwise in relevant rows.
- (ii) The amount of brought forward losses which may be set off are to be entered in column 2 in respective rows.
- (iii) The end result of the set off will be entered in column 3 in respective heads. The total of column 3 shall be entered in row viii which shall give the amount of **gross total income**.
- (iv) The total amount of brought forward losses set off during the year shall be entered in column 2 of row vii.

- (j) **Schedule-CFL,-**
- (i) In this Schedule, the summary of losses carried from earlier years, set off during the year and to be carried forward for set off against income of future years is to be entered.
 - (ii) The losses under the head “house property”, ‘profit and gains of business or profession” short term capital loss and long term capital loss, are allowed to be carried forward for 8 years. However, loss from owning and maintaining race horses can be carried forward only for 4 assessment years.
- (k) **Schedule-10A,-**
- (i) If there are more than one undertaking entitled for deduction under this section, please enter the details of deduction for each undertaking separately.
 - (ii) The amount of deduction under this section for an undertaking shall be as per item 17 of Form No.56F being the report of audit under section 10A.
- (l) **Schedule-10AA,-**
If there are more than one undertaking entitled for deduction under this section, please enter the details of deduction for each undertaking separately.
- (m) **Schedule-10B,-**
- (i) If there are more than one undertaking entitled for deduction under this section, please enter the details of deduction for each undertaking separately.
 - (ii) The amount of deduction under this section for an undertaking shall be as per item 17 of Form No.56G being the report of audit under section 10B.
- (n) **Schedule-10BA,-**
- (i) If there are more than one undertaking entitled for deduction under this section, please enter the details of deduction for each undertaking separately.
 - (ii) The amount of deduction under this section for an undertaking shall be as per item 15 of Form No.56H being the report of audit under section 10BA.
- (o) **Schedule-80G,-**
- (i) In this Schedule, the details of donation given by you which are entitled for deduction under section 80G have to be filled.
 - (ii) In Part-A of this Schedule, the details of donations which are entitled for 100% deduction are to be filled in. Section 80G(1)(i) read with section 80G(2) contains the list of funds/ institutions donations to which are eligible for 100% deduction in hands of the donar.
 - (iii) In Part-B of this Schedule, the details of donations which are entitled for 50% deduction are to be filled in where such donations have been given to the funds/ institutions which are not required to be approved by an authority for this purpose. Section 80G(1)(i) read with section 80G(2) also contains the list of such funds/ institutions.
 - (iv) In Part-C of this Schedule, the details of donations to the funds/ institutions which are approved by the Commissioner of Income-tax for this purpose.
 - (v) Where the aggregate donations referred to in Part-C and donations referred to in sub-clauses (v), (vi), (via) and (vii) of clause (a) and in clauses (b) and (c) of section 80G(2) exceeds 10% of total income (before deduction under other provisions of Chapter VI-A), the excess amount shall be ignored for purpose of computing deduction under section 80G.
- (p) **Schedule-80IA, Schedule-80IB, Schedule-80IC and Schedule-80IE -**
- (i) If there are more than one undertaking entitled for deduction under any of these sections, please enter the details of deduction in relevant schedule for each undertaking separately.
 - (ii) The amount of deduction for an undertaking shall be as per item 30 of Form No.10CCB being the report of audit under section 80-IA/ 80-IB/ 80-IC and 80-IE.
- (q) **Schedule-VIA,-**
- (i) The total of the deductions allowable is limited to the amount of gross total income. For details of deductions allowable, the provisions of the Chapter VI-A may kindly be referred to.
 - (ii) For deductions under sections 80-IA, 80-IB, 80-IC and 80-IE the amount as shown in Schedules 80-IA, 80-IB and 80-IC be filled. The amount of deduction to be claimed under section 80-ID may be shown in this Schedule itself.
 - (iii) Details of other deductions which are available are as under:-
 - (i) Section 80C (Some of the major items for deduction under this section are- amount paid or deposited towards life insurance, contribution to Provident Fund set up by the Government, recognised Provident Fund, contribution by the assessee to an approved superannuation fund, subscription to National Savings Certificates, tuition fees, payment/ repayment for purposes of purchase or construction of a residential house and many other investments)(for full list, please refer to section 80C of the Income-tax Act) (Please note that as provided in section 80CCE, aggregate amount of deduction under section 80C, 80CCC and 80CCD shall not exceed one lakh rupees).
 - (ii) Section 80CCC (Deduction in respect of contributions to certain pension funds).
 - (iii) Section 80CCD (Deduction in respect of contributions to pension scheme of Central Government)
 - (iv) Section 80D (Deduction in respect of Medical Insurance Premium)
 - (v) Section 80DD (Deduction in respect of maintenance including medical treatment of dependent who is a person with disability)
 - (vi) Section 80DDB (Deduction in respect of medical treatment, etc.)
 - (vii) Section 80E (Deduction in respect of interest on loan taken for higher education)
 - (viii) Section 80G (Deduction in respect of donations to certain funds, charitable institutions, etc.)
 - (ix) Section 80GG (Deduction in respect of rents paid)

- (x) Section 80GGC (Deduction in respect of contributions given by any person to political parties)
 - (xi) Section 80JJA (Deduction in respect and gains from business of collecting and processing of bio-degradable waste)
 - (xii) Section 80QQB (Deduction in respect of royalty income, etc., of authors of certain books other than text books)
 - (xiii) Section 80RRB (Deduction in respect of royalty on patents)
 - (xiv) Section 80U (Deduction in case of a person with disability)
- (r) Schedule-SPI,-**
- (i) Furnish the details of income of spouse, minor child, etc., if to be included in your income in accordance with provisions of Chapter V of the Income-tax Act.
 - (ii) The income entered into this Schedule has to be included in the respective head.
 - (iii) Section 10(32) provides exemption to extent of Rs. 1,500/- in respect of minor's income for the purpose of clubbing. Therefore, exclude Rs. 1,500/- from the income of the minor while clubbing the income of the minor in the respective head. However, if income of the minor is to be clubbed in various heads, total exclusion should not exceed Rs. 1,500/-.
- (s) Schedule-SI,-**
- Mention the income included in total income which is chargeable to tax at special rates. The codes for relevant section and special rate of taxes are given in Instruction No.9(iii).
- (t) Schedule-IF,-**
- (i) This Schedule has to be filled for each firm in which you are partner.
 - (ii) In case you are partner in more than 5 firms, a separate sheet may be enclosed giving the details in same format.
 - (iii) In column 1 of the Schedule, furnish the name of the firm and in column 2 furnish the PAN No. of the firm in which the assessee is a partner. In column 3 and 4, the percentage share and amount of share in the profit of the firm as computed in accordance with the provisions of the Income-tax Act. Such share is exempt from tax in hands of the partner.
 - (iv) In column 5, please furnish the amount of capital balance (including the capital on which you are entitled for an interest) in the firm in which you are partner.
- (u) Schedule-EI,-**
- Furnish the details of income like agriculture income, interest, dividend, etc. which is exempt from tax.
- (v) Schedule-AIR,-**
- In this Schedule, please fill out the details as explained in Instruction No.9(iii);
- (w) Schedule-IT,-**
- (i) In this schedule, fill out the details of payment of advance income-tax and income-tax on self-assessment.
 - (ii) The details of BSR Code of the bank branch (7 digits), date of deposit, challan serial no., and amount paid should be filled out from the acknowledgement counterfoil.
- (x) Schedules-TDS1 and TDS2,-**
- (i) In these Schedules fill the details of tax deducted on the basis of TDS certificates(Form 16 or Form No.16A) issued by the deductor(s).
 - (ii) Details of each certificate are to be filled separately in the rows. In case rows provided in these Schedules are not sufficient, please attach a table in same format.
 - (iii) It may please be noted that the TDS certificates are not to be annexed with the Return Form.
 - (iv) In order to enable the Income Tax Department to provide accurate, quicker and full credit for taxes deducted or collected at source, the taxpayer must ensure to quote the **Unique Transaction Number (UTN)** in respect of every TDS transaction. In general the UTN would be printed on the TDS certificate issued by the deductor. However, in case it is not available on the certificate, the taxpayer should separately obtain the UTN either from the deductor or from the website of National Securities Depository Limited (NSDL) at <http://www.tin-nsdl.com>.
- (y) Schedule TCS,-**
- (i) In this Schedule, fill the details of tax collected at source on the basis of TCS certificates (Form No. 27D) issued by the Collector.
 - (ii) In case rows provided in these Schedules are not sufficient, please attach a table in same format.
 - (iii) It may please be noted that the TDS certificates are not to be annexed with the Return Form.
 - (iv) In order to enable the Income Tax Department to provide accurate, quicker and full credit for taxes collected at source, the taxpayer must ensure to quote the **Unique Transaction Number (UTN)** in respect of every TCS transaction. In general the UTN would be printed on the TCS certificate issued by the collector. However, in case it is not available on the certificate, the taxpayer should separately obtain the UTN either from the collector or from the website of National Securities Depository Limited (NSDL) at <http://www.tin-nsdl.com>.

17. PART B-TI-COMPUTATION OF TOTAL INCOME

- (i) In this part the summary of income computed under various heads and as set off in Schedule CFLA and Schedule BFLA is to be entered.
- (ii) Every entry which have to be filled on basis of Schedules have been cross referenced and hence doesn't need any further clarification.

18. PART B-TI-COMPUTATION OF TAX LIABILITY ON TOTAL INCOME

- (a) in item 1a, fill the details of gross tax liability to be computed at the applicable rate. The tax liability has to be computed at the rates given as under:-

(i) In case of **individuals (other than women and individuals who are of the age of 65 years or more at any time during the financial year 2008-09) -**

Income (In Rs.)	Tax Liability (In Rs.)
Upto Rs. 1,50,000	Nil
Between Rs. 1,50,001 - Rs. 3,00,000	10% of income in excess of Rs. 1,50,000
Between Rs. 3,00,001 – Rs. 5,00,000	Rs. 15,000 + 20% of income in excess of Rs. 3,00,000
Above Rs.5,00,000	Rs. 55,000 + 30% of income in excess of Rs. 5,00,000

(ii) In case of **women (other than women who are of the age of 65 years or more at any time during the financial year 2008-09) -**

Income (In Rs.)	Tax Liability (In Rs.)
Upto Rs. 1,80,000	Nil
Between Rs. 1,80,001 - Rs. 3,00,000	10% of income in excess of Rs. 1,80,000
Between Rs. 3,00,001 – Rs. 5,00,000	Rs. 12,000 + 20% of income in excess of Rs. 3,00,000
Above Rs.5,00,000	Rs. 52,000 + 30% of income in excess of Rs. 5,00,000

(iii) In case of **individuals who are of the age of 65 years or more at any time during the financial year 2008-09-**

Income (In Rs.)	Tax Liability (In Rs.)
Upto Rs. 2,25,000	Nil
Between Rs. 2,25,001 – Rs. 3,00,000	10% of income in excess of Rs. 2,25,000
Between Rs. 3,00,001 – Rs. 5,00,000	Rs. 7,500 + 20% of income in excess of Rs. 3,00,000
Above Rs.5,00,000	Rs. 47,500 + 30% of income in excess of Rs. 5,00,000

- (b) In **item 2**, fill the details of surcharge at the rate of ten per cent of item No.1c, if the total income as per item No.11 of Part-B-TI exceeds ten lakh rupees. However, such surcharge shall not exceed the amount being the difference of total income and ten lakh rupees.
- (c) In **item No. 3**, calculate the education cess including secondary and higher education at the rate of three per cent of [item No.1c+ item No. 2]
- (d) In **item No. 5a**, claim the relief if any allowable under section 89 in respect of arrears or advances of salary received during the year.
- (e) In **item 11b**, please furnish the details in accordance with Form 16 issued by the employer(s) in respect of salary income and Form 16A issued by any other person in respect of other income and Form 27D as entered in Schedules TDS-1, TDS-2 and TCS.
- (f) **item 16-** Please quote the MICR code of the bank if you desire to receive the refund through electronic clearing system (ECS). However, it may not be possible to issue the refund in all cases through ECS since the ECS facility is not available across the country.

19. VERIFICATION

- (a) In case the return is to be furnished in a paper format or electronically under digital signature or in a bar coded return format, please fill up the required information in the Verification. Strike out whatever is not applicable. Please ensure that the verification has been signed before furnishing the return. Write the designation of the person signing the return.
- (b) In case the return is to be furnished electronically in the manner mentioned in instruction no. 5(iii), please fill verification form (Form ITR-V)
- (c) Please note that any person making a false statement in the return or the accompanying schedules shall be liable to be prosecuted under section 277 of the Income-tax Act, 1961 and on conviction be punishable under that section with rigorous imprisonment and with fine.

20. DETAILS REGARDING TAX RETURN PREPARER (TRP)

- (a) This return can be prepared by a Tax Return Preparer (TRP) also in accordance with the Tax Return Preparer Scheme, 2006 dated 28th November, 2006.
- (b) If the return has been prepared by him, the relevant details have to be filled by him in item No.18 below verification and the return has to be countersigned by him in the space provided in the said item.
- (c) The Tax Return Preparer is entitled to a maximum fees of Rs. 250/- from the taxpayer. TRP is also entitled to a reimbursement from the Government for following three years as under:-
- 3 per cent of the tax paid on the income declared in the return for the first eligible assessment year (first eligible assessment year means the assessment year if no return has been furnished for at least three assessment years preceding to that assessment year);
 - 2 per cent of the tax paid on the income declared in the return for the second eligible assessment year (second eligible assessment year means the assessment year immediately following the first eligible assessment year);
 - 1 per cent of the tax paid on the income declared in the return for the third eligible assessment year (third eligible assessment year means the assessment year immediately following the second eligible assessment year);
- (d) For these three eligible assessment years, the TRP will be eligible for the fee from the taxpayer to the extent of the amount by which Rs. 250/- exceeds the amount of reimbursement receivable by him from the Government.