

Tax Alert | Delivering Clarity

30 October 2020

Extension of due date for furnishing of income-tax return, audit reports

The Central Board of Direct Taxes has issued notification dated to 29 October 2020, to notify the extension of due date for furnishing of income-tax return and various audit reports under the Income-tax Act, 1961.

Background:

- In view of the challenges faced by taxpayers in meeting the statutory and regulatory compliances due to COVID-19, the government had introduced the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020¹ (Ordinance) on 31 March 2020, which, inter alia, extended various time limits. Subsequently, the Ordinance was replaced by the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act (TAOLA)².
- The government had issued a notification on 24 June 2020³ (First notification) under the Ordinance which, inter alia, extended the due date for all income-tax returns for the Financial Year (FY) 2019-20, corresponding to Assessment Year (AY) 2020-21, to 30 November 2020, and consequently, the date for furnishing various audit reports including tax audit report under the Income-tax Act, 1961 (ITA) was extended to 31 October 2020.
- In order to provide more time to taxpayers for furnishing income-tax returns and various audit reports including the tax audit report, the Central Board of Direct taxes (CBDT) issued a press release dated 24 October 2020⁴, to further extend the time limit for filing of the income-tax return and various audit reports including tax audit report for FY 2019-20 (corresponding to AY 2020-21). The CBDT has now issued a notification dated 30 October 2020⁵ (Second notification) to formalise the extension of due dates announced vide press release dated 24 October 2020.

¹ <http://egazette.nic.in/WriteReadData/2020/218979.pdf>

² Refer our previous alert:

<https://www2.deloitte.com/content/dam/Deloitte/in/Documents/tax/Global%20Business%20Tax%20Alert/in-tax-gbt-alert-government-introduces-the-taxation-and-other-laws-noexp.pdf>

³ Refer our previous alert:

<https://www2.deloitte.com/content/dam/Deloitte/in/Documents/tax/Global%20Business%20Tax%20Alert/in-tax-gbt-alert-extension-of-statutory-time-limits-for-compliances-inter-alia-under-income-tax-law-noexp.pdf>

⁴ Refer our previous alert:

<https://www2.deloitte.com/content/dam/Deloitte/in/Documents/tax/Global%20Business%20Tax%20Alert/in-tax-gbt-extension-of-due-date-for-furnishing-of-income-tax-return-audit-reports-noexp.pdf>

⁵ <https://www.taxsutra.com/sites/taxsutra.com/files/webform/CBDT%20Notification%20No.%20882020.pdf>

Sr. No.	Class of taxpayer	Extended due date provided by first notification ³	Revised Extended due date as per second notification ⁵
A	Income-tax return compliance for FY 2019-20, corresponding to AY 2020-21		
1	Taxpayer being company	30 November 2020	31 January 2021
2	Taxpayer, other than A1 above, who are required to get their accounts audited under ITA or any other law for the time being in force	30 November 2020	31 January 2021
3	Taxpayer being partner of a firm whose accounts are required to be audited under the ITA or any other law for the time being in force	30 November 2020	31 January 2021
4	Taxpayer who is required to furnish a report in Form No. 3CEB (relating to international / specified domestic transactions)	30 November 2020	31 January 2021
5	Other taxpayers	30 November 2020	31 December 2020
B	Furnishing of audit report for FY 2019-20, corresponding to AY 2020-21		
1	Furnishing of various audit reports under the ITA (including tax audit report and report in respect of international / specified domestic transaction)	31 October 2020	31 December 2020
C	Payment of self-assessment tax by small and medium class taxpayers having self-assessment tax liability not exceeding INR 100,000 (~US\$ 1341) for FY 2019-20, corresponding to AY 2020-21		
1	Taxpayers mentioned in point A.1 to A.4 above	30 November 2020	31 January 2021
2	Other taxpayers mentioned in point A.5 above	30 November 2020	31 December 2020

Comments:

- The extension of timeline for filing income-tax return and various audit reports under the ITA shall provide relief to the taxpayers in view of the present crisis arising due to COVID-19.
- The benefit of extended timeline for payment of self-assessment tax for FY 2019-20, is not available to taxpayers whose self-assessment tax liability exceeds INR 100,000. Consequently, interest under

section 234A of the ITA in case of delayed payment of self-assessment tax will be applicable in such cases.

- The due date for filing belated/revised return for FY 2018-19, corresponding to AY 2019-20 continues to be 30 November 2020⁶.

⁶ Refer our previous alert:

<https://www2.deloitte.com/content/dam/Deloitte/in/Documents/tax/Global%20Business%20Tax%20Alert/in-tax-gbt-alert-timeline-extended-for-filing-belated-revised-return-and-selection-of-certain-cases-for-audit-noexp.pdf>



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