

CNK & Associates LLP

News Flash

Extension of certain time limits for various compliances under the Income Tax Act, 1961 by CBDT vide Notification no. 35/2020 dated 24th June 2020

The Central Board of Direct Taxes has further extended certain time limits for compliance under the Income Tax Act, 1961 and related Acts (the Act), to offer relief to tax payers and administration amidst the Covid-19 pandemic. The further extension of various due dates falling due in the upcoming months has been summarized in the table below:

Sr. No.	Due Date pertaining to	Due Date	Extended Due Date
1	Furnishing of Returns for the Assessment Year 2019-2020 (either belated or revised)	30 th June (as extended earlier)	31 st July 2020
2	For making any investment, deposit payment, purchase, acquisition or construction in order to claim exemption from Capital Gains under the provisions of Section 54 to 54G for Assessment Year 2020-21	30 th June (as extended earlier)	30 th September 2020
3	For making any investment, deposit, payment under the provisions of Chapter VI-A (Part B – Deduction in respect of certain payments) for Assessment Year 2020-21	30 th June (as extended earlier)	31 st July 2020
4	Furnishing of return in respect of assessee where the self-assessment tax payable is in excess of INR 1 Lakh (after considering any advance tax / TDS / relief in respect of taxes paid outside India / Relief u/s 89)	30 th November 2020 (However Interest u/s 234A for delay in furnishing of Return of Income will be applicable (from 1 st April 2020- 30 th November 2020))	
5	Furnishing of return in respect of assessee where the self-assessment tax payable is less than or equal to INR 1 Lakh (after considering any advance tax / TDS / relief in respect of taxes paid outside India / Relief u/s 89)	30 th November 2020 (Waiver of interest u/s 234A for delay in furnishing Return of Income up to the due date; i.e. 30 th November 2020)	
6	Furnishing of Statement of Tax Deduction at source and/or Collection of Tax at Source for the month of February or March 2020 or for the quarter ended 31 st March 2020	30 th June 2020 (as extended earlier)	31 st July 2020
7	Certificate for Deduction of Tax at source in respect of payments in the nature of Salary for the Financial Year 2019-20	15 th July 2020 (as extended earlier)	15 th August 2020
9	Payment under Vivad se Vishwas Act, 2020 (without additional tax or interest)	30 th June 2020	31 st December 2020
10	Due Date for PAN – AADHAR linkage	30 th June 2020	31 st March 2021
11	Completion of Assessments for the Assessment Year 2018-19	31 st December 2020 (extended earlier)	31 st March 2021
12	Completion of any proceeding or passing of any order or issuance of any notice, intimation, sanction or approval or such other action by whatever name called, by any authority, commission or tribunal, by	Due Date between 20 th March 2020 and 31 st December 2020	31 st March 2021

Sr. No.	Due Date pertaining to	Due Date	Extended Due Date
	whatever name called, under the provisions of the Specified Act; or Filing of any appeal, reply or application or furnishing any report, document, return, statement or such other record, by whatever name called, under the provisions of the Specified Act		

Specified Act: (i) The Wealth Tax Act, (ii) The Prohibition of Benami Property Transaction Act, 1988 (iii) The Black Money (Undisclosed Foreign Income & Assets) and Imposition of Tax, 2015 (iv) The Direct Tax Vivad se Vishwas Act, 2020 (v) Chapter VII of the Finance Act (No.2), 2004 (vi) Chapter VII of the Finance Act, 2013 (vii) Chapter VIII of the Finance Act, 2016

This notification will come into effect from the 30th of June 2020.

CNK Comments:

- 1. The due date for submission of return of income for Assessment Year 2020-21 had been earlier extended to 30th November 2020. The limit for making various eligible payments and investments to avail exemption in Assessment Year 2020-21 from Capital Gains under the provisions of Sections 54 to 54G has been extended to 30th September vide this notification. For tax-payers yet to finalize their investment decisions with regards to investment in property, the time limit available for deposit in the Capital Gains Account Scheme (CGAS) is up to the due date of filing Return of Income. In view of which, tax-payers can avail the applicable exemptions even if they deposit the money in the CGAS up to the 30th November 2020.*
- 2. It is important to note that extension of due date is only in respect of furnishing return of income. For tax payers having tax liability in excess of INR 1 Lakh, the taxes should be paid on or before the applicable date i.e. 31st July or 31st October 2020. Further, for tax payers in respect of whom the self-assessment tax payable is less than or equal to INR 1 Lakh, interest u/s 234A has been waived. In the event that there is a delay in furnishing return of income beyond the extended date of 30th November 2020, there is a possibility that interest for the period of delay would be reckoned without considering the extension granted for furnishing return of income, i.e. considering the due date to be 31st July 2020. Given that TDS/TCS returns will be filed by 31st July 2020 and tax credit statement will be generated subsequently, there could be difficulties for computing and paying self-assessment tax for assesses to whom due date of 31st July 2020 was applicable for filing their tax return.*
- 3. The notification contains a blanket extension for the due dates in respect of all other compliances under the relevant Act falling between the period 20th March – 31st December 2020, whereby they have been extended to 31st March 2021. In view of which, the due date for the e-TDS /e-TCS returns for the quarters ended 30th June 2020 and 30th September appear to have been extended to 31st March 2021. In absence of any specific extension for compliances post 31st December 2020 in the notification, it may be inferred that for the e- TDS / e-TCS return for the third quarter ending 31st December 2020 the due date would be 31st / 15th January 2021 respectively.*
- 4. In our view, due dates for compliance with regards to filing of SFT Returns for FY 2019-20, FATCA & CRS filing has been extended up to 31st March 2021.*
- 5. The time limit for commencement of operations for units under SEZ claiming deduction under the provisions of Section 10AA of the Act has been extended to 30th September 2020. The same is covered by the press release, and not mentioned in the notification. CDBT clarification in this regard is awaited.*

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