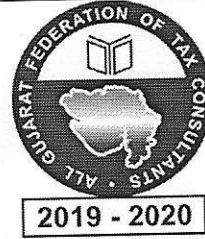




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To,
Hon. Smt Nirmala Sitharaman
Hon. Union Minister of Finance,
Ministry of Finance, Government of India,
North Block, New Delhi – 110 001
Email: fmo@nic.in

Respected Madam,

Ref: [i] Hardships to the income tax payers due to delay in providing e-filing platform and frequent amendments in return preparation Utilities

[ii] Request for extending due date for submitting Tax Audit Reports/related I. Tax returns for financial year ended on 31.03.2019 due to delay in release of utilities and heavy rains [A.Y. 2019-20]

Ref: Order u/s 119 dt. 23.07. 2019 issued by CBDT extending due date for filing returns from 31.07.2019 to 31.08.2019. [F.No./225/157/2019/ITA.II]

1. ABOUT ASSOCIATIONS :-

All Gujarat Federation of Tax Consultants (AGFTC) & Income Tax Bar Association (ITBA)

AGFTC founded in year 1992, is the first & only apex regional body of advocates, chartered accountants & tax practitioners of Gujarat, having membership strength of more than 1400 professionals and institutional membership of 34 from all the districts of Gujarat.

2. **ITBA** is first professional association founded in 1947 comprising of Tax Professionals, Advocates & Chartered Accountants, with membership strength of more than 950 from all over Gujarat. The prime objective of both these associations is not only to work for the cause of its professionals but also educate the public at large and, to act as a catalyst between citizens & government authorities by providing suggestions & inputs relating to administration of I. Tax Law. AGFTC regularly organizes seminars, lectures on tax advocacy and legal awareness in mofussil regions across the Gujarat.
3. We appreciate the commitment and efforts of Govt. to re-orient tax administration to make it pro-tax payer and for providing ease of doing business. The experience of stake holders, since last more than 1 decade, says that Central Board of Direct Taxes [CBDT] has made substantial delays in notifying the ITRs forms and I.T. return preparation software followed by the frequent amendments in schema and validation of rules creating the chaotic situation for assesses and tax professionals, who are required to approach CBDT/Hon. High Court, year after year with a request for extension of due dates for filing the ITRs. Because it is assessee who would have to get agonized and face the consequences of delay in filing return, on account of delay in providing platform for online filing of returns by the CBDT.

4. Most of tax-payers are now mandatorily required to file their returns of income online, either using the return preparation software developed by the third parties or made available by the CBDT. Whenever, if there is change in return/Schema/Validation rules, it requires up dating and providing afresh utility on e-filing portal of the dept. as well as validation of software by the private developers. which in turn is required to be explained and understood by the users and sometimes requires collection of further information/data from the tax-payers by the taxprofessionals.
5. For the A.Y 2019-20, again the CBDT has changed the ITR forms necessitating the changes in software/utilities for online filing of returns in mid of the years from time to time. The annexure downloaded from e-filing portal, providing the chronological details of release, updating of schema/validation rules and date of providing I T Return Preparation Software is submitted herewith for ready reference.
6. Though, CBDT has extended the due date for filing income tax returns from 31st July 2019 to 31st August 2019, in cases of tax payers who are liable to file their income tax returns by the said due date (vide order-F. No. 225/157/2019/ITA.II). The extension of due date 31st July 2019 alsonecessitates the extensions of due date of 30th September, 2019, which is the due date for filing the return of income for the company, persons (other than company) whose accounts are required to be audited under this 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. In these cases, assessee are required to furnish voluminous data in form 3CD, which in turn is required to be tax audited and uploaded on website of dept. followed by furnishing of ITR forms. I. T. return preparation software in cases ITR 3,5,6 & 7, applicable to tax audit returns, have been provided between dates 6-8-2019 to 19-08-2019. [vide annexure]

7. Minimum additional time gap of 2 months provided in the law between both the due dates is compressed to only 30 days [i.e. from 1st September to 30th September, 2019] due to non-extension of due date of 30th September, 2019.

From the historical due dates charts provided in I.T. Act, it can be observed that since A.Y 1989-90 to A.Y 1996-97 the legislature has given an additional time of 2 months to assesses (other than companies) who are required to get their books of accounts audited, then the assesses deriving income from Business & Profession & who are not required to get their books of account audited. From A.Y 2001-02 to 2007-08 the additional time limit given to company and assesses whose accounts are required to be audited is kept at 3 months.

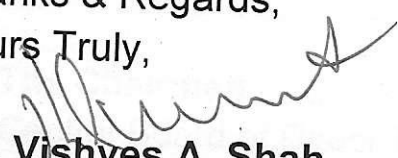
8. From A.Y 2008-09 onwards, although, the due dates for filing return of income are advanced from 31st October to 30th September, but, minimum additional time limit of 2 months is provided in case of assesses who are required to get their books of account audited, then those who are not required to get their accounts audited.
9. It is intriguing that despite of Hon. Gujarat High Court categorical direction, in the case of All Gujarat Federation of Tax Consultants V. CBDT [SPL No. 15075 of 2015], extending the due date for E-filing of the income tax returns in respect of A.Y. 2015-16 due to delay in releasing of e-filing utility, that henceforth, CBDT shall endeavor to ensure that the forms and utilities for e-filing of income tax returns are ordinarily made available on the 1st day of April of the assessment year.

The CBDT ought to have paid heed to the repeated directives of various High Courts and similar requests made by the stake holders in past, and could have notified the amended forms made applicable with effect A.Y. 2019-20 well in advance, before commencement of the relevant assessment year i.e. 1st April, 2019, instead of mid of the assessment year.

11. Hon. Gujarat High Court, in order dated 22nd September, 2014 in the case of All Gujarat Federation of Tax Consultants V. CBDT [SCA No.12656 of 2014] observed that any introduction or new utility/software with additional requirement in the middle of the year ordinarily is not desirable. Any change unless inevitable can be planned well in advance. Keeping in focus such comprehensive process re-engineering may not result in undue hardship to the stake holders.
12. It is requested that CBDT shall also exercise the discretionary powers vested in it under section 119 of the Act, by extending due date of 30th September 2019, to ameliorate the difficulties faced by the assesseees on account of no default on their part, by extending the due date for filing the income tax returns for a one and half month up to 15th November, 2019, on account of the delay in notifying the forms and utilities. Otherwise, it is the assesseees who would have to face the consequences of not filing the returns in time.
13. Though, due to delay in notification of forms, CBDT has extended the due date for filling return of income from 31st July to 31st August in case of assesseees, who are not required to get their books of accounts audited. Non-extending the similar relief to the cases, where due date of filing Tax Audit Report & ITR form falls on 30th Sept. 2019 would be unjustified and cause severe hardship to these assesseees.

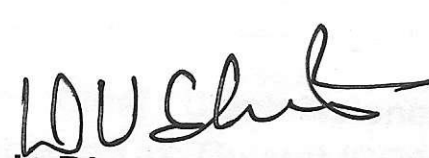
Further, this year rain God has blessed the whole of India in abundance. The heavy rains have been continuing in whole of Gujarat till date, resulting into flood situation in various parts and disruption of normal life & business activities. Non-extension of due date will cause lot of hard ship to assesseees. We look forward to your compassionate response.

Thanks & Regards,
Yours Truly,


CA. Vishves A. Shah
President,
Income Tax Bar Association

M.No. 98254 71182

Adv Dhruvin D. Mehta
Hon. Secretary - ITBA
M. No. 9824500479


Adv Dhruven V. Shah
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CA Asutosh Nanavaty CA Ajit C. Shah CA Satyapal Sadhwani

Ahmedabad

Dated: 11/09/2019

Encl: Annexure

Copies to: (Sir, for kind perusal and favorable action)

<p>1. Hon. Revenue Secretary, Ministry of Finance 128-A, North Block, Secretariat, New Delhi – 110001 Email: rsecy@nic.in</p>	<p>3. The Joint Secretary, TPL-3 CBDT[TPL Division] North Block, New Delhi</p>
<p>2. The Chairman Central Board of Direct Taxes, Ministry of Finance, North Block, Parliament Street. New Delhi – 110001 Email: chairmancbdt@nic.in</p>	<p>4. Pr. Chief Commissioner of Income Tax, Gujarat (CCA) Aayakar Bhavan, Ashram Road, Ahmedabad-380 009</p>