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**By Speed Post / Email**

To,

20th December, 2021

**Hon'ble Smt Nirmala Sitharaman Ji**  
Union Minister of Finance,  
Ministry of Finance,  
Govt. of India,  
North Block, NEW DELHI - 110001

To,

**Shri Ajay Bhushan Pandey**  
Hon'ble Revenue Secretary,  
Central Board of Direct Taxes,  
North Block, NEW DELHI - 110 001

To,

**Shri Jagannath Bidyadhar Mohapatra**  
Chairman, Central Board of Direct Taxes,  
North Block, NEW DELHI - 110 001

**Respected Madam / Sirs,**

**Sub: REPRESENTATION IN RESPECT TO INCOME TAX  
RETURNS AND AUDIT REPORT FOR A.Y. 2021-2022 (F.Y.  
2020-2021)**

Greetings from the All Gujarat Federation of Tax Consultants & Income Tax Bar Association, Ahmedabad. !

All Gujarat Federation of Tax Consultants (AGFTC) established in the year 1992, is the first & only Apex Regional Body of Advocates, Chartered Accountants & Tax Practitioners of Gujarat, having membership strength of 1500 professionals and Institutional membership of 34 from all the Districts of Gujarat.

Income Tax Bar Association is the first professional association established in the year 1947 composed of tax professionals, Advocates & Chartered Accountants, with membership strength of 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 to educate the public at large and to act as a catalyst between Citizens & Government Authorities. AGFTC regularly organizes seminars, lectures on tax advocacy and legal awareness in Mofussil regions across Gujarat.

The Income Tax website also known as the Income tax portal is an important link between the Income Tax Department and the taxpayers of the country. It facilitates filing of tax returns, different forms under the Income Tax Act and also, performing other work pertaining to tax assessments such as providing responses to Notices, checking refund status queries, rectification, grievance redressal, filing of appeal before first appellate authority (i.e. CIT-Appeal), representation through Video Conferencing, etc. The old income tax website was simple yet efficient in facilitating all the aforementioned tasks.

We take this liberty to representing various burring issues being faced by in respect to new web portal of Income Tax managed by Infosys. The Portal is not allowing any compliance to be done or any past record to be accessed. This is very serious, it is not functioning for the purpose it was designed. Apart

from the pandemic, the glitches in the newly launched e-filing site are also giving additional pain to the taxpayers.

The newly launched tax filing portal of the tax department was marred with technical issues from day one of its launch. Many tax filers were finding it difficult to file their returns using the portal. Various stakeholders complained of issues faced during different stages of the filing process.

The pandemic situation is still prevailing with new version of OMICRON in several parts of the country and many taxpayers are under distress and there are multiple lacunas, issues in the functions of the new portal, there are few issue which are yet to be operational and stakeholders are left with no choice but to wait.

We take this liberty to representing various burning issues being faced by stakeholders for compliance in respect to furnishing Income Tax Return due to following hardships:

- (1) The Income Tax Department launched its new e-filing Portal on June 7, 2021 with objectives of ease of tax compliance speedy, easier and more importantly hassles free. However in spite of several representations, meeting with the higher authorities of the web portal developer, it seems to have been no improvement in the e-filing portal. The several tax payers across the country and tax professionals have facing hardship since the launching of e-filing portal for various compliances.
- (2) The utilities for ITR-1, ITR-2 and ITR-4 have been notified but have many problems and frequently changes in the schemas and utilities. Also, utilities ITR-5, ITR-6, and ITR-7 have been notified lately and not properly functional and tax payers' facing hardship for filing of such return due to new web portal. It is pertinent to note that ITR 5 was updated on 9<sup>th</sup> December, 2021 and ITR 6 on 3<sup>rd</sup> December, 2021. Even the Income Tax Audit Forms 3CA, 3CB and 3CD latest version was

released on 9<sup>th</sup> December, 2021. The software companies also take time to update the same and hence the filling gets delayed.

- (3) Charitable Organization is required to furnish Audit Report in prescribed Form 10B u/s.12A (b) of the Income Tax Act, 1961, the Charitable Organizations and Auditors are facing hardship in respect furnishing Audit Report in Form No. 10B. The web portal is not allowing and not accepting Audit Report in Form No. 10B in many cases which causes many hardship. Accordingly it will be very hardship for filing of Income Tax Return without furnishing Form No. 10B and consequently non furnishing of Income Tax Return before due date cause non availability of exemptions u/s.11 to 12 of the Income Tax Act, 1961. Under such circumstance, we propose to extend the time limit for the filing of Form No. 10B at least for 28<sup>th</sup> February, 2022.
- (4) The extended date for filing of returns for individual taxpayers not covered under tax audit is 31 December 2021. Several challenges still remain in the new JSON utility which pose a challenge for individuals to file the tax return within this due date. For instance, there needs to be a quick resolution on errors in the utility related to computation of eligible donation, loss on house property under the simplified tax regime.
- (5) There are operational challenges as well, For instances, the e-filing portal is too slow, filing of Form 67 as required for claim of foreign tax credit and resetting the password is still not possible in the absence of an Indian mobile number or net banking. Further, the AIS and TIS have been made available recently giving very little time for taxpayers review prior to 31 December. As taxpayers are encouraged to review the information in these forms before filing the returns, an extension of the due date is appreciated on the valid hardships of the

## Stakeholders.

- (6) At present, around 60% people have been able to file their tax returns compared to last year. Hence, more than 3.5 crore tax returns are yet to be filed in the next 15 days, which is a very huge number. Further, the income tax website is also altogether new this year with new things like pre-fill data, Annual Information Statement (AIS), Taxpayer Information Summary (TIS) etc. are introduced for the first time.
- (7) That From the financial year 2020-21 (i.e. for the year ended March 2021), the Income Tax Department has rolled out the Annual Information Statement (AIS) which captures extensive financial data of the taxpayer. As such, it becomes important for the taxpayer to not only reconcile their income and reporting requirements with the Form 26AS but also to ensure that they have duly reviewed their reportable transactions / income which is appearing in the AIS. It is notable that AIS database has been recent
- (8) That due date of other statutory compliances under the Direct Taxes and Indirect Taxes clashes on the scheduled due date on 31<sup>st</sup> December, 2021. Due to that the Tax Professional also facing hardship on ground of conflicting with the due date.
- (9) It has been also observed that certain changes in figure in Section 43B column while uploading Tax Audit Reports and loss has not been considered while uploading Income Tax Return while filing u/s. 44AD.
- (10) New ITD Portal is still not fully functional at its 100% level as a glitch free portal where many issues are encountered by many viz. people filing multiple ITRs u/s 139(1) for the same PAN, Incorrect upload of JSON files of one PAN in some other PANs, unable to download Income Tax acknowledgements and/or ITR forms after filing, validations of ITR

Forms, Frequent changes in ITD utilities, Login Issues, time consumed in processing and generating, even after processing of ITR on real time basis, Income Tax Refund payable is shown as awaited, Mismatch in PAN Data when there is no mismatch, PAN Account locking even when PAN Number is active, Filing of Refund Reissue Requests, DSC validation issues, Bank account validation issues, New PAN registrations issues , Data saving issues on ITD Portal etc.

- (11) Some issues still persist from the day one like smooth functioning of Rectification applications, filing of ITR perusal to Notice u/s 139(9), incorrect processing of intimations u/s 143(1), updating of UDIN to map with documents filed on ITD website and so on;
- (12) Issues in Appointment of auditors, Rejection of incorrect audit reports uploaded, reappointment of auditors for filing of original audit reports or revised audit reports and so on;
- (13) Issues in filing of ITR Returns as Representative Assesses as Legal Heirs, mentally incapacitated person or person of unsound mind and Official Liquidators, etc.

These hindrances are making it very difficult for the Assesses, the Chartered Accountants and the Tax Practitioners to comply with even the extended due dates.

Under such circumstance, we are requesting for extension of the following due dates under Income Tax Act, 1961: The due date of furnishing of Return of Income for the Assessment Year 2021-22, should be extended to 28th February, 2022. The due date of furnishing of Report of Audit under any provision of the Act for the Previous Year 2020-21, should be extended to 15th March, 2022. The due date of furnishing of Return of Income for the Assessment Year 2021-22, should

be extended to 31st March, 2022. The due date of furnishing Report from an Accountant by persons entering into international transaction or specified domestic transaction under section 92E of the Act for the Previous Year 2020-21, should be further extended to 31st March 2022.

We assure all our support & co-operation in guiding the taxpayers in fulfilling their compliance obligations required by Law.

Thanking You and Obligated,

Yours Truly,

For and On Behalf Of  
**All Gujarat Federation of Tax Consultants**



Adv Kartikey Shah  
President



Dhruvin Mehta  
Hon. Secretary

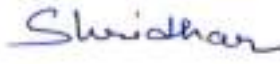


Adv Dhiresh Shah  
Chairman - Representation Committee

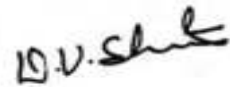
**Income Tax Bar Association, Ahmedabad**



Adv Mrudang Vakil  
President



CA Shridhar Shah  
Hon. Secretary



Adv Dhruven Shah  
Chairman- Representation Committee

**CC :**

To,

Hon'ble Pr. Chief Commissioner of Income Tax, Gujarat

Aaykar Bhavan, Income Tax,

Navrangpura, Ahmedabad-380009.