

## COVID-19: Government extends various time limits under direct tax and Benami laws

The government issued Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 (the Ordinance) on 31 March 2020 to provide several tax and regulatory relief measures in view of the COVID-19 pandemic. The government has now extended certain dates to provide further relief to the taxpayers.

### Compliance related

Activity	Existing due date	New due date
Last date for filing original as well as revised income tax returns for financial year 2018-19 (FY19)	30 June 2020	31 July 2020
Due date for filing income tax return for the FY20	Various dates	30 November 2020
Date for furnishing tax audit report for FY20		31 October 2020

Further, the due date for payment of self-assessment tax, where the tax liability is up to INR 1 lakh has also been extended to 30 November 2020.

### Investment/payment-linked tax deduction

The last date for making various investment/payment under Chapter-VIA-B, including:

- Section 80C like life insurance premium, Public Provident Fund, National Savings Certificate, etc.
- Section 80D for mediclaim
- Section 80G for donations

has been extended from 30 June to 31 July 2020. Thus, payment made up to 31 July 2020 shall be eligible for deduction in FY20.

### Capital gain exemption

The date for making investment or construction or purchase for claiming the rollover benefits, under section 54 to 54GB of the Income-tax Act, 1961 (the Act), of capital gains has also been extended to 30 September 2020, from 30 June 2020. Thus, investment or construction or purchase made up to 30 September 2020 shall be eligible for claiming deduction from capital gains arising during FY20.



### **Commencement of operation by SEZ units**

The date for commencement of operation for the SEZ units (which have received necessary approval by 31 March 2020) for the purpose of claiming tax deduction under section 10AA of the Act has also been extended to 30 September 2020, from 30 June 2020.

### **TDS/TCS compliances**

The date for furnishing of statements and issuance of certificates for tax deducted at source (TDS) and tax collection at source (TCS) for FY20 has been extended to:

- 15 July 2020 for furnishing of TDS or TCS statements by government offices;
- 31 July 2020 for furnishing of TDS and TCS statements by other persons; and
- 15 August 2020 for furnishing of TDS certificate (Form 16).

### **Orders and notices**

The date for all the orders and notices required to be passed/issued by the authorities and various compliances under various direct taxes and Benami laws has been extended from 31 December 2020 to 31 March 2021. Further, the date for linking of Aadhaar with PAN has also been extended to 31st March 2021.

### **Reduced rate for delayed payment of tax**

The ordinance had reduced rate of interest to 9% for delay in payment of taxes, levies, etc. It has now been clarified that such reduced rate shall not be applicable for the payments made after 30 June 2020.

### **Vivad se Vishwas Scheme**

The Finance Minister had extended the last date for making payment under the Scheme without additional amount to 31 December 2020. The new notification has extended the date for the completion or compliance of the actions, which are required to be completed under the Scheme (date of furnishing of declaration, passing of order, etc.) to 31 December 2020.

### **Continuation of pre-amended procedure u/s 10(23C), 12AA, 35 and 80G**

It has been clarified that the old procedure for approval / registration / notification of certain entities under Sections 10(23C), 12AA, 35 and 80G of the Act would continue to be followed till 30 September 2020.

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