

A Study on Significant Changes Incorporated in the ITR-1 (SAHAJ) for the Assessment Year 2020-21 under the Income Tax Act, 1961

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ABSTRACT

In this paper, an attempt has been made to study the changes that has been incorporated in the recently notified ITR-1 (SAHAJ) for the A.Y. 2020-21 under the Income Tax Act, 1961. A detailed analysis of the amendments that has been made in the income tax laws with respect to filing of the ITR-1 for A.Y. 2020-21 and a comparative analysis between ITR-1 of A.Y. 2019-20 and 2020-21 has revealed that certain noteworthy changes have been incorporated in the ITR-1 for A.Y. 2020-21. Significant changes have been incorporated in the PART A - GENERAL INFORMATION segment and PART C - DEDUCTIONS AND TAXABLE TOTAL INCOME segment besides insertion of a new schedule "Schedule DI - Details of Investment". The current study has revealed that the CBDT has expanded the scope of disclosure requirements in the ITR-1 which is expected to provide more transparency and reduced litigation with respect to ITRs filed.

Keywords-- Filing Income Tax Return, ITR-1 (SAHAJ) for A.Y. 2020-21, Schedule DI, Sec 80EEA, Sec 80EEB, Seventh Proviso to Sec 139(1)

I. INTRODUCTION

Abiding by the income tax laws of the land, every year the tax payers are required to self-assess the amount of taxes on their income earned during the financial year and file a return (ITR) with respect to the same. Compliance to this crucial aspect of tax administration is very important as taxes constitute the major source of revenue for the Government. As such, tax administration should have in place strategies and structures to ensure that non-compliance with tax law is kept to a minimum [1]. In India, Income Tax Act, 1961 governs the income tax laws and the various provisions therein state the procedure for filing the return of income within a specified period of time [2]. The Central Board of Direct Taxes (CBDT) has been entrusted with the task of administering income tax laws in India and every year it notifies ITR forms for filing the return of income for various categories of taxpayers.

In 29th May, 2020, the CBDT has notified new ITR Forms applicable for the Assessment Year 2020-21 vide notification no. 31/2020 under Income Tax Act, 1961

[3]. The ITR Forms notified for the A.Y. 2020-21 have been revised and they differ from the ITR Forms which were notified for the A.Y. 2019-20. The basic purpose behind revision in the ITR forms is to incorporate the changes due to amendments made in the income tax law through the Finance Act 2019 [4]. The persons who are required to file a return of income for the A.Y. 2020-21 need to take a note of the revisions made in the ITR forms and file their tax returns properly. Under the Income Tax Law, seven different ITR forms (ITR-1 to ITR-7) have been prescribed for filing of return of income and for each ITR form certain criteria has been set, on the basis of which the tax payers choose the appropriate ITR form for filing the income tax return.

Among the seven different ITR forms notified for the purpose of filing tax return, the ITR-1 has been highest filed tax return every year. Though ITR-1 is applicable for a single category of tax payer i.e. Individual, it is the highest filed income tax return among the seven different ITR forms. During the financial year 2019-20, out of the 67.79 million ITR e-filed around 48.4% constituted the ITR-1. In a way, it can be said that, the ITR-1 is applicable to a proportionately larger base of total tax payers in comparison to the other ITR forms. Its applicability to a broader tax base signifies its importance in the hierarchy of ITR forms and emphasizes on its filing procedure being simple and easy to comply. Hence, taking a note of each and every changes that has made in the ITR-1 becomes a matter of great importance with respect to their filing of income tax return for a large base of individual tax payers to whom ITR-1 is applicable.

In this paper, an attempt has been made to study the changes that has been incorporated in the ITR-1 for the Assessment Year 2020-21.

II. OBJECTIVE OF THE STUDY

The present study has been designed with the objective of studying the changes incorporated in the ITR-1 relevant for the Assessment Year 2020-21.

III. NEED OF THE STUDY

The complexities of tax laws in India have been a challenge for a considerable number of tax payers to fulfill the various compliances under the same and the provisions with respect to filing of tax returns are no exceptions. A majority of the tax payers in India are dependent on a tax professional for filing of tax returns as well for other tax related compliances. With respect to individual tax payers at lower or middle income level, managing a tax professional is not quite affordable and easy. They often struggle to fulfill their tax compliances efficiently. Simplification of tax laws through reduced provisions and less compliances has become highly essential. For small taxpayers and those with relatively uncomplicated tax affairs, returns should be simple and amount to little more than a single figure for the taxable base (for example, income) and a second figure for tax due and, if needed, interest or penalty for filing after the due date [5]. Studies pertaining to analysis of ITR forms and provisions relating to its filing procedures is expected to contribute in the process of simplification of ITR forms and reduction of compliances with respect to the same.

IV. SCOPE OF THE STUDY

In this paper, an attempt to highlight the significant changes that has been incorporated in the recently notified ITR-1 form for the Assessment Year 2020-21 which seeks a detailed analysis of the same. It further requires a comparison between the ITR-1 forms relevant for A.Y. 2019-20 and A.Y. 2020-21. The scope of this study has been limited to the extent of analysis of ITR-1 applicable for individual category of person under the Income Tax Act, 1961, for the Assessment Year 2020-21.

V. RESEARCH METHODOLOGY

The current study is empirical in nature and is based on secondary sources of information. The Income Tax Act, 1961 and Finance Act, 2019 form the major source of secondary information besides the various Rules, Notifications, Circulars etc. issued by the CBDT relevant to filing of ITR-1 for the A.Y. 2020-21 have been referred to while writing this paper. In order to study the changes incorporated in the ITR-1 relevant for A.Y. 2020-21, the ITR-1 applicable for Assessment Year 2019-20 has been taken into consideration for reference and comparative analysis. Further, information published in the various websites with respect to filing of ITR-1 have been used extensively for the study. The qualitative information collected with respect to the present study have been carefully disseminated in the sections below such that objective set for the study is fulfilled.

VI. REASON FOR CHANGES IN ITR FORMS

The changes in ITR forms are basically an outcome of various amendments in the relevant Finance Act, Income Tax Act, etc. besides certain contrary judicial rulings which prompt the Government to amend the concerned provisions of the Act and resultant ITR schema [6]. The need for incorporation of changes in the ITR forms due to frequent amendments in the income tax law complicates the task of keeping the ITR forms consistent over a period of time. Due to amendments in the tax laws, several provisions which influenced the form and content of the ITRs until the previous financial year might become irrelevant for the current financial. Again, certain provisions might be replaced by newly incorporated ones. Incorporating the amendments in tax laws in the ITR forms and notifying the changes, if there is any, has become a routine task of the CBDT which it usually performs at the beginning of the relevant Assessment Year. However, the voluminous and frequent changes in the compliances have made direct tax compliance including filling in and filing of income tax returns a specialized task and need to be taken seriously as such [7].

The changes that has been incorporated in the ITR forms needs due analysis. A common practice adopted to take a note of the changes incorporated in the ITR form has been comparing it with the previous year relevant ITR form, and the same reveals the changes in the ITR forms for the current assessment year [8]. However, the same is not a full proof approach, instead a detailed analysis of the amendments governing the changes in the relevant ITR form needs to be carried out prior to filing of the tax return by the tax payer.

VII. PROVISIONS RELATING TO REQUIREMENT FOR FILING ITR-1

The Section 139(1) of the Income-tax Act, 1961 prescribes the necessary conditions for compulsory filing of ITR on or before the due date for each category of persons defined under the Income Tax Act. The CBDT has notified seven ITR forms and the tax payers are required to select an appropriate form for filing their return of income. Again, Rule 12(1)(a) prescribes the necessary conditions with respect to applicability of an ITR for filing tax return for a tax payer and according to the same ITR-1 is applicable to only individual category of person. On the basis of nature of income, applicability of the audits and other provisions of the Act, criteria have been set for selection of the appropriate ITR and the due dates for filing the same. Section 139(1) read along with Rule 12(1)(a) signifies that the ITR-1 being applicable to only

individual category of tax payers, the requirement for filing the same hence arises when the total income during the previous year exceeds the basic exemption limit as specified in relevant Finance Act.

VIII. ITR-1 FOR A.Y. 2020-21 AND ITS APPLICABILITY CRITERIA

Every year, the Central Board of Direct Taxes (CBDT) notifies ITR forms relevant for filing the tax returns for the prevailing Assessment Year, incorporating necessary changes due to amendments made in the income tax laws. The ITR-1, also known as SAHAJ, is one of the seven income tax return forms prescribed by the Central Board of Direct Taxes (CBDT). Rule 12(1)(a) of the Income Tax Rules, 1962 prescribes the necessary conditions with respect to applicability for filing ITR-1, which has been observed as below:

1. ITR-1 is applicable to only one category of tax payers i.e. Individual.
2. The Individual tax payer must be a resident other than not ordinarily resident.
3. The total income of the individual tax payer for the financial year should not be more than Rs. 50 lakhs.
4. The total income includes income chargeable under the head--
 - a. "Salaries"
 - b. "Income from House Property", where the individual does not own more than one house property and does not have any brought forward loss or loss to be carried forward under the head.
 - c. "Income from Other Sources", except winnings from lottery or income from race horses and does not have any loss under the head.

The conditions prescribed with respect to applicability of ITR-1 reveals that it shall be restricted to a specified section of resident and ordinarily resident individual tax payers having their sources of income confined to three heads viz. i) Salaries, ii) Income from House Property, iii) Income from Other Sources and their total income for the financial year being not more than Rs. 50 lakhs.

Further, the proviso to Rule 12(1)(a) specifically mention that the ITR-1 shall not be applicable to an Individual tax payer who-

1. has assets (including financial interest in any entity) located outside India;
2. has signing authority in any account located outside India;
3. has income from any source outside India;

4. has income to be apportioned in accordance with provisions of section 5A
5. has claimed deduction under section 57, other than deduction claimed under clause (ia) thereof;
6. is a director in any company;
7. has held any unlisted equity share at any time during the previous year;
8. is assessable for the whole or any part of the income on which tax has been deducted at source in the hands of a person other than the assessee;
9. has claimed any relief of tax under section 90 or 90A or deduction of tax under section 91;
10. has agricultural income, exceeding five thousand rupees;
11. has income taxable under section 115BBDA (dividend income from a domestic company above Rs. 10 lakh);
12. has income of the nature referred to in section 115BBE (tax on undisclosed income referred to in section 68 or section 69 or section 69A or section 69B or section 69C or section 69);

From the above discussion it could be observed that despite being an individual, a tax payer cannot choose ITR-1 for filing tax return until and unless all the conditions specified in Rule 12(1)(a) are satisfied. Further, the insertion of proviso to Rule 12(1)(a) has to an extent reduced the applicability of ITR-1 among the individual tax payers, however, such an insertion has resulted in simplification of the form and content of the ITR-1. Considering the large base of individual category of tax payers under the direct tax regime having income from salary as the primary source income, simplifying the return filing process of such individual tax payers becomes an agenda of utmost importance when it comes to simplification and easy compliance of tax laws.

IX. INSERTION OF SEVENTH PROVISO TO SECTION 139(1) AND CHANGES IN "NATURE OF EMPLOYMENT" COLUMN IN PART A SEGMENT OF ITR

With respect to requirement of filing ITR-1 for the A.Y. 2020-21, certain additional conditions have been newly inserted through seventh proviso to Section 139(1) of the Income Tax Act, 1961, w.e.f. 1-4-2020. The seventh proviso to Section 139(1) states that a person who is not required to file a tax return under section 139(1), must file a return of income if the same has during the previous year-

- (i) deposited an amount or aggregate of the amounts exceeding one crore rupees in one or

- (ii) more current accounts maintained with a banking company or a co-operative bank; or incurred expenditure of an amount or aggregate of the amounts exceeding two lakh rupees for himself or any other person for travel to a foreign country; or
- (iii) incurred expenditure of an amount or aggregate of the amounts exceeding one lakh rupees towards consumption of electricity.

Thus insertion of seventh proviso to Section 139(1) has provided for mandatory filing of return of income for undertaking certain high-value transactions even though the person is otherwise not required to file a return of income due to the fact that total income is below the basic exemption limit [9]. The newly inserted seventh proviso to Section 139(1) in the “Part A General Information” segment of ITR-1 for A.Y. 2020-21 has been highlighted below in Figure 1.

Figure 1: Highlight of changes incorporated in PART A GENERAL INFORMATION segment of ITR-1 for A.Y. 2020-21

FORM ITR-1 SAHAJ		INDIAN INCOME TAX RETURN		Assessment Year	
[For individuals being a resident (other than not ordinarily resident) having total income upto Rs.50 lakh, having Income from Salaries, one house property, other sources (Interest etc.), and agricultural income upto Rs.5 thousand] [Not for an individual who is either Director in a company or has invested in unlisted equity shares] (Refer instructions for eligibility)				2020 - 21	
PART A GENERAL INFORMATION					
PAN	Name	Date of Birth	Aadhaar Number (12 digits)/Aadhaar Enrolment Id (28 digits) (If eligible for Aadhaar No.)		
Mobile No.	Email Address	Address: Flat/Door/Block No. Name of Premises/Building/Village Road/Street/Post Office Area/Locality Town/City/District State Country PIN code			
Filed u/s (Tick) [Please see instruction]	<input type="checkbox"/> 139(1)-On or before due date, <input type="checkbox"/> 139(4)-Belated, <input type="checkbox"/> 139(5)-Revised, <input type="checkbox"/> 119(2)(b)- After Condonation of delay.		Nature of employment- <input type="checkbox"/> Central Govt. <input type="checkbox"/> State Govt. <input type="checkbox"/> Public Sector Undertaking <input type="checkbox"/> Pensioners <input type="checkbox"/> Others <input type="checkbox"/> Not Applicable (e.g. Family Pension etc.)		
Or Filed in response to notice u/s	<input type="checkbox"/> 139(9), <input type="checkbox"/> 142(1), <input type="checkbox"/> 148, <input type="checkbox"/> 153A <input type="checkbox"/> 153C				
If revised/defective, then enter Receipt No. and Date of filing original return (DD/MM/YYYY) / /					
If filed in response to notice u/s 139(9)/142(1)/148/153A/153C or order u/s 119(2)(b)- enter Unique Number/Document / /					
Are you filing return of income under Seventh proviso to section 139(1) but otherwise not required to furnish return of income? - (Tick) <input type="checkbox"/> Yes <input type="checkbox"/> No					
If yes, please furnish following information [Note: To be filled only if a person is not required to furnish a return of income under section 139(1) but filing return of income due to fulfilling one or more conditions mentioned in the seventh proviso to section 139(1)]					
Have you deposited amount or aggregate of amounts exceeding Rs. 1 Crore in one or more current account during the previous year? (Yes/No)			Amount (Rs) (If Yes)		
Have you incurred expenditure of an amount or aggregate of amount exceeding Rs. 2 lakhs for travel to a foreign country for yourself or for any other person? (Yes/ No)			Amount (Rs) (If Yes)		
Have you incurred expenditure of amount or aggregate of amount exceeding Rs. 1 lakh on consumption of electricity during the previous year? (Yes/No)			Amount (Rs) (If Yes)		

A person who is required to file a return of income in ITR-1 owing to fulfillment of any one of the conditions mentioned in the seventh proviso to Section 139(1)(b) shall indicate the same in “Part A: General Information” segment of the ITR. Further, a person should specify therein the conditions which the same has fulfilled mentioning the amount of deposits maintained in a bank or the amount of expenditure incurred as the case may be. Again, in the “Part A: General Information” segment, changes have been incorporated in the “Nature of employment” column. A new “Not applicable” category

has been inserted such that person having income from Family Pension etc. can be categorized herewith. Again, the government employee category has been bifurcated into “Central government” and “State government” employee. In the Figure 2, “Nature of employment” column of ITR-1 for A.Y. 2019-20 has been highlighted and a comparison of the same with the “Nature of employment” column in Figure 1 clearly shows the changes that has been incorporated in ITR-1 of A.Y. 2020-21.

Figure 2: Part A General Information segment of ITR-1 for A.Y. 2019-20

FORM ITR-1 SAHAJ	INDIAN INCOME TAX RETURN		Assessment Year	
	[For individuals being a resident (other than not ordinarily resident) having total income upto Rs.50 lakh, having Income from Salaries, one house property, other sources (Interest etc), and agricultural income upto Rs.5 thousand] [Not for an individual who is either Director in a company or has invested in unlisted equity shares] (Refer instructions for eligibility)		2019 - 20	
PART A GENERAL INFORMATION				
PAN	Name	Date of Birth	Aadhaar Number (12 digit)/Aadhaar Enrolment Id (28 digit) (If eligible for Aadhaar)	
Mobile No.	Email Address	Address: Flat/Door/Block No. No. of Premises/Building/Village Road, Street/Post Office Area/locality Town/City District State Country Pin code		
Filed u/s (Tick) [Please see instruction]	<input type="checkbox"/> 139(1)-On or before due date, <input type="checkbox"/> 139(4)-Belated, <input type="checkbox"/> 139(5)-Revised, <input type="checkbox"/> 119(2)(b)- after condonation of delay.		Nature of employment- <input type="checkbox"/> Govt. <input type="checkbox"/> PSU <input type="checkbox"/> Pensioners <input type="checkbox"/> Others	
Or Filed in response to notice u/s	<input type="checkbox"/> 139(9), <input type="checkbox"/> 142(1), <input type="checkbox"/> 148, <input type="checkbox"/> 153A <input type="checkbox"/> 153C			
If revised/defective, then enter Receipt No. and Date of filing original return (DD/MM/YYYY)				
If filed in response to notice u/s 139(9)/142(1)/148/153A/153C or order u/s 119(2)(b)- enter Unique Number & Date of such Notice or Order				

From the Figure 1 and Figure 2, it could be observed that in the “Part A General Information” segment of ITR-1 for A.Y. 2020-21, two changes have been incorporated.

X. EXTENSION IN PERIOD FOR CLAIMING DEDUCTION UNDER CHAPTER VIA

On 31st March, 2020, the Ministry of Law and Justice issued “Taxation and other Laws (Relaxation of Certain Provisions) Ordinance, 2020” which provided for extension of time limits for making any investment/deposit/payments for the purpose of claiming deduction under Part B of Chapter VIA [10]. As per the Ordinance, the date for making any such investment/deposit/payments has been extended to 30th June, 2020, which is otherwise usually restricted till 31st March of the relevant financial year. Incorporating the effect of the Ordinance issued, the CBDT has inserted a new schedule “Schedule DI”, which has been analyzed in

detail below. The objective behind bringing such an Ordinance is to provide relief to the tax payers keeping in view the challenges faced by them relating to statutory and regulatory compliance matters across sectors due to Covid-19 outbreak.

XI. INSERTION OF NEW SECTIONS (80EEA AND 80EEB) UNDER CHAPTER VIA DEDUCTIONS

Two new sections viz. 80EEA (Deduction in respect of interest on loan taken for certain house property) and 80EEB (Deduction in respect of purchase of electric vehicle) has been incorporated under “Part C – Deductions and Taxable Total Income” segment of ITR-1 of A.Y. 2020-21. In the Figure 3, insertion of newly introduced Sections (Sec 80EEA and Sec 80EEB) under “Part C – Deductions and Taxable Total Income” segment of ITR-1 has been highlighted.

Figure 3: Highlight of insertion of Sec 80EEA and Sec 80EEB column under PART C – DEDUCTIONS AND TAXABLE TOTAL INCOME

PART C – DEDUCTIONS AND TAXABLE TOTAL INCOME (Refer instructions for Deduction limit as per Income-tax Act)									
Whether, you have made any investment/ deposit/ payments between 01.04.2020 to 30.06.2020 for the purpose of claiming any deduction under Part B of Chapter VIA? [Yes/No] (If yes, please fill schedule DI)									
80C	80CCC	80CCD(1)	80CCD(1B)	80CCD(2)	80D <i>(Details are to be filled in the drop down to be provided in e-filing utility)</i>	80DD <i>(Details are to be filled in the drop down to be provided in e-filing utility)</i>	80DDB <i>(Details are to be filled in the drop down to be provided in e-filing utility)</i>	80E	80EE
80EEA	80EEB	80C <i>(Details are to be filled in the drop down to be provided in e-filing utility)</i>	80GG	80GGA <i>(Details are to be filled in the drop down to be provided in e-filing utility)</i>	80GGC	80TTA	80TTB	80U <i>(Details are to be filled in the drop down to be provided in e-filing utility)</i>	
Total deductions					C1	Total Income (B4-C1)			C2

A careful observation of the Figure 3 reveal that separate columns has been drawn for reflecting the amount

of various deductions under Chapter VIA claimed by the tax payer. And the Figure 4 below showing the

“Deductions and Taxable Total Income” segment under Part C of ITR-1 for A.Y. 2019-20 clearly reveal the

changes that has incorporated in the same segment of ITR-1 for A.Y. 2020-21.

Figure 4: PART C – DEDUCTIONS AND TAXABLE TOTAL INCOME segment of ITR-1 for A.Y. 2019-20

PART C – DEDUCTIONS AND TAXABLE TOTAL INCOME (Refer instructions for Deduction limit as per Income-tax Act)										
80C		80D	Drop down to be provided in e-filing utility	80G	Drop down to be provided in e-filing utility specifying name, address and PAN of donee, amount of donation and amount eligible for deduction	80GGA	Drop down to be provided in e-filing utility specifying name, address and PAN of donee, amount of donation and amount eligible for deduction	80TTA		
80TTB	Any Other Deduction (Please specify section)	Drop down to be provided in e-filing utility		Total deductions	C1			Total Income (B4-C1)		C2
Exempt Income: For reporting purpose		Drop down to be provided in e-filing utility mentioning nature of exempt income, relevant clause and section								

The Part C of ITR-1 for A.Y. 2020 has been revised as well as expanded which could be observed after comparing the Figure 3 and Figure 4.

XII. INTRODUCTION OF A NEW SCHEDULE “SCHEDULE DI”

In the Income Tax Returns notified by the CBDT for the A.Y. 2020-21, a new schedule has been introduced “Schedule DI” such that the details of any

investment/deposits/payments made for the purpose of claiming deduction under Chapter VIA are specifically mentioned herewith. The Schedule DI consists of three columns and seeks information of such deductions attributable to investment/expenditure made between 01.04.2020 to 30.06.2020 and has been claimed by the person for the financial year 2019-20. In the Figure 5, the newly inserted “Schedule DI – Details of Investment” has been shown.

Figure 5: Introduction of a new schedule “Schedule DI – Details of Investment”

Schedule DI - Details of Investment		
Investment/ Deposit/ Payments for the purpose of claiming deduction under Part B of Chapter VIA		
Section	Eligible amount of deduction during FY 2019-20 (As per Part C- Deductions and taxable total income)	Deduction attributable to investment/expenditure made between 01.04.2020 to 30.06.2020 (Out of Col No.2)
Col (1) (ii)	Col (2)	Col (3)
80C		
80CCC		
80CCD(1)		
80CCD(1B)		
80CCD(2)		
80D		
80DD		
80DDB		
80E		
80EE		
80EEA		
80EEB		
80G		
80GG		
80GGA		
80GGC		
Total		

From the Figure 5 it could be observed that the information relating to Investment/Deposits/Payments for the purpose of claiming deduction under Part B of Chapter VIA has sought in detail. The deductions attributable to investment/expenditure made between 01.04.2020 to 30.06.2020 have been separately sought besides the information pertaining to the amount of deduction claimed during the financial year 2019-20. The inclusion of “Schedule DI” in the ITR-1 for A.Y. 2020-21 is expected to facilitate the process of tracking deductions claimed under Chapter VIA by the tax payer.

XIII. SUMMARY AND CONCLUSION

From the above discussion, it has been understood that the ITR-1 should be used by an individual category of tax payer only if the conditions stated in Rule 12(1)(a) of the Income Tax Rules, 1962 are being satisfied. Further, with the introduction of seventh proviso to Section 139(1) the filing of ITR has become mandatory for such person who has undertaken certain high-value transactions even though the person is otherwise not required to file a return of income under Section 139(1) of the Income Tax

Act, 1961. A Table 1 has been drawn summarizing the changes in the ITR-1 for A.Y. 2020-21 that have been

discussed in the paper so far.

Table 1: Summary of Changes in ITR-1 FOR A.Y. 2020-21

Sl. No.	Segment/Column	Detail
1.	“Nature of Employment” column under “Part A General Information”	The “Nature of Employment” column of ITR-1 for A.Y. 2020-21 has six categories in comparison to ITR-1 for A.Y. 2019-20 which has four categories under the same. The changes have been done by inserting a new category “Not Applicable” and bifurcating the Govt. Employee category into two new categories viz. Central Govt. and State Govt. in the ITR-1 for A.Y. 2020-21.
2.	Seventh proviso to Section 139(1) under “Part A General Information”	The seventh proviso to Section 139(1) states that a person who is not required to file a tax return under section 139(1), must file a return of income if the same has during the previous year- deposited an amount or aggregate of the amounts exceeding one crore rupees in one or more current accounts maintained with a banking company or a co-operative bank; or incurred expenditure of an amount or aggregate of the amounts exceeding two lakh rupees for himself or any other person for travel to a foreign country; or incurred expenditure of an amount or aggregate of the amounts exceeding one lakh rupees towards consumption of electricity.
3.	Sec 80EEA and Sec 80EEB under “Part C- Deductions and Taxable Total Income”	Two new sections viz. 80EEA (Deduction in respect of interest on loan taken for certain house property) and 80EEB (Deduction in respect of purchase of electric vehicle) has been incorporated under “Part C – Deductions and Taxable Total Income” segment of ITR-1 of A.Y. 2020-21.
4.	Schedule DI - Details of Investment	A new ‘Schedule DI - Details of Investment’ has been included in the ITR-1 for A.Y. 2020-21 seeking information relating to Investment/Deposits/Payments made for the purpose of claiming deduction under Part B of Chapter VIA. Further, the schedule seeks detailed information of deductions attributable to investment/expenditure made between 01.04.2020 to 30.06.2020.

The rationale behind incorporating the changes in the ITR forms has been to facilitate the process of proper filing of the Income Tax Return. Filing of tax return is an important aspect with respect to administration of tax laws and hence facilitating its simple procedure and easy compliance needs to be ensured. From the above discussion it could be concluded that the CBDT has expanded the scope of disclosure requirements in the ITR-1 which is expected to provide more transparency and reduced litigation with respect to ITRs filed. The digitization of return filing process, tax payments, tax returns etc. has empowered the Income Tax Department to cross check and verify the information furnished by the tax payer in the ITR-1 to ensure that the income earned does not escape tax. The increasing trend in the number of tax payers filing their tax return do indicate a growth in adhering to compliances of tax laws, however the small percentage of tax payers in comparison to the total population of the country highlights the uphill task in efficient administration of tax laws in the country.

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