

Comprehensive Update
on
Extension of limitations made by CBDT vide
Notification No. 35/2020 dated 24.6.2020
and
Notification No. 39/2020 dated 29.6.2020 (Corrigendum)
as empowered by the
Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020

1. Chapter II of the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 *{hereinafter referred to as the Relief Ordinance, 2020}* deals with relaxation of certain provisions of specified Act.
2. **Section 3(1)** of the Relief Ordinance, 2020 provides relaxations by way of extension of limitations relating to time limits specified in **or** prescribed under **or** notified under the **specified Act** as defined u/s 2(1)(a) of the Relief Ordinance, 2020 in respect of certain actions of **completions and compliances** as mentioned in clause (a) **and** (b) of section 3(1) of the Relief Ordinance, 2020 which **falls** during the **period from 20.3.2020 to 29.3.2020 up to** 30.6.2020.
3. Clause (c) of section 3(1) of the Relief Ordinance, 2020 also provide similar extension in respect of certain limitations under the Income Tax Act, 1961 relating to investments required to be made under section 54 to 54GB **and** under heading “B” of Chapter VI-A **and** in respect of compliance u/s 10AA.
4. **Section 3(1)** of the Ordinance *{supra}* reads as follows:

“3. (1) Where, **anytime limit** has been **specified in, or prescribed or notified under,** the specified Act which falls during the **period from** the **20th day of March, 2020 to the 29th day of June, 2020** **or** such other date after the 29th day of June, 2020 as the Central Government may, **by** notification, **specify** in this behalf, for the **completion or compliance of such action “as”** -

 - (a) **completion** of any proceeding **or** passing of any order **or** issuance of any notice, intimation, notification, sanction **or** approval **or** **such** other **action**, by whatever name called, by **any** authority, commission **or** tribunal, by whatever name called, under the provisions of the specified Act; **or**
 - (b) **filing** of any appeal, reply **or** application **or** furnishing of any report, document, return, statement **or** **such** other **record**, by whatever name called, under the provisions of the specified Act; **or**
 - (c) in case where the specified Act is the **Income-tax Act, 1961**,-

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- (i) making of investment, deposit, payment, acquisition, purchase, construction **or** such other action, by whatever name called, for the purposes of claiming any deduction, exemption **or** allowance under the provisions contained in-
- (I) sections 54 to 54GB **or** under any provisions of Chapter VI-A under the heading “B.—Deductions in respect of certain **payments**” thereof; **or**
- (II) such other provisions of that Act, subject to fulfilment of such conditions, as the Central Government may, by **notification**, specify; **or**
- (ii) beginning of manufacture **or** production of articles **or** things **or** providing any services referred to in section 10AA of that Act, in a case where the letter of approval, required to be issued in accordance with the provisions of the Special . Economic Zones Act, 2005, has been issued on or before the 31st day of March, 2020,

and where completion **or** compliance of such action has **not** been made within such time, then, the time limit for completion **or** compliance of such action, notwithstanding anything contained in the specified Act, stand extended to the **30th day of June, 2020**, **or** such other date after the 30th day of June, 2020, as the Central Government may, by **notification**, specify in this behalf:

Provided that the Central Government may specify different dates for completion **or** compliance of different actions.

Provided further that such action shall **not** include payment of any amount as is referred to in sub-section (2).”

5. Section 3(1) **enables** the Central Government *to extend the time limit* of 29.6.2020 **as well as** of 30.6.2020 by notification.
6. Now, in exercise of powers conferred u/s 3(1) of the Relief Ordinance, 2020 the Central Government has issued Notification No. 35/2020 dated 24.6.2020, which is as follows:

MINISTRY OF FINANCE
(Department of Revenue)
(CENTRAL BOARD OF DIRECT TAXES)
NOTIFICATION

New Delhi,
the 24th June, 2020

TAXATION AND OTHER LAWS

S.O. 2033(E).— In exercise of the powers conferred by sub-section (1) of section 3 of the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 (2 of 2020) (hereinafter referred to as the Ordinance), the Central Government hereby *specifies, for the purposes of the said sub-section (1),-*

- (i) the **31st day of December, 2020** shall be the ***end date of the period*** during which the time limit specified in, **or** prescribed **or** notified under, ***the specified Act*** falls for ***the*** completion **or** compliance of such action as specified under the said sub-section; **and**
- (ii) the **31st day of March, 2021** shall be the ***end date to which*** the time limit ***for*** completion **or** compliance of such action shall stand extended:

Provided that where ***the*** specified Act is the **Income-tax Act, 1961** **and** ***the compliance*** relates to-

- (i) furnishing of return under **section 139** thereof, for the assessment year commencing on the -
 - (a) 1st day of April, 2019, the ***end date*** shall be extended to the 31st day of July, 2020;
 - (b) 1st day of April, 2020, the ***end date*** shall be extended to the 30th day of November, 2020;
- (ii) delivering of statement of deduction of tax at source under sub-section (2A) of section 200 **or** statement of collection of tax at source under sub-section (3A) of section 206C thereof for the month of February or March, 2020, **or** for the quarter ending on the 31st day of March, 2020, as the case may be, the ***end date*** shall be extended to the **15th day of July, 2020;**
- (iii) delivering of statement of deduction of tax at source under sub-section (3) of section 200 or statement of collection of tax at source under proviso to sub-section (3) of section 206C thereof for the month of February or March, 2020, **or** for the quarter ending on the 31st day of March, 2020, as the case may be, the ***end date*** shall be extended to the **31st day of July, 2020;**
- (iv) furnishing of certificate under section 203 thereof in respect of deduction or payment of tax under section 192 of that Act for the financial year 2019-20, the ***end date*** shall be extended to the **15th day of August, 2020;**
- (v) **section 54 or 54GB** referred to in item (I) of sub-clause (i) of clause (c) of sub-section (1) of section 3 of the Ordinance **or** sub-clause (ii) of the said clause, the ***end date in respect of the time limit “for”*** the

completion or compliance and the end date “for” making the said completion or compliance, shall be the 29th day of September, 2020 and the 30th day of September, 2020 respectively;

(vi) **any provisions of Chapter VI-A under the heading “B.- Deductions in respect of certain payments” thereof, referred to in item (I) of sub-clause (i) of sub-section (1) of section 3 of the Ordinance, the end date in respect “of” the time limit “for” the completion or compliance and the end date “for” making the said completion or compliance, shall be the 30th day of July, 2020 and the 31st day of July, 2020 respectively; and**

(vii) **furnishing of report of audit under any provision thereof for the assessment year commencing on the 1st day of April, 2020, the end date shall be extended to the 31st day of October, 2020:**

Provided further that the extension of the date as referred to in sub-clause (b) of clause (i) of the first proviso shall not apply to **Explanation 1 to section 234A** of the Income-tax Act, 1961 in cases where the amount of tax on the total income as reduced by the clauses (i) to (vi) of sub-section (1) of the said section **exceeds** one lakh rupees :

Provided also that where the **specified Act** is the **Direct Tax Vivad se Vishwas Act, 2020**, the **30th day of December, 2020** shall be the **end date “of” the period** during which the time limit specified in, **or prescribed or notified there under falls for the completion or compliance of the action and the 31st day of December, 2020** shall be the **end date** to which the time limit **“for” completion or compliance** of such action shall stand extended.

2. This notification shall come into force from the 30th day of June, 2020.

[Notification No.35 /2020/ F. No. 370142/23/2020-TPL]
NEHA SAHAY,
Under Secy. (Tax Policy and Legislation Division)

7. The Notification No. 35/2020 dated 24.6.2020 amends **only section 3(1)** of the Relief Ordinance, 2020.
8. The long lines of the first limb of section 3(1) of the Relief Ordinance, 2020 provides extension **“for”** the time limits **specified in, or prescribed or notified under**, the specified Act which **falls** during the **period from the 20th day of March, 2020 to the 29th day of June, 2020 “for” completion or compliance of such action “as”** mentioned in clause (a) and (b) of section 3(1).
9. **Clause (a)** specifies actions of **completions and clause (b)** specifies actions of **compliances**.

10. Clause (i) of the Notification No. 35/2020 dated 24.6.2020 has extended the above period from 20.3.2020 to 29.3.2020 to **31.12.2020**.

11. Therefore, after the above amendment the long lines of the first limb of section 3(1) of the Relief Ordinance, 2020 would read as follows:

Where, **anytime limit** has been specified in, or prescribed or notified under, the specified Act which **falls** during the period from **20th day of March, 2020 to 31st day of December, 2020** for the **completion or compliance** of *such action* “**as**” mentioned in clause (a) and (b) of section 3(1).

12. It means that all time limits **falling** during the period from 20.3.2020 to 31.12.2020 for all actions of completions and compliances as mentioned in clause (a) and (b) under the specified Act shall be eligible for extension as provided in the long line of the second limb of section 3(1) of the Relief Ordinance, 2020.

13. Section 2(1)(a) of the Relief Ordinance, 2020 defines **specified Act** as follows:

- (i) the Wealth-tax Act, 1957;
- (ii) the Income-tax Act, 1961;
- (iii) the Prohibition of Benami Property Transactions Act, 1988;
- (iv) Chapter VII of the Finance (No. 2) Act, 2004;
- (v) Chapter VII of the Finance Act, 2013;
- (vi) the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015;
- (vii) Chapter VIII of the Finance Act, 2016; or
- (viii) the Direct Tax Vivad *se* Vishwas Act, 2020;

14. The long lines of the second limb of section 3(1) of the Relief Ordinance, 2020 provides that where **completion or compliance** of *such action* has **not** been made **within** **such** time, then, the time limit “**for**” **completion or compliance** of *such action*, notwithstanding anything contained in the specified Act, stand extended to the **30th day of June, 2020**.

15. The use of word “**such**” between the words “within” **and** “time” *refers to* the period from 20.3.2020 to 31.12.2020, as mentioned in the long lines of the first limb of section 3(1) of the Relief Ordinance, 2020.

16. Clause (ii) of the Notification No. 35/2020 dated 24.6.2020 has extended the limitations of actions for completions and compliance falling during the above period **from 30.6.2020 to 31.3.2021**.
17. Therefore, after the above amendment the long lines of the second limb of section 3(1) of the Relief Ordinance, 2020 would read as follows:
- and** where **completion or compliance** of **such** action has **not** been made within **such time**, then, the time limit for **completion or compliance** of **such** action, notwithstanding anything contained in the specified Act, **stand extended to the 31st day of March, 2021**, **and** the said extended date has been termed as the **“end date”**.
18. It means that the time limit for actions of **completion or compliance** as mentioned in clause (a) and (b) of section 3(1) of the Relief Ordinance, 2020 under the specified Act falling during the period **from 20.3.2020 to 31.12.2020 stand extended to the 31st day of March, 2021**.
19. It may be pertinent to mention that in order to claim the benefit of above extension following **five conditions** need to be satisfied:
- (i) there has to be some **time limit**;
 - (ii) **such time limit** is either –
 - (a) specified in the special Act, **or**
 - (b) prescribed under the special Act, **or**
 - (c) notified under the special Act.
 - (iii) **such time limit “falls”** during the period **from 20.3.2020 to 31.12.2020**;
 - (iv) **such time limit** must be **“for”** action of **completion** as mentioned in clause (a) of section 3(1) of the Relief Ordinance, 2020; **or**
 - (v) **such time limit** must be **“for”** must be for action of **compliance** as mentioned in clause (b) of section 3(1) of the Relief Ordinance, 2020;

**First proviso, Clause (i)(a)
Exceptions in relation to furnishing of return of income
u/s 139 of the Income Tax Act, 1961 for assessment year 2019-20**

20. **Clause (i)(a)** of the 1st proviso of the Notification No. 35/2020 dated 24.6.2020 provides that where the specified Act is the **Income-tax Act, 1961** {hereinafter

referred to as the IT Act, 1961} and the **compliance** relates to furnishing of return u/s 139 thereof, the **end date** shall be extended to the **31.7.2020** for the assessment year commencing on the 1.4.2019, *i.e.* for the assessment year 2019-20.

Belated return u/s 139(4)

21. As per **section 139(4)** of the IT Act, 1961 a valid return of income for the AY 2019-20 could be **furnished** before the **end** of the relevant assessment year, *i.e.* up to 31.3.2020. In this regards it may be pertinent to reproduce section 139(4) of the Act:
- (4) Any person who has not furnished a return within the time allowed to him under sub-section (1), may furnish the return for any previous year at any time before the end of the relevant assessment year or before the completion of the assessment, whichever is earlier.*
22. It means that the **end date** for furnishing of a **return** of income u/s 139(4) for the AY 2019-20 was 31.3.2020.
23. This **end date** (31.3.2020) qualifies the conditions specified in long lines of the first limb of section 3(1) of the *Relief Ordinance, 2020* and as analysed above.
- (i) It is the **date of time limit** specified in the Income Tax Act, 1961, which a specified Act;
- (ii) It is the **end date of time limit specified in** the Income Tax Act, 1961, which a specified Act;
- (iii) This **end date** falls during the period from 30.3.2020 to 31.12.2020; and
- (vi) This **end date** is **“for”** the action of **compliance** as mentioned in clause (b) of section 3(1) of the *Relief Ordinance, 2020*, read with clause (i) of Notification No. 35/2020 dated 24.6.2020 *i.e.* filing of return of income u/s 139(4) of the Act.
24. Therefore, the **belated return u/s 139(4)** of the Act can now be furnished up to **31.7.2020**.
25. However, **late fee** as per the provisions of **section 234F** shall be applicable.

Revised return u/s 139(5)

26. As per **section 139(5)** of the IT Act, 1961 a valid return of income for the AY 2019-20 furnished u/s 139(1) or u/s 139(4) could be **revised** before the **end** of the

relevant assessment year, *i.e.* up to 31.3.2020. In this regards it may be pertinent to reproduce section 139(5) of the Act:

*(5) If any person, having furnished a return under sub-section (1) or sub-section (4), discovers any omission or any wrong statement therein, he may furnish a revised return at any time before the **end** of the relevant assessment year or before the completion of the assessment, whichever is earlier.*

27. It means that the **end date** for furnishing of a **revised return** of income u/s 139(5) for the AY 2019-20 was 31.3.2020.

28. This **end date** (31.3.2020) qualifies the conditions specified in long lines of the first limb of section 3(1) of the Relief Ordinance, 2020 **and** as analysed above.

(iv) It is the **date of time limit** specified in the Income Tax Act, 1961, which a specified Act;

(v) It is the **end date of time limit specified in** the Income Tax Act, 1961, which a specified Act;

(vi) This **end date** falls during the period from 30.3.2020 to 31.12.2020; and

(vii) This **end date** is **“for”** the action of **compliance** as mentioned in clause (b) of section 3(1) of the Relief Ordinance, 2020, rear with clause (i) of Notification No. 35/2020 dated 24.6.2020 *i.e.* filing of return of income u/s 139(4) of the Act.

29. Therefore, the **revised return u/s 139(5)** of the Act can now be furnished up to **31.7.2020**.

30. The ready reckoner of the extension for **assessment year 2019-20** is as follows:

SN	Clause of Notification No. 35/2020 dated 24.6.2020	Action of compliance	Assessment year	Extended date
1	1(a) of First Proviso	Belated Return u/s 139(4)	2019-20	31.7.2020
2	1(a) of First Proviso	Revised return u/s 139(5)	2019-20	31.7.2020

**First proviso, Clause (i)(b)
Exceptions in relation to furnishing of return of income
u/s 139 of the Income Tax Act, 1961 for assessment year 2020-21**

31. **Clause (i)(b)** of the 1st proviso of the Notification No. 35/2020 dated 24.6.2020 provides that where the specified Act is the **Income-tax Act, 1961**{*hereinafter referred to as the IT Act,1961*} **and** the **compliance** relates to furnishing of return **u/s 139** thereof, the **end date** shall be extended to the **31.11.2020** for the assessment year commencing on the 1.4.2020, *i.e.* for the assessment year 2020-21.
32. As per the provisions of section 139(1) of the Act a return of income is required to be furnished on or before the **due date**.
33. As per the provisions of *Explanation 2* to section 139(1) of the Act, following are the **due dates** for furnishing of return of income 139(1) for assessment year 2020-21 {*as amended by the Finance Act, 2020*}:
- (a) where the assessee other than an assessee referred to in clause (aa) is—
- (i) a company; **or**
- (ii) a person (other than a company) whose accounts are required to be audited under this Act **or** under any other law for the time being in force;
or
- (iii) a partner of a firm whose accounts are required to be audited under this Act **or** under any other law for the time being in force,
- the **31st day of October, 2020**;
- (aa) in the case of an assessee who is required to furnish a report referred to in section 92E, the **30th day of November, 2020**;
- (b) in the case of a person other than a company, referred to in the first proviso to this sub-section, the 31st day of October of the assessment year; {*Applicable up to assessment year 2005-06*}
- (c) in the case of any other assessee, the **31st day of July, 2020**.

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34. As per the provisions of section 139 following type of returns of income are required / allowed to be furnished:

SN	Section	Type of return
1	139(1)	Original return of income
2	139(4)	Belated return of income
3	139(5)	Revised return of income

35. Out of the above returns, for the assessment year 2020-21, only the original return of income u/s 139(1) is due to be furnished on or before 30.11.2020; the **end date** of rest of the two returns is 31st March, 2021. Therefore, the extension of **end date** to **30th November, 2020** for the assessment year 2020-21 relates to the return required to be furnished u/s 139(1) of the Act only.
36. Accordingly, for the **assessment year 2020-21** the end dates for furnishing return of income u/s 139 of the Act are as follows:

SN	Section	Type of return	“end dates” as per the Act as extended <i>vide</i> the Notification No. 35/2020 dated 24.6.2020, r.w. the Relief Ordinance, 2020 dated 31.3.2020
1	139(1)	Original return of income by all companies.	30.11.2020
2	139(1)	Original return of income by a person (other than a company) whose accounts are required to be audited under this Act or under any other law for the time being in force.	30.11.2020

3	139(1)	Original return of income by a partner of a firm whose accounts are required to be audited under this Act or under any other law for the time being in force.	30.11.2020
4	139(1)	Original return of income by an assessee who is required to furnish a report referred to in section 92E.	30.11.2020
5	139(1)	Original return of income by any other assessee not covered by Sl. No. 1 to 5 above.	30.11.2020
6	139(4)	Belated return of income	31.3.2021
7	139(5)	Revised return of income	31.3.2021

**First proviso, Clause (iii)
Exceptions in relation to delivering of TDS statement
u/s 200(3) of the Income Tax Act, 1961
for the month of February or March, 2020, or
for the quarter ending on the 31st day of March, 2020**

37. **Clause (iii)** of the 1st proviso of the Notification No. 35/2020 dated 24.6.2020 provides that for **delivery of statement** of deduction of tax at source under sub-section (3) of section 200 for the month of February **or** March, 2020, **or** for the quarter ending on the 31st day of March, 2020, as the case may be, the **end date** shall be extended to the **31st July, 2020**.
38. Section 200(3) of the Act provides that any person deducting any sum on or after the 1st day of April, 2005 in accordance with the foregoing provisions of this Chapter {Chapter XVII-B} **or**, as the case may be, any person being an employer referred to in sub-section (1A) of section 192 shall, after paying the tax deducted to the credit of the Central Government within the prescribed time, prepare such statements for such period as may be prescribed and deliver or cause to be delivered to the prescribed income-tax authority or the person authorised by such authority **such statement** in such form and verified in such manner and setting forth such particulars and within such time as may be **prescribed**.

39. Such statement is prescribed in **Rule 31A** of the Income Tax Rules, 1962 *{hereinafter referred to as the Rules}*.

40. **Rule 31A** prescribed following statements of TDS:

SN	Relevant Rule	Relevant Section	Statement in Form No.	Periodicity	Remarks
1	31A(1)(a)	192	Form No. 24Q	Quarterly	-
2	31A(1)(b)(i)	193 to 196D	Form No. 27Q	Quarterly	in respect of the deductee who is a non-resident not being a company or a foreign company or resident but not ordinarily resident
3	31A(1)(b)(ii)	193 to 196D	Form No. 26Q	Quarterly	in respect of all other deductees
4	31A(4A)	194-IA	Form No. 26QB	Monthly	-
5	31A(4B)	194-IB	Form No. 26QC	Monthly	-
6	31A(4C)	194M	Form No. 26QD	Monthly	-

41. As per **Rule 31A**, the **due dates** of furnishing the statements of TDS for the month of February and March, 2020 **and** for the quarter ending on the 31st day of March, 2020 are as follows:

SN	Form No.	Period	Due date
1	Form No. 24Q	1.1.2020 to 31.3.2020	31.5.2020

2	Form No. 27Q	1.1.2020 to 31.3.2020	31.5.2020
3	Form No. 26Q	1.1.2020 to 31.3.2020	31.5.2020
4	Form No. 26QB	February, 2020	30.3.2020
5	Form No. 26QB	March, 2020	30.4.2020
6	Form No. 26QC	February, 2020	30.3.2020
7	Form No. 26QC	March, 2020	30.4.2020
8	Form No. 26QD	February, 2020	30.3.2020
9	Form No. 26QD	March, 2020	30.4.2020

42. As per clause (iii) of the 1st proviso of the Notification No. 35/2020 dated 24.6.2020 the **end date** of above statements has been extended to **31st July, 2020**.

Comments on “end date”

43. It may be noted that in the rule 31A(2), in respect of statement in Form No. 24Q, Form No. 27Q and Form No. 26Q, the **“last date”** of furnishing is termed as **“due date”**, whereas in the notification such last date is termed as the **“end date”**. The **“due date”** has been extended by naming it the **“last date”**.
44. Similarly, in the rule 31A(4A), 31A(4B) and 31A(4C) in respect of statement in Form No. 26QB, Form No. 26QC and Form No. 26QD respectively, the **“last date”** of furnishing is within 30 days from the end of the month in which the deduction is made., which in the notification is termed as the **“end date”**.
45. The **“end date”** mentioned in the notification is in fact the **“due date”** or the **“30th day from the end of the month in which the deduction is made”**, both of which are the **“last date”**, failing which a penalty u/s 272A(2)(k) can be imposed.
46. It may relevant to mention here that as per serial No. 2 of the Table under Rule 31(3) of the Rules, TDS certificate in Form 16A is required to be issued within 15 days from the **“due date”** for furnishing the statement of tax deducted at source under rule

31A. The “**due date**” for the 4th Quarter of the financial year 2019-20 has been extended to 31.7.2020 by naming is as the “**end date**”.

47. Similarly, as per rule 37D(3) of the Rules, TCS certificate in Form 27D is required to be issued within 15 days from the “**due date**” for furnishing the statement of tax collected at source under rule 31AA. The “**due date**” for the 4th Quarter of the financial year 2019-20 has been extended to 31.7.2020 by naming is as the “**end date**”.
48. It means that the legislatures intend to use the expression “**end date**” as synonymous to the “**due date**”.

Challan-cum-statement

49. As per Rule 30(2A), (2B) **and** (2C) **tax** deducted under section 194-IA, 194-IB **and** 194M is required **to be paid** within a period of 30 days from the end of the month in which the deduction is made and shall be accompanied by a **challan-cum-statement** in Form No. 26QB, Form No. 26QC **and** Form No. 26QD respectively.
50. Similarly, as per Rule 31A(4A), (4B) **and** (4C) **statement** of tax deducted under section 194-IA, 194-IB **and** 194M is required **to be furnished** within a period of 30 days from the end of the month in which the deduction is made in **challan-cum-statement** in Form No. 26QB, Form No. 26QC **and** Form No. 26QD respectively.
51. The **payment** of TDS is mandated u/s 200(1) and furnishing of **statement** of TDS is mandated u/s 200(3) of the Act. Therefore, both are independent and mutually exclusive compliance. One is compliance of payment and the other is compliance of furnishing of statement.
52. However, section 3(1)(b) of the Relief Ordinance, 2020 r.w the Notification 35/2020 dated 24.6.2020 **has extended** the **action of compliance** only. It **has not extended** the **action of payment** of taxes, which is specifically denied *vide* second proviso to section 3(1) r.w. section 3(2) of the Ordinance {*supra*}.

Late Fee and Penalty

53. Therefore, the **statement** of TDS for the month of February and March, 2020 in Form No. 26QB, 26QC and 26QD can be furnished up to 31st July, 2020 for which neither any late shall be charged u/s 234E of the Act nor any penalty shall be levied u/s 272A(2)(k) of the Act.
54. Similarly, the **statement** of TDS for the 4th quarter of the financial year 2019-20 in Form No. 24Q, 26Q and 27Q can be furnished up to 31st July, 2020 for which neither any late shall be charged u/s 234E of the Act nor any penalty shall be levied u/s 272A(2)(k) of the Act.

Interest

55. Since the notification *{supra}* does to cover section 3(2) of the Ordinance *{supra}*, therefore, the TDS was required to be paid up to 30.6.2020. If the **tax was paid up to 30.6.2020** then interest was required to be paid at the reduced rate of 0.75% for a month or part of the month for the reduced period of delay.
56. However, if the **tax was not paid up to 30.6.2020** then interest is required to be paid @ 1.5% per month or part of the month for the entire period of delay as mentioned in section 201(1A) of the Act.

Ready Reckoner Table

57. The ready reckoner table of the above provisions relating to TDS is as follows:

SN	Form No.	Period	Due date	Extended date	Interest Payable
TDS Quarterly Statement Form No. 24Q {4th Quarter of FY 2019-20}					
1	Form No. 24Q	1.1.2020 to 31.3.2020	31.5.2020	31.7.2020	From 1.5.2020 to 30.6.2020 @ 0.75% pm or part of the month if the tax was paid by 30.6.2020
2	Form No. 24Q	1.1.2020 to 31.3.2020	31.5.2020	31.7.2020	From 1.3.2020 to 31.7.2020 @ 1.5% pm or part of the month if the tax was "not" paid by 30.6.2020
TDS Quarterly Statement Form No. 27Q {4th Quarter of FY 2019-20}					
3	Form No. 27Q	1.1.2020 to 31.3.2020	31.5.2020	31.7.2020	From 1.5.2020 to 30.6.2020 @ 0.75% pm or part of the month if the tax was paid by 30.6.2020

4	Form No. 27Q	1.1.2020 to 31.3.2020	31.5.2020	31.7.2020	From 1.3.2020 to 31.7.2020 @ 1.5% pm or part of the month <i>if the tax was "not" paid by 30.6.2020</i>
TDS Quarterly Statement Form No. 26Q {4th Quarter of FY 2019-20}					
5	Form No. 26Q	1.1.2020 to 31.3.2020	31.5.2020	31.7.2020	From 1.5.2020 to 30.6.2020 @ 0.75% pm or part of the month <i>if the tax was paid by 30.6.2020</i>
6	Form No. 26Q	1.1.2020 to 31.3.2020	31.5.2020	31.7.2020	From 1.3.2020 to 31.7.2020 @ 1.5% pm or part of the month <i>if tax was "not" paid by 30.6.2020</i>
TDS Monthly Statement Form No. 26QB {February, 2020}					
7	Form No. 26QB	February, 2020	30.3.2020	31.7.2020	From 1.4.2020 to 30.6.2020 @ 0.75% pm or part of the month <i>if the tax was paid by 30.6.2020</i>
8	Form No. 26QB	February, 2020	30.3.2020	31.7.2020	From 1.2.2020 to 31.7.2020 @ 1.5% pm or part of the month <i>if the tax was "not" paid by 30.6.2020</i>
TDS Monthly Statement Form No. 26QB {March, 2020}					
9	Form No. 26QB	March, 2020	30.4.2020	31.7.2020	From 1.5.2020 to 30.6.2020 @ 0.75% pm or

					part of the month <i>if the tax was paid by 30.6.2020</i>
10	Form No. 26QB	March, 2020	30.4.2020	31.7.2020	From 1.3.2020 to 31.7.2020 @ 1.5% pm or part of the month <i>if the tax was "not" paid by 30.6.2020</i>
TDS Monthly Statement Form No. 26QC {February, 2020}					
11	Form No. 26QC	February, 2020	30.3.2020	31.7.2020	From 1.4.2020 to 30.6.2020 @ 0.75% pm or part of the month <i>if the tax was paid by 30.6.2020</i>
12	Form No. 26QC	February, 2020	30.3.2020	31.7.2020	From 1.2.2020 to 31.7.2020 @ 1.5% pm or part of the month <i>if the tax was "not" paid by 30.6.2020</i>
TDS Monthly Statement Form No. 26QC {March, 2020}					
13	Form No. 26QC	March, 2020	30.4.2020	31.7.2020	From 1.5.2020 to 30.6.2020 @ 0.75% pm or part of the month <i>if the tax was paid by 30.6.2020</i>
14	Form No. 26QC	March, 2020	30.4.2020	31.7.2020	From 1.3.2020 to 31.7.2020 @ 1.5% pm or part of the month <i>if the tax was "not" paid by 30.6.2020</i>
TDS Monthly Statement Form No. 26QD {February, 2020}					

15	Form No. 26QD	February, 2020	30.3.2020	31.7.2020	From 1.4.2020 to 30.6.2020 @ 0.75% pm or part of the month if the tax was paid by 30.6.2020
16	Form No. 26QD	February, 2020	30.3.2020	31.7.2020	From 1.2.2020 to 31.7.2020 @ 1.5% pm or part of the month if the tax was "not" paid by 30.6.2020
TDS Monthly Statement Form No. 26QD {March, 2020}					
17	Form No. 26QD	March, 2020	30.4.2020	31.7.2020	From 1.5.2020 to 30.6.2020 @ 0.75% pm or part of the month if the tax was paid by 30.6.2020
18	Form No. 26QD	March, 2020	30.4.2020	31.7.2020	From 1.3.2020 to 31.7.2020 @ 1.5% pm or part of the month if the tax was "not" paid by 30.6.2020

**First proviso, Clause (iii)
Exceptions in relation to delivering of TCS statement
u/s 206(3) of the Income Tax Act, 1961
for the month of February or March, 2020, or
for the quarter ending on the 31st day of March, 2020**

58. **Clause (iii)** of the 1st proviso of the Notification No. 35/2020 dated 24.6.2020 also provides that for **delivery of statement** of collection of tax at source under sub-section (3) of section 206 for the quarter ending on the 31st day of March, 2020, the **end date** shall be extended to the **31st July, 2020**.
59. Section 206(3) of the Act provides that any person collecting any amount under this section shall pay within the prescribed time the amount so collected to the credit of the Central Government or as the Board directs :

Provided that the person collecting tax on or after the 1st day of April, 2005 in accordance with the foregoing provisions of this section shall, after paying the tax collected to the credit of the Central Government within **the prescribed** time, prepare **such statements** for such period as may be **prescribed** and deliver or cause to be delivered to the prescribed income-tax authority, or the person authorised by such authority, **such statement** in such form and verified in such manner and setting forth such particulars and within such time as may be **prescribed**.

60. Such **statement** is prescribed in **Rule 31AA** of the Rules.
61. **Rule 31AA** prescribed **Form No. 27EQ** for furnishing **statements of TCS and** for the period from 1.1.2020 to 31.3.2020 the same was required to be furnished by the due date **15.4.2020**.
62. As per clause (iii) of the 1st proviso to Notification No. 35/2020 dated 24.6.2020 the **end date** of above statements has been extended to **31st July, 2020**.

Comments on “end date”

63. It may be noted that in the rule 31AA(2), in respect of statement in Form No. 26EQ, the **“last date”** of furnishing is termed as **“due date”**, whereas in the notification such last date is termed as the **“end date”**.
64. The **“end date”** mentioned in the notification is in fact the **“due date”**, which is in fact the **“last date”**, failing which a penalty u/s 272A(2)(k) can be imposed.

Late Fee and Penalty

65. However, if such statement is furnished on or before 31.7.2020, neither any late fee can be charged u/s 234E nor any penalty can be levied u/s 272A(2)(k).

Interest

66. Since the notification *{supra}* does to cover section 3(2) of the Ordinance *{supra}*, therefore, the TDS was required to be paid up to 30.6.2020. If the **tax was paid up to 30.6.2020** then interest was required to be paid at the reduced rate of 0.75% for a month or part of the month for the reduced period of delay.
67. However, if the **tax was not paid up to 30.6.2020** then interest is required to be paid @ 1% per month or part of the month for the entire period of delay as mentioned in section 206(7) of the Act.

Ready Reckoner Table

68. The ready reckoner table of the above provisions relating to TCS is as follows:

SN	Form No.	Period	Due date	Extended date	Interest Payable
TCS Quarterly Statement Form No. 27EQ {4th Quarter of FY 2019-20}					
1	Form No. 27EQ	1.1.2020 to 31.3.2020	15.4.2020	31.7.2020	From 1.4.2020 to 30.6.2020 @ 0.75% pm or part of the month <i>if the tax was paid by 30.6.2020</i>
2	Form No. 27EQ	1.1.2020 to 31.3.2020	15.4.2020	31.7.2020	From 1.3.2020 to 31.7.2020 @ 1% pm or part of the month <i>if the tax was "not" paid by 30.6.2020</i>

**Limitations
for the financial year 2020-21
for compliance of TDS and TCS**

69. Now a question arises, in the wake of pandemic Covid-19 situation **and** accordingly countrywide lockdown 6.0 with unlock 2.0 situation **and** in view of the Relief Ordinance, 2020 dated 31.3.2020 **and** Notification No. 35/220 dated 24.6.2020, what is the law relating to TDS / TCS compliance **for the period from April, 2020?**
70. The Notification No. 35/2020 dated 24.6.2020 has extended limitation of all actions of **compliances** specified in **or** prescribed under **or** notified under the specified Act falling during the **period from 20.3.2020 to 31.12.2020 to 31.3.2021**, with certain **exceptions** provided in three provisos thereof.
71. However, since the Notification does not cover section 3(2) of the Ordinance (supra), which relates to payments, the **relief** in respect of the **rate of interest and the period of delay** was available if the tax was paid up to 30.6.2020. If the tax for the months of April, 2020 and May, 2020 was **not** paid up to 30.6.2020, the **relief** so provided shall **not** be allowed.

: 21 :

72. It means that for the months of April, 2020 **and** May, 2020 if tax is now paid, then **interest** at **full rate and** for **complete period of delay** shall be required to be paid.
73. Tax for the month of June, 2020 can be paid in the month of July, 2020, for which the limitations are still available.
74. Further, the TDS / TCS statements from April, 2020, whose time limits falls up to 31.12.2020, can be furnished up to 31.3.2021 without charge of **late fee** u/s 234E of the Act **and** without any **penalty** u/s 272A(2)(k) of the Act.

Ready Reckoner Table

75. The ready reckoner table of the above provisions relating to TDS / TCS for the financial year 2020-21 is as follows:

SN	Form No.	Period	Due date	Extended Date	Late Fee & Penalty	Interest Payable
TDS Monthly Statement Form No. 26QB {for FY 2020-21}						
1	Form No. 26QB	April, 2020 May, 2020 June, 2020 July, 2020 August, 2020 September, 2020 October, 2020 November, 2020	30.5.2020 30.6.2020 30.7.2020 30.8.2020 30.9.2020 30.10.2020 30.11.2020 30.12.2020	31.3.2021 31.3.2021 31.3.2021 31.3.2021 31.3.2021 31.3.2021 31.3.2021 31.3.2021	Nil if the statement is furnished on or before 31.3.2021	From 1.4.2020 to 30.6.2020 @ 0.75% pm or part of the month if the tax was paid by 30.6.2020, otherwise @ 1.5% pm or part of the month for entire period of delay as per section 201(1A)
2	Form No. 26QB	December, 2020 January, 2021 February, 2021 March, 2021	30.1.2021 2.3.2021 30.3.2021 30.4.2021	Nil Nil Nil Nil	Nil if the statement is furnished on or before the respective due date	As per section 201(1A) @ 1.5% pm or part of the month for entire period of delay

TDS Monthly Statement Form No. 26QC {for FY 2020-21}						
3	Form No. 26QC	April, 2020 May, 2020 June, 2020 July, 2020 August, 2020 September, 2020 October, 2020 November, 2020	30.5.2020 30.6.2020 30.7.2020 30.8.2020 30.9.2020 30.10.2020 30.11.2020 30.12.2020	31.3.2021 31.3.2021 31.3.2021 31.3.2021 31.3.2021 31.3.2021 31.3.2021 31.3.2021	Nil if the statement is furnished on or before 31.3.2021	From 1.4.2020 to 30.6.2020 @ 0.75% pm or part of the month <i>if the tax was paid by 30.6.2020, otherwise @ 1.5% pm or part of the month for entire period of delay as per section 201(1A)</i>
4	Form No. 26QC	December, 2020 January, 2021 February, 2021 March, 2021	30.1.2021 2.3.2021 30.3.2021 30.4.2021	Nil Nil Nil Nil	Nil if the statement is furnished on or before the respective due date	As per section 201(1A) @ 1.5% pm or part of the month for entire period of delay
TDS Monthly Statement Form No. 26QD {for FY 2020-21}						
5	Form No. 26QD	April, 2020 May, 2020 June, 2020 July, 2020 August, 2020 September, 2020 October, 2020 November, 2020	30.5.2020 30.6.2020 30.7.2020 30.8.2020 30.9.2020 30.10.2020 30.11.2020 30.12.2020	31.3.2021 31.3.2021 31.3.2021 31.3.2021 31.3.2021 31.3.2021 31.3.2021 31.3.2021	Nil if the statement is furnished on or before 31.3.2021	From 1.4.2020 to 30.6.2020 @ 0.75% pm or part of the month <i>if the tax was paid by 30.6.2020, otherwise @ 1.5% pm or part of the month for entire period of delay as per section 201(1A)</i>

6	Form No. 26QD	December, 2020 January, 2021 February, 2021 March, 2021	30.1.2021 2.3.2021 30.3.2021 30.4.2021	Nil Nil Nil Nil	Nil if the statement is furnished on or before the respective due date	As per section 201(1A) @ 1.5% pm or part of the month for entire period of delay
TDS Quarterly Statement Form No. 24Q {For FY 2020-21}						
7	Form No. 24Q	Q1 Q2	31.7.2020 31.10.2020	31.3.2021 31.3.2021	Nil if the statement is furnished on or before 31.3.2021	As per section 201(1A) @ 1.5% pm or part of the month for entire period of delay
8	Form No. 24Q	Q3 Q4	31.1.2021 31.5.2021	Nil Nil	Nil if the statement is furnished on or before the respective due dates	As per section 201(1A) @ 1.5% pm or part of the month for entire period of delay
TDS Quarterly Statement Form No. 27Q {For FY 2020-21}						
9	Form No. 27Q	Q1 Q2	31.7.2020 31.10.2020	31.3.2021 31.3.2021	Nil if the statement is furnished on or before 31.3.2021	As per section 201(1A) @ 1.5% pm or part of the month for entire period of delay
10	Form No. 27Q	Q3 Q4	31.1.2021 31.5.2021	Nil Nil	Nil if the statement is furnished on or before the	As per section 201(1A) @ 1.5% pm or part of the month for

					respective due dates	entire period of delay
TDS Quarterly Statement Form No. 26Q {For FY 2020-21}						
9	Form No. 26Q	Q1 Q2	31.7.2020 31.10.2020	31.3.2021 31.3.2021	Nil if the statement is furnished on or before 31.3.2021	As per section 201(1A) @ 1.5% pm or part of the month for entire period of delay
10	Form No. 26Q	Q3 Q4	31.1.2021 31.5.2021	Nil Nil	Nil if the statement is furnished on or before the respective due dates	As per section 201(1A) @ 1.5% pm or part of the month for entire period of delay
TCS Quarterly Statement Form No. 27EQ {For FY 2020-21}						
11	Form No. 26EQ	Q1 Q2	15.7.2020 15.10.2020	31.3.2021 31.3.2021	Nil if the statement is furnished on or before 31.3.2021	As per section 206C(7) @ 1% pm or part of the month for entire period of delay
12	Form No. 26EQ	Q3 Q4	15.1.2021 15.5.2021	Nil Nil	Nil if the statement is furnished on or before the respective due dates	As per section 206C(7) @ 1% pm or part of the month for entire period of delay

**First proviso, Clause (iv)
Exceptions in relation
to furnishing of certificate u/s 203
in respect of deduction or payment of tax u/s 192
for the financial year 2019-20**

TDS Certificate in Form No. 16

76. As per serial No. 1 of Table under rule 31(3) of the Rules r.w section 203(3) of the Act, for the financial year 2019-20 Annual TDS Certificate in **Form 16** was required to be issued by **15th June, 2020**.
77. However, *vide* section 3(1)(b) of the Relief Ordinance, 2020 dated 31.3.2020 the due date of furnishing of TDS statement for the 4th quarter of financial year 2019-20 in **Form No. 24Q** was extended to 30.6.2020.
78. However also, *vide* section 3(1)(b) of the Relief Ordinance, 2020 dated 31.3.2020 the due date of issuing annual TDS certificate for the financial year 2019-20 in **Form No. 16** was also extended on 30.6.2020.
79. And now, *vide* Notification No. 35/2020 dated 24.6.2020 2020 the due date of furnishing of TDS statement for the 4th quarter of financial year 2019-20 in **Form No. 24Q** has been extended to **31st July, 2020**.
80. Therefore, now *vide* Notification No. 35/2020 dated 24.6.2020 2020 the due date of issuing annual TDS certificate for the financial year 2019-20 in **Form No. 16** has been extended on **15th August, 2020**.

TDS Certificate in Form No. 16A, 16B, 16C & 16D

81. However, the due dates for issue of TDS certificates in **Form, No. 16A, Form No.16B, Form No. 16C and Form No. 16D**, shall be governed by Rule 31A of the Rules.

TCS Certificate in Form No. 27D

82. Similarly, the due dates for issue of TCS Certificate is **Form No. 27D** shall be governed by Rule 37D of the Rules.

Ready Reckoner Table for issue of TDS Certificates

SN	Form No.	Period	Due date for furnishing of Statement	Extended Date for furnish of Statement	Due date for issue of TDS Certificate	Extended date for issue of TDS Certificate
TDS Certificate in Form No. 16B for TDS Monthly Statement Form No. 26QB						
1	Form No. 26QB	February, 2020	30.3.2020	15.7.2020	14.4.2020	30.7.2020
		March, 2020	30.4.2020	15.7.2020	15.5.2020	30.7.2020
		April, 2020	30.5.2020	31.3.2021	14.6.2020	15.4.2021
		May, 2020	30.6.2020	31.3.2021	15.7.2020	15.4.2021
		June, 2020	30.7.2020	31.3.2021	14.8.2020	15.4.2021
		July, 2020	30.8.2020	31.3.2021	14.9.2020	15.4.2021
		August, 2020	30.9.2020	31.3.2021	15.10.2020	15.4.2021
		September, 2020	30.10.2020	31.3.2021	14.11.2020	15.4.2021
		October, 2020	30.11.2020	31.3.2021	14.12.2020	15.4.2021
		November, 2020	30.12.2020	31.3.2021	14.1.2021	15.4.2021
		December, 2020	30.1.2021	-	14.2.2021	14.2.2021
		January, 2021	2.3.2021	-	17.3.2021	17.3.2021
		February, 2021	30.3.2021	-	14.4.2021	14.4.2021
March, 2021	30.4.2021	-	15.5.2021	15.5.2021		
TDS Certificate in Form No. 16C for TDS Monthly Statement Form No. 26QC						
2	Form No. 26QC	February, 2020	30.3.2020	15.7.2020	14.4.2020	30.7.2020
		March, 2020	30.4.2020	15.7.2020	15.5.2020	30.7.2020
		April, 2020	30.5.2020	31.3.2021	14.6.2020	15.4.2021
		May, 2020	30.6.2020	31.3.2021	15.7.2020	15.4.2021
		June, 2020	30.7.2020	31.3.2021	14.8.2020	15.4.2021
		July, 2020	30.8.2020	31.3.2021	14.9.2020	15.4.2021
		August, 2020	30.9.2020	31.3.2021	15.10.2020	15.4.2021
		September, 2020	30.10.2020	31.3.2021	14.11.2020	15.4.2021
		October, 2020	30.11.2020	31.3.2021	14.12.2020	15.4.2021
		November, 2020	30.12.2020	31.3.2021	14.1.2021	15.4.2021
		December, 2020	30.1.2021	-	14.2.2021	14.2.2021
		January, 2021	2.3.2021	-	17.3.2021	17.3.2021
		February, 2021	30.3.2021	-	14.4.2021	14.4.2021
March, 2021	30.4.2021	-	15.5.2021	15.5.2021		

TDS Certificate in Form No. 16D for TDS Monthly Statement Form No. 26QD						
3	Form No. 26QD	February, 2020	30.3.2020	15.7.2020	14.4.2020	30.7.2020
		March, 2020	30.4.2020	15.7.2020	15.5.2020	30.7.2020
		April, 2020	30.5.2020	31.3.2021	14.6.2020	15.4.2021
		May, 2020	30.6.2020	31.3.2021	15.7.2020	15.4.2021
		June, 2020	30.7.2020	31.3.2021	14.8.2020	15.4.2021
		July, 2020	30.8.2020	31.3.2021	14.9.2020	15.4.2021
		August, 2020	30.9.2020	31.3.2021	15.10.2020	15.4.2021
		September, 2020	30.10.2020	31.3.2021	14.11.2020	15.4.2021
		October, 2020	30.11.2020	31.3.2021	14.12.2020	15.4.2021
		November, 2020	30.12.2020	31.3.2021	14.1.2021	15.4.2021
		December, 2020	30.1.2021	-	14.2.2021	14.2.2021
		January, 2021	2.3.2021	-	17.3.2021	17.3.2021
		February, 2021	30.3.2021	-	14.4.2021	14.4.2021
March, 2021	30.4.2021	-	15.5.2021	15.5.2021		
TDS Certificate in Form No. 16A for TDS Quarterly Statement Form No. 27Q						
4	Form No. 27Q	Q4 (FY 2019-20)	31.5.2020	31.7.2020	15.6.2020	15.8.2020
		Q1 (FY 2020-21)	31.7.2020	31.3.2021	15.8.2021	15.4.2021
		Q2 (FY 2020-21)	31.10.2020	31.3.2021	15.11.2021	15.4.2021
		Q3 (FY 2020-21)	31.1.2021	-	15.2.2021	15.2.2021
		Q4 (FY 2020-21)	31.5.2021	-	15.6.2021	15.6.2021
TDS Certificate in Form No. 16A for TDS Quarterly Statement Form No. 26Q						
5	Form No. 26Q	Q4 (FY 2019-20)	31.5.2020	31.7.2020	15.6.2020	15.8.2020
		Q1 (FY 2020-21)	31.7.2020	31.3.2021	15.8.2021	15.4.2021
		Q2 (FY 2020-21)	31.10.2020	31.3.2021	15.11.2021	15.4.2021
		Q3 (FY 2020-21)	31.1.2021	-	15.2.2021	15.2.2021
		Q4 (FY 2020-21)	31.5.2021	-	15.6.2021	15.6.2021
Annual TDS Certificate in Form No. 16 for TDS Quarterly Statement Form No. 24Q						
6	Form No. 24Q	FY 2019-20 FY 2020-21	31.5.2020 31.5.2021	15.6.2020 15.6.2021	31.7.2020 -	15.8.2020 15.6.2021

Ready Reckoner Table for issue of TCS Certificates

SN	Form No.	Period	Due date for furnishing of Statement	Extended date for Furnishing of statement	Due date for issue of TCS Certificate	Extended date for issue of TCS Certificate
TCS Certificate in Form No. 27D for TCS Quarterly Statement Form No. 27EQ						
1	Form No. 27EQ	Q4 (FY 2019-20)	15.4.2020	31.7.2020	30.4.2020	15.8.2020
		Q1 (FY 2020-21)	15.7.2020	31.3.2021	30.7.2020	15.4.2021
		Q2 (FY 2020-21)	15.10.2020	31.1.2021	30.10.2020	15.4.2021
		Q3 (FY 2020-21)	15.1.2021	-	30.1.2021	30.1.2021
		Q4 (FY 2020-21)	15.5.2021	-	30.5.2021	30.5.2021

**First proviso, Clause (v)
Exceptions in relation
Completion or compliance
in respect of section 54 to 54GB of the Act
and
Section 10AA relief**

83. Section 54 to 54G of the IT Act, 1961 provides exemption from capital gains chargeable u/s 45 of the IT Act, 1961 Act on making investments, deposits, acquisitions, purchase or such other actions in accordance with the provisions contained therein. These investments *etc.* are required to be made in the time limits specified in these sections.
84. Section 3(1)(c)(i)(I) of the Relief Ordinance, 2020 dated 31.3.2020 provides for extension of limitations **up to 30.6.2020 for making** such investments *etc.* required to be made under these sections **during the period** from 20.3.2020 to 29.6.2020.
85. Now, clause (v) of 1st proviso to the Notification No. 35/2020 dated 24.6.2020 provides that the **“end date”** in respect of **“the” time limit** for the completion or compliance **and the “end date” “for” making** the said completion or compliance, shall be the **29th day of September, 2020** and the **30th day of September, 2020** respectively.
86. Therefore, after the above amendment the long lines of the first limb of section 3(1) of the Relief Ordinance, 2020 along with Section 3(1)(c)(i)(I) would read as follows:

Where, **anytime limit** has been *specified in, or prescribed or notified under*, the specified Act which falls during the *period from 20th day of March, 2020 to 29th day of September, 2020* *“for”* the *completion or compliance* of such action *“as”* mentioned in section 3(1)(c)(i)(I), stand extended to **30th day of September, 2020** *“for”* **making** the such actions of completion or compliance.

87. It means that all time limits falling during the period *from* 20.3.2020 *to* 29.9.2020 for making investments, deposits, acquisitions, purchase or such other for the purposes of sections 54 to 54GB of the IT Act, 1961 stands extended to **30.9.2020**. Therefore, now such investments can be made up to **30.9.2020**.

Assessment year 2020-21

88. It means that for assessment year 2020-21 if any assessee was required to make such investment *etc.* up to 31.3.2020 **or** even before the end of the due date specified u/s 139(1), now he can make the same up to **30.9.2020**.

Example

- (i) If the end date of purchase, acquisition or construction for the purposes of **section 54 or section 54F** expires during the period *from* 20.3.2020 *to* 29.9.2020 and the assessee could not do so, now he can make such purchase, acquisition or construction up to **30.9.2020**.
- (ii) If the period of six months for assessment year 2020-21 for making investment up to **Rs. 50 Lakh** in specified Capital Gain Bonds as specified in **section 54EC** expires during the period from 20.3.2020 to 31.3.2020 and the assessee could not do so, he can still make such investment up to **30.9.2020**, the period *from* 20.3.2020 *to* 31.3.2020 falls during the *extended period of time limit from* 20.3.2020 *to* 29.9.2020.

Assessment year 2021-22

89. Similarly, for assessment year 2020-21 if any assessee was required to make such investment *etc.* up to 29.9.2020, which he could not make, now he can make the same up to **30.9.2020**.

Example

- (i) If the end date of purchase, acquisition or construction for the purposes of **section 54 or section 54F** expires during the period *from* 1.4.2020 *to* 29.6.2020 and the assessee could not do so, now he can make such purchase, acquisition or construction up to **30.9.2020**.

- (ii) If the period of six months for assessment year 2021-22 for making investment up to **Rs. 50 Lakh** in specified Capital Gain Bonds as specified in **section 54EC** expires during the period from **from** 1.4.2020 **to** 29.6.2020 and the assessee could not do so, he can still make such investment up to **30.9.2020**, the period **from** 1.4.2020 **to** 29.6.2020 falls during the **extended period of time limit from** 20.3.2020 **to** 29.9.2020.
- (iii) It needs to be clarified that if an assessee needs to invest more than Rs. 50 Lakh u/s 54EC, he can do so in two financial years as per 1st proviso to section 54EC(1) of the IT Act, 1961. In above situation such assessee can make such investment for more than Rs. 50 Lakh during the previous year 2020-21, a part of which to the extent of Rs. 50 lakh may pertain to previous year 2019-20 relevant for assessment year 2020-21 **and** balance may pertain to previous year 2020-21 relevant for assessment year 2021-22.

90. The date for commencement of operation for the SEZ units for claiming deduction under section 10AA of the IT Act has also been further extended to 30th September, 2020 for the units which received necessary approval by 31st March, 2020.

**First proviso, Clause (vi)
Exceptions in relation
Completion or compliance in respect of
provisions of Chapter VI-A
under the heading “B.- Deductions in respect of certain payments**

91. **Chapter VI-A under the heading “B-Deductions in respect of certain payments”** of the IT Act, 1961 allows certain deductions from “Gross Total Income” as defined in section 80B(5) of the IT Act, 1961 in computing total income.
92. Section 3(1)(c)(i)(I) of the Relief Ordinance, 2020 dated 31.3.2020 provides for extension of limitations **up to 30.6.2020 for making** such payments *etc.* required to be made under these sections **during the period** from 20.3.2020 to 29.6.2020.
93. Now, clause (vi) of 1st proviso to the Notification No. 35/2020 dated 24.6.2020 provides that the **“end date”** in respect of **“the” time limit** for the completion or compliance **and** the **“end date” “for” making** the said completion or compliance, shall be the **30th day of July, 2020 and** the **31st day of July, 2020** respectively.
94. Therefore, after the above amendment the long lines of the first limb of section 3(1) of the Relief Ordinance, 2020 along with Section 3(1)(c)(i)(I) would read as follows:

Where, **anytime limit** has been **specified in, or prescribed or notified under**, the specified Act which falls during the **period from 20th day of March, 2020 to 30th**

day of July, 2020 “for” the *completion or compliance* of such action “as” mentioned in section 3(1)(c)(i)(I), stand extended to **31st day of July, 2020** “for” *making* the such actions of completion or compliance.

95. It means that all time limits falling during the period *from* 20.3.2020 *to* 30.7.2020 for making investments, deposits, acquisitions, purchase or such other for the purposes of sections Chapter VI-A “heading B” of the IT Act stands extended to **31.7.2020**. Therefore, now such payments etc. an be made up to **31.7.2020**.

Assessment year 2020-21

96. It means that for assessment year 2020-21 if any assessee was required to make such payment *etc.* up to 31.3.2020, now he can make the same up to **31.7.2020**.

Example

- (i) If the assessee was required to make any payment or investment u/s 80C towards LIC premium or PPF deposit or Bank Fixed Deposit, NCS *etc.* for claiming deduction for assessment year 2020-21, which he could not be so made, he can make such payment now up to **31.7.2020** and can claim such deduction in assessment year 2020-21. Similarly the claim of health insurance premium u/s 80D and donations u/s 80G *etc.* shall be allowed.

First proviso, Clause (vii)
Exceptions in relation
furnishing of report of audit under any provision of the
Income Tax Act, 1961
for the assessment year commencing on the 1st day of April, 2020

98. There are several provisions in the IT Act, 1961 which require an assessee to get his accounts audited by an accountant **and** to furnish report thereof before a specified date. Some of such provisions are as follows:

Provisions of Income Tax Act, 1961
requiring getting the accounts audited
and
furnishing report of such audit

SN	Section	Specified date for getting the accounts audited and furnishing the audit report
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1	10A(5)	Furnishes the audit report of an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB
2	10AA(8)	Furnishes the report of an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB
3	12A(1)(b)	Accounts have been audited by an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB and the audit report is furnished by that date
4	33AB(2)	Accounts have been audited by an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB and the audit report is furnished by that date
5	33ABA(2)	Accounts have been audited by an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB and the audit report is furnished by that date
6	35AD(7)	Accounts have been audited by an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB and the audit report is furnished by that date
7	35D(4)	Accounts have been audited by an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB and the audit report is furnished by that date
8	35E(6)	Accounts have been audited by an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB and the audit report is furnished by that date
9	44AB	Get his accounts audited by an accountant before the specified date - <i>date one month prior to the due date for furnishing the return of income u/s 139(1), which is 31st October of the assessment year, which means 30th September of the assessment year, and</i> furnish the audit report and the prescribed particulars by that date
10	44AD(5)	As required under section 44AB
11	44ADA(4)	As required under section 44AB
12	44AE(7)	As required under section 44AB
13	44BB(3)	As required under section 44AB
14	44BBB(2)	As required under section 44AB
15	44DA(2)	Get his accounts audited by an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB and the audit report is furnished by that date
16	50B(3)	Furnishes the audit report of an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB
17	80-IA(7)	Accounts have been audited by an accountant {Section

		288(2) <i>Explanation</i> } before the specified date referred to in section 44AB and the audit report is furnished by that date
18	80-IAB(3)	Accounts have been audited by an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB and the audit report is furnished by that date
19	80-IAC(4)	Accounts have been audited by an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB and the audit report is furnished by that date
20	80-IB(7A)(b)(iii)	Furnishes the audit report of an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB
21	80-IB(11B)(iv)	Furnishes the audit report of an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB
22	80-IB(11C)(iv)	Furnishes the audit report of an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB
23	80-IB(13)	Accounts have been audited by an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB and the audit report is furnished by that date
24	80-IC(7)	Accounts have been audited by an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB and the audit report is furnished by that date
25	80-IE(6)	Accounts have been audited by an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB and the audit report is furnished by that date
26	80JJAA(2)(c)	Furnishes the audit report of an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB
27	92E	Obtain a report from an accountant {Section 288(2) <i>Explanation</i> } and furnish such report on or before the specified date referred to in clause (iv) of section 92F
28	115JB(4)	Furnishes the report from an accountant {Section 288(2) <i>Explanation</i> } before the specified date referred to in section 44AB
29	115JC(3)	Obtain a report before the specified date referred to in section 44AB from an accountant {Section 288(2) <i>Explanation</i> } and furnish such report by that date

99. As per the provisions of **section 44AB** of the IT Act, 1961, there are *two statutory obligations* on the assessee, which are as follows:
- (i) to get accounts audited by an accountant *before* the specified date, **and**
 - (ii) to furnish *by* that date the report of such audit in the prescribed form.
100. The *second obligation* of furnishing of report of audit also has *two obligations*, which are as follows:
- (i) to furnish *by* that date the report of *such* audit in the **prescribed** form, **and**
 - (ii) *setting* such particulars as may be **prescribed**.
101. In the said section getting the accounts audited **and** furnishing of report of such audit by setting the prescribed particulars are two separate and mutually exclusive actions of compliances. This is also proved from the penalty section 271B, which is as follows:
102. **Section 271B** of the IT Act, 1961 penalty provides for two following defaults:
- (i) fails to get accounts audited as required u/s 44AB;
 - (ii) fails to furnish report of such audit as required u/s 44AB
103. This view is further supported by the **substitution** of “*before the specified date referred to in section 44AB and the person in receipt of the income furnishes by that date*” **for** “*and the person in receipt of the income furnishes along with the return of income for the relevant assessment year*” by the Finance Act, 2020 in all most all the sections mentioned in the above table , except section 44AB.
104. According to section 44AB the compliance action of **getting the accounts audited** is to be completed *before* the “**specified date**”.
105. Similarly, the compliance action of **furnishing the report of such audit by setting the prescribed particulars** is to be completed *by* the “**specified date**”.
106. As per clause (ii) of *Explanation* to section 44AB, “**specified date**” means date one month prior to the “**due date**” for furnishing of return of income u/s 139(1).
107. As per *Explanation 2(a)* to section 139(1) of the IT Act, 1961, the “**due date**” of furnishing of return where the accounts of the assessee are required to be audited under this Act (IT Act, 1961) **or** under any other law for the time being in force, shall be the **31st day of October** of the assessment year.
108. The common requirement of law is that for the assessment year 2020-21–
- (i) the *specified date* as per section 44AB / the *due date* as per section 139(1) / and the *end date* as per the Notification No. 35/2020 dated 24.6.2020 for furnishing of audit report under any provision of the IT Act, 1961 **shall stand**

extended from 30th September, 2020 to 31st October, 2020 and accordingly the assessee shall be obliged to **furnish report** of such audit **by that date; and**

- (ii) the assessee shall be required to **get its accounts** for the financial year 2019-20 relevant for the assessment year 2020-21 **audited / obtain report of audit** for such year **before** such specified date / due date / end date, *i.e.* 31st October, 2020. **It means that the audit report has to be dated prior to 31.10.2020.**
109. The above interpretation and conclusion holds water from the fact that the **“end date”** for furnishing return of income for the assessment year 2020-21 has been extended by the Notification No. 35/2020 dated 24.6.2020 **from** 31st October, 2020 **to** 30th November, 2020, and the **“end date”** is synonymous to the **“due date”** mentioned in *Explanation* to section 139(1).
110. If it is true, then as per the provisions of *Explanation (ii)* to section 44AB the **“specified date”** shall be the **31st October, 2020**, because this is the date which exactly one month prior to the “due date” mentioned in section 139(1), which is now 30th November, 2020.
- 111. However, since clause (vii) of the 1st proviso of the Notification No. 35/2020 dated 24.6.2020 mentions only the “compliance of furnishing of report of audit under any provision of the IT Act, 1961”, therefore, in order to avoid any future complication in this regard, the matter should be clarified by the Central Board of Direct Taxes. Thus, this issue needs to be addressed to the CBDT.**

**Second proviso
Exception with regards to
Explanation 1 to section 234A**

112. The Second proviso of the Notification No. 35/2020 dated 24.6.2020 provides as follows:
- “Provided further that **the extension** of the date as referred to in sub-clause (b) of clause (i) of the first proviso shall **not** apply to *Explanation 1* to section 234A of the Income-tax Act, 1961 **in cases** where the amount of tax on the total income as reduced by the clauses (i) to (vi) of sub-section (1) of the said section **exceeds one lakh rupees”**.*
113. It means that where the self assessment tax, *i.e.*
- (I) the amount tax on total on total income, as reduced by
- (i) advance tax, if any, paid;
- (ii) any tax deducted or collected at source;

- (iia) any relief of tax allowed u/s 89;
 - (iii) any relief of tax allowed under section 90 on account of tax paid in a country outside India;
 - (iv) any relief of tax allowed under section 90A on account of tax paid in a specified territory outside India referred to in that section;
 - (v) any deduction, from the Indian income-tax payable, allowed under section 91, on account of tax paid in a country outside India; and
 - (vi) any credit allowed to be set off in accordance with the provisions of section 115JAA or section 115JD.
- (II) exceeds Rs. 1 Lakh, then, for the purposes of section 234A and *Explanation 1* to section 234A, the **“due date”** shall be the date specified in section 139(1) of the Act as applicable in the case of the assessee **and not** the **“end date”** referred to in clause (i)(b) of the 1st proviso of the Notification.

114. This provision is explained in the **Press Release of the CBDT dated 24.6.2020**, which is as follows:

*“In order to provide relief to small and middle class taxpayers, the date for payment of self-assessment tax in the case of a taxpayer whose self-assessment tax liability is upto Rs. 1 lakh has **also been extended** to **30th November, 2020**.*

*However, it is clarified that there will be **no extension** of date for the payment of self-assessment tax for the taxpayers having self-assessment tax liability exceeding Rs. 1 lakh.*

*In this case, the whole of the self-assessment tax shall be payable by the due dates specified in the Income-tax Act, 1961 (IT Act) **and** delayed payment would attract interest under section 234A of the IT Act.”*

115. According to above clarification –

- (i) No interest u/s 234A shall be charged in those cases where the self assessment tax u/s 140A **does not exceed Rs. 1 Lakh**.
- (ia) **It means that** if the self assessment tax **does not exceed Rs. 1 Lakh, then** for all category of assesses **no** interest u/s 234A shall be charged even if the return of income for assessment year 2020-21 is furnished on or before 30.11.2020 instead of on or before the respective due dates specified in *Explanation 2* to section 139(1).

- (ii) However, where the self assessment tax u/s 140A **exceeds Rs. 1 Lakh, then** for all category of assesses interest u/s 234A shall be charged if the return of income for assessment year 2020-21 is **not** furnished on or before the respective due dates specified in *Explanation 2* to section 139(1).
- (iia) **It means that** in the case of assessee who is required to furnish return of income u/s 139(1) for the assessment year 2020-21 on or before 31.7.2020 **and** his self assessment tax u/s 140A **exceeds Rs. 1 Lakh and** he furnish such return on or before the extended date 30.11.2020, **then** such assessee shall be liable to pay interest us 234A of the IT Act, 1961.
- (iib) **Similarly,** in the case of assessee who is required to furnish return of income u/s 139(1) for the assessment year 2020-21 on or before 31.10.2020 **and** his self assessment tax u/s 140A **exceeds Rs. 1 Lakh and** he furnish such return on or before the extended date 30.11.2020, **then** such assessee shall be liable to pay interest us 234A of the IT Act, 1961.

**Third proviso
Exception with regards to
Direct Tax Vivad se Vishwas Act, 2020**

116. The 3rd proviso of the Notification No. 35/2020 dated 24.6.2020 craves an exception for Direct Tax *Vivad se Vishwas* Scheme, 2020, relates reads as follows:
- “Provided also that where the specified Act is the **Direct Tax Vivad se Vishwas Act, 2020, the 30th day of December, 2020 shall be the end date “of the period” during which the time limit specified in, or prescribed or notified there under falls “for” the completion or compliance of the action and the 31st day of December, 2020 shall be the end date to which the time limit “for” completion or compliance of “such action” shall stand extended.**”*
117. This proviso contains provision in line of the provision of section 3(1) of the Relief Ordinance, 2020 which provides the *period* from 20.3.2020 to 29.6.2020 during which any action of *completion or compliance* was required to be made but could not be made due to pandemic Covid-19 situation, **and** 30.6.2020 the *date* up to which such action of *completion or compliance* could be completed.
118. Now, the said 3rd proviso of the Notification (supra) has extended the above time limits as follows:
- (i) the *period* during which any action of *completion or compliance* was required to be made but could not be made due to pandemic Covid-19 situation has been extended **from 20.3.2020 to 30th December, 2020, and**

- (ii) the **date** up to which such action of **completion or compliance** could be completed has been extended **from 30.6.2020 to 31st December, 2020**.

Compliance

119. In this regards the action of **compliance** on the part of an appellant / a declarant is
- (i) filing of a **declaration** u/s 4(1) of the Direct Tax *Vivad se Vishwas* Act, 2020 {hereinafter referred to as the *DTCvVAct*} r.w. rule 3(1) of the Direct Tax *Vivad se Vishwas* Rules, 2020 {hereinafter referred to as the *DTCvVRules*} in **Form-1**.
- (ii) furnishing an **undertaking** u/s 4(5) of the *DTCvVAct* r.w. rule 3(2) of the *DTCvVRules* in **Form-2**.
120. As per section 3 of the *DTCvVAct* a declaration can be filed on or before the **“last date”**.
121. As per section 2(1)(l) of the *DTCvVAct* **“last date”** such date as may be notified by the Central Government in the Official Gazette. The Central Government has **not** notified till this date the **“last date”**.
122. As per heading of column No. 3 of the table in section 3 of the *DTCvVAct*, if the amount payable is declared u/s 4(1) **on or before 31.3.2020**, **then** the amount of disputed tax shall be required to be paid.
123. Further, as per heading of column No. of the table in section 3 of the *DTCvVAct*, if the amount payable is declared u/s 4(1) **on or after 1.4.2020**, **but on or before the “last date”**, **then** certain additional amount shall be required to be paid with the disputed tax.
124. The Relief Ordinance, 2020 had substituted 30th June, 2020 for 31st March, 2020 in the heading of column No. 3, **and** 1st July, 2020 for 1st April, 2020 in the heading of column No. 4.
125. It means that the declaration which could be filed on or before 31.3.2020 could now be furnished on or before 30.6.2020 without being liable for additional amount.
126. It also means that if such declaration is filed on or after 1.7.2020 (earlier it was 1.4.2020) but before the last date, the declaration would be required to any certain additional amount.
127. Now, the 3rd proviso of the Notification (supra) has extended the date 30.6.2020 to 31.12.2020 as the date 30.6.2020 falls in the period from 20.3.2020 to 30.12.2020 in respect of **completion** as well as **compliance** both.
128. The conclusion is that the declaration in **Form-1** can be filed on or before 31.12.2020.

129. This interpretation find support from the CBDT Press Release dated 24.6.2020, wherein in para 3 reads as follows:

*“3. The Finance Minister has already announced extension of date for making payment without additional amount under the “Vivad Se Vishwas” Scheme to 31st December 2020, necessary legislative amendments for which shall be moved in due course of time. The said Notification has extended the date for the completion or compliance of the actions which are required to be completed under the Scheme by 30th December, 2020 to 31st December, 2020. **Therefore, the date of furnishing of declaration, passing of order etc under the Scheme stand extended to 31st December, 2020.**”*

Completion

130. Compliance is the prerogative and action of the Government, *i.e* Income Tax department.
131. In this regards the action of **completion** on the part of the designated authority, *i.e.* the notified Commissioner of Income Tax is -
- (i) to **determine the amount payable** by the declarant within a period of **15 days** from the receipt o the declaration in accordance with the provisions of this Act (DTCvVAct) by order u/s 5 (1) of the DTCvVAct **and** to grant a **certificate** to the declarant in **Form-3** under rule 4 of the DTCvV Rules containing particulars of the tax arrear and the amount payable after such determination.
 - (ii) to pass an order u/s 5(2)) of the DTCvVAct in Form-5 under rule 7 of the DTCvV Rules stating that the declarant has paid the amount.
132. The Relief Ordinance, 2020 had extended all limitations falling during the period **from** 20.3.2020 **to** 29.6.2020 **to** 30.6.2020. Therefore, the above actions of completions were also extended to 30.6.2020.
133. Now, the 3rd proviso of the Notification {*supra*} has extended the date 30.6.2020 to 31.12.2020 as the date 30.6.2020 falls in the period from 20.3.2020 to 30.12.2020 in respect of **completion** as well as **compliance** both.
134. Therefore, if a declaration has been filed u/s 4(1) of the DTCvVAct at any time between 20.3.2020 to 30.12.2020, the designated Commissioner of Income can issue a Certificate u/s 5(1) of the DTCvVAct even **after** 15 days from the receipt of the declaration, **but** on **or** before 31.12.2020 as per the extension allowed *vide* the Notification {*supra*}.

135. However, if the declaration is filed within 15 days **before** 31.12.2020, then the designated Commissioner of Income Tax shall grant the certificate u/s 5(1) of the DTCvVAct within 15 days of receipt of the declaration.
136. However, if a certificate in **Form-3** is issued before 31.12.2020, than the declarant shall be obliged to make the payment within 15 days as provided in Section 5(2) of the DTCvVAct, as the Notification *{supra}* covers only section 3(1) of the Ordinance *{supra}* and not section 3(2). Section 3(1) relates to action of compliance relating to filing and furnishing, whereas section 3(2) relates to action of payment. Therefore, there is no extension of date of payment. Therefore, 31.3.2012 is not the extended date for payment under DTVsV Scheme.

End date
is
whether the “specified date” and the “due date”

137. The CBDT in its Press Release dated 24.6.2020, in Para 2 (II) it is clarified as follows:
- “Due date for income tax return for the FY 2019-20 (AY 2020-21) has been extended to 30th November, 2020. Hence, the returns of income which are required to be filed by 31st July, 2020 and 31st October, 2020 can be filed up to 30th November, 2020. Consequently, the date for furnishing tax audit report has also been extended to 31st October, 2020.”*
138. It may be seen that in the above clarification CBDT has stated that **“due date”** for income tax return for the FY 2019-20 (AY 2020-21) has been extended to 30th November, 2020, whereas in the Notification *{supra}* 30th November, 2020 has been referred to as the **“end date”**.
139. Therefore, it is clear that extension of date for furnishing of return of income for assessment year 2020-21 to 30.11.2020 as the **“end date”** in fact extension of the **“due date”** as mentioned in *Explanation 2* to section 139(1) of the Act.
140. The above interpretation finds support from the 2nd proviso to the Notification (*supra*), which provides as follows:
- “Provided further that the extension of the date as referred to in sub-clause (b) of clause (i) of the first proviso shall not apply to Explanation 1 to section 234A of the Income-tax Act, 1961 in cases where the amount of tax on the total income as reduced by the clauses (i) to (vi) of sub-section (1) of the said section exceeds one lakh rupees:”*

141. *Explanation 1* to section 234 provides that “in this section, “**due date**” means the date specified in sub-section (1) of section 139 as applicable in the case of the assessee.”
142. Now, the 2nd proviso of the Notification (*supra*) provides that **the date** as referred to clause (i)(b) of the 1st proviso of the Notification *{supra}* shall **not** apply to *Explanation 1* to section 234A in cases where the amount of tax on the total income as reduced by the clauses (i) to (vi) of sub-section (1) of the said section **exceeds** one lakh rupees:
143. It means that in cases where the amount of tax on the total income as reduced by the clauses (i) to (vi) of sub-section (1) of the said section **does not exceed** one lakh rupees, **the date** as referred to clause (i)(b) of the 1st proviso of the Notification *{supra}* shall apply to *Explanation 1* to section 234A.
144. It also means that the date **30.11.2020** shall be treated as the “**due date**” as mentioned in *Explanation 2* to section 139(1) of the Act.
145. Therefore, all the benefits and provisions of the IT Act, 1961 which relates to the “due date” referred to in *Explanation 2* to section 139(1) shall accrue and apply.
146. It means that the legislatures intend to use the expression “**end date**” as synonymous to the “**due date**”.
- 147. However, in order to avoid any future complication in this regard, the matter should be clarified by the Central Board of Direct Taxes. Thus, this issue needs to be addressed to the CBDT.**

**Limitations
of actions of compliance and competitions
falling during the period from 20.3.2020 to 31.12.2020
have been extended to 31.3.2021**

148. As explained in the beginning of the update that the time limit for actions of **completion or compliance** as mentioned in clause (a) and (b) of section 3(1) of the Relief Ordinance, 2020 under the specified Act falling during the period **from 20.3.2020 to 31.12.2020** have been **extended** to **31st day of March, 2021** *vide* clause (i) and (i) of the Notification *{supra}*.
149. This is the general extension for all actions of **compliances and completions**, subject to exceptions provided in 1st proviso, 2nd proviso and 3rd proviso.
150. The date for linking of Aadhaar with PAN is an action of compliance, therefore, the same is also stands extended to 31st March, 2021.

151. Notice u/s 148(1) of the IT Act, 1961 for the purpose of making assessment / reassessment u/s 147 for the assessment year 2013-14 were required to issued within the limitations provided u/s 149 of the IT Act, 1961, the last date of which was 31.3.2020. This was an action of completion on the part of the department. Now, the department can issue such notice up to 31.3.2021.

It may be noted that before issuing notices u/s 148(1) of the IT Act, 1961, the department is obliged to issue inquiry letter or notice us 133(6) of the Act to comply the principal of natural justice of allowing the assessee opportunity and the principal of making independent inquiry and independent application of mind before recording of reasons u/s 148(2) and before forming of belief u/s 147 and before issuing notice u/s 148(1). All these actions for assessment year 2013-14 can now be done before 31.3.221

152. Similarly, the department can seek approval u/s 151 of the IT Act, 1961 up to 31.3.2021.

153. It means that 31.3.2021 shall be the last date for issue of notice u/s 148(1) for assessment year 2013-14 as well as assessment year 2014-15.

154. As per the provisions of 2nd proviso to section 143(1), an intimation of processing of return u/s 143(1) can be sent **not** later than one year from the end of the financial year in which return is made. It means that where the returns for assessment year 2018-19 were furnished during the financial year 2018-19, theirs intimation u/s 143(1) could be sent by the department up to 31.3.2020. This was an action of completion on the part of the department Now, by virtue of the Notification *{supra}*, the same can be sent up to 31.3.2021.

155. As per the provisions of 1st proviso to 153(1) of the IT Act, 1961, an assessment for the assessment year 2018-19 is required to be made within 18 months from the end of the assessment year in which the income is first assessable. It means that for the assessment year 2018-19 the income was first assessable up to 30.9.2020. This is an action of completion on the part of the department Now, by virtue of the Notification *{supra}*, such order of assessment can passed up to 31.3.2021.

156. Notice u/s 143(2) of the IT Act, 1961 for the purpose of making assessment u/s 143(3) for the assessment year 2019-20 were required to issued within the limitation provided in proviso to section 143(2) of the IT Act, 1961, which is as follows:

“provided that no notice under this sub-section shall be served on the assessee after the expiry of six months from the end of the financial year in which the return is furnished.”

It means that notice u/s 143(2) in respect of returns of income for the assessment year 2019-20 furnished during the financial year 2019-20 could be issued up to 30.9.2020. This is an action of completion on the part of the department Now, by virtue of the Notification {supra}, such notice can be issued up to 31.3.2021.

However, as per the provisions of 2nd proviso to 153(1) of the IT Act, 1961, an assessment for the assessment year 2019-20 is required to be made within 12 months from the end of the assessment year in which the income is first assessable. It means that for the assessment year 2019-20 the income is first assessable up to 31.3.2021. This action of compliance does not fall in clause (i) of the Notification {supra} as it is beyond the period from 20.3.2020 to 31.12.2020.

Disclaimer

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