

Tax payers can now e-verify ITRs using bank, demat a/c details

In a bid to make e-verification of tax returns simpler, the Income-Tax Department has included bank account and demat account details among the modes that can be used to generate code to e-verify ITRs.

Currently an Income-Tax Return or ITR can be e-verified by using internet banking, email or an Aadhaar number-generated One Time Password (OTP).

To these, two more modes of bank account and share demat account have been added for generating an electronic verification code (EVC) that is used to submit annual ITRs.

The measures are intended towards ending the practice of sending paper acknowledgement of ITRs to CPC, Bengaluru.

The Central Board of Direct Taxes (CBDT) has added two additional modes for generation of electronic verification code (EVC) for e-verification of ITRs.

The e-filing website of the I-T department would now provide a facility to pre-validate bank account details. The assessee will have to provide bank account number, IFSC code, email id, and mobile number and these details will be validated against the details of the tax payer registered with the bank.

"Generated EVC will be sent by e-filing portal to taxpayers's email id and or mobile number verified from bank," a CBDT notification said.

The list of banks which will participate in this facility would be provided on the e-filing website.

As regards generation of EVC using Demat account details, the CBDT said the assessee would have to provide demat account number, email id and mobile number. These details, along with Permanent Account Number (PAN), would be validated against the information with depository (CDSL/NSDL).

"Generated EVC will be sent by e-filing portal to email id and or mobile number verified from CDSL or NSDL," CBDT said.

After the EVC is generated, it can be put in the ITR form for final submission.

"Despite of all the efforts of the government to go green and paperless, the mandate of providing Aadhaar Number at the time of filing the return of income prevented e-filing from becoming a completely paperless process for those who did not have an Aadhar Card," Nangia & Co Executive Director Neha Malhotra said.

Last year the tax department launched its ambitious One Time Password (OTP) based e-filing verification system for taxpayers using the Aadhaar number.

According to experts, bank account detail based EVC generation is a more reasonable mode for e-verification. It would be now easier for small tax payers as mostly all of them have bank accounts, even if they do not have Aadhaar numbers.

"With Jan Dhan Yojna, even the small taxpayers have a bank account and thus can complete easily complete the return filing process," Malhotra added.

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