

## **Electronic Furnishing of Returns of Income Scheme, 2003**

**Notification.-** S.O.856(E).- In exercise of the powers conferred by sub-section (1B) of section 139 of Income Tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby specifies the following scheme, namely: -

**1. Short title, commencement and application.-** (1) This scheme may be called the Electronic Furnishing of Returns of Income Scheme, 2003.

(2) It shall come into force on the date of its publication in the Official Gazette.

(3) It applies to an individual having income under the head "Salaries" and not having any income under the head "Profits and gains of business or profession", who is assessed or assessable to tax at Ahmedabad, Bangalore, Chennai, Delhi, Hyderabad, Kolkata and Mumbai.

**2. Definitions.-** In this scheme, unless the context otherwise requires,-

(a) "Act" means the Income Tax Act, 1961 (43 of 1961);

(b) "Board" means the Central Board of Direct Taxes constituted under the Central Boards of Revenue Act, 1963 (54 of 1963);

(c) "eligible person" means a person having income under the head "Salaries" and not having any income under the head "Profits and gains of business or profession", who has been allotted a permanent account number, and who is assessed or assessable to tax at any of the places specified in sub-para (3) of paragraph 1 to which the scheme is applicable;

(d) "e-Return" means electronically transmitted data of return of income furnished under this scheme, supported by a duly verified paper return of income;

(e) "e-Return Administrator" means an officer not below the rank of Commissioner of Income-tax designated by the Board for the purpose of the administration of this scheme;

(f) "e-Return Intermediary" means a person, being a company, authorised to be an e-Return Intermediary under this scheme;

(g) All other words and expressions used herein but not defined and defined in the Act shall have the meanings respectively assigned to them in the Act.

**3. Filing of e>Returns.-** (1) An eligible person may, at his option, as an additional mode, furnish a return of income for any previous year on or before the due date.

(2) An eligible person may furnish his return of income which he is required to furnish under sub-section (1) of section 139 of the Act for the assessment year 2003-2004 and subsequent assessment years, to an e-Return Intermediary who shall digitise the data of such return and transmit the same electronically to a server designated for this purpose by the e-Return Administrator, on or before the due date.

(3) The e-Return Intermediary shall submit the paper return of income received from an eligible person to the Assessing Officer not later than fifteen days from the issue of the provisional receipt for the electronic data received by the e-Return Administrator.

**4. Revised return of income.-** An eligible person may furnish a revised return of income under sub-section (5) of section 139 of the Act if he has furnished a return of income under the scheme.

**5. Authorisation of e-Return Intermediary.-** (1) The e-Return Administrator may authorise one or more companies, having adequate financial capacity, physical and Information Technology infrastructure, proven experience in the field of providing financial services, to be an e-Return Intermediary as per the guidelines issued by the Board from time to time in this behalf:

**Provided that** no company which has defaulted in payment of income tax or having a criminal record shall be authorised to be an e-Return Intermediary.

(2) A Company desirous to be authorised as an e-Return Intermediary may submit an application to the e-Return Administrator.

(3) The e-Return Administrator shall evaluate the technical suitability of a company including successful check for data transmission before authorising it to be an e-Return Intermediary.

(4) Notwithstanding anything contained in sub-para (1) and (3), the Board may authorise a company to be an e-Return Intermediary for the financial year 2003-04.

(5) The e-Return Administrator shall issue an identification Number to be called e-Return Intermediary Identification Number (ERIIN) and a password

to each e-Return Intermediary, which shall be valid for a particular financial year.

(6) The Board may revoke the authorisation of an e-Return Intermediary, on grounds of improper conduct, misrepresentation, unethical practices, fraud or established lack of service to the eligible persons, or on such other ground as it may deem fit.

**6. Procedure to be followed by eligible persons.-** An eligible person opting to furnish his return of income under this scheme shall –

(1) ensure that his return of income falls under this scheme;

(2) give consent to any one of the e-Return Intermediaries to act as his agent for the purpose of furnishing his e-Return for the relevant assessment year.

7. Procedure to be followed by e-Return Intermediary.- (1) An e-Return Intermediary shall receive a paper return of income duly verified by the eligible person, or shall prepare the return of income on the basis of the documents furnished by the eligible person, as the case may be.

(2) An e-Return Intermediary shall then submit online the permanent account number given by the eligible person, to e-Return Administrator for verification.

(3) In case the verification does not succeed, the e-Return Intermediary shall recheck and resubmit the permanent account number record for online verification. If the verification still does not succeed, he shall file the paper return before the concerned Assessing Officer on or before the due date, and hand over the acknowledgment to the eligible person.

(4) If the verification succeeds, the e-Return Intermediary shall digitise the data of the return of income and transmit the same to the server in such format as specified by the e-Return Administrator using its e-Return Intermediary Identification Number (ERIIN), and in conformity with the instructions given by the e-Return Administrator.

(5) The e-Return Administrator shall issue a provisional receipt online to the e-Return Intermediary in confirmation of the acceptance of the data transmitted.

(6) In case of any unsuccessful transmission of data at this stage, the e-Return Intermediary shall analyse the error code communicated by the e-Return Administrator, correct the data on the basis of the error code and the paper return available with him and resubmit the same to the e-Return Administrator.

(7) The e-Return Intermediary shall print two copies of the provisional receipt received by him online on successful transmission of the data of the

return of income. It shall affix one copy of the same on the acknowledgement sheet and the other on the first page of the paper return of income.

(8) The e-Return Intermediary shall furnish to the Assessing Officer the paper return of income along with its enclosures and the print out of the provisional receipt within fifteen days from the date of issue of the provisional receipt and shall obtain an acknowledgement for the same.

(9) The e-Return Intermediary shall deliver the acknowledgement of the return of income to the eligible person, and also transmit the acknowledgement number of the return to the server in such format as specified by the e-Return Administrator in token of having furnished the paper return, within seven days from the date of furnishing the return of income to the Assessing Officer.

(10) The date of issue of the provisional receipt shall be deemed to be the date of filing of return of income if the paper return has been filed with the Assessing Officer within fifteen days from the date of the issue of the provisional receipt.

(11) In case of an unsuccessful transmission of data for any reason, the e-Return Intermediary shall furnish the paper return of income along with its enclosures and the print out of the error report to the concerned Assessing Officer within fifteen days from the date of issue of the error report. In such a case, the date of issue of the error report by the e-Return Administrator shall be deemed to be the date of filing of the return of income.

**8. Processing of e-Return.-** (1) The e-Return shall be processed, on priority basis.

(2) The refund, if any, due to the assessee shall, at his option, be either credited by the Assessing Officer directly to his bank account, using the Electronic Clearance Scheme (ECS) of the Reserve Bank of India, or be directly sent to the assessee.

**9. General responsibilities of e-Return Intermediary.-** (1) Timely filing of e>Returns.- The e-Return Intermediary shall ensure that the electronic portion of the return is transmitted on or before the due date of filing of returns of income as provided in section 139 of the Act, if the return of income has been submitted for its electronic filing by the eligible person on or before the due date.

(2) Accuracy.- The e-Return Intermediary shall ensure accuracy of the data entry while transcribing the data from the return of income and during its transmission.

(3) Storage of data.– The e-Return Intermediary shall retain for a period of one year from the end of the relevant assessment year, the electronic data of the return of income in such format as specified by the e-Return Administrator.

(4) Storage of acknowledgement file.– The e-Return Intermediary shall retain for a period of one year from the end of the relevant assessment year the information relating to provisional receipts issued in respect of the returns filed through it.

(5) Information to eligible persons.– The e-return Intermediary shall provide the eligible person paper copy of the e-Return submitted by it.

(6) Confidentiality of tax information – The e-Return Intermediary shall ensure confidentiality of information that comes to his possession during the course of implementation of this scheme, save with the permission of the eligible person, Assessing Officer or e-Return Administrator.

(7) The e-Return Intermediary shall ensure that all his employees, agents, franchisees, etc., adhere to the provisions of this scheme as well as all directions issued by e-Return Administrator.

(8) Prompt notification of changes in information: The e-Return Intermediary shall promptly inform the e-Return Administrator any change in the information contained in the application filed by it for authorisation as e-Return Intermediary.

**10. Powers of e-Return Administrator.**– Without affecting the generality of the foregoing provisions, the e-Return Administrator shall–

(1) specify the procedures, formats and standards for ensuring secure capture and transmission of data, for the day to day administration of the Scheme;

(2) ensure compliance by e-Return Intermediaries with the technical requirements of the scheme, including review of the functioning of e>Returns Intermediaries, verification of any complaints, scrutinising advertising material issued by them, and such other matters as he deems fit.