

Instructions for filling out FORM ITR-1

1. Legal status of instructions

These instructions though stated to be non-statutory, may be taken as guidelines for filling the particulars in this Form. In case of any doubt, please refer to relevant provisions of the Income-tax Act, 1961 and the Income-tax Rules, 1962.

2. Assessment Year for which this Form is applicable

This Form is applicable for assessment year 2009-2010 only.

3. Who can use this Form

This Form can be used by an individual whose total income during the previous year i.e., financial year 2008-09 includes income chargeable to income-tax under the head "salaries" or income in the nature of family pension as defined in the Explanation to clause (ia) of section 57 but does not include any other income except income by way of interest chargeable to income-tax under the head "income from other sources". There should not be any exempt income other than agriculture income and interest income. It may please be noted that a person who is entitled to use this form shall not use Form ITR-2. Further, a person in whose income the income of other person like his/ her spouse, minor child, etc. is to be clubbed is also not entitled to use this form.

4. Annexure-less Form

No document (including TDS certificate) should be attached to this form. Official receiving the return has been instructed to detach all documents enclosed with this form and return the same to the assessee.

5. Manner of filing this Form

This Form can be submitted to the Income Tax Department in any of the following manners, -

- (i) by furnishing the return in a paper form;
- (ii) by furnishing the return electronically under digital signature;
- (iii) by transmitting the data in the return electronically and thereafter submitting the verification of the return in Form ITR-V;
- (iv) by furnishing a bar-coded paper return.

Where the form is furnished in the manner mentioned at 5(iii), you need to print out two copies of Form ITR-V. Both copies should be verified by the assessee and submitted to the Income-tax Department. The receiving official shall return one copy after affixing the stamp and seal.

6. Filling out the acknowledgement

Where the form is furnished in the manner mentioned at 5(i) or 5(iv), acknowledgement slip attached with this Form should be duly filled out.

7. Form not to be filed in duplicate

This form is not required to be filed in duplicate.

8. Intimation of processing under section 143(1)

The acknowledgement of the return is deemed to be the intimation of processing under section 143(1). No separate intimation will be sent to the taxpayer unless there is a demand or refund.

9. Codes for filling out this Form

Some of the details in this Form have to be filled out on the basis of the relevant codes. These are as under:-

- (i) The code (to be filled in the section "Filing Status" on first page) for sections under which the return is filed are as under:-

Sl.No.	How the return is filed	Code
i.	Voluntarily before the due date	11
ii.	Voluntarily after the due date	12
iii.	In response to notice under section 142(1)	13
iv.	In response to notice under section 148	14
v.	In response to notice under section 153A/153C	15

- (ii) In item No.24, the details of following transactions, if any, entered by you during the financial year 2008-09 are to be entered. (If a transaction is not entered, please leave blank the relevant column in this item).

Sl.No.	Code	Nature of transaction
1.	001	Cash deposits aggregating to ten lakh rupees or more in a year in any savings account by you maintained in a banking company to which the Banking Regulation Act, 1949 (10 of 1949), applied (including any bank or banking institution referred to in section 51 of that Act)
2.	002	Payment made by you against bills raised in respect of a credit card aggregating to two lakh rupees or more in a year.
3.	003	Payment made by you of an amount of two lakh rupees or more for purchase of units of Mutual Fund.
4.	004	Payment made by you of an amount of five lakh rupees or more for acquiring bonds or debentures issued by a company or institution.
5.	005	Payment made by you of an amount of one lakh rupees or more for acquiring shares issued by a company.
6.	006	Purchase by you of any immovable property valued at thirty lakh rupees or more.
7.	007	Sale by you of any immovable property valued at thirty lakh rupees or more.
8.	008	Payment made by you of an amount of five lakh rupees or more in a year for investment in bonds issued by Reserve Bank of India.

10. Obligation to file return

Every individual has to furnish the return of his income if his total income before allowing deduction under Chapter VI-A (i.e., if his gross total income referred to in item 3 of this Form) exceeds the maximum amount which is not chargeable to income tax [Rs. 1,50,000/- in case of individuals below the age of 65 years (other than women), Rs. 1,80,000/- in case of women below the age of 65 years, and Rs. 2,25,000/- in case of individuals who are of the age of 65 years or more at any time during the financial year 2008-09].

11. Guidance for filling out the forms

Most of the details to be filled out in this form are self-explanatory. However, some of the details mentioned below are to be filled out as explained hereunder:-

- (a) e-mail address and phone number are optional;
- (b) In "employer category", Government category will include Central Government/ State Governments employees. PSU category will include public sector companies of Central Government and State Government;
- (c) In item 1, fill the details of salary/ pension as given in TDS certificate (Form 16) issued by the employer. However, if the income has not been computed correctly in Form No. 16, please make the correct computation and fill the same in this item. Further, in case there were more than one employer during the year, please furnish in this item the details in respect of total salaries from various employers.
- (d) In item 2(a), please fill the details of family pension, if any, received by you during the year. In item 2(b), please furnish the details of income by way of interest which is chargeable to income-tax under the head "income from other sources". Exempt interest income shall not be filled in this item but be filled in item No.25.

- (e) In **item 4**, fill the details of deductions allowable under following sections of Chapter VI-A as under:-
- Section 80C** (Some of the major items for deduction under this section are- amount paid or deposited towards life insurance, contribution to Provident Fund set up by the Government, recognised Provident Fund, contribution by the assessee to an approved superannuation fund, subscription to National Savings Certificates, tuition fees, payment/repayment for purposes of purchase or construction of a residential house and many other investments)(for full list, please refer to section 80C of the Income-tax Act) (Please note that as provided in section 80CCE, aggregate amount of deduction under section 80C, 80CCC and 80CCD shall not exceed one lakh rupees).
 - Section 80CCC** (Deduction in respect of contributions to certain pension funds)
 - Section 80CCD** (Deduction in respect of contributions to pension scheme of Central Government)
 - Section 80D** (Deduction in respect of Medical Insurance Premium)
 - Section 80DD** (Deduction in respect of maintenance including medical treatment of dependent who is a person with disability)
 - Section 80DDB** (Deduction in respect of medical treatment, etc.)
 - Section 80E** (Deduction in respect of interest on loan taken for higher education)
 - Section 80G** (Deduction in respect of donations to certain funds, charitable institutions, etc.)
 - Section 80GG** (Deduction in respect of rents paid)
 - Section 80GGA** (Deduction in respect of certain donations for scientific research or rural development)
 - Section 80GGC** (Deduction in respect of contributions given by any person to political parties)
 - Section 80U** (Deduction in case of a person with disability)

- (f) In **item No. 8a**, calculate the tax liability on the income which includes the agricultural income (i.e., income as per item 7). In item 8b, compute the tax liability on the income which is aggregate of Rs. 1.50 lakh and net agriculture income. The tax liability has to be computed for items 8a and 8b at the rates given as under:-

- (i) In case of **individuals (other than women and individuals who are of the age of 65 years or more at any time during the financial year 2008-09) -**

Income (In Rs.)	Tax Liability (In Rs.)
Upto Rs. 1,50,000	Nil
Between Rs. 1,50,001 - Rs. 3,00,000	10% of income in excess of Rs. 1,50,000
Between Rs. 3,00,001 - Rs. 5,00,000	Rs. 15,000 + 20% of income in excess of Rs. 3,00,000
Above Rs.5,00,000	Rs. 55,000 + 30% of income in excess of Rs. 5,00,000

- (ii) In case of **women (other than women who are of the age of 65 years or more at any time during the financial year 2008-09) -**

Income (In Rs.)	Tax Liability (In Rs.)
Upto Rs. 1,80,000	Nil
Between Rs. 1,80,001 - Rs. 3,00,000	10% of income in excess of Rs. 1,80,000
Between Rs. 3,00,001 - Rs. 5,00,000	Rs. 12,000 + 20% of income in excess of Rs. 3,00,000
Above Rs.5,00,000	Rs. 52,000 + 30% of income in excess of Rs. 5,00,000

- (iii) In case of **individuals who are of the age of 65 years or more at any time during the financial year 2008-09-**

Income (In Rs.)	Tax Liability (In Rs.)
Upto Rs. 2,25,000	Nil
Between Rs. 2,25,001 - Rs. 3,00,000	10% of income in excess of Rs. 2,25,000
Between Rs. 3,00,001 - Rs. 5,00,000	Rs. 7,500 + 20% of income in excess of Rs. 3,00,000
Above Rs.5,00,000	Rs. 47,500 + 30% of income in excess of Rs. 5,00,000

- (g) In **item 9b**, fill the details of surcharge at the rate of ten per cent of item No.9a, if the total income as per item No.5 exceeds ten lakh rupees. However, such surcharge shall not exceed the amount being the difference of total income and ten lakh rupees.
- (h) In **item No. 9c**, calculate the education cess including secondary and higher education cess at the rate of three per cent of [item No.9a + item No. 9b]
- (i) In **item No. 10**, claim the relief, if any, allowable under section 89 in respect of arrears or advances of salary received during the year.
- (j) **item 20-** Please quote the MICR code of the bank if you desire to receive the refund through electronic clearing system (ECS). However, it may not be possible to issue the refund in all cases through ECS since the ECS facility is not available across the country.
- (k) In **items 21 and 22**, please furnish the details in accordance with Form 16 issued by the employer(s) in respect of salary income and Form 16A issued by a person in respect of interest income. Further in order to enable the Income Tax Department to provide accurate, quicker and full credit for taxes deducted at source, the taxpayer must ensure to quote the **Unique Transaction Number (UTN)** in respect of every TDS transaction. In general the UTN would be printed on the TDS certificate issued by the deductor. However, in case it is not available on the certificate, the taxpayer should separately obtain the UTN either from the deductor or from the website of National Securities Depository Limited (NSDL) at <http://www.tin-nsdl.com>.
- (l) **Items 27 and 28 -** This return can be prepared by a Tax Return Preparer (TRP) also in accordance with the Tax Return Preparer Scheme, 2006 dated 28th November, 2006. If the return has been prepared by him, the relevant details have to be filled by him in item No.26 and the return has to be countersigned by him in the space provided in the said item. The Tax Return Preparer is entitled to a maximum fees of Rs. 250/- from the taxpayer. TRP is also entitled to a reimbursement from the Government for following three years as under:-
- 3 per cent of the tax paid on the income declared in the return for the first eligible assessment year (first eligible assessment year means the assessment year if no return has been furnished for at least three assessment years preceding to that assessment year);
 - 2 per cent of the tax paid on the income declared in the return for the second eligible assessment year (second eligible assessment year means the assessment year immediately following the first eligible assessment year);
 - 1 per cent of the tax paid on the income declared in the return for the third eligible assessment year (third eligible assessment year means the assessment year immediately following the second eligible assessment year);

For these three eligible assessment years, the TRP will be eligible for the fee from the taxpayer to the extent of the amount by which Rs. 250/- exceeds the amount of reimbursement receivable by him from the Government.