

14th October, 2020/16371

Smt. Nirmala Sitharaman
The Hon'ble Union Minister of Finance,
Ministry of Finance,
Government of India,
North Block,
New Delhi - 110001

Sub: Request for extension of due date for submission of Tax Audit Report for A.Y. 2020-21 and Income Tax returns for A.Y. 2020-21 to 31st December, 2020

Respected Madam,

At the outset, we would like to place on record our sincere appreciation to your good office and the government for comprehensive and robust response to the raging COVID-19 pandemic.

Role of Gujarat Chamber of Commerce and Industries through its Direct Tax Committee inter alia is to be a bridge between tax payers and tax administration:

We are writing this letter to your good self to extend the due date for submission of Tax Audit Reports from 31st October, 2020 to 31st December, 2020 and due date of filing Income Tax returns from 30th November, 2020 to 31st December, 2020 due to the following reasons:

❖ **ISSUES ARISING DUE TO COVID-19 PANDEMIC**

- Lack of employees/working personals in offices of professionals.
- Entities are not being able to finalize the data for Audit and filing of return.
- Transport Restrictions.
- Psychological impact of COVID-19.

❖ **EXTENSION OF OTHER STATUTORY DUE DATES FOR F.Y. 2019-20 (A.Y. 2020-21)**

All the statutory authorities have extended the due dates due to the unprecedented situation of COVID-19 which has affected one and all concerned.

Natubhai Patel
President

Hemant N. Shah
Sr. Vice President

K. I. Patel
Vice President

Pathik S. Patwari
Hon. Secretary

V. P. Vaishnav
Hon. Secretary (R)

Sachin K. Patel
Hon. Treasurer

❖ DELAY IN AVAILABILITY OF ONLINE UTILITY FOR FORM - 3CD AND ITR-6 / ITR-7

Further, although new ITR forms for A.Y. 2020-21 were notified on 29th May, 2020, the utility for filing the ITR-6 and ITR-7 were made available for e-filing on 1st October, 2020 and 30th September, 2020 respectively. Further on 1st October, 2020, various changes were also made in the tax audit report and ITR-6 for A.Y. 2020-21.

❖ DUE DATES OF Q2 (2020-21) TDS RETURN AND GST AUDIT OF F.Y. 2018-19 is 31st OCTOBER, 2020

The due date of filing of TDS returns for the 2nd quarter of financial year 2020-21 is 31st October, 2020. Further TCS provisions under section 206C (1H) are also effective from 1st October, 2020 which has increased the compliance burden of the assesseees.

Moreover, under GST law, any unclaimed eligible input for the previous financial year 2019-20 has to be claimed in the GST return for any month but not later than the return of September 2020. The due date of filing GSTR-3B for the month of September-2020 is 20th October, 2020, after which, the unclaimed input shall lapse, which would be a permanent loss to the assessee. Many business houses, particularly, SMEs might not have claimed eligible inputs properly. Professionals and consultants have to devote more time to ascertain such lapses and suggest corrective actions.

❖ MAJOR CHANGES IN DIRECT TAX REGIME

It is necessary to carefully consider Form 26AS and reconcile the information required to be submitted in the income tax return with that of Form 26AS. This will require additional efforts and time for entities and professionals for identifying and assessing impacts of transactions reported.

The section 115BAA was introduced by the Government of India through the Taxation (Amendment) Ordinance 2019 which provides option to domestic companies to pay tax at lower rate of 22% after forgoing certain deductions. This option once exercised cannot be reversed. For which tax payers have to determine the tax rate which will be more beneficial for them. In addition, tax payer needs to file an additional form if they choose for the new regime. All this procedure requires sufficient time to understand and digest the changes before filing the returns.



We would be very grateful if your good self would take an early action in this regard and have a positive consideration of our requests. This will be very useful for the taxation fraternity and also for the trade and industry. In conclusion, we request that a suitable order may be issued to this effect at the earliest.

With warm regards,

Yours faithfully,


Natubhai Patel
President