

INCOME TAX UPDATE

**Note on Revised Form
26AS**



Changes in Revised Form 26AS

CBDT had notified Revised Form 26AS containing details in addition to TDS/TCS details pursuant to Budget 2020 amendment

CBDT vide Notification No. 30 of 2020 dated 28 May 2020 inserted Rule 114-I (*effective from 1 June 2020*) which has revised Form 26AS.

Revised Form 26AS is a live Form 26AS which now provides comprehensive information / profile about the taxpayer and will be updated every 3 months from the end of the month in which such information is received. It shall contain the following additional details in addition to existing TDS/TCS details:

1) Information relating to specified financial transactions

These transactions will be shown in Form 26AS only if they cross the specified limit in a financial year. Transactions inter alia include the following:

Cash Transactions

Nature of Transaction	Value of Transaction	Reporting person
Cash payment for purchase of bank drafts or pay orders or banker's cheque.	If aggregate payment is Rs 10 lakh or more in a financial year.	Bank or Co-op. Bank
Cash payment for purchase of pre-paid instruments issued by the RBI	If aggregate payment is Rs 10 lakh or more in a financial year.	Bank or Co-op. Bank

Cash deposits in one or more current account of a person	If aggregate amount is Rs 50 lakh or more in a financial year	Bank or Co-op. Bank
Cash withdrawals (including through bearer's cheque) from one or more current account of a person	If aggregate amount is Rs 50 lakh or more in a financial year	Bank or Co-op. Bank
Cash deposits in one or more accounts (other than current account and time deposit) of a person	If aggregate amount is Rs 10 lakh or more in a financial year	Bank or Co-op. Bank, Post Master General
Receipt of cash payment for sale, by any person, of goods or services of any nature, not being a transaction whose specific reporting is otherwise required	If amount is more than Rs 2 lakh	Any person who is liable for tax audit under Section 44AB.

Credit Card Transactions

Nature of Transaction	Value of Transaction	Reporting person
Payment in cash for one or more credit cards issued to that person	If aggregate payment is Rs 1 lakh or more in a financial year	Bank or Co-op. Bank or any other company or institution issuing credit card

Payment in any mode (other than cash) for one or more credit cards issued to that person	If aggregate payment is Rs 10 lakh or more in a financial year	Bank or Co-op. Bank or any other company or institution issuing credit card
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Investment related transactions

Nature of Transaction	Value of Transaction	Reporting person
One or more-time deposits (other than a time deposit made through renewal of another time deposit) of a person	If aggregate amount is Rs 10 lakh or more in a financial year	Bank or Co-op. bank, Post Master General, Nidhi Companies, NBFC
Receipt from any person for acquiring bonds or debentures issued by the company or institution (other than the amount received on account of renewal of the bond or debenture issued by that company)	If aggregate amount is Rs 10 lakh or more in a financial year	A company or institution issuing bonds or debentures
Receipt from any person for acquiring shares (including share application money) issued by the company	If aggregate amount is Rs 10 lakh or more in a financial year	A company issuing shares

Buy back of shares from any person (other than the shares bought in the open market)	If aggregate amount is Rs 10 lakh or more in a financial year	A company listed on a recognized stock exchange purchasing its own securities
Receipt from any person for acquiring units of one or more schemes of a Mutual Fund (other than the amount received on account of transfer from one scheme to another scheme of that Mutual Fund)	If aggregate amount is Rs 10 lakh or more in a financial year	A trustee of a Mutual Fund or such other authorized person managing the affairs of Mutual Fund
Purchase or sale by any person of immovable property	If transaction value or valuation by Stamp Valuation Authority is Rs 30 lakh or more	Inspector-General or Registrar or Sub-Registrar under the Registration Act, 1908

Foreign currency transactions

Nature of Transaction	Value of Transaction	Reporting person
Receipt from any person for sale of foreign currency including credit of such currency to foreign exchange card	If aggregate amount is Rs 10 lakh or more in a financial year	Authorised Dealer, Money Changer, Offshore Banking Unit, Any other person authorised to deal in foreign exchange or foreign securities

Expense in foreign currency through a debit or credit card or through issue of Travellers Cheque or Draft or any other instrument.	Aggregating to Rs 10 lakh or more in a financial year.	Authorised Dealer, Money Changer, Offshore Banking Unit, Any other person authorised to deal in foreign exchange or foreign securities
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2) Information relating to tax demand and refund

Revised Form 26AS will show details relating to outstanding tax demand and tax refund which were earlier shown on logging into the e-filing website of the Income Tax Department.

3) Information relating to pending proceedings and completed proceedings

Revised Form 26AS will show details relating to pending proceedings and completed proceedings which were earlier shown on logging into the e-filing website of the Income Tax Department.

4) Information received under agreement referred to in section 90 or 90A and/or received under any law.

Notes:

- Any adverse action initiated or taken or found or order passed under any other prevailing law (such as custom, GST, Benami Law etc.) will also be collated in Revised Form 26AS so that not only the concerned taxpayer but also all the Income Tax authorities will know and have access to such information.

- Banks, Financial Institutions or any other authority or customer, buyer etc. while carrying out due diligence of the person / corporate concerned may now ask for Form 26AS so as to be sure that there are no major issues about such person/corporate as the revised Form 26AS provides comprehensive information.

DISCLAIMER:

The information contained herein is in summary form based on Notification No. 30 of 2020 dated 28th May 2020 issued by CBDT. While the information is believed to be accurate to the best of our knowledge, we do not make any representations or warranties, express or implied, as to the accuracy or completeness of this information. Reader should conduct and rely upon their own examination and analysis and are advised to seek their own professional advice. This note is not an offer, invitation, advice or solicitation of any kind. We accept no responsibility for any errors it may contain, whether caused by negligence or otherwise or for any loss, howsoever caused or sustained, by the person who relies upon it.