



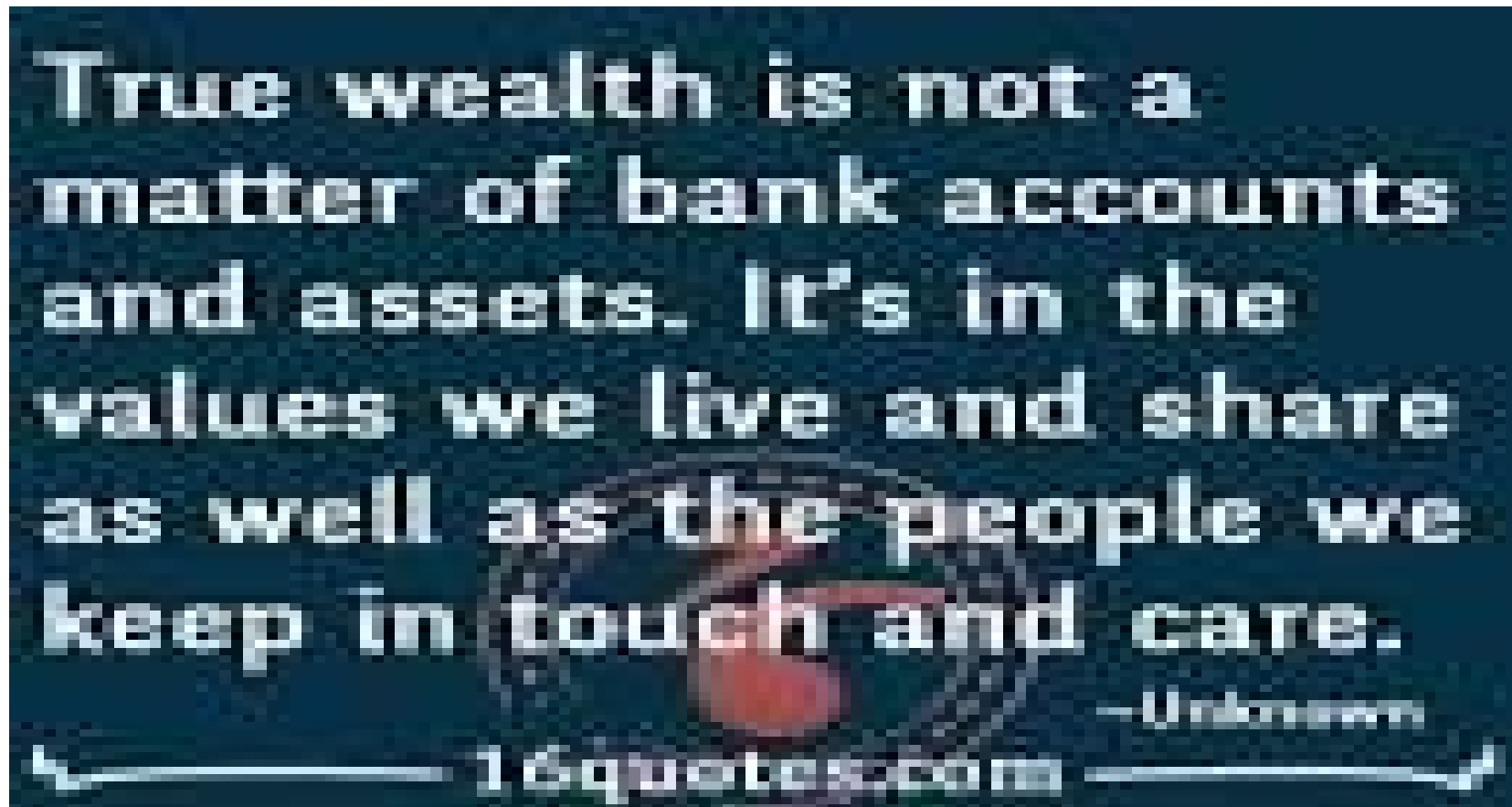
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E-Filing of Wealth Tax Returns under Income Tax

Some Quotes on Wealth



Basic

- The Wealth Tax Act came into force on 1st April 1957.
- The Wealth tax Act, 1957 is applicable to the whole of India , including Jammu and Kashmir.
- The purpose of the introduction of Wealth tax Act:
 - To tax idle wealth and to de-motivate to hold idle wealth
 - To support the revenue collection
- The Regulatory Body - CBDT

Coverage of Wealth Tax

- Charging Provisions
 - Section 2(ea) – Definition of an Asset
 - Section 2(q) – Valuation Date
 - Section 2(m) – Net Wealth
 - Section 3 – Charging Section
 - Section 4 – Deemed Asset
 - Section 5 – Exemption
 - Section 7 – Valuation of Assets

Coverage of Wealth Tax

- Procedural Provisions
 - Section 14/14A/14B – Filing of Return of Net Wealth
 - Section 15 – Belated Return and Revised Return
 - Section 16 – Assessment
 - Section 16A – Reference to Valuation Officer
 - Section 17 – Wealth Escaping Assessment
 - Section 17A – Time Limit to Complete the Assessment
 - Section 17B – Interest for Late Payment and Late Filing of return
 - Section 18 - Penalties

Cash in hand

- *Cash in hand, in excess of fifty thousand rupees, of individuals and Hindu undivided families*
- *and in the case of other persons any amount not recorded in the books of account.*



Cash in hand – Deemed Asset (sec 4)

- *(5A) Where a gift of money from one person to another is made by means of entries in the books of account maintained by the person making the gift*
- *or by an individual or a Hindu undivided family or a firm or an association of persons or body of individuals with whom or which he has business or other relationship,*
- *the value of such gift shall be liable to be included in computing the net wealth of the person making the gift*
- *unless he proves to the satisfaction of the Assessing Officer that the money has actually been delivered to the other person at the time the entries were made.*

Deemed Assets (section 4)

- In case of Individual, assets held –
 - by the spouse of such individual to whom such assets have been transferred by the individual, directly or indirectly, otherwise than for adequate consideration or in connection with an agreement to live apart, or
 - by a minor child, not being a minor child suffering from any disability of the nature specified in section 80U of the Income-tax Act or a married daughter, of such individual,
 - by a person or association of persons to whom such assets have been transferred by the individual otherwise than under an irrevocable transfer,
 - by the son's wife, of such individual, to whom such assets have been transferred by the individual, directly or indirectly, otherwise than for adequate consideration,

Deemed Assets (section 4)

- An assessee who is a partner in a firm or a member of an AOP, there shall be included, as belonging to that assessee, the value of his interest in the assets of the firm or AOP determined in the manner laid down in Schedule III
- An individual being a member of a Hindu undivided family, any property having been the separate property of the individual has been converted by the individual into property belonging to the family or been transferred by the individual, directly or indirectly, to the family otherwise than for adequate consideration

Deemed Assets (section 4)

- The holder of an impartible estate shall be deemed to be the individual owner of all the properties comprised in the estate.
- Where the assessee is a member of a co-operative society, company or other association of persons and a building or part thereof is allotted or leased to him under a house building scheme of the society, company or association, as the case may be, the assessee shall be deemed to be the owner of such building or part .

Deemed Assets (section 4)

- Where a gift of money from one person to another is made by means of entries in the books of account maintained by the person making the gift or by an individual or a Hindu undivided family or a firm or an association of persons or body of individuals with whom or which he has business or other relationship, the value of such gift shall be liable to be included in computing the net wealth of the person making the gift unless he proves to the satisfaction of the Assessing Officer that the money has actually been delivered to the other person at the time the entries were made.

Deemed Assets (section 4)

- A person—
 - who is allowed to take or retain possession of any building or part thereof in part performance of a contract of the nature referred to in section 53A of the Transfer of Property Act, 1882
 - who acquires any rights (excluding any rights by way of a lease from month to month or for a period not exceeding one year) in or with respect to any building or part thereof by virtue of any such transaction as is referred to in clause (f) of section 269UA of the Income-tax Act, 1961

Interest on Late Payment of tax

- Interest is leviable u/s 17B of Wealth Tax Act if Return of Wealth is filed after the due date of filing Return of Wealth.
- Interest is payable at the rate of 1% for every month or part of the month comprised in the period commencing on the date immediately following the due date and ending on the date of furnishing of return (where no return is being filed, up to the date of completion of assessment).
- The interest has to be calculated on the total amount of tax payable on the net wealth and should be paid before filing the return.
- No advance tax is payable under the wealth tax. Thus, no provisions similar to section 234B and 234C in Wealth Tax Act.

Penalty for non-filing of Return of Net wealth (Section 18)

- There is no penalty for non-filing of return as per section 14 or for late filing of return u/s 15.
- However, if the assessee is liable to file wealth tax return (where net wealth is exceeding Rs.30,00,000/-) and does not file return before issuing notice u/s 17 or assessment u/s 16 or 17, then tax liability arising in assessment will be said to be tax sought to be evaded. Penalty in such case would be ranging from 100% to 500% of tax sought to be evaded. (section 18(1)(c))
- No penalty to be levied if the assessee proves that there was reasonable cause for the delay or non-filing of return.

Penalty for non-filing of Return of Net wealth (Section 18)

- Concealment

- *Explanation 4.*—Where the value of any asset returned by any person is less than seventy per cent of the value of such asset as determined in an assessment under section 16 or section 17, such person shall be deemed to have furnished inaccurate particulars of such asset within the meaning of clause (c) of this sub-section, unless he proves that the value of the asset as returned by him is the correct value

Time limit to issue notice for Assessment u/s 16

- The time limit to issue notice for assessment u/s 16 is within 12 months from the end of the month in which return is furnished.
 - Notice shall be *served* within expiry of 12 months from the end of the month in which return is furnished.
- Wherein, the return of net wealth is not furnished u/s 14 (return within due date) or 15 (Revised Return or Belated Return), the Assessing Office may serve, a notice to file return of wealth

Time limit to issue notice for Reassessment u/s 17

- Notice for wealth escaped from assessment u/s 17 can be issued only if A.O. has **reason to believe** that wealth has escaped from assessment. Time limit to issue notice is as follows:
 - If Net Wealth believed to escape from assessment is upto Rs.10,00,000/- - within 4 years from the end of relevant assessment year.
 - If Net Wealth believed to escape from assessment is above Rs.10,00,000/- - within 6 years from the end of relevant assessment year.
 - If any asset related to Net Wealth located outside India - within 16 years from the end of relevant assessment year.

Time limit to issue notice for Reassessment u/s 17

- The findings of A.O. during income tax assessment u/s 143(3) or 147 or any other proceeding can be a valid reason to believe for wealth escaped from assessment.

Time limit to pass an order u/s 16/17 – section 17A

- Time limit to pass an order u/s 16 – within 24 months from the relevant Assessment Year
- Time limit to pass an order u/s 17 – within 12 months from the end of the financial year in which notice is served

Reference to Valuation Officer – Section 16A

- Where the assessment is pending;
- The A.O. *may* refer the matter to Valuation Officer
 - In case where Value of Asset has been estimated by a Registered Valuer – if the A.O. considers that the estimate made by the Registered Valuer is less than its fair market value,
 - In other cases – if the A.O. considers its necessary to do so on account of the nature of the asset and other relevant considerations;

Or, if he is *of the opinion* that the fair market value of the asset exceeds the value of the asset as returned by more than 33% of the assets as returned or more than Rs.50,000

Reference to Valuation Officer – Section 16A

- Valuation Rules are binding on Valuation Officer to follow
- Assessing Officer *shall* complete the assessment in conformity with the estimate of the Valuation officer.

mere pass gaadi hai bungalow hai ,
bank balance hai.. tumhare pass
kya hai..??



PEHLE WEALTH

TAX RETURN

DIKHA



Notification No. 32/2014 dated 23/06/2014

- CBDT has made mandatory filing of Wealth Tax Return only by electronic means for certain persons including Company and an assessee, **being individual or HUF who is liable to audit u/s 44AB;**
- Furnish Form BB (Return of Net Wealth) electronically under digital signature;
- New wealth tax return form BB (E-Filing) shall be applicable from assessment year 2014-15 for Years Prior to this Form BA will continue to remain applicable;
- Individual / HUF to whom provision of section 44AB (tax audit) is not applicable in assessment year 2014-15 may file wealth tax return on paper form

Notification No. 32/2014 dated 23/06/2014

- Exemption to Individual / HUF, not liable for tax audit from e-filing of form BB is granted only for AY 2014-15;
- Form BB shall not be accompanied by any document i.e.- statement of computation of tax payable, valuation report of registered valuer, proof of tax or interest deposit ;



FAQ's on Wealth Tax

- Wealth Tax is applicable on Individual, HUF and a company if the net wealth of such person exceeds Rs. 30 Lakh. Wealth tax is charged @ 1% on net wealth exceeding Rs. 30 Lakh;
- Net wealth means assets minus debt incurred for such asset ;
- . Last date to file the return is:
 - 31st July for Individuals or HUF
 - 30th Sep for Company and individual or HUF whose accounts are required to be audited u/s 44AB

DUE DATES



Individuals, Firms, Partners not liable for audit



Companies, Assessee covered under Audit, Working partners of the firms covered for audit and Individuals covered for audit



Assessee required to submit Report under Section 92E

Features of Return of Wealth Form BB

- Contains Two Parts and Three Schedules;
- Part A – General Details of the Assesee, his Name, Address, PAN and other KYC details;
- Citizen Ship Information is mandatory;
- Residential Status of the Assessee is mandatory;
- Return can be filed in special case referred to under Chapter V- In such cases additional details of such person needs to be given;
- Mandatory to inform details about assessed to income tax or not.

Features of Return of Wealth Form BB

- Part B- Computation of Net Wealth. Details are captured from Schedules.
- Bank Details and Due Dates needs to be entered by the assessee manually;
- Wealth Tax paid details to be given in the required format;
- Verification Form needs the details of the assessee or the person authorised by the assessee to submit the Return of Wealth;

Schedule I details

chedule IP		Immovable Property[S.2(ea)(i) or S.2(ea)(v)]		
Sl.No		Immovable Property 1 (i)	Immovable Property 2 (ii)	Immovable Property 3 (iii)
1	Description			
2	Complete Address			
3	Survey/Plot No. of Land			
4	Value as per Schedule III			
5	Debt owed in relation to the immovable property			
6	Net amount (4-5)			
7	Name of Registered Valuer			
8	Registration Number of Valuer			
9	Date of report by Valuer			
10	Aggregate net amount of all Immovable Properties [6(i)+6(ii)+6(iii)]			

Schedule MP: Movable Properties other than jewelery etc.

Schedule MP

Movable Property [other than jewellery, etc. referred to in S.2(ea)(iii)]

Sl.No	Description	Motor Cars [S.2(ea)(ii)] (A)	Yatch, etc [S.2(ea)(iv)] (B)	Cash in hand [S.2(ea)(vi)] (C)
1	Value as per Schedule III			
2	Debts owed in relation to the asset			
3	Net Amount (1-2)			
4	Aggregate net amount of all Movable Properties [3(A)+3(B)+3(C)]			

Schedule JE : Jewellery, Bullions etc.

Schedule JE

Jewellery, etc. referred to in S.2(ea)(iii)

		(A)	(B)	(C)
1	Description of item			
2	Gross weight			
3	Net weight of precious metal			
4	Description and weight of precious or semi-precious stones			
5	Value of each precious or semi-precious stone and total value of all such stones			
6	Total value of jewellery as per Schedule III			
7	Debt owed in relation to the jewellery			
8	Net amount (6-7)			
9	Name of Registered Valuer			
10	Registration Number of Valuer			
11	Date of report by Valuer			
12	Aggregate net amount of all jewellery, etc. [8(i)+8(ii)+8(iii)]			

Schedule INW: Includible Net Wealth of Other Persons



Includible net wealth of other persons

(A)	Sl.No	Name of other person (a)	Relationship (b)	PAN of other person (c)	Aggregate value of all assets (d)	Debt owed in relation to such assets (e)	Net amount [(d)-(e)]
(B)	Total net wealth of the person						

chedule IFA

Interest held in the assets of a firm or association of persons (AOP) as a partner or member

thereof:

(A)	Sl.No	Name(s) of Firm(s)/AOP(s) (a)	Address(es) of Firm(s)/AOP(s) (b)	PAN of Firm(s)/AOP(s) (c)	Name(s) of other Partners/ Members (d)	Assessee's Profit Sharing Ratio(%) (e)	Value of the Assessee's interest in the assets of firm/AOP as per Schedule III (d)	Debt owed in relation to such interest (e)	Net amount [(d)-(e)]
(B)	Total interest held in the asset of a firm or association of persons (AOP) as a partner or member thereof								

Schedule ACE : Exempted Assets under Section 5

Schedule ACE Assets referred to in section 2(ea) which are claimed as exempt under section 5

Sl.No	Description of Assets	Value	Debt owed in relation to such asset	Reason for claiming exemption

Schedule OPR

Other properties (See Note 1)

To be filled up by individual or HUF only)

**MANDATORY DETAILS
TO BE GIVEN**

		Properties	Cost
A	Immovable Property		
	I	Agricultural Land	
	(a)	Description	
	(b)	Complete Address	
	(c)	Survey / Plot No. of Land	
	II	Non-agricultural Land	
	(a)	Description	
	(b)	Complete Address	
	(c)	Survey / Plot No. of Land	

Schedule OPR

Other properties (See Note 1)

To be filled up by individual or HUF only)

**MANDATORY DETAILS
TO BE GIVEN**

Properties		Cost
III	Commercial Building	
	(a) Description	
	(b) Complete Address	
	(c) Survey / Plot No. of Land	
IV	Residential Building	
	(a) Description	
	(b) Complete Address	
	(c) Survey / Plot No. of Land	
	Movable Property	

Schedule OPR

Other properties (See Note 1)

To be filled up by individual or HUF only)

**MANDATORY DETAILS
TO BE GIVEN**

I	Total amount of deposits in Bank accounts (FDRs, Term Deposits and all other types of Deposits including saving accounts), with Financial Institutions, Non Banking Financial Companies and Cooperative societies.	
II	Amount of investment in Bonds, Debentures/shares and units in companies/Mutual Funds.	
III	Amount of investment in NSS, Postal Savings, Insurance Policies and investment in any Financial Instrument in Post office or Insurance Company.	
IV	Total amount of loans/advance given to any person or entity including firm, Company, Trust etc. and other receivables from debtors.	
V	Any other property including value of Claims/interest etc.	
Total value at cost of other properties		
Total liability in relation to other properties		
Net amount of other properties		

Note:- 1. OPR : All properties other than (i) assets referred to in section 2(ea) and liable for wealth tax; (ii) assets claimed as exempt under section 5; (iii) assets excluded under section 6; or (iv) assets being part of business or profession which is subject to audit under section 44AB of the Income-tax Act, 1961(43 of 1961)."

Any Further Help Required



Call Centre of Income Tax Department available/Helpdesk also available



send e-mail
[efilinghelpdesk@
incometaxindia.gov.in](mailto:efilinghelpdesk@incometaxindia.gov.in)



Tools for Help Available on the ITD Website

New Call Centre Numbers

**Need
Assistance?**

For Income tax related
queries

ASK : 1800 180 1961

For Rectification and
Refund

CPC : 1800 425 2229

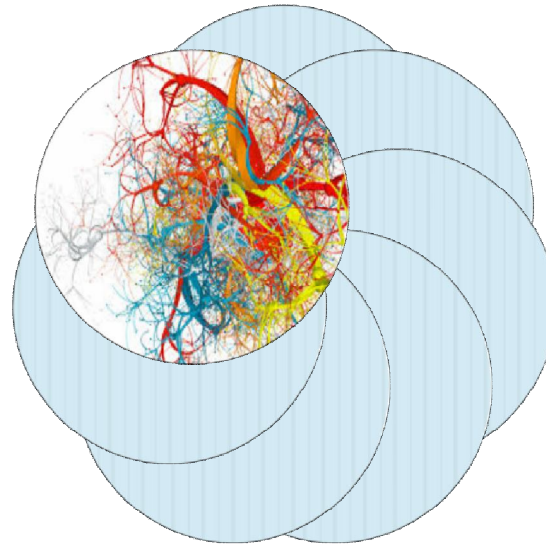
For e-Filing of Returns

e-Filing : 1800 4250 0025



Another Cause of Concern``

It's a Data Centre of all the information collected and information is cent percent reliable;



CPC acts as a preserver of the Information.

Data given by the Assessee shall be preserved for life time.

Some Quotes on Wealth



- There is no greater Wealth than PEACE of MIND...and the great thing is that it is still TAX FREE

Doubts & Queries

- Any Questions
- Thank You



THANKS ONCE AGAIN

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