

Instructions for filling ITR-4 (AY 2017-18)

1. General Instructions

These instructions are guidelines for filling the particulars in Income Tax Return (ITR) 4. In case of any doubt, please refer to relevant provisions of the Income-tax Act, 1961 and the Income-tax Rules, 1962.

1.1. Assessment Year for which ITR is applicable

This ITR is applicable for Assessment Year 2017-18 only, i.e. it relates to income earned in Financial Year 2016-17.

1.2. Who can e-File ITR

Who Can Use ITR 4	Who Cannot Use ITR 4
<p>This ITR is to be used by an individual/ HUF/ Partnership Firm whose total income for the assessment year 2017-18 includes;</p> <ul style="list-style-type: none">✓ Income from Salary/ Pension; or✓ Business income where such income is computed in accordance with special provisions referred to in sections 44AD and 44AE of the Act for computation of business income; or✓ Income from Profession where such income is computed in accordance with special provisions referred to in sections 44ADA; or✓ Income from One House Property (excluding cases where loss is brought forward from previous years); or✓ Income from Other Sources (excluding Winning from Lottery and Income from Race Horses) <p>Notes:</p> <ul style="list-style-type: none">• In case where the income of another person like spouse, minor child, etc. is to be clubbed with the income of the assessee, this ITR can be used only if the income being clubbed falls into the above income categories.• The income computed shall be presumed to have been computed after giving full effect to every loss, allowance, depreciation or deduction under the Income-tax Act.	<p>This ITR should not be used by an individual whose total income for the assessment year 2017-18 exceeds Rs.50 lakh or includes</p> <ul style="list-style-type: none"><input checked="" type="checkbox"/> Income from more than one house property; or<input checked="" type="checkbox"/> Income from winnings from lottery or income from Race horses; or<input checked="" type="checkbox"/> Income taxable under section 115BBDA; or<input checked="" type="checkbox"/> Income of the nature referred to in section 115BBE; or<input checked="" type="checkbox"/> Income under the head "Capital Gains", e.g. Short-term capital gains or long-term capital gains from sale of house, plot, shares etc.; or<input checked="" type="checkbox"/> Agricultural income in excess of ₹ 5,000; or<input checked="" type="checkbox"/> Income from Speculative Business and other special incomes; or<input checked="" type="checkbox"/> Income from an agency business or income in the nature of commission or brokerage;<input checked="" type="checkbox"/> Person claiming relief under section 90, 90A or 91; or<input checked="" type="checkbox"/> Any resident having any asset (including financial interest in any entity) located outside India or signing authority in any account located outside India; or<input checked="" type="checkbox"/> Any resident having income from any source outside India.

1.3. Manner of filing this ITR

This ITR can be filed with the Income Tax Department in any of the following ways-

Mode	Applicability	Manner
Paper Filing	An option ONLY to , (i) An individual of the age of 80 years or more at any time during the previous year; or (ii) An individual or HUF whose income does not exceed five lakh rupees and no refund is claimed in the return of income.	Can be filed in paper form at local Income Tax Office
e-Filing	Everyone	(i) Using Digital Signature (ii) Using Electronic Verification Code (iii) Using ITR-V
	If the ITR is e-Filed by opting for ITR-V, then the assessee should take a print of ITR-V, sign it and send by post to - Post Bag No. 1, Electronic City Office, Bengaluru— 560 500, Karnataka.	

1.4. Obligation to file return

The obligation to file return for status Individual, HUF and Partnership Firm is explained below.

- Every Individual or HUF whose total income before allowing deductions under Chapter VI-A of the Income-tax Act, exceeds the maximum amount which is not chargeable to income tax is obligated to furnish his return of income. The maximum amount not chargeable to income tax in case of different categories of individuals is as follows

S.No.	Category	Amount (in ₹)
(i)	In case of individuals below the age of 60 years (Resident/Non-Resident)	2,50,000
(ii)	In case of Resident individuals, who are of the age of 60 years or more at any time during the financial year 2016-17	3,00,000
(iii)	in case of Resident individuals, who are of the age of 80 years or more at any time during the financial year 2016-17	5,00,000

- Every firm shall furnish the return where income from business or profession is computed in accordance with section 44AD, 44ADA or 44AE.

2. How to fill the Form

2.1. Personal Information

Under Personal Information, the details of the assessee such as PAN, Name, Address details, Contact details and relevant information for determining the assessee's tax profile shall be captured.

S.No.	Field	Description	Validation
1	Name	Name should match with the assessee's PAN records and should be entered in below format. → First Name → Middle Name → Last Name	Mandatory

2	PAN	Enter your Permanent Account Number.	Mandatory
3	Sex	Select the applicable option from the below list; <input checked="" type="checkbox"/> M-Male <input checked="" type="checkbox"/> F-Female <input checked="" type="checkbox"/> X-HUF/Firm	Mandatory
4	Date of Birth	Enter the Date of Birth as per your PAN card in DD/MM/YYYY format	Mandatory
5	Income Tax Ward / Circle	Enter your Ward/Circle Example: Ward 15(1), Circle 14(1) You can also fill the full Assessing Officers Code, if known.	Mandatory
6	Address	Enter the latest address for communication in below format. → Flat/Door/Block No. → Name of Premises/Building/Village (If available) → Road/Street/Post Office (If available) → Area/locality → Town/City/District → State → Country → Pin Code → Zip Code (If Country is other than "India")	Mandatory
7	Aadhaar Number / Aadhaar Enrolment Id	Enter the 12 digit Aadhaar Number. If you have applied for Aadhaar Number and is not yet allotted then enter Aadhaar Enrolment Id. <u>This field is mandatory for assesseees other than the assesseees mentioned below:</u> (a) Residing in the States of Assam, Jammu and Kashmir and Meghalaya (b) of the age of eighty years or more at any time during the previous year 2016-17 (c) Non-Residents (d) Not a citizen of India (e) HUF (f) Firm	Conditional Mandatory
8	Status	Select the applicable option from the below list; <input checked="" type="checkbox"/> I-Individual <input checked="" type="checkbox"/> H-HUF <input checked="" type="checkbox"/> F-Firm (other than LLP)	Mandatory
9	Mobile Number 1	Enter your valid Mobile number.	Mandatory
10	Email Address	Enter your valid Email Address. This is important for faster communication from/with the department.	Mandatory
11	Tax Status	Select the applicable option from the below list; <input checked="" type="checkbox"/> Tax Refundable <input checked="" type="checkbox"/> Tax Payable <input checked="" type="checkbox"/> Nil Tax Balance	Mandatory

12	Residential Status	Select the applicable option from the below list; <ul style="list-style-type: none"> ✓ Resident ✓ Non Resident ✓ Resident but not Ordinarily Resident (To know about your Residential Status refer Section 6 of the Income-tax Act, 1961)	Mandatory
13	Return filed under section	Select the applicable option from the below list; <ul style="list-style-type: none"> ✓ On or before Due Date under section 139(1) ✓ After the Due Date under section 139(4) ✓ In response to notice under section 142(1) ✓ In response to notice under section 148 ✓ In response to notice under section 153A ✓ In response to notice under section 153C read with section 153A ✓ Revised return under section 139(5) ✓ In response to notice under section 139(9) ✓ Return under section 119(2)(b) [Applicable from AY 2018-19] 	Mandatory
14	Are you governed by Portuguese Civil Code as per section 5A?	Select the applicable option from the below list; <ul style="list-style-type: none"> ✓ Yes ✓ No Note: Exercise the option by selecting "Yes", if you are governed by Portuguese Civil Code and impacted by Section 5A of Income- Tax Act, 1961. You should enter only your share of income under Income from House Property and under Income from Other Sources. The balance share of income under these heads should be entered in the ITR of your spouse.	Mandatory
15	If Yes, Fill PAN of the Spouse	If you are governed by Portuguese Civil Code and impacted by Section 5A of Income- tax Act, 1961, then enter PAN of the Spouse	Conditional Mandatory
16	Whether original or revised return?	Select the applicable option from the below list; <ul style="list-style-type: none"> ✓ Original ✓ Revised 	Mandatory
17	Original Acknowledgement Number	If the ITR is being filed under section 139(5) or 139(9), then enter the 15 digit Acknowledgement Number of Originally filed ITR.	Conditional Mandatory
18	Date of filing of Original Return	If the ITR is being filed under section 139(5) or 139(9), then enter the Date of filing of Original ITR in DD/MM/YYYY format.	Conditional Mandatory
19	Notice Number	If the ITR is being filed under section 139(9), then enter the Communication Reference number having 23 Characters . <u>Example for Communication Reference number:</u> CPC/1718/A1/01234567890	Conditional Mandatory
20	If filed in response to notice u/s 139(9)/142(1)/148/153A/153C, enter the date of such notice	If the ITR is being filed in response to notice by the Income-Tax Department under section 139(9)/142(1)/148/153A/153C, then enter the Date of such notice in DD/MM/YYYY format.	Conditional Mandatory

2.2. Part B Gross Total Income

Under "Gross Total Income", the assessee can enter the income from various sources like Business & Profession, Salary/Pension, House Property and Other Sources.

S.No.	Field	Description	Notes
1	Income from Business & Profession	This field shall be auto-calculated from Schedule BP	Ensure to fill business codes in the "Nature of Business". For business codes refer instructions.
2	Income from Salary / Pension	Enter your Salary/Pension Income as per field "Income chargeable under the head salaries" as given in TDS certificate (Form 16) issued by the employer.	(i) If the income has not been computed correctly in Form No.16, please make the correct computation and enter here. (ii) In case there was more than one employer during the year, please furnish Total amount of Salary from all employers.
3	Type of House Property	Select the applicable option from the below list; ✓ Self-Occupied ✓ Let Out	
4	Income from One House Property	Enter your Income from One House Property. If Loss, enter the amount with negative sign.	If you have more than One House Property, ITR 4 is not applicable. In such case, please use other ITR.
5	Gross Total Income	The total of incomes as entered above will be auto-calculated.	If you have any Loss , it cannot be Carried Forwarded to next year by using ITR 4. Use ITR-3 or ITR-5 for Carry Forward of Losses

2.3. Part-C - Deductions

- Deduction under any section mentioned below cannot be more than the Gross Total Income.
- Please refer to the respective sections for applicability of deductions and further details.

S.No.	Field	Maximum Limit	Applicability
1	80C	Total amount of deduction under section 80C, 80CCC and 80CCD(1) cannot be more than ₹ 1,50,000/-	Any Individual or HUF
2	80CCC		Any Individual
3	80CCD(1)		Any Individual
4	80CCD(1B)	₹ 50,000/-	Any Individual
5	80CCD(2)	Cannot be more than 10% of salary in the previous year.	Any Individual
6	80CCG	<ul style="list-style-type: none"> ▪ ₹ 25,000/- ▪ If the Gross Total Income is more than 12 Lakh Rupees, then this deduction is not allowed. 	Any Individual ✓ Resident ✓ Resident but not Ordinarily Resident

7	80D	S.No	Category	Limit	Any individual or HUF. The benefit of Senior Citizen is applicable only to an Individual Resident in India.
		i.	Self and Family	₹25,000/-	
ii.	Self(Senior citizen) & family	₹30,000/-			
iii.	Parents	₹25,000/-			
iv.	Parents(Senior citizen)	₹30,000/-			
v.	Self and Family including parents	₹50,000/-			
vi.	Self and Family including senior citizen parents	₹55,000/-			
vii.	Self(Senior citizen) & family including senior citizen parents	₹60,000/-			
8	80DD	For Expenditure on medical treatment of dependent relative <ul style="list-style-type: none"> ▪ ₹ 75,000/- (With disability) ▪ ₹ 1,25,000/- (With Severe disability) 			Any Individual or HUF <ul style="list-style-type: none"> ✓ Resident ✓ Resident but not Ordinarily Resident
9	80DDB	For Medical Expenditure for specified diseases <ul style="list-style-type: none"> ▪ ₹ 40,000/- (Normal Citizen) ▪ ₹ 60,000/- (Senior Citizen) ▪ ₹ 80,000/- (Very Senior Citizen) 			Resident but not Ordinarily Resident Any Individual or HUF <ul style="list-style-type: none"> ✓ Resident ✓ Resident but not Ordinarily Resident
10	80E	Interest on Loan taken for Higher Education. <ul style="list-style-type: none"> ▪ Cannot be more than Gross Total Income 			Any Individual
11	80EE	Interest on Loan taken for Residential House Property. <ul style="list-style-type: none"> ▪ ₹ 50,000/- 			Any Individual
12	80G	Deduction in respect of donations to certain funds, charitable institutions, etc. (Refer Section 80G)			Any Individual or HUF or Firm
13	80GG	Deduction in respect of rents paid <ul style="list-style-type: none"> ▪ ₹ 60,000/- (₹ 5,000 monthly) or ▪ 25% of his Total Income before allowing deduction of this expenditure, ▪ Whichever is less 			Any Individual or HUF
14	80GGC	Deduction in respect of contributions given by any person to political parties <ul style="list-style-type: none"> ▪ Cannot be more than Gross Total Income 			Any Individual or HUF or Firm
15	80RRB	Deduction in respect of royalty on patents <ul style="list-style-type: none"> ▪ ₹ 3,00,000/- 			Any Individual <ul style="list-style-type: none"> ✓ Resident ✓ Resident but not Ordinarily Resident

16	80QQB	Deduction in respect of royalty income of authors <ul style="list-style-type: none"> ▪ ₹ 3,00,000/- 	Any Individual <ul style="list-style-type: none"> ✓ Resident ✓ Resident but not Ordinarily Resident
17	80TTA	Deduction in respect of interest on deposits in savings accounts <ul style="list-style-type: none"> ▪ ₹ 10,000/- 	Any Individual or HUF
18	80U	Deduction in case of a person with disability <ul style="list-style-type: none"> ▪ ₹ 75,000/- (With disability) ▪ ₹ 1,25,000/- (With Severe disability) 	Any Individual <ul style="list-style-type: none"> ✓ Resident ✓ Resident but not Ordinarily Resident

2.4. Part-D - Tax Computations and Tax Status

Under this section, the below details are available.

- Tax computation
- Rebate u/s 87A
- Relief u/s 89(1)
- Interest Chargeable u/s 234A, 234B, 234C

Note:

Relief u/s 89(1) can be entered by only Individual assessee. The claim of Relief under section 89(1) shall be allowed only if Form 10E is e-Filed (Or Manually filed, if applicable).

2.5. Schedule BP - Details of Income from Business or Profession

Under Schedule BP, the details like Nature of Business, Presumptive Income u/s 44AD, u/s 44ADA, u/s 44AE etc. are available.

2.5.1. Nature of business or profession

Select the applicable Nature of Business and enter the Trade Name. If you have multiple business or profession, then provide the details of all of them.

2.5.2. Computation of Presumptive income under 44AD

S.No.	Field		Description
1	Gross Turnover or Gross Receipts	A. Through <ul style="list-style-type: none"> ➤ A/c payee cheque or ➤ A/c payee bank draft or ➤ Bank electronic clearing system received before specified date 	Enter the gross turnover or gross receipts through the mentioned sources
		B. Any other mode	Enter the gross turnover or gross receipts through any other mode.

2	Presumptive income under section 44AD	6%	Enter presumptive income not less than 6% of S.No. 1A .
		8%	Enter presumptive income not less than 8% of S.No. 1B .

Note:

If income is less than the percentage of Gross Receipts mentioned above, it is mandatory to have a tax audit under section 44AB and Regular ITR 3 or ITR 5 has to be filled and not ITR 4.

2.5.3. Presumptive income under 44ADA (Profession)

S.No.	Field	Description
1	Gross Receipts	Please enter gross receipts of profession eligible under section 44ADA.
2	Presumptive income under section 44ADA (>=50% of Gross Receipts)	Enter presumptive income from profession not less than 50% of Gross Receipts u/s 44ADA

Note:

If income is less than 50% of Gross Receipts, it is mandatory to have a tax audit under 44AB and Regular ITR 3 or ITR 5 has to be filled and not ITR 4.

2.5.4. Computation of Presumptive income under 44AE

- Presumptive Income from Goods Carriage under section 44AE can be calculated by using the table "Instructions for correct calculation of Profits and gains of Business of plying, hiring or leasing goods carriages u/s 44AE" as given below.

S.No.	Field	Description
1	Period of holding (in months)	Enter the number of months for which the goods carriage(s) held during the year.
2	Income per Vehicle (Must be >= ₹7,500 per month per vehicle)	Enter the presumptive income per month from each vehicle.

Note:

If the profits are lower than prescribed under S.44AE or the number of Vehicles owned at any time exceed 10, then the regular ITR 3 or ITR 5 has to be filled and not ITR 4.

- Salary and interest paid to the partners can be claimed only by a partnership firm.

2.5.5. Financial Particulars of the Business

- The details of Debtors, Creditors, Stock-in-trade etc. to be furnished as on 31st day of March, 2017

S.No.	Field	Description
1	Amount of Total Sundry Debtors	Enter the amount of total sundry debtors
2	Amount of Total Sundry Creditors	Enter the amount of total sundry creditors
3	Amount of Total Stock-in-Trade	Enter the amount of total Stock-in-trade
4	Amount of the Cash Balance	Enter the amount of total Cash Balance

2.6. Tax Payment Details

S.No.	Schedule	Source
1	TDS	Enter the details as per Form 16
2	TDS2	Enter the details as per Form 16A
3	TCS	Enter the details as per Form 27D
4	IT	Enter the details of Advance Tax and Self-Assessment Tax paid

Notes:

- Tax payment details of the assessee as per Form 26AS are available for pre-filing in e-Filing portal. The assessee can access this facility post login to e-Filing portal.
- The assessee will be able to enter any additional details of Tax Payments in the respective schedules.

2.7. Exempt Income details

The details of exempt income such as Dividend Income, Agriculture Income (Not exceeding ₹ 5,000/-) etc. can be entered here.

Note: If agricultural income exceeds ₹ 5,000/-, please use ITR-2.

2.8. Bank Account Details

- Provide the details of all the savings and current accounts held by you at any time during the previous year.
- However, it is not mandatory to provide details of dormant accounts which are not operational for more than 3 years.
- The account number should be as per Core Banking Solution (CBS) system of the bank along with a valid IFSC of the Bank Branch.
- The amount of cash deposited during 09.11.2016 to 30.12.2016 in the said bank accounts should also be filled.
- In case cash is deposited during 09.11.2016 to 30.12.2016 in any account other than the current and savings account (viz. loan accounts etc.), then details of such account indicating the cash deposited in the said account during the said period should also be provided.
- It may be noted that details of cash deposited are to be provided, if the aggregate amount of cash deposited during 09.11.2016 to 30.12.2016 is Rs.2 lakh or more.

2.9. Verification

- Please complete the Verification Section by filling the Name, Father's Name, Place, Date and PAN.
- Verify your ITR using either DSC (Digital Signature Certificate) or EVC (Electronic Verification Code) or ITR-V. Your ITR will not be accepted as valid by the Income - Tax Department unless it is duly verified by you.
- For detailed information regarding EVC, please [click here](#)

3. Procedure for Generating the XML and Submitting the ITR

Action	JAVA Utility	Excel Utility
Generate XML	<p>After filling all the mandatory and applicable fields,</p> <ul style="list-style-type: none"> ➤ Verify your data ➤ Click on "Save" button available at Menu Bar 	<p>After filling all the mandatory and applicable fields, make sure that data entered in all the sheets is validated by clicking on "Validate" button available in respective sheets and</p> <ul style="list-style-type: none"> ➤ Click on "Calculate Tax" button at sheet "PART A GENERAL" or "PARTB-TI-TTI" ➤ Verify your data ➤ Click on "Generate XML" button at sheet "PART A GENERAL" or "PARTB-TI-TTI"
Submit ITR	<p><u>Using direct "Submit" from ITR:</u></p> <ul style="list-style-type: none"> ➤ Click on "Submit" button available at Menu Bar. ➤ Enter your e-Filing credentials ➤ Submit your ITR. <p><u>Using "Upload Functionality":</u> Login to e-Filing portal using your credentials. Go to</p> <ul style="list-style-type: none"> ➔ e-File Menu ➔ Select "Income tax return" ➔ Select "Assessment Year" as "2017-18" ➔ Select "ITR" as "ITR 4" ➔ Browse and Select the valid XML Generated. 	<p>Login to e-Filing portal using your credentials. Go to</p> <ul style="list-style-type: none"> ➔ e-File Menu ➔ Select "Income tax return" ➔ Select "Assessment Year" as "2017-18" ➔ Select "ITR" as "ITR 4" ➔ Browse and Select the valid XML Generated.

4. Salient Features

4.1. Prefilling:

- Prefill functionality is available to download the prefilled XML from e-Filing portal having your personal details, TDS, TCS, IT payment details and other details, if any.
- For downloading the prefilled XML login to e-Filing portal using your credentials. Go to My Account → Download Pre-filled XML → Select "Assessment Year" as "2017-18" → Select "ITR Form Name" as "ITR 4" → Select the fields or schedules you want to prefill → Click on Confirm to download the prefilled XML.
- The downloaded XML can be imported to JAVA/Excel utility.
- In JAVA Utility, click on "Prefill" button available at Menu bar
- In Excel Utility, click on "Import Personal/Tax Details from XML" button available in sheet "Part A-General". Browse and select the downloaded XML.

4.2. Save draft

- Save draft option is available to save partially filled data which can be imported and updated later.
- In Java utility, click on "Save draft" button available at Menu bar. The draft XML will be saved which can be imported by using "Open" button available at Menu bar.
- The saved draft file cannot be used for submitting the ITR.

4.3. Open

- The XML generated from previous sessions or previous versions can be imported in the latest version of the utility.
- In Java Utility, click on "Open" button available at Menu bar to browse and select the XML already saved.
- In Excel Utility, click on "Import from Previous Version" button available in sheet "Part A-General" to browse and select the already saved excel utility.