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Vipul Choksi

11th December, 2020

To,
Smt. Nirmala Sitharaman
Hon'ble Finance Minister,
Ministry of Finance, North Block,
New Delhi 110 001.

Hon'ble Madam,

Sub: Request for extension of Due Dates for Tax Audit, Transfer Pricing Audit and Income Tax Return Filing for the Assessment Year 2020-21

The Chamber of Tax Consultants, established in 1926, is one of the oldest non-profit organizations of tax practitioners of Mumbai, having Advocates, Chartered Accountants and Tax Practitioners as its members. Many senior tax professionals who regularly appear before ITAT, high courts and the Supreme Court are its Past Presidents. We have been making regular representations before various government agencies.

The Chamber regularly takes up initiatives to act as a bridge between stakeholders and concerned regulatory bodies in order to convey and help in resolving genuine grievances or effectively implement the laws.

Today, we come forth with a request of extending the due dates of Tax Audit and Transfer Pricing Audit to February 28, 2021 and Income Tax Return filing to March 31, 2021. Our request is based on 2 major pillars:

1. The Covid-19 Pandemic

We commend the Government for the way the pandemic has been efficiently tackled during the various phases of lockdown and unlock. We also appreciate the extension provided for tax audit and income tax return filing up to December 31, 2020.

But, while the country has been unlocked as a whole, several state governments have individually imposed various restrictions based on the spread and severity of the Corona virus in the state. Inter-state movement is restricted to an extent in certain states. The intra-state movement is also restricted. States like Gujarat, Rajasthan, Punjab, Himachal Pradesh, Madhya Pradesh have imposed night curfew. In a city like Mumbai, whose lifeline is its local trains, the metros and local trains are not running till date. The transport via public buses is not easily accessible. Nation-wide, there is still a huge fear of getting infected among the people due to which they prefer not travelling at all or

restrict it to the vicinity of their homes. Due to this restriction of movement, several industries and private offices have still not started fully functioning and are still struggling to function at a certain level of normalcy. This also includes the offices of the Chartered Accountants and Tax Practitioners.

Due to this, the details required for completing audits and carrying on tax audit and filing the return of income are not being received promptly and thus the audits cannot be efficiently performed.

Also travelling to the place of audit without availability of trains is very difficult for the professionals and their staff in a city like Mumbai as well as the curfews imposed have curtailed work hours in other cities.

Several Chartered Accountants, Tax Practitioners and their staff have been infected and have not been able to work for minimum of 14 days. Also visiting any audit place all the more exposes them to the virus making them prone to get infected.

In addition to this, the senior citizens are advised to stay at home. This includes senior professionals and senior assesses who following this advice will not be able to comply with the existing due dates.

These hindrances are making it very difficult for the assesseees, the Chartered Accountants and the Tax Practitioners to comply with even the extended due dates.

2. Delay in release of utilities and instructions

The utilities for the income tax return were made available only June'20 onwards instead of April'20.

Following is the chart showing the release date and the latest update date:

Sr. No.	Income Tax Return	Schema Release Date	Schema Updation Date	Utility Updation Date
1	ITR 1	June 2, 2020	September 9, 2020	December 1, 2020
2	ITR 2	June 26, 2020	November 4, 2020	December 3, 2020
3	ITR 3	July 31, 2020	November 9, 2020	December 1, 2020
4	ITR 4	June 5, 2020	October 15, 2020	December 1, 2020
5	ITR 5	August 25, 2020	November 18, 2020	December 3, 2020
6	ITR 6	September 22, 2020	November 22, 2020	December 3, 2020

7	ITR 7	September 3, 2020	December 8, 2020	December 8, 2020
8	Form 3CA-3CD	-	November 4, 2020	-
9	Form 3CA-3CD	-	November 4, 2020	-
10	Form 3CEB	-	November 4, 2020	-

Usually, the income tax returns must be released in the month of April but due to the pandemic, the release of the returns have been delayed on an average by 4 months. Additionally, even after release, they have been constantly updated.

Although the utilities were released as on the abovementioned dates, the 700+ paged instructions for filing the return of income were released only on October 23, 2020. These instructions were further revised on November 25, 2020 i.e. just a month before the due date of filing of income tax return, not giving the professionals and assessee enough time to even take a note of the most important points.

These are indeed unusual times and when the dates were last extended one had expected a reasonable resumption of activities – however the second predicted phase of COVID spread resulted in a slow unlockdown compared to what was expected and hence the earlier date of December end which seemed reasonable at one time is now looking like an impossibility.

With due respect to the above difficulties faced by the assesseees and the professionals, we request your Honour to take them into consideration and extend the due dates for Tax Audit and Transfer Pricing Audit to February 28, 2021 and Income Tax Return filing to March 31, 2021. The entire fraternity of taxpayer and professionals will highly appreciate if this is done soon enough (i.e. well in advance) to allow them to get a clarity.

Sincerely,

For **THE CHAMBER OF TAX CONSULTANTS**

Sd/-	Sd/-	Sd/-
Anish Thakker President	Mahendra Sanghvi Chairman Law and Representation Committee	Apurva R. Shah Co-Chairman

c.c. 1) Chairman – CBDT