



Income Tax Department

Department of Revenue, Ministry of Finance, Government of India

ITR 4S – Validation Rules for AY 2016-17

Version 1.0

April 2016

Table of Contents

1. Purpose	2
2. Validation Rules	2
2.1 Category A:	3
2.2 Category B:	4
2.3 Category C:	4

1. Purpose

The Income Tax Department has provided free return preparation software in downloads page which are fully compliant with data quality requirements. However, there are commercially available software or websites that offer return preparation facilities as well. In order to improve the data quality received through in ITRs prepared through such commercially available software, various types of validation rules are being deployed in the e-Filing portal so that the data which is being uploaded can be validated to a large extent. Taxpayers are advised to review the same to ensure that the software that is used is compliant with these requirements to avoid rejection of return due to poor data quality or mistakes in the return. Software providers are strictly advised to adhere to these rules to avoid inconvenience to the taxpayers who may use their software.

2. Validation Rules

The validation process at e-Filing/CPC end is to be carried out in ITR 4S for each defect as categorized below:

Category of defect	Action to be Taken
A	Return will not be allowed to be uploaded. Error message will be displayed
B	Return data will be allowed to be uploaded but the taxpayer uploading the return will be informed of a possible defect present in the return u/s 139(9). Appropriate notices/ communications will be issued from CPC.
C	Third party utility providers will be alerted about the inconsistent data quality and warned about future barring of their utility.

2.1 Category A:

Sl. No.	Scenarios
1	Tax computation has been disclosed but Gross Total Income is nil.
2	"Income details" and "Tax computation" have not been disclosed but details regarding "Taxes Paid" have been disclosed.
3	Total Presumptive Income u/s 44AD is less than 8% of Gross Turnover or Gross Receipts.
4	Income u/s 44AD is more than the Gross Receipts.
5	Gross Total Income is not equal to the Total of Incomes from Salary, House Property & Other Sources.
6	Non-Resident assessee has claimed Income u/s 44AD.
7	TDS or TCS or Tax paid claimed in "Part D - Tax Computation and Tax Status" is inconsistent with the details provided in Schedule IT, Schedule TDS1, Schedule TDS2 and Schedule TCS.
8	The details of "Bank Accounts held during the year" do not match with the number of bank accounts reported.
9	When "House Property" is "Self occupied", loss from HP is more than 2 lakhs.
10	The assessee is governed by Portuguese Code but "PAN of Spouse" is not provided.
11	Donee PAN is same as "Assesse PAN" or "PAN at Verification"
12	"Name" as per ITR does not match with the "Name" as per the PAN data base.
13	The sum of amounts disclosed at TDS, TCS, Advance Tax and Self-Assessment Tax is not equal to the amount disclosed at Total Taxes Paid.
14	Non-compliances with respect to section 44AE; i) Period of holding per vehicle is more than 12 months OR ii) Total period of holding is more than 120 months.
15	Presumptive Income from one Goods Carriage is less than Rs. 7500/-.

2.2 Category B:

Sl. No.	Scenario
1	Tax determined as Payable in the return has not been paid.

2.3 Category C:

Sl. No.	Scenarios
1	Total Presumptive Income u/s 44AE is disclosed but details are not provided in Schedule 44AE.
2	Deduction u/s 80G is claimed but details are not provided in Schedule 80G.
3	If the amount of salary disclosed in "Income details" is less than 90% of Salary reported in Schedule TDS1.