



ITR 7 – Validation Rules for AY 2016-17

Version 1.0

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Revision List

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1. Purpose

The Income Tax Department has provided free return preparation software in the downloads page as well as facility for online ITR submission for ITRs 1&4S 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 7 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.

2.1 Category A:

Sl. No.	Scenarios
1	Income claimed under the head House Property in Part B TI, but Schedule HP is not filled!
2	Income claimed under the head Business or Profession in Part B TI, but Schedule BP is not filled!
3	Income claimed under the Short Term Capital Gains in Part B TI, but "Schedule CG" is not filled!
4	Income claimed under the Long Term Capital Gains in Part B TI, but "Schedule CG" is not filled!
5	Income claimed under the head Other Sources in Part B TI, but "Schedule OS" is not filled!
6	Income claimed under Voluntary Contributions in Part B TI, but "Schedule VC" is not filled!
7	"Total income from all the heads of income" at Part B TI is different with the sum of "Incomes from individual heads".
8	"Total Application of income for charitable or religious purposes" at Part B TI is different with the sum of "Amounts disclosed at individual points".
9	"Total Additions" at Part B TI is different with the sum of "Amounts disclosed at individual points".
10	Income claimed u/s 11(4) in Part B TI, but "Schedule BP" is not filled!
11	"Gross Total Income" at Part B TI is different with the value of "Income Chargeable to tax MINUS Losses of current year"
12	"Total Income" at Part B TI is different with the value of "Gross Total Income Minus deductions"
13	Income claimed as "Anonymous donations", but Schedule VC is not filled!
14	"Tax Payable on Total Income" at Part B TTI is different with the sum of individual items.

15	“Gross tax liability” at Part B TTI is different with the sum of (Tax Payable, Surcharge & Education Cess)
16	“Relief claimed under section 90/90A in Part B TTI” is different with “Amount entered in Schedule TR”!
17	“Relief claimed under section 91 in Part B TTI” is different with “Amount entered in Schedule TR”!
18	Tax Payments claimed in “Part B-TTI” are different with the claims made in Schedule TDS/Schedule IT
19	A Political party u/s 13A is not filling up Schedule LA!
20	An Electoral Trust is not filling up Schedule ET!
21	Registered u/s 12A/12AA, but respective fields in Part B TI are not filled!
22	Aggregate of “Anonymous Donations” are more than “Total Contributions”
23	Anonymous donations chargeable u/s 115BBC is different with the total of “Aggregate of anonymous donations MINUS respective deductions”
24	“Name” does not match with the “Name” as per the PAN database.
25	The details of “Bank Accounts held during the year” are not completely provided.

2.2 Category B:

Sl. No.	Scenario
1	Tax determined as Payable in the return is unpaid.

3. Fields considered for “Exempt Income” in ITR V

The “Exempt Income” field in ITR V of ITR-7 is bifurcated into “Agriculture” & “Others”. These fields are populated from data available in ITR-7 uploaded by the assessee.

The fields considered for populating the “Exempt Income” values in ITR V are as follows:-

i) **For “Agriculture”:**

- Serial No. 27 of Part B TI: “Net Agricultural income for rate purpose”

ii) **For “Others”:**

- Serial No. 13 of Part B TI: “Amount of income exempt under any clause of section 10, to the extent that is included in 12 above.” which is again sub-divided in to serial Nos. 14, 15 & 16 of Part B TI.

And

- Serial No. 18 of Part B TI: “Income claimed / exempt under section 13A or 13B in case of a Political Party or Electoral Trust (fill Schedule LA or ET)”