



Income Tax Department

Department of Revenue, Ministry of Finance, Government of India

ITR 7 – Validation Rules for AY 2017-18

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1. Purpose

The Income Tax Department has provided free return preparation software in downloads page as well as facility for online ITR submission for ITR 1 & ITR 4 (SUGAM) 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 forming part of corpus in Part B TI, but "Schedule VC" is not filled!
7	Income claimed under Voluntary Contributions other than corpus in Part B TI, but "Schedule VC" is not filled!
8	"Total at Pt No. 7 in Part B TI is different with the sum of "(2 + 3 - 4viii + 5v + 6)"
9	"Total Application of income for charitable or religious purposes" at Part B TI is different with the sum of "Amounts disclosed at individual points".
10	"Total Additions" at Part B TI is different with the sum of "Amounts disclosed at individual points".
11	Income claimed u/s 11(4) in Part B TI, but "Schedule BP" is not filled!
12	"Gross Total Income" at Part B TI is different with the value of "Gross Income MINUS Losses of current year"
13	"Total Income" at Part B TI is different with the value of "Gross Total Income Minus deductions"
14	Income claimed as "Anonymous donations", but Schedule VC is not filled!

15	“Tax Payable on Total Income” at Part B TTI is different with the sum of individual items.
16	“Gross tax liability” at Part B TTI is different with the sum of (Tax Payable, Surcharge & Education Cess)
17	“Relief claimed under section 90/90A in Part B TTI” is different with “Amount entered in Schedule TR”!
18	“Relief claimed under section 91 in Part B TTI” is different with “Amount entered in Schedule TR”!
19	Tax Payments claimed in “Part B-TTI” are different with the claims made in Schedule TDS/Schedule IT
20	A Political party u/s 13A is not filling up Schedule LA!
21	An Electoral Trust is not filling up Schedule ET!
22	Registered u/s 12A/12AA, but respective fields in Part B TI are not filled!
23	Aggregate of “Anonymous Donations” are more than “Total Contributions”
24	Anonymous donations chargeable u/s 115BBC is different with the total of “Aggregate of anonymous donations MINUS respective deductions”
25	“Name” does not match with the “Name” as per the PAN database.
26	IFSC under "Bank Details" is not matching with the RBI database.
27	At Part A Gen - Other Details - B. "University/ Educational Institution etc. eligible for exemption u/s 10" is selected as “Yes” but details are not provided in the table.
28	Project/Institution runs an activity referred to in proviso to section 2(15) But the Percentage of Receipts and Amount of Receipts are Zero/Nil.
29	Registered u/s 12A/12AA flag is selected as "No" But in Part B TI the deduction u/s 11 has been claimed
30	The amount of TDS claimed this year is more than “Tax deducted” in Schedule TDS1.

31	The amount of TDS claimed this year is more than "Tax deducted" in Schedule TDS2.
32	The amount of TCS claimed this year is more than "Tax collected" in Schedule TCS.
33	For a Political Party or an Electoral Trust, return furnished u/s should be selected as sec 139(4B)
34	Project/Institution runs an activity referred to in proviso to section 2(15) AND the Total Percentage of receipts from such activity exceeds 20%.
35	"Gross Income" at Part B TI is different with the sum of "Incomes from individual heads".

2.2 Category B:

Sl. No.	Scenario
1	As per clause (2) of Explanation to section 11(1), the amount deemed to have been applied to charitable or religious purposes is claimed without submitting an application in Form 9A

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. 22 of Part B TI: “Net Agricultural income for rate purpose”

ii) For “Others”:

- Serial No. 8 of Part B TI: “Amount eligible for exemption under section 10(21), 10(22B), 10(23A), 10(23B), 10(23C)(iv), 10(23C)(v), 10(23C)(vi), 10(23C)(via).”

And

- Serial No. 9 of Part B TI: “Amount eligible for exemption under section 10(23C)(iiiab), 10(23C)(iiiac), 10(23C)(iiiad), 10(23C)(iii ae), 10(23D), 10(23DA), 10(23FB), 10(24), 10(46), 10(47).”

And

- Serial No. 10 of Part B TI: “Amount eligible for exemption under any clause, other than those at 8 and 9, of section 10”

And

- Serial No. 12 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)”