

Government of India
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GOVERNMENT SIMPLIFIES PROCEDURES UNDER DIRECT TAXES - NEW PROCEDURES TO BE IMPLEMENTED FROM APRIL 1, 2004 -

In order to further simplify the procedures under Direct taxes, Government has decided to amend the Rules and issue necessary notifications in respect of the following:-

No filing of returns for employees having salary income upto Rs.1,50,000, in whose cases the entire tax payable is deducted at source by the employer. Salary certificate furnished by employer to the Income Tax Department to be treated as return.

Pensioners to be exempt from the purview of one-by-six scheme, thereby exempting pensioners who do not have taxable income, from filing of returns.

For perquisite valuation, rates of interest for housing loans etc., to be reduced, to bring them in line with the prevailing market rates.

Instead of separate certificates to several deductors, there will be just one certificate from the Assessing Officer for no tax deduction at source (TDS) in case of tax exempt entities like trusts etc.

Infrastructure projects to be granted one time approval for purpose of exemption under section 10(23G) to replace the present system of seeking periodical renewals.

Notifications in this connection will issue next week and will come into force from the next financial year, i.e. 1st April, 2004.

Some administrative measures are also proposed for a taxpayer friendly regime. These are:

Furnishing of paperless income-tax returns by introduction of direct filing through internet under digital signatures for salaried taxpayers, professionals like doctors, accountants etc.

Expansion of computer network to cover all 501 Income-tax Offices in the country by June 2004.

Number of challan forms for payment of TDS will be reduced from four to one.