

From '20, pre-filled I-T returns, refunds in a day

TIMES NEWS NETWORK

New Delhi: You could get a pre-filled tax returns form from next year and hope for a refund in a day with the Cabinet on Wednesday clearing an ambitious Rs 4,242-crore project for integrated e-filing and centralised processing.

The project will reduce the return processing and refund time from the current average of 63 days, railway minister Piyush Goyal said. The government is building in an incentive for the service provider to process refunds in a day and there will be a penalty in case the work is not completed within 30 days, sources in the tax department told **TOI**.

FINE FOR DELAY

- Taxpayers will get pre-filled form with name, PAN and other details
- There will also be columns related to salary, interest income and TDS
- Incentives for refunds in a day, penalty if not processed in 30 days

While Goyal announced that the project, which will be implemented by Infosys, will take around 18 months, sources said the idea is to implement it within 15 months, in time for filing of returns in 2020.

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‘Changes will improve tax compliance’

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Some elements of the new project may be implemented under the current system as well.

Once the new mechanism is in place, taxpayers will get a pre-filed form in their income tax account with their name, PAN and other details, a tax officer said. In addition, the columns related to salary, interest income and tax deducted at source captured in the 26AS forms will also be there. Taxpayers can add to the form by adding other income that may have accrued but not reported to the tax department earlier, said an officer.

Goyal also said there will a system for quicker rectification of mistakes.

“This is a laudable initiative and will go a long way to ease tax compliance, collection of taxes and enhanced experience for taxpayers. However, the real success of this will be measured when the technologies and tools become easy to use for a common man or woman and technology changes are accompanied by changes in the mindset and culture of the tax authorities at the operational levels,” said Neeru Ahuja, partner at consulting firm Deloitte India.