



## **INSTRUCTION FOR FILLING UP SARAL**

(These instructions are non-statutory)

1. SARAL Form is to be filled in duplicate. One copy is returned to the assessee after being duly acknowledged. With effect from 01.6.1999, the acknowledgement is deemed to be the intimation. No intimation is separately given unless there is a demand or refund.
2. All items should be filled in capital letters.
3. Status (Item No.6)- Please strike out whichever is not applicable.
4. Please give the details of your bank accounts (Item 13) giving the particulars of name of the bank, address of the branch and account numbers and tick the bank account where you would like the amount of refund to be credited.
5. Income from house property (Item No.16)- Give the address of the property, its nature – whether let out or self occupied, and the computation of net income shown against item no.16 in a separate annexure.
6. Income from business or profession (Item No.17)- Income from business or profession is required to be shown against this item. Net income as appearing in your profit and loss or income and expenditure account is to be adjusted by disallowable expenses, admissible claims not charged to the accounts, deemed income, etc. This has further to be adjusted by brought forward losses/depreciation, if any, before being shown against item no.17. Attach separate annexure showing the computation of income from business or profession. The income/ loss from speculation business should be shown separately. Also attach trading, profit & loss account, balance sheet, etc., with enclosures including auditor's certificate, wherever required. Nature of business/ profession may also be indicated.
7. Capital gains (Item no.18)- Please show only net amount of capital gains against item no.18. The nature of the transferred asset, its date of acquisition, date of transfer, cost of acquisition/ expenses, value of consideration, exemption of capital gains, if any, and adjustment of brought forward losses, etc., should be indicated in a separate annexure.
  - Capital gains are to be shown separately for short term and long term. The assets held for more than 3 years (except shares, units etc) are regarded as long term and others as short term. For shares, units etc., the period of holding for long term is more than 12 months.
  - The dates 15<sup>th</sup> September, 15<sup>th</sup> December, 15<sup>th</sup> March have ramifications on instalments of advance tax payable in relation to capital gains. Therefore, capital gains arising in each period (1.4.\_\_\_\_ to 14.9.\_\_\_\_ , 15.9. \_\_\_\_ to 15.12.\_\_\_\_ and thereafter) should be separately indicated against item no. 18).
8. Income from other sources (Item No.19)- Only net income from other sources such as interest, income from units, etc., should be shown against this item. However, details of such income or expenses incidental thereto should be given in a separate annexures.
9. Income of other persons (Item No.20)- Income of certain other persons like spouse or minor child is liable to be included in your income as per provisions contained in Chapter –V of the Act.
10. Deductions under Chapter VI-A (Item No.22)- Chapter VI-A provides for various deductions like those for medical insurance premia (80D), donations (80G), interest on securities, dividends etc. (80L), profits from exports, foreign exchange earnings (80HHC/RR/RRA, etc.), profits from certain industries (80-IA, 80-IB, etc.), income of co-operative societies (80P), permanent physical disability (80U) etc. Total amount of deductions claimed should be shown section-wise against this item. Detailed computation of deduction, if required, may be given in a separate annexure.
11. Income claimed to be exempt (Item No.25)- If you are claiming certain receipts as exempt from tax, please give full details thereof in a separate annexure. Total amount of exemption claimed should be indicated against this item.
12. Tax on total income (Item No.26)- In the case of Individual/ HUF/AOP/BOI tax is charged for assessment year 2002-03 at 10% for income slab of Rs.50,000 – 60,000, 20% for income slab of Rs.60,001-1,50,000 and at 30% thereafter. Surcharge is levied at the rate of 2% on the tax payable after allowing rebate under Part-A of Chapter VIII of the Income-tax Act. No surcharge is payable by persons having income of Rs.60,000 or less. Tax rates for co-operative societies are at 10% for income upto Rs.10,000, 20% for income between Rs.10,001-20,000 and 30% thereafter. Tax rate for Firms is 35% without any slab of income. In case of co-operative societies and resident firms, the tax payable would be enhanced by a surcharge at the rate of 2% of the tax payable. Special rates of tax are applicable on long term capital gains, @ 20% (10% where the asset is a listed security) under section 112, on income by way of winnings from lotteries, crossword puzzles, games, gambling, betting, horse race, etc. @ 30% under section 115BB. Details of income subjected to special rates should be shown in a separate annexure.
13. Rebate /Relief (Item No.27&31)- Tax rebate of 20% of the amount contributed towards specified savings or investments is available under section 88 of the Income-tax Act like GPF, PPF, LIP etc. For individuals who are aged 65 years or more, a rebate of 100% tax (subject to the maximum of Rs.15,000) is available under section 88B. For individuals being resident woman, who are aged below 65 years, a rebate of 100% tax (subject to the maximum of Rs.5,000) is available under section 88C. Relief is available under section 89/90/91. Give details of rebate/ relief claimed and basis thereof in a separate annexure.
14. Taxes paid- Please attach proof of taxes paid.
15. Interest payable (Item No.35)- Interest is charged under section 234A for late filling of return, under section 234B for shortfall in payment of advance tax and under section 234C for deferment of instalments of advance tax. Please show such interest separately. Please note that interest chargeable under section 234A, 234B and 234C is at the rate of one and one-fourth percent with effect from 01.06.2001 onwards.