



ALL INDIA BHARAT SANCHAR NIGAM LIMITED RETIRED EXECUTIVES' ASSOCIATION

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No.AIBSNLREA/CHQ/2021/60

Date: 17th September 2021

To
Shri J.B.Mahapatra,
Chairman,
Central Board of Direct Taxes,
New Delhi.

Sub: Waival of 1% interest on Self-Assessment Tax paid during the extended period for filing of ITR by Individual taxpayer

Sir,

As per a press release issued by the government on May 20, 2021, if an individual taxpayer's tax due exceeds Rs 1 lakh for FY 2020-21, then the self-assessment tax payment must be made on or before July 31, 2021. If the tax dues are not paid, penal interest, as per under 234A of the Income-tax Act, 1961, will be levied. The penal interest will be levied at the rate of 1 per cent per month or part thereof from August 1, 2021, till the date of filing of ITR.

2. Usually, if the government extends this deadline of filing ITR, then it is assumed that deadline of making self-assessment tax payment is also extended, unless otherwise is specifically mentioned by the government.

3. But according to the notification issued by CBDT vide CBDT Circular No.17/2021 in F.No.225/49/2021/ITA-II dated 09.09.2021, while deadline for filing ITR by individual tax payers has been extended till December 2021, the deadline for making self assessment tax payment has not been extended, resulting in a situation where the individual taxpayers whose tax due exceeds Rs.1 lakh will be required to pay interest @ 1% per month or part thereof from August 1, 2021, till making the entire payment of Self-Assessment tax.


4. *The reason for the present extension for filing ITR upto 31st December 2021, is purely due to the glitches in filing ITR in the new Income Tax website. The glitches continue to exist and even Tax Auditors have expressed difficulty in filing the ITR on behalf of individual taxpayers. It will be completely unethical to penalize the individual taxpayer for the failure of the CBDT in providing a user-friendly ITR filing mechanism. Also, still some employers are to issue final*

Form-16 to its employees/pensioners, without which there is no possibility of calculating and paying Self Assessment Tax.

5. We, therefore, request you to kindly examine the issue and cause issue of Circular/Notification, waiving the 1% interest condition and allowing payment of Self-Assessment Tax until 31st December 2021.

With kind regards,

Yours sincerely,


(R.R. Balasubramanian) 17/9/21
Asst. General Secretary
For General Secretary

Copy to:
Shri Indevan Pandey,
Secretary (Pension), DoP&PW.