



THE STUDY OF UTILITY OF NEW INCOME TAX PORTAL IN INDIA

Dr. H. M. Jare, Principal

Sahebraoji Butte Patil Mahavidyalaya, Rajgurunagar, Dist - Pune

Email ID : hmjare@gmail.com

ABSTRACT:

Tax is an important source of revenue for government and an Income Tax is one of the significant sources. Central government of India has provided online portal for filing of Tax Returns. It is known as E-filing (**electronic filing**) of **Income Tax Returns**. This e-filing facility has provided **E-Portal; an electronic web portal** specially designed Software-as-a-Service (SaaS) platform or website that brings information together from diverse sources in a uniform way. Any portal or utility dealing with filing tax returns must be studied in detail to avoid misunderstanding and confusion among its users. This study is conducted with the objective of understanding a **New Income Tax Portal**, also known as **Income Tax Portal 2.0**, which was made available on 07th of June 2021, by **The Central Board of Direct Tax (CBDT)** in association with '**Infosys**'. It also facilitates comparative analysis of New and Old Income Tax Portals with their distinct features, need, pros and cons, operating system, challenges faced by users of this portal etc. It also emphasizes on various tools which are added to new portal as links to enhance Income Tax compliances.

KEYWORDS: E-Filing, E-filing Portal.

[I] INTRODUCTION:

E-filing is the process of filling Tax Returns through internet with the help of software or by registering with the income tax website. In India, e-filing of income tax was introduced in **September, 2004**, initially on a voluntary usage basis for all categories of income tax assessee. But from **July, 2006**, it was made mandatory for all corporate firms to e-file their income tax returns. Its web address was <https://www.incometaxindiaefiling.gov.in/home>. Taking this process further, from assessment year (A.Y.) 2007-08, e-filing of income tax return was made mandatory for all companies and from 2013 Individuals having more than INR 10 lakh income are mandated for filling income tax online. Electronic filing options include:

1. Online, self-prepared return, using a personal computer and tax preparation software.
2. Online submission of returns using a tax professional's computer and tax preparation software.

The Income Tax department preferred the system of e-filing so as to make the process of filing of Income Tax Returns easier for tax payers as well as reduce the time required for data entry at their end on receipt of the income tax returns. Hence the Income Tax department had tried to create an environment in which the user would feel secure about filing his income tax returns online. According to notification No. 34/2013 dated 01.05.2013 issued by CBDT, following category of the Assesses have to file their Income Tax Return Online from A.Y. 2013-14.

- Every person (not being a company or a person filing return in ITR 7) if its total income exceeds Rs. 5,00,000.
- An individual or a Hindu undivided family, being a resident, having assets (including financial interest in any entity) located outside India or signing authority in any account located outside India and required to furnish the return in Form ITR-2 or ITR-3 or ITR-4, as the case may be.
- Every person claiming tax relief under Section 90, 90A or 91 shall file return in electronic mode.
- Those who are required to get their Account under Section 44AB.
- A firm required to furnish the return in Form ITR-5 or an individual or Hindu Undivided Family (HUF) required to furnish the return in Form ITR-4 and to whom provisions of section 44AB are applicable.
- A company required to furnish the return in Form ITR-6.

[II] Research Methodology :

(a) Objective of Study :

i) To understand the concept of E-filing of Income Tax Returns and E-portal for E-filing of Income tax Returns

ii) To study the **New Income Tax Portal (Income Tax Portal 2.0)** by making comparison with Old Income Tax Portal.

(b) Methodology: This research paper is based on the secondary data collected from concerned websites, research papers published in national and international journals and articles published in online media, Circulars / Notifications published by Income Tax Department etc.

[III] E-Filing Portal:

E-filing is the short form of **electronic filing of income taxes**. It facilitates such e-filing a web based platform for online filing of Income Tax Returns. It is called as “**E-Portal**”. Many websites are using well designed e-Portals for marketing, sales, data collection, data transfer and storage. Income Tax E-Portal is a specially designed Software-as-a-Service (SaaS) platform or website that brings information together from diverse sources in a uniform way. E-Portal provides one solution for the exchange of data by managing connectivity, data transformation, storage, and EDI compliancy functions (if required). E-Portal acts as an interface to display the flow of data. Taxpayers use the e-filing portal in order to file their Income Tax Returns (ITR). Apart from filing the ITR, the portal can be used to seek refunds and raise complaints. The Income Tax Department uses the portal to receive responses from taxpayers regarding any queries. All communication regarding penalties, exemption, and appeals is done on the portal as well.

[III] New Income Tax E-Filing Portal

On 20th May 2021, the Central Board of Direct Taxes (CBDT) launched the new income tax portal (<https://www.incometax.gov.in/iec/foportal>) and made available from 7th June 2021. Filing of ITR and other taxation work must be done through new portal. It is redesigned and updated in modern ways for the convenience of the taxpayers.

Features of New Income Tax E-Portal:

1. **Heading:** The Web page of portal is structured with appropriate headings and sub-headings.
2. **Titles:** An appropriate and specific title for each Web page is provided to help the users to understand the page content and easily navigate the pages.
3. **Icons:** Different Icons with text labels are provided for navigation options as well as other important features, such as print, email, etc. for easy access and use.
4. **File Types and File Size:** Information about alternate file types (eg. Pdf.) along with the file size has been provided within the link text for identification. Apart from this, icons for different file types have been provided with the links. It helps the users whether access the

- concerned link or not.
5. **Explicit form Label Association:** A label is linked to its respective control, such as text box, checkbox, radio button, and drop-down list. It enables the assisting devices to identify the labels for the controls on a e-form.
 6. **Consistent Navigation Mechanism:**It facilitates Consistent tools of navigation and style of presentation throughout the Website.
 7. **Alternate Text:** A brief description of an image is provided for users. If you are using a browser that supports only text or have turned off the image display, you can still know what the image is all about by reading the alternate text in the absence of an image.
 8. **Customized Text Size:** The size of the text on the Web pages can be changed either through the browser or, through the Accessibility Options page or by clicking on the text sizing icons present at the top of each page.
 9. **Keyboard Support:** The website can be browsed using a keyboard by pressing the Tab and Shift + Tab keys.
 10. **Instructions and Errors:**It facilitates withinstructions and error messages ine-forms are displayed instantly, during filling up the form and navigating the form.
 11. **Colour Scheme:** New e-portal enables change the colour contrast scheme for applying a suitable background and text colour to have clear visibility. There are two options provided to change the contrast scheme. High contrastApplies black colour as the background and suitable colours to the foreground text on the screen to improve readability andNormal contrast applies white colour as the background and black colour to the foreground text to set the default contrast.

Figure 1 : New E-Filing portal in India

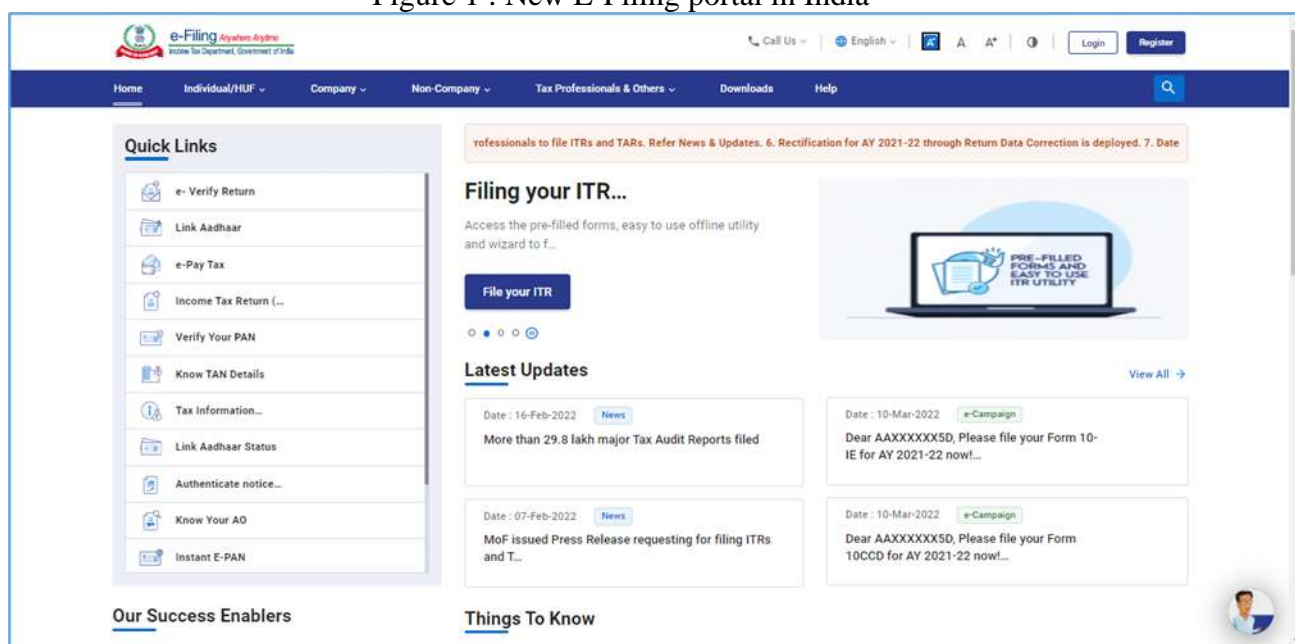


Figure 2 : Old E-Filing portal in India



New Income tax portal is the official portal of Income Tax Department under Ministry of Finance, Government of India. The portal has been developed as a Mission Mode Project under the National E-Governance Plan. The objective of this portal is to provide a single window access to the income tax related services for taxpayers and other stakeholders.

New Income tax portal incorporates the Mission, Vision and Values of Income Tax Department (ITD) such as Integrity, Accountability, Responsiveness, Professionalism, Innovation and Collaboration to the fullest. The Department is committed to ensuring that the Portal is accessible to all users irrespective of device type in use, technology or ability. It has been built with the objective of providing maximum accessibility and usability to its users. This Portal may be viewed from a variety of devices such as Desktop / Laptop computers, web-enabled mobile devices, etc. The Department also aims to be standards compliant and follow principles of usability and universal design, in order to assist users of this Portal. This Portal is designed to meet Guidelines for Indian Government Websites and also adheres to level A of the Web Content Accessibility Guidelines (WCAG) 2.0 laid down by the World Wide Web Consortium (W3C). However, users are cautioned that in case of any untoward event the Department reserves the right to adjust, stop or revamp the functioning of this Portal and/or disable access or log-in functionality of any users in the interest of the safety and quality of this Portal and its users.

[IV] Difference between Old and New Income Tax E-Portals:

Point	Old Income Tax E-Portal	New Income Tax E-Portal
Multiplatform Service :	Not available	Available
Multiple Payment Options:	Payment option such UPI, which gained a lot of popularity recently, was ignored.	Allows Multiple Payment Options. i.e. RTGS/ NEFT, credit card, UPI and net banking etc.
Dashboard :	Provided Crowded Dashboard with multiple links	Provided clean and single Dashboard with limited linkssimple and easy to understand
Chat Bots :	Provided only customer Care Service.	Chat Bots available to communicate queries.
Mobile App :	Did not have any Mobile App.	Facilitates well designed Mobile

		App.
Utility Software :	Outdated Java based ITR utility software for preparing income tax return offline.	Free online and offline ITR Preparation Software available.
Annual Information Statement (AIS) :	Not available	Available
Security Level :	Single level security provided. Anyone with password can login to any persons profile.	High security level provided at different stages.
Transparency :	Only few details regarding the process of ITR can be seen by the assessee.	Assesse can see all details regarding process of ITR.
Data Processing :	Slow data processing speed due to unorganized linkage of redirected websites.	Fast data processing with specific linkages.
Modern Income Tax Tools	No provision for modern income tax tools like Computer Aided Scrutiny (CAD) and Faceless Appeal.	Facilitates modern income tax tools like Computer Aided Scrutiny (CAD), Faceless Appeal etc.
Database :	Facilitates limited database.	Facilitates Comprehensive Database of All ITD Data.
Compliance Cost :	High compliance Cost.	Less compliance cost.
Research Capabilities :	Not facilitating research capabilities	Developing research capabilities to collect such data as a national database.
Resolution of Disputes:	Slow process of resolving disputes.	Faster process of resolving disputes.

[V] Some Specific Problems faced on New IT E-Filing Portal:

Initially New IT E-Filing Portal had faced many problems. On July, 23rd 2021 Indian Government through press release informed that more than 700 emails dealing with 2000 issues including 90 unique issues/problems in the new income tax e-filing portal had been received by it from various stakeholders such as tax professionals, Institute of Chartered Accountants of India (ICAI) and taxpayers. These complains were taken up seriously in parliament and actions were taken for speedy resolution of problems.

- 1) **Issue regarding Profile:** In new website the functions relating to updating assessee's profile could not be complied without completing the same upto 100%. In old IT portal it was easy.
- 2) **Login related Issue:** New IT Portal facilitates login for Chartered Accounts and Other authorised person. But it has not availed to Income tax Practitioner, Cost Accountants, Advocates, Company Secretaries, Tax Return Preparers. The login facility must be provided to such stakeholders as they are important role in e-taxation services.
- 3) **Issue regarding Digital Signature Registration:** It was observed that number of problems were faced by assesses curing registration of digital signature on New IT Portal.
- 4) **Only filing of ITR-1 & 4:** ITR (Income Tax Returns) includes 7 different forms ranging ITR Form 1 to 7. For AY 2021-22 assessee were able to file only ITR-1 & 4 after facing various difficulties. There were many issues faced for filing Other ITR forms 2, 3, 5, 6, 7.
- 5) **Issue regarding Acknowledgement:** Assesses were not able to see or download an acknowledgement for their ITR's filed.
- 6) **Future dates on Acknowledgments:** After filing ITR, future dates were appearing on the auto generated acknowledgments.
- 7) **Issue of TDS Return filing:** Some TDS deductors were unable to file return on New IT Portal. Those who filed returns, their acknowledgment was not reflecting financial years,

assessment years, quarter for which return filed, date of filing the return. The Deductors availed help of TAN facilitation center for filing their TDS returns.

- 8) **Issues of Trust Registration:** The issue faced in registration of trusts which is required u/s 12-AB. It has affected the claim of deduction under section 80-G.
- 9) **Login Time Issue :** Login process in New IT Portal takes more time which was happening in old portal in few seconds.
- 10) **No PAN appearing on Acknowledgments:** As in taxation process assessee is identified with his PAN. The issue was faced regarding PAN appearing on acknowledgement after e-filing of ITR as PAN was not appearing on the auto generated acknowledgment.
- 11) **Mismatch in PAN data:** It was big issue. PAN data was not matching with the details of Assessee. Moreover, Aadhar data of assessee was also not matching with PAN.
- 12) **IFSC (Indian Financial System Code) error:** After putting correct IFSC on the new e-portal, IFSC error was shown.
- 13) **Wrong details of Assessee in Login:** In new IT e-filing portal after login to IT e-portal wrong details of assessee were found.
- 14) **Uploading issue of Form 10-A/10-B:** Trusts which require to file form 10A /10B was unable to upload and was resulting in non-compliance issue.
- 15) **Issue of Traces of TDS Credit :** TDS data E-filed was to be transferred to TDS credit Traces. It was not transferred towards TDS Credit Traces in new portal.
- 16) **Income Tax Appeals Issues:** The problem was faced regarding filing income tax appeals.
- 17) **Issues regarding Grievances:** Grievances filed by assessee through the new IT e-filing portal were not answered.
- 18) **Problems in filing Returns u/s 153C r w s 153-A :** The assessee has got notices u/s 153C r w s 153-A, wants to file his returns under the above section. The facility for uploading above returns was not available.
- 19) **No functionality of Form 15-CA/15-CB :** There was no functionality available on the new IT e-filing portal for filing from 15 - CA & 15 - CB.
- 20) **Issue of E-verification:** The new IT e-portal faced problem regarding e-verification of returns filed as During study a group of tax payers were selected to be participants. They were asked to experience of new income tax portal, the problem they faced and improvements they noticed as compared to old income tax portal.

In the year 2021, after many extensions in due date of filing return New Income Tax portal redesigned and from October, 2021 started to work normally as it was. In October 2021, Infosys officials informed that over 90% of issues were resolved. Remaining 10% problems were resolved in the next 10-15 days. In the financial year 2021-22 (upto October 28th, 2021) over **2.25 crore Income Tax Returns** (ITRs) were filed on the Income Tax e-filing portal. Over 55 percent of ITRs were prepared using the new Income Tax Portal.

[V] Advantages of New Income Tax E-Filing Portal:

Use of Advance Technology and use of internet in filing of Income Tax in India significantly changed the way of use to file income tax return. Following are some important benefits of E-portal:

- a. Taxpayers get refunds within short time get instant acknowledgement of receipt.
- b. Availability of Value added services i.e. Form 26AS, refunds tracking, email, SMS alerts regarding status of processing and refunds.
- c. Taxpayers get immediate confirmation from tax administration returns filed.
- d. Scope for correction of mistakes, make and save changes in ITR if required before the final submission of ITR form.
- e. Eliminates error notices from tax administrations caused by data entry errors.
- f. Increment in freelance job opportunities as Tax Consultant and TRPs etc.
- g. Reduced operating costs for tax administration by reducing the cost of handling paper returns and eliminating unnecessary staff.

- h. Availability of quick service for resolving any problems faced by taxpayers.
- i. Online help facilities and user guides through toll free contact numbers.

[VII] Conclusion: The new Income Tax E-Portal is systematically designed web based online platform for filing of Income Tax Returns. It facilitates variety of options for assesses or users with easy access and speedy data process. Although initially there were issues in new IT E-Portal, but almost all have been resolved and now it became more familiar with users. It is really a new revolution in taxation in India.

[VIII] Bibliography :

- Income Tax Department India. (2022, March). *E-Filing* . Retrieved from <https://www.incometax.gov.in/>: <https://www.incometax.gov.in/iec/foportal>
- Income Tax Department India. (2022, March). *Income Tax India E-Filing Home* . Retrieved from <https://www.incometaxindiaefiling.gov.in/home.>: <https://www.incometaxindiaefiling.gov.in/home.>
- Mrs. Jyoti Arora, A. p. (n.d.). E-Filing of Income Tax Returns in India : An Overview. *Research Journal for Humanity and English Language*.
- Mukesh Kumar, M. A. (2014). E-Filing : Creating New Revolution in Taxation in India. *Global Journal of Finance & Management*, 6, 397-384.
- Taxguru. (n.d.). *FEATURES OF NEW INCOME TAX E-FILING PORTAL*. Retrieved from Taxguru.com: <https://taxguru.in/income-tax/features-income-tax-portal.html>
- The Economic Times. (n.d.). Problems faced new Income Tax E-Portal. *90 Unique Problems related to new Income Tax E-Filing Portal reported : Govt*. Retrieved from <https://economictimes.indiatimes.com/wealth/personal-finance-news/90-unique-problems-related-to-new-income-tax-e-filing-portal-reported-govt/articleshow/84615488.cms>