



**Income Tax Department**  
Government of India

# **Central Board of Direct Taxes, e-Filing Project**

## **ITR 4 – Validation Rules for AY 2019-20**

**Version 1.0**

**09 April 2019**

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## Document Revision List

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**Document Name:** ITR 4 – Validation Rules for AY 2019-20

**Version Number:** 1.0

### Revision Details

Version No.	Revision Date	Revision Description	Page Number
1.0	09-April-19	Initial Release	NA

**Contents**

1	Purpose .....	5
2	Validation Rules .....	5
2.1	Category A:.....	5
2.2	Category C:.....	10

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**List of Tables**

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Table 1: List of Category of Defect ..... 5  
Table 2: Category A Rules ..... 5  
Table 3: Category C Rules ..... 10

## 1 Purpose

The Income Tax Department has provided free return preparation software in downloads page which are fully compliant with data quality requirements. However, there are commercially available software or websites that offer return preparation facilities as well. In order to improve the data quality received through in ITRs prepared through such commercially available software, various types of validation rules are being deployed in the e-Filing portal so that the data which is being uploaded can be validated to a large extent. Taxpayers are advised to review the same to ensure that the software that is used is compliant with these requirements to avoid rejection of return due to poor data quality or mistakes in the return. Software providers are strictly advised to adhere to these rules to avoid inconvenience to the taxpayers who may use their software.

## 2 Validation Rules

The validation process at e-Filing/CPC end is to be carried out in ITR 4 for each defect as categorized below:

**Table 1: List of Category of Defect**

Category of defect	Action to be Taken
A	Return will not be allowed to be uploaded. Error message will be displayed.
B	Return data will be allowed to be uploaded but the taxpayer uploading the return will be informed of a possible defect present in the return u/s 139(9). Appropriate notices/ communications will be issued from CPC.
C	Third party utility providers will be alerted about the inconsistent data quality and warned about future barring of their utility.
D	Return data will be allowed to be uploaded but the taxpayer uploading the return will be informed of a possibility of some of the deduction or claim not to be allowed or entertained unless the return is accompanied by the respective claim forms or particulars.

### 2.1 Category A:

**Table 2: Category A Rules**

Sl. No.	Scenarios
1	Total of chapter VI-A deductions is not consistent with the breakup of individual deductions but restricted to GTI.
2	Total income should be the difference between "Gross total income" and "Total deductions"
3	Total presumptive income u/s 44AD should be more than or equal to 6% of Gross Turnover or Gross Receipts received a/c payee cheque or a/c payee bank draft or bank electronic clearing system.
4	Total presumptive income u/s 44AD should be more than or equal to 8% of Gross Turnover or Gross Receipts received in any other mode other than Through a/c payee cheque or a/c payee bank draft or bank electronic clearing system.
5	Presumptive income u/s 44AD should be the sum of 6% of Gross Turnover through Account payee cheque & 8% of Gross turnover in any other mode
6	Income U/S 44AD is more than Gross receipts or Gross turnover through Any other mode.

7	Income U/S 44AD is more than Gross receipts/Gross turnover through a/c payee cheque or a/c payee bank draft or bank electronic clearing system received.
8	Total Gross turnover u/s 44AD is greater than 2 crore
9	The provisions of 44AD is not applicable for General commission agents and persons carrying on professions as referred in section 44AA (1).
10	Income U/S 44ADA is more than corresponding gross receipts.
11	Total Presumptive Income u/s 44ADA is less than 50% of Gross Turnover or Gross Receipts.
12	Assessee cannot claim benefits of section 44ADA if assessee is carrying on business
13	Presumptive income u/s 44AE should be Presumptive Income from Goods Carriage as reduced by Salary and interest paid to partners
14	The value at filed "E5" is greater than zero but the Schedule 44AE is not filed.
15	Deemed Income u/s 44AE should be equal to the amount mentioned in "Presumptive income u/s 44AE for the goods carriage (Computed @ Rs.1000 per ton per month in case tonnage exceeds 12MT, or else @ Rs.7500 per month) "
16	Income chargeable under business should be equal to sum of income offered under presumptive income under 44AD, 44ADA & 44AE
17	Income u/s 44AD, 44ADA, 44AE is disclosed in the return but "schedule BP" is not filled
18	Standard deduction allowed on House property should be equals to 30% of Annual value
19	Gross rent received/ receivable/ lettable value is zero or null and assessee is claiming municipal tax
20	Deduction u/s 80CCD(2) should not be more than 10% of salary
21	Sum of deduction claimed u/s 80C, 80CCC & 80CCD (1) is more than 1,50,000.
22	Deduction u/s 80E is claimed by HUF/ Firm
23	Deduction u/s 80EE is claimed by HUF/ Firm
24	Maximum amount that can be claimed for category "Dependent with disability" u/s 80DD is 75000
25	Maximum amount that can be claimed for category "Self or Dependent" u/s 80DDDB is 40000
26	Deduction u/s 80DD cannot be claimed by Firm.
27	Maximum amount that can be claimed u/s 80GG is 25% of Total income or 60000 whichever is less
28	Maximum amount that can be claimed for category "Self with disability" u/s 80U is 75000
29	The name as entered in the return does not match with the name as per the PAN data base.
30	Financial Particulars such as Sundry creditors, Inventories, Sundry debtors, cash-in-hand are not filed
31	IFSC entered is not matching with the RBI database for Other Bank account details & IFSC under "Bank Details" is not matching with the RBI database.
32	Tax computation has been disclosed but Gross Total Income is nil.

33	"Income details" and "Tax computation" have not been disclosed but details regarding "Taxes Paid" have been disclosed.
34	Gross Total Income is not equal to the Total of Incomes from Business & profession, Salary, House Property & Other Sources.
35	"TDS" or "TCS" or "Advance Tax & Self-Assessment Tax paid" claimed in "Part D - Tax Computation and Tax Status" is inconsistent with the details provided in Sch IT, Sch TDS1, Sch TDS2 & Sch TCS.
36	Donee PAN is same as "Assesse PAN" or "PAN at Verification"
37	"Name" as per ITR does not match with the "Name" as per the PAN data base.
38	The sum of amounts disclosed at TDS, TCS, and Advance Tax & Self-Assessment Tax is not equal to the amount disclosed at Total Taxes Paid.
39	Deduction u/s 80G is claimed but details are not provided in Schedule 80G.
40	In SR.NO 6 "TDS claimed" amount entered cannot be more than sum of amount filled in SR.NO 4 "TDS b/f" and SR.NO 5 "TDS Deducted".
41	The amount of TCS claimed this year is more than "Tax collected" in Schedule TCS.
42	Total of Chapter VI A-Part C claim shall not exceed the "Gross Total Income' in part-B
43	Amount of refund claimed is inconsistent with the difference between "Total Taxes Paid" and "Total Tax, fee and Interest payable".
44	Amount of tax payable is inconsistent with the difference between "Total Tax, fee and Interest payable" and "Total Taxes Paid".
45	Rebate u/s 87A is claimed by HUF or FIRM.
46	Rebate u/s 87A is claimed by Resident or Non Ordinarily Resident Individual having Total income more than Rs.350000.
47	Deduction u/s 80CCD(2) is claimed by HUF or FIRM
48	Deduction u/s 80CCG is claimed by HUF or FIRM.
49	Deduction u/s 80CCG is claimed by the assessee whose Gross total income is more than Rs. 12 lakhs.
50	Deduction u/s 80TTA should be restricted to 'Savings Interest income' disclosed under head "Income from Other Sources"
51	Deduction u/s 80U is claimed by HUF/Firm.
52	Tax payable after rebate should be difference between Tax payable on Total Income and Rebate u/s 87A
53	Total Tax Liability must be equal to sum of "Tax payable & cess"
54	"Total Tax, Fee and Interest" must be equal to sum of "Balance Tax After Relief" and "Interest u/s 234A, 234B, 234C & 234F"
55	Deduction u/s 80D-Health insurance premium for Self and family cannot exceed Rs 25000/-
56	Deduction u/s 80D for Self(senior citizen) and family for health insurance cannot exceed Rs 50000/-
57	Deduction u/s 80D-Health insurance premium for Parents cannot exceed Rs 25000/-
58	Deduction u/s 80D for Parents (senior citizen) for health insurance cannot exceed Rs 50000/-

59	Deduction u/s 80D-Health insurance premium for Self and family including parents cannot exceed Rs 50000/-
60	Deduction u/s 80D for self and family including senior citizen parents for health insurance cannot exceed Rs 75000/-
61	Deduction u/s 80D for Self(senior citizen) and family for Medical Expenditure cannot exceed Rs 50000/-
62	Deduction u/s 80D for Parents (senior citizen) for Medical Expenditure cannot exceed Rs 50000/-
63	Deduction u/s 80D-Preventive Health Check cannot exceed Rs 5000/-
64	Maximum deduction for the HUF in case of Health insurance premium is 50000
65	Deduction u/s 80D is not allowed for the status "Firm"
66	Assessee is claiming deduction under section 80D but eligible category description not provided.
67	Assessee is claiming deduction under section 80DD but eligible category description not provided.
68	Assessee is claiming deduction under section 80DDB but eligible category description not provided.
69	Assessee is claiming deduction under section 80U but eligible category description not provided.
70	ITR cannot be uploaded by minor. Only legal guardian can perform the required functions.
71	Deduction u/s 80TTA cannot be claimed by Senior Citizen taxpayer.
72	Assessee being Firm (other than LLP) cannot claim deduction u/s 80C, 80CCC & 80CCD (1).
73	Assessee cannot claim deduction under section 80D for medical expenditure if eligible category description is not provided.
74	Assessee cannot claim deduction under section 80D for Preventive health check-up if eligible category description is not provided.
75	Assessee not being senior citizen cannot claim deduction under section 80TTB.
76	Assessee being senior citizen cannot claim deduction u/s 80TTB more than interest income (Savings & Deposits) from other sources.
77	Value at Total field of "Eligible amount of Donations" (E in Schedule 80G) cannot exceed value at field "Total Donations"(E in Schedule 80G)
78	In Schedule VIA, deduction claimed u/s 80G cannot be more than the eligible amount of donation mentioned in Schedule 80G
79	For employer category 'Pensioners', Deduction u/s 80CCD(1) should not be more than 20% of Gross total Income.
80	Business Income mentioned in Part BTI should be consistent with the amount mentioned in Schedule BP
81	Taxpayer other than individual cannot claim deduction u/s 80CCD(1B)
82	Assessee not being an individual cannot claim deduction u/s 80CCD (1).
83	Assessee cannot select type of property as let out or deemed let out if Gross rent received/ receivable/ lettable value during the year is zero or null
84	In Schedule Part BTI, Sl.No B3iii "Annual Value" should be equal of Sl.No B3i-B3ii
85	In Schedule Gross total Income, Sl.no B3vii Income chargeable under the head 'House Property' [(iii - iv - v) + vi] should be equal to sum of B3iii-B3iv-B3v+B3vi

86	In Schedule Part BTI, Sl.no B2i Gross Salary (ia + ib + ic) is not consistent with the sum of Sl.no ia+ib+ic
87	In Schedule Part BTI, B2iii "Net Salary" should be equal to Sl.No (B2i - B2ii)
88	In Schedule Part BTI, B2 (iv) "Deductions u/s 16" should be sum of iva+ivb+ivc
89	In Schedule Part BTI, Sl.no B2v "Income chargeable under Salaries" should be equal to (B2iii - B2iv)
90	Deduction u/s 80D for Self and family for health insurance & for Self and family for preventive health checkup cannot exceed Rs 25000/-
91	Deduction u/s 80D for Parents for health insurance & for Parents for preventive health checkup cannot exceed Rs 25000/-
92	Deduction u/s 80D for self and family including parents for health insurance & self and family including parents for preventive health checkup cannot exceed Rs 50000/-
93	In Schedule TDS (2) (i) and (ii), assessee has to enter year of tax deduction if there is a claim of prior year TDS
94	Assessee cannot show exempt agriculture Income more than Rs 5000/- and also cannot select agriculture income more than once from the drop down.
95	Assessee being Firm (other than LLP) cannot claim deduction u/s 80DDB
96	Assessee should enter valid Mobile Number
97	In Schedule TDS2(i) & TDS2(ii), Unclaimed TDS brought forward & details of TDS of current FY should be provided in different rows in Sch TDS 2
98	Entertainment allowance for Government & PSU employees u/s 16(ii) will be allowed to the extent of Rs.5000
99	Entertainment allowance u/s 16(ii) will not be allowed for other than "Government "or "PSU" employees.
100	Professional tax u/s 16(iii) will not be allowed for Pensioners
101	Tax payer cannot claim benefit of senior citizen & super senior citizen if date of birth is not matching with PAN database
102	TDS Claimed in Col No. 6 cannot be more than Gross Income shown in Col. No. 7 of Schedule TDS 2(ii)
103	TDS Claimed in Col No. 6 cannot be more than Gross Income shown in Col. No. 7 of Schedule TDS 2(i)
104	Total of exempt allowance cannot be more than gross salary.
105	Sec 10(5)-Leave Travel concession/assistance received cannot be more than Salary as per section 17(1).
106	Sec 10(6)-Remuneration received as an official, by whatever name called, of an embassy, high commission etc. cannot be more than gross salary.
107	Sec 10(7)-Allowances or perquisites paid or allowed as such outside India by the Government to a citizen of India for rendering service outside India cannot be more than gross salary.

108	When Nature of employment is OTHER THAN "Govt." than Sec 10(10)-Death-cum-retirement gratuity received cannot exceed Rs. 20 lakhs.
109	Sec 10(10A)-Commuted value of pension received cannot be more than Salary as per section 17(1)
110	Sec 10(10AA)-Earned leave encashment on retirement cannot be more than Salary as per section 17(1)
111	Claim of Sec 10(10B) (i)-Retrenchment Compensation received in respect of schemes not approved cannot exceed Rs. 50000.
112	Claim of Sec 10(10B)(ii)-Retrenchment Compensation received in respect of approved scheme cannot exceed Rs. 5 lakhs.
113	Claim of Sec 10(10C) - 'Amount received/receivable on voluntary retirement or termination of service' cannot exceed Rs. 5 lakhs.
114	More than one dropdown cannot be selected from Sec 10(10B)(i), Sec 10(10B)(ii), Sec 10(10C).
115	Sec 10(10CC)-Tax paid by employer on non-monetary perquisite cannot exceed Value of perquisites as per section 17(2)
116	Sec 10(13A)-Allowance to meet expenditure incurred on house rent cannot exceeds 1/3rd of Salary as per section 17(1)
117	Sec 10(14)(i) 'Prescribed Allowances or benefits (not in a nature of perquisite) specifically granted to meet expenses wholly, necessarily and exclusively and to the extent actually incurred, in performance of duties of office or employment' cannot exceed Value of perquisites as per section 17(2)
118	Sec 10(14)(ii) 'Prescribed Allowances or benefits granted to meet personal expenses in performance of duties of office or employment or to compensate him for increased cost of living' cannot exceed Value of perquisites as per section 17(2)

## 2.2 Category C:

**Table 3: Category C Rules**

Sl. No.	Scenarios
1	The amount of Gross salary disclosed in "Income chargeable under the head Salaries" is less than 100% of Salary reported in Schedule TDS1.