

Inclusion of Interest Income in the Return of Income filed by Persons liable to Pay Tax

Information regarding interest earned by individuals and business entities on term deposit is filed with the Income Tax Department by banks including co-operative banks and other financial institutions and State treasuries etc. Form 26AS reflects only those payments on which tax has been deducted and it can be viewed by the individual tax payer by logging in to <http://incometaxindiaefiling.gov.in>. The information about interest payments without deduction of tax is also filed by the payer with the Department.

Central Board of Direct Taxes(CBDT) hereby informs the persons earning interest income that interest credited/received on deposits is taxable unless exempt under Section 10 of the Income-tax Act. Such interest income should be shown in the return of income even in cases where Form 15G/15H has been filed if the earning is not exempt under Section 10 of the Income-tax Act and the total income of the person exceeds the maximum amount not chargeable to tax.

Tax payers are advised to collect correct details of interest received or credited and

- file their return of income for assessment year 2014-15 (if not filed already) on or before 31.03.2016 in case their total income exceeds the maximum amount not chargeable to tax.
- revise their return of income for assessment year 2014-15/2015-16 if the return already filed does not include taxable interest income.
- file return of income for assessment year 2015-16, if not filed so far by including taxable interest income if any, on or before 31.03.2016 and avoid penalty u/s 271F.

For more details, you may contact your Assessing Officer or Toll free number 1800-180-1961.