

Statement of Financial Transaction (SFT) Under Rule 114E of Income Tax Rules

(To be filed by Specified Persons for Specified Transactions covered under the Rule 114E)

Before 31st May, 2018

TRANSACTIONS COVERED AND THE REPORTING PERSONS:-

The Statement of Financial Transaction (SFT) is required to be furnished in Form No. 61A and the below mentioned are the nature of transactions alongwith monetary limits to be reported in Form No.61A by the reporting person:-

No.	Nature and Value of Transaction	Monetary Limits	Reporting Person
1	Receipt of cash payment for sale of goods or services of any nature from a person towards a single transaction.	2 Lacs (Per transaction)	Any person who is subject to Tax audit.
2	Receipt from a person for issue of securities (including share application money)	10 Lacs (In aggregate during the year)	Any Company
3	Buy back of shares from a person (other than shares bought in the open market)	10 Lacs (In aggregate during the year)	Listed Company
4	Receipt from a person for acquisition of bonds or debentures issued by the company	10 Lacs (In aggregate during the year)	Company issuing bonds or debentures
5	One or more time deposits (other than a time deposit made through renewal of another time deposit) of a person	10 Lacs (In aggregate during the year)	NBFCs

Apart from the above mentioned transactions, there are many other transactions that need to be reported in Form 61A by specified persons such as Banks, Post Master General, Nidhi Companies, Trustee of Mutual Funds, Authorised person under FEMA, etc., based on specified monetary limits which are not covered in detail in this update for the sake of brevity.

DUE DATE OF FILING FORM NO. 61A

The return in Form No. 61A has to be furnished to the Director of Income-tax (Intelligence and Criminal Investigation) or the Joint Director income-tax (Intelligence and Criminal Investigation) on or before the 31st May following the end of financial year.

For example, For Financial Year 2017-18, the due date for furnishing Form No. 61A is 31st May, 2018.

PROCESS TO BE ADOPTED FOR REPORTING

Registration:-

Every Reporting person has to obtain a registration number and communicate to the Principal Director General of Income Tax, the name, designation, address and telephone number of the Designated Director and Principal Officer.

The reporting financial institution is required to log in to the e-website with the IT Login and generate ITDREIN by following the below mentioned steps:

“My Account > Manage ITDREIN > Generate New ITDREIN > Select Form Type (i.e. Form 61A) and Reporting Entity Category > Generate ITDREIN”

After generation of ITDREIN, the necessary details of the reporting entity as well as of the Designated Director and Principal Officer needs to be submitted to fulfill the registration procedure.

Uploading of Form 61A:-

The Authorized Person needs to follow the below mentioned steps for uploading Form No. 61A:-

- Login to the e-filing portal using User ID (ITDREIN), Authorized Person PAN and Password
- In the e-file tab, Click on Upload Form 61A
- Fill-in the necessary details
- Attach the Form 61A
- Upload the form with the Digital Signature file
- The display of success message, after validation confirms the upload.

PENALTIES ON NON-COMPLIANCE

- i. If a person fails to furnish the specified statement, penalty of Rs.500 per day of default will be levied.
- ii. However, if the assessee receives any notice from the department for filing the statement then it must be filed within the limit of 30 days from the date of service of notice. In case of any default in filing the statement in response to such notice, the penalty shall be levied of Rs.1,000 per day of default.
- iii. If a person furnishes inaccurate particulars in SFT, a penalty of Rs.50,000 shall be leviable.

Disclaimer:

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