

## 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 31<sup>st</sup> May, 2019**

### 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 shares (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. Kindly refer to Rule 114E for detailed list of transactions to be reported by specified persons.

## **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 31<sup>st</sup> May following the end of financial year.

For example, For Financial Year 2018-19, the due date for furnishing Form No. 61A is 31<sup>st</sup> May, 2019.

## **PROCESS TO BE ADOPTED FOR REPORTING**

### **New Registration:-**

The reporting 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 > Reporting Portal > Confirm > New Registration > Choose Form Type and Reporting Entity Category > Fill form on Reporting entity detail page > Click Add Principal Officer button > Enter details of Principal Officer > ‘Submit’ Form or add ‘Designated Director’, ‘Nodal Officer’, ‘Alternate Nodal Officer’ and ‘Sub Users’ > Click ‘Submit’ {Acknowledgement Pdf will be generated} > On successful registration, ITDREIN and credentials will be sent to mail id.

### **Existing Registration:-**

In case if the reporting institution has already created user credentials under earlier reporting mechanism, then the reporting institution shall be able to login with the same credentials on the reporting portal (report.insight.gov.in).

### **Uploading of Form 61A:-**

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

- Login on “report.insight.gov.in”.
- From the home page, click Statements on the toolbar at the top.
- Click the Statements Upload button on the left sidebar menu.
- In the upload Statement Form, fill out the mandatory details.
- Browse and locate the XML Statement file to be uploaded and click Upload.
- 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 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**.

**Commented [as1]:** Penalty under Section 271 FA

**Commented [as2]:** Penalty under Section 271FAA for 50,000

**Disclaimer:**

*The information contained in this write up is to provide a general guidance to the intended user. The information is based on our interpretation of various prevailing laws, rules, regulations, pronouncements. The information should not be used as a substitute for specific consultations. The write up is confidential being solely for the use of the Company to whom it is issued. It must not be copied, disclosed or circulated, to any person other than to whom it is issued.*