

## **N D A Update – Option to Discard ITR before verification**

The Income Tax Department on November 28, 2023, has introduced a new facility called "Discard Return" allowing the assessee to discard the filed ITR before verification. This feature allows rectifications of ITR by allowing taxpayers to discard their already filed ITR instead of filing revised ones in case of errors notice subsequent to filing but before verification.

**However, this option is only available if the ITR hasn't been verified or pending for verification from the assessment year 2023-24 onwards.**

Previously, if an error was noticed after filing, the return could be revised by filing a revised return within the specified date or before the completion of the assessment, whichever is earlier. Now with the discard facility, tax payers can permanently delete the unverified return and file a fresh return.

The discarding process is simple: log in to the e-filing portal, navigate to "Income Tax Return," and select "e-Verify ITR," where the option 'Discard' is available.

If the ITR filed under Section 139(1) is discarded and subsequent ITR is filed after due date of filing, it would attract implication of belated return including penalty under Section 234F.

There is no limit of using the discard option, as long as the "ITR status" remains "Unverified" or "Pending for verification." However, this facility has to be used with caution because once an ITR is discarded, it can't be restored.

The department has issued FAQs which have been provided in next page:

<https://www.incometax.gov.in/iec/foportal/help/discard-return/faqs>

## **N D A Update – Option to Discard ITR before verification**

### **FAQ on Discard Return by Income Tax Department**

Question 1:

I filed my Original ITR u/s 139(1) on 30th July 2023 but not yet verified. Can I Discard it?

Response:

Yes, user can avail the option of “Discard” for the ITRs being filed u/s 139(1) /139(4) / 139(5) if they do not want to verify it. User is provided a facility to file an ITR afresh after discarding the previous unverified ITR. However, if the “ITR filed u/s 139(1)” is discarded and the subsequent return is filed after the due date u/s 139(1), it would attract implications of belated return like 234F etc., Thus, it is advised to check whether the due date for filing the return u/s 139(1) is available or not before discarding any previously filed return.

Question 2:

I Discard my ITR by-mistake. Is it possible to reverse it?

Response:

No, if ITR is Discarded once, it can't be reversed. Please be vigilant while availing Discarding option. If an ITR is Discarded, it means that, such ITR is not filed at all.

Question 3:

Where can I find “Discard option” ?

Response:

User can find Discard option in below path :

[www.incometax.gov.in](http://www.incometax.gov.in) → Login → e-File → Income Tax Return → e-Verify ITR → “Discard”

Question 4:

Is it mandatory to file subsequent ITR if I “Discarded” my previous unverified ITR ?

Response:

A user, who has uploaded the return data earlier, but has made use of the facility to discard such unverified return is expected to file subsequent an ITR later on, as it is expected that he is liable to file the return of income by way of his earlier action.

Question 5:

I sent my ITR V to CPC and it is in transit and not yet reached CPC. But I don't want to verify the ITR as I get to know that details not reported correctly. Can I still avail Discard” option?

Response:

User shall not discard such returns, where the ITR-V has already been sent to CPC. There is an undertaking to this effect before discarding the return.

Question 6:

When can I avail this “Discard” option and can I avail this “Discard” option multiple times or only once?

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Response:

User can avail this option only if the ITR status is “unverified” / “Pending for verification”. There is no restriction on availing this option multiple times. Precondition is “ITR status” is “Unverified” / “Pending for verification”.

Question 7:

My ITR filed for AY 2022-23 is pending for verification. Can I avail this “Discard” option?

Response:

User can avail this option only from AY 2023-24 onwards for the respective ITR. This option will be available only till time limit specified for filing ITR u/s 139(1)/139(4)/139(5) (i.e., 31st December of respective AY as of now).

Question 8:

I discarded my Original ITR 1 filed on 30th July 2023 on 21st August 2023 and I want to file subsequent ITR on 22nd August 2023. Which section should I select?

Response:

If user discards the Original ITR filed u/s 139(1) for which due date u/s 139(1) is over, they are required to select 139(4) while filing subsequent return. As there is no prior valid return exist, date of Original ITR / Acknowledgement number if Original ITR fields are not applicable. Further, if user wants to file revised return in future, he needs to provide details of “Original filing date” and “Acknowledgement number” of the valid ITR i.e., ITR filed on 22nd August 2023 for filing revised ITR