**TITLE:** ITS-I003 SELF ASSESSMENT RETURN (D-03)

**Purpose:** Income Tax Law clause 96 requires that taxpayers having taxable income require submitting tax return in place determined by IRD. Purpose is to define procedure for taxpayers to submit Non-Presumptive Income Tax Return (D-03) where they enter their income, expense, tax amount and charge if any and submit the form.

15. आय विवरण : (१) प्रयोक्त व्यक्ति आय वर्ष समाप्त भएको तीन महिनाभित्रमा दफा ९५, ९६ र १०० को अधीनमा रहेको भएको आय विवरण बिभागले तोभिको स्थानमा दाखिला गर्ने पर्ने।

**Scope:** To submit self-assessment of non-presumptive Income Tax (D-03). D-03 is a self declaration of income tax format for non-presumptive taxpayer (taxpayers with income more than 200000 or turnover more than 2000000).

**Responsibilities:**

The **Taxpayer** is responsible for submit self-declaration of Income Tax by filling D-03 from and verify or get verified by tax officer after the end of fiscal year.

**Verifying Officers** are responsible for ensuring the correctness and the adequacy of the information provided by the taxpayer and verifies self assessment submitted by taxpayer.

**Use Case:**

**Definitions:**

ITS-I003 Self Assessment Return (D-03)
Self Assessment Return Form (D-03): Form prescribed by Inland Revenue Department (IRD) for Tax Declaration.

PROCEDURE:

1.0 Self Assessment D-03 Steps

This part is to be done by applicant (Taxpayer).

1.1 To fill income tax details, person or company must use IRD website (www.ird.gov.np) and select Taxpayer Portal.

1.2 Click on Taxpayer Portal link will display taxpayer portal.

1.3 Expand 'Income Tax' menu by clicking on '+' sign beside Income Tax Menu.

1.4 Click on D-03 Return Entry. Following screen will be displayed.

1.5 It is necessary to obtain a submission number for each application. This submission number serves as identification number for application. To obtain submission number click ‘Get Submission No’ link and fill in following information in screen displayed below.
a. Username – Username is case sensitive. This username will be used to open application document again if application is partially filled previously. Hence applicant must note the username.

b. Password – Password is case sensitive and must be six character or more. Password will be required to open previously saved document later. Hence applicant must note the password.

c. Re-Password – Re-enter password again just to confirm previously typed password.

d. Pan No

e. Fiscal Year

f. Email-id – Type an Email Id.

g. Contact No – Type in Contact number.

h. Press ‘Register’ button at the bottom.

1.6 On pressing ‘Register’ button following screen will be displayed.

Note down submission number, username and password. Submission number will be required to print the form as well as for verification by the Tax Officer.

On pressing 'Proceed' button, the following screen will be displayed:
Basic Information like PAN, Fiscal Year, Submission No, Pan, Name, Address etc. appears by default.

If the taxpayer type is selected as clubbed natural people then following fields is required:

- **Spouse PAN(Y/N):** Click the radio button, whether spouse has pan or not press TAB key to go to next field.

- **Spouse PAN:** Enter this if tax return is claimed as clubbed in taxpayer type. Type PAN Number of the taxpayer’s spouse and press TAB key to go to next field.

- **Spouse name:** Type spouse name and press TAB key to go to next field.

Enter Auditor’s PAN if there is one. This field is required if total income exceeds 50 lakh.

Auditor’s Name is displayed automatically based on the PAN number of the auditor.

Enter Auditor’s Registration Number.
Click on Register button. Then the following screen appears.

![Image](image1.png)

Note down the Submission No. and click Enter Annex to proceed further and then following screen appears.

![Image](image2.png)

1.7 **Entering Annex5:**

Annex 5 is filled to describe the details of the business. Click on Annex 5 button to enter details of annex 5. Then the following screen appears.
Fill in the required fields. The fields in this form are as follows:
**Tax Category:** Select from the list of values what category business belongs to. Press TAB key to go to next field.

**Country:** Select country of income source from drop down menu. Press TAB key to go to next field.

**Inclusion:** Fill in the inclusion section from the income source and press TAB key to go to next field.

**Deduction:** Type deduction amount and press TAB key to go to next field.

Fill in other sections like miscellaneous, discount, deduction in loss.

Then click on submit button then the following screen appears.

Click on OK button.

1.8 **Entering Annex6:**

Annex 6 is filled to describe the details of remuneration income. Click on Annex 6 button to enter details of annex 6. Then the following screen appears.
**Inclusion:** Fill in the inclusion section from the income source and click Save button to Save the data.

### 1.9 Entering Annex7:

Annex 7 is filled to describe the details of income from Investments. Click on Annex 7 button to enter details of annex 7. Then the following screen
### Inclusion (10) (page 9 of 16)

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Dividends (Section 9.2.a)</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Gain from Investment Insurance other than final Withholding (Section 9.2.a)</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Interest other than final Withholding (Section 9.2.a)</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Rent other than final Withholding (Section 9.2.a)</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Payment for natural Resources other than final Withholding (Section 9.2.a)</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Royalties (Section 9.2.a)</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Amounts derived on Consideration for accepting a Restriction of Investment</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Retirement Payment along with Payment of Retirement Contributions on behalf</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Amounts paid to the Person in respect of Investment (Section 9.2.b)</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Amounts included by reason of Revaluation (Section 24.3)</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Amounts included by reason of Revision of Tax (Section 24.3)</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Excess Amounts received by reason of Revision of Tax (Section 24.9)</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Amounts derived as Compensation (Section 31)</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Other Amounts to be included in Profit and Gains (details attached)</td>
<td></td>
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</table>

### Deduction (11) (page 9 of 16)

<table>
<thead>
<tr>
<th>S.No.</th>
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<tbody>
<tr>
<td>11</td>
<td>Interest (Section 14)</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Repairs and Improvements (Section 14)</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Depreciation (Section 10)</td>
<td></td>
</tr>
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<td>14</td>
<td>Others than mentioned in Lines 18 to 20</td>
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### Deductible Loss (12)

<table>
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<th>S.No.</th>
<th>Description</th>
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<tr>
<td>15</td>
<td>Less of, (x + y)</td>
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</tr>
<tr>
<td>16</td>
<td>Losses transferred from other businesses and/or Investments in this year</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Carried forward of unrecorded Business Losses from previous Years</td>
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</tr>
<tr>
<td>18</td>
<td>Total (x + y)</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>Loss transferred to other investment income (only if x + y less than 0)</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Total (x + y)</td>
<td></td>
</tr>
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</table>
**Inclusion:** Fill in the inclusion section from the income source and press TAB key to go to next field.

**Deduction:** Type deduction amount and press TAB key to go to next field.

**Deductible Loss:** Type deduction amount and press TAB key to go to next field.

Fill in other sections like miscellaneous

Then click on save button to save entered data.

1.10 Entering Annex 8:

Annex 8 is filled to describe the details of Income from disposal of non-business asset.

Click on Annex 8 button to enter details of annex 8. Then the following screen appears.

Fill in the required fields. The fields in this form are as:

**Tax Category:** Select from the list of values what category business belongs to. Press TAB key to go to next field.
ISA (INCOME FROM SHARES AND ASSETS): Fill in the inclusion section from the income source and press TAB key to go to next field.

Deductible Loss: Type deduction amount and press TAB key to go to next field.

Then click on save button to save entered data.

1.11 Entering Annex 1

Annex 1 is filled for Individual PAN. System knows the PAN type and depending on PAN type will display annex 1 or Annex 2. Click on Annex 1 button to enter details of annex 1 which appears only after we enter Annex 5, 6, 7 or 8. Then the following screen appears. Rows in annex 1 are partially filled based on annex 5, 6, 7 and 8.

Fill in the required fields. The fields in this form are as:

- Retirement Fund,
- Donation, Insurance,
- Deductible Amount etc.

Then click on save button to save entered data.

1.12 Entering Annex 2

Annex 2 is filled for business PAN. System knows the PAN type and will display Annex 2 is PAN is a business PAN. Click on Annex 2 button to enter details of annex 2 which appears only after we enter Annex 5, 7 or 8 (annex 6 is not included since it is for remuneration). Then the following screen appears.
After filling required fields click on ‘save annex 2’ button then the following screen appears.

Click on OK button.

1.13 Entering Annex 10

Annex 10 is filled to claim credits such as installment payments, final tax payments, TDS, Vehicle Tax and Custom Tax. Click on Annex 10 button to enter details of annex 10. All credits must be claimed via annex 10 even is tax payment is made in RAS system.
Then the following screen appears.

![Screen capture of Annex 10]

कर दावीको क्षिप्र: This field displays the list of values like

![Credit Claim selection]

Depending upon the type of value you select from the list, it displays the dynamic form.

Enter the fields like Revenue Account No., दाखिलाको तरिका, दाखिला निर्देश नम्बर, बैंकको नाम, दाखिला मिति, दाखिला रकम etc. and click Add icon to list the added values to grid.

You can edit or delete rows in the grid by clicking Edit icon or Delete icon. When all the required data are entered, click ‘SAVE’ button to save entered data.

1.14 Entering Annex 11

Annex 11 is related to Medical Tax Credit Claim. Click on Annex 11 button to enter details of annex 11. Then the following screen appears.
Click ‘Add New’ button and add the fields like listed below:

Expense Date, Name of Service Provider, Type of Service, Expense Amount etc.

We can add multiple data but just clicking ‘Add New’ button. Then click on save button to save entered data.

1.15 Entering Annex 12

Annex 12 is related to Foreign Tax Credit Claim. Click on Annex 12 button to enter details of annex 12. Then the following screen appears.

Click ‘Add New’ button and add the fields like listed below:

Country, total Unclaimed Foreign Tax from last Fiscal year, total Foreign Tax paid this fiscal year, total foreign tax claimed this fiscal year etc.
We can add multiple data but just clicking ‘Add New’ button. Then click on save button to save entered data.

1.16 Entering Annex 13

Annex 13 was introduced in FY 2067/68 to collect balance sheet information as well as sales and purchase records above 5 lakh transaction. Then the following screen appears.
Fill in the Financial Details

If we have the financial Transaction of amount greater than Rs. 5,00,000 than we have to enter the details about it in the below which includes data like Pan, business holder’s name, Sales/Purchase/Debtors/Creditors, Amount etc. We can also upload these fields through Excel file as well, but it needs to in the format defined in the system.

We can download the excel upload sample by clicking 'View Sample' button. Click on save button to save entered data.

1.17 Submitting the Return
To submit the return, go to annex list page and press 'Finalize Submit' Button. Once submitted, return cannot be edited.

1.18 Print Return
To print the return, go to first page and press 'Print' Button.

2.0 Verification of Application
Taxpayer can verify the return themselves, if taxpayer has obtained username and password from respective tax offices for verification. If username and password is not taken then taxpayer must print the return and submit to tax officer for verification.

Effectiveness Criteria:
It takes average time to enter D-03 form and verify.

References:
None:

Revision History:

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<th>Date (DD/MM/YY)</th>
<th>Description of Changes</th>
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