

LLP COMPLIANCES AND PENALTIES

Various compliances required by the LLPs under Income Tax and the **Limited Liability Partnership Act, 2008**.

A. Annual Compliances of LLP

Every LLP registered under the provisions of the LLP Act, 2008 is required to file the following forms on the Income Tax Portal/MCA Portal:

I. Annual Return of LLP – Form 11

- Pursuant to Section 35(1) of the LLP Act, 2008 every LLP is required to file Form 11 with the Registrar of Companies within 60 days of the closing of the Financial Year i.e. by 30th May, 2019.
- Number and details partners and designated partners have to be entered into.
- *Attachments:* Details of Companies/LLPs in which the Designated Partner/Partners is a Director/partner
- To be digitally signed by the Designated Partner and certified by a practicing professional.

II. Filing of Statement of Account and Solvency- Form 8

- LLP must maintain proper books of account. The accounts may be on cash basis or accrual basis.
- Statement of Solvency (Accounts) needs to be prepared every year ending on 31st March.
- There is no prescribed format for preparation of financial returns of the LLP and therefore, the accounts are prepared in the format provided in Form 8.
- It should be noted that LLPs / FLLPs whose annual turnover exceeds Rs. 40 lakh or partner's obligation of contribution exceeds Rs. 25 lakh are required to get their accounts audited by auditor of the LLP/ FLLP mandatorily.

Tabular classification of Mandatory ROC Return of LLP

<u>Sl. No.</u>	<u>E-Form</u>	<u>Due Date</u>
1.	Annual Return (Form 11)	within 60 days of closer of financial year (<i>For F.Y. 2018-19 due date is 30-05-2019</i>)
2.	Statement of Account & Solvency (Form 8)	on or before 30th October every year (<i>For F.Y. 2018-19 due date is 30-10-2019</i>)

III. Filing of Income Tax Return

Every registered LLP shall file Income Tax Return in ITR-5 within the following specified time period:

<u>Sl. No.</u>	<u>Income Tax Return Particulars</u>	<u>Due Date</u>
1.	In case Audit is not required (<i>Those LLPs whose annual turnover does not exceeds Rs. 40 lakh or partner's obligation of contribution exceeds Rs. 25 lakh are required to file their Income Tax. They are not required to get their accounts audited by their Auditor</i>)	31 st July of every year
2.	In Case Audit is required (<i>Those LLPs whose annual turnover exceeds Rs. 40 lakh or partner's obligation of contribution exceeds Rs. 25 lakh are required to file their Income Tax. They are required to get their books audited under the Income Tax Act.</i>)	30 th September of every year
3.	LLPs Involved in International Transaction (<i>LLPs that entered into an international transaction with associated enterprises or undertook certain Specified Domestic Transactions are required to file Form 3CEB. Form 3CEB must be certified by a Chartered Accountant.</i>)	30 th November of every year

Special Note:

If any LLP is incorporated after 30th Day of September of a year the financial year may end on the 31st March of the year next following that year. *For eg. Suppose a LLP is incorporated on 03rd day of October, 2018 then such LLP can file the Form 8 and 11 after 31st Day of March, 2020. However, ITR has to be filed for the FY ended March, 2019.*

B. Basic Events Based Compliances for LLP

S. No.	Event	Compliance
1.	Appointment/Resignation of Designated Partner/Partner	Form 3 and Form 4 (As linked Forms)
2.	Name Change of LLP	Form 5
3.	Change of Registered Office	Form 15
4.	Changes in LLP agreement	Form 3
5.	Strike off name of the LLP	Form 24
6.	Application of DIN	DIR-3
7.	Change in particulars of Director	DIR-6