



Just 5 Minutes

TAXCONTM INDIA PRIVATE LIMITED



INCOME TAX

1. *Instant PAN Allotment*

The CBDT has made instant PAN (Permanent Account Number) allotment in near to real time available at free of cost. Individuals (other than minors) with a valid Aadhaar number (with updated Mobile number) can avail the PAN allotment facility.

2. *New Guidelines for SFT*

CBDT has issued new Format, Procedure and Guidelines for submission of Statement of Financial Transactions (SFT) for Dividend income and Interest Income.



INCOME TAX

3. *CBDT enhances threshold limit from Rs. 5,500 crore to Rs. 6,400 crore for CbCR*

The Central Board of Direct Taxes (CBDT) has increased the consolidated group revenue threshold to determine reporting eligibility for multinational enterprises (MNE) groups for applicability of country by country report (CbCR) to Rs 6,400 crore from earlier limit of Rs 5,500 crore. Further, the Board also clarified that once an entity has been designated to file a Master File on behalf of an international group, such designation would be for Indian and foreign entities as well.

The changes will provide relief to multinationals that follow the rules for reporting of specified transactions of constituent entities. The changes are also in line with the OECD's Base erosion and profit shifting or BEPS Action Plan 13 threshold of € 750 mn.



GST

1. *GST officers to be soon armed with real-time data on vehicles moving without e-way bills*

The Government is working on a system to soon provide report to GST officers on a real-time basis for those vehicles which are moving without e-way bills, to help intercept stuck trucks at toll plazas and check GST evasion. The tax officers would also be provided analysis reports on identifying e-way bill. EWB with no movement of goods as it would help officials identifying cases of circular trading. It would also provide reports on recycling of e-way bills for tax evasion prone commodities to help officers in identifying tax evaders.

GST

2. *New functionalities on GSTN Portal*

GSTN (Goods and Service Tax Network) had issued New Functionalities made available for Taxpayers on GST Portal

Form	Functionality made available for Taxpayers
Filing of refund application in Form GST RFD-01, by exporter of services (with payment of tax), in cases of Foreign exchange fluctuations	The system earlier validated the refund amount claimed by the exporter of services (with payment of tax), against the proceeds realised (against exports, as submitted by the claimant in form of FIRC). If the value realised mentioned in BRC/FIRC column, was less than the refund amount claimed, then such taxpayers were not allowed to file their refund application on GST Portal. This validation has now been removed and taxpayer will be able to file refund application now in such cases (As the value realised in BRC/FIRC may fluctuate due to foreign exchange fluctuations and net realisation may be less than the refund amount).

GST

Form	Functionality made available for Taxpayers
Audit related functionalities	<ul style="list-style-type: none">• All notices and report issued by tax official will be available to taxpayers under 'Additional Notices and Orders'• Taxpayer can reply to the audit notices and can upload document• Taxpayer can accept/reject/pay the liabilities, discrepancy-wise, as outlined in the Notice for Discrepancies or in Addl. Notice for Discrepancies (if any) or in Audit Report (Form GST ADT-02). <p>Taxpayers can apply for Adjournment or for extension of the date of Audit to the tax officer</p>



CORPORATE LAW

1. *CSR Clarification*

In continuation of earlier clarifications issued regarding spending of CSR Funds for Covid-19 being eligible activity, it is further clarified that spending of CSR funds for “setting up makeshift hospitals and temporary COVID care facilities” is also an eligible CSR activity.



CASE LAWS - INCOME TAX

1. *ITAT Bangalore*

The Bench has upheld an order of the first appellate authority where the CIT(A) deleted a penalty order imposing Rs. 5,000 on a Company for non-furnishing of income tax returns within the prescribed time. The authority found that the reason for delay was financial difficulties which constitute a reasonable cause to avoid penalty under section 271B of the Income Tax Act, 1961.

CASE LAWS - INCOME TAX

2. *M. Kiran Kumar v. ACIT (ITAT Chennai)*

The ITAT Chennai has held that the Income Tax Assessing Officer cannot treat Long Term Capital Gain as Bogus merely on SENI investigation report.

3. *Kiran Devi v. The Bihar State Sunni Wakf Board & Ors.*

The Supreme Court has held that the business run by Karta of HUF cannot be presumed to be Joint Family Business

CASE LAWS - INDIRECT TAX

1. *AAR rules in Amul dairy case*

It has been held by the Gujarat Authority for Advance Ruling (AAR) that flavored milk is basically 'beverage containing milk' and will attract 12% GST. Gujarat Co-operative Milk Marketing Federation Ltd, which markets dairy product under Amul brand, had approached the AAR on the taxability under the Goods and Services Tax (GST) of flavored milk which the company sells under trade name Amul Kool / Amul Kool Cafe. The applicant had submitted before the AAR that the process of the flavored milk is standardization of fresh milk according to the fat contents and then heating at certain temperature followed by filtration, pasteurization and homogenization and then mixing of sugar and various flavors and finally bottling.



CASE LAWS - INDIRECT TAX

2. *SC issues guidelines for cheque bounce cases, asks Govt to amend laws*

To ensure speedy disposal of more than 35 lakh cheque bounce cases pending in various courts, the Supreme Court gave a number of directions, including asking the Government to amend the laws to allow clubbing of multiple trials in cases filed for a same transaction against anyone.



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