

Just 5 Minutes

TAXCONTM INDIA PRIVATE LIMITED

INCOME TAX

1. *Extension of various due dates*

Particulars	Current due date	Extended due date
Income Tax return filing due date for A.Y. 2021-22: - Where no audit is applicable - Where tax audit / statutory audit / other audit under any Act are applicable. - Where Transfer Pricing provisions are applicable	31.07.2021 31.10.2021 30.11.2021	30.09.2021 30.11.2021 31.12.2021
Last date for furnishing revised / belated Income Tax return of A.Y. 2021-22	31.12.2021	31.01.2022
Due date for filing of Tax Audit report / Other Audit report under Income Tax Act for A.Y. 2021-22	30.09.2021	31.10.2021

INCOME TAX

Particulars	Current due date	Extended due date
Due date for filing of Transfer Pricing report under section 92E for A.Y. 2021-22	31.10.2021	30.11.2021
TDS Return for 4 th Qtr of F.Y. 2020-21 under rule 31	31.05.2021	30.06.2021
TDS Certificate in Form 16 under rule 31	15.06.2021	15.07.2021
Statement of Income paid or credited by an investment fund to its unit holder in Form 64C for FY 2020-21 under rule 12CB	30.06.2021	15.07.2021
Statement of Income paid or credited by an investment fund to its unit holder in Form 64D for FY 2020-21 under rule 12CB	15.06.2021	30.06.2021

INCOME TAX

Particulars	Current due date	Extended due date
TDS / TCS Book Adjustment statement in Form no. 24G for the month of May, 2021 under rule 30 and rule 37CA	15.06.2021	30.06.2021
Statement of Financial Transaction for the F.Y. 2020-21 under rule 114E	31.05.2021	30.06.2021
Statement of reportable account for calendar year 2020 under rule 114G	31.05.2021	30.06.2021
Statement of Tax Deducted from contributions paid by the trustees of approved superannuation fund for F.Y. 2020-21	31.05.2021	30.06.2021

INCOME TAX

Further, the due date for filing of Income-tax Return for the Assessment Year 2021-22 has been extended, but no relief shall be provided from the interest chargeable under section 234A if the tax liability exceeds Rs. 1 lakh. Thus, if self-assessment tax liability of a taxpayer exceeds Rs. 1 lakh, he would be liable to pay interest under section 234A from the expiry of original due dates.

Further also note that the due date for filing of TCS Statement and to furnish the TCS certificate has not been extended.

INCOME TAX

2. *LTC submission documents*

LTC deadline to submit bills/claims for benefits under the LTC Special Cash package scheme has been further extended to May 31, 2021.

3. *Exemption to hospitals for receiving cash in excess of 2 lakh*

The Central Board of Direct Taxes (CBDT) issued notification and allowed hospitals to accept cash payment in excess of 2 lakh. Exemption, applicable for a period between April 01, 2021 to May 31, 2021, would be subject to providing the permanent account number or Aadhar number of the patient or of any other person making the payment on behalf of the patient and his relationship with the patient.

GST

1. *Haryana allows Reimbursement of GST on COVID Items donation*

Haryana Government has allowed reimbursement of GST paid by companies, non-government organizations and individuals on purchase of 15 items including Covid vaccines, remdesivir injections, ventilators and oxygen cylinders.

The reimbursement of GST shall be subject to the following conditions:

- (1) Such Covid related material shall be donated free of cost to the Government of Haryana, hospitals run by State Government, or any Hospital/ Institution permitted by State Government to receive such material through Health & Family Welfare, Department, Government of Haryana.
- (2) This Scheme shall remain in force up to and inclusive of the June 30, 2021.
- (3) The Health & Family Welfare Department shall issue a certificate of such donation, which shall be submitted by such donors to the Excise and Taxation Department for claiming refund, which shall after verifying the amount of GST paid, sanction the reimbursement of GST.

GST

2. *Clarification for Time period for filing of refund application [Amendment to Rule 90(3)]*

A proviso has been inserted in Rule 90 (3) stating that the time period from filing of GST refund application (RFD 01) to issuance of deficiency memo (RFD 03) shall be excluded for computing the time period of 2 years specified under Section 54(1) of CGST Act, 2017 for filing the fresh application for refund.

3. *Regarding withdrawal of Refund*

Now, the refund application, once filed, can be withdrawn in Form GST RFD-01W any time before issuance of provisional refund sanction order in FORM GST RFD-04 or final refund sanction order in FORM GST RFD-06 or payment order in FORM GST RFD-05 or refund withhold order in FORM GST RFD-07 or notice in FORM GST RFD-08, in respect of any refund application filed in FORM GST RFD-01. Earlier, the portal didn't allow the withdrawal facility in cases where the acknowledgement in RFD-02 or deficiency memo in RFD-03 was issued by the officer.

GST

4. *Amendment in Rule 138E for e-Way Bill*

Amendment has been made in Rule 138E which restricts the preparation of e-way bill in certain cases of default. Before such amendment, e-way bill preparation was blocked in case of non-filing of return for last 2 consecutive period, either by supplier or recipient. To overcome this issue, amendment has been brought in Rule 138E wherein now e-way portal will be blocked only when supplier has not furnished his last 2 returns.

5. *No adjustment from refund against an outstanding demand [Omission in Rule 92(1)]*

The provision has been removed which required the officer to pass an order in Form RFD-07 of complete adjustment of refund against the outstanding dues. However, it is pertinent to note that Section 54(10) of CGST Act, 2017 still empowers the officer to deduct from the refund due on account of accumulated input tax credit in case of zero rated supplies without payment of tax and inverted duty structure, any tax, interest, penalty or fee or any other amount which the taxable person is liable to pay and which remains unpaid under this act or under the existing law.

GST

6. *Undertaking in lieu of bond*

GST further extended the facility of accepting undertaking in lieu of bond till June 30, 2021 to facilitate the trade during COVID-19 pandemic.

7 *Exchange rate for Goods*

The Central Board of Indirect Taxes and Customs has notified the rate of exchange of conversion of the foreign currencies into Indian currency or vice versa, with effect from 21st May, 2021, for import and export of goods via Notification No.48/2021-Customs (N.T.) dated 20th May, 2021.

8. *Time increased for revocation of registration*

The application for revocation of registration can be filed within 90 days from the date of service of cancellation order instead of 30 days

CORPORATE LAW

1. *Clarification on offsetting the excess CSR spent for FY 2019-20 - reg.*

The MCA has clarified that where a company has contributed any amount to 'PM CARES Fund' on March 31, 2020, which is over and above the minimum amount of CSR Contribution for FY 2019-20, and such excess amount or part thereof is offset against the requirement to spend for FY 2020-21 in terms of the aforementioned appeal, then the same shall not be viewed as a violation subject to the conditions that:

- a) the amount offset as such shall have factored the unspent CSR amount for previous financial years, if any;
- b) the CFO shall certify that the contribution to "PM CARES Fund" was indeed made on March 31, 2020 in pursuance of the appeal and the same shall also be so certified by the statutory auditor of the company; and
- c) the details of such contribution shall be disclosed separately in the Annual Report on CSR as well as in the Board's Report for FY 2020-21.

MISC PROVISIONS

1. *FCRA validity extended*

The Ministry of Home Affairs has extended the validity of registration certificates issued under the Foreign Contribution (Regulation) Act, (FCRA) 2010 till September 30, 2021.

CASE LAWS - INCOME TAX

1. Forex gains in personal loan not taxable: ITAT

It has been held by ITAT, Mumbai, that Forex gains in the hands of an individual arising from the repayment of an interest-free loan by his relative are not taxable. The order was given by the ITAT in an appeal filed by Aditya Shroff, where he had extended a personal interest-free loan of \$200,000 to his Singapore-based cousin under the Liberalised Remittance Scheme of the Reserve Bank of India (RBI). Given the exchange rate of Rs 45.14, the loan transaction amounted to more than Rs 90 lakh. Two years later, when the loan was repaid in May 2012, the exchange rate was Rs 56.18. Thus, Shroff received back a higher amount. The I-T officer sought to bring to tax the surplus, which aggregated to over Rs 22 lakh.

CASE LAWS - INCOME TAX

2. *Reg FTS - AAR on committed payment*

The Authority for Advance Ruling (AAR) has held that the social security, insurance, relocation expenses, paid to a foreign group company by a resident taxpayer and that were in the nature of committed and obligated payments are not Fee for Technical Services (FTS). Besides, as admitted by the applicant in the case, the administrative fee paid to XYZ is liable for tax deduction at source as FTS.

CASE LAWS - INCOME TAX

3. *ACIT Vs Gajalaxmi Steel Pvt. Ltd. (ITAT Pune)*

The ITAT has held that Income Tax addition merely based on electricity consumption formula is not sustainable. It was further held that the production of the assessee company is liable to Central Excise Duty and hence, the assessee has also maintained records and register as prescribed under Central Excise Act. Considering the judicial ratios, it is clear that no addition can be made merely on basis of electricity consumption formula.

CASE LAWS - INDIRECT TAX

1. *Roshani Sana Jaiswal Vs Commissioner of Central Taxes*

The Delhi High Court has ruled that under Section 83 of *the Central Goods and Services Tax Act*, the authorities cannot attach property including bank accounts of persons who are not "taxable persons".

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