



Just 5 Minutes

TAXCONTM INDIA PRIVATE LIMITED

INCOME TAX

1. CBDT notifies e-settlement scheme for taxpayers

The Central Board of Direct Taxes (CBDT) has notified an e-settlement scheme to settle pending income-tax settlement applications transferred to a settlement commission. The scheme will be applicable to "pending applications in respect of which the applicant has not exercised the option under sub-section (1) of Section 245M of the Act and which has been allotted or transferred by Central Board of Direct Taxes to an interim board.

2. CBDT expands Form 26AS info list; includes foreign remittances, MF buys

The income tax department has expanded the list of high-value financial transactions which would be available to taxpayers in their form 26AS by including details of mutual fund (MF) purchases, foreign remittances, as well as information in ITRs of other taxpayers. Form 26AS is an annual consolidated tax statement that can be accessed from the income-tax website by taxpayers using their PAN.



GST

1. *Companies may have to pay more taxes on intangible assets*

Some conglomerates, banks and companies may face additional taxes under the Goods and Services Tax (GST) on their intangibles, such as goodwill, brand, logo fees and even franchise fees paid by them, following a recent adjustment in tax rates. The government recently implemented rate parity between 'right to use' and 'transfer of right to use' under the GST framework, which will affect transactions where brand names are held in a separate business and subsidiaries are 'allowed' to use it for a fee. Following the move, the tax authorities may begin investigating various groups and corporations about how much their brand names and trademarks are worth and whether or not they impose GST on the amount

COMPANIES/ LLP ACT

1. Relaxation for filing LLP Form 8

The Ministry of Corporate Affairs (MCA) has provided relaxation in additional fees for filing E-form 8 LLP up to Dec 30, 2021. The due date for filing the same was Oct 30, 2021 and additional fee was Rs 100 per day for delay filing. Now there will be no additional fee imposed if form is filed by Dec 30, 2021.

2. Relaxation for filing AOC-4/ MGT 7

The MCA has provided relaxation for filing Forms AOC 4, AOC 4(CFS), AOC 4 XBRL, MGT 7 & MGT 7A for the financial year ended March 31, 2021, from additional filing fee upto Dec 31, 2021. There is additional filing fee of Rs 100/- per day for delay in filing such forms which shall not be levied if forms filed upto Dec 31, 2021.

LABOUR LAWS

1. Finance ministry approves 8.5% return on PF deposits for FY21

The Finance Ministry has given its go ahead to 8.5% rate of interest on provident fund deposit for FY 2020-21 paving way for the Employees' Provident Fund Organisation to credit the interest in accounts of over 60 million beneficiaries.

2. Seeding of UAN in ESI

As per Circular issued by ESIC dated 8/11/2021, it has been decided to capture UAN data in ESI employer module. A provision in the insurance module has been made by ICT Division wherein employer can enter UAN of IP through the module. Once the data entered by employer the same can be validated from EPFO through APIs about the authenticity and correctness when the APIs built by EPFO and ESIC.

CASE LAWS - INCOME TAX

1. *ITAT - Sopariwala Exports Pvt Ltd.*

The ITAT's Mumbai bench has held that the expense for obtaining a special number for a car is not at all a business expenditure and hence, there is no question of allowing it as a revenue expenditure or capitalizing it and allowing depreciation.

2. *ITAT - Bombay Chamber of Commerce*

It has been held by ITAT that the property held for charitable purposes, strive to promote the trade commerce and manufacturers of India without seeking to make profits for its members is a charitable purpose and denial of exemption is held to be not justified.

CASE LAWS - INCOME TAX

3. *Mantra Industries Limited v. National Faceless Assessment Centre & Ors.*

It has been held by the Bombay High Court that assessment orders passed without application of mind liable to be set aside and invite substantial costs to be imposed on such Assessing Officer (AO), which may be recovered from the concerned AOs salary and also directs the department to place such judicial orders in the career records of such AOs.

CASE LAWS – INDIRECT TAX

1. SRC Chemicals Private Limited & Anr. vs. Central Board of Indirect Taxes

The Bombay High Court has held in a landmark judgement that Non Transmission of data from GSTN to ICEGATE cannot be the basis of non-payment of GST Refund.

2. State Vs M/s Hemanth Motors

It has been held by the Karnataka High Court that since the conveyance carrying goods had reached the destination well within the expiry of the E-way bills, and only on the basis of physical verification by authorities after few hours of the expiry of E-way bill, notice under Section 129(3) of the CGST Act is not maintainable.

CASE LAWS – INDIRECT TAX

3. Supreme Court sets aside Delhi HC order on Bharti Airtel's GST refund

The Supreme Court has set aside a Delhi High Court order which allowed Bharti Airtel's plea for refund of Rs 923 crore in excess GST paid by it from July to September 2017 saying that rectification of errors and omissions is permissible only at the initial stages. The bench allowed the appeal filed by the Centre against the High Court's judgement which permitted Airtel to rectify Form GSTR-3B, GST summary return form for the period. The apex court said an assessee cannot be permitted to unilaterally carry out rectification of his returns submitted electronically in Form GSTR-3B, which inevitably would affect the obligations and liabilities of other stakeholders, because of the cascading effect in their electronic records.



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