

Just 5 Minutes

TAXCONTM INDIA PRIVATE LIMITED

INCOME TAX ACT

1. *ITR Forms notified*

CBDT has notified the forms ITR-1 to ITR-5. The ITR forms for corporates and trusts (ITR 6 and 7) will be notified later. ITR-1 form, to be filled by individuals having income up to Rs 50 lakh, has been kept broadly the same as last year. However, the assessee will have to provide information about income from overseas retirement funds while calculating net salary.

2. *Condonation for delay in filing Form 10IC*

CBDT has issued Circular condoning delay in filing Form 10-IC under Rule 21AE for Assessment year 2020-21 to claim concessional rate of tax 22% under section 115BAA of the Act. Now this Form can be uploaded up to 30.6.2022

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3. *Regarding updating UDIN*

Functionality for updating UDIN against the Audit reports submitted by CA users has been enabled at e-filing portal www.incometax.gov.in. In this regard, following may be noted

- Update UDIN functionality is applicable only for Forms submitted on or after April 2021.
- UDIN for only those Forms can be updated which are accepted by the Assessee.
- Information is correctly filled against the Form as per UDIN generated from the ICAI portal.

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4. *Salary TDS Utility on TRACES regarding*

Salary TDS Utility versions 1.7 and 1.4 are now available TRACES Portal to generate Salary TDS Certificates for F. Y. 2021-22 (A. Y. 2022-23) in Form-16 Part-A and Part-B. You may download and use this new utility to requisition Salary TDS Certificates in Form-16.

5. *CBDT amends Rules to allow Infrastructure Debt Fund to issue 'Zero Coupon Bonds'*

Rule 2F of the Income-tax Rules allows the Infrastructure Debt Fund to issue rupee-denominated bonds or foreign currency bonds. The CBDT has amended Rule 2F to allow Infrastructure Debt Fund to issue 'Zero-Coupon Bonds'. The consequential amendment has also been brought in Rule 8B, which provides guidelines for notification of zero-coupon bond.

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6. *Additional condition for filing ITR*

The CBDT has notified additional conditions under the seventh proviso to section 139(1) whereby return filing is made mandatory in case turnover from business or gross receipt from profession exceeds Rs. 60 lakh or Rs. 10 lakh, respectively. Further, return filing shall be mandatory if the amount of tax deducted and collected in case of a person exceeds Rs. 25,000 or deposit in saving bank account(s) is Rs. 50 lakh or more.

COMPANIES/ LLP ACT

1. *Amendment in Companies (Management and Administration) Rules*

The Govt. has notified Companies (Management and Administration) Amendment Rules, 2022. As per the amendment rules certain particulars of Registers, Index or Return of a member of a company namely a) Address/registered address (in case of a body corporate) b) e-mail ID c) Unique Identification Number d) PAN Number shall not be available for inspection. Further, taking extracts or copies under sub -section (3) of Section 94 of Companies Act 2013 is also not allowed

COMPANIES/ LLP ACT

2. *Nidhi Cos. to obtain and submit a declaration for commencement of business at the time of incorporation*

The Ministry of Corporate Affairs (MCA) has notified amendment to the Companies (Incorporation) Rules, 2022, providing that in case of incorporation of a Nidhi company, it shall be required to obtain a declaration from Govt. before commencing the business and submit the declaration at the time of incorporation of the company. Form INC - 20A has been amended to capture details relating to the approval received from Govt.

CASE LAWS - INCOME TAX

2. *Non-appearance in response to e-notice, a bonafide mistake*

The Mumbai Bench of ITAT, consisting of members G.S. Pannu (President) and Vikas Awasthy (Judicial Member), has ruled that non-compliance by the assessee of a notice issued electronically under Section 142(1) of the Income Tax Act, 1961 in the first year of transition towards an online and digital interface by the revenue department, is not deliberate and is a bonafide mistake and deleted penalty-imposed u/s 272A(1)(d) of the Income Tax Act, 1961.

CASE LAWS - INCOME TAX

1. *ACIT vs. Celerity Power LLP (ITAT Mumbai)*

It has been held that the conversion of a company into LLP constitutes a "transfer". If the conditions of s. 47(xiiiib) are not satisfied, the transaction is chargeable to 'capital gains' u/s 45. If the assets and liabilities of the company are vested in the LLP at 'book values' (cost), there is in fact no capital gain. It was further held that the argument that u/s 58(4) of the LLP Act, the LLP is entitled to carry forward the accumulated losses & unabsorbed depreciation of the company, notwithstanding non-compliance with s. 47(xiiiib) is not acceptable.

CASE LAWS – COMPANIES ACT

1. *State of Gujarat v. Bio Deal Laboratories (P.) Ltd.*

It has been held that where order of sanctioning scheme of amalgamation by Company Court was subject to approval to be granted by BIFR, period of one year for purpose of stamp duty would have to be reckoned from date of sanction by BIFR and not date of sanction by Company Court.

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