

Just 5 Minutes

TAXCONTM INDIA PRIVATE LIMITED

INCOME TAX ACT

1. *Tax reassessment: Supreme Court sets aside HC orders, revives show-cause notices*

The Supreme Court has held that the reassessment notices issued under the unamended Section 148 of the Income Tax Act on or after April 1, 2021, will not be deemed to be invalid just because they were issued under the old law. While modifying the relevant orders of various high courts that quashed the reassessment notices issued under the Section after the cut-off date, the Supreme Court said that these notices will be deemed as show-cause notices issued to the respective assesseees under the new Section 148A of the Act.

2. *New Concept ITR filing upto 24 months*

The Finance Act, 2022 has introduced a new concept of updated return, wherein it allows up to 24 months to file the return of income. The CBDT has notified a new Rule 12AC and new Form ITR-U for filing of such updated return of income. Accordingly, in the financial year 2022-23, a person can file an updated return for AY 2020-21 and AY 2021-22.

1. Annual Aggregate Turnover (AATO) computation for FY 2021-22

The functionality of AATO for the FY 2021-22 has been made live on taxpayers' dashboards with the following features:

- a) The taxpayers can view the exact AATO for the previous FY.
- b) The taxpayers can also view the Aggregate Turnover of the current FY based on the returns filed till date.
- c) The taxpayers have also been provided with the facility of turnover updation in case taxpayers feel that the system calculated turnover displayed on their dashboard varies from the turnover as per their records. This facility of turnover update shall be provided to all the GSTINs registered on a common PAN.

LABOUR LAWS

1. *Resuming Creche Facilities in Karnataka*

The Government of Karnataka vide notification no. 2/115/2021-2022 has asked all factories to resume the Creche facilities, which were restricted during the pandemic, abiding with COVID measures.

2. *Intl Workers to withdraw PF after the age of 59 yrs.*

The EPFO has issued a circular clarifying that international workers from Non-SSA countries are eligible for withdrawal of their provident fund accumulations on retirement from services in EPF covered establishments after attaining the age of 58 years.

3. *Disclosure of Principal employer on portal*

The EPFO has issued another circular providing additional functionality to the contractor establishment for declaring its principal employers in the EPF portal. Further, the Zonal Offices are required to ensure the registration of principal employer and their contractors.

LABOUR LAWS

4. *PTWB Update*

The last date of filing of return in Form-III, under section 6 of West Bengal State Tax on Professions, Trades, Callings and Employments Act,1979, for the year ended on the 31st March 2022 has been extended as under

Period in respect of which return is required to be furnished	Last date of transmission of data electronically of that return	Last date of transmission of data electronically of that return as specified now	Last date of furnishing paper form of that return as specified now
Y.E. 31.03.2022	30.04.2022	31.05.2022	07.06.2022

CASE LAWS - INCOME TAX

1. *ACIT vs. RJ Corp Ltd (ITAT Delhi)*

It has been held that where the assessee bought and sold shares of groups concerns with a view to book loss and off-set the capital gains from another transaction does not mean that the loss can be treated as bogus if the documentations are in order. The loss cannot be treated as "speculation loss" under the Explanation to s. 73 because the shares were held as investments

2. *In the case of Shri Yogiraj Jaichand Makar*

The Income Tax Appellate Tribunal (ITAT), Mumbai bench has held that the Short Term Capital Loss on which STT was paid, can be adjusted against the Short Term Capital Gain on which STT was not paid.

CASE LAWS - INCOME TAX

3. *Standard Chartered Bank Vs. Deputy Director of Income Tax (International Taxation)*, 27.01.2021 (ITAT - Mumbai)

It has been held that the provision of section 50C can be applied in the year in which provisions of section 45, 48 r/w section 2(47) are triggered. In view of the fact that the agreement to sell the property was entered into during the period relevant to AY 2004-05 and the capital gain on sale of property has already been charged to tax by the AO in the AY 2004-05 and therefore AO was not justified in reopening the assessment for AY 2005-06 and making addition by applying section 50C.

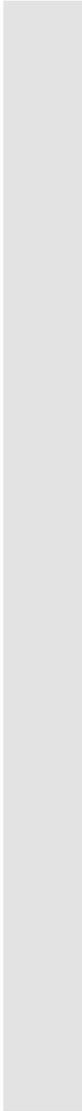
CASE LAWS - INDIRECT TAX

1. *Authority for Advance Rulings, Maharashtra Indiana Engineering Works (Bombay) (P.) Ltd.*

It has been held that the amount of electricity and water charges paid at actuals by licensee is for effective enjoyment of rented premises. Reimbursement of charges are in nature of incidental expenses and are includible in value of supply and are to be considered as transaction value for purpose of levy of tax.

2. *Authority for Advance Rulings, Maharashtra Sir J J College of Architecture Consultancy Cell*

It has been held that where applicant entered into an agreement with city municipal corporation established under Municipality Act, to provide comprehensive architectural services, applicant is entitled for exemption under Sl. No. 3 of Notification No. 12/2017-Central Tax (Rate) as supply is to a local authority.



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