

Just 5 Minutes

TAXCONTM INDIA PRIVATE LIMITED

INCOME TAX ACT

1. Application for condonation of delay in filing Form 10B

The Central Board of Direct Taxes has issued Circular for authorizing the Commissioners of Income-tax to admit applications of condonation of delay in filing Form No. 10B for AY 2018-19 or for any subsequent Assessment Years where there is delay of up to 365 days and decide on merits.

2. Mandated electronic filing of certain forms

The CBDT has mandated the electronic filing of certain forms, returns, statements, reports, and orders under the Income-tax Act. Form 3CEF, Form 10F, Form 10IA, Form 3BB, etc. are certain forms that shall be furnished electronically and shall be verified in the manner prescribed under Rule 131(1).

INCOME TAX ACT

3. Allotment of PAN alongwith with LLP incorporation

The CBDT has notified the procedure for application and allotment of PAN through simplified proforma for newly incorporated LLPs electronically, in continuation with Ministry of Corporate Affairs' notification dated 04.03.2022, notifying Common Application Form in the form of simplified proforma for incorporating LLPs. Now, similar to new companies, the LLPs will also be issued the PAN alongwith the incorporation.

4. Filing of ITR -6 is enabled

ITR-6 is now enabled for e-filing using third party utility. Department Utility for preparing and filing of ITR-6 for AY 2022-23 will be released shortly. Once prepared, you can upload the JSON at Income-tax website.

GST

1. Mandatory E-invoicing with Rs. 5 Crore sales from January.

The GST e-invoicing will likely be mandatory for firms with a turnover of over Rs 5 crore from January 1, 2023, down from the current threshold of Rs 20 crore to further plug leakages, ensure better compliance and policy formulation.

COMPANIES ACT

1. Launch of MCA21 V3 Portal & phasing out few forms

The Ministry of Corporate Affairs (MCA) is going to launch the first set of Company Forms on the MCA21 V3 portal, on Aug 31, 2022. Following forms will be rolled-out in this phase: DIR3-KYC Web, DIR3-KYC Eform, DPT-3 DPT-4, CHG-1, CHG-4, CHG-6, CHG-8 & CHG-9. To facilitate implementation, the following should be noted:

- Company e-Filings on V2 portal will be disabled from Aug 15, 2022, 12:00 A M for the above 9 forms.
- Offline payments for the above 9 forms in V2 using Pay later option would be stopped from Aug 07, 2022, 12:00 AM.

COMPANIES ACT

2. Clarification on spending of CSR funds for “Har Ghar Tiranga” Campaign

In the general circular for clarification on the spending of CSR funds for the ‘Har Ghar Tiranga’ campaign, the Ministry of Corporate Affairs aimed to invoke the feeling of patriotism in the hearts of the people and to promote awareness about the Indian National Flag, included the following activity under the CSR:-

“Mass scale production and supply of the National Flag, Outreach and amplification efforts and other related activities are eligible CSR activities under item no. (ii) of Schedule VII of the Companies Act, 2013 pertaining to the promotion of education relating to culture.”

CASE LAWS - INCOME TAX

1. CIT (Exemption) v. Sanskriti Sagar

It has been held that Section 12AA registration cannot be cancelled just because it received a donation from an entity providing accommodation entry.

2. PCIT v. ERA Infrastructure (India) Ltd.

Delhi High Court dismisses Revenue's appeal, holds amendment to Section 14A by Finance Act, 2022 on disallowance of expenditure in absence of exempt income to be applicable prospective, despite being inserted for removal of doubts. Opines that "the amendment of Section 14A, which is "for removal of doubts" cannot be presumed to be retrospective even where such language is used, if it alters or changes the law as it earlier stood.

3. Sujan Azad Parikh Vs DCIT (ITAT Mumbai) Appeal Number

It has been held that the Capital gain not payable on partition or family settlement.

CASE LAWS – INDIRECT TAX

1. Supreme Court directs re-opening of GSTN portal permitting filing of transition credit forms for limited period

By a recent order, the Supreme Court has disposed off a batch of 400 appeals arising from various High Courts on Forms TRAN - 1 and 2 related issues by passing a common order. Through this order, it has directed the re-opening of the GST Network (GSTN) portal for a 60-day period to allow all registered taxpayers who wish to avail transitional credit or to revise already filed forms. It has also allowed the tax officer to verify the claims as filed and process the same within 90-days

2. Vax administration by hospitals can be taxed

The Andhra Pradesh AAR has held that the proper administration of the vaccine by technically qualified personnel, as prescribed by government guidelines, becomes ancillary supply, which involves a 'service charge'. Hence, the taxability of the total transaction in the instant case is based on the tax rate of the principal supply, i.e., the sale of vaccine, having 5% GST.

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