



Just 5 Minutes

TAXCONTM INDIA PRIVATE LIMITED

INCOME TAX

1. *Reintroduced indexation provision for real estate properties*

The Government has proposal to amend the provision introduced in Budget 2024 of withdrawing indexation. The revised provision offers taxpayers a choice between a lower tax rate of 12.5% without indexation or, a higher rate of 20% with indexation for immovable properties acquired before July 23, 2024. However, this provision will be applicable only for resident individuals and HUFs. The NRIs and companies have been kept out of this. Further, loss due to indexation is not allowed to be set-off against other assets or carry forward to future years.

GST

- 1. ISD provisions (section 11 and 12 of Finance Act 2024) will be effective from 1st April 2025*
- 2. Detailed Manual and FAQs on filing of GSTR-1A*

As per the directions of the Government vide notification no. 12/2024 dt 10th July 2024, Form GSTR-1A has been made available to the taxpayers from July 2024 tax period. GSTR-1A is an optional facility to add, amend or rectify any particulars of a supply reported/missed in the current Tax period's GSTR-1 before filing of GSTR-3B return of the same tax period. GSTR-1A shall be open for the taxpayer after filing of GSTR-1 of a tax period or after the due date of GSTR-1 whichever is later. A Detailed manual for filing of GSTR-1A and related FAQs have also been issued

COMPANIES ACT

1. *Centre mandates e-mode for adjudication of penalties*

The MCA has amended the Companies (Adjudication of Penalties) Rules, 2014, by inserting a new Rule 3A, "Adjudication Platform." Now, all proceedings (including issuing notices, filing replies or documents, presenting evidence, holding hearings, attending witnesses, passing orders, and paying penalties) of the adjudicating officer and Regional Director under these rules shall be conducted electronically through the e-adjudication platform developed by the Central Government, w.e.f. September 16, 2024.

2. *Allows directors to update number and email id*

The MCA has notified an amendment to Rule 12A of the Companies Act (Appointment and Qualifications of Directors) Rules, 2014, relating to Director's KYC. A new proviso has been added, which states that if an individual intends to update his personal mobile number or email address against at any time during the FY he shall update the same by submitting an e-form DIR-3KYC on payment of fee of Rs 500/-

CASE LAWS - INCOME TAX

1. *Chennai ITAT*

The Chennai bench of the Income-tax Appellate Tribunal (ITAT) has held that the consideration received in lieu of information technology (IT) support services rendered by a foreign company to its Indian group of entities is not taxable as fees for included services (FIS) in India under Article 12(4) of the India-USA Double Taxation Avoidance Agreement (DTAA).

2. *Kunj Bihari Lal Agarwal v. Principal CIT*

The Honourable Rajasthan High Court has held that Principal CIT being quasi-judicial authority can grant the orders of deposit of lesser amount than 20% in case of assessee's request for grant of stay of disputed demand till disposal of appeal after considering the hardships stated by the assessee in the stay application. It was also held that the order should be reasoned and speaking.

CASE LAWS - INCOME TAX

3. *Sengoda Gounder Educational and Chritable Trust v. ITO, TDS (Madras)*

It has been held that where an assessee had belatedly remitted TDS amount, due to fact that concerned staff who was looking after accounts left concern on maternity leave, however, assessee had subsequently rectified delay and remitted tax amount, proceedings under section 276B read with section 278AA were to be quashed.

4. *Al-Jamia Mohammediyah Education Society v. CIT (Exemption)*

It has been held that where assessee Trust belatedly submitted Form 10B alongwith return on account of oversight by their Chartered Accountant, and filed application for condonation of said delay, since assessee has been filing its returns and Form 10B of subsequent years within due dates, delay ought to be condoned as it was due to human error lacking any malafide intension.

CASE LAWS - INDIRECT TAX

1. *In Access Healthcare Services Private Ltd (GST AAR Tamil Nadu)*

It has been held that ITC is not blocked on the renting of motor vehicles to provide transport facilities to women employees working between 8.00 PM to 6.00 AM as it is obligatory for an employer to provide the same to its employees under the law for the time being in force (Tamilnadu Shops and Establishment Act)

CASE LAWS - COMPANIES ACT

1 *Asset Auto India Pvt. Ltd. and Ors. Vs. The Union of India and Ors.*

It has been held by the Bombay High Court that the phrase “may” used in Section 233(5) of the Companies Act, 2013 will have to be construed as mandatory. It is mandatory for the Central Government to make an application before the Tribunal/NCLT and get adjudication if Merger or Amalgamation Scheme is not in public interest or in the interest of the Creditors.

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