



Just 5 Minutes

TAXCONTM INDIA PRIVATE LIMITED



INCOME TAX

1. *Change in TDS Rates*

As per the Finance Act, 2024, the Tax Deducted at Source (TDS) rates has been changed from October 1, 2024.

- ▶ **Section 194DA:** Payments in respect of life insurance policies will see a reduction in TDS from **5% to 2%**.
- ▶ **Section 194H:** Commission or brokerage payments will also be reduced from **5% to 2%**.
- ▶ **Section 194-IB:** Payments of rent by certain individuals or Hindu Undivided Families (HUF) will be lowered from **5% to 2%**.
- ▶ **Section 194M:** Payments of certain sums by specific individuals or HUFs will be reduced from **5% to 2%**.
- ▶ **Section 194-O:** For e-commerce operators, the TDS rate for payments to e-commerce participants will decrease from **1% to 0.1%**.



INCOME TAX

2. *Timeline extended for Tax Audit Report to October 7, 2024*

Considering the difficulties faced by taxpayers and other stakeholders in electronically filing various audit reports for Assessment Year 2024-25 under the Income Tax Act, the CBDT has extended the due date for filing tax audit reports for AY 2024-25 from September 30, 2024 to October 07, 2024.

GST

1. Enforcement date for changes proposed in GST Council Meeting

CBIC has issued a Notification No. 17/2024-Central Tax dated September 27, 2024 regarding appointment of date for enforcement of various amendments proposed by GST Council. Some them are as below:-

Particulars	Effective date of Enforcement
Inclusion of Reference to New Section 74A	November 1, 2024
Government Empowered to Regularize Non-Levy or Short-Levy of Tax Due to Trade Practices	November 1, 2024
Provide Time of Supply for Reverse Charge Services	November 1, 2024
Allows input tax credit for specified financial years up to November 30, 2021, and for revoked registrations, with certain conditions.	September 27, 2024
Restriction on ITC Denial for Tax Paid under Section 74 upto 2023-24 and Removal of References to Sections 129 & 130	November 1, 2024

GST

Particulars	Effective date of Enforcement
Provision for Prescribing Time Limit for Invoices under Reverse Charge Mechanism	November 1, 2024
Mandatory Monthly Electronic Return Filing for TDS Deductors	November 1, 2024
No Refund of ITC for Zero-Rated Supplies Subject to Export Duty	November 1, 2024
Authorized Representative Allowed to Appear for Summoned Person	November 1, 2024
New Provisions for Tax Determination and Demand Notices from FY 2024-25 Onwards	November 1, 2024
Revisions to Appeal Filing Deadlines, Departmental Appeals, and Pre-Deposit Requirements for Appellate Tribunal	November 1, 2024
Conditional Waiver of Interest and Penalty for Select Demands under Section 73 (FY 2017-18 to 2019-20)	November 1, 2024
Empowering Government on Anti-Profitteering Cases and Appellate Tribunal Involvement	September 27, 2024



GST

2. *Restoration of GST Returns data on Portal*

The Government has issued advisory regarding the archival of return data from the Common Portal after seven years. This data was archived in line with data archival policy. Data archival process was implemented on a monthly basis. Consequently, the return data for July, 2017 and August, 2017 was archived on 01st August and on 01st September respectively.

However, in view of the requests received from the trade due to the difficulties faced, data has been restored back on the portal. We recommend you to download and save the data if needed, as the archival policy shall be implemented again after giving advance information.



COMPANIES ACT

1. Due date for filing Form CSR-2 for FY 2023-24

The MCA has amended the Companies (Accounts) Rules, 2014 providing that the due date for filing Form CSR-2, for the financial year 2023-2024, companies are required to file Form CSR-2 separately by Dec 31, 2024, after the submission of Form AOC-4, Form AOC-4-NBFC (Ind AS), or Form AOC-4 XBRL as applicable.



LABOUR LAW

1. *Advisory regarding in respect of Payment of Bonus to Outsourced Workers*

The Labour Department, NCT of Delhi has released an advisory in respect of Payment of Bonus to Outsourced Workers that the bonus is payable within 8 months of the close of accounting year, however, it is customary to pay bonus before Deepawali. Section 10 of the Act provides for a minimum payment bonus of 8.33% of the basic and dearness allowance to the employees/workers.

The said Act is applicable on establishment having 20 or more workers on any day during the accounting year and is applicable on all Private establishments and also establishments set up by State Government.

CASE LAWS - INCOME TAX

1. *Mahesh Chittubhai Patel Vs. ITO(International Taxation)*

It has been held that assessee having explained the source of cash deposit in his NRO bank account on the basis of the previous withdrawals made from his other two bank accounts which were retained over a long period for meeting any emergency needs of his ailing mother and the AO having not brought any material on record indicating that the assessee had spent the said amount elsewhere, impugned addition u/s 69A made by the AO by treating the cash deposits as unexplained money is not sustainable.

2. *Royal Twinkle Star Club (P) Ltd Vs. DCIT,*

It has been held that in view of the fact that the scheme floated by the assessee as part of its business of selling holidays plans to its customers have been held to be in the nature of collective investment scheme by SEBI. The Non-Availing Compensation paid by the assessee to its members was considered as interest on deposits. The deposits received from the members cannot be treated as revenue receipts in the hands of the assessee. The same is in the nature of capital receipt and therefore it is to be reduced while calculating the total income of the assessee.



CASE LAWS – INDIRECT TAX

1. *Chief Commissioner of CGST & Ors. v/s M/s Safari Retreats Private Ltd. & Ors.*

The Supreme Court in this case has marked a significant interpretation of Section 17(5)(d) of the CGST Act. This section generally disallows claiming Input Tax Credit (ITC) for the construction of immovable property, except for plant and machinery. However, the Court introduced a broader interpretation by allowing the possibility that a building could qualify as a “plant” if its construction is essential to the business of leasing or renting.

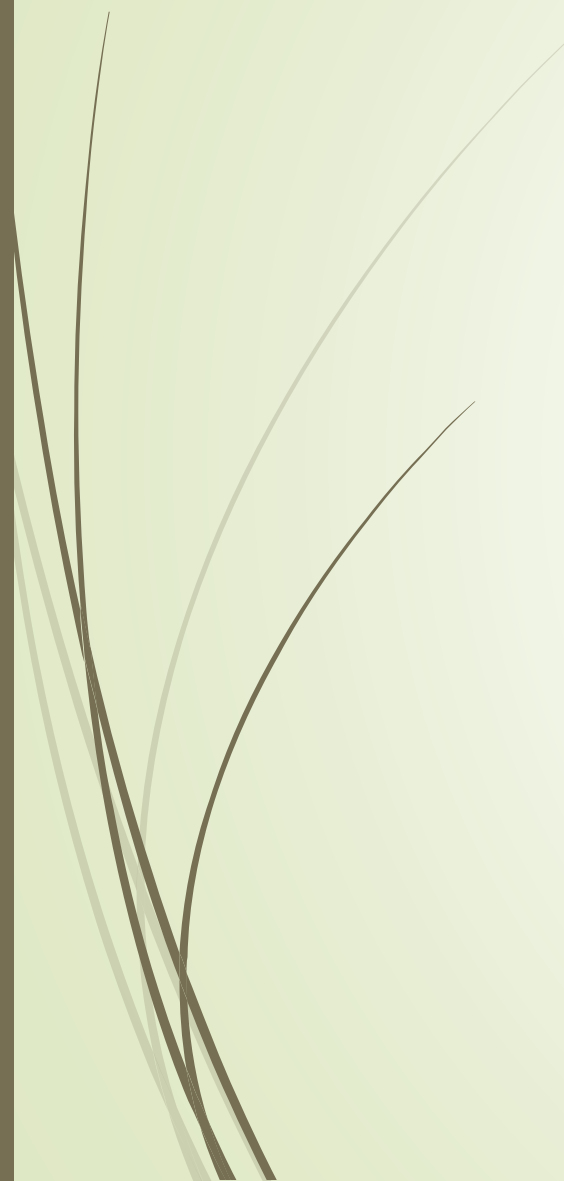


New Service.....Sustainability, ESG & BRSR

TaxCon now also offers services on Sustainability audits and consulting for your organisational needs (including Business Reporting and Sustainability Reporting [BRSR] - from SEBI). Just 5 minutes will carry the relevant updates from time to time.

The BRSR, was notified on 5th May, 2021. Further, SEBI introduced the format of BRSR and the guidance note to enable the companies to interpret the scope of disclosures. From FY 2022-23 onwards, the top 1000 listed entities have to submit BRSR mandatorily.

If you have any specific queries on Sustainability/ ESG or BRSR topics, do reach out to tls@taxconindia.com



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