



Just 5 Minutes

TAXCON® INDIA PRIVATE LIMITED



INCOME TAX

1. All Charitable entities to apply for renewal of registration by 30.09.2025

If the existing registration under the Income Tax Act is going to expire on 31.03.2026 (AY 2026-27), and as per the amended provisions of the Act, the application for renewal is to be made six months before the expiry of the existing registration, i.e. by Sept 30, 2025.

Prior to the amendment made by the Finance Act, 2020, the registration granted to a Charitable or Religious Trust or Institution was perpetual in nature. This means that once registration was granted, the said registration could continue indefinitely unless specifically withdrawn by the authorities.

2. Extension of due date for TAR

The Central Board of Direct Taxes (CBDT) has extended the due date for furnishing the report of audit under any provision of the Income-tax Act, 1961 for the Assessment Year 2025-26. The due date is extended to October 31, 2025.



INCOME TAX

2. *Reg. correction statements for previous FYs*

The Income Tax Department has issued an advisory saying that you can only file TDS and TCS correction statements for Q4 of FY 2018-19 to Q3 of FY 2023-24, until March 31, 2026. So, if your bank, employer, property buyer, or anyone else deducted the wrong TDS or deposited the right TDS amount with incorrect details in the challan, you need to ask for a correction maximum by March 31, 2026. After that date, you will lose your TDS credit and will have to pay tax again. If you don't settle your tax liability, you may end up receiving a tax notice.

4. *Waiver of interest u/s 220(2)*

CBDT observed that the Section 87A rebate was wrongly allowed on incomes taxed at special rates. In such cases, rectifications have to be carried out to disallow such a rebate, and such rectifications will result in demands being raised. The CBDT, in exercise of its powers conferred under section 119, directs that the interest payable under section 220(2) shall be waived in such cases where the payment of the demands raised is made on or before Dec 31, 2025.

GST

1. Category of registered person not allowed for refund

The following category of registered persons shall not be allowed refund on provisional basis:

- a) Any person, who has not undergone Aadhaar authentication under rule 10B;
- b) Any person, who is engaged in the supply of the following goods:

S.No.	Chapter/ Heading/ Sub-heading/ Tariff item	Description of Goods
1	0802 80	Areca nuts
2	2106 90 20	Pan masala
3	24	Tobacco and manufactured tobacco substitutes
4	3301	Essential Oils

This notification shall come into force with effect from the 1st day of October, 2025



GST

2. *W.r.t. re-labelling revised MRP on medicines*

In order to the difficulties faced in re-labelling the medicines with new MRP due to revised GST rates, the National Pharmaceutical Pricing Authority (NPPA) has issue clarification, that the manufacturers/ marketing companies shall issue revised price list or supplementary price list, in Form V/VI, to dealers and retailers for display to consumers, and to State Drug Controllers and the Government, reflecting the revised GST rates and revised MRP.



COMPANIES ACT

1. Extension for holding general meetings through VC/ OAVM

The MCA has further provided the general extension for holding the Annual General Meeting and Extra Ordinary General meetings through Video Conferencing (VC) and Other Audio-Visual Means (OAVM), till further orders are issued in this regard, in accordance with the requirements laid down in para 3 & 4 of the General Circular No 20/ 2020 dated May 05, 2020.

CASE LAWS -INCOME TAX

1. *Form 16, Form 16A and Form 26AS are not the be-all and end-all in Taxation*

ITAT Ahmedabad in the case at hand, under a severance package the employer contributed ₹20 lakhs to LIC to purchase an annuity for the future benefit of the employee. The employer, treating it as perquisites under section 17(2)(v), included the amount in Form 16. The employee, however, did not offer this sum in the return of income but instead chose to tax the annuity receipts as and when they accrued—beginning four years later. The employee contended that taxing the upfront contribution as well as the subsequent annuity receipts would amount to double taxation.

ITAT held that since the employee had not acquired any vested or enforceable rights in the present over the ₹20 lakhs in the relevant year, the amount was not taxable then only on the basis of Form 16. Consequently, the addition was deleted.



CASE LAWS -INCOME TAX

2. *Lowe's Services India (P.) Ltd. v. DCIT*

It has been held that where assessee contributed to charitable trusts and claimed deduction under section 80G, and donations were not to Swachh Bharat Kosh or Clean Ganga Fund, deduction under section 80G of CSR expenditure was to be allowed.

3. *Vedanta Ltd. v. DCIT (Intl. Taxation)*

It has been held that where assessee was treated as 'assessee-in-default' for payments made to non-resident without deduction of tax at source, since orders under section 201 and 201(A) were passed beyond six years from end of relevant financial year, same were barred by limitation and liable to be set aside.

Greenhouse gas Emission Intensity (GEI) reduction targets for two years, beginning 2025-26

India's Ministry of Environment, Forest and Climate Change recently came out with a draft notification setting greenhouse gas emission intensity (GEI) reduction targets for two years, beginning 2025-26, covering 282 obligated entities in various sectors such as aluminium, cement, pulp & paper and chlor-alkali. GEI means Greenhouse Gases Emission Intensity in tCO₂e/equivalent output or product.

Key Highlights of the Rules

GEI Targets Calculation: As per Bureau of Energy Efficiency's methodology, specific to each obligated entity as listed in the Schedule.

Compliance Requirements for Obligated Entities: They must meet GEI targets annually as per the Carbon Credit Trading Scheme, 2023.

May also purchase carbon credit certificates from the Indian Carbon Market (ICM) to offset shortfalls.

Environmental Compensation: To be imposed by the Central Pollution Control Board (CPCB), equal to twice of the average price at which carbon credit certificate is traded in the compliance year, payable within 90 days.

Legal Backing: Non-compliance or rule violations is addressed under the Environmental Protection Act, 1986. Objections or suggestions to the draft notification, if any, may be addressed to the Joint Secretary, Ministry of Environment,

Forest and Climate Change, Indira Paryavaran Bhawan, Jor Bagh Road, New Delhi - 110003, and may be sent to

e-mail id: ccts.hsm-moefcc@gov.in

It may be noted that the said notification shall be taken into consideration on or after the expiry of a period of sixty (60) days from the date of publication of the draft in the official Gazette.

Fortnightly Update No : 445th

Disclaimer: This is for private circulation only. Every effort has been made to provide the correct information for the facility of our clients. Specific advice/clarification should be obtained in case there is any doubt relating to the aforesaid