

RECENT UPDATES IN DIRECT TAX FOR COVID TREATMENT

TEAM TRD

Direct Tax

Sec 269ST Relaxation on Cash Payment of More than Rs 2 Lakhs Made to Hospitals, Dispensaries, Nursing Homes, Covid Care Centres or Similar Other Medical Facilities Providing Covid Treatment:

Generally, Section 269ST lays down that no person shall receive an amount of Rs. 2Lakhs or more in aggregate from a person in a day; or in respect of a single transaction; or in respect of transactions relating to one event or occasion from a person, otherwise than by an account payee cheque or an account payee bank draft or use of electronic clearing system through a bank account or through such other electronic mode as may be prescribed.

However, The Central Government, [in exercise of powers conferred by clause (iii) of Proviso to Section 269ST of the Income-tax Act, 1961] has provided relaxation in the above provisions that **Hospitals, Dispensaries, Nursing Homes, Covid Care Centres or similar other medical facilities providing Covid treatment to patients for the purpose of Section 269ST of the Income-tax Act, 1961 in case of payment received in cash during 01.04.2021 to 31.05.2021, on obtaining the PAN or AADHAAR of the patient and the payee** and the relationship between the patient and the payee by such Hospitals,

